

HELLA

Annual report 2024



FORVIA



Key performance indicators

Key performance indicators in € million or %	2024	2023
Currency- and portfolio-adjusted sales	8,060	7,954
Reported sales	8,025	7,954
Operating income	446	486
Operating income margin	5.6%	6.1%
Earnings before interest and taxes (EBIT)	470	464
EBIT margin	5.9%	5.8%
Earnings for the period	371	266
Earnings per share (in €)	3.18	2.38
Net cash flow	189	205
Ratio of net cash flow to reported sales	2.4%	2.6%
Research and development expenses	803	809
R&D ratio	10.0%	10.2%
Capital expenditures	665	620
Capital expenditure ratio	8.3%	7.8%
Net financial liquidity / debt	213	-56
Equity ratio	43.4%	41.0%
Dividend proposal	0.95	0.71
Permanent employees (as at 31 December)	36,413	37,773

Since the fiscal year 2024, Beijing Hella BHAP Automotive Lighting has been fully consolidated in HELLA's financial position, financial status and results of operations after its shareholders agreed on the continuation and strategic development of the company.

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HELLA at a glance

HELLA is a listed, internationally positioned automotive supplier. As a **company of the FORVIA Group**, HELLA stands for high-performance lighting technology as well as vehicle electronics and, with its Lifecycle Solutions Business Group, also covers a broad service and product portfolio for the spare parts and workshop business as well as for manufacturers of special vehicles.

Facts & Figures Fiscal Year 2024

€8.1 bn
adjusted sales

Consolidated sales reported _____ **€8.0 bn**

Operating income margin _____ **5.6%**

Research & development ratio _____ **10.0%**

Global reporting staff _____ **36,413**

The Business Groups

Total sales of the Business Groups before consolidation in the fiscal year 2024
(1 January to 31 December 2024)



Lighting

HELLA made it big with vehicle lighting. Today, the product portfolio of the Lighting Business Group includes headlamps, rear combination lamps, car body lighting as well as interior lighting. It particularly focuses on the development of future-relevant technologies and functions. This includes high-resolution, software-controlled headlamps that realise new safety and comfort functions.

Electronics

HELLA entered the electronics business with lighting electronics. Since then, the Company has long been a comprehensive solution provider for vehicle electronics. The product portfolio consists of the product lines of Automated Driving, Sensors and Actuators, Body Electronics and Energy Management. These electronics solutions help make mobility safer, more efficient and more comfortable.

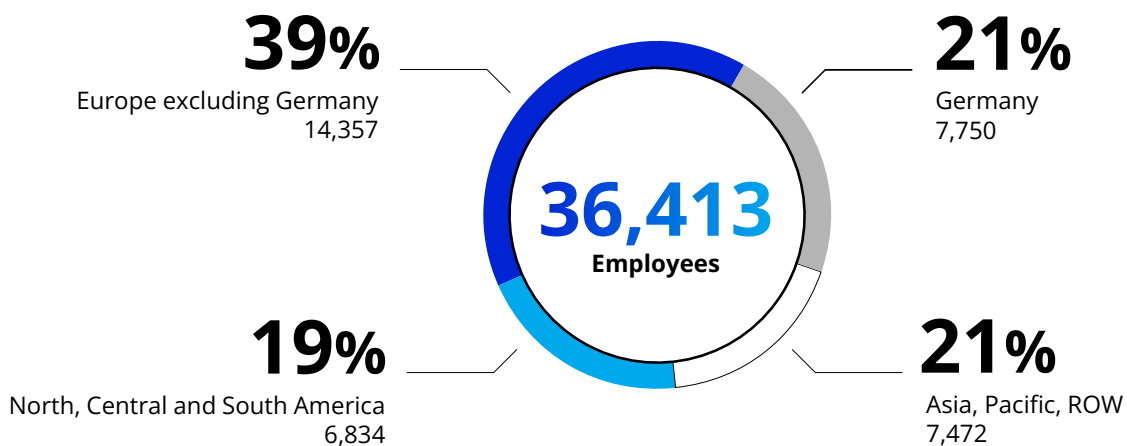
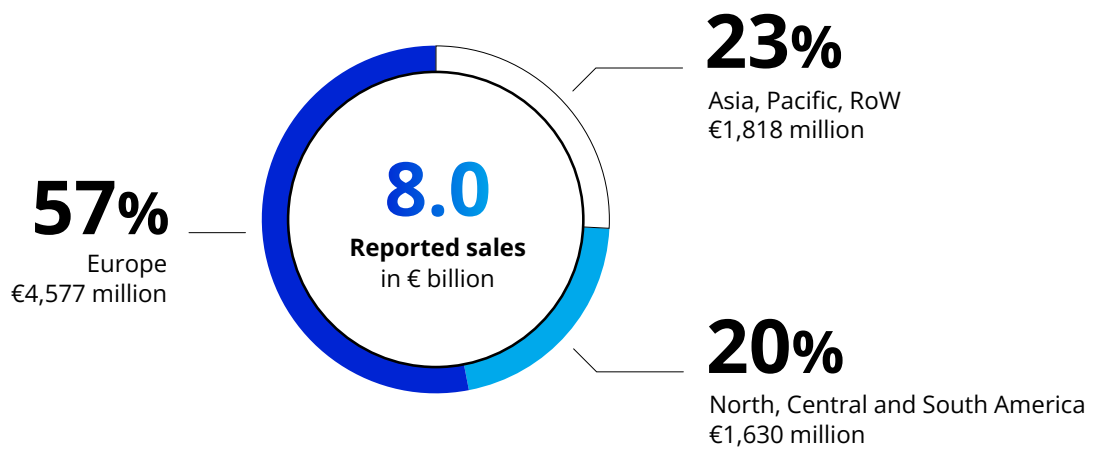
Lifecycle Solutions

In the Lifecycle Solutions Business Group, HELLA develops, produces and distributes products for the independent parts trade and for workshops. HELLA also serves a wide range of other customer groups in this Business Group, including manufacturers of agricultural and construction vehicles, buses, trucks and trailers, as well as customers in the municipal and marine sectors.

Regional positioning

Sales in the fiscal year 2024 (1 January to 31 December 2024)

Employees in the core workforce (as of 31 December 2024)





Bernard Schäferbarthold
CEO

Foreword

Dear Shareholders,

We have just come through an extremely challenging fiscal year – not just for us, but for the automotive industry as a whole. Instead of largely maintaining the prior year's level, as forecast a year ago, global light vehicle production has declined. The automotive market in Europe in particular has fallen short of original expectations; contrary to previous assumptions, around half a million vehicles were not produced in this region alone. In addition, there were customer and product mix effects, postponements of new series launches on the customer side and the slowdown in electrification. Also these effects impacted our business performance.

Under these framework conditions, we achieved solid financial results in 2024. Our sales grew slightly compared to the prior year to €8.1 billion, after adjusting for currency effects. Profitability and cash flow are also solid overall, particularly in light of the still very high cost pressure on the market: The operating income margin is 5.6 percent; net cash flow in relation to reported sales is 2.4 percent. We are thus fully in line with our outlook, which we had to adjust in September of last year.

Based on these earnings, we intend to continue our established dividend policy. We will thus propose to our Annual General Meeting on 16 May 2025 that a dividend of €0.95 per share be paid out. As in prior years, the total amount of €106 million would correspond to around 30 percent of our annual result.

At the same time, 2024 was a year in which we achieved a great deal as a company. Firstly, we have once again invested significantly in trend areas and new technologies. We have once again invested some €1.5 billion in this, with around €800 million of this amount being spent on research and development. Secondly, we have once again won numerous important, large-volume orders. At around €10 billion, our incoming orders were once again at a high level. And thirdly, we have introduced many important measures, initiated changes and made decisions to make the company fit for the future. I would like to take this opportunity to thank all employees worldwide who have contributed to these successes with their commitment.

The automotive industry is currently undergoing what is probably the biggest transformation in its history. We are confronted with even more intense competition, with competitors that work with much lower cost structures and with significantly shorter innovation cycles. The geopolitical environment is becoming more uncertain, new trade restrictions are becoming more likely and growth markets are shifting. We are preparing for this proactively and with foresight.

'Our coordinates are correct and we have clearly defined the key levers. We will tackle these with alacrity because when the cards are reshuffled in the market, speed is of the essence.'

Bernard Schäferbarthold

We are therefore focussing on four topics in particular:

Resilience

We will consistently expand our regional portfolio and our customer base, and focus even more on Asia. We also see further potential for us in the Americas. We have already taken another major step in this direction in 2024: Around two thirds of the order volume that we acquired last year came from the Asian and American markets. We will continue along this path. This gives us a broader and more robust base overall.

Competitiveness

We will continue to secure our competitiveness in the long term and continuously adapt our global cost structures to the new market requirements. In particular, the competitiveness programme for Europe, which we launched a year ago, is our response to the further intensification of conditions in Europe. We have further accelerated the programme over the course of the year, with savings effects taking effect even earlier than expected.

Liquidity

We will maintain our financial strength. We will continue prioritising liquid funds in order to expedite the transformation of mobility quickly and successfully and to be able to continue capital expenditure to a significant extent. In view of the lack of market momentum, we will be even more careful in how we manage the resources available to us and how we use them.

Transformation

We will empower ourselves as an organisation for change. The aim is to simplify, to speed up and to reduce bureaucracy. There is much more at stake: Key factors here are adaptability, versatility and the ability to embrace change, at all levels of the company, in all areas and regions. Each and every one of our employees has an im-

portant role, their own room for manoeuvre and the opportunity to provide impetus. We can only be successful if we take all our employees with us on this journey.

2025 will be challenging and the market will remain volatile. According to current forecasts, we expect production volumes to decline again this year, with Europe again making a disproportionately large contribution. However, our coordinates are correct and we have clearly defined the key strategic levers for us. We will tackle these with alacrity because when the cards are reshuffled in the market, speed is of the essence.

We are a strong company with a strong team worldwide. We have the right technologies and we address the key market trends. We have a strong partner in FORVIA. So, together, we have all the prerequisites not only to master the transformation of mobility, but to use it to our advantage.

Yours sincerely

Bernard Schäferbarthold
CEO

The Management Board of HELLA GmbH & Co. KGaA

A Bernard Schäferbarthold
CEO, Sustainability, Quality,
Legal and Compliance

B Yves Andres
Business Group Lighting

C Jörg Weisgerber
Business Group Electronics





D Stefan van Dalen
Business Group Lifecycle Solutions



E Stefanie Rheker
Human Resources



F Philippe Vienney
Finance, Controlling,
Risk Management and Internal Control System

HELLA on the capital market

Relatively low liquidity of HELLA shares

The average daily XETRA trading volume in the fiscal year 2024 (1 January to 31 December 2024) was around 13,600 shares, the equivalent of around €1.1 million (prior year: around 11,200 shares, approx. €0.8 million). The share's liquidity reduced due to the acquisition of the majority stake in HELLA GmbH & Co. KGaA by FORVIA S.E. (formerly: Faurecia S.E.) on 31 January 2022. In addition to the expiry of futures contracts on two individual trading days in March 2024, the slightly higher liquidity compared to the prior year is also due to the HELLA share price, which was around €10 higher on average in the current fiscal year than in the prior year. With the number of issued shares remaining unchanged, the market capitalisation as at the reporting date of 31 December 2024 came to €9.87 billion (31 December 2024: €9.17 billion). The HELLA share is currently listed in the MDAX.

General stock market environment mixed

In the fiscal year 2024, the broader equity markets were mixed overall, both in terms of performance during the year and in a comparison between the DAX and MDAX. At the beginning of the year, further progress made by the European Central Bank (ECB) in tackling inflation initially led to positive price momentum in the DAX, with the major DAX stocks and shares in car manufacturers benefiting in particular. The DAX rose by around 6% in the first two months, while the MDAX suffered a loss of around 5% in the same period. In March, both indices benefited equally from the positive sentiment following the publication of inflation data in the US, which reinforced market expectations of an interest rate cut by the Fed. The DAX rose by around 11% in the first quarter, while the MDAX stagnated in this period.

Both the DAX and the MDAX recorded price losses in the second quarter. In addition to the weak performance of the German economy, the US presidential election campaign and the premature dissolution of the French National Assembly in June 2024 caused investors to be cautious. In addition, the EU Commission's announcement of potential punitive tariffs on electric cars imported from China to EU countries led to price losses on the stock markets. In addition, there was disappointing corporate news in June, particularly from some MDAX companies. The MDAX thus fell by around 7% over the entire second quarter, while the DAX closed down slightly by around 1%.

In the third quarter, US consumer and labour market data as well as expectations of interest rate cuts following the publication of inflation data in the eurozone initially provided positive price impetus. Stimuli from the Chinese central bank and the announcement of extensive economic stimulus measures for the Chinese economy also supported the capital markets. Both the MDAX and the DAX were up significantly at the end of the third quarter, with the DAX gaining 6% and the MDAX around 7%.

In the fourth quarter, the presidential election in the USA, a surprising rise in consumer prices and the premature end of the coalition government in Germany in particular caused share prices to fall. However, the positive mood prevailed towards the end of the quarter, supported by a sustained record run on Wall Street, a further fall in oil prices and the expectation of a further interest rate cut at the ECB's December meeting. The DAX started a year-end rally and climbed above the 20,000-point mark for the first time, while the

MDAX was unable to fully make up for the setbacks at the beginning of the quarter. As a result, the DAX closed the last quarter of the year with a further 3% gain, while the MDAX fell by around 5%.

Overall, the DAX recorded a significant increase of around 19% over the fiscal year, while the MDAX closed with an overall loss of around 6% due to its losses in the second and fourth quarters.

Automotive stocks with significant losses

The shares of German automotive stocks (the DAXsector Automobile, hereinafter: Prime Automotive) came under considerable pressure in 2024, in contrast to the DAX and MDAX. In the first quarter of 2024, they recorded a significant increase of around 11%, partly as a result of positive price momentum from potential interest rate cuts by the ECB and successful corporate news from individual car manufacturers. In the second quarter, Prime Automotive already turned significantly negative. The months of April and June each saw losses of around 10%. This was primarily due to disappointing figures from individual car manufacturers as well as the discussion about the possible introduction of punitive tariffs against e-cars from China, which would particularly affect the German car industry with its production sites in China, and a possible massive tightening of trade restrictions. Prime Automotive thus recorded a loss of just under 10% in the second quarter.

In the months that followed, a large amount of negative news significantly dampened the mood of automotive investors. Profit warnings from European manufacturers and suppliers, particularly in September, primarily due to weakening e-sales, the slump in vehicle sales and losses of market share in China, caused share price losses of over 5% on individual trading days. The Prime Automotive therefore closed the third quarter with a decline of around 8%.

In the last quarter of the fiscal year, the outcome of the presidential election in the USA and the resulting increased likelihood of trade restrictions led to further negative price impulses. The discussion about the economic situation in the German automotive industry in connection with news about restructuring and job reduction programmes as well as the downgrading of the automotive sector by

major research houses also led to further share price losses. Together with a loss of around 5% in the fourth quarter, the Automotive Prime closed the entire fiscal year with a share price loss of around 13%.

HELLA share up

The HELLA share ended the fiscal year 2024 with a price gain of around 4% and a closing price of €85.80. Overall, the HELLA share price was largely stable and decoupled from general market developments and, later on, in particular from the negative performance of automotive stocks. While the MDAX and the Prime Automotive indices showed significant performance differences between the quarters, the HELLA share price increased in all four quarters.

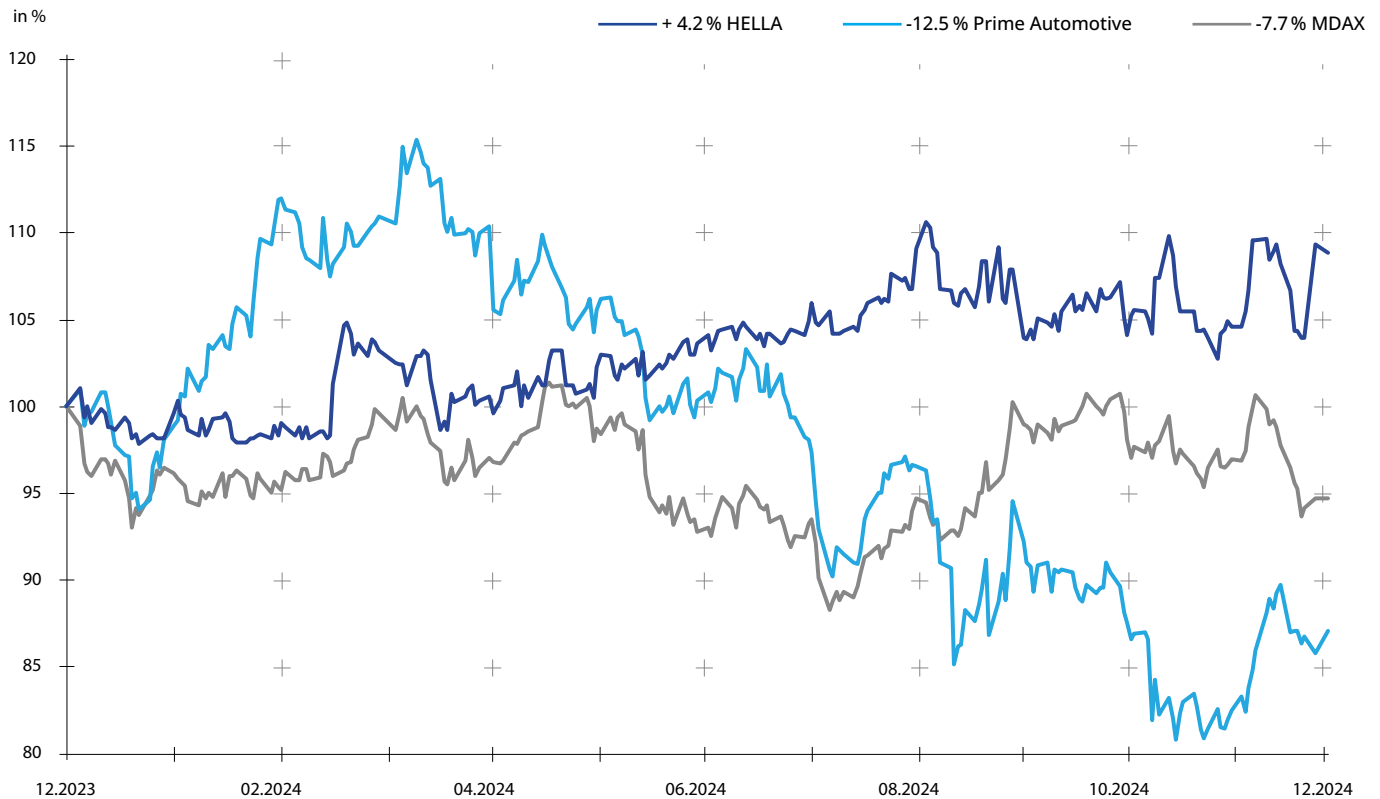
In the first few months of the year, momentum came primarily from the expiry of futures contracts, which led to a significant price increase on individual trading days in addition to extraordinary trading volumes. Thanks to this momentum, the share closed the first quarter up just over 3%. Although it outperformed the MDAX, it was unable to keep pace with the performance of the Prime Automotive index, which experienced an exceptionally strong February. In April, the resumption of coverage by a key broker and a technical price markdown following the dividend payment for the fiscal year 2023 weighed on the HELLA share price. In May, the share benefited from the generally favourable mood on the capital markets and was thus able to make good the negative price performance of the previous month. Overall, the share closed the second quarter up by half a percent, significantly outperforming the general market and the automotive sector.

Although the HELLA share initially lagged behind the general industry development in the third quarter, it was able to clearly decouple itself from the poor news from the automotive sector and, above all, avoid individual high daily losses in contrast to the other automotive stocks. The share therefore remained stable and closed the third quarter with a slight increase of less than 1% at the level of the first half of the year.

In the months that followed, the share remained detached from the performance of the Automotive Prime. When the nine-month finan-

Price performance of HELLA shares

indexed to 1 January 2024, compared to MDAX and Prime Automotive



cial results were published at the same time as the outcome of the US election, the share price remained stable and, in line with the broad capital market, was more likely to benefit from interest rate cuts in December than the rest of the automotive sector. The HELLA share closed the fourth quarter with an overall increase of around 4% and the year as a whole with a price gain of over 3%, significantly outperforming the MDAX and Automotive Prime.

variable interest rates (value date / payment: 12 March 2024). On 16 December, the rating agency Moody's announced that it was downgrading HELLA's corporate rating from Baa3 (investment grade) to Ba1 (non-investment grade). However, this has no significant impact on the financing instruments currently utilised by the company

HELLA bonds

HELLA has currently issued a 0.500% EURO bond (German SIN A2YN2Z) for €500 million with a term of seven years until 26 January 2027. On 29 February 2024, HELLA also issued a promissory note loan of €200 million with terms of three, five and seven years with

Data on HELLA shares

Initial stock market quotation	11 November 2014
Ticker symbol	HLE
ISIN	DE000A13SX22
SIN	A13SX2
Share class	No-par value ordinary bearer shares
Market segments	Prime Standard (Frankfurt Stock Exchange) Regulated market (Luxembourg Stock Exchange)
Index	MDAX

KPIs of the HELLA share

		2024	2023
Closing price	€	88.80	82.50
Highest price	€	91.30	83.70
Lowest price	€	80.70	64.70
Number of shares issued (31 December/31 May)	of units	111,111,112	111,111,112
Market capitalisation (31 December/31 May)	€ billion	9.87	9.17
Daily trading volume (average, XETRA trading)	€ million / no. of shares	1.14 / 13,627	0.83/ 11,173
Earnings per share	€	3.18	2.38
Dividend per share*	€	0.95	0.71

* 2024: Subject to the approval of the Annual General Meeting of HELLA GmbH & Co. KGaA on 16 May 2025

Current rating
since 16 December 2024

Rating agency

Moody's

Rating

Ba1 / P-3

Outlook

Stable

Highlights 2024

Pioneering innovations

HELLA and FORVIA are once again represented with a joint booth at the Consumer Electronics Show in Las Vegas, where they present pioneering innovations from the FORVIA Group. Four FORVIA technologies have already been honoured with a CES 2024 Innovation Award. HELLA received the award for its FlatLight | μ MX. It is based on an LED light guide concept with so-called micro-optics, which are smaller than a grain of salt. This reduces the installation space by up to 90 percent to just five millimetres. Multicoloured combinations of indicator, brake and rear lights can be implemented in just one optical element. Additional benefits: Compared to conventional LED tail lights, the FlatLight | μ MX has up to 80 percent lower energy requirements and is suitable for use as both rear and front lighting.



1 Sustainability Award

HELLA receives the John Deere Award in the Sustainability category. The leading manufacturer of agricultural machinery thus honours HELLA for its heat recovery system at the Großpetersdorf site in Austria. The system can convert 90 percent of the electrical energy used into usable heat. This saves around 175,000 kilowatt hours of natural gas per year and therefore around 32,000 kilograms of CO₂.

2



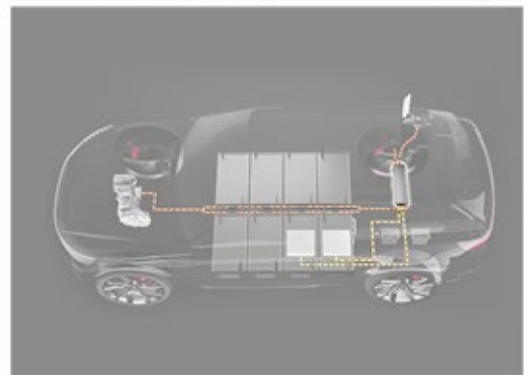
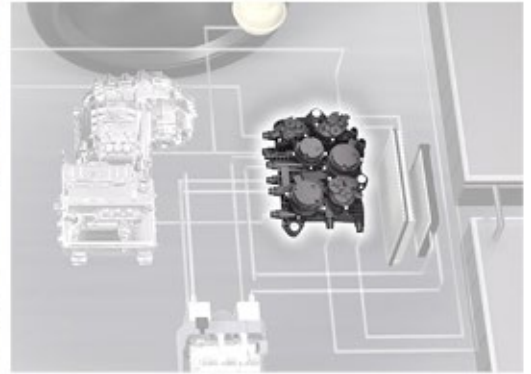
2 Sustainable headlamp concept

At CES 2024, HELLA presents for the first time a headlamp concept that combines sustainability, performance and functionality in a cost-neutral way. It is based on the basic principles of less, better, longer. Significantly fewer components are used; materials such as bio-based plastics or recycled materials are primarily used; in addition, unlike conventional headlamps, it should also be possible to replace and repair individual parts to extend the service life of the headlamps and significantly increase the recycling rate. Over the entire product life cycle, the 'Sustainable Headlamp Concept' has a carbon footprint that is up to 70 percent lower and weighs just two kilograms instead of the conventional five kilograms.



3 Two awards for iPDM

The intelligent Power Distribution Module (iPDM) from HELLA has been honoured with two prestigious awards. In May 2024, the iPDM is initially recognised as a PACEpilot Innovation to Watch by the US trade magazine Automotive News; in December, the module receives the CLEPA Innovation Award from the European Association of Automotive Suppliers. The iPDM ensures that a smooth power supply is available at all times. This is relevant for automated driving, for example. Instead of traditional fuses, software-controlled electronic fuses, known as 'eFuses', are used. It will go into series production for the first time in mid-2025.



4 Successful trade fairs for Lifecycle Solutions

At the beginning of September, HELLA is present at Automechanika, the world's leading trade fair for the spare parts and workshop business, and just over a week later jointly with FORVIA at the IAA Transportation, the leading trade fair for the commercial vehicle sector: These are successful appearances for the Lifecycle Solutions Business Group. At the Automechanika, HELLA and Hella Gutmann initially present numerous new products, including a completely newly developed calibration tool; a few days later, at the IAA Transportation, HELLA showcases sustainable lighting products for commercial vehicles, such as a new aerodynamic headlamp and an innovative roof marker concept.

5 New paths with digital headlamp concept

HELLA and the German premium manufacturer Audi are breaking completely new ground with the digital headlamp concept for the Q6 e-tron. What's special about this: The front lighting doesn't just provide adaptive lighting functions such as glare-free high beam. Most notably, it has a digital daytime running light matrix that allows end users to select their preferred digital light signature for the daytime running light from up to eight preset designs. The appearance of the Matrix LED headlamps can thus be personalised to a high degree.

6 High-performance products for e-mobility

HELLA is expanding its portfolio for electromobility with the Coolant Control Hub Max (CCH max) and the High Voltage PowerBox (HV PowerBox): As a highly integrated system for the thermal management of the powertrain, battery and interior, the CCH max relies on innovative coolant distribution, which enables the cost-efficient use of environmentally friendly refrigerants, reduces the complexity of thermal management and increases the performance of electric vehicles. The HV PowerBox integrates a high-voltage converter and an on-board charger in a single product. This combination leads to a particularly high power density. Moreover, it reduces costs for materials, logistics and development, and simplifies integration into the vehicle.

6

7 More efficiency in battery service

VARTA, a brand of global market leader in advanced energy storage solutions Clarios, and Hella Gutmann Solutions announce a joint agreement to create new opportunities for battery diagnostics in European workshops. The aim is to enable workshops to carry out meaningful and reliable diagnosis of low-voltage batteries. The cooperation with Clarios, for example, complements Hella Gutmann's expertise in battery diagnostics in the high-voltage range, enabling customers to easily view the status of vehicle batteries in the low-voltage range in the future.



8 Brake articles under the HELLA brand

On 1 October 2024, the sale of brake products begins under the HELLA brand name; HELLA had previously taken over the former joint venture Hella Pagid in full at the end of 2023. The leading original equipment expertise, for example in the field of brake pedal sensors and the extensive product range in the brake sector, is now being dovetailed with the range of brake-related wear parts and hydraulics. HELLA has thus become a full-range brake supplier and now offers everything to do with brakes.



9 Major orders from the USA

HELLA receives several major orders from a leading US car manufacturer. This includes various electronics and lighting projects, including for the Smart Car Access digital vehicle access system; a project for the first highly integrative front phygital shield in the US also integrates the company's longest lighting module to date. The total order volume amounts to over two billion euros. The customer projects will start in HELLA's Mexican production network.

10 Rear wing lighting and RGB rear light

Aerodynamic rear wing lighting and the first RGB LED rear light with full-colour light animations: For the 02 (for the Chinese market: Z20) and Z10 models of Geely's LYNK & CO brand, HELLA is making a strong technical and visual impact in terms of performance, design language and uniqueness. The rear wing lighting is based on a highly integrated and extremely slim product concept. The rear wing lighting is almost 2.40 metres long in total; it stretches across the entire rear of the vehicle and extends into the sides of the vehicle. The RGB LED combination rear light can generate a total of 256 different colour variants from the three basic shades of red, green and blue and thus create not only dynamic but also multi-coloured lighting scenarios. This also includes coloured animations after locking the vehicle, during the charging process or as a burglar alarm.



FORVIA

**We pioneer
technology**

*for mobility
experiences
that matter
to people*



People

- **150,000** employees
- **+140** nationalities in 40 countries
- **5** FORVIA University campuses



Industrial footprint

- **249** industrial sites
- **39%** of production sites certified ISO 14001



Research & development

- **78** R&D centres
- **15,000** engineers
- Global innovation ecosystem



Supply chain

- **96%** of direct purchasing volume assessed for CSR performance by EcoVadis
- Targeted minimum EcoVadis score of the panel suppliers: **50/100**

Three strategic pillars

- Energy management and electrification
- Safe and automated driving
- Digital and sustainable cockpit experiences

***We pioneer
technology ...***



Six Business Groups

- Seating
- Interiors
- Clean Mobility
- Electronics (HELLA and Faurecia)
- Lighting (HELLA)
- Lifecycle Solutions (HELLA)

... for mobility experiences that matter to people



Inclusion & people development

- **29%** women among managers and skilled professionals
- **27%** women among top 300 leaders
- **24.4** of training per employee



Automotive industry

- Close to **900** programs in Group's portfolio at the end of 2024
- **400+** program launches in 2024
- **12,900** patents in Group's portfolio at the end of 2024
- **1,400** patents filings in 2024



Planet

- CO₂ intensity: **14 tons** of CO₂ eq scopes 1 & 2 / € million sales
- Energy intensity of sites: **88 MWh** scopes 1 & 2 / € million sales
- Waste intensity: **9 tons** waste / € million sales



Combined management report and consolidated financial statements of HELLA GmbH & Co. KGaA, Lippstadt (Germany)

Fiscal year 2024 yxz

Group management report

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- Global light vehicle production falls by 1.1% to 89.5 million new passenger cars and light commercial vehicles in 2024
- Currency-adjusted sales improve by 1.3% to €8,060 million; reported sales grow slightly by 0.9% to €8,025 million
- Operating income margin falls to 5.6%, among others due to lower gross profit
- Sales in the Lighting segment increase by 2.8% to €3,995 million due to the full consolidation of Beijing Hella BHAP Automotive Lighting since this year
- Sales in the Electronics segment fall by 2.3% to €3,296 million, primarily due to customer mix effects in the Chinese market, customer-side postponements of new series launches and slower electrification in Europe
- Sales in the Lifecycle Solutions segment fall by 3.6% to €1,030 million, mainly due to lower willingness to invest within the commercial vehicle business
- Net cash flow in relation to reported sales is at 2.4%
- Continuation of the established dividend policy: Dividend of €0.95 per share proposed
- Company outlook for 2025: adjusted sales between around €7.6 and 8.0 billion forecast, operating income margin between around 5.3 and 6.0% and net cash flow of at least €200 million expected

General information on the HELLA Group

The group management report was combined with the management report of HELLA GmbH & Co. KGaA in accordance with Section 315 (3) of the German Commercial Code (HGB) in conjunction with Section 298 (2) HGB. Information that relates exclusively to HELLA GmbH & Co. KGaA as the parent companies of the HELLA Group is labelled accordingly. This essentially comprises presentations of the net assets, financial position and results of operations in the economic report of this Group management report.

In addition, the German Corporate Governance Code (DCGK) provides for disclosures on the internal control and risk management system that go beyond the legal requirements for the management report and are thus exempt from the auditor's review of the content of the management report ("non-management report disclosures"). In the following, these are thematically assigned to the risk report; they are also separated from the disclosures to be audited in terms of content by separate paragraphs and marked accordingly.

Business model

Company profile

The HELLA Group (hereinafter referred to as "HELLA"), headquartered in Lippstadt (Germany), is a listed, international automotive supplier of the FORVIA Group. The Company stands for high-performance lighting technology and vehicle electron-

ics. At the same time, HELLA covers a broad service and product portfolio for the spare parts and workshop business as well as for manufacturers of special-purpose vehicles and small-volume manufacturers. With this portfolio, HELLA is addressing the three market trends that are particularly relevant to the Company: electrification and energy management, safe and automated driving, and digital and sustainable cockpit experiences.

HELLA has 36,413 employees (as of the balance sheet date of 31 December 2024) at more than 125 locations worldwide and generated currency and portfolio-adjusted sales of €8.1 billion in the fiscal year 2024 (reported sales according to the consolidated income statement: €8.0 billion).

Three business groups

HELLA is divided into three different Business Groups, which also represent the corresponding segments according to segment reporting: Lighting, Electronics and Lifecycle Solutions. Within these areas, the respective activities of the Business Groups are summarised in different business areas or product groups.

In the **Lighting Business Group**, HELLA offers the complete range of lighting technology products and systems that provide a high level of driving comfort and have light-based safety-relevant functionalities. HELLA supplies automotive manufacturers in both the premium and volume segments; the Company has established a leading market

HELLA at a glance*

Adjusted sales in the fiscal year 2024: €8.1 billion (reported: €8.0 billion) • Employees: 36,413 (31 December 2024)

Business Group Lighting

Sales: €4.0 billion
Employees: 18,084

Business Group Electronics

Sales: €3.3 billion
Employees: 12,274

Business Group Lifecycle Solutions

Sales: €1.0 billion
Employees: 4,168

* adjusted sales: excluding exchange rate effects, sales of the Business Groups according to segment reporting in the consolidated financial statements (before consolidation); total number of employees including administrative functions (1,887 employees)

position in the field of innovative lighting technologies in particular. In the fiscal year 2024, the Lighting Business Group generated sales of €4.0 billion (prior year: €3.9 billion) and employed 18,084 people as of the balance sheet date of 31 December 2024 (31 December 2023: 18,532 employees). The product groups of the Lighting Business Group are: headlamps, rear combination lamps, car body lighting (including radomes, illuminated logos and front and rear pyhgal shields) and interior lighting.

In the **Electronics Business Group**, HELLA focusses on selected relevant business or product fields that contribute to making mobility safer, more efficient and more comfortable. The company mainly supplies automotive manufacturers worldwide, but also other suppliers for certain products. The product groups of the Electronics Business Group are: automated driving, sensors and actuators, body electronics (including lighting electronics and access systems) and energy management. HELLA's Global Software House is also organisationally anchored in the Electronics Business Group. It coordinates software activities on a Company-wide basis and works closely with the product groups on software-based business models. In the fiscal year 2024, the Electronics Business Group generated sales of €3.3 billion (prior year: €3.4 billion); 12,274 employees worked in this area as of 31 December 2024 (31 December 2023: 12,835 employees).

The **Lifecycle Solutions Business Group** consists of the three sub-segments Independent Aftermarket, Workshop Solutions and Special Original Equipment. In the Independent Aftermarket, HELLA is an important partner for spare parts dealers and independent workshops. Here, HELLA sells a portfolio of over 60,000 wear parts, spare parts and accessories, an increase of almost a third over the prior year. The product portfolio in the Independent Aftermarket now also includes the brake range of the former joint venture Hella Pagid, whose remaining 50 percent share was acquired by HELLA at the end of 31 December 2023. The workshop equipment (Workshop Solutions) offering includes vehicle diagnostics, emissions testing, battery testing, light adjustment and calibration, as well as service and data-based services. In the commercial vehicle business (Special Original Equipment), HELLA develops, manufactures and distributes lighting and electronic products for special-purpose vehicles such as construction and agricultural machinery, trucks, buses and motor homes as well as for the marine sector based on the core competences of the automotive business. In total, sales in the fiscal year 2024 amounted to €1.0 billion (prior year: €1.1

billion); this Business Group had 4,168 employees as of 31 December 2024 (31 December 2023: 4,385 employees).

In addition, the development of so-called 'software only products' is to be pursued across all business groups. Potentially relevant business areas are divided into three categories: software that is closely linked to the business groups and their respective core businesses, completely new products, for example, or software products that are located between these two endpoints, such as the monetisation of sensor-generated data.

International position and sales markets

Customer proximity is essential for HELLA's business success. In this way, changes in the sector can be anticipated and possible and regional or customer-specific solutions can be offered in a targeted manner. Accordingly, HELLA, with its global network of more than 125 locations in around 35 countries has a presence in all the core markets in the automotive industry.

The business is divided into three regions: Europe (incl. Germany); North, Central and South America (including the USA); and Asia / Pacific / Rest of World (incl. China). In addition to the Company headquarters, additional major production and development facilities are also located in Germany. In Europe, HELLA is also represented by other major production, development and administrative locations, primarily in Romania, Lithuania, the Czech Republic, Slovakia, Slovenia, Austria, France and Spain. In North, Central and South America, activities are focused in particular on the USA, Mexico and Brazil. In the Asia / Pacific / Rest of World region, the focus is primarily on China and India, South Korea, Japan and Vietnam, as well as Australia and New Zealand. This is complemented by a close-knit network of global sales locations.

The Company's global presence is also reflected in the distribution of sales by region. In the past fiscal year, HELLA generated 57% of its sales in Europe (prior year: 58%), 23% in the Asian markets (prior year: 22%) and 20% in the American markets (prior year: 20%). HELLA is pursuing the strategic goal of further expanding its business activities in the Asian and American markets in particular and targeting local automotive manufacturers more strongly in this context. The aim is to reduce dependence on individual markets and regions, balance the business shares further between the re-

gions and strengthen the Company's resilience with regard to possible regional market volatility. According to this, around two-thirds of the total turnover newly acquired in the fiscal year 2024 comes from markets outside Europe. →

Corporate structure

Legal corporate structure

The parent company of the HELLA Group, and at the same time its largest operating company, is HELLA GmbH & Co. KGaA, which has its registered office in Lippstadt, Germany. As the parent company, it holds an interest – either directly or indirectly – in 113 companies, of which 79 were fully consolidated in the current consolidated financial statements. →

The nominal capital of HELLA GmbH & Co. KGaA amounts to €222,222,224 and is divided into 111,111,112 no-par value shares. The shares of HELLA GmbH & Co. KGaA have been traded in the Prime Standard segment of the regulated market of the Frankfurt Stock Exchange since November 2014 and are currently included in the MDAX share index. 81.59% (according to FORVIA, as of 31 December 2024) of the shares in HELLA are held indirectly by FORVIA S.E. (formerly: Faurecia S.E.). HELLA GmbH & Co. KGaA is included as a fully consolidated company in the higher-level consolidated financial statements of FORVIA S.E., Nanterre (Hauts-de-Seine), France. The direct parent company of HELLA GmbH & Co. KGaA is Forvia Germany GmbH. The remaining shares are held by institutional investors and private shareholders.

Portfolio changes

The Swiss company Xovis successfully completed the acquisition of HELLA's People Sensing business on 31 May 2024 ("closing"). The division with around 65 employees is active in the business of high-precision sensor technology for people counting, particularly for local public transport, and was previously part of the Berlin subsidiary HELLA Aglaiä. The signing of the transaction was announced on 9 January 2024. →

Collaborations and partnerships

HELLA maintains targeted co-operations with companies from the automotive industry as well as from other sectors and with research institutions. This cooperation network has enabled HELLA to develop new technologies, access markets and create synergies by using combined technical and financial resources, while at the same time reduc-

ing the level of risk. HELLA's network strategy is made up of two pillars.

On the one hand, HELLA builds on open alliances, as these enable it to advance selected focal topics quickly and flexibly. The current focus is on battery electronics and radar sensor technology. On the other hand, HELLA has various joint ventures with which the Company mainly addresses the Chinese automotive market. In this context, the Chinese joint venture Beijing Hella BHAP Automotive Lighting has been fully consolidated in HELLA's results of operations, financial position and net assets since the fiscal year 2024. Prior to this, its shareholders had agreed on the continuation and strategic development of the joint venture founded in 2014; as a result, HELLA gained control of Beijing Hella BHAP Automotive Lighting.

The following further changes occurred in HELLA's joint venture network in the fiscal year 2024:

- On 2 April 2024, MAHLE and HELLA successfully completed the sale of their respective 50 percent shares in the joint venture Behr-Hella Thermocontrol ('BHTC') to AUO Corporation. The companies involved signed an agreement to this effect on 2 October 2023. The sale of the BHTC shares is the outcome of constructive discussions between MAHLE and HELLA regarding the future positioning and orientation of BHTC. These talks were initiated against the background of a change-of-control clause in the joint venture agreement after FORVIA S.E. (formerly: Faurecia S.E.) had acquired a majority stake in HELLA.
- At the end of 31 December 2023, HELLA acquired the 50 percent shares previously held by TMD Friction in the former joint venture Hella Pagid GmbH ("HELLA Pagid") and has thus become the sole shareholder of HELLA Pagid. Sales of brake products under the HELLA brand name began on 1 October 2024. Hella Pagid was fully consolidated for the first time at the beginning of this fiscal year; as of 1 January 2024, the company was merged into HELLA GmbH & Co. KG.

HELLA concluded talks with the shareholder of the Chinese joint venture HELLA BHAP Electronics in 2024 and successfully reached an agreement regarding the further continuation and orientation of business activities. Corresponding talks are currently being held with the shareholder of the joint venture HELLA MINTH Jiaying Automotive Parts.

→ For further information on the corporate strategy, please refer to the relevant information in this section of the Group management report. Further information on the order intake in 2024 can also be found in the economic report.

→ For more detailed information on the scope of consolidation and changes compared to the prior year, please refer to the corresponding disclosures in the consolidated notes.

→ The portfolio changes presented in this section relate exclusively to changes in fully consolidated companies of the HELLA Group. Changes in associates and joint ventures are presented in the section below.

Goals and strategies

Corporate strategy

HELLA's two overriding goals are profitable growth and cash generation. These goals are realised via four central, long-term approaches: first, securing and sustainably expanding the Company's own technological leadership; second, securing a leading market position in high-priority business areas within the Company's respective product groups (see the 'Business model' section in this chapter); third, maintaining a stable, resilient business model; and fourth, continuously improving operational excellence and capital efficiency.

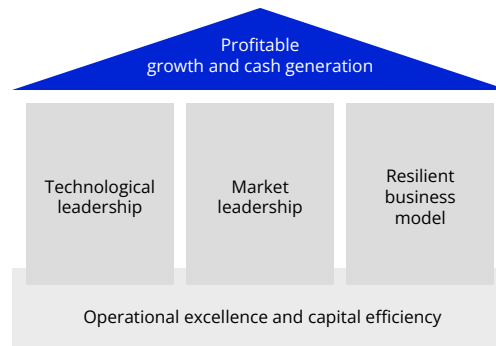
The fundamental soundness and future viability of the corporate strategy is reviewed within the respective Business Groups, in particular as part of an annual strategy process; new strategic initiatives are also developed and approved in this context. This strategic planning process covers a time horizon of five years. The Company considers the strategic objectives outlined below to be generally met at present.

1. Technological leadership

Technology leadership is a key competitive differentiator, essential to generating customer demand and therefore a central driver of the Company's successful business development. HELLA is forging ahead with its goal of securing and expanding its own technological leadership, in particular by consistently positioning itself in line with key market trends in the automotive industry: Here, the growth areas of electrification and energy management, safe and automated driving (including new, high-resolution lighting technologies) as well as digital and sustainable cockpit experiences are relevant for HELLA. This is based on targeted expenditure on research and development.

2. Market leadership

HELLA pursues the strategic goal of maintaining a leading market position for the high-priority business fields in which the Company operates, depending on the business group, product group or region. This is particularly necessary in order to ensure the required competitiveness in the market through volume effects and economies of scale. With regard to the Lighting and Electronics Business Groups, this means aiming for a position among the top three suppliers; in this context all three regional markets are relevant for both Business Groups. With the Lifecycle Solutions Business Group, too, HELLA strives for a leading market position. The core market here is primarily Europe. This is supplemented by international business in the Asia / Pacific region and North, Central and South America.



3. Resilient business model

HELLA pursues the goal of a stable and resilient business model. This is the basis for ensuring balanced and sound business development that is, as far as possible, independent of specific economic fluctuations and market cycles. The focus here is on the international positioning of the Company and the associated diversification of the customer portfolio (see also the strategic core initiative 'West to East' below).

The Lifecycle Solutions Business Group, with its partially divergent market cycles and customer groups, can also contribute to stable business development. The spare parts and workshop business in particular is anti-cyclical in nature compared to the original equipment business.

4. Operational excellence and capital efficiency

HELLA pursues a consistent focus on operational excellence and capital efficiency. The aim is to continuously optimise operational performance through the continuous improvements planned within this framework and thus also make a positive contribution to financial improvements. A key focus here is on optimising HELLA's global presence, increasing cost competitiveness and introducing globally harmonised processes and systems. In order to continuously improve operational excellence, HELLA is focusing on further standardisation, modularisation and automation of production as well as the use of artificial intelligence, among other things. A key component in this context is the gradual introduction of the FORVIA Excellence System, which is taking place as part of the collaboration within the FORVIA Group.

The FORVIA Excellence System is a production system that defines the way in which the Company manufactures products for its customers and combines approaches from the Faurecia Excellence System and the HELLA Production System. These include FORVIA-wide standards for occupational safety, quality, production sizes and logistics flows.

Overall, the FORVIA Excellence System aims to continuously enable the plants to achieve their productivity and efficiency targets.

In order to improve capital efficiency, the Lighting division is also pursuing the goal of significantly improving space utilisation and capacity utilisation through scale effects, as the production of headlamps and rear lights in particular is very capital-intensive and project-specific. In addition, the use of modular, universal assembly lines is to be rolled out further within lighting production. These are based on a standardised assembly line layout with fully modular and scalable stations. This makes it possible to switch between projects on a line with short conversion times and to organise production more flexibly, as well as independently of specific call-off figures.

Current strategic core initiatives

In order to adapt to the current changes within the global automotive environment, HELLA is also pursuing four strategic core initiatives as part of this overarching corporate strategy. The specific objectives here are to increase agility and efficiency within the Company, boost profitability and further diversify the customer portfolio.

Competitiveness programme for Europe

On 16 February 2024, HELLA announced a programme to further increase its competitiveness in Europe. The background to this is the significantly worsening market conditions in Europe, which are attributable to noticeable reduced production volumes and the resulting overcapacity, persistently high price levels and changes in customer and supplier structures in the market.

The competitiveness programme is designed as a target framework to improve the overall competitiveness of European locations. The annual gross savings targeted by the measures are expected to amount to over €400 million by 2028, of which over €200 million should already have been achieved by the end of 2025. In total, the Company plans to spend around €200 million on implementing the overall measures by 2028, the majority of which will be incurred by the end of 2025.

West to East

In order to increase the Company's resilience and reduce risks that could arise from excessive dependence on individual regions, markets and customers, HELLA is pursuing the strategic goal of

achieving a greater balance between the three regional markets of Europe, Asia/Pacific/Rest of World and North, Central and South America. The focus here is particularly on local automotive manufacturers in China, Japan and India, as HELLA is currently still under-represented in the Asian region in terms of this market's share of global production volumes. In addition, business in the US market is also to be further intensified to complement the European core business.

Manage by Cash

The main objective is to maintain the Company's financial strength and secure its liquidity in the long term. This is currently a particular focus as part of the strategic "Manage by Cash" initiative with the aim of rapidly and successfully advancing the transformation of the automotive industry, at the current reduced production volumes, and to be able to continue making significant investments in the future. The central levers of the initiative therefore include cash optimisation through prioritisation and improvements in working capital and investments.

Engage

The aim of the 'Engage' core initiative is to empower HELLA's global organisation and employees to successfully shape the transformation of mobility. In particular, this also includes empowering HELLA employees to become proactive in a successful transformation process within their respective roles and areas of responsibility. The 'Engage' initiative also includes other measures aimed at making HELLA faster, more agile, more efficient and also more sustainable – including by simplifying, accelerating and shortening processes in development and administration, for example by utilising artificial intelligence and reducing bureaucracy. The expansion of sustainability activities is also the subject of this core initiative ('Design for Scope 3').

Cooperation with FORVIA

HELLA is a legally independent company of the FORVIA Group, the world's seventh largest automotive technology supplier, which combines the complementary strengths of HELLA and Faurecia. The cooperation focuses in particular on realising cost synergies. The main areas of focus here are joint purchasing activities and close cooperation in the areas of production, administration, IT and security. Overall, the expected effects from cost synergies by the end of 2025 amount to €400 million, around half of which is expected to be attributable to HELLA.¹ [➔](#)

Please refer to the non-financial report for information on HELLA's sustainability strategy and key activities in the areas of environment, social affairs and governance. [➔](#)

¹ The disclosures made in this section regarding expected cost synergies are not relevant to the management report. These are unaudited.

Financial strategy

HELLA's financial strategy has the overarching goal of accounting stability and is therefore an integral part of the corporate strategy.

In this context, HELLA generally pursues a long-term financing horizon. For one, this ensures the Company's financial flexibility even in the event of higher economic volatility; for another, the necessary financial resources can be made available for needs-based investments in further profitable growth.

The objective of the Group is to maintain a strong equity base. Accordingly, the aim is to achieve a balance between a higher return on equity, which would be achievable through increased debt financing, and the benefits of a solid equity position. The Company continues to target a ratio of less than 1.0 for net financial debt to operating earnings before depreciation and amortisation (EBITDA) in the long term, as has been the case in previous fiscal years.

In order to achieve these strategic financial goals, HELLA maintains a high level of diversification in terms of the financing instruments it uses. The Company is currently primarily utilising capital market bonds, a promissory note loan, local bank financing and a syndicated credit facility. The Company also uses factoring lines in euros (€) and US dollars as well as a reverse factoring programme with selected suppliers for active working capital management. The financial policy of the HELLA Group is managed by HELLA GmbH & Co. KGaA as the parent company. Funding is generally arranged centrally and made available to the Group companies as required.

M&A strategy

HELLA primarily pursues the strategy of organic growth based on the existing business model, core technological expertise and the established partnership and cooperation network. In addition to this, HELLA regularly examines the possibility of potential company acquisitions. In particular, the focus is on companies and activities that serve the strategic goal of complementing established product and technology fields, developing new products and technologies within a short time or strengthening the competitive position in certain sales markets.

Furthermore, within the scope of M&A activities, necessary divestment projects are also being followed up as part of ongoing portfolio management. The criteria of technology leadership, market leadership and the long-term achievement of relevant financial performance indicators are critical in this

context. Based on these parameters, the Company regularly reviews the soundness and viability of its business activities.

Management systems

Management of the HELLA Group

The HELLA Group's organisation is managed via a multidimensional matrix. This includes

- the three Business Groups: Lighting, Electronics and Lifecycle Solutions,
- the central functions, including Human Resources, Finance & Controlling and Process Management, as well as Sustainability, Quality, Legal and Compliance, and
- the regions of North, Central and South America, Asia / Pacific (including Rest of World) and Europe.

While the Business Groups and regions are organised as profit centres, the central functions are managed as cost centres, mainly in the form of regional HELLA Corporate Centres, into which the HELLA Global Business Services Organisation is also integrated. The Business Groups are largely responsible for strategic and operational business development. The central functions fulfil a governance and control function for the Group and the business groups. Since 1 July 2023, administrative activities in the area of information technology and indirect purchasing have been carried out by FH Services S.A.S. (FHS), a joint venture jointly managed by HELLA and FORVIA. →

Group management is exercised by the Management Board of Hella Geschäftsführungsgesellschaft mbH as the General Partner of HELLA GmbH & Co. KGaA. In fiscal year 2024, Stefanie Rheker (Human Resources) and Philippe Vienney (Finance & Controlling) were newly appointed to the HELLA Management Board. Accordingly, it is currently staffed as follows:

- Bernard Schäferbarthold: CEO, Sustainability, Quality, Legal and Compliance (Member of the Management Board since 1 November 2016, CEO since 1 January 2024)
- Yves Andres: Business Group Lighting (since 15 April 2022)
- Stefan van Dalen: Business Group Lifecycle Solutions (since 1 April 2023)

→ Global Business Services is an organisation based at five locations within HELLA's administration. Its main focus is on the efficient implementation of end-to-end processes and the bundling and standardisation of global or regional administrative functions.

- Stefanie Rheker: Human Resources (since 1 March 2024)
- Philippe Vienney: Finance & Controlling, Risk Management and Internal Control System (since 1 March 2024)
- Jörg Weisgerber: Business Group Electronics (since 1 April 2023)

Performance indicators

The Management Board refers to financial and non-financial performance indicators in its management of the Company. Its target values are based on various comparative values, for example, the development of the markets and competition, internal performance standards and allocation of resources.

Financial performance indicators

The four financial performance indicators of the company are:

- currency and portfolio-adjusted sales growth,
- operating income margin,
- net cash flow and
- return on invested capital (RoIC).

Due to their outstanding relevance for the management of the Company, currency and portfolio-adjusted sales growth, the operating income margin and net cash flow are the most important performance indicators; consequently, the Company outlook in the forecast report is also formulated on the basis of these key performance indicators. For a detailed definition of these four financial performance indicators, please refer to the explanation opposite.

The general aim of using these key performance indicators is to present the HELLA Group's performance in a transparent and comparable manner over time. For this reason, the presentation of sales development is adjusted for the effects of exchange rates and changes to the portfolio and is used as a key figure in addition to the reported sales revenue in the consolidated income statement. With regard to the operating income margin as a key performance indicator for the Company's profitability, the special items recognised in the earnings before interest and taxes (EBIT) are not included. These represent one-off effects for the reporting period in terms of their nature or amount, which can lead to a distorted presentation of the

results of operations and thus inadequately affect the assessment of the Company's operating performance ('non-periodic expenses and income').

However, no adjustments are made to net cash flow or return on invested capital. For further information on operating income and net cash flow, please refer to sections 22 and 41 in the notes to this annual report.

Non-financial performance indicators

In addition to financial key performance indicators, HELLA utilises non-financial performance indicators. The CO₂ intensity is an important indicator in this respect. This indicator shows the CO₂ emissions related to the Company's own production output (Scope 1 and 2 according to the Greenhouse Gas Protocol) in relation to the Company's sales. Other non-financial performance indicators are the accident rate, which describes the frequency of accidents with downtime in relation to one million working hours (Lost Time Incident, LTI), and the customer line return. This is measured as the number of defects identified after delivery per one million parts (ppm). This key performance indicator is therefore also a measure of quality and customer satisfaction. The indicators of the proportion of women in specialist and management positions ("Managers & Professionals") and the proportion of purchasing volume with a valid sustainability evaluation are also becoming increasingly relevant with regard to the management of the Company.

HELLA GmbH & Co. KGaA

Due to the high degree of integration, HELLA GmbH & Co. KGaA as the parent company is managed exclusively via the Group and the corresponding business groups and in accordance with IFRS; HELLA GmbH & Co. KGaA is not managed separately. It therefore does not have a traditional holding company function, but is, analogous to the HELLA Group as such, primarily focussed on operating activities. Due to this organisational embedding and role in the HELLA Group, reported sales in accordance with IFRS are therefore of particular importance for HELLA GmbH & Co. KGaA. Sales according to IFRS differ from sales according to the German Commercial Code (HGB) in particular with regard to project revenue recognition.

The annual financial statements of HELLA GmbH & Co. KGaA have been prepared in accordance with the provisions of the HGB. Outside the operational business of HELLA GmbH & Co. KGaA, income from profit transfer agreements and expenses from absorption of losses as well as income from investments play an important role with regard to the

Currency and portfolio-adjusted sales growth

Percentage change in sales, assuming constant exchange rates compared to the prior year and adjusted for portfolio changes (portfolio changes in the fiscal year 2024 not relevant)

Operating income margin

Earnings before interest and taxes (EBIT), as reported in the consolidated income statement, excluding special items, less earnings from investments accounted for at equity and other earnings from investments, in relation to reported sales

Net cash flow

Sum of cash flow from operating activities and cash inflows and outflows from the sale/procurement of intangible assets and property, plant and equipment

Return on invested capital

Ratio of earnings before interest and taxes (EBIT) less income taxes to total capital invested (total capital invested comprises equity and net financial debt, calculated as the average of the end of the previous period and the end of the current period).

Company's earnings, but are not included in the operating performance indicators for internal management.

Research and development

Along with operational performance, research and development are key components of the Company's corporate strategy and provide the foundation for its competitive ability and technological and market leadership in many product divisions. The aim is therefore to develop new products for the respective requirements of car manufacturers worldwide and to serve key automotive market trends with innovative technologies. The trends of electrification and energy management, safe and automated driving, and digital and sustainable cockpit experiences are particularly relevant for HELLA.

Research and development network

As at the balance sheet date, 31 December 2024, HELLA had 8,850 employees working in the field research and development worldwide (31 December 2023: 9,118 employees). The lower number of R&D employees is mainly due to initiatives to increase efficiency in development and adjustments to personnel requirements in line with expected industry development involving further reduced production volumes. Employees in research and development are involved in R&D activities for their own purposes as well as contract- and project-related activities.

HELLA's global research and development network consists of around 30 R&D facilities worldwide (excluding R&D sites of joint ventures). HELLA also maintains a separate innovation centre in Shanghai, which is entrusted with new future technologies for the Chinese market, cooperation with local start-up companies and other venture capital activities.

In this context, HELLA maintains two research laboratories for automotive lighting technology and electronics at the Lippstadt site, where academic research is conducted into long-term automotive topics of the future in particular, and is involved in various research projects funded by the public sector. HELLA also works together with various external development partners on certain projects, in particular to generate high order volumes in certain areas such as electrification and energy management, safe and automated driving, and software development.

Research and development expenses

in € million and as a % of reported sales

SFY 2022	458 (10.4%)
FY 2023	809 (10.2%)
FY 2024	803 (10.0%)

R&D activities in the fiscal year 2024

In fiscal year 2024, HELLA spent a total of €803 million on research and development (prior year: €809 million), with the R&D ratio (ratio of research and development expenses to reported sales) falling to 10.0% (prior year: 10.2%), partly as a result of measures to increase efficiency and lower utilisation of external development services. More than three quarters of R&D expenditure is attributable to specific customer projects with booked business. The other expenses are invested in pre-development, basic research, software and tools and are primarily used to initiate further new business. Capitalised development expenses accounted for 26.8% of total research and development costs (prior year: 21.1%). In addition, HELLA applied for 280 new patents in fiscal year 2024 (prior year: 283 applications); the Company therefore has a total portfolio of over 4,800 patents.

The main topics and technologies that HELLA worked on in the past fiscal year, which mainly serve to initiate new business and prepare upcoming series projects, were as follows²:

Lighting

Highly integrative front and rear modules

HELLA is currently developing highly integrative modules for the front and rear of electric vehicles – front and rear phygital shields. Activities focussed on the preparation of series launches for front phygital shields, which will take place for two car manufacturers in the first half of 2025. In the past year, the Company also focused on the targeted diversification of the customer base with corresponding customer-specific product adaptations; work also continued on the next product generation, in which, for example, display modules for individualising and personalising the vehicle signature can also be integrated into the front phygital shields.

² The comments on key R&D topics and technologies are not relevant to the management report and are therefore unaudited.

Display technologies

In the field of display technologies, which can be integrated into all external vehicle lighting product groups as well as stand-alone product solutions, HELLA develops high- and low-resolution displays. They fulfil the statutory automotive requirements for signalling functions (e.g. position light or daytime running light). They also provide a technological basis for text- or symbol-based communication with the vehicle environment, customised and software-based adaptable light signatures and other conceivable digital business models. In addition to fundamental technology development with the aim of further pixelation, i.e. a higher number of controllable segments, development in the fiscal year 2024 also centred on the acquisition of a major series project. Here, HELLA was nominated by a US car manufacturer for a display in the rear area which, with a total of over 800 switchable segments, realises both legally required signal light functions and individualisation functions. Series production is expected to start in 2027/2028.

Lighting technology for the interior

With regard to lighting technologies for vehicle interiors, the focus was firstly on the further development of Smart Lights. These can support communication between the occupants and the vehicle, for example by dynamically illuminating a light strip in turquoise when a phone call is received or illuminating it in red below the windscreen when there is a risk of a possible collision. The first product generation went into series production in 2023; in addition to further project acquisitions, the focus is currently on the second smart light generation in particular, with the aim of developing a technologically and visually sophisticated yet cost-efficient

product platform. The second focus in the area of interior lighting is also the development of lighting technologies for surface backlighting, such as door panelling. The innovative Slim Light System, which is designed with sustainability in mind, uses a single RGB LED to provide homogeneous illumination of a surface. The modular and cost-efficient design of the system allows functionalities to be added, to equip vehicles from entry-level to premium class.

Electronics

eFuse ASIC

The eFuse is a key component for the protection of circuits in motor vehicles. HELLA therefore developed an eFuse ASIC (ASIC: application-specific integrated circuit) in fiscal year 2024, which significantly supports the change in E/E architecture from traditional fuses to an intelligent system for software-defined vehicles. Unlike conventional fuses, which have to be replaced after tripping, eFuses are fail-safe even in critical situations. They continuously monitor critical parameters and hence enable immediate fault detection and rectification. This is an essential prerequisite for safeguarding the vehicle despite the increasing demands of electromobility and automated driving. This ensures system integrity, reduces downtime and supports long-term vehicle performance. The eFuses developed by HELLA are up to 30% more compact than previous solutions on the market. This leads to a reduction in weight, material consumption and CO₂ emissions; moreover, up to 25% weight is saved in the wiring harness overall. The eFuses will go into series production this year as part of an intelligent power distribution module (iPDM); it can also be used in advanced control units.

Research and development

	2024	2023
Employees in R&D (as at 31 December in each case)	8,850	9,118
R&D expenses (in € million)		
Lighting	330	298
Electronics	425	462
Lifecycle Solutions	49	48
Total	803	809
in % of reported sales	10.0%	10.2%
Depreciation of capitalised development expenses (in € million)	-80	-65

Where sums and percentages in the report have been rounded, differences may arise as a result of commercial rounding.

77 GHz radar sensors

In fiscal year 2024, HELLA continued the development of the seventh generation of 77 GHz radar products. With these Gen7 radar sensors, the Company's radar portfolio is being expanded further to include front, rear and side radars and increase measurement capability in a cost-efficient manner. With new antenna technology and a new chip design, they enable a greater range and better precision across the entire field of vision and thus support complex scenarios for highly automated driving (level 3 and higher). Secondly, in the area of radar sensors, the Company focused in particular on the development of a cost-optimised product variant in the fiscal year 2024, which is intended to address the Asian markets in particular, as well as the development of a high-resolution radar for L3 applications.

Low volt battery management

In 2024, HELLA pushed ahead with the industrialization of one of the first 12V Li-ion battery management systems on the market, which provides a safe energy supply for electrified and automated driving functions. The system went into series production at a renowned car manufacturer in the first quarter of 2025. To meet future market requirements for safety-relevant vehicle electrical system architectures, HELLA is also expanding this product line to include scalable battery management systems that support both 12V and 48V architectures, depending on the vehicle class. The modular design includes both a basic variant, which is optimized for measurement and safety functions, and a premium variant, which enables the calculation of sophisticated battery and vehicle functions relevant to safety. The special semiconductor architecture protects safety-relevant consumers from the influences of non-safety-relevant consumers and thus ensures the necessary safety for electrified and automated driving functions.

Development of a touchpad solution

HELLA has been active in the market for accelerator pedal sensors since 1996 and was the first manufacturer worldwide to bring accelerator pedal sensors into series production that transmit the command to the engine control unit via purely electronic signals without the aid of mechanical elements (by wire). The company will also be bringing a fully electric brake-by-wire pedal into mass production within the next two years. On this basis, HELLA also pressed ahead with the development of a touchpad solution in the past fiscal year. This is a modular solution with shorter pedal travel that combines the function (e.g. brakes) in one module, thus further reducing complexity, the number of components and weight. In addition, this techno-

logical approach opens up new design possibilities for car manufacturers for the passenger compartment in general and the footwell in particular.

Lighting electronics

The regionalisation of the product portfolio was a key focus in the Lighting segment in the fiscal year 2024. In this context, HELLA has received an order from a US car manufacturer for a large lighting electronics package with a series production start in the first quarter of 2026; this is the largest single order in the product group to date. HELLA has also pursued the development of photoelectric control units for the Chinese and Indian automotive markets. For example, HELLA has developed a control unit platform for a Chinese manufacturer that can significantly reduce costs and complexity compared to similar products and requires less installation space thanks to its more compact design. Together with an Indian customer, HELLA is also developing a control unit as part of a pre-development project in which the customer is bundling the control electronics in one control unit for the first time. The aim is to develop a standardised control unit that can also be used for future headlamps.

Lifecycle Solutions

Ambient lighting for truck cabins

With the continuous modernisation and redesign of lorry cabins by manufacturers, ambient lighting is becoming increasingly important in order to increase driver comfort and safety. To this end, HELLA has adapted the RGB fibre optic module already established in the passenger car sector to the special requirements of 24-volt applications. Increased light output ensures that even spacious lorry cabins are optimally illuminated. The RGB module enables the integration of different light guides. Depending on customer requirements, doors, the footwell or the dashboard can be illuminated and reading lamps can even be realised. Two customer projects were won for the lighting system in 2024 with series production starting in 2027.

Solar sensor

In fiscal year 2024, HELLA further developed the rain/light/climate sensor already established in the OE segment. It was specifically adapted to the requirements of special original equipment and extended to include the solar charging function. The solar sensor is attached directly to the dashboard, where it recognises the direction and strength of the sun's rays and then ensures efficient air conditioning. The sensor thus improves energy management and increases comfort and well-being in the interior of commercial vehicles. An optional ambi-

ent light detection system also automatically adjusts the brightness of displays in the interior, for example. The solar sensor communicates via a cost-optimised Local Interconnect Network (LIN). This reduces installation and maintenance costs and ensures stable data transmission.

Intelligent battery sensors for 24-volt architectures

HELLA's Intelligent Battery Sensors (IBS) are essential key components for centralised energy management in the vehicle. For vehicles with 24-volt architectures such as lorries and buses, which require separate battery monitoring, HELLA offers a concept with two 12-volt battery sensors, each of which monitors a 12-volt battery. It is also possible to monitor a battery pack of two 12 V batteries connected in series with just one IBS. Both options ensure precise measurements of voltage, current and temperature parameters and provide insights into the battery's state of charge, ageing status and performance. This avoids downtime. The data can be accessed via a control panel, the on-board computer or cloud services. HELLA has recently acquired two major series projects for the system for trucks and construction machinery, with series production expected to start in 2027.

Efficient vehicle diagnostics

Through its subsidiary Hella Gutmann Solutions, HELLA continued to increase the performance and efficiency of vehicle diagnostics in the independent aftermarket (IAM) in fiscal year 2024. New, modular diagnostic solutions are suitable for vehicles of all drive types and enable future-proof functions such as the state of health of traction batteries. They communicate both via Ethernet-based data transfer protocols (Diagnostics over Internet Protocol) and via the traditional CAN bus. They also allow authorised users to diagnose vehicles with security gateway locks, and Hella Gutmann is continuously expanding 'Cyber Security Management' (CSM) in its mega macs range of diagnostic devices. Following the latest expansion, authorised mega macs users can diagnose a total of 17 brands directly via the OE portal. The modular diagnostic solutions mega macs X and mega macs S 20 are scalable and offer all workshops access to important diagnostic technologies and technical data.

ADAS calibrations

The increasing rate at which vehicles are being equipped with advanced driver assistance systems (ADAS) is also leading to the ongoing development of calibration systems for workshops. This was the focus of development activities at Hella Gutmann in the fiscal year 2024. Ten years after the introduc-

tion of the first Camera & Sensor Calibration Tool (CSC-Tool), the Company presented the CSC-Tool X20, a new, digital multi-brand ADAS calibration tool. Automated and semi-automated processes, networking with the cloud and Hella Gutmann diagnostic devices, integrated chassis PreCheck, efficient operator guidance, vehicle-specific targets in OE dimensions and complete documentation create the basis for calibration results in the quality specified by the manufacturers.

Medium-term orientation

In order to increase competitiveness worldwide and in Europe in particular in the long term, HELLA announced the strategic thrust of achieving an R&D ratio of less than 10% by the end of 2025 as part of the competitiveness programme for Europe published on 16 February 2024. Key levers for this are the use of artificial intelligence, digitalisation, standardisation and the simplification of processes; moreover, research and development activities are also to be relocated and bundled in the global network.

Human Resources

As at the reporting date of 31 December 2024, HELLA had a total global permanent workforce of 36,413 employees (31 December 2023: 37,773 employees). This corresponds to a decrease of 3.6% compared to the prior year. Without the full consideration of the joint venture Beijing Hella BHAP Automotive (672 employees), the reduction would have been 5.4%.

The number of employees has been reduced in particular to adjust to reduced market expectations and to increase efficiency. With effect from the first half of 2024, this initially related to the American locations, where corresponding initiatives were implemented to further automate and optimise production processes. In the further course of the year, and particularly in the fourth quarter of 2024, there were also headcount reductions across Europe: on the one hand through natural fluctuation and more selective staffing, and on the other through targeted structural measures at locations in Slovenia, Romania and France as part of the competitive programme for Europe.

In Europe, HELLA had a total of 22,107 employees as at the reporting date (31 December 2023: 22,960), of whom 7,750 were employed at the Ger-

Worldwide HELLA core workforce

31 December 2022	36,280 (+0.8%)
31 December 2023	37,773 (+4.1%)
31 December 2024	36,413 (-3.6%)

man sites (31 December 2023: 7,943 employees). HELLA employed 6,834 people in North, Central and South America (31 December 2023: 7,751 employees) and 7,472 people in Asia/Pacific/Rest of World (31 December 2023: 7,062 employees), including the employees of Beijing Hella BHAP Automotive.

HELLA GmbH & Co. KGaA

As at the balance sheet date of 31 December 2024, HELLA GmbH & Co. KGaA had 4,873 employees. Compared to the prior year, the number of employees at this company has remained largely constant (31 December 2023: 4,936 employees). Staff reduction measures that have been introduced, in particular the reorganisation of lighting production at the Lippstadt site and the associated job reductions, will take effect as of 2025.

Reporting staff in the HELLA Group by region (as of 31 December 2024) and percentage change compared to prior year

	31 December 2024	+/-	Share
Germany	7,750	-2.4%	21%
Europe excluding Germany	14,357	-4.4%	39%
North, Central and South America	6,834	-11.8%	19%
Asia / Pacific / RoW	7,472*	+5.8%	21%
Permanent employees worldwide	36,413	-3.6%	100%

* Number of employees including the employees of Beijing Hella BHAP Automotive included since 1 January 2024 (672 employees)

Economic report

Economic development

- According to IMF estimates, the global economy grows by 3.2% in 2024 (as at January 2025)
- Large differences between countries and regions: Growth primarily in the USA and China, moderate development in Europe, recession in Germany

According to estimates of the International Monetary Fund (IMF, as at January 2025), the global economy grew by 3.2% in 2024. This means that the development of global gross domestic product is largely in line with the prior year (2023: 3.3%).

Economic growth in the eurozone was relatively weak, with gross domestic product increasing by just 0.8% compared to the prior year. In Germany, gross domestic product fell by 0.2%, the country is therefore in recession already for the second year in a row. According to the IMF, this is due in particular to weaker industry and high energy prices.

The US economy in particular performed better than initially forecast by the IMF; other growth drivers were China and India. According to the IMF, economic growth in the US is 2.8% in 2024; a year ago, the IMF had only forecast an increase of 2.1%. The Chinese economy grew by 4.8% last year. Although the Chinese economy continues to grow at

an above-average rate in an international comparison, its growth profile has flattened further compared to prior years. India recorded the strongest growth of the countries presented in the IMF report in 2024 (+6.5%).

Industry development

- Global light vehicle production falls by 1.1% to 89.5 million new passenger cars and light commercial vehicles in the fiscal year 2024
- Automotive market in Europe contributes disproportionately to the decline in global production volumes, America also in decline; Asia overall at prior year's level

In the fiscal year 2024 (1 January to 31 December 2024), global production of passenger cars and light commercial vehicles fell by 1.1% to 89.5 million units (prior year: 90.5 million units), according to the market research institute S&P Global (as at February 2025). Overall, the global automotive industry has thus performed worse than initially assumed; in February 2024, S&P Global had still expected a smaller decline of 0.4%. This corresponds to around half a million vehicles that, contrary to previous assumptions, were not manufactured.

The industry outlook initially deteriorated gradually, particularly in the second half of 2024. In July, a decline of 2.0% was expected for 2024 as a whole; in October, this was revised further downwards to a forecast minus of 2.2%. The decline in light vehicle production was partially mitigated by a better-than-expected development in the Asian market, particularly in China, which was primarily driven by local car manufacturers. However, the European and, to a lesser extent, the American automotive market in particular have fallen short of original expectations.

In Europe, the number of newly produced passenger cars and light commercial vehicles fell by 4.3% to 17.2 million units (prior year: 18.0 million units); in Germany, production volumes fell by 1.8%. At the beginning of 2024, S&P Global was still forecasting a weaker decline of 2.8% for Europe as a whole. In North, Central and South America, light vehicle production fell by 1.0% to 18.4 million units (prior year: 18.6 million units); the US market accounted for a decline of 1.8%. In Asia/Pacific/Rest of the World, production volumes remained at the prior year's level at 53.9 million units; light vehicle production in China developed positively (+3.7%).

Business development of the HELLA Group

- Currency-adjusted sales improve by 1.3% to €8,060 million; reported sales grow slightly by 0.9% to €8,025 million
- Sales growth driven by the Lighting segment; Electronics and Lifecycle Solutions show declining sales
- Operating income margin falls to 5.6%, among others due to lower gross profit
- Net cash flow in relation to reported sales is 2.4%

Results of operations

In order to present the business development in a transparent and comparable manner, the income statement is presented in an adjusted form up to and including the operating income. The reported consolidated income statement is presented in the consolidated financial statements; the reconciliation is presented in section 22 ('Operating income') of the further notes. The adjustments include non-recurring operating income and expenses that, due to their nature or amount, create distortions and thus inadequately affect the assessment of the Company's operating performance. This essentially comprises income and expenses in con-

Production of passenger cars and light commercial vehicles

	Fiscal year 2024	Change (in %)	Fiscal year 2023
Europe	17,189	-4.3%	17,966
<i>of which Germany</i>	4,198	-1.8%	4,274
North, Central and South America	18,403	-1.0%	18,595
<i>of which USA</i>	10,155	-1.8%	10,343
Asia / Pacific / RoW	53,896	0.0%	53,907
<i>of which China</i>	29,819	+3.7%	28,764
Worldwide	89,449	-1.1%	90,469

Source: S&P Global Mobility Light Vehicle Production Forecast, February 2025

nection with changes in the legal structure of the Group, site closures, restructuring measures or the measurement of financial instruments.

In the fiscal year 2024, the HELLA Group generated currency-adjusted sales of €8,060 million; the reported sales according to the consolidated financial statements amount to €8,025 million (prior year: €7,954 million). Currency-adjusted sales growth therefore totalled 1.3%, while reported sales growth was at 0.9%. In the reporting period, there were no portfolio effects that required adjustment.

On the one hand, the main factor behind the sales development is the full consolidation of the Chinese company Beijing Hella BHAP Automotive Lighting (€+271 million). This has been taking place since the beginning of this fiscal year, after its shareholders agreed on the continuation and strategic development of the joint venture founded in 2014; HELLA gained control of the company in this process.

On the other hand, the Company's business development was adversely affected by the generally weak industry environment: After global light vehicle production in the first half of the year largely maintained the level of the same period of the prior year, it declined in the second half of 2024, in some cases significantly, contrary to previous forecasts, particularly in Europe and the Americas. In addition, customer and product mix effects, particularly in the Chinese market, customer-side postponements of new series launches and the slowdown in electrification in Europe had a negative impact on the Company's business development. These negative influencing factors intensified in the second half of 2024.

In terms of business development by region, sales in Europe fell slightly by 0.3% to €4,577 million (prior year: €4,588 million). In addition to the decline in light vehicle production in the region, particularly in the second half of the year, the decline in sales is due to the slowdown in electrification and series

phase-outs towards the end of the year. Business for commercial vehicles, especially agricultural machinery, and workshop products in Europe deteriorated significantly as well, particularly in the second half of 2024. This was in part offset by new project launches and higher volumes of ongoing series projects in the lighting segment.

In North, Central and South America, sales increased slightly by 0.4% over the prior year to €1,630 million (prior year: €1,624 million). This was mainly due to new series launches, including for individual headlamp, rear lamp and radar projects. Sales growth in the Americas was burdened by the end of series production in lighting and electronics and a general reluctance to invest within the Life-cycle Solutions segment.

Sales in Asia / Pacific / Rest of World increased by 4.4% to €1,818 million (prior year: €1,742 million). The full consolidation of Beijing Hella BHAP Automotive Lighting was the main factor here; in contrast, sales were negatively impacted by customer and product mix effects as well as the discontinuation of a high-volume series production in the Chinese market.

In the fiscal year 2024, gross profit fell slightly to €1,845 million (prior year: €1,882 million); accordingly, gross profit in relation to reported sales fell to 23.0% (prior year: 23.7%). This is mainly due to the Electronics segment. Lower sales volumes and product mix effects had a negative impact on the cost of sales, particularly in the second half of the year.

Expenses on research and development decreased to €803 million (prior year: €809 million), the R&D ratio fell to 10.0% (prior year: 10.2%). R&D expenses were generally incurred against the background of high order volumes and in preparation for the corresponding series launches. The lower expenses compared to the prior year are partly due to lower utilisation of external development services in the electronics sector.

Reported sales of the HELLA Group

(in € million)

Short fiscal year 2022 (1 June –31 December 2022)	4,410
Fiscal year 2023 (1 January–31 December 2023)	7,954
Fiscal year 2024 (1 January–31 December 2024)	8,025

Derivation of HELLA Group operating income

in € million	2024		2023
Sales	8,025	+0.9%	7,954
Cost of sales	-6,180		-6,072
Gross profit	1,845	-2.0%	1,882
Gross profit in relation to sales	23.0%		23.7%
Research and development expenses	-803		-809
Distribution expenses	-323		-304
Administrative expenses	-286		-302
Other income and expenses	13		19
Operating Income	446	-8.3%	486
Operating income in relation to sales	5.6%		6.1%

Expenses for distribution and administration and the balance of other income and expenses were a total of €596 million (prior year: €587 million). At 7.4%, the ratio of this income and expenditure to sales is on a par with the prior year. In the Lifecycle Solutions segment, higher distribution expenses resulted, for one, from the integration of the brake business following the acquisition of the remaining 50 percent share in the former joint venture Hella Pagid Brake Systems in the prior year and the corresponding full consolidation since the fiscal year 2024, as well as from increased logistics expenses. This was offset by savings in administrative costs.

In total, operating income therefore fell to €446 million (prior year: €486 million), with the operating income margin declining to 5.6% (prior year: 6.1%). The earnings before interest and taxes (EBIT) as reported in the consolidated income statement totalled €470 million (prior year: €464 million), corresponding to an EBIT margin of 5.9% (prior year: 5.8%). Among other things, the EBIT includes the book profit from the successful sale of the 50 percent share in the former joint venture Behr-Hella Thermocontrol (€119 million), which was completed in the second quarter of 2024. On the other hand, EBIT primarily includes expenses for restructuring costs (€110 million), mainly for initiatives and measures in Europe to safeguard and further improve competitiveness.

The net financial result is €-57 million (prior year: €-67 million). Earnings before income taxes (EBT) rose to €413 million (prior year: 397 million). Income tax expenses decreased to €42 million (prior year: €131 million). The change compared to previ-

ous year is mainly due to changes in exchange rates within the Mexican units compared to the previous year as well as prior-year related current and deferred tax effects recognized in the fiscal year 2024, for which with regard to the portion of deferred tax assets it is assumed that sufficient taxable income will be generated in future.

The fiscal year 2024 therefore closed overall with earnings for the period totalling €371 million (prior year: €266 million). Earnings per share thus amounts to €3.18 (prior year: €2.38).

HELLA GmbH Co. KGaA

The development of the results of operations in the annual financial statements is presented below in accordance with German commercial law and analysed. Due to the high degree of integration of HELLA GmbH & Co. KGaA within the HELLA Group, additional disclosures are made in accordance with IFRS with regard to sales for management purposes and to improve comparability with the HELLA Group. The expense ratios for materials, personnel and other operating expenses shown below are the ratio of the respective absolute values to the total operating performance of HELLA GmbH & Co. KGaA (total of sales, changes in inventories and other own work capitalised in accordance with the HGB annual financial statements).

In the fiscal year 2024, the sales revenue of HELLA GmbH & Co. KGaA in accordance with the German commercial law was €2,504 million (prior year: €2,522 million). Sales under IFRS amount to €2,231 million (prior year: €2,294 million). HELLA GmbH & Co. KGaA's business development thus essentially

Operating income of the HELLA Group

(in € million and in relation to reported sales)

Short fiscal year 2022 (1 June –31 December 2022)	195 (4.4%)
Fiscal year 2023 (1 January–31 December 2023)	486 (6.1%)
Fiscal year 2024 (1 January–31 December 2024)	446 (5.6%)

follows that of the HELLA Group; it was primarily driven by the ongoing changes in the automotive environment in Europe and especially in Germany.

In the past fiscal year, around 39.8% of sales were generated by affiliates (prior year: 41.8%). These mainly related to the global supply of modular products in the area of original equipment. Alongside this, the parent company ensured the supply of the international HELLA trade network as part of its central distribution system.

Other operating income totalling €403 million (prior year: 204 million) includes income from the disposal of shares in affiliated companies in the amount of €182 million. This relates to the sale of the shares held by HELLA GmbH & Co. KGaA's 50% stake in Behr-Hella Thermocontrol ('BHTC') to AUO Corporation. A further €96 million relates to valuation and currency effects (prior year: €127 million) and €48 million (prior year: €25 million) to the reversal of provisions for onerous contracts.

The cost of materials ratio fell to 46.7% as part of the optimisation of procurement and production processes (prior year: 47.6%).

Personnel expenses in the fiscal year 2024 amount to €541 million (prior year €484 million). The personnel costs thus increased to 21.7% (prior year: 19.2%). This is mainly due to increases in provisions for severance payments of €48 million and increases in expenses for partial retirement of €12 million as part of the realignment of lighting production in Lippstadt announced on 26 June 2024 and the associated reduction in jobs at the site.

Other operating expenses amount to €953 million (prior year: €994 million). As a result, the cost/income ratio fell slightly to 38.2% (prior year: 39.5%). This is mainly due to an increase in the utilisation of provisions compared to the fiscal year 2023.

Cumulatively, this leads to operating earnings of €146 million (prior year: €-38 million).

On balance, earnings from investments as well as profit and loss transfers stand at €117 million (prior year: €118 million). This resulted from a reduction in expenses for loss transfers (effect compared to the previous year: €+45 million) and a simultaneous decrease in income from affiliated companies and investments (effect compared to the previous year: €-46 million).

The net financial result, including the income from investments described above, thus amounts to €186 million (prior year: €127 million) against the backdrop of increased interest income and value adjustments to financial assets. Taxes on income and earnings amounted to €6 million (prior year: €21 million).

Net income for the fiscal year 2024 rose to €325 million (prior year: €67 million) against the backdrop of the developments described above and in particular as a result of the sale of the shares in BHTC previously held by HELLA.

Sales by region – HELLA Group

	Fiscal year 2024		Fiscal year 2023	
	Absolute (in € million)	Relative	Absolute (in € million)	Relative
Europe	4,577	57%	4,588	58%
North, Central and South America	1,630	20%	1,624	20%
Asia / Pacific / RoW	1,818	23%	1,742	22%
Consolidated sales	8,025	100%	7,954	100%

Financial status

At present, HELLA essentially uses five financial instruments:

- **Capital market bonds**

As at the reporting date, HELLA had issued an outstanding capital market bond amounting to €500 million with a term until January 2027. A second bond in the amount of €300 million was repaid on time and in full in May 2024.

- **Promissory note loan**

On 29 February 2024, HELLA issued a promissory note loan of €200 million with terms of three, five and seven years maturing in March 2027, March 2029 and March 2031. The funds from the promissory note loan was used in particular to refinance the bond maturing in May 2024.

- **Private Placement**

A total of JPY 22 billion with a 30-year term was raised in 2002 and 2003. This foreign currency liability is fully hedged against exchange rate fluctuations. The value of the liability on 31 December 2024 was €144 million.

- **Bilateral credit lines**

In addition to short-term bilateral loans in individual companies, a Mexican subsidiary took out a bank credit with a volume of USD 200 million in 2018. One tranche of USD 75 million runs until January 2026, while the second tranche of USD 125 million ran until January 2023 and was repaid in full.

- **Syndicated credit facility**

In September 2022, HELLA negotiated a new syndicated credit facility amounting to €450 million and an increase option of €150 million. This facility was concluded with a syndicate of international banks and has a term of three years until September 2025. The first extension option of 15 months was exercised in August 2023. The second extension option of twelve months was exercised in August 2024. The end of the new term is December 2027 (utilisation as at 31 December 2024: 0%). The banks have a special right of cancellation in the event of a change of control. A special right of termination would also exist in the event of a squeeze-out or domination agreement being entered in the commercial register.

Sales by region and segment

	Lighting		Electronics		Lifecycle Solutions	
	2024	2023	2024	2023	2024	2023
Europe	54%	57%	55%	54%	71%	71%
North, Central and South America	23%	23%	20%	20%	13%	14%
Asia / Pacific / RoW	23%	20%	25%	26%	16%	15%

In the current fiscal year 2024, cash flow from operating activities improved by €28 million to €854 million (prior year: €826 million).

The depreciation was €585 million (prior year: €557 million). The reduction in provisions in the current fiscal year 2024 amounts to €93 million (prior year: €163 million), mainly due to the utilisation of provisions for delivery and sales obligations.

Other non-cash income and cash flows not attributable to operating activities totalled €178 million (prior year: €60 million) and in the current reporting period mainly include the total income from the sale of shares in the associate Behr-Hella Thermocontrol (see also sections 16 and 22 of the consolidated notes).

The cash inflows from the change in trade receivables and other assets not attributable to investing or financing activities amounted to €91 million in the fiscal year 2024 (prior year: cash outflows of €42 million). Cash inflows from the factoring programme are included in the amount of €33 million (prior year: €56 million). The changes in inventories led to a cash inflow of €85 million (prior year: €9 million), mainly due to lower inventories of raw materials and supplies. The cash outflows from the change in trade payables and other liabilities not attributable to investing or financing activities amounted to €5 million in the current fiscal year 2024 (prior year: cash inflows of €166 million). The year-on-year change of €171 million is mainly due to a lower increase in deferred income and contract liabilities in the current fiscal year 2024 compared to the change in the previous year.

The balance of tax refunds and tax payments showed a cash outflow of €120 million (prior year: €100 million).

The cash outflow from investing activities therefore totalled €460 million in the fiscal year 2024 and was therefore lower than the prior year's cash outflow of €538 million.

The balance of cash receipts from the sale and payments for the procurement of intangible assets and property, plant and equipment led to cash outflows in the non-cash investing activities totalling €665 million (prior year: €620 million). These mainly included expenditure on the long-term expansion of the worldwide development, administration and production networks. HELLA also invested considerable sums in product-specific capital equipment and in booked series launch preparation projects. Non-cash investments in re-

lation to sales amounted to 8.3% in the fiscal year 2024 (prior year: 7.8%).

Net cash flow has been used as a performance indicator for the internal management of the HELLA Group since the beginning of fiscal year 2023. Net cash flow is a key figure that is not defined in the International Financial Reporting Standards. However, it is presented as additional information in the HELLA Group's financial reporting as it is used for internal management purposes. Net cash flow is shown in relation to reported consolidated sales in order to provide appropriate information regardless of the respective business volume of a reporting period.

Overall, this resulted in a net cash flow of €189 million (prior year: €205 million) in the fiscal year 2024 from the balance of cash flow from operating activities and cash receipts from the sale of property, plant and equipment and intangible assets as well as payments for the procurement of property, plant and equipment and intangible assets. The slight reduction compared to the prior year is mainly due to an increase of non-cash investing activities for intangible assets and property, plant and equipment of €45 million to €665 million (prior year: €620 million). This was mitigated by operating improvements, which can be seen in the increase in the cash flow from operating activities of €28 million to €854 million (prior year: €826 million). The net cash flow in relation to reported sales was thus 2.4% (prior year: 2.6%).

In the current reporting period, the cash inflows from the sale of the 50 percent stake in the former joint venture Behr-Hella Thermocontrol (BHTC) in the amount of €202 million were allocated to the cash receipts from the sale of investments in associates and joint ventures as well as other investments in cash flow from investing activities.

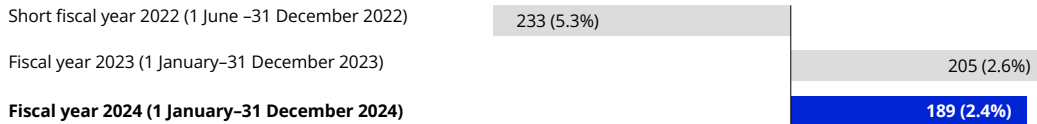
As part of the active management of the liquid funds available to the Group, €14 million were gained from securities in the reporting period (prior year: €63 million). For liquidity management purposes, capital is usually invested in short-term securities or securities with a liquid market so the funds can be made available for potential operating requirements at short notice.

The cash outflow from financing activities therefore totalled €234 million in the fiscal year 2024 and was therefore lower than the prior year's cash outflow of €469 million.

In the current reporting period, repayments and proceeds from borrowings represent total pay-

Net cash flow of the HELLA Group

(in € million and in relation to reported sales)



ments of €153 million and, in the current reporting period, were significantly influenced by the timely repayment of a bond amounting to €300 million in May 2024 and by a promissory note loan of €200 million issued in February 2024 (prior year: payments totalling €149 million).

The dividends paid totalling €81 million (prior year: €320 million, including special dividend after sale of shares in HBPO) consist primarily of payments to the owners of the parent company in the current and previous reporting period. Hence, after the Annual General Meeting on 26 April 2024, dividends totalling €79 million (€0.71 per no-par value share) distributed to owners of the parent company. In the previous reporting period, dividends totalling €320 million (€2.88 per no-par value share, including special dividends) were distributed to owners of the parent company.

The liquidity portfolio consisting of cash and cash equivalents increased in comparison to the end of the fiscal year 2023 by €203 million to €1,293 million (31 December 2023: €1,090 million). Together with current financial assets, essentially comprising securities of €123 million (31 December 2023: €128 million), the available funds increased to €1,416 million (31 December 2023: €1,218 million).

On this basis, the Management Board is of the opinion that HELLA is able to satisfy its payment obligations.

As at the balance sheet date of 31 December 2024, the corporate rating by Moody's rating agency remained at the level of Ba1 with a stable outlook. HELLA's rating was previously Baa3; the downgrade by Moody's took place on 16 December 2024.

Financial position

Total assets (Aktiva) increased by €422 million to €7,483 million compared to the reporting date of the prior fiscal year (31 December 2023: €7,062 million), mainly due to the full consolidation of Beijing Hella BHAP Automotive Lighting in the amount of €366 million and changes in the scope of consolidation.

Current assets increased by €134 million and non-current assets by €288 million.

Under current assets, cash and cash equivalents and financial assets increased by €198 million due to the cash flows already described in the financial position. Total trade receivables and inventories increased by a total of €12 million. This includes an increase due to changes in the scope of consolidation, which is almost offset by a reduction from operating business development. At the end of the prior year, assets held for sale included the shares in the joint venture BHTC, which was sold to the Taiwanese company AUO Corporation in April 2024. This item therefore fell by €73 million compared to the end of the prior year.

Under non-current assets, intangible assets rose by €171 million, mainly due to an increase in capitalised development costs from customer-specific developments. Deferred tax assets increased by €47 million, mainly due to the recognition of tax loss carryforwards, the recoverability of which is sufficiently substantiated on the basis of a time-based planning calculation of future taxable earnings. Property, plant and equipment increased by €76 million, while investments accounted for using the equity method decreased by €25 million, in both cases mainly due to changes in the scope of consolidation.

On the liabilities side of the balance sheet, current liabilities fell by €60 million, while non-current liabilities rose by €132 million and equity by €349 million.

Under current liabilities, financial liabilities fell by €272 million, mainly due to the timely repayment of a capital market bond amounting to €300 million in May 2024. Trade payables rose by €142 million, other liabilities increased by €36 million and contract liabilities by €40 million, in each case largely due to changes in the scope of consolidation. Current provisions fell by €1 million, mainly due to the reversal of provisions for expected charges to third parties for specific compensation claims from past transactions, which were almost offset by additions to provisions for severance payments and partial retirement for structural measures.

In non-current liabilities, financial liabilities increased by €200 million due to a promissory note loan of the same amount issued in February 2024. By contrast, non-current provisions fell by €71 million, mainly due to the utilisation of provisions for delivery and sales obligations. Other liabilities rose by €13 million due to an increase in derivatives totalling €9 million and other financial liabilities amounting to €4 million.

The comprehensive income for the period increased equity by €405 million whereas it was reduced by the transactions with shareholders totalling €55 million. The result for the period had a positive effect of €371 million on the overall result for the period, as did the currency translation differences of €47 million and the remeasurement from defined benefit pension plans of €15 million, while the reserve for financial instruments for cash flow hedges had a negative effect of €26 million. Transactions with shareholders were reduced by €87 million due to distributions to shareholders and increased by €32 million due to the acquisition of control over subsidiaries, which was attributable to the full consolidation of Beijing Hella BHAP Automotive Lighting.

Correspondingly, current and non-current financial liabilities decreased in total by €71 million to €1,203 million (31 December 2023: €1,275 million). Net financial liquidity as the balance of cash and current financial assets as well as current and non-current financial liabilities increased by €269 million to €213 million (31 December 2023: net financial debt of €56 million).

The equity ratio increased as at the reporting date of 31 December 2024 to 43.4% (31 December 2023: 41.0%). The equity ratio relative to total assets adjusted for liquidity comes to 53.5% (31 December 2023: 49.6%).

HELLA GmbH & Co. KGaA

The total assets of HELLA GmbH & Co. KGaA increased over the prior year to €3,697 million (31 December 2023: €3,504 million). On the assets side, this was mainly due to an increase in current assets (€+232 million) as a result of higher trade receivables and loans to affiliates (together €+118 million) and an increase in cash and cash equivalents (€+129 million). At the same time, inventories (€-13 million), intangible assets and property, plant and equipment (€-12 million) and financial assets (€-30 million) decreased on the assets side.

On the liabilities side, this development is offset by the change in retained earnings (€+246 million compared to the prior year) with reduced liabilities (€-46 million) and provisions (€-7 million).

Property, plant and equipment fell to €327 million (31 December 2023: €351 million) as part of operating activities, while financial assets fell to €1,188 million (31 December 2023: €1,218 million). The decline in financial assets was significantly influenced by the sale of the BHTC shares and the associated impairment of €20 million.

Trade receivables against third parties rose to €124 million in the fiscal year 2024 (31 December 2023: €103 million), based on the normal course of business.

Receivables from affiliates increased compared to the prior year to €799 million (31 December 2023: €686 million). This development is the result of a reduction in loan receivables from domestic and foreign subsidiaries (€-3 million) and trade receivables from affiliates (€-18 million) with an increase in other receivables from affiliates (€+134 million).

Receivables from companies in which participating interests are held reduced to €2 million (31 December 2023: €4 million).

The net financial assets of the Company (securities plus cash on hand less bonds, other financial liabilities and amounts owed to credit institutions) came to €-53 million at the end of the fiscal year (31 December 2023: net financial debt €-242 million). This development is mainly due to cash inflows from operations, including the sale of the stake in BHTC, as well as changes in bonds and borrowings.

Equity increased to €1,425 million in the fiscal year 2024 (31 December 2023: €1,179 million). This is mainly due to the increased operating result. The equity ratio rose to 38.5% (31 December 2023: 33.6%). For details of the composition of the subscribed capital, please refer to the annual financial statements of HELLA GmbH & Co. KGaA.

The annual financial statements of HELLA GmbH & Co. KGaA are available on the Company homepage at www.hella.com/cfs and are also announced electronically in the company register.

Order intake

In fiscal year 2024, HELLA recorded incoming orders totalling around €10 billion (prior year: around €11 billion). In terms of the automotive business (Lighting and electronics), around 38% of incoming orders came from the European market (prior year: 38%), 32% from the automotive market in America (prior year: 34%) and 30% from Asia (prior year: 28%). As already initiated in the prior year, HELLA thus successfully continued its strategic initiative in the past fiscal year to expand its business activities in markets outside Europe and, in this context, to further intensify business with local automotive manufacturers in China, Japan and India as well as in the USA. The aim is to achieve a more regionally balanced business portfolio and reduce dependence on individual customers and markets.

Business development of the segments

Lighting

- Sales in the Lighting segment increase by 2.8% to €3,995 million due to the full consolidation of Beijing Hella BHAP Automotive Lighting
- Operating income margin falls slightly to 3.2%, in particular due to higher R&D and distribution expenses

Sales in the Automotive segment during the fiscal year 2024 rose by 2.8% to € 3,995 million (prior year: € 3,887 million). This is primarily due to the full consolidation of Beijing Hella BHAP Automotive Lighting since this fiscal year. The lighting business was also supported by slight growth in the Americas, including new launches for headlamp and rear lamp projects. In contrast, the general reduction in production volumes in the automotive market and

the discontinuation of a high-volume series production in China at had a negative impact on sales in the Lighting segment.

The segment's operating income decreased slightly year-on-year to €126 million (prior year: €132 million), thus the operating income margin reduced to 3.2% (prior year: 3.4%). On the one hand, the Lighting segment's gross profit margin improved compared to the prior year, firstly due to effects from the full consolidation of Beijing Hella BHAP Automotive Lighting and secondly due to a lower cost of materials ratio as a result of product mix effects and the successful passing on of price increases to customers. On the other hand, higher R&D expenses, partly due to the preparation of new series launches, and higher distribution expenses had the opposite effect.

Derivation of operating income for the Lighting segment

in € million	2024		2023
Sales with third-party entities	3,944		3,831
Intersegment sales	51		57
Segment sales	3,995	+2.8%	3,887
Cost of sales	-3,368		-3,288
Gross profit	628	+4.8%	599
Gross profit in relation to segment sales	15.7%		15.4%
Research and development expenses	-330		-298
Distribution expenses	-59		-55
Administrative expenses	-117		-121
Other income and expenses	5		6
Operating Income	126	-4.3%	132
Operating income in relation to segment sales (operating income margin)	3.2%		3.4%

Electronics

- Sales in the Electronics segment fall by 2.3% to €3,296 million, primarily due to customer mix effects in the Chinese market, customer-side postponements of new launches and slower electrification in Europe
- Operating income margin at the prior year's level of 6.9%

In the Electronics segment, sales in the fiscal year 2024 fell by 2.3% to €3,296 million (prior year: €3,372 million). The radar business has developed positively overall, partly due to new series launches in the Americas. However, in addition to the general downturn in the industry environment, post-

ponements of new launches on the customer side, negative effects from the customer and product mix in China and the slowdown in electrification in Europe had a particularly negative impact on business development in the Electronics segment.

Operating income in the Electronics segment fell slightly to €226 million (prior year: €232 million), the operating income margin of 6.9% was therefore on a par with the prior year. This was mainly due to a lower research and development ratio, among others in connection with lower utilisation of external service providers. This compensated for a decline in the gross profit margin caused by lower sales volumes and product mix effects.

Derivation of operating income for the Electronics segment

in € million	2024		2023
Sales with third-party entities	3,001		3,049
Intersegment sales	295		324
Segment sales	3,296	-2.3%	3,372
Cost of sales	-2,472		-2,494
Gross profit	824	-6.2%	878
Gross profit in relation to segment sales	25.0%		26.0%
Research and development expenses	-425		-462
Distribution expenses	-60		-58
Administrative expenses	-120		-131
Other income and expenses	7		7
Operating Income	226	-2.7%	232
Operating income in relation to segment sales (operating income margin)	6.9%		6.9%

Lifecycle Solutions

- Sales in the Lifecycle Solutions segment fall by 3.6% to €1,030 million, mainly due to lower willingness to invest in the commercial vehicle business
- Operating income margin falls to 9.6%, due to higher distribution costs following the integration of the brakes business and lower gross profit margin

In the Lifecycle Solutions segment, sales in the fiscal year 2024 fell by 3.6% to €1,030 million (prior year: €1,069 million). The independent after-market business developed favourably overall as a result of an expansion of the electrics/electronics portfolio in key national markets in Europe. In contrast, due to a generally weaker economic market environment, major manufacturers of commercial vehicles, particularly agricultural and

construction machinery as well as trucks and trailers, invested significantly less in new vehicles.

The operating income of the Lifecycle Solutions segment decreased to €99 million in the reporting period (prior year: €128 million), meaning the operating income margin sank to 9.6% (prior year: 11.9%). On the one hand, this is due to higher sales expenses. These increased mainly as a result of the integration of the brake business following the acquisition of the remaining 50 percent share in the former joint venture Hella Pagid Brake Systems as well as additional expenses for outgoing freight. On the other, a lower gross profit margin had a negative impact on operating income. This is primarily due to reduced sales in the commercial vehicles segment, which were partially offset by positive effects from the integration of the brake business.

Derivation of operating income for the Lifecycle Solutions segment

in € million	2024		2023
Sales with third-party entities	1,012		1,059
Intersegment sales	18		10
Segment sales	1,030	-3.6%	1,069
Cost of sales	-640		-664
Gross profit	390	-3.9%	406
Gross profit in relation to segment sales	37.8%		38.0%
Research and development expenses	-49		-48
Distribution expenses	-203		-191
Administrative expenses	-44		-45
Other income and expenses	5		5
Operating Income	99	-22.4%	128
Operating income in relation to segment sales (operating income margin)	9.6%		11.9%

Target achievement and overall statement

- The company outlook adjusted on 26 September 2024 is confirmed
- Continuation of the established dividend policy: Dividend of €0.95 per share proposed

In the fiscal year 2024, HELLA generated currency and portfolio-adjusted sales of €8.1 billion, an operating income margin of 5.6% and a net cash flow in relation to reported sales of 2.4%. The target values of the company outlook, the adjustment of which the Company announced on 26 September 2024, are therefore being met. In this context, expected to achieve currency and portfolio-adjusted sales of between around €7.9 billion and €8.1 billion, an operating income margin of between around 5.5% and 6.0% and a net cash flow in relation to reported sales of between around 2.2% and 2.7%.

The adjustment to the Company's outlook in September 2024 was made in light of the further deterioration in the market environment since the second half of 2024. HELLA originally expected to generate currency and portfolio-adjusted sales of between around €8.1 and 8.6 billion in the fiscal year 2024. For the operating income margin, the Company initially forecast a value between 6.0 and 7.0%. With regard to the net cash flow in relation to sales, HELLA forecasted a value of around 3%. The Company confirmed this outlook when presenting its half-year results on 24 July 2024 and specified the forecast within the originally given forecast ranges.

The management of HELLA GmbH & Co. KGaA will propose to the Annual General Meeting on 16 May 2025 that a dividend of €0.95 per share be paid out for 2024 on the basis of the results for fiscal year 2024. The distribution would thus amount to a total of €106 million. This is in line with the Company's dividend policy, which aims to distribute around 30% of the earnings for the period attributable to the owners of the parent company (according to the consolidated financial statements).

HELLA GmbH & Co. KGaA

HELLA GmbH & Co. KGaA expected reported sales under IFRS within the range of around €2.3 billion to €2.5 billion on the operational side of the business for the fiscal year 2024. In fiscal year 2024, HELLA GmbH & Co. KGaA generated sales in accordance with IFRS of €2.2 billion, which is slightly below the forecast range.

Internal control in accounting

The presentation of the ICS with regard to the accounting process is integrated in the risk report of the management report.

Opportunity and risk report

HELLA is confronted with a number of various opportunities and risks arising from the Group's corporate actions, its business strategy and the economic and industry environment. The Company's aim is to utilise opportunities through suitable measures and to manage risks responsibly.

Risk management and internal control system

Risks are an unavoidable part of all entrepreneurial activity. This is why HELLA deals with risks responsibly by actively analysing and addressing them in a sustainable manner. In this context, the term risk refers to the potential impact of uncertainty on the Company's strategic or operational objectives. Monitoring internal controls is a key element of the risk minimisation strategy. The aim is to realise entrepreneurial opportunities and to reduce the associated risks appropriately.

In a complex and dynamic business environment, risk management and the internal control system create added value for the Company by dealing with risks adequately and effectively and by creating a deeper understanding of the risk exposure as a basis for business decisions.

The risk management system also includes early risk detection in accordance with Section 91 of the German Stock Corporation Act (AktG). The scope of risk consolidation is the same as the scope of consolidation in the consolidated financial statements.

Organisation, control and monitoring

The Management Board of the HELLA Group bears the overall responsibility and supervisory duty for setting up the Group-wide risk management and the internal control system. The Supervisory Board and its Audit Committee also monitor the system.

Responsibilities and roles within the risk management system and the internal control system are defined in accordance with the "three lines" model of the Institute of Internal Auditors (IIA).

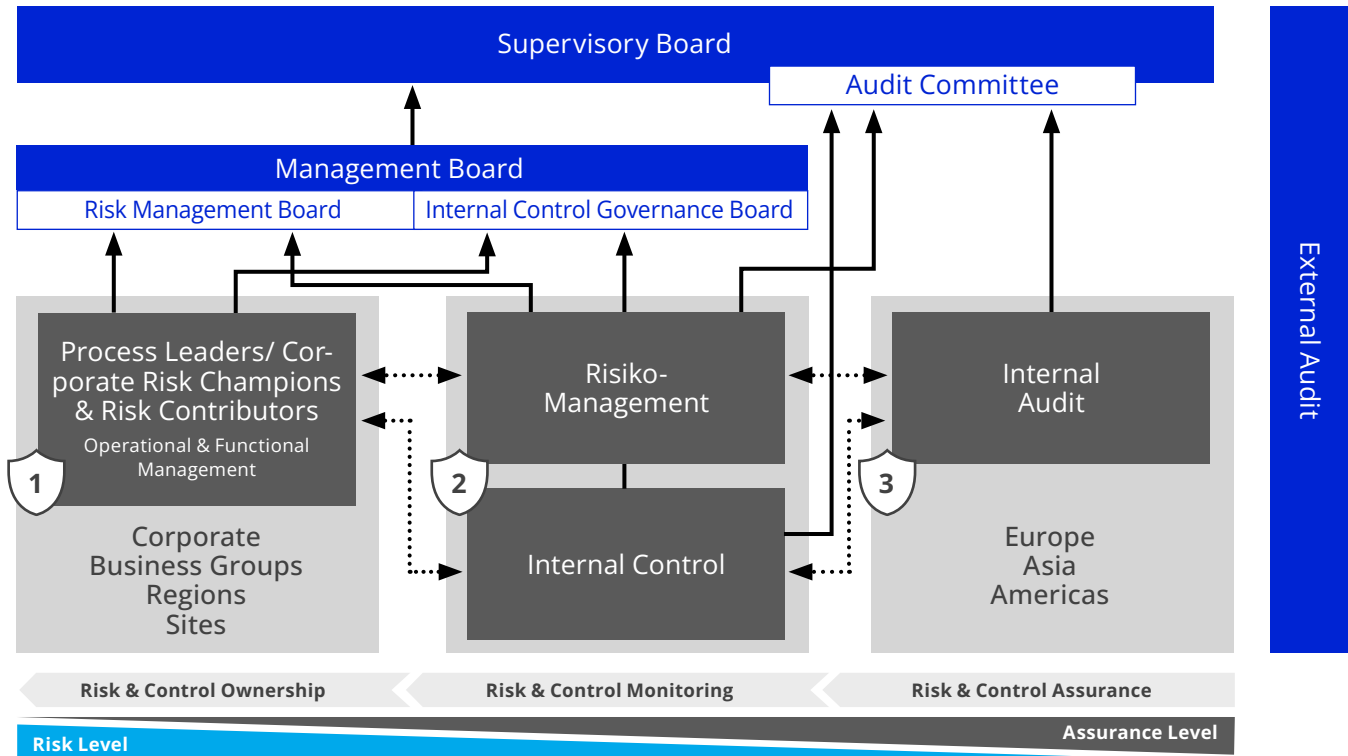
Roles in the first line

The first line consists of individuals ("risk champions") responsible for specific risks at Group level and at local sites and is responsible for identifying, assessing, documenting and managing significant risks.

At Group level, the first line takes the lead in risk minimisation, including the design of key specialist processes and controls within the Group. This role is typically at the upper management level with a direct reporting line to the Management Board. The first line here covers all relevant risk areas in the Group: There are thus managers both for centrally responsible topics (e.g. IT, finance, taxes) and in the business groups (e.g. for strategic and operational product responsibility and for production).

At local sites, the first line is responsible for the implementation of risk and control procedures;

Governance in overview



overall responsibility usually lies with the site manager. These take into account both Group-wide requirements and independent risk assessment and controls at the site.

Roles in the second line

The second line supports and monitors the application of risk management, as well as the control system. Standardised processes, methods and tools are implemented for this purpose. A Chief Risk Officer (CRO) assumes responsibility for the central risk management system with the strategic framework for monitoring risk management in the Group. The role of the CRO includes hedging against insolvency risks and ensuring compliance with the risk management system.

Similarly, the Head of Internal Control Management assumes responsibility for the Group-wide framework of the internal control system. The central risk management and internal control management functions are the second line responsible for developing and providing suitable processes, methods and tools, and for monitoring the risk register and the control portfolio, consolidating information and reporting accordingly. The risk

register is understood to be the overall list of all risks in the context of early risk identification; these are linked to the control portfolio, which comprises all centrally and decentrally implemented controls.

The Chief Risk Officer and the Head of Internal Control report to the Head of the Risk, Internal Control and Process Management Department.

Roles in the third line

In the third line, the corporate audit central function reviews the implementation of legal requirements and internal guidelines, as well as the effectiveness of company-wide processes, through audit structures and internal audits in all relevant regions.

The annual audit plan for Group Internal Audit is drawn up on the basis of a risk analysis, with the risk inventory from the Group's internal risk management system serving as a central source of information. On the basis of the audits and the exchange of information and ideas with Risk Management, Group Internal Audit prepares comprehensive Group audit reports every six months, in which it reports on audits conducted and their results, ongoing audits and recommended measures.

..... Communication & coordination
 — Report

On the basis of these reports, the Head of Group Internal Audit informs the Management Board and the Audit Committee of the Supervisory Board. Should significant risks be identified in the meantime, the Management Board and the Audit Committee of the Supervisory Board are informed promptly.

Governance

The Risk Management Board (RMB) is responsible for status control and Group-wide overall risk management. The Risk Management Board is chaired by the Chief Financial Officer with the support of the Chief Risk Officer and is made up of representatives from all management positions.

HELLA has installed an Internal Control Governance Board (ICGB) to monitor the status and Group-wide management of the internal control system. This board focuses on the detailed risk management of process owners at all levels of the Group. The ICGB is chaired by the member of the Management Board responsible for the Finance and Controlling division and is attended by representatives from all relevant areas of the three divisions.

Both committees are linked in terms of content, as internal controls are part of the risk minimisation strategy, and key roles are represented in both committees.

Process organisation of risk management

The process organisation is integrated into a Group-wide business process management system. Processes are stringently defined via this system; this includes the activities of all process-related roles.

The process covers the entire life cycle of a risk. The processes structure procedures for setting up and maintaining a risk register, including the associated risk minimisation.

Early risk detection, assessment, aggregation and interpretation

A key element of the risk management system is an implemented early warning system to safeguard the continued existence of the Company. This system is based on a register of identified material risks.

Risks are identified according to five categories:

- Strategic and political risks
- Legal and compliance risks
- Financial and personnel risks

- Global security
- Operational risks

The key sustainability aspects, which HELLA summarises under the three pillars of Planet, People and Company, are taken into account within these categories.

The Company takes various approaches to identifying risks. These include workshops with the business groups, a regular comparison of current geopolitical developments in expert discussions, the review of relevant publications on global risk topics, such as reports by the World Economic Forum, regular coordination with Internal Audit and completeness checks by the Risk Management Board. In addition, the first line is involved in a quarterly process of updating and approving the risk status. The risks are documented in special risk management software.

For each risk, a scenario discussion is held with the relevant managers. The scenarios exclusively consider the negative risk side from an existing uncertainty and include possible events up to rare losses of the century; the assessment therefore goes well beyond the forecast period. These scenarios are then typically used to derive a mathematical stochastic loss distribution for each risk, which reflects possible deviations from the planned budget for a fiscal year. Exceptions to quantitative recognition are new risks for which there is not yet a suitable basis for quantification or risks with a gradual effect over several fiscal years. These are assessed qualitatively in terms of their sustainable effect on the Company

The risk assessment is generally carried out both for the gross case (without measures or only with the absolute minimum required for the Company to continue as a going concern) and for the net case (taking measures into account). Using mathematical stochastic methods as well, the quantified risk inventory is aggregated into an overall risk distribution and an overall risk value. This risk value represents an extreme event that the Company must expect at an unspecified point in time within the next twenty years.

To interpret the extent to which the Group is able to bear the calculated overall risk, the finance department defines a current risk-bearing capacity limit. The risk-bearing capacity is derived by simulating the potential impact of risk on the consolidated balance sheet and takes particular account of the criterion of a sufficiently high remaining equity

ratio after the occurrence of risk events. In addition, a warning threshold below this risk-bearing capacity limit, known as the "risk appetite", is defined. If the "risk appetite" warning threshold were exceeded, an ad-hoc report to the Management Board would be triggered as an early warning.

The quantified risks form the basis for assessing whether an individual risk or the combined effect of the overall inventory would likely jeopardise the Group's continued existence if it were to occur during the forecast period. As the quantified overall risk is below the risk appetite and risk-bearing capacity thresholds, HELLA currently assumes a controlled and manageable level of risk for the Company without any recognisable possibility of jeopardising its continued existence.

The assessed overall risk and a ranking of significant individual risks are included in a regular report to the Management Board and Audit Committee. This data also forms the basis for the focussed scrutiny of significant risks and the risk management implemented by the Risk Management Board.

Process organisation of the internal control system (ICS)

HELLA's internal control system (ICS) aims to create sufficient security to achieve corporate goals using processes, procedures and control mechanisms for monitoring and minimising risks. The objectives are to ensure proper financial reporting, to improve the efficiency and effectiveness of processes and to comply with the legal framework relevant to HELLA.

The ICS framework consists of five components: Control environment, risk assessment, control activities, information and communication as well as monitoring activities. The responsibilities, tasks and processes of the internal control system are defined in the Company's internal control manual.

To monitor the defined control activities, an Internal Control Self-Assessment (ICSA) is carried out annually for key companies in the HELLA Group. The results of the ICSA are reported to the management and supervisory bodies.

Risk management and internal control over financial reporting

The Group-wide risk management and internal control system for accounting comprises organisational, control and monitoring structures which ensure that business transactions are properly re-

corded and evaluated and are incorporated into the financial reporting system. HELLA has established the organisation and systems to identify, assess and manage risks and to develop countermeasures. However, there is no absolute certainty that risks can be fully recognised and managed.

HELLA uses suitable measures and internal controls to ensure the reliability of accounting processes and the accuracy of financial reporting; this includes the preparation of compliant annual and consolidated financial statements and a summarised management report.

In particular, a reporting process that generally consists of three stages ensures that the financial results are intensively discussed and monitored: In the local unit, the division and the Group, financial data and key performance indicators are reported, discussed and compared on a monthly basis with the prior year's figures, the budget figures and the current projection. All issues, assumptions and estimates that have a relevant impact on the externally reported Group and segment figures are discussed in detail with the people responsible for external financial reporting. The Audit Committee of the Supervisory Board also discusses the reports and issues at least on a quarterly basis.

The subsidiaries are responsible for their own accounting and are supported by regionalised business services and the central Group accounting department in the independent preparation of both their individual financial statements in accordance with the articles of association and their Group reporting data. They are monitored by automatic and manual controls and plausibility checks.

A Group-wide accounting manual, with specifications supplemented by regular application notes, serves as the basis for ensuring the uniform application of IFRS accounting standards. Control mechanisms, e.g. system-based and manual reconciliations, are aimed at ensuring reliable financial reporting and the correct recording of transactions in the accounts. The scope and structure of the Group companies' reporting is determined centrally. Significant matters are also assessed at Group level. If legal regulations and accounting standards change, their potential impact on financial reporting is analysed promptly and included in the consolidated reporting if necessary. Necessary adjustments to the reported data from the Group companies are rolled out and supported with regular training and safeguarded by additional specific control measures. In particular, changes to accounting standards are closely monitored by the

For further information on the financial instruments utilised, please refer to the corresponding presentation in section 44 in the further notes to this annual report.

central Group accounting department. The consistency of the reported and audited financial statements is subsequently ensured here using suitable IT systems, although further processing of the electronic reporting data is only possible after prior agreement with firmly defined plausibility and quality controls in the reporting system. Consolidation into the consolidated financial statements is mostly done centrally. In justified individual cases, for joint ventures for example, the financial statements of sub-groups are also included in the consolidated financial statements. The manual and automated consolidation measures are subjected to plausibility checks and system-based controls.

To prevent misuse, accounting-related IT system roles are systematically separated and follow the dual control principle. Management monitoring and assessments also help to ensure that risks with a direct impact on financial reporting are identified and that controls are in place to minimise risks.

The Treasury, Tax, Controlling and Legal departments are involved in preparing the financial statements. External experts are consulted if necessary.

Statement on adequacy and effectiveness¹

The transformation of the automotive industry and the ongoing volatility in the sector environment are prompting the Company to continuously scrutinise its internal control and risk management system, develop it further on an ongoing basis and adapt it to new requirements.

The Management Board is not aware of any circumstances that would indicate that the internal control and risk management systems are not fundamentally adequate and effective. This is based on its dealings with the internal control and risk management systems, reporting on both systems and the internal audit of the risk management system that has been carried out. Despite the intensive analysis of risks, the inherent limits of any control and risk management system remain, meaning that the occurrence of risks and process violations cannot be ruled out completely.

Overall risk situation of the Company

The general economic and industry environment in which HELLA operates is still characterised by various uncertainty factors: Firstly, the automotive in-

dustry is currently undergoing what is probably the biggest transformation in its history. This entails a high need for investment to strategically align with key market trends such as electromobility and autonomous driving. Secondly, the global automotive market as a whole is recovering far more slowly than initially expected, meaning that this transformation must be achieved with significantly reduced or fluctuating production volumes; regional market weightings and customer structures are also currently shifting significantly. As the ramp-up of electromobility in particular has slowed considerably in this context, high investment requirements can only be offset to a limited extent by volume and economies of scale. In this context, the automotive market in Europe in particular is coming under particular competitive and adjustment pressure, which resulted in restructuring measures at numerous European manufacturers and suppliers, including HELLA, in the past fiscal and calendar year 2024.

Secondly, the main geopolitical conflicts, such as the Russian war against Ukraine and the war in the Middle East that broke out in October 2023, are continuing and could potentially escalate further. In this context, HELLA is also attentively and intently following other geopolitical conflicts, especially the relationship between China and Taiwan. This also includes risks for the Company's own production sites in China and other impacts on the global supply chain.

Thirdly, there are uncertainties, particularly in the short and medium term, as a result of existing or potentially tightening trade restrictions. This includes the punitive tariffs imposed by the European Union (EU) on electric vehicles produced in China as well as any trade barriers that could be imposed by the newly elected government in the USA. HELLA generally monitors the general economic and industry environment very closely and attentively. As part of established strategy processes, possible implications are therefore also evaluated in the form of scenarios in the event of significant changes to the economic or political framework conditions.

HELLA is not currently aware of any actual or potential developments that could seriously jeopardise its going-concern status in the foreseeable future. The calculated overall risk is below the risk appetite and risk-bearing capacity thresholds. It is thus assumed that the Company's scope of risk is controllable and manageable.

¹ The disclosures made in this section are not part of the management report. These are unaudited.

At present, the established level of overall risk contains all of the currently known and identified risks. Therefore, it cannot be ruled out that other as-yet unknown – and thus not recorded – risks could have a potential negative impact on the economic or financial situation of HELLA.

Significant risks

All risks classified as material are explained in this section. These could potentially have a relevant impact on the Company's earnings in the forecast period of this risk report. The materiality criterion takes into account the risk values according to mathematical stochastic modelling on the one hand and qualitatively assessed risks with a particularly high potential long-term impact on the other. This takes into account the gross case and thus the possibility that implemented risk minimisation measures may be less effective than expected.

Strategic and political risks

Risks from the business model

As an automotive supplier, HELLA generates almost 90% of Group-wide sales with the two business groups Lighting and Electronics. The Company is therefore exposed to certain risks arising from this business model: On the one hand, HELLA is dependent on the business development of a relatively limited number of customers and, due to its current customer structures, generates a disproportionately high sales share in the European market or with established automotive manufacturers, which are currently under particularly high pressure to adapt. As a result, weaker business development of individual customers or certain markets, for example, can have a direct impact on the Company's results of operations. On the other hand, HELLA is operating in a cyclical and currently extremely volatile market environment that is undergoing a far-reaching transformation process towards electromobility and automated driving with simultaneously low or declining production volumes. This can limit the ability to predict future industry development and customer demand or result in inefficiencies and higher production costs due to the difficulty of planning the necessary capacities. High market fluctuations In this context also entails the risk of not being able to fully realise expectations for medium-term business development. To reduce these risks, HELLA is pursuing a strategy of technology and market leadership, best serve customer and market needs and to position itself consistently along key growth areas of mobility. This is supported by a regular and systematic

strategy process as well as a consistent approach to opportunity management.

Geopolitical risks

Various geopolitical conflicts are currently dominating the economic and market environment. These include the Russian war in Ukraine, the war in the Middle East and the conflict between China and Taiwan, in particular. Moreover, there are risks in connection with EU tariffs on electric vehicles from China and potential trade barriers that could be imposed by the newly elected US government. Should these geopolitical or trade conflicts intensify, an escalation would also have serious consequences for the global economy, the automotive industry and HELLA's further business development. Among other things, this would entail the possibility of a profound decoupling between the individual world regions and markets, which could have a negative impact on fundamental market demand, disrupt supply and logistics chains and cause additional costs as a result of existing or possibly worsening trade restrictions or increased investment requirements in the regions. HELLA is thus monitoring the current and future development of the current geopolitical conflicts very closely and deriving potentially necessary countermeasures on this basis. To prepare optimally for market fluctuations in individual regions, HELLA is pushing for greater independence of the respective regions in this geopolitical context and it intends to increase the depth of added value and autonomy in the regions. The Company is also endeavouring to achieve a better balance between the respective regions and to intensify business in the Asian and American markets in particular.

Risks due to interruptions to business activities

As a manufacturing company, HELLA is embedded in a complex value chain. HELLA is therefore exposed to the risk that, in rare exceptional cases, the Company's business processes may be interrupted as a result of various external influences. The reasons for this could include a power or energy supply failure, significant intensification of global trade considerable conflicts, epidemic or pandemic situations, criminal or terrorist activities, extreme weather events and disruptions in global supply chains. These external factors cannot be controlled by the Company, or can only be controlled to a very limited extent. HELLA is therefore attempting to counter these risks with an overall risk-diversified business model, international positioning with significant market shares in all relevant core markets and a stronger localisation approach, as well as a forward-looking planning and control process.

Risks due to loss of leading market positions

HELLA occupies a leading market position with a variety of different automotive technologies in the areas of lighting and electronics and benefits accordingly from major market trends such as electromobility and automated driving. Nevertheless, the Company faces the risk of losing market-leading positions in certain technologies. Reasons for this could include a further acceleration of the industry transformation and the associated significantly shorter development cycles, particularly among Chinese car manufacturers, changes in customer and supplier structures, increasing technological demands on the product and miscalculations in strategic planning. As a result, a loss of the leading market position could lead to a potential decline in long-term sales and earnings development as well as the failure to achieve corporate goals. In order to reduce this risk, HELLA maintains a regular and systematic strategy process as well as a logical approach to opportunity management.

Risks due to shifts in market share

According to current forecasts, the regional market weights and global manufacturer structures will change significantly in the coming years. For one, local Chinese car manufacturers in particular have gained significant market share in the Chinese market in recent years; this is primarily at the expense of established international manufacturers. Moreover, it is assumed that Chinese car manufacturers will also increasingly penetrate the European market in the coming years. One of the main reasons for this is the more competitive positioning of these manufacturers with regard to key market trends, particularly electromobility. As a result, established volume manufacturers, in particular, are expected to face greater competitive pressure and a loss of market share. HELLA is exposed to various risks in this context. Firstly, it can be assumed that the overall competitive and cost pressure will continue to increase. This could result in more intense competition, greater price pressure for automotive suppliers and the entry of new suppliers into the global market. Secondly, there is a risk for HELLA that the Company's current customer mix, which is currently still largely focussed on traditional European premium and volume manufacturers, will have a negative impact on the Company's sales development and that HELLA will not be able to fully serve certain growth markets. In this context, the strategic goal of expanding business with local Chinese car manufacturers could also be jeopardised by more difficult market access to these customer groups. To reduce the risk arising from new market weightings and participants

and to make the best possible use of regional growth opportunities, HELLA is focussing on increasing the independence of the respective regions. In this context, procurement, development and production processes are to be localised as much as possible and the speed in the regions is to be further increased with the aim of addressing the respective market needs in the best possible way. In addition, HELLA aims to further intensify business with local automotive manufacturers in key regions and markets, particularly in China, India, Japan and the USA.

Sustainability risks

Sustainability is one of the key social and economic issues. Therefore, there are various risks in this context if the Company is unable to adequately address the growing demands for sustainability and social standards in the supply chains. This could possibly be accompanied by a general loss of reputation, as well as the loss of new business or impeded access to capital markets. HELLA has therefore set itself ambitious targets as part of the Company-wide climate strategy, according to which, among other things, all HELLA locations worldwide are to operate in a climate-neutral manner (Scope 1 and 2) by 2025 (at least 80% absolute reduction compared to 2019 and compensation of the remaining direct CO₂ emissions); by 2030, CO₂ emissions along the value chain (Scope 3) are to be reduced by 45% as a FORVIA target; by 2045, net zero emissions are to be achieved along the entire value chain (reduction of emissions in Scope 1, 2 and 3 by 90% compared to 2019 and binding of the remaining 10%).

Risks due to restrictions on the use of perfluorinated and polyfluorinated chemicals

In the automotive industry, as in almost all other sectors of the economy, various perfluorinated and polyfluorinated chemicals (PFAS) are used along the entire value chain, not least in key components for climate-neutral mobility such as semiconductors and lithium-ion batteries. Legislative initiatives are currently underway in both the European Union and the USA with the aim of restricting the use of PFAS substances. Although corresponding initiatives are still in the draft phase, there is currently no conclusive clarity regarding the scope, transitional and exemption regulations or specific implications. Nevertheless, far-reaching restrictions on the use of PFAS substances in particular would entail significant risks both for the automotive industry as a whole and specifically for HELLA. An extensive ban could result in significant additional financial burdens, for example due to higher procurement prices for alternative materials and

additional expenses for development, qualification and testing. In addition, more generalised, less differentiated restrictions can lead to considerable restrictions and even interruptions in production processes if, for example, the switch to alternative substances leads to bottlenecks within global supply chains. Depending on the specific form of the proposed legislation, there may also be greater risks for HELLA's existing series, post-series and spare parts business. HELLA is preparing for a possible PFAS ban at an early stage by conducting forward-looking analyses and evaluating alternative procurement options.

Legal and compliance risks

Risks from non-compliance with export control and sanctions regulations

As an internationally operating company, HELLA is fundamentally obliged to act in accordance with currently applicable sanctions regulations. Against the backdrop of Russia's ongoing war of aggression against Ukraine and the increasing number of other international trouble spots, sanctions lists have been tightened and expanded to include individuals, companies and organisations. Non-compliance with export control and sanctions regulations could result in legal consequences for individuals involved, loss of business and reputation and reduced access to capital markets. In addition, US law provides for the exclusion of companies from business activities in the domestic market in the event of repeated violations of corresponding sanctions lists. In order to minimise the risk of potentially unintentionally violating any sanctions regulations, HELLA maintains a global system for sanctions list checks and export controls. Current sanctions lists, embargoes and goods-related controls are updated in this system, which prevents orders and deliveries from being made to recipients, whether individuals, companies or countries, without being checked. In addition to these IT-based precautions, HELLA regularly conducts training and education to raise awareness of export control issues among the Company's employees.

Patent risks

A key component of HELLA's corporate strategy is the goal of technology leadership with correspondingly high expenditure on research and development. On the one hand, there is the risk associated with insufficient patent protection for the Company's own technologies and products. If new technologies were not protected to the extent required, for example, this could lead to competitors being able to reproduce new technologies from HELLA with significantly less effort. This could sig-

nificantly weaken HELLA's market and technology position and lead to a loss of market shares. HELLA therefore endeavours to protect its own product and preliminary developments under patent law. On the other hand, potential patent infringements by other companies are identified as part of continual benchmarking activities and market observation of individual areas of R&D, after which these findings are reported to HELLA's patents office for further action. There is also a risk of infringing patents held by other companies as part of the Company's own R&D activities. If such a case were to arise, it could lead to damages payments or licence costs in particular. To reduce this risk, new innovations and developments are systematically and thoroughly investigated to ensure they are not protected by the rights of any third parties.

General legal and compliance risks

Like any globally active company, HELLA is subject to numerous regulatory requirements in various jurisdictions. This entails the risk of legal disputes, official investigations and proceedings against HELLA or against business partners. In particular, there are risks with regard to corruption-related, antitrust and capital market regulations (see also the "Contingent liabilities" section in the notes to the consolidated financial statements). Allegations of violations of legal norms could adversely affect HELLA in a variety of ways. If a breach is detected, possible consequences include fines, claims for damages from third parties and reputational damage. In order to reduce risks resulting from legal violations, HELLA has established a Group-wide compliance organisation and a Group-wide compliance management system, which are centrally controlled, managed and continuously developed by the Corporate Compliance Office.

Financial and personnel risks

Financing risks

The automotive industry in general, and in Europe in particular, is under considerable transformation and cost pressure. This can also lead to risks with regard to corporate financing. Accordingly, due to the impaired business prospects of automotive manufacturers and suppliers, lenders may only be able to grant financing instruments to a lesser extent or by demanding considerable risk premiums. As a result, this can fundamentally impair corporate financing, lead to additional financial expenses and generally increase the insolvency risk of companies. HELLA may also be affected by this in the medium term; in the planning period, the Company has no significant loan maturities and is therefore fully financed operationally.

Global security

Risks from attacks on IT systems

HELLA uses a complex IT structure in all areas of the Company. Hence, in addition to the possibility of fundamental disruptions, there is a particular risk of cyberattacks on HELLA's infrastructure and information or data. In addition to a negative impact on the Company's reputation, such attacks on the IT systems can, above all, cause additional financial burdens and disruptions to operating processes and, in very rare exceptional cases, can also result in interruptions to operations lasting several days or even weeks. Extensive state-of-the-art security measures are taken to minimise these information security risks. These include centralised monitoring and continuous updating of IT systems, the use of state-of-the-art security technologies and processes, proactive use of cyber threat intelligence and regular awareness-raising of the Company's employees. In addition, continuous investments are made in IT infrastructure and security architecture, and special information security programmes are implemented to mitigate the risk of failures, data loss and breaches.

Operational risks

Risks due to product recalls

The automotive industry is undergoing a far-reaching transformation process worldwide. Further electrification and automation of driving functions also present major business opportunities for HELLA. At the same time, they are, however, also resulting in significantly greater technological complexity in terms of hardware and software, further increases in customer-specific product and functionality requirements and a much faster pace of innovation on the market. HELLA is thus constantly exposed to new quality risks, which also change from owner liability to manufacturer liability with products from automated driving level 3 (SAE, conditional automation). These are particularly evident from the possibility of high expenses for liability and warranty if parts and software supplied by HELLA deviate from the specification, are recognised late after delivery within the warranty period or as a product liability case, and therefore result in an extensive recall of vehicle fleets. In addition to corresponding cost burdens, this could also result in longer-term sales losses due to reputational damage. In order to reduce any risks as far as possible, HELLA pursues consistent quality management and works to continuously improve product and process maturity in development, production and the supply chain. Furthermore, HELLA implements methods for long-term fault identification and avoidance in

the development and qualification phase as well as safeguarding measures such as simulation and field observation.

Procurement risks

HELLA is dependent on a strong supplier base. This is linked to different risks within the global supply and logistics chains. Firstly, the high competitive pressure in the market also affects HELLA's purchasing areas and leads to increasing requirements to compensate for price pressure through procurement activities. Secondly, there is a risk of supplier defaults, for example due to insolvencies, particularly as a result of the weaker economic environment within the automotive industry. Thirdly, there are procurement risks in the context of geopolitical uncertainties. For example, a necessary second supplier approach and the build-up of additional inventories can lead to additional financial burdens; in the event of an escalation of geopolitical conflicts, considerable supply bottlenecks can also occur, especially for certain electronic components, and consequently lead to price increases as well as inefficiencies and even interruptions in the production process. These procurement risks should be minimised as far as possible through forward-looking procurement management. In this way, for instance, HELLA is continuously devising example systems for promptly recognising potential changes in the market and supplier environment. This also includes automatically identifying risks related to supply chain interruptions and reacting quickly and efficiently to potential incidents, such as natural events or insolvency on the part of suppliers. HELLA is also pursuing increased regionalisation in procurement and is realising additional cost synergies in purchasing through its cooperation with FORVIA.

Risks due to non-compliant products in terms of product safety

Risks due to non-compliant products in the context of product safety arise in particular as a result of the use of new, sophisticated technologies and the complex ways in which they interact with each other. This consequently means that claims arising from a product defect can lead, for example, to fines or damages, significant harm to the Company's reputation and personal liability for those involved. In order to minimise these risks, ensure product safety and meet high customer expectations, HELLA takes full account of the product safety requirements for both new and existing technologies. Alongside the established field of functional safety, which concerns the malfunctioning of safety-related functions, product safety also includes chemical, electrical and mechanical safety as well

as product-relevant cyber security. When combined with procedural validation and participation in the international standardisation process in the automotive industry, this minimises the product liability risks for the Company.

Risks due to bottlenecks in development capacities

HELLA is a leading global supplier in many product areas and acquired orders with a volume around of €10 billion in the past fiscal year. As many of these customer projects involve innovative, technologically sophisticated and safety-relevant technologies, HELLA is exposed to the potential risk of not being able to achieve the required level of maturity in one or more development processes or not having the necessary human resources to master the methodological and technological requirements. If the Company is not able to master the necessary development maturity process, this could possibly lead to additional financial burdens and production process, the loss of new business and general longer-term reputational damage. With a view to minimising such risks as far as possible, HELLA continued to expand its global development resources in the past fiscal year. On the other hand, HELLA is systematically pursuing the necessary skills development of the employees involved, is working systematically to increase the level of maturity in the development processes and is also increasingly focussing on shortening development cycles and simplifying processes – for example by using artificial intelligence – in order to achieve the targeted reduction in the R&D ratio (see the description of research and development in the Group fundamentals section).

Opportunity management

Identifying opportunities is part of HELLA's strategy and planning processes. HELLA's strategic alignment is subjected to a continuous, systematic review process and is adjusted as needed. At the same time, new opportunities are also identified, evaluated and, if suitable, realised. The work that needs to be done to implement these opportunities is shared between the Company's respective operational units.

Significant opportunities for HELLA arise primarily from the strategic growth fields of electrification and energy management, safe and automated driving, and digital and sustainable cockpit experiences. In order to sustainably realise opportunities arising from these overarching market trends, HELLA aligned its own product portfolio with these

trends at an early stage and is able to serve its customers worldwide with appropriate product solutions on this basis. Core products include power and battery electronics, thermal management and front phygital shields as highly integrative modules for the front of electric vehicles, radar sensors, the SSL | HD headlamp system and the Smart Car Access system.

Secondly, the Company sees additional growth opportunities in the American and Asian markets. Accordingly the Company now already has a global presence and is present in all major core markets of the automotive industry. In addition to the Company's strong presence in the European market, where it currently generates more than half of its consolidated revenue, it will also focus more on the markets in China, India and Japan, and in particular the local automotive manufacturers in these markets. In addition, business with manufacturers in the US market is to be further expanded. In order to take advantage of growth opportunities in the respective sales markets and to best serve the needs of local customers, HELLA pursues region-specific strategies, among other things, and also continuously adapts to new market conditions in this context. In addition to realising new business potential, the stronger balance between the respective regions should also help to balance out market fluctuations and achieve greater independence between the regions.

Thirdly, chances also result from cooperation within the FORVIA Group. In particular, this includes significant cost synergies that were realised in the past fiscal year, especially through the bundling of purchasing activities and cooperation in the areas of production and administration.

For further information on significant opportunities arising from HELLA's business model and corporate strategy, please refer to the "Fundamentals of the Group" section of this Group management report.

Forecast report

- Global economic growth to continue at a moderate level in 2025: Global gross domestic product forecast to rise by 3.3%
- No market recovery: light vehicle production expected to stagnate globally, growth only in Asia
- Company outlook: Currency and portfolio-adjusted sales of between around €7.6 and 8.0 billion expected, operating income margin of between around 5.3 and 6.0% and net cash flow of at least €200 million forecast

Global economic growth in 2025 will continue to be driven primarily by the USA, China and India. For the USA, the IMF expects that the economy there could benefit from the new government, for example through lower taxes and fewer government regulations. The IMF therefore currently expects the US economy to grow by 2.7% this year. In China, gross domestic product is expected to grow by 4.6% in 2025; the Chinese economy will thus continue to cool slightly compared to the prior year, although not to the extent previously forecast. India will continue to have the highest growth rate of the major countries in 2025 at 6.5%.

Economic outlook

According to current forecasts by the International Monetary Fund (IMF, as at January 2025), the global economy will continue to grow in the current calendar year 2025 and remain largely within the corridor of prior years. Based on recent IMF estimates, global gross domestic product growth will amount to 3.3% this year, but will remain below the historical average for the years 2000 to 2019 (3.7%). However, the IMF sees risks in particular in an increasing division of the global economy and a possible intensification of protectionist measures. This could affect the willingness to invest and potentially cause disruptions to global supply chains, among other things.

In its January outlook, the IMF currently expects growth of only 1.0% for the eurozone; this is mainly due to the weak development in industry, persistently high energy prices and subdued sentiment among end consumers. The German economy is also particularly affected by this, and is expected to grow by just 0.3% in 2025 after two years of recession. This is once again the lowest growth rate among the leading western G7 industrialised nations.

Industry outlook

In its latest Light Vehicle Production Forecast (as at February 2025), the market research institute S&P Global does not expect the global automotive industry to recover in the current fiscal year 2025 (1 January to 31 December 2025). Accordingly, S&P Global currently assumes that the global production of passenger cars and light commercial vehicles will stagnate at the previous year's level of 89.5 million units in the current year.

As in 2024, the European region in particular is contributing disproportionately to the development of light vehicle production, while production volumes in the Americas are also expected to be lower than in the prior year. According to current forecasts, only the Asian automotive market will grow.

S&P Global currently assumes that the number of new vehicles produced in Europe will fall by 3.5% to 16.6 million units (prior year: 17.2 million units), with Germany accounting for a decline of 2.2%. According to current estimates, vehicle production in North, Central and South America will fall by 0.7% to 18.3 million units (prior year: 18.4 million

Expected production of passenger cars and light commercial vehicles

	Fiscal year 2025 and change compared to the prior year	
	in thousands	+/-
Europe	16,593	-3.5%
of which Germany	4,104	-2.2%
North, Central and South America	18,272	-0.7%
of which USA	9,841	-3.1%
Asia / Pacific / RoW	54,613	+1.3%
of which China	30,372	+1.9%
Worldwide	89,480	0.0%

Source: S&P Global Mobility Light Vehicle Production Forecast, February 2025

units); the US automotive market is expected to record a decline of around 3.1%. In Asia/Pacific/Rest of World, S&P Global expects a slight increase of 1.3% to 54.6 million units (prior year: 53.9 million units); within this region, China is expected to grow by 1.9%.

Company outlook

For the current fiscal year 2025, HELLA expects currency and portfolio-adjusted sales in the range between around €7.6 and 8.0 billion. The Company expects the operating income margin to be between around 5.3 and 6.0%. With regard to the Business Groups as reporting segments, a decline in sales and an operating income margin at around the prior year's level is expected for Lighting; for Electronics, HELLA expects sales and an operating income margin at around the prior year's level; Lifecycle Solutions is also expected to maintain sales at around the prior year's level and slightly improve the operating income margin. For the net cashflow, a figure of at least €200 million is forecast.

With regard to the forecast operating income margin and the expected net cash flow, the Company expects an initially lower figure in the first half of the fiscal year.

The outlook is based on the expected market volume of around 89.5 million newly produced passenger cars and light commercial vehicles.

The forward-looking statements made in this report are based on current assessments by the HELLA Management Board, and were made with the expectation that there will not be any significant deviations as a result of political, economic or social crises. The Company outlook is therefore subject to risks and uncertainties which HELLA is not able to control or assess precisely, such as the future market environment and general economic conditions, the behaviour of other market players and government measures. If any of these or other uncertainties and unknowns materialise, or if the assumptions on which such statements are based prove to be inaccurate, the actual results may deviate significantly from those expressed or implied in these statements.

HELLA GmbH & Co. KGaA

For the fiscal year 2025 HELLA GmbH & Co. KGaA expects sales in the range of around €2.1 to 2.3 billion in the operating business for reported sales in accordance with IFRS.

Declaration on the corporate governance of HELLA GmbH & Co. KGaA

The General Partner with its Management Board headed by Bernard Schäferbarthold, the Shareholder Committee and the Supervisory Board of HELLA GmbH & Co. KGaA are committed to the principles of transparent and responsible corporate governance and control of the Company. They are attaching great priority to the standards of good corporate governance. HELLA's main focus is on entrepreneurial guidelines that implement long-term goals and sustainability, as well as compliance with legal and ethical standards.

With the following explanations, the General Partner, the Shareholder Committee and the Supervisory Board report on corporate governance at HELLA in accordance with the German Corporate Governance Code (Deutscher Corporate Governance Kodex) and, at the same time, on the conduct of the Company's corporate management in accordance with Section 315d of the German Commercial Code (Handelsgesetzbuch – HGB). Furthermore, the report contains the information and explanations required under Sections 289f, 315a and 315d HGB. An additional disclosure of such information and explanations in the notes is not necessary.

I. Corporate Governance Model of HELLA GmbH & Co. KGaA and the Group

HELLA GmbH & Co. KGaA is a German partnership limited by shares (Kommanditgesellschaft auf Aktien – KGaA). As with a German stock corporation, the KGaA is a corporation whose nominal capital is divided into shares. However, the KGaA has two different groups of partners; namely, the personally

liable partners (Komplementäre) (General Partners) that are responsible for managing the KGaA's business and are personally liable without restrictions for the KGaA's liabilities, and the (limited liability) shareholders ((Kommandit-)Aktionäre) that hold an interest with their shares in the nominal capital of the KGaA. The legal status of the (limited liability) shareholders does not differ significantly from that of the shareholders of a German stock corporation.

The Company has four corporate bodies. These are:

- 01** the **General Partner**, Hella Geschäftsführungsgesellschaft mbH, which has its registered office in Lippstadt. The shares in Hella Geschäftsführungsgesellschaft mbH are held by HELLA GmbH & Co KGaA;
- 02** the **Shareholder Committee**, established in accordance with the Articles of Association, which currently consists of eight shareholder representatives, which, as the central representative body of the shareholders, is responsible for advising and supervising the Management Board on a continuous basis. It may play an active role in management issues, for example by determining which business transactions require its consent;
- 03** the **Supervisory Board**, which is constituted on a parity basis of eight shareholder representatives and eight employee representatives pursuant to the German Co-Determination Act (Mitbestimmungsgesetz – MitbestG) and, along with the Shareholder Committee, carries out monitoring and advisory tasks; and

04 the **Annual General Meeting**, where the shareholders exercise their voting rights and carry out their supervision rights.

While using the organisational scope inherent in the legal form of the KGaA, HELLA emphasises transparency and equal treatment of all shareholders. Resolutions of the Annual General Meeting, for example, are passed by a simple majority vote, unless mandatory legal provisions or the Articles of Association stipulate otherwise. This also applies to resolutions appointing or removing General Partners. Furthermore, the requisite consent of the General Partner to specific resolutions of the Annual General Meeting as prescribed by law is excluded according to the Articles of Association, to the extent permitted by law. In this and many other respects, HELLA GmbH & Co. KGaA closely follows the example of an ordinary stock corporation.

More detailed information on the differences between a public limited company and the legal form of the Company can be found in the Declaration of Conformity (Entsprechenserklärung) of the General Partner, the Shareholder Committee and the Supervisory Board as of 27 February 2025, which has been made available at www.hella.com/declarationofconformity and is shown below.

Information on the remuneration of the members of the Management Board, the members of the Shareholder Committee and the members of the Supervisory Board can be found in the remuneration report on the last fiscal year. This report will be submitted for approval to the Annual General Meeting on 16 May 2025, together with the audit report pursuant to Section 162 of the German Stock Corporation Act (Aktiengesetz – AktG), and will then be made publicly available at www.hella.com/boardremuneration. The remuneration report from the fiscal year 2021/2022, the remuneration systems pursuant to Section 87a (1) and (2) sentence 1 AktG for the members of the Management Board and the latest resolutions of the Annual General Meeting pursuant to Section 113 (3) AktG on the remuneration of the members of the Shareholder Committee and the Supervisory Board can also be found there.

1. Group management by the General Partner

Group management is carried out by the members of the Management Board of Hella Geschäftsführungsgesellschaft mbH. Bernard Schäferbart hold has been Chairman of the Management Board

since 1 January 2024. In the business groups and central functions, executive boards and executive managers support the operational and strategic management of the business units. Entrepreneurial autonomy is the basic principle for managing the business at all levels. For material business transactions, the Group Management Board requires the approval of the HELLA GmbH & Co. KGaA Shareholder Committee, which codetermines the guidelines for business by means of this process.

2. Shareholder Committee

The legal form of the KGaA offers the option of establishing further representative bodies of the shareholders in addition to the legally mandatory Supervisory Board. The Company took advantage of this opportunity and established a Shareholder Committee in accordance with the Articles of Association; the members are elected at the Annual General Meeting. Vacancies may be filled by the Shareholder Committee by co-opting members in accordance with the Articles of Association.

Essential responsibilities of the Shareholder Committee

The Shareholder Committee monitors and advises the General Partner in the management of the business. It issues rules of procedure for them and for their management boards and decides which transactions require its prior approval. The Shareholder Committee is also responsible for the legal relationships between the Company and the Managing General Partner as well as for the appointment and dismissal of the managing directors of the Managing General Partner and their employment contracts. The Shareholder Committee represents the Company in legal disputes with the Managing General Partner. The financial and non-financial reporting for the Company and the Group is reviewed by the Shareholder Committee. The Shareholder Committee submits an annual report on its activities to the Company's Annual General Meeting and makes proposals for resolutions on each item on the agenda on which the Annual General Meeting is to pass a resolution.

Functioning of the Shareholder Committee

As a rule, the Shareholder Committee convenes every two months. Resolutions of the Supervisory Board are adopted by a simple majority of the votes cast; each member has one vote. If a vote results in a tie, in the event of a new vote on the same subject that also results in a tie the Chairman has two votes.

Corporate bodies

Management Board:

Responsible for strategic and operational management of the HELLA Group

Shareholder Committee:

Supervises and advises the Management Board as an authoritative monitoring body; decides on measures of the Management Board requiring its consent

Supervisory Board:

Supervises and advises the Management Board; responsibilities are limited due to the legal form of the Company

Annual General Meeting:

Exercises supervision rights, elects shareholder representatives to the Supervisory Board and Shareholder Committee

In the past fiscal year, the Shareholder Committee held 17 ordinary meetings, nine of which were held by video conference. This included eight meetings with the Management Board. It also held two extraordinary conference call meetings, as well as a strategy workshop with the Management Board. All members of the Shareholder Committee attended each of the aforementioned meetings with the exception of Patrick Koller, who was unable to participate in three of the meetings. In addition, the Shareholder Committee passed resolutions by way of written circular during the past fiscal year.

Committees of the Shareholder Committee

The Shareholder Committee currently has two committees: the Personnel Committee and the Operations Committee.

Personnel Committee: The Personnel Committee of the Shareholder Committee consists of the Chairman and two further members elected by the Shareholder Committee. In addition to Dr. Wolfgang Ziebart (Chairman of the Personnel Committee), the Personnel Committee currently includes Patrick Koller and Jean-Pierre Sounillac. As a rule, it meets at least three times during the fiscal year and as required. The Personnel Committee prepares the Shareholder Committee's resolutions on the appointment and removal of Managing Directors of Hella Geschäftsführungsgesellschaft mbH and on their individual total remuneration and the remuneration system applied for such. In this context, it decides in particular on the conclusion, amendment and termination of the employment contracts with the members of the Management Board of Hella Geschäftsführungsgesellschaft mbH.

The Personnel Committee also advises and supervises the General Partner on significant organisational changes in the Company's business areas and on succession planning for the respective executives of the business groups. To this end, the Personnel Committee works closely with the member of the Management Board responsible for the respective business group and the member of the Executive Board responsible for HR matters.

In the past fiscal year, the Personnel Committee held one meeting, which was attended by all current members. Furthermore, resolutions of the Personnel Committee were passed by written circular resolution.

Operations Committee: The Economic and Financial Committee of the Shareholder Committee consists of at least three members, who are elected by the

Shareholder Committee from its members. In addition to Patrick Koller, the Operations Committee currently includes Olivier Durand, Christophe Schmitt and Andreas Renschler. It usually meets once a month.

The Operations Committee is responsible for monitoring the financial and operational performance of the Company's business units. It reports on this to the full Shareholder Committee, in particular insofar as it identifies undesirable developments or risks. It also prepares the resolutions of the Shareholder Committee as necessary.

All of the twelve meetings of the Economic and Financial Committee in the past fiscal year, which were held by video conference, were attended by all of the acting members except Christophe Schmitt, who was unable to attend four meetings, and Andreas Renschler and Olivier Durand, who were unable to attend one meeting each.

3. Supervisory Board

Responsibilities of the Supervisory Board

The role of the Supervisory Board is to advise and supervise the General Partner in its conduct of the Company's business. In this respect, the responsibilities of the Supervisory Board of HELLA GmbH & Co. KGaA are limited due to its legal form. Unlike the Supervisory Board of a stock corporation, it is not responsible for the appointment and dismissal or for the employment contracts of the Management Board. Nor does it have any power to issue rules of procedure for the Company's Management Board or determine which business decisions require its consent. However, the exercise of the authorisations granted to the General Partner to increase the nominal capital from authorised capital and to buy back treasury shares is subject to the Supervisory Board's consent.

The core tasks of the Supervisory Board include auditing activities, in which it is significantly supported by its Audit Committee. The Supervisory Board's review covers the financial and non-financial reporting for the Company and the Group, the Company's dependent company report, the proposal for the appropriation of net profit and any material transactions between the Company and related parties. The Supervisory Board submits an annual report on its activities to the Company's Annual General Meeting and makes proposals for resolutions on each item on the agenda on which the Annual General Meeting is to pass a resolution.

Functioning of the Supervisory Board

The Supervisory Board has established two committees: the Nomination Committee and the Audit Committee.

Nomination Committee: The Nomination Committee consists of the Chairman of the Supervisory Board and another Supervisory Board member representing the limited liability shareholders as elected by the Supervisory Board. Currently, the members of the Nomination Committee are Andreas Renschler (Chairman) and Andreas Marti. The Nomination Committee prepares the proposals of the Supervisory Board to the Annual General Meeting for the election of Supervisory Board members.

Audit Committee: The Audit Committee consists of four Supervisory Board members elected by the Supervisory Board, of which two are limited liability shareholder representatives and two are employee representatives. Currently, the members of the Audit Committee are Judith Buss (Chair), Paul Hellmann, Gabriele Herzog and Christian van Remmen. As a former Chief Financial Officer in various business units of a DAX40 company and Chair of the Audit Committee at an international energy company, Judith Buss has particular knowledge and experience in the application of accounting principles, internal control and risk management systems, as well as auditing.

In addition, Gabriele Herzog has many years of experience in the field of finance. As Chief Financial Officer for the European activities of the FORVIA Group, she was responsible for the accounting of the European FORVIA companies until 2022. In addition, she dealt intensely with the audit of the financial statements of the companies in her regional area of responsibility. As a member of the Management Board of Faurecia Automotive GmbH, she regularly reported to the Supervisory Board of FORVIA German headquarters on the Company's individual financial statements and financial key performance indicators.

Judith Buss and Gabriele Herzog, two current members of the Audit Committee, have knowledge of the content and auditing of the non-financial report.

The core task of the Audit Committee is to review the financial reporting and the non-financial report for the Company and the Group. This includes preparing the Supervisory Board's decisions on the approval of the annual financial statements and the consolidated financial statements as well as

discussing the quarterly reports and the six month financial report with the Management Board prior to their publication. The Audit Committee monitors the accounting process, the audit of the financial statements, the effectiveness of the internal control system, the risk management system and the internal audit system and compliance, and makes recommendations or proposals to ensure the integrity of the accounting process. The Audit Committee prepares the Supervisory Board's proposal to the Annual General Meeting for the election of the auditor and the auditor of the non-financial report, and submits its recommendation. Together with the auditor, it determines the focal points of the audit and monitors the quality of the audit and the independence of the auditor. In particular, the Audit Committee decides on the additional services provided by the auditor.

The auditor participates in the meetings of the Audit Committee. The Management Board attends these meetings if the Audit Committee deems its attendance necessary. Outside the context of the meetings, there is also a regular dialogue between the chairman of the Audit Committee and the auditor.

4. Interaction of General Partner, Shareholder Committee and Supervisory Board

The General Partner, the Shareholder Committee and the Supervisory Board work together on the basis of mutual trust in the best interests of the Company. In its management of the Company, the General Partner is monitored primarily by the Shareholder Committee. It is obliged to prepare reports. The Shareholder Committee advises the General Partner as part of company management and on significant transactions. Certain measures laid down by the Shareholder Committee in rules of procedure for the General Partner require its approval. The Supervisory Board is also responsible for supervising the management of the business. For this purpose, the General Partner submits reports on a periodic basis and the Supervisory Board exercises information and inspection rights.

5. Objectives for the composition, diversity concept and long-term succession planning for the Management Board of the General Partner**A) Contents**

Taking into account the specifics of HELLA as a business, the Shareholder Committee has specified principles for the composition of the Management Board of Hella Geschäftsführungsgesellschaft

mbH, which includes a diversity concept. The principles should be taken into account for appointments to the Management Board.

The priority of these principles is professional and personal qualifications, especially with respect to educational and professional background. The areas of focus in terms of expertise of the individual directors should be included in a balanced way, to represent the widest possible spectrum of professional knowledge, skills and experience. With regard to the composition of the Management Board, the Shareholder Committee shall also take into account the international activities of HELLA. For this reason, several members of the Management Board should have relevant international experience, which means – for example – that they have worked abroad or have had significant interaction on an international level. In this context, the Shareholder Committee also takes into account additional diversity aspects such as the suitable participation of women and men related to subordinated selection criteria.

In the composition of the Management Board of Hella Geschäftsführungsgesellschaft mbH, the Shareholder Committee also takes into account the aspects of continuity and change and, therefore, strives to achieve a balanced age structure in the Management Board. In addition, there is a legally binding age limit of 65 years.

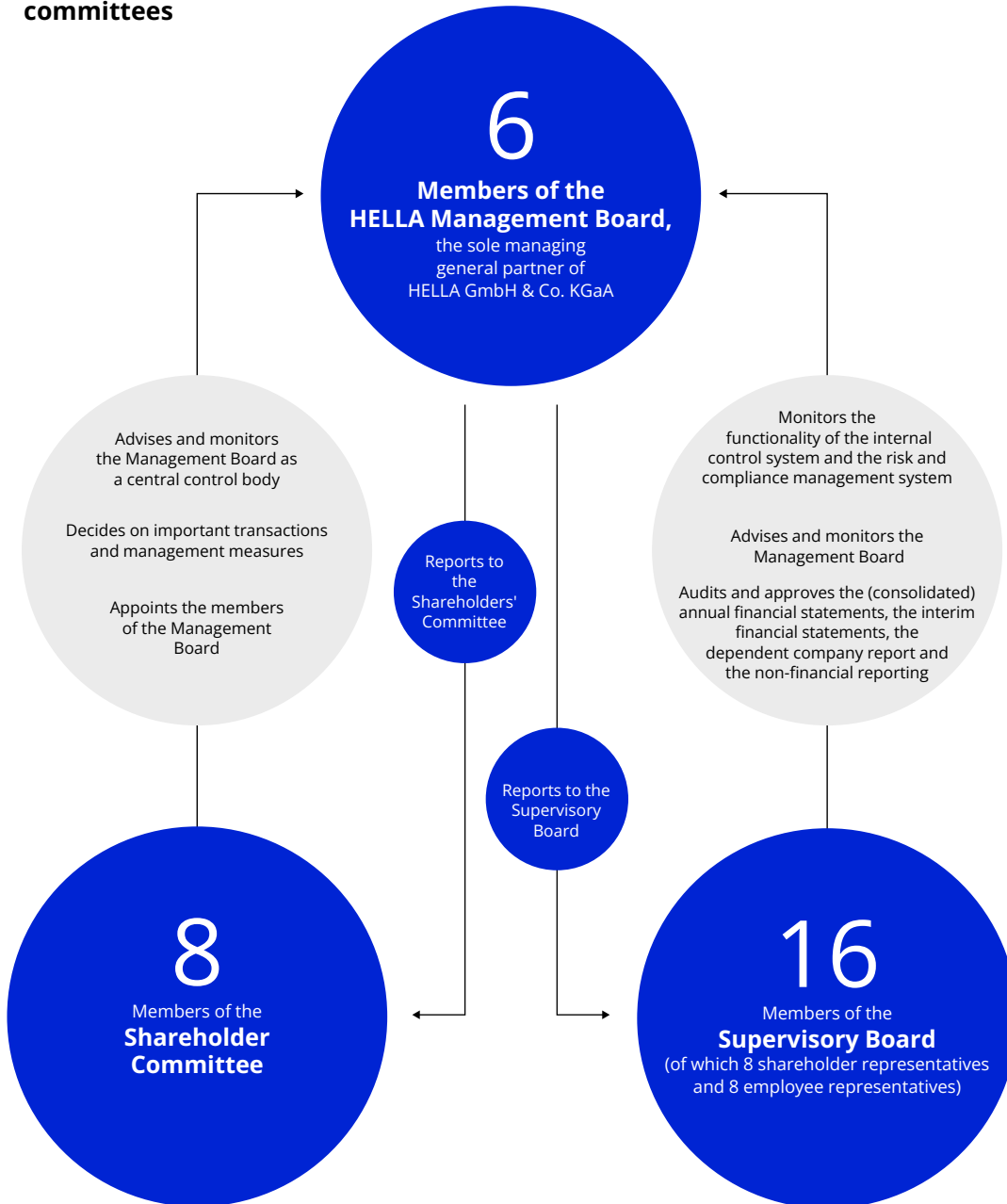
B) Status of implementation and attained results

In its current composition, the Management Board of Hella Geschäftsführungsgesellschaft mbH meets all of the aforementioned composition and diversity objectives.

C) Long-term succession planning

Together with the Management Board, the Shareholder Committee is responsible for long-term succession planning. The aim is to fill vacant positions on the Management Board with candidates from within the Company itself where possible. The CEO of the Management Board and the Chairman of the Shareholder Committee maintain a continuous dialogue in order to identify promising candidates at an early stage and to evaluate their suitability for higher-level management tasks in a structured manner over a significant period of time. Furthermore, within the Shareholder Committee, succession planning is discussed primarily by the Personnel Committee, whose members constantly analyse the performance of the Management Board in order to identify any need for new members at an early stage. If external candidates

are to be considered for vacant positions, the Shareholder Committee uses professional employment agencies for management staff. If a short-term need arises in the Management Board, internal and external candidates are considered in parallel. All selection processes are carried out on the basis of the Shareholder Committee's objectives regarding the composition of the Management Board of Hella Geschäftsführungsgesellschaft mbH, including the diversity concept.

Interaction of the committees*As at: 27 February 2025***6. Skills profiles, objectives regarding the composition and diversity concepts for the Shareholder Committee and the Supervisory Board****A) Contents**

Taking into account the specifics of HELLA's business, the Shareholder Committee and the Supervisory Board have specified skills competencies: for both corporate bodies and objectives regarding their composition, which always includes a diversity concept. These specifications are to be taken into account by the corporate bodies in new elections in

their respective election proposals. This applies mutatis mutandis in the case of judicial appointments of Supervisory Board members and in the event of co-opting members to the Shareholder Committee.

The competence profiles of the Shareholder Committee and the Supervisory Board stipulate for both bodies that the following competences should be possessed by at least one member of each body:

- 01** management experience in international markets,
- 02** industry knowledge of the automotive industry or other manufacturing lines of business,
- 03** expert-level knowledge in the domain of accounting or auditing,
- 04** experience in legal areas with relevance for HELLA such as compliance, and
- 05** expertise on sustainability issues of importance to HELLA.

The competency profile of the Supervisory Board additionally provides that the aforementioned expertise in the fields of accounting and auditing is cumulatively fulfilled by at least two Supervisory Board members.

In their respective composition, the Shareholder Committee and the Supervisory Board shall also take into account the international activities of the HELLA Group. For this reason, it is intended that each of the two corporate bodies has at least two members with relevant international experience, which means – for example – that they have worked abroad or have had significant interaction on an international level. Furthermore, the Shareholder Committee and the Supervisory Board take into account potential conflicts of interest of the members when determining their respective composition.

The Shareholder Committee and the Supervisory Board also take age into account when determining their respective composition. Members from a variety of age groups should be represented in both corporate bodies. Standard age limits also apply. The members of the Shareholder Committee are elected for the last time in the year in which they reach the age of 70. As a general rule, only those persons may be proposed as Supervisory Board members who, at the time of election, are not yet 75 years of age.

In their respective composition, all in all, the Shareholder Committee and the Supervisory Board consider first and foremost the professional and personal qualifications of future members. The applicable educational and professional requirements as well as the knowledge and expertise of members of both corporate bodies are described in further detail in the skills profile. Both bodies strive to ensure that the entire respective corporate body includes individual members who have a balanced skill set. In this context, both corporate bodies also take into account additional diversity aspects related to subordinated selection criteria. There is a legal requirement stipulating that the Supervisory Board must consist of at least 30% women and men.

B) Status of implementation and attained results

In their current composition, the Shareholder Committee and the Supervisory Board correspond to the respective skills profiles and meet all of the aforementioned targets regarding the composition of the respective body – including those relating to diversity. The qualification matrices shown here reflect the current status of implementation for the Shareholder Committee and the Supervisory Board.

Shareholder Committee

	Management experience in international markets	Knowledge of automotive industry or other trades	Expertise in the field of accounting	Expertise in the field of auditing financial statements	Experience in legal areas relevant to HELLA	Expertise in sustainability issues of importance to HELLA
Dr. Wolfgang Ziebart	X	X				X
Patrick Koller*	X	X			X	X
Judith Buss	X	X	X	X	X	X
Olivier Durand	X	X	X	X		X
Martin Fischer**	X	X	X	X		
Jill Greene	X	X			X	X
Andreas Renschler	X	X				
Christophe Schmitt***	X	X				X
Jean-Pierre Souillac	X	X			X	X

* Patrick Koller: until 28 February 2025

** Martin Fischer: since 1 January 2025

*** Christophe Schmitt: until 31 December 2024

Supervisory Board

	Management experience in international markets	Knowledge of automotive industry or other trades	Expertise in the field of accounting	Expertise in the field of auditing financial statements	Experience in legal areas relevant to HELLA	Expertise in sustainability issues of importance to HELLA
Andreas Renschler	X	X				
Christian van Remmen		X			X	
Tatjana Bengsch	X	X			X	X
Judith Buss	X	X	X	X	X	X
Paul Hellmann		X				
Gabriele Herzog	X	X	X	X		X
Susanna Hülsbömer		X				
Rupertus Kneiser	X	X			X	
Oliver Lax		X				
Andreas Marti	X	X			X	
Thorsten Muschal	X	X	X			X
Britta Peter		X				
Christoph Rudiger		X				
Kirsten Schütz	X	X			X	X
Marco Schweizer		X				
Anke Sommermeyer		X		X	X	X

7. Independence of the members of the Shareholder Committee and the Supervisory Board

The Shareholder Committee and the Supervisory Board take into account the independence of the members of their respective corporate body in connection with their respective composition, while taking into consideration the ownership structure. In accordance with Recommendation

C.6 (1) DCGK, Recommendation C.7 (1) sentence 1 DCGK and Recommendation C.9 (1) sentence 1 DCGK, both corporate bodies have specified as an appropriate objective that, in the case of each corporate body, more than half of their respective members elected by the Annual General Meeting shall be independent of the Company and the Management Board and at least two members shall be independent of any controlling shareholder. In the

opinion of the Shareholder Committee, all of its current members and members in the fiscal year 2024 are independent within the meaning of recommendation C.7 of the German Corporate Governance Code. The Supervisory Board believes that the same applies to all current shareholder representatives on the Supervisory Board and those in office in the fiscal year 2024. Moreover, according to the assessment of the Shareholder Committee, the Chairman Dr. Wolfgang Ziebart, as well as Judith Buss and Andreas Renschler, are independent of the controlling shareholder within the meaning of Recommendation C.9 of the German Corporate Governance Code. Of the shareholder representatives on the Supervisory Board, the Supervisory Board considers the Chairman Andreas Renschler, Judith Buss, Rupertus Kneiser and Kirsten Schütz to be independent within the meaning of recommendation C.9 of the German Corporate Governance Code.

8. Self-assessment of the members of the Shareholder Committee and the Supervisory Board

In accordance with Recommendation D.12 DCGK, the Shareholder Committee and the Supervisory Board regularly assess how effectively they as corporate bodies and their committees fulfil their tasks. To this end, both corporate bodies undertake a self-assessment by means of questionnaires roughly every two years. The results of these questionnaires are evaluated in anonymised form and then discussed in a plenary session. Any required improvements that arise from this are then addressed. Most recently, both the Shareholder Committee and the Supervisory Board conducted a self-assessment (efficiency review) in October 2023.

II. Information under Sections 289a, 315a HGB

The following information pursuant to Sections 289a, 315a HGB reflect the conditions as of the balance sheet date. As provided for Section 176 (1) sentence 1 of the German Stock Corporation Act (Aktiengesetz – AktG), the information is explained in greater detail in the individual sections.

1. Composition of the subscribed capital

The nominal capital of the Company amounts to €222,222,224 and is divided into 111,111,112 no-par value bearer shares. All shares have been fully paid up. The Articles of Association stipulate that the shareholders' right to the issuance of share certificates representing their respective shares shall be excluded to the extent legally permitted, unless such issuance is required in accordance with the regulations applicable to the stock exchange on which the shares are admitted.

2. Shareholders' rights

The shareholders exercise their rights provided for by law or by the Articles of Association before or during the Annual General Meeting and exercise their voting rights in this context. Each no-par value share carries one vote at the Annual General Meeting. In addition, in the Annual General Meeting, shareholders may express their opinion on items on the agenda, propose motions and address questions to the General Partner.

The Annual General Meeting of HELLA GmbH & Co. KGaA is held within the first eight months of the fiscal year at the Company's registered office or in another German city with a population of more than 100,000, or in another German city within a radius of 50 kilometres from the Company's registered office. Furthermore, on 30 September 2022 the Annual General Meeting authorised the general partners to hold Annual General Meetings until 30 September 2027 in a virtual meeting format without the physical presence of shareholders or their proxies.

The Annual General Meeting is convened by the General Partner. Shareholders whose aggregate shareholding reaches one-twentieth of the nominal capital (i.e. €11,111,112) may request the convening of an Annual General Meeting in writing, stating the purpose and reasons for the same. In the same manner, shareholders whose aggregate shareholding equals or exceeds a proportional amount of €500,000 may request that items be included in the agenda and published. Furthermore, shareholders whose shares in aggregate represent a proportional nominal capital amount of €100,000 may submit a request to the Management Board, under certain conditions, that a special auditor be appointed by the court to review a procedure in the context of the Company's establishment or a procedure that has taken place within the past five years.

3. Restrictions concerning the voting rights or the transfer of shares

The Company is not aware of any restrictions affecting voting rights or the transferability of shares in the Company.

4. Major shareholders / special rights / participation of employees in the capital

According to the last voting rights notification of Forvia S.E. (formerly: Faurecia S.E.), which was received by the Company on 1 February 2022, FORVIA indirectly held 80.59% of the voting rights in the Company via Forvia Germany GmbH, based in Hanover (formerly operating as Faurecia Participations GmbH, based in Frankfurt am Main). In total, FORVIA currently holds 81.59% of the shares in HELLA (according to FORVIA, as of December 31, 2024).

No shares have been issued that confer multiple voting rights, preferential voting rights, maximum voting rights or special rights granting powers of control. There is no form of participation of employees in the Company's capital that would not enable the employees to directly exercise their supervision rights.

5. Statutory provisions and provisions of the Articles of Association on the appointment and removal of members of the Management Board and on amendments to the Articles of Association

The management of the Company is carried out by the General Partners. The Annual General Meeting decides on the appointment and removal of General Partners by simple majority, without the consent of existing General Partners being required in the case of appointment (Article 7 (4) and (5) of the Articles of Association). The sole General Partner of the Company is currently Hella Geschäftsführungsgesellschaft mbH (Article 7 (2) of the Articles of Association), all shares of which are held by HELLA GmbH & Co. KGaA. The General Partner is removed as soon as HELLA GmbH & Co. KGaA no longer holds all shares in it (Article 7 (5) of the Articles of Association).

The appointment and removal of members of the Management Board of HELLA Geschäftsführungsgesellschaft mbH is in turn the responsibility of the Shareholder Committee (Article 6 (1) (a) of the Articles of Association of Hella Geschäftsführungsgesellschaft mbH).

The resolutions of the Annual General Meeting of HELLA GmbH & Co. KGaA are passed by a simple majority of the votes cast, unless mandatory law or the Articles of Association dictate otherwise and, where the law requires a capital majority, with a simple majority of the nominal voting capital represented at the time of passing the resolution (Article 21 (2) of the Articles of Association). This also applies, in particular, to amendments to the Articles of Association and to the passing of a resolution on a transformation into a stock company (Aktiengesellschaft); however, amendments to the object of the Company require a three-quarters majority (Section 179 (2) AktG). In deviation from Section 285 (2) sentence 1 AktG, amendments to the Articles of Association in particular – to the extent permitted by law – do not require the consent of the General Partner (Article 21 (3) of the Articles of Association). The Supervisory Board is authorised to decide on amendments to the Articles of Association that only relate to the wording (Article 15 (6) of the Articles of Association).

6. Authorised capital / authorisation to buy back shares

In accordance with Article 5 (4) of the Articles of Association, the General Partner is authorised to increase the nominal capital with the approval of the Shareholder Committee and the Supervisory Board by a total amount of up to €44 million by issuing, on one or more occasions on or before 25 April 2029, new no-par value bearer shares against cash contributions and/or contributions in kind. In this context, the shareholders must generally be granted a subscription right. However, the General Partner is authorised to exclude, with the approval of the Supervisory Board and the Shareholder Committee, the shareholders' subscription rights as follows in the following cases:

- in case of a capital increase against contributions in kind for the purpose of acquiring companies, parts of companies or shares in companies or any other assets including receivables from the Company;
- if the notional value of the new shares in the nominal capital does not exceed 10% of the nominal capital existing at the time this authorisation becomes effective and at the time a resolution to exercise the authorisation is adopted, provided that the issue price is not significantly lower than the listed price, and further provided the notional value in the nominal capital of any shares that have been issued or sold with the exclusion of subscrip-

tion rights on the basis of a corresponding authorisation in direct or analogous application of Section 186 (3) sentence 4 German Stock Corporation Act (Aktiengesetz – AktG) must be included in the calculation of the amount of 10%; and

- for the avoidance of any fractional shares.

The General Partner is also authorised, on or before 25 April 2029, to acquire treasury shares up to a volume of 10% of the current nominal capital or – if lower – of the nominal capital existing at the time the authorisation is exercised. The acquisition is made at the discretion of the General Partner with the consent of the Shareholder Committee and the Supervisory Board through the stock exchange, via a public offer request directed to all shareholders, or via a public invitation addressed to all shareholders for submission of sales offers.

The General Partner is authorised to use the treasury shares that have been acquired with the consent of the Shareholder Committee and the Supervisory Board for all legally permissible purposes. In particular, the shares can

- be withdrawn without a further resolution by the Annual General Meeting;
- to be sold via the stock exchange or via a public offer to all shareholders in proportion to their shareholding;
- to be sold excluding the shareholders' subscription rights, provided that this is for cash payment and at a price that is not significantly lower than the stock exchange price;
- to be offered and transferred, under exclusion of subscription rights, in return for payment in kind, in particular as part of company mergers or the acquisition of companies, parts of companies or shares in companies or other assets;
- to be offered or transferred, excluding the shareholders' subscription rights, as part of employee profit-sharing schemes.

In this context, treasury shares may also be acquired using put or call option, forward contracts or other equity derivatives, or a combination of these instruments (derivatives). Such acquisitions are limited to a maximum of 5% of the nominal capital at the time the resolution is passed or – if this value is lower – of the share capital existing at

the time the authorisation is exercised. Derivatives may be issued or acquired, excluding any subscription right of the shareholders, with a credit or financial institution, or another appropriate contractual party that is experienced in the derivatives business, with the proviso that, on the basis of the derivatives, only shares will be delivered that were acquired in keeping with the principle of equal treatment. Moreover, the issuance or acquisition of derivatives may be publicly offered to all shareholders or may be effected through the derivatives exchange Eurex or a comparable successor system after prior announcement in the Company's designated publication media, with the exclusion of any subscription rights. The term of the derivatives must not exceed 18 months in each case and must be selected such that the acquisition of the shares through the exercise of derivatives takes place on 25 April 2029 at the latest.

7. Material agreements with change-of-control clauses / compensation agreements

HELLA GmbH & Co. KGaA has entered into the material agreements set out below which contain change-of-control provisions, for example as a result of a takeover bid:

- The 0.5% bond currently issued by HELLA GmbH & Co. KGaA with a term until January 2027 and a nominal volume of €500 million contains a change of control clause according to which the bondholders can demand early repayment if a person or a group of persons acting together acquires control over HELLA GmbH & Co. KGaA and this results in a loss of the investment grade rating within 120 days of the change of control.
- In September 2022, HELLA negotiated a syndicated credit facility amounting to €450 million and an increase option of €150 million with a consortium of international banks. The facility originally had a term of three years until September 2025. HELLA exercised a first extension option for 15 months in August 2023 and a second extension option for twelve months in August 2024. The term of the facility therefore ends in December 2027. In the event of a loss of the investment grade rating, the continued existence of the syndicated credit facility is not at risk and it will remain in place. The banks have a special right of cancellation in the event of a change of control. A special right of termination would also exist in the event of a squeeze-out or domination agreement being entered in the commercial register.

- HELLA GmbH & Co. KGaA guarantees the re-payment of a credit line of the local subsidiary in Mexico totalling USD 75 million with a term until January 2026. The agreements in place allow the lender to terminate the credit line within 20 days after a person or group of persons (other than FORVIA) acting jointly has gained control over HELLA GmbH & Co. KGaA as guarantor and to call in all outstanding amounts immediately. The bank has a special right of termination in the event of a squeeze-out being entered into the Commercial Register.
- In all the aforementioned cases, the gain of control is defined in particular as the acquisition of more than 50% of the voting shares of HELLA GmbH & Co. KGaA.

Employment contracts concluded with members of the Management Board prior to the fiscal year 2021/2022 stipulated that, in the event of a loss of control by the former family shareholders of HELLA GmbH & Co. KGaA, they could both resign from office and terminate their employment contract for cause. Service contracts concluded at a later date no longer include a special right of termination in the event of a change of control. Of the current members of the Management Board, only Bernard Schäferbarthold still has such a special right of termination – triggered by the change of control following the acquisition of the majority shareholding by Forvia S.E. – which has been modified. It has been extended until 31 December 2027 and can only be exercised if the Company adopts all necessary resolutions beforehand to enable FORVIA S.E. to take full (direct or indirect) control, so that the Company no longer requires independent management with its own Chief Executive Officer and the Managing Director does not assume a position on the Board of Directors (comité exécutif) of the FORVIA Group. Please refer to the remuneration report for more details.

The Company has not entered into any compensation agreements with any employees in the event of any takeover bid or a change of control.

III. Corporate governance and compliance

In the interest of proper corporate governance, the members of the Management Board conduct the Company's business in accordance with statutory rules, the provisions of the Articles of Association

of HELLA GmbH & Co. KGaA and Hella Geschäftsführungsgesellschaft mbH and the rules of procedure of the General Partner and the Management Board of Hella Geschäftsführungsgesellschaft mbH. In addition, the Management Board acts in accordance with the requirements set by the compliance guidelines, its Code of Conduct, the HELLA Declaration of Principles for Human Rights, the Corporate Governance Principles, its resolutions and other corporate rules.

Value-orientated management practices extending beyond statutory requirements primarily result from the corporate philosophy. HELLA is firmly convinced that corporate success is founded on a corporate culture based on values. This includes the responsible treatment of employees, business partners and other third parties, society and the environment.

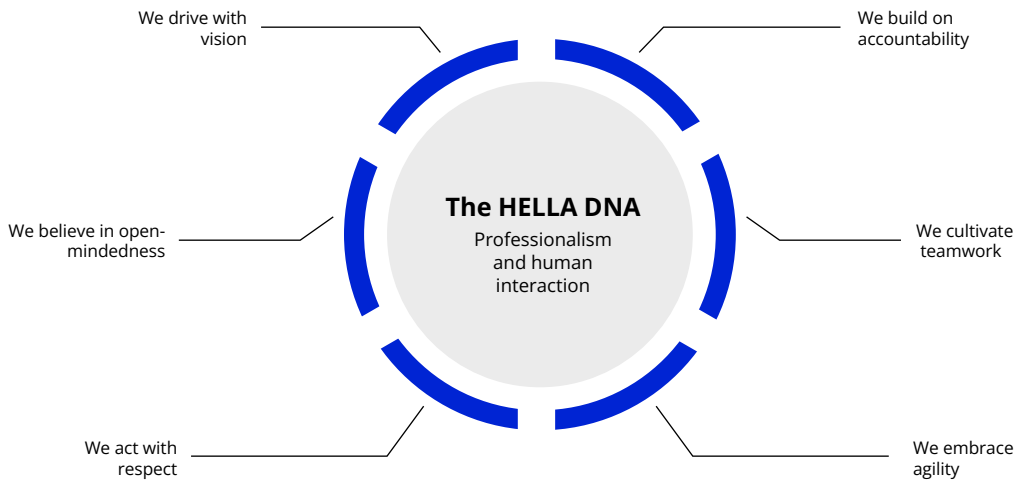
HELLA's top priority is customer satisfaction. At its core, this corporate philosophy is based on a comprehensive understanding of quality that is not limited to product quality but which also covers all of the Company's activities.

For HELLA's corporate culture, too, customer satisfaction is the point of departure. It can then be achieved only if every employee internalises customer as their own target and takes personal responsibility for achieving it. Consequently, the Company's guiding strategic principle is to demand and promote entrepreneurial self-responsibility for each HELLA employee, irrespective of their position within the Company. As a result, processes and organisational structures at HELLA are always aligned in such a way as to enable the entrepreneurial self-responsibility of its employees.

The core of the corporate culture lies in the six FORVIA/HELLA values, which form the basis for sustainable corporate success: We drive with vision, we build on accountability, we cultivate teamwork, we embrace agility, we act with respect, we believe in open-mindedness. ➔

HELLA has anchored these values, in particular responsible and respectful behaviour, in a code of conduct and is constantly developing them further. They are binding for all Group employees all over the world. The Code of Conduct brings together the basic rules on acting with integrity that apply to the Company between employees but also in relation to business partners, public authorities and other third parties in conformity with the law. It is an expression of the self-perception of HELLA, which is to meet the responsibility towards the Company in

➔ Further details on the corporate philosophy and the principles of corporate governance can be found online at www.hella.com/compliance

FORVIA / HELLA values

relation to shareholders and society and to live up to the expectations of customers, suppliers and other business partners anew every day.

The Code of Conduct is supplemented, in particular, by the HELLA Declaration of Principles for Human Rights, the HELLA Anti-Corruption Policy and a Compliance Declaration on compliance with anti-trust regulations and the Speak Up policy (tellUS!). These and many other documents on the subject of compliance are publicly available on the Company's website at www.hella.com/compliance.

All regulations are based on a standardised basic understanding: Compliance – legally compliant behaviour and acting with integrity – is an integral part of HELLA's corporate culture, forms the basis for the business activities and is a prerequisite for sustained corporate success. At HELLA, the Corporate Compliance Office is responsible for the Group-wide compliance organisation and the compliance management system.

In addition to the basic elements of compliance organisation, objectives, culture and communication, the HELLA compliance system – based on the IDW auditing standard 980 – includes, above all, the elements of the compliance programme, which must be developed and further developed for each of the aforementioned compliance issues: risk analysis, information/instruction (prevention) and monitoring and detection, as well as response.

Through (i) a strong presence of the Compliance Office in the organisation, (ii) virtual and face-to-face events, e-learning and other training formats, (iii) guidelines, process instructions and other documents, (iv) newsletters and other publications, and (v) advice on day-to-day business, employees worldwide are familiarised with the respective legal and internal company regulations, including the HELLA Code of Conduct, trained and encouraged to act in a compliant manner. These measures are key preventative components of continuous compliance management.

In the past fiscal year 2024, the Compliance Office's activities continued to focus on the further development of the anti-corruption programme. The reasons for this include the requirements of the French anti-corruption law Sapin 2, which HELLA is subject to as a result of the acquisition of a majority shareholding by FORVIA (previously: Faurecia) and the consideration of the effective anti-corruption measures implemented at FORVIA. In the reporting period, the following measures in particular were taken with a view to an effective anti-corruption programme:

- The Group policy Speak Up (tellUS!) and "Conflicts of interest" adopted by the Management Board in December 2023 were communicated throughout the Group and embedded in the organisation.
- As part of the anti-corruption-related "accounting controls", HELLA introduced quarter-

ly Group-wide audits of postings to certain accounts (including sales agent commissions, donations and sponsoring, gifts and invitations) and payments to recipients (suppliers) with bank accounts in sensitive countries during the reporting period.

- The Group-wide procedure for the declaration of conflicts of interest by employees and the review of declarations by the compliance organisation, which was established with the Group guideline on conflicts of interest at the end of the fiscal year 2023, was carried out for the first time in the past fiscal year by means of surveys of conflicts of interest among target groups of managers in various countries / regions.
- In the last fiscal year, a Group-wide audit of all sales agents and customs brokers was carried out as part of the (compliance) business partner audit. In addition, the Group-wide assessment of anti-corruption risks (known as corruption risk mapping) in the Independent Aftermarket (IAM) business was finalised with the validation of the results by all IAM companies and the establishment of action plans to reduce the risks.
- Finally, the new anti-corruption e-learning, the English version of which was rolled out in December 2023, was also implemented across the Group in other relevant language versions (German, Chinese, Spanish, Romanian, Czech, Slovakian, Slovenian). Participation in this e-learning course – as with all compliance e-learning courses – is mandatory for all relevant HELLA employees. To this end, F2F training was also organised for target groups of employees in certain regions.

In the current fiscal year 2025, the intensive work and action plan to implement a robust and effective anti-corruption programme will continue, with the ongoing support and "tone from the top" of the Management Board and the involvement of second and third level controls.

IV. Specifications of targets for female representation pursuant to Section 76 (4) and Section 111 (5) AktG and information on the gender quota pursuant to Section 96 (2) AktG

The Management Board of HELLA GmbH & Co. KGaA has set a target for the proportion of women at the first management level below the Management Board of 7.0% for the German Group companies for the period from 1 July 2022. For the second management level below the Management Board, the target level was set at 10.0%. It was decided that both targets were to be reached by 30 June 2027. No further determinations by the Supervisory Board pursuant to Section 111 (5) sentence 8 AktG have been made for reasons specific to the Company's legal form. In contrast to a stock corporation, the Supervisory Board of a KGaA does not have the authority to decide on the composition of the Management Board. The minimum shareholding requirement pursuant to Section 76 (3a) AktG for the Management Board of a stock corporation is also not applicable to the Management Board of HELLA GmbH & Co. KGaA for reasons specific to its legal form. However, in accordance with the diversity concept, HELLA continues to pursue a representation of both genders as a goal for the management board of the Company and would currently fulfil the requirement of Section 76 (3a) AktG.

Irrespective of the legally prescribed targets for the proportion of women in management positions at its German companies, HELLA has set itself the goal of increasing the proportion of women in the HELLA Group worldwide: The Management Board is aiming to achieve a 27.5% share of women among managers and professionals by 2026.

The composition of the Supervisory Board is governed by the mandatory requirement of Section 96 (2) AktG which specifies that at least 30% of its members must be women and at least 30% must be men. This requirement is met. Currently, seven of the 16 Supervisory Board members (and four of the eight shareholder representatives) are women, which corresponds to a quota of 43.75%. So far, neither the shareholder representative side nor the employee representative side has objected to the overall fulfilment of the quota requirement.

V. Application of the German Corporate Governance Code (DCGK)

The General Partner as well as the Shareholder Committee and Supervisory Board of HELLA GmbH & Co. KGaA publishes an annual declaration in accordance with Section 161 AktG confirming conformity to the recommendations of the "Government Commission for the German Corporate Governance Code" published by the German Federal Ministry of Justice in the official part of the Federal Gazette ("Bundesanzeiger") and discloses any recommendations which are or have not been conformed to, stating the reasons for this. The General Partner as well as the Shareholder Committee and the Supervisory Board of HELLA GmbH & Co. KGaA most recently published the declaration below in accordance with Section 161 AktG on 27 February 2025 on the Company's website:

Declaration regarding the German Corporate Governance Code in accordance with Section 161 of the German Stock Corporation Act (Aktengesetz – AktG)

The General Partner and the Shareholder Committee and the Supervisory Board of HELLA GmbH & Co. KGaA (also "Company" or "HELLA" in the following) declare, pursuant to Section 161 AktG that since the last time this declaration was made on 29 February 2024, and except for the deviations set out below, the Company has complied, and intends to comply in the future, with the recommendations of the German Corporate Governance Code (Deutscher Corporate Governance Kodex – DCGK), as amended on 28 April 2022, taking into account the special features of its legal form as set out below.

I. Legal form-specific special factors

The German Corporate Governance Code has been developed with companies organised as stock corporations or as European companies (SE) in mind and therefore does not take account of the special factors relating to the KGaA form. Accordingly, many of the recommendations of the German Cor-

porate Governance Code can only be applied to HELLA in modified form. Material modifications are particularly required as a result of the following special factors relating to the Company's legal form:

1. Management Board

In contrast to a stock corporation whose affairs are managed by a board of directors, the management of a KGaA is the responsibility of the personally liable partners (Komplementär(e)) (General Partner(s)). They are not appointed or removed by the Supervisory Board but by the Annual General Meeting. The Company has one General Partner, Hella Geschäftsführungsgesellschaft mbH, which has its registered office in Lippstadt, and is represented by its Managing Directors Bernard Schäferbarthold (CEO), Yves Andres, Stefan van Dalen, Stefanie Rheker, Philippe Vienney and Jörg Weisgerber. In contrast to the management board of a stock corporation, the Managing Directors of Hella Geschäftsführungsgesellschaft mbH are appointed for an indefinite period of time. The shares in Hella Geschäftsführungsgesellschaft mbH are held by the Company. The resultant shareholder rights are exercised by the Shareholder Committee.

2. Shareholder Committee

The legal form of the KGaA, as opposed to that of a stock corporation, makes it possible to establish further optional corporate bodies. The Company took advantage of this opportunity. The Shareholder Committee, which has been created pursuant to the Articles of Association and is elected by the Annual General Meeting, supervises and advises the General Partner in the management of the Company's business and can issue rules of procedure for it. In addition, it determines which of the General Partner's transactions require its prior consent. It has management powers and power of representation for the legal relationship between the Company and the General Partner, and it represents the Company in legal disputes with the General Partner.

The Shareholder Committee exercises all the rights attached to the Company's shares in Hella Geschäftsführungsgesellschaft mbH. It is responsible in particular for appointing and dismissing the Management Board and for regulating board members' employment contracts.

The Shareholder Committee is also responsible for executing shareholders' resolutions.

To the extent where the DCGK contains recommendations relating to the tasks and responsibilities of the Supervisory Board, which in the case of HELLA are performed by the Shareholder Committee under the terms of its Articles of Association, these recommendations are deemed to apply to the Shareholder Committee.

3. Supervisory Board

Compared to the Supervisory Board of a stock corporation, the Supervisory Board of a KGaA has limited powers. In particular, it has no authority to appoint, dismiss or authorise the employment of the Management Board. Nor does it have any power to issue rules of procedure for the Company's Management Board or determine which business decisions require its consent.

4. Annual General Meeting

The legal status of the Annual General Meeting is not materially different to that of a stock corporation. In particular, it elects the shareholder representatives of the Supervisory Board and the members of the Shareholder Committee. To the extent permitted by law, resolutions of the Annual General Meeting of HELLA are adopted by a simple majority. In contrast to a stock corporation, the Annual General Meeting of HELLA adopts legally binding resolutions approving the annual financial statements.

Under the Stock Corporation Act (Aktengesetz – AktG), certain resolutions of the Annual General Meeting of a KGaA are subject to the approval of the General Partners (see Section 285 (2) and Section 286 (1) AktG). However, this consent requirement has been rendered inapplicable by the Articles of Association of HELLA to the extent legally permitted, in particular with regard to resolutions on amendments of the Articles of Association, fundamental and extraordinary business decisions, and the appointment and removal of General Partners. On the other hand, the annual financial statements cannot be approved by the Annual General Meeting without the General Partner's consent. According to the Articles of Association, the General Partner declares their consent when submitting their resolution proposals on the annual financial statements to the Annual General Meeting.

II. Deviations from the recommendations of the German Corporate Governance Code (DCGK)

1. Time period from the last declaration of conformity on 29 February 2024

In the period since the last declaration of conformity was issued on 29 February 2024, the following recommendations of the DCGK were not complied with. The deviation listed under letter a) was already announced and explained in an update declaration dated 5 December 2024:

- A** The Shareholder Committee has granted the Managing Director responsible for the Lighting business group, Yves Andres, an adjustment to his short-term variable remuneration (short-term incentive, "STI") for the fiscal year 2023. The background to the Shareholder Committee's decision was a discussion about the basis for calculating the STI and its appropriateness in view of the good results of the Lighting business group. The adjustment of the STI was assessed as a deviation from Recommendation G.8 DCGK, according to which a subsequent change to the target values or the comparison parameters should be excluded.
- B** Deviating from Recommendation G.10 DCGK, the variable remuneration is not predominantly invested in shares of the Company or granted accordingly on a share-based basis. As a result of the acquisition of a large shareholding in HELLA by FORVIA at the beginning of 2022, the development of HELLA's share price is only of limited significance. HELLA has therefore restructured the LTI component with effect from 1 January 2023 and no longer takes the development of HELLA's share price into account.

2. Forward-looking part

The General Partner as well as the Shareholder Committee and the Supervisory Board of HELLA intend to continue not applying the recommendations of DCGK set forth in clause 1 letter B) in the future for the reasons outlined above.

III. Proprietary transactions of management

In accordance with Article 19 of the EU Market Abuse Regulation, persons who perform management tasks at HELLA GmbH & Co. KGaA or who have a close relationship to these persons must disclose reportable transactions with shares or debt instruments of HELLA GmbH & Co. KGaA or the associated derivatives or other financial instruments after a total volume of €20,000 has been reached within one calendar year. The Company publishes the transactions reported to it that require publication on the website www.hella.com/directorsdealings. In the past fiscal year, it was not notified of any transactions that require disclosure.

Final declaration by the Management Board on relations with affiliated companies pursuant to Section 312 of the German Stock Corporation Act (Aktiengesetz – AktG)

In the fiscal year 2024, HELLA GmbH & Co. KGaA was a dependent company of FORVIA S.E. in the period from 01 January 2024 to 31 December 2024, as defined in Section 312 AktG. The Management Board of the General Partner of HELLA GmbH & Co. KGaA has therefore prepared a management report on relations with affiliated companies pursuant to Section 312 (1) AktG, which contains the following final declaration:

“We declare that, in respect of the legal transactions and measures listed in the report on relations with affiliated companies from 1 January 2024 to 31 December 2024, the Company received appropriate consideration for each legal transaction, according to the circumstances known to us at the time the legal transactions were carried out or measures were taken or refrained from. If the Company suffered a disadvantage, it was granted a legal claim to an adequate benefit as compensation before the expiry of the fiscal year on 31 December 2024. The company has not suffered a disadvantage by the fact that measures were taken or refrained from.”

Non-financial report

of HELLA GmbH & Co. KGaA for the fiscal year 2024

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01 About the non-financial report

1.1 General disclosures (ESRS 2)

The transition to a sustainable economy that protects resources, the environment and health is one of the great challenges of our time and simultaneously acts as a driver of innovation in the automotive industry. The shift towards low-emission and zero-emission mobility is setting new standards and placing new demands on entrepreneurial action. HELLA's business activities have a wide range of effects on the environment and people and also pose financial opportunities and risks. Responsible, fair and environmentally friendly behaviour is therefore increasingly taking centre stage in HELLA's corporate activities. The Company provides information on these developments in this non-financial report.

1.2 Basis for the preparation of the non-financial report (ESRS 2 BP-1)

The following non-financial report relates to HELLA GmbH & Co. KGaA in accordance with Sections 289b to 289e HGB and the HELLA Group (hereinafter referred to as 'HELLA') with its fully consolidated subsidiaries in accordance with Sections 315b and 315c HGB. With this report, HELLA makes use of the option to combine both reports (hereinafter referred to as non-financial report).

In the non-financial report, HELLA reports annually on significant developments relating to the Company's sustainability performance. In the following Chapter, the Company publishes the non-financial report in accordance with Section 315c in conjunction with 289c to 289e of the German Commercial Code (Handelsgesetzbuch – HGB). The non-financial Group reporting is prepared in partial application of the first set of the ESRS as a framework in accordance with Section 289d HGB. Data points that are not fulfilled are shown in the topic-related chapters.

A reconciliation of the material issues in accordance with Section 315c in conjunction with Section 289c (2) HGB and material topics for HELLA to the ESRS topics was carried out.

In accordance with Section 289c (4) HGB, the social issues from paragraph 2 were not pursued in any concept because HELLA did not identify any material impact, risk or opportunity as part of the materiality analysis. In the reporting period, there were no material risks from the Company's own business activities or from business relationships, products and services that are very likely to have a serious negative impact on the non-financial aspects in accordance with Section 315c in conjunction with Section 289c HGB. There were also no key performance indicators relevant to management, i.e. the most significant non-financial performance indicators within the meaning of Section 315c in conjunction with Section 289c (3) HGB. As part of the environmental information, this non-financial report contains the information in accordance with Article 8 of Regulation 2020/852 (EU Taxonomy Regulation) for HELLA in Chapter 3.3 EU Taxonomy.

1.3 Scope of consolidation

The information in the non-financial report is consolidated in accordance with the same principles as the annual financial statements. Unless stated otherwise, it relates to the HELLA Group as well as the parent company HELLA GmbH & Co KGaA. The financially fully consolidated subsidiaries Docter Optics SE (hereinafter Docter Optics) was largely integrated into the non-financial reporting in this reporting period. For historical reasons, Docter Optics manages matters independently and is not fully integrated into HELLA's management systems, objectives and processes, meaning that some disclosures for the Company are reported separately. Joint ventures, associated companies and non-consolidated subsidiaries in the value chain over which HELLA does not exercise operational control are excluded from the scope of consolidation. FWB Kunststofftechnik GmbH is not part of the scope of consolidation, but fulfils the disclosure requirements of ESRS E1-6 46 regarding reporting on climate change (ESRS E1) for companies with operational control, so that it is included

in the reporting on climate change (ESRS E1) under Scope 1 and 2.

Information includes players in the upstream and downstream value chain if they are relevant for an understanding of HELLA's concepts, measures and objectives. This includes information on Scope 3 greenhouse gas emissions or the coverage of HELLA's purchasing volume with a sustainability assessment. In the reporting period, HELLA did not make use of the option to omit certain information, for example due to business secrets, but utilised the exemptions of the European Sustainability Reporting Standards (ESRS) for the gradual introduction of certain disclosure requirements, including those related to anticipated financial effects.

There were changes in the scope of consolidation in the reporting period. These are presented in the financial report in Section 02 Scope of consolidation. The change in the scope of consolidation in 2024 compared to the financially consolidated companies in 2023 entails a corresponding change in the HELLA sustainability information, such as a corresponding change in the population or the base year (see metrics on climate change mitigation).

1.4 Reporting period and disclosures on discretionary decisions (ESRS 2 BP-2)

The reporting period is the HELLA fiscal year 2024 from 1 January to 31 December 2024. Where possible, comparative values from prior years are also given for KPIs on a calendar year basis.

The specified time horizons correspond to the definition of the ESRS: Short-term corresponds to the reporting period, medium-term corresponds to a time frame of one to five years and long-term corresponds to a time frame of more than five years.

HELLA uses estimates for the reporting of some items. This relates in particular to information on Scope 3 greenhouse gas emissions (KPI for DR E1-5, E1-6) and in accordance with the EU Taxonomy Regulation (activities 3.4 and 3.18). In addition, environmental data is collected for the months January to October of the reporting period. For the months of November and December, values based on the prior year's figures are used, as the data from the reporting period is not available in time for the financial statements (KPI for DR E5-5). In addition, not all material inflows can be determined by weight; an estimate is also used for this (KPI for DR E5-4).

If estimates were used to determine the KPIs, this is noted and explained accordingly in the text. Reference is also made to the degree of accuracy in the respective KPIs. Forecast information is characterised by assumptions and assessments and is therefore considered uncertain.

The list of information that is incorporated by reference can be found at the end of the chapter on ESRS 2.

1.4.1 Information on changes in the preparation or presentation of sustainability information

Due to further development of the methodology and the data related to greenhouse gas emissions, adjustments were made to the comparative values for the base year (2019). More detailed information can be found in Chapter 3.1.4 Metrics and targets related to climate change mitigation (E1-6). No corrections have been made due to reporting errors.

02 Sustainability-related governance (ESRS 2 GOV-1)

2.1 Role of the administrative, management and supervisory bodies (ESRS 2 GOV-1)

In order to operate responsibly and sustainably, HELLA considers not only the financial aspects but also the environmental, social and governance (ESG) impact of its business activities. The aim is to effectively anchor sustainability into the processes as a central aspect of HELLA's operations and thus into the Company's day-to-day business and to manage it effectively.

The HELLA Management Board defines the sustainability strategy accordingly. Within the Management Board, the Chief Executive Officer is responsible for sustainability. They chair the Sustainability Council, a cross-functional steering body. The Council ensures an intense, Company-wide exchange on a bi-weekly basis, in which key sustainability issues and trends as well as different stakeholder interests are identified, discussed and evaluated. This systematic consideration of non-financial issues makes it possible to identify opportunities and risks for business development at an early stage. In addition, the Council coordinates and monitors central projects for implementing the sustainability strategy. Progress is regularly reported to the Management Board. The Council is involved in various corporate functions from all

business divisions and in core projects. Further details can be found in HELLA's declaration on corporate governance.

The Corporate Sustainability Office organises the Council and actively steers sustainability projects. The Sustainability Office reports to the Chief Executive Officer, who is closely involved in sustainability activities. Responsibility for and implementation of the sustainability goals lies with the respective business divisions and corporate functions. Key management elements such as a global network of HR managers and environmental protection, health and safety managers (EHS managers) have been implemented at all HELLA locations. In addition to defined internal processes, internal controls for the management of sustainability-related impacts, risks and opportunities are implemented by the respective corporate functions, either centrally or at the individual locations. The reporting period was characterised in particular by the detailing of measures to achieve the climate targets as well as efforts to anchor sustainability criteria in purchasing and effectively expand the corresponding due diligence obligations, among other things with regard to the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz – LkSG) and the EU Corporate Sustainability Due Diligence Directive (Directive EU 2024/1760 on corporate due diligence with regard to sustainability).

The respective technical experts at HELLA and the parent company FORVIA SE maintain an intensive dialogue on sustainability activities. In this way, employees from both companies network with each other on sustainability matters to harmonise management systems and objectives in the medium term and to exchange best practices. One milestone on this path, for example, is the joint specifications for environmental and energy management as well as occupational safety in the joint FORVIA Excellence System (FES), a tool for managing operational excellence.

The administrative, management and supervisory bodies are involved in sustainability activities as described below:

HELLA GmbH & Co. KGaA is a German partnership limited by shares (Kommanditgesellschaft auf Aktien – KGaA). The Company has four corporate bodies.

- The General Partner, HELLA Geschäftsführungsgesellschaft mbH, which has its registered office in Lippstadt. Group management

is carried out by the members of HELLA Geschäftsführungsgesellschaft mbH (hereinafter referred to as the HELLA Management Board). The HELLA Management Board consists of 6 members and decides on the sustainability strategy, taking into account impacts, opportunities and risks as well as their consideration in concepts. In close cooperation with the respective specialist departments, it decides on objectives and prioritises the resulting activities. Within the Management Board, the Chief Executive Officer is responsible for sustainability. The proportion of women on the HELLA Management Board is 16.7% and therefore the ratio of women to men is 1 to 5 (one female member).

- The Shareholder Committee supervises and advises the Management Board as an authoritative monitoring body and decides on measures of the Management Board requiring its consent. It currently consists of eight members. The Shareholder Committee is involved in deciding on key sustainability targets, such as those related to the promotion of gender diversity in the Company's workforce or the setting of climate targets. The Shareholder Committee is generally informed about the implementation of the sustainability strategy, the development of sustainability performance and the achievement of targets. It validates the non-financial report and the double materiality analysis. Women make up 25.0% of the HELLA Shareholder Committee. The ratio of women to men is therefore 2 to 6 (two female members).
- The Supervisory Board supervises and advises the Management Board, and its responsibilities are limited due to the legal form of the Company. It consists of 16 members. The Audit Committee of the Supervisory Board is actively involved in the preparation and review of the non-financial report in accordance with the statutory audit obligation (Section 171 (1) sentence 4 of the German Stock Corporation Act) and reports accordingly to the Supervisory Body. The Supervisory Board approves the consolidated financial statements, including the non-financial report, and validates the double materiality analysis. Women make up 43.75% of the HELLA Supervisory Board. The ratio of women to men is therefore 7 to 8 (seven female members).
- The Annual General Meeting exercises control

rights and elects the shareholder representatives to the Shareholder Committee and the Supervisory Board. The Annual General Meeting adopts the annual financial statements, which also include the management report and the non-financial report. From the fiscal year 2025, the Annual General Meeting will also elect the auditor of the non-financial report.

The members of the Management Board are appointed by the Shareholders' Committee. In doing so, the Shareholder Committee pays particular attention to the professional and personal qualifications for the leadership of the respective management area, whereby the main areas of expertise of the individual Managing Directors should complement each other in a balanced manner in order to reflect the broadest possible spectrum of professional knowledge, skills and experience in the industrial sectors, products and regional markets relevant to the company. This also includes expertise in sustainability issues relevant to HELLA.

Within the HELLA Management Board, overall responsibility for sustainability lies with the Chairman of the Management Board, Bernard Schäferbarthold. He is also a long-standing sponsor of the HELLA Sustainability Council, the cross-functional steering committee for sustainability aspects in the company worldwide. Furthermore, the Managing Directors of the operational Business Groups Lighting, Electronics and Lifecycle Solutions - Yves Andres, Jörg Weisgerber and Stefan van Dalen - have extensive expertise in the areas of product development (particularly in the areas of electromobility and safe and automated driving, which are relevant to sustainability) and operations. As Chief Human Resources Officer, Stefanie Rheker has extensive expertise in employee-related sustainability aspects. Philippe Vienney has many years of experience in finance and controlling.

This provides the HELLA Management Board directly and indirectly with the appropriate skills and expertise required to monitor the material sustainability-related impacts, risks and opportunities.

HELLA provides further information on governance as well as the composition of the committees, their tasks and responsibilities and their access to expertise and competences with regard to sustainability aspects in the Group management report in HELLA's declaration on corporate governance (see qualification matrix).

2.1.1 Governance (ESRS 2 GOV-1) related to governance (ESRS G1)

Business conduct, also referred to as conducting business with integrity and ethics, is the foundation of a successful Company. HELLA's corporate culture, its values and its principles guide cooperation with various stakeholders in day-to-day business, protect its reputation and create trust as the basis for cooperation. The expertise of the Company's management and administrative bodies in relation to aspects of corporate governance is ensured as described above.

HELLA is committed to legally compliant and honest business practices. The principles include a strict ban on corruption and bribery and the protection of whistleblowers who report potential misconduct. It is HELLA's conviction to conduct business in compliance with the law and with integrity wherever the Company operates. As an international, globally positioned company, HELLA acts in accordance with responsible corporate governance, which is based, inter alia, on a visible corporate and compliance culture as well as FORVIA/HELLA's corporate values. In this way, the Company promotes reliable business conduct, on which long-term economic success is based, and preserves its reputation. The corporate culture is conveyed and promoted through events, training sessions and internal communication channels.

At HELLA, compliance aims at effectively anchoring and practicing adherence to regulations in everyday business. The Company expects all its employees in all countries, regardless of hierarchy level, to comply with laws and internal regulations and to display integrity and exemplary behaviour. Upholding the virtues of compliance, adherence to rules and integrity also means acting responsibly in relation to employees, customers, suppliers and other business partners as well as society and the environment.

The HELLA management board has established a compliance system throughout the company that is based on the IDW PS 980 audit standard and is designed to prevent systematic misconduct by employees. Compliance requirements are consistently recorded and communicated worldwide to ensure that they are observed, in particular by analysing risks and implementing preventive, detective and reactive measures. This is largely done by the compliance organisation. The central Compliance Office designs the framework of the compliance system on the basis of the compliance guidelines. In addition to general compliance topics including the Code of Conduct, the Compliance Office is respon-

sible for the topics of combating corruption and antitrust law. HELLA is committed to fair competition and does not tolerate violations of anti-corruption and antitrust laws. The other compliance topics are assigned to the respective divisions, which perform their tasks independently with the support of the Compliance Office.

The Compliance Office reports quarterly on anti-corruption, antitrust law and incident management to the Management Board and every six months to the Audit Committee of the Company's Supervisory Board.

Further information on the compliance organisation and the compliance system are contained in HELLA's declaration on corporate governance.

2.2 Information and sustainability aspects dealt with by the Company's administrative, management and supervisory bodies (ESRS 2 GOV- 2)

The HELLA Management Board is informed and consulted on regular detailed status reports on sustainability aspects in the areas of environment, social affairs and governance/compliance, including targets, measures and relevant metrics. The Management Board decides on objectives and significant measures. These updates are provided either by the Corporate Sustainability Office or the relevant specialist departments.

Reporting on the non-financial reports for the fiscal years 2023 and 2024 took place in the Supervisory Board during the reporting period. The Supervisory Board acknowledged and approved the materiality analysis and the key reporting topics for the fiscal year 2024. In addition, information was provided on the new requirements of the Corporate Sustainability Reporting Directive (CSRD). The members of the Audit Committee of the Supervisory Board also received in-depth training on the role of the Supervisory Board in accordance with the CSRD.

In addition, a compliance report focussing on anti-corruption and whistleblowing management is submitted to the Audit Committee of the Supervisory Board twice a year. Reporting on occupational safety or environmental protection is provided for in particular in the event of fatalities or serious incidents.

The Shareholder Committee receives reports on sustainability issues as required and once a year on the non-financial report. In the 2024 reporting period, the Shareholder Committee was consulted on targets related to diversity and climate change mitigation.

The Supervisory Board and Shareholder Committee focus on overarching sustainability aspects and goals. Accordingly, an update on impacts, opportunities and risks, taking into account conflicting objectives and the status of target achievement of sustainability ambitions, is primarily provided as part of the annual update on non-financial reporting by the Corporate Sustainability Office. Impacts, opportunities and risks were considered when making decisions on significant business transactions involving changes to the business model, business portfolio and significant company acquisitions and disposals. Regular updates are carried out twice a year and as required.

The Annual General Meeting adopted the annual financial statements, including the non-financial report for the fiscal year 2023, once a year.

List of material sustainability aspects reported to the administrative, management and supervisory bodies in the 2024 reporting period

Sustainability aspect	Identified material impacts, risks and opportunities		Business management	Shareholders' Committee	Supervisory Board	Annual General Meeting
Non-financial reporting & materiality analysis	-	-	E	E	E	I
EU taxonomy	-	-	E		I	I
E1 Climate change	Negative impact	Climate change mitigation With a carbon footprint of 18.2 million tCO ₂ e in 2019 (baseline year) in categories 1, 2 and 3, HELLA is contributing to man-made climate change.				
	Risk	Adaption to climate change Physical risks, such as the interruption of production at a location due to more extreme weather events and the failure to adapt to climate change in time.				
	Risk	Adaption to climate change Physical risks include disruptions to critical global supply chains due to greater impacts of climate change, such as an increase in the frequency and severity of extreme weather events and failure to adapt in time.	E	E	K	I
	Opportunity	Climate change mitigation In the automotive industry, a competitive advantage can be achieved through a competitive climate-friendly product portfolio and carbon neutral production (80% reduction and offset) by 2025.				
E5 Resource use and circular economy	Impact	Resource outflows in connection with products and services The use of virgin materials such as plastics for HELLA products contributes to resource scarcity and damage to the environment.				
	Impact	Waste The generation of waste in upstream production processes has an impact on resource scarcity and damage to the environment throughout the supply chain.				
	Impact	Waste The current, mostly linear product design of HELLA products has a negative impact on end-of-life recycling, which increases the amount of waste and the scarcity of resources.	E	I	I	I
	Risk	Resource inflows, including resource consumption Cost increases or even business interruption due to a lack or shortage of resources (such as the semiconductor crisis) or due to excessive resource consumption.				
	Opportunity	Resource outflows in connection with products and services Materi'Act range+ eco-design for all products. Initiatives related to the transformation and commercialisation of unique, state-of-the-art, low and ultra-low carbon footprint materials in conjunction with eco-design practices.				

List of material sustainability aspects reported to the administrative, management and supervisory bodies in the 2024 reporting period

Sustainability aspect	Identified material impacts, risks and opportunities	Business management	Shareholders' Committee	Supervisory Board	Annual General Meeting
S1 Company's own workforce	Impact				
		Health and safety Production activities pose health and safety risks for the Company's own workforce: In rare cases, such as related to human error or process failure, accidents may occur, which may result in serious injury, including loss of limbs, or even death, or exposure to hazardous substances. Chemicals and substances used in production.			
	Impact				
		Working hours / work-life balance In the automotive industry, high levels of stress in the workplace and non-compliance with working hours and rest periods, as defined in the basic International Labour Organisation (ILO) standards, can lead to fatigue, demotivation and health consequences such as burnout.			
	Impact		E	E	I
	Social dialogue Limited or ineffective social dialogue can lead to the needs of the workforce not being adequately taken into account, exacerbating global inequalities and perpetuating social injustice in HELLA's operations.				
	Impact				
	Equal treatment and equal opportunities for all Recruitment, talent retention, staff development and training processes can be influenced by conscious or unconscious bias, which can lead to unfair treatment.				
	Impact				
	Other work-related rights (forced labour and child labour) Forced labour and child labour contributes to human rights violations, exploitation and modern slavery, undermines global efforts to create ethical and sustainable supply chains and has a serious impact on the mental and physical well-being of victims.				
	Impact				
S2 Workers in the value chain	Impact				
		Health and safety Production activities at suppliers (parts and raw materials) pose health and safety risks for workers in the value chain. In rare cases, there are serious consequences of work-related injuries, including loss of limbs, or even fatalities.			
	Impact				
	Other work-related rights (child labour and forced labour) Forced labour and child labour in HELLA's supply chain contributes to human rights violations, exploitation, undermines global efforts to ensure ethical and sustainable supply chains and has a serious impact on the mental and physical well-being of victims.				
	Impact				
S4 Customers and end-users	Impact				
	Health and safety, personal safety and child protection Deaths/injuries in car accidents caused by defects in safety-related products.				
	Impact	E	I	I	I
G1 Governance	Risk				
	Corruption and bribery Violations of anti-corruption laws with reputational consequences.				
	Risk	E	I	K	I

Key: E = Decision-making K = Consultation I = Information

2.3 Inclusion of sustainability-related performance in incentive schemes (ESRS 2 GOV-3)

The remuneration system for the Management Board provides incentives for successful implementation of the corporate strategy and long-term development of the Company. To this end and firstly, the remuneration system – with its two performance-related components – is bound to important operating indicators that reflect the Company's success and are included in the financial performance indicators for the corporate management. Secondly, the performance-related remuneration components also take into account aspects of corporate social responsibility (Environmental, Social & Governance, "ESG"). The relevant targets are reviewed annually by the Shareholder Committee and set at a demanding level, in accordance with the corporate strategy and planning. This ensures that the remuneration is linked to the long-term economic development of the Company and that the interests of the Management Board align with those of the shareholders.

In the fiscal year 2024, the ESG targets linked to the annual performance-related remuneration ("STI") included reducing the accident rate and reducing the specific CO₂ intensity (Scope 1 & 2 categories in tonnes of CO₂ equivalents per million euros of net product sales). These two objectives were defined as part of the special (prioritised) objectives as collective objectives for all members of the Management Board and were included in the calculation of the STI with a total weighting of 7.5% (assuming 100% target achievement, this corresponds to around 3.6% of the Management Board's total variable remuneration). The Shareholder Committee did not make use of the option to set individual ESG targets for individual members of the Management Board in the fiscal year 2024.

With regard to the long-term performance-related remuneration ("LTI"), the remuneration system defined by the Shareholder Committee for the Management Board provides for the consideration of the achievement of two ESG criteria, which are included in the LTI with a combined weighting of 25%. The ESG targets are gender diversity (increasing the percentage of women in the group of specialists and managers; weighting of 10%) and the reduction of carbon emissions (on the basis of an agreed carbon roadmap; weighting of 15%). The specific target values for the two ESG targets are set by the Shareholder Committee before the start of the reference period of the respective LTI instal-

ment. In the fiscal year 2024, the key performance indicator of reduction in CO₂ emissions was defined as a reduction in the specific CO₂ intensity in the Scope 1 and 2 categories. Assuming 100% target achievement, the weighting of sustainability-related targets in the LTI corresponds to around 13.0% of total variable remuneration.

In total, ESG targets are included in the variable remuneration of the members of the Management Board with a weighting of around 16.6%, assuming 100% target achievement.

No sustainability-related components were taken into account in the remuneration of the Supervisory Board and the Shareholder Committee in the 2024 reporting period. Further information can be found in the remuneration report for the fiscal year 2024 on the Company's website.

2.3.1 Inclusion of sustainability-related performance in incentive schemes (ESRS 2 GOV-3) in the context of climate change (E1)

The inclusion of sustainability-related performance in incentive systems is described as follows in relation to climate change mitigation. The HELLA Management Board is responsible for implementing the HELLA sustainability strategy and climate-related targets. Accordingly, the Board monitors developments in regular status reports. In 2024, the targets for the performance-related remuneration components of the HELLA Management Board (short-term and long-term) also included the reduction of the specific CO₂ intensity in the Scope 1 and 2 categories in relation to net product sales. In this context, the target achievement for the reduction of CO₂ intensity accounts for around 9.6% of total variable remuneration or 6.6% of total remuneration, assuming target achievement of 100%.

In addition, the reduction of the specific CO₂ intensity in the Scope 1 and 2 categories in relation to net product sales in fiscal year 2024 was introduced for the first time as a sustainability-related key performance indicator in the bonus system for members of senior management who report directly to the HELLA Management Board. It is planned to roll out this approach to other non-pay-scale employees in the fiscal year 2025.

2.4 Statement on due diligence (ESRS 2 GOV-4)

To fulfil its corporate sustainability-related due diligence obligations, HELLA is guided by international standards such as the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. These emphasise the responsibility of companies to identify, prevent and minimise negative impacts on human rights and the environment and to be accountable for them. The core elements of the

due diligence obligations include the identification and assessment of risks and impacts, measures to avoid and minimise them based on this assessment, monitoring and reporting, and the provision of effective grievance mechanisms.

In the following, HELLA provides a tabular overview of the information provided in the non-financial report on the procedure for fulfilling the due diligence obligation.

List of material sustainability aspects reported to the administrative, management and supervisory bodies in the 2024 reporting period

Core elements of due diligence	Non-financial report	Section number	
a) Integration of due diligence into governance, strategy and business model	ESRS 2 GOV-2	2.2 Information and sustainability aspects dealt with by the Company's administrative, management and supervisory bodies (ESRS 2 GOV- 2)	
	ESRS 2 GOV-3	2.3 Inclusion of sustainability-related performance in incentive systems	
	ESRS 2 SBM-3	2.7 Significant impacts, risks and opportunities and their interaction with the strategy and business model	
b) Involvement of affected stakeholders in all key due diligence steps	ESRS 2 GOV-2	2.2 Information and sustainability aspects dealt with by the Company's administrative, management and supervisory bodies (ESRS 2 GOV- 2)	
	ESRS 2 SBM-2	2.6.1.1 Stakeholder interests and positions (ESRS 2 SBM-2)	
	ESRS 2 IRO-1	2.8 Management of impacts, risks and opportunities	
	topical ESRS: Consideration of the different stages and purposes of stakeholder engagement throughout the due diligence process. This includes ESRS 2 MDR-P.		2.6.1.1.1 Interests and views of stakeholders (ESRS 2 SBM-2) in relation to climate change (ESRS E1)
			2.6.1.1.2 – Interests and views of stakeholders (ESRS 2 SBM-2) in relation to own workforce (ESRS S1)
			2.6.1.1.3 Interests and views of stakeholders (ESRS 2 SBM-2) in relation to workers in the value chain (ESRS S2)
			2.6.1.1.4 Interests and views of stakeholders (ESRS 2 SBM-2) in relation to end-users (ESRS S4)
c) Identification and assessment of negative impacts	ESRS 2 IRO-1	2.8 Management of impacts, risks and opportunities	
	ESRS 2 SBM-3	2.7 Significant impacts, risks and opportunities and their interaction with the strategy and business model	

Core elements of due diligence	Non-financial report	Section number
d) Actions to counter these effects	topical ESRS: Consideration of the range of actions, including transition plans, to address the impacts, including ESRS 2 MDR-A.	3.1.3 Management of impacts, risks and opportunities in relation to climate change
		3.2.2 Management of impacts, risks and opportunities in relation to resource use and circular economy
		4.1.2 Management of impacts, risks and opportunities in relation to the own workforce*
		4.7.2 Management of impacts, risks and opportunities in relation to workers in the value chain
		4.8.2 Management of impacts, risks and opportunities in relation to end-users
		5.1.1 Management of impacts, risks and opportunities in relation to governance
e) Tracking the effectiveness of these efforts and communication	topical ESRS: in relation to metrics and targets. This includes ESRS 2 MDR-M and ESRS 2 MDR-T.	3.1.4 Metrics and targets in relation to climate change (E1-6)
		3.2.3 Metrics and targets in relation to resource use and circular economy
		4.1.3 Metrics and targets in relation to the own workforce*
		4.7.3 Metrics and targets in relation to workers in the value chain
		4.8.3 Metrics and targets in relation to with end-users
		5.1.2 Metrics and targets (ESRS G1-3) in relation to governance

*also subsection to S1

2.5 Risk management and internal controls over non-financial reporting (ESRS 2 GOV-5)

Non-financial reporting is an essential component of corporate communication and contributes to transparency towards stakeholders. ESG risk management and an internal control system are crucial to ensure the quality and integrity of reporting. These procedures help to identify, assess and manage risks that could have an impact on the Company's sustainability goals.

As part of risk and opportunity management, HELLA identifies both current and potential risks and opportunities arising from its operations. New aspects have been included within the scope of HELLA Enterprise Risk Management (ERM). The opportunities and risks that arise in each case, including sustainability-related risks relating to the environment, social matters and corporate governance (ESG), are identified, and assessed and managed on a quarterly basis, by the relevant specialist departments in these fields. Sustainability-related risks are identified in the ERM, but are not prioritised in the anal-

ysis of all identified risks in the ERM and are assessed using the same methodology. The risk process is managed by the central Risk Management department (HCC-CM). The designated experts (Risk Contributors) carry out a quarterly assessment and review of the assessment of their assigned risks, which are approved by the Risk Champion.

HELLA's internal control system is geared towards the entire business process, with a particular focus on accounting, and thus also for sustainability-related issues.

The internal control system for non-financial reporting is the responsibility of the respective central departments and the Corporate Sustainability Office. The control environment consists of internal standards, processes, internal guidelines and the organisational structure, which form the basis for the implementation of internal control throughout the organisation. This enables the internal control system to carry out controls. As part of the annual risk assessment for non-financial reporting,

each specialist department, together with the Corporate Sustainability Office, has identified and evaluated risks for the respective area of responsibility and redefined suitable control activities or, in the case of existing control activities, assigned them to the risks. Communication is controlled by the Sustainability Office and directed at central sustainability-related departments, which in turn involve their local network in the internal control system. Monitoring activities are carried out either by the Corporate Sustainability Office in the form of plausibility checks or by the central sustainability-related departments by reviewing the content of the key performance indicators. This increases the reliability and transparency of non-financial reporting.

Risks include, for example, ensuring the quality and completeness of the data. Responsibilities for data collection are clearly defined to ensure that the relevant data is collected and reported correctly. The scope and structure of reporting are determined centrally across the Group, and the corresponding IT systems or templates are provided centrally. The sustainability-related data is then recorded by the local units and reported to the central functions. This is sometimes done monthly, sometimes quarterly or on an annual basis. Estimates and assumptions are recorded where relevant. The Company has introduced dual controls to prevent misuse and ensure data integrity. The central functions are responsible for validating the reported results. The Management Board and supervisory bodies are informed and involved at least once a year as part of the review of the non-financial report and on an ad hoc basis as required.

2.6 Sustainability strategy

2.6.1 Strategy, business model and value chain (ESRS 2 SBM-1)

The HELLA Group is a listed, internationally positioned automotive supplier of the FORVIA Group with headquarters in Lippstadt, Germany. The Company stands for high-performance lighting technology and vehicle electronics. At the same time, HELLA covers a broad service and product portfolio for the spare parts and workshop business as well as for manufacturers of special-purpose vehicles and small-volume manufacturers. HELLA is organised into three business groups: Lighting, Electronics and Lifecycle Solutions. In the **Lighting business group**, HELLA offers the complete range of lighting technology products and systems. In the **Electronics business group**, HELLA focusses on selected product fields that contribute to making mobility safer, more efficient and more comfortable. The **Lifecycle Solutions business group** consists of the three divisions Independent Aftermarket, Workshop Solutions and Special Original Equipment. HELLA is a partner for spare parts dealers and independent workshops in the Independent Aftermarket division. The Workshop Solutions division's offering includes vehicle diagnostics, emissions testing, battery testing, light adjustment, and calibration, as well as service and data-based services. In the Special Original Equipment division, HELLA develops, manufactures and distributes lighting and electronic products for special-purpose vehicles such as construction and agricultural machinery, buses and motor homes, as well as for the marine sector.

HELLA has 36,413 employees (as at the balance sheet date of 31 December 2024) at over 125 locations worldwide. Compared to the prior year, the number of employees has therefore fallen by 1,360.

Employees (number of permanent staff) by region and gender

Region	Gender		Total
	Male	Female	
Germany	5,919	1,831	7,750
Europe excluding Germany	8,400	5,957	14,357
Asia, Pacific, Rest-of-World	5,596	1,876	7,472
North, Central and South America	3,804	3,030	6,834

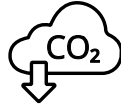
In the fiscal year 2024 (1 January to 31 December 2024), the Company generated currency- and portfolio-adjusted sales of €8.06 billion. The Lighting business division accounted for €3.9 billion (49%), the Electronics division for €3.0 billion (38%) and the Lifecycle Solutions division for €1.0 billion (13%). Information on the cost structure and revenue of the business segments in accordance with the disclosure requirements of IFRS 8 is provided in the segment reporting section of the consolidated financial statements (Chapter 23).

As a technology leader for sustainable mobility, HELLA is well positioned to anticipate and enable the mobility transformation and to meet the challenges of the megatrends influencing the automotive industry. Significant challenges here are sustainability, climate change and the electrification of vehicles. The sustainability goals, as presented in the topic-specific chapters, encompass HELLA's business activities worldwide and thus have an impact on all customers and end users as well as the environment. The Company's production activities as well as the eco-design of products with a correspondingly high sales share and the HELLA product portfolio in the growth areas of electrification and energy management as well as safe and automated driving will be prioritised. Important products in relation to sustainability-related targets include HELLA products for electric vehicles or hybrids and products that reduce CO₂ emissions from vehicles with combustion engines. HELLA is represented with these products in all major automotive markets and customer groups.

The sustainability goals are being pursued in a joint, project-specific dialogue with customers and suppliers worldwide. HELLA's sustainability targets also have an impact on its employees, e.g. through targets and measures to reduce accidents, diversity and training hours.

The results of the assessment of products, customers and markets in relation to sustainability goals can be found in the following chapters. HELLA's sustainability goals run through all product groups, customers and markets (EU taxonomy). HELLA considers its upstream and downstream value chain in all environmental issues (E1, E5), especially in climate-related matters. The Group includes the stakeholders in its value chain in its reporting: Suppliers (S2) and end-users (S4).

HELLA sustainability goals at a glance



SBTi Climate neutrality target

Scope 1, 2, 3 by 2045



Reduction in energy intensity

-20% by 2025
compared to 2019



Reduction of water intensity

-7% water withdrawal / turnover in 2030
compared to 2023



Reduction in accidents

Accident rate <2.2 in 2025
vs. 4.7 in 2020



Diversity

27% female specialists and managers by 2025



Training

25 training hours per employee in 2030



Responsible supply chain

95% of strategic suppliers with a sustainability rating by 2025

HELLA value chain

As a globally active Company with a complex, international and dynamic supplier network, HELLA is aware of its own social responsibility with regard to the environment in the value chains. Working in partnership with business partners along the value chain is of the utmost importance to HELLA so it can ensure the supply of materials and components as the basis for its own products.

HELLA's value chain is described on the basis of defined inputs and outputs:

Inputs

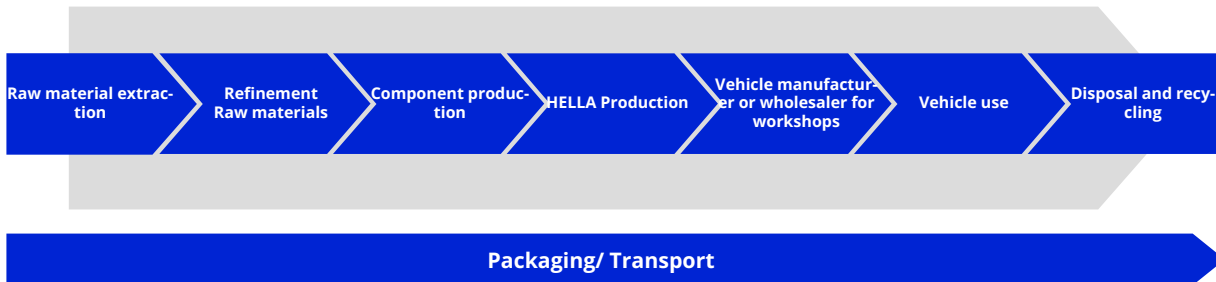
The HELLA supply chain for production materials comprises an annual call meetings volume of over four billion euros and over 2,000 suppliers, comprising large corporations and medium-sized companies. The most important goods and materials that are essential for the production of the products include semiconductors, printed circuit boards, plastic granulates and parts from injection moulding and die casting, metal components from

steel screws to aluminium heat sinks, chemical raw materials, lighting technologies such as LEDs, passive electronics and mechatronic components such as cable harnesses. The purchasing volume for indirect purchasing and services at HELLA is over €1.3 billion. Around 80 per cent of this volume is covered by over 1,500 suppliers. Information on the cost structure and revenue of the business segments in accordance with the disclosure requirements of IFRS 8 is provided in the segment reporting section of the consolidated financial statements (Chapter 23).

Outputs

HELLA manufactures lighting and electronic products for vehicle manufacturers as well as for the wholesale trade of workshops and distributes purchased spare parts via the customer network. End users benefit from these products either when using their vehicle or through the installation of spare parts. At the end of the product life cycle, the entire vehicle or the defective part is sent to a workshop for disposal and recycling.

HELLA value chain



2.6.1.1 Stakeholders' interests and positions (ESRS 2 SBM-2)

HELLA's dialogue with the relevant stakeholder groups is aimed at building trusting relationships and efficient cooperation. It is managed by the Company's various business divisions and functions and is partly centralised and partly managed by the individual locations. This process involves identifying the various points of view so that they can be given appropriate consideration in HELLA's business operations.

The following table describes the stakeholders, the types of collaboration and examples of results that arise from the sharing of their interests and perspectives in the context of HELLA's strategy and business model. These are incorporated into the process for fulfilling due diligence and assessing materiality.

Stakeholders	Categories of stakeholders	Sample formats for informing, engaging in dialogue with and involving stakeholders	Purpose of the interaction	Results of the interaction (examples)
Employees	Corporate stakeholders	<ul style="list-style-type: none"> Local personnel and occupational health and safety organisation Personal development meetings Training programmes Cooperation between the HR department and employee representatives, such as in various topic-specific committees and on a project basis Global employee survey Communication channels such as company-wide briefings, intranet, employee app, events, social media In-house social counselling in-house / external training programmes 	<ul style="list-style-type: none"> Create an understanding of the employees' perspective and their most important needs (locally) Create attractive working conditions to retain employees over the long term Accomplish employee understanding of corporate goals and channel employee commitment into strategic priorities accordingly Shape corporate culture and promote identification with the Company and its vision 	<ul style="list-style-type: none"> Company agreements and guidelines Action plans for continuous improvement (global, regional, local), including those based on results of the employee survey Personal development plans and succession planning Targeted training/development programmes for different employee groups
Customers / vehicle manufacturers	Corporate stakeholders	<ul style="list-style-type: none"> Occasion- and project-related discussions Customer portals Strategic annual meetings Site visits and presentations Trade fairs and technology exhibitions 	<ul style="list-style-type: none"> Successful, long-term partnerships Maintaining customer satisfaction Support for setting (sustainability) objectives (current and future) 	<ul style="list-style-type: none"> Consideration of customer interests, including in the strategic planning process Strategic partnerships, such as in development projects for the improvement and sustainable design of products
Suppliers	Corporate stakeholders	<ul style="list-style-type: none"> Occasion- and project-related discussions Supplier portal Event (every two years): HELLA Supplier Day / Sustainability Day Sustainability ratings Audits (quality focus) and supplier visits Training courses, including on sustainability and climate change mitigation 	<ul style="list-style-type: none"> Evaluation of supplier performance and efficiency Successful, long-term partnerships Support for setting (sustainability) objectives (current and future) 	<ul style="list-style-type: none"> Supplier evaluation Consideration of supplier interests, including in the strategic planning process Project-related partnerships Strategic partnerships, such as in development projects Strategic development plans for suppliers

Stakeholders	Categories of stakeholders	Sample formats for informing, engaging in dialogue with and involving stakeholders	Purpose of the interaction	Results of the interaction (examples)
Investors and capital providers	Corporate stakeholders	<ul style="list-style-type: none"> • Capital market communications such as quarterly investor calls or annual capital markets day / analyst meetings / Annual General Meeting • Sustainability rankings and ratings • Annual and non-financial report • Occasion-related discussions 	<ul style="list-style-type: none"> • Maintaining a healthy investor and capital base over the long term • Information for investors and capital providers about the corporate and sustainability policy • Gaining an understanding of requirements and perspectives 	<ul style="list-style-type: none"> • Share price • Occasion-related interaction on specific issues
Governments and national, regional and local authorities	State actors	<ul style="list-style-type: none"> • Occasion- and project-related discussions • Participation in public hearings • Specialist conferences 	<ul style="list-style-type: none"> • Ensuring regulatory compliance • Understanding the impact of (ESG) regulation and manufacturing requirements 	<ul style="list-style-type: none"> • Creating value and minimising risk through regulatory compliance
Local communities/ residents	Community-based actors	<ul style="list-style-type: none"> • Media relations • Corporate communication channels such as the Company website and social media • Occasion-related discussions 	<ul style="list-style-type: none"> • Consideration of local requirements • Responding to relevant local issues 	<ul style="list-style-type: none"> • Support for local initiatives • Effective cooperation, for example in complaints management
Non-governmental organisations (NGOs)	Community-based actors	<ul style="list-style-type: none"> • Non-financial report • Occasion-related discussions • Working together on social and/or research projects 	<ul style="list-style-type: none"> • Contributing to local projects • Addressing concerns in the community 	<ul style="list-style-type: none"> • Donating to and sponsoring activities for site-specific initiatives for environmental protection, education or community development
Industry associations	Corporate stakeholders	<ul style="list-style-type: none"> • Involvement in association initiatives and networks • Specialist conferences • Occasion- and project-related discussions 	<ul style="list-style-type: none"> • Interaction with other market players on legal issues. Innovation and best practice • Contributing to the development of industry initiatives and standards 	<ul style="list-style-type: none"> • Association position papers • Exchange of best practice • Dialogue formats
End-users (vehicle users)	Corporate stakeholders	<ul style="list-style-type: none"> • indirectly via vehicle manufacturers and authorities • Corporate communication channels, including website, social media, annual and non-financial report • Media relations 	<ul style="list-style-type: none"> • Ensuring product safety • Understanding end-user preferences 	<ul style="list-style-type: none"> • Product safety • Consideration of end-user preferences in strategic planning and product development

The administrative, management and supervisory bodies are informed about interactions with stakeholders in relation to sustainability aspects as part of reporting on the non-financial report.

2.6.1.1.1 Involvement and interests of stakeholders (ESRS 2 SBM-2) in relation to the own workforce (ESRS S1-2)

The employees' perspective is obtained via various channels and taken into account in the HELLA HR strategy. For example, HR managers work closely with elected employee representatives such as the Group Works Council, as well as local works councils or representatives on various committees. Further information can be found in the subsection 'Dialogue with and interests of the own workforce' (ESRS S1-2).

2.6.1.1.2 Stakeholder involvement and interests (ESRS 2 SBM-2) in relation to health and safety

The local EHS officers are available to all employees worldwide as the first point of contact for questions and suggestions. The interests, views and rights of employees are represented, for example, by their official representatives such as works councils. These are involved in decisions such as the selection of personal protective equipment. At Group level, the specialist department seeks dialogue with the Group Works Council, and at the German sites there is an occupational safety committee in which the Works Council and occupational safety meet jointly.

2.6.1.1.3 Stakeholder involvement and interests (ESRS 2 SBM-2) in relation to workers in the value chain (ESRS S2)

HELLA's business segment is linked to the employees in the value chain from all of the categories presented:

- Employees who work on the Company premises but are not part of the Company's workforce, i.e. are not self-employed or employees provided by third-party companies who primarily carry out employment activities
- Employees who work for companies in the Company's upstream value chain (e.g. those involved in the extraction of metals or minerals or the harvesting of raw materials, refining, manufacturing or other forms of processing);

- Employees who work for companies in the downstream value chain (e.g. logistics or distribution companies, franchisees, retailers);
- Employees who work in the operations of a joint venture or special purpose entity in which the reporting entity has an interest;
- Workers who (within or in addition to the above categories) are particularly vulnerable to negative impacts, whether due to their inherent characteristics or the particular context, such as trade unionists, migrant workers, homeworkers, women or young workers.

The Company pursues a risk-based approach to identify and assess potential and actual violations of appropriate labour conditions, human rights and environmental regulations in its own supply chains. For annual identification as part of the sustainability assessment, HELLA uses, among other things, a country-based risk filter based on external country rankings for compliance with sustainability and social standards, which is supplemented by a business impact filter and a supplier-specific filter. The results of the analysis are passed on internally to the management and other relevant departments. The Company is investigating any information received. Appropriate preventive measures and, if necessary, remedial mechanisms are derived. These are intended to help mitigate or at best prevent any negative effects of HELLA's business activities. In doing so, HELLA is pursuing the goal of implementing the corporate due diligence obligations with regard to the human rights risk analysis resulting from the Supply Chain Due Diligence Act.

Topics such as child labour, workers' rights, the environment and personal self-determination were analysed using data from the Everstream tool to determine the individual country risk. China, India, Korea and Vietnam are the countries with potential risk.

HELLA is aware of the particular risks faced by vulnerable groups within its value chain, such as young workers, women and migrant workers, especially in regions with weak labour legislation. Risks for these particularly vulnerable groups also include forms of child labour, forced labour, gender equality and issues such as pay and working hours. Suppliers are assessed using these criteria via the EcoVadis platform and certain alerts, such as the one on the Uyghurs, trigger in-depth checks.

HELLA attaches great importance to the origin of the raw materials it uses, in particular conflict minerals (gold, tin, tantalum, tungsten) as well as cobalt and mica. These materials, which often originate from regions such as sub-Saharan Africa, are closely monitored to avoid any link to human rights violations such as child labour. HELLA applies the Conflict Mineral Reporting Template (CMRT and EMRT) and works with the Responsible Minerals Initiative (RMI) to assess supplier compliance.

In 2024, HELLA conducted an in-depth due diligence review via Ecovadis to verify compliance with the Group's ethical standards. Suppliers with a low Ecovadis rating must take measures to improve. This proactive approach to collaborative supplier management aims to mitigate systemic or individual negative effects such as forced labour or occupational accidents.

The results of the supplier survey and Ecovadis, which includes human rights in the value chain, are incorporated annually into the strategic considerations regarding the orientation of purchasing at HELLA. In future, it is intended that suppliers at risk with regard to human rights will be analysed and the suppliers with the highest risk will undergo a social audit with an external company.

Through the aforementioned measures in the value chain, HELLA aims to contribute to an increased sensitisation of suppliers with regard to human rights issues and to a gradual improvement in working conditions at suppliers.

2.6.1.1.4 Involvement and interests of stakeholders (ESRS 2 SBM-2) in relation to consumers and end-users (ESRS S4)

HELLA is active in the business customer sector (B2B business) and counts well-known vehicle manufacturers and wholesalers for spare parts among its direct customers. The Company generally has no direct points of contact with end-users, including vehicle owners, users and passengers in vehicles equipped with HELLA products. Accordingly, the interests of vehicle users are primarily taken into account indirectly by government authorities responsible for vehicle safety and vehicle manufacturers. Their safety is in the interests of the end user, so HELLA guarantees this for safety-relevant products by developing and producing them in accordance with the latest safety standards.

2.7 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

The following overviews list the sustainability-related impacts and risks that HELLA has identified as a result of the double materiality analysis and assessed as material. For the sake of simplicity, the effects, risks and opportunities assessed together are presented here. The topic-related SBM-3 chapters show the impacts, risks and opportunities assessed together individually. All other SBM-3 references can be found in the topic-related standards in chapter 2.8 Management of impacts, risks and opportunities.

Topical ESRS	Topic	Sub-topic	Impact	Risk	Opportunity	Up-stream value chain	Own production	Down-stream value chain	Summary	Policies	Measures	Targets
ESRS E1	Climate change	Climate change adaptation	X			X	X	X	<ul style="list-style-type: none"> Physical climate risks: Production losses and disruptions to global supply chains due to extreme weather events HELLA is contributing to managed climate change with its own carbon footprint in categories 1, 2 and 3 Competitive advantage through climate-friendly product portfolio and carbon-neutral production 	<ul style="list-style-type: none"> Guideline on environmental protection, occupational health and safety Code of Conduct for Suppliers and Service Providers and in the Quality Guideline FORVIA climate targets 10 green principles 	<ul style="list-style-type: none"> Strategic planning process incl. HELLA technology roadmap Transition plan incl. CO₂ reduction plans Energy savings Switch to renewable energy sources Sustainable procurement Eco-design for products Action plan for adapting to climate change 	<ul style="list-style-type: none"> 2045 = net zero emissions along the entire global value chain 2030: -45% (cf. 2019)
		Resource inflows including resource use	X				X			<ul style="list-style-type: none"> Cost increases or business interruption due to resource shortages and scarcity 		
ESRS E5	Resource use and circular economy	Resource outflows in connection with products and services	X		X	X	X	X	<ul style="list-style-type: none"> The use of virgin materials such as plastics for HELLA products is contributing to resource scarcity and damage to the environment. 	<ul style="list-style-type: none"> Standards regarding quality and product safety HELLA environmental standard Waste-preventing production Supplier Code of Conduct Utilisation of secondary materials Product design for the circular economy 	<ul style="list-style-type: none"> Research and development activities for product design for a transition to a circular economy Lightweight construction, waste avoidance and use of secondary materials such as recycled plastics and metals for efficient resource utilisation International Material Data System, scrap and waste reduction, recycling initiatives and reusable packaging for systematic waste management 	<ul style="list-style-type: none"> Reduction of waste volumes at the production sites
		Waste	X				X			<ul style="list-style-type: none"> The generation of waste in upstream production processes has an impact on resource scarcity and damage to the environment throughout the supply chain. The current, mostly linear product design of HELLA products has a negative impact on end-of-life recycling, which increases the amount of waste and the scarcity of resources. 		
ESRS S1	Own workforce conditions	Working hours					X		<ul style="list-style-type: none"> Stress at work and non-compliance with working hours and rest periods can lead to fatigue, demotivation and health consequences 	<ul style="list-style-type: none"> FORVIA/HELLA values HELLA Code of Conduct Basic human rights policy Group Works Council and local works councils various committees and authorised representatives: Equal Opportunities Officer, Equal Opportunities Committee, Health and Environmental Protection Working Group, Further Education Committee, Representative for Severely Disabled People and the Personnel Committee, Youth and Trainee Representatives Representative body for severely disabled people Company social counselling Speak-up culture via the whistleblowing portal TellUS! HELLA policy environmental protection, FORVIA-Excellence Systems (FES) occupational health and safety. Safety Fundamentals (7 safety principles) 	<ul style="list-style-type: none"> Secure employment with working hours comply with local legislation Work/life balance Appropriate remuneration Employee survey "We CARE", which aims to improve the working environment 	<ul style="list-style-type: none"> Unwanted staff turnover of less than 13.5% No gender pay gap All employees receive appropriate remuneration
		Social dialogue						X		<ul style="list-style-type: none"> limited or ineffective social dialogue can lead to the needs of the workforce not being adequately taken into account, exacerbating global inequalities and perpetuating social injustice in HELLA's operations. 		

Topical ERS	Topic	Sub-topic	Impact	Risk	Opportunity	Up-stream value chain	Own production	Down-stream value chain	Summary	Policies	Measures	Targets
ESRS S1	Own workforce	Working conditions	X				X		<p>Health and safety</p> <ul style="list-style-type: none"> Production activities pose health and safety risks for the Company's own workforce: 	<ul style="list-style-type: none"> FORVIA/HELLA values HELLA Code of Conduct Basic human rights policy Group Works Council and local works councils various committees and authorised representatives: Equal Opportunities Officer, Equal Opportunities Committee, Health and Environmental Protection Working Group, Continuing Education Committee, Severely Disabled People's Representative and the Personnel Committee, Youth and Trainee Representatives Representative body for severely disabled people Company social counselling Speak-up culture via the whistleblowing portal TEILUS! HELLA policy on environmental protection, FORVIA Excellence Systems (FES), occupational health and safety. Safety Fundamentals (7 safety principles) 	<ul style="list-style-type: none"> präventive, systematische Risikobeurteilung detaillierte Arbeitsanweisungen Schulungen zu Gefahren am Arbeitsplatz und einem sicheren Umgang Investigation von: Beinahe-Unfällen und Unfällen Lessons learned aus Unfällen 	<ul style="list-style-type: none"> Zertifizierung von Produktionsstandorten mit ISO 45001 Arbeitsschutzmanagementsystem an allen damaligen Produktionsstandorten Mitarbeiter:innen mit mehr als 200 Unfällen Unfallrate von 3,05 (Unfälle pro 1 Mio. Arbeitsstunden) Anzahl Ausfalltage von 377 aufgrund arbeitsbedingter Verletzungen und Todesfällen infolge von Arbeitsunfällen
		Equal treatment and equal opportunities for all		X			X		<ul style="list-style-type: none"> Recruitment, talent retention, staff development and training processes can be influenced by conscious or unconscious bias, which can lead to unfair treatment. 	<ul style="list-style-type: none"> signatories to Women Empowerment Principles monthly reporting on the promotion of women in specialist and management roles training programmes on unconscious bias for managers studies on pay equity various events and panel discussions special workshop in Lippstadt for severely disabled employees and providing interpreters for the deaf if required, for example at works meetings Awareness campaign against violence and harassment in the workplace 	<ul style="list-style-type: none"> share of female employees in specialist and management positions at 26,4% in 2024 proportion of female employees in top management at 12% in 2024. 	
ESRS S1	Other work-related rights			X			X		<ul style="list-style-type: none"> Forced labour and child labour contributes to human rights violations, exploitation and modern slavery, undermines global efforts to create ethical and sustainable supply chains and has a serious impact on the mental and physical well-being of victims. 	<ul style="list-style-type: none"> Forced Labour Prevention and the Child Labour Prevention Guideline Human rights-related risk analysis appropriate-learning 	<ul style="list-style-type: none"> Respect for and promotion of human rights 	

Topical ESRs	Topic	Sub-topic	Impact	Risk	Opportunity	Up-stream value chain	Own production	Down-stream value chain	Summary	Policies	Measures	Targets
ESRS S2	Workers in the value chain	Working conditions	X			X			Health and safety <ul style="list-style-type: none"> Production activities at suppliers pose health and safety risks for workers in the value chain. 	<ul style="list-style-type: none"> Supplier evaluation incl. implementation of defined sustainability standards Measures for transparency regarding the origin of conflict minerals in our own supply chain Review of suppliers' human rights and environmental commitments through self-assessments, on-site visits and audits German Supply Chain Act health check Information about sustainability aspects of suppliers using communication formats 	<ul style="list-style-type: none"> HELLA Supplier Code of Conduct Purchasing volume from strategic suppliers (= 80% of the purchasing volume in €) with a valid sustainability assessment 80% of the purchasing volume from strategic suppliers with a valid sustainability rating by the end of 2025 	
		Other work-related rights	X			X			<ul style="list-style-type: none"> Forced labour and child labour in the supply chain contributes to human rights violations, exploitation and the perpetuation of modern slavery, undermines global efforts towards ethical and sustainable supply chains, and has a serious impact on the mental and physical well-being of victims. 	<ul style="list-style-type: none"> HELLA basic human rights policy HELLA Code of Conduct 	<ul style="list-style-type: none"> HELLA Supplier Code of Conduct Purchasing volume from strategic suppliers (= 80% of the purchasing volume in €) with a valid sustainability assessment 80% of the purchasing volume from strategic suppliers with a valid sustainability rating by the end of 2025 	
ESRS S4	Consumers and end-users	Personal safety of consumers and/or end-users	X				X		<ul style="list-style-type: none"> Health and safety, personal safety and child protection Death/injury in car accidents caused by defects in safety-related products. 	<ul style="list-style-type: none"> Product safety in development, production and market surveillance Effectiveness checks for product safety Information and action in the event of incidents 	<ul style="list-style-type: none"> HELLA Code of Conduct (voluntary commitment to ensure product safety and thus fully protecting vehicle occupants and road users) HELLA quality policy HELLA basic human rights policy 	<ul style="list-style-type: none"> HELLA Supplier Code of Conduct Purchasing volume from strategic suppliers (= 80% of the purchasing volume in €) with a valid sustainability assessment 80% of the purchasing volume from strategic suppliers with a valid sustainability rating by the end of 2025 Avoiding product recalls and thus negative effects on human health HELLA production sites with ISO 9001 or IATF certified quality management system
		Incidents		X			X		<ul style="list-style-type: none"> Corruption and bribery Violations of anti-corruption laws with reputational consequences. 	<ul style="list-style-type: none"> Speak-Up Culture HELLA anti-corruption programme 	<ul style="list-style-type: none"> Establishment of an effective anti-corruption programme Training Compliance basics and code of conduct: 100% of employees 	
ESRS G1	Corruption and bribery									<ul style="list-style-type: none"> HELLA Code of Conduct Group Whistleblowing Policy 	<ul style="list-style-type: none"> HELLA Supplier Code of Conduct Purchasing volume from strategic suppliers (= 80% of the purchasing volume in €) with a valid sustainability assessment 80% of the purchasing volume from strategic suppliers with a valid sustainability rating by the end of 2025 Avoiding product recalls and thus negative effects on human health HELLA production sites with ISO 9001 or IATF certified quality management system 	

All identified material impacts, risks and opportunities are related to HELLA's business model or strategy, of which E1 (subtopic: climate change), E5 (sub-topic: resource inflows, including resource use, resource outflows related to products and services, and waste), S1, S4, are generated directly from the business model. Similarly, all of these have an effect on the environment and/or people. This can either be the direct environment, employees, the local community in the vicinity of HELLA production sites, as well as in the upstream and downstream value chain through to end users and the recycling of HELLA products at the end of their life cycle.

Detailed strategies for coping with these impacts, risks and opportunities, information on time horizons and financial effects are explained in the individual thematic chapters (E1, E5, S1, S2, S4, G1). Furthermore, no material risks or opportunities have been identified where there is a material risk that the carrying amounts of assets and liabilities recognised in the corresponding financial reports will be materially adjusted in the next reporting period.

The material impacts, risks and opportunities identified can be found in the topical ESRS chapters; no further company-specific material impacts, risks or opportunities were identified.

There are no sustainability-related aspects for which HELLA has not implemented any policies or actions. The targets for the sustainability aspects of the identified material impacts, risks and opportunities are described in the respective topic-related chapters. In terms of the resilience and flexibility of its strategy and business model, HELLA has the ability to respond in good time to changes in material impacts, risks and opportunities. This is ensured by early and continuous (quarterly) risk analyses by Enterprise Risk Management and by the annual strategic planning process, which takes into account a time horizon of five years in each case.

2.7.1 Strategy (ESRS 2) in relation to pollution (ESRS E2) and water resources (ESRS E3)

HELLA is committed to reducing its ecological footprint and making a contribution to protecting the planet. The environment is affected both by our own production activities and by the actions of our partners in the value chain, as resources are consumed, emissions are released and waste is generated. Another important aspect is the use of materials by HELLA and its business partners that can have a negative impact on the environment and

health if handled improperly. The topics of the non-financial report in the area of environmental management therefore include

Pollution

HELLA has introduced global guidelines for production processes and the responsible handling of chemical substances to significantly reduce the risk of unintentional release into the environment and thus prevent potential pollution of water, soil and air.

Water

Water as a global resource is becoming scarcer, but is crucial for the preservation of ecosystems and their biodiversity. HELLA records its own water withdrawal and has set out the aim of reducing the impact of production on water stress and maintaining local water quality in the EHS Policy and the 10 Green Principles.

The circular economy – waste

Systematic waste management that prioritises recycling over landfill is part of the environmental management system. HELLA production sites worldwide are implementing measures to reduce scrap and waste and are already using reusable packaging for a large part of their business with car manufacturers.

The management of environmental aspects related to pollution, water and waste as well as Group-wide requirements and processes are controlled by HELLA's central, regional and site-specific environmental management. Corresponding details are noted below. Further details on the focal points, actions, objectives and metrics can be found in the respective sub-chapters.

2.7.2 Strategy (ESRS 2) in relation to the own workforce

HELLA's employees are a key pillar of the Company's success. The right and committed employees worldwide ensure a competitive advantage and help to anticipate future trends, remain flexible and invest in innovation. HELLA supports the performance of its employees, promotes their personal development and thus contributes to a good quality of life. Focal points of personnel work include:

■ **Creating attractive working conditions**

Attractive working conditions are crucial for employee satisfaction and productivity at HELLA. Secure jobs offer stability, while reasonable working hours prevent overwork and promote a healthy work-life balance. Appropriate remuneration honours the work performed and contributes to financial security. Work-life balance, which is made possible by flexible working models and supportive corporate structures, is just as relevant for employee commitment. Social dialogue with employee representatives is also relevant here.

■ **Respect and promotion of human rights**

In the Declaration of Principles for Human Rights, HELLA undertakes to respect internationally recognised human rights and to comply with the corresponding duties of care.

■ **Promoting diversity**

HELLA is convinced that employee engagement and the promotion of diversity are important drivers, that represent competitive advantages for the Group and enable technological progress and innovation through constantly changing perspectives and working methods.

■ **Employee development and training**

Employees should be given the opportunity for professional training and personal development throughout their working lives. This should enable them and the Company to benefit from technological progress and innovation.

■ **Supporting local employee involvement (voluntary reporting)**

HELLA supports employees in various local initiatives to get involved in social projects or environmental protection in cooperation with local associations and non-profit organisations.

Health and safety in the company is managed independently by the specialist department and is not managed in the same way as HR work. The information is noted separately in the subchapter.

The management of these aspects as well as Group-wide guidelines and processes are managed by HELLA's central, regional and site-specific HR work. HELLA's strategic HR work is business and employee orientated. The human resources organisation supports employees in fulfilling their respective roles and thus contributing to the success of the business. The Company's own strategy aims to recruit the right people with the required skills for the Company and to retain them in the Company as well as to continuously provide them with training. Among other things, employees are to be prepared for changes in the automotive industry and the constant change at HELLA.

The ultimate responsibility for human resources lies with the Chief Human Resources Officer, who is also a member of HELLA's Management Board. Group, business division, country and site HR functions implement tools, processes, policies and operating agreements standardised across the Company. They report regularly to the management of the business divisions and to the Group Management Board. HR Business Partners are assigned to the individual locations and specialist departments as contacts for structures, processes and questions related to HR strategy. The exchange of information and ideas among HR staff takes place in regular meetings. The effectiveness of HR management and the implementation of Group-wide standards are regularly reviewed in internal audits and continually improved.

The interests and views of employees on specific topics and their opinions on human rights are directly incorporated into strategy development through the results of the employee survey.

As part of risk management, HELLA's approach to anticipating negative impacts on its own workforce is based on protecting human rights, upholding labor rights and ensuring robust workforce engagement. The systematic process for dealing with potential impacts on the workforce includes identifying, assessing and prioritizing risks and opportunities that could have a significant impact on employees inside and outside the company. The whistleblowing system is a central component of this approach, as are consultations with employee representatives and employee surveys. The results of the employee surveys are used as a basis for risk

management strategies, with a particular focus on identifying the potential impact on groups such as production employees, managers and specialists as well as senior executives. The results of the survey highlight areas for improvement, such as communication about future strategy to increase confidence in the future. Detailed analyses by management teams at the site, in the business units and by central specialist departments identify measures that are implemented by the site management on site.

2.7.3 Strategy (ESRS 2) in relation to health and safety

HELLA aims to create safe and healthy workplaces and conditions for employees, contractors and visitors. Business activities therefore always focus on the protection of people and the integrity of their health. Compliance with legal requirements and the prevention of accident and health risks are top priorities for the Company. After all, accidents not only jeopardise the health and quality of life of the people affected, but can also have financial consequences due to production stoppages, damage to property or loss of reputation. Accordingly, occupational safety at HELLA aims to protect the health and well-being of employees as much as possible through preventive measures and to avoid accidents and work-related illnesses.

In order to meet the high standards of safety and health protection, the central Environment, Health and Safety (EHS) function defines Group-wide standards and coordinates activities. It sets goals in close dialogue with the Management Board, revises guidelines and manages the exchange in the global occupational safety network. At the local sites, depending on the number of employees, at least one EHS officer, who is technically assigned to the respective site manager, is responsible for implementing international requirements as well as any additional site-specific measures.

2.7.4 Strategy (ESRS 2) in relation to workers in the value chain (ESRS S2)

Working in partnership with business partners along the value chain is of the utmost importance to HELLA so it can ensure the supply of materials and components as the basis for its own products. The HELLA supply chain for production materials comprises an annual purchasing volume of over four billion euros and over 2,200 suppliers, including both large corporations and medium-sized companies. These direct business partners employ thousands of employees whose working conditions are indirectly influenced by HELLA.

As a globally active Company with a complex, international and dynamic supplier network, HELLA is aware of its own social responsibility in the value chains. HELLA expects its business partners to create appropriate working conditions, for all employees, that promote dignity, respect for human rights and the protection of health, and to pass on corresponding requirements to their supply chains. The chapter on employees in the value chain addresses the key aspects of occupational safety and other employee rights, as well as voluntary disclosures on working conditions in the value chain.

The Group is aware of the material risks to which these employees are exposed, particularly in relation to human rights issues such as child labour and forced labour. A risk assessment is carried out on the basis of the Ecovadis rating; this assessment evaluates suppliers in the categories of environment, ethics, sustainable procurement, working environment and human rights according to their policies, measures and results. A human rights risk assessment of the supplier matrix is prepared on the basis of the LKSG requirements (abstract and supplier-specific risk indicators).

2.7.5 Strategy (ESRS 2) in relation to consumers and end-users (ESRS S4)

HELLA's direct customers are car manufacturers. HELLA develops its products on the basis of the technical specifications provided by the manufacturers. HELLA products in vehicles have a potential impact on vehicle safety and thus on the safety and health of vehicle occupants. Manufacturers are solely responsible for identifying and specifying potential risks to vehicle occupants related to the use of the vehicles. HELLA is obliged to fulfil the specified requirements in order to guarantee compliant and reliable products.

HELLA does not maintain any relationships with end users. According to the ESRS, HELLA's end users in the value chain are categorised as consumers and end users who rely on accurate and accessible product or service-related information (iii.) and consumers and end users who are particularly vulnerable to health impacts (iv.). These include end users with pre-existing conditions, the elderly, children or infants.

The Company's safety-related products include braking systems, control systems, radar and sensor systems for driving assistance for semi-autonomous driving and control units for lighting functions. These are developed and manufactured in accordance with the latest safety standards, with the aim of ensuring that they do not pose a risk to the life and health of road users.

In order to minimise product safety risks, ensure safe products and meet the high expectations of customers, HELLA comprehensively integrates product safety requirements into new and existing technologies. Product safety includes the established functional safety, which deals with the prevention of malfunctions of safety-relevant functions, aspects of chemical, electrical and mechanical safety and product-related cyber security.

HELLA has established holistic systems for product safety throughout the Company. In this way, the Company ensures that the products strictly comply with the current legal safety requirements of the sales market and fulfil customer requirements that go beyond these. The entire product life cycle is taken into account: Product safety starts in the requirements phase and extends through development and into production and performance monitoring in the market.

The independently organised central product safety function monitors the specifications and measures that are implemented by product safety officers in the respective projects using certified internal processes. Central inspection and approval points are defined along the product life cycle. If necessary, escalation processes apply. These are described in more detail in Chapter 4.8.2.4 Actions and resources in relation to material impacts on consumers and end-users. Responsibility for product safety lies with the HELLA Management Board.

2.8 Management of impacts, risks and opportunities

2.8.1 Description of the process for identifying and assessing material impacts, risks and opportunities (ESRS 2 IRO-1)

The following section describes the procedure for the double materiality analysis in accordance with ESRS. The concept of double materiality (ESRS) expands the understanding of materiality with the double materiality proviso in accordance with the CSR Directive Implementation Act.

2.8.1.1 Context

The CSRD (Corporate Sustainability Reporting Directive) structures and tightens the rules for non-financial reporting by companies. The EFRAG (European Financial Reporting Advisory Group) has developed 12 reporting standards, the ESRS (European Sustainability Reporting Standards), to concretise the reporting requirements for the preparation of the non-financial report. The double materiality analysis is of fundamental importance for determining the material information to be disclosed. The methodology used by HELLA complies with the requirements of the ESRS published in July 2023.

2.8.1.2 Concept of double materiality

The double materiality analysis comprises the assessment of the material IROs (impacts, risks and opportunities) related to environmental, social and governance topics as listed in the various ESRS standards (Annex A of ESRS 1). HELLA did not identify any additional company-specific material topics. The IROs cover not only HELLA, but also the entire value chain. Sustainability issues are analysed from two perspectives:

- **Materiality of the impact:** Evaluation of HELLA's impact on the environment, people and society ('inside-out' approach).
- **Financial materiality:** Assessment of the risks and opportunities that influence financial performance ('outside-in' approach).

In this process, it is important to consider and analyse the value chain. HELLA assesses the impacts and risks of its value chain for a total of more than 90 topics, focussing on the upstream and downstream activities of Tier 1.

2.8.1.3 Process and organisation

The materiality analysis process follows the steps listed below:

1. Identification of the material topics that are subject to the double materiality analysis

A list of sustainability topics specific to HELLA has been compiled based on the topics, sub-topics and sub-sub-topics of Annex A of ESRS 1 and other sources, such as

- A comparison with reporting standards such as the GRI or the SASB with topics identified for the automotive supplier sector
- Previous non-financial reporting
- The existing materiality matrix
- Due diligence in accordance with legal requirements / LkSG risk assessments
- United Nations Sustainable Development Goals (SDGs)
- GRI (non-governmental organisation for the development of standards (GRI Guidelines) for the preparation of sustainability reports)
- Benchmark of automotive suppliers
- Customer requirements in terms of sustainability
- Whistleblowing tools

The relevant sustainability topics for HELLA were determined on the basis of a list already defined in ESRS 1 (AR 16: Sustainability matters to be included in the materiality assessment), which was used as the starting point for the analysis. This list covers the entire value chain and takes the following elements into account:

- Results of previous internal risk and materiality analyses
- Expectations of industry benchmarks
- Practices of comparable companies

These steps enable the Group to determine the topics to be included in the materiality analysis. For HELLA's own business activities, the Group has identified and assessed the impact on people and the environment as well as the risks for the Company, focussing on specific activities where the impact is likely.

HELLA's approach aims to provide comprehensive coverage of impacts and risks throughout the value chain and intends to ensure that material topics are fully considered for an effective double materiality analysis that is in line with ESRS standards.

2. Definition of IROs for each relevant topic and assessment of materiality of impact and financial materiality

The following steps were carried out for the relevant topics identified in the previous section:

- Definition of multiple impacts, risks and opportunities for each topic (over 200 IROs were identified in HELLA's initial analysis).
- Development of a valuation methodology in accordance with internal practices and ESRS requirements.
- Evaluation of the IROs in workshops with a panel of internal stakeholders.
- Consultation with external stakeholders on the materiality of impacts.
- Consolidation of the assessments and identification of the material topics.

This work was performed with the assistance of an independent third party in accordance with paragraph 3 of ESRS 1 and the EFRAG guidance.

A CSRD working group, led by the Sustainability Office, oversaw the project and integrated the finance, risk and CSR functions that are critical to ensuring the consistency of the results with the Group's risk analysis.

The double materiality analysis was carried out by the CSRD working group in regular meetings and workshops. This was reviewed by key external stakeholders (representative sample).

The persons involved in the double materiality analysis were selected on the basis of specific criteria (specific activities of the individual business divisions; business relationships maintained by HELLA; geographical areas in which HELLA is active).

List of persons involved in the double materiality analysis:

- CSRD working group: Sustainability Office, Group Finance Department
- Expert group: Human Resources, Legal & Compliance, Public Affairs, Health & Safety, Environment, Production, Insurance, Risks, Quality, Purchasing departments

- Sustainability Council: HELLA Management Board, Sustainability Office, persons responsible for Human Resources, Legal & Compliance, Public Affairs, Health & Safety, Environment, Production, Insurance, Risks, Quality, Purchasing

Connections between the individual IROs were taken into account so that risks and opportunities arising from the resulting effects were identified. Dependencies were not analysed.

Validation of the process and the results:

HELLA's sustainability strategy is regularly monitored both strategically and operationally by the Sustainability Council and the Management Board as well as the Audit Committee.

Prior to the double materiality analysis, the materiality analysis methodology was validated by the Sustainability Council and the various internal experts.

The setting and validation of the input parameters used in the double materiality analysis, see section 2.8.1.6 Evaluation of the IROs, were carried out together with the persons involved in the double materiality analysis. These were made on the basis of the specific context of the individual sustainability aspects of the respective persons and underpinned with sources such as studies.

The methodology was presented in a workshop in advance. After the materiality analysis was carried out, the results of the double materiality analysis were validated by the Management Board in September 2024.

2.8.1.4 Scope of the analysis

The analysis was performed in accordance with the scope of the consolidated financial statements, i.e. taking into account HELLA's fully consolidated companies. This includes the HELLA value chain.

2.8.1.5 Identification of impacts, risks and opportunities (IRO)

The IROs were determined by a screening based on the list of sustainability topics for the Group and the entire value chain. Internal guidelines and action plans were not taken into account in the initial assessment of the IROs.

Impact materiality

For each impact and/or opportunity identified, the following elements were determined and summarised in an evaluation matrix (three parameters) to assess the 'severity' of the actual impacts and opportunities:

- **Parameter 1 scale:** When scoring the "scale", the extent of the impact was assessed on the environment or people, without considering mitigation actions already in place.
- **Parameter 2 scope:** When assessing the 'scope', the scope of the impact was assessed using parameters such as the percentage of sites, employees or financial expenditure to which the impact relates.
- **Parameter 3 irremediable character of the impact:** When assessing the 'irremediable character of the impact', the possibility of reversing the damage was evaluated in terms of costs and time horizon.

Financial materiality

In the context of the European Sustainability Reporting Standards (ESRS), risk assessment based on gross risks is of fundamental importance for sustainability topics. A detailed risk analysis in the areas of environmental, social and governance (ESG) was carried out in accordance with this principle.

- **Probability and severity:** For each risk identified, the probability of occurrence and possible severity are assessed in a first step, irrespective of the control measures already in place. HELLA has used a classification system to present the risks by categorising their probability (from low to high) and their potential severity (from low to catastrophic). A climate risk such as a severe storm, for example, could have a medium probability but a high impact on production.
- **Quantification of risks:** Where possible, HELLA went one step further and quantified these risks. This quantification enables the Group to better understand the economic context of the individual risks. For example, if a flood interrupts the supply chain, HELLA not only assesses the direct costs of repair, but also the loss of sales due to business interruptions.

In the analysis, risks that are assigned to a common sub-topic were assessed as a group; beyond this, interdependencies were not given any material consideration in the analysis.

For HELLA, the assessment of gross risk is crucial for identifying and prioritising potential risks. This approach to measuring gross risk was used to create the double materiality matrix.

When evaluating the risks, the Group assessed the potential extent of the financial impact, which accounted for half of the score, and the probability of occurrence, which accounted for the other half.

HELLA assessed the nature of these impacts in various scenarios with assumptions based on input parameters from experts in the field. The potential extent of the financial impact was categorised as 'low', 'medium' or 'high'; the scale is shown below.

The probability of occurrence was categorised as 'low', 'medium' or 'high', based on corresponding short-, medium- or long-term time horizons. HELLA has modelled some of the risks using the risk assessment tool used for commercial risks. However, due to the complexity of defining exact values for sustainability risk scenarios, the monetary quantification was largely supplemented by qualitative assessments.

Process

The double materiality assessment is carried out with the assessment of the materiality of impacts followed by the assessment of financial materiality. Following this analysis, the material IROs for HELLA are described as a result in Chapter 2.7 Material impacts, risks and opportunities and their interaction with the strategy and business model (ESRS 2 SBM-3).

2.8.1.6 Evaluation of the IROs

The criteria and evaluation scales for assessing the materiality of the impact were defined with the CSRD working group. The criteria set out in section 3.4 of ESRS 1 were applied using appropriate quantitative and qualitative thresholds to assess the materiality of actual and potential impacts. This assessment is based on severity and frequency (for potential effects), as summarised below.

IROs are evaluated from two perspectives:

Materiality of the impact: Scale, scope and irremediability

The following parameters are assessed separately for potential negative and positive impacts. The calculation formula is as follows:

- Scale is rated from 1 to 3.
- Scope is rated from 1 to 3.
- Irremediability is rated from 1 to 3.

The final score is calculated from the average of the three ratings for the three parameters.

In the case of actual positive impacts, the 'scale' and 'scope' were assessed and weighted equally in terms of materiality.

An additional 'probability' parameter was used for potentially positive impacts:

- The probability of impact was also rated from 1 to 3.

If a potential negative impact was rated as more than 2 (i.e. 'material'), HELLA did not consider the probability any further in order to represent the worst-case scenario. If the potential negative impact was assessed as less than 2, HELLA took the probability into account.

All impacts with a rating above 2 were categorised as material according to the definition in the 'Thresholds' section.

Financial materiality: potential severity of financial impact and frequency of occurrence

The criteria and evaluation scales for assessing financial materiality were defined in collaboration with the members of the CSRD working group. The criteria defined in section 3.5 of ESRS 1 were applied, using appropriate quantitative and qualitative thresholds to assess severity and frequency. Each sustainability risk and opportunity was assessed in terms of the potential severity of the

short-, medium- and long-term financial impact and the likelihood of it occurring.

The following parameters are evaluated separately:

- The potential magnitude of the financial effects can assume 3 values: €25 million, €75 million or €150 million.
- The likelihood can take 3 values: 17%, 50% or 83%.

All risks with a value of more than €50 million from the multiplication of these parameters were categorised as material in accordance with the definition in the 'Thresholds' section.

The final score is the likely financial impact resulting from the multiplication of the scores of both parameters. To make it easier to read, the financial impact has been standardised so that a score between 1 and 3 is displayed.

Threshold values

The CSRD working group has defined the thresholds for the materiality of impacts with an assessment of more than 2 and risks and opportunities with a final

value of more than €50 million. ESRS topics that contain these are to be reported as material.

2.8.1.7 Consolidation and stakeholder dialogue

The results of the materiality analysis are consolidated and validated by the internal and external stakeholders. Continuous dialogue with stakeholders helps to adjust and maintain the relevance of the assessment.

- **Determination of the materiality threshold:**
The materiality threshold for impacts and opportunities was set at greater than 2. For financial risks, the materiality threshold was set at a probable risk of more than €50 million.
- **Dialogue with stakeholder groups:**
As part of the ESRS requirements, HELLA identified a panel of key stakeholders, including internal and external representatives, who have a major influence on sustainability issues. Detailed individual discussions were held with these stakeholders to obtain their views and perspectives on the IRO analyses and the key topics. These consultations have enriched HELLA's understanding of the critical issues and verified that the Group's double materiality analysis is in line with stakeholder expectations and industry best practice. Eight interviews were conducted with key external stakeholders consisting of core suppliers, strategic customers, associations and research partners.

2.8.1.8 Topic-specific description of the process for identifying and assessing material impacts, risks and opportunities (ESRS 2 IRO-1)

Climate change (ESRS E1)

As described in detail in Chapter 2.8.1 Description of the process for identifying and assessing material impacts, risks and opportunities (ESRS 2 IRO-1), the risks and opportunities in the Company's own production and in the upstream and downstream value chain were identified for ESRS E1 Climate change. This includes the effects of climate change and climate-related physical risks and hazards as well as climate-related transition risks in our own production and in the value chain. These were analysed using the short-term, medium-term and long-term time horizons.

HELLA's exposure to climate-related physical risks and hazards is analyzed together with the parent company FORVIA using AXA Climate, which as-

essed the assets in this regard in 2022, and the insurer Swiss RE. The FORVIA Group has been using its data since 2024 to examine existing and future locations using climate scenarios with regard to climate-related physical risks and hazards. The perimeter of the exposure assessment covers all FORVIA Group sites, including HELLA, as well as its development centers and headquarters. The availability of raw materials, the loss of key suppliers and the availability of infrastructure are excluded from this risk assessment. The aim of the exposure assessment is to identify the assets and regions/areas that are most exposed to natural hazards in 2050 according to the SSP5-8.5 scenario in order to define priorities in the risk assessment with regard to vulnerability and an adaptation plan.

HELLA determines climate risks based on the TCFD standard to identify and manage the potential impact of climate change on the business. The TCFD standard (Task Force on Climate-related Financial Disclosures) was launched by the G20-based Financial Stability Board and provides companies with a framework for disclosing climate-related financial risks and opportunities. Climate risks are taken into account as part of the HELLA Enterprise Risk Management System and are updated on a quarterly basis.

Due to climate change, the automotive sector is under increasing pressure to fulfil the legal requirements with regard to CO₂ emissions, which has a direct impact on the products and technologies that HELLA offers its customers. HELLA's CO₂ emissions are taken into account accordingly as part of the IRO assessment. As an important supplier of vehicle components, HELLA assumes that these regulations will affect the entire life cycle of its products, especially the materials used. The extent to which assets and business activities may be exposed to identified transition events was quantitatively assessed. This is allocated to the respective risk in the topic-related chapter SBM-3.

HELLA has identified climate-related risks, physical risks and climate-related transition events for locations worldwide. HELLA has not identified any business activities that are incompatible with a transition to a climate-neutral economy.

Pollution (ESRS E2)

For ESRS E2 Pollution, the risks and opportunities in our own production as well as in the upstream and downstream value chain were analysed as described in detail in Chapter 2.8.1 Description of the process for identifying and assessing material impacts, risks and opportunities (ESRS 2 IRO-1). The

focus of the analysis with regard to pollution was on the HELLA production sites, as production processes in the Lighting business division in particular have a high proportion of potential environmental pollution due to painting processes, for example.

The FORVIA Group, including HELLA, regularly consults with its industry partners and stakeholders to identify material risks and sectoral impacts related to air pollution. No separate external consulting services were utilised for the area of environmental pollution.

Water resources (ESRS E3)

For ESRS E3 Water resources, the risks and opportunities in our own production and in the upstream and downstream value chain were analysed as described in detail in Chapter 2.8.1 Description of the process for identifying and assessing material impacts, risks and opportunities (ESRS 2 IRO-1). With regard to E3, water consumption and water withdrawal in the Group's operations and in the upstream value chain were assessed. It turns out that the HELLA processes are not water-intensive. On the other hand, water discharges and the utilisation of marine resources could be excluded, as no specific IROs were identified.

No separate consultations on water resources in affected communities were included in the analysis.

Biodiversity and ecosystems (ESRS E4)

For ESRS E4 Biodiversity and ecosystems, the risks and opportunities in the Company's own production and in the upstream and downstream value chain were analysed as described in detail in Chapter 2.8.1 Description of the process for identifying and assessing material impacts, risks and opportunities (ESRS 2 IRO-1). Systemic, physical and transition risks were considered, such as risks to the extent and condition of ecosystems and direct impacts on biodiversity loss.

In relation to E4, three topics were assessed: Soil sealing in connection with industrial sites, soil degradation in connection with mining activities in the value chain and land use changes in connection with the use of rubber and leather. Other topics were excluded, as there were no specific use cases.

An analysis of the extent to which the HELLA sites are located in or near biodiversity-sensitive areas was carried out together with FORVIA. No separate consultations on biodiversity in affected communities were taken into account in the analysis.

Resource use and circular economy (ESRS E5)

For ESRS E5 Resource use and circular economy, the risks and opportunities in our own production and in the upstream and downstream value chain were identified as described in detail in Chapter 2.8.1 Description of the process for identifying and assessing material impacts, risks and opportunities (ESRS 2 IRO-1).

An exchange of knowledge regarding resource utilisation and the circular economy was carried out, for example, in the Nalyses funding project with partners from science such as Fraunhofer IEM or partners from the value chain such as the supplier Covestro for recyclates.

Business Conduct (ESRS G1)

The management of risks and opportunities is a central aspect of HELLA's strategy. The Company has introduced strict processes to identify, assess and manage material risks and opportunities in relation to its corporate governance.

Corruption and bribery, which fall under G1 Business conduct, are among the key issues for HELLA. This also includes the negative impact on fair business transactions and global competition. These topics are of central importance for ensuring compliance and maintaining the integrity of the Company worldwide for all activities and locations.

2.8.2 Disclosure requirements included in the ESRS and covered by the non-financial report (ESRS 2 IRO-2)

The list of disclosure requirements that were followed in preparing the non-financial report based on the results of the materiality assessment and the data points of the EU legislation listed in ESRS

2 Annex B are presented in tabular form below. The data point derivation was based on the material IROs (ID 177 of the EFRAG Q&A), information introduced step by step, the EFRAG IG 3 data point list, decision which information is provided based on information materiality (on PATs and key performance indicators).

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BP-1 – General basis for preparation of sustainability statements	Page 84
BP-2 – Disclosures in relation to specific circumstances	Page 85
GOV-1 – The role of the administrative, management and supervisory bodies	Page 85
GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Page 89
GOV-3 – Integration of sustainability-related performance in incentive schemes	Page 92
GOV-4 – Statement on due diligence	Page 93
GOV-5 – Risk management and internal controls over sustainability reporting	Page 94
SBM-1 – Strategy, business model and value chain	Page 95
SBM-2 – Interests and views of stakeholders	Page 98
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Page 101
IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	Page 109
IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Page 115
E1 – Climate change	Page 127
ESRS 2 GOV-3-E1 – Integration of sustainability-related performance in incentive schemes	Page 92
E1-1 – Transition plan for climate change mitigation	Page 129
ESRS 2 SBM-3-E1 – Material impacts, risks and opportunities and their interaction with strategy and business model	Page 127
ESRS 2 IRO-1-E1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Page 113
E1-2 – Policies related to climate change mitigation and adaptation	Page 130
E1-3 – Actions and resources in relation to climate change policies	Page 131
E1-4 – Targets related to climate change mitigation and adaptation	Page 133
E1-5 – Energy consumption and energy mix	Page 137
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Topical IRO-1 information	Page
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E3 – Water resources E3 IRO-1	Page 114
E4 – Biodiversity and ecosystems E4 IRO-1	Page 114

Material disclosure requirements	Page
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E5 IRO-1 – Description of processes for identifying and assessing material resource use and circular economy-related impacts, risks and opportunities	Page 114
E5-1 – Policies related to resource use and circular economy	Page 145
E5-2 – Actions and resources related to resource use and circular economy	Page 146
E5-3 – Targets relating to resource use and circular economy	Page 148
E5-4 – Resource inflows	Page 148
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S1 – Own workforce	Page 166
ESRS 2 SBM-2 – Interests and views of stakeholders	Page 99
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Page 166
S1-1 – Policies related to own workforce	Page 169, 177, 183
S1-2 – Processes for engaging with own workforce and workers’ representatives about impacts	Page 170
S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns	Page 170
S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Page 170, 173, 177, 178, 181, 184
S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Page 171, 175, 178, 180, 182, 184
S1-6 – Characteristics of the undertaking’s employees	Page 171
S1-7 – Characteristics of non-employees in the undertaking’s own workforce	Page 172
S1-8 – Collective bargaining coverage and social dialogue	Page 174
S1-9 – Diversity metrics	Page 180
S1-10 – Adequate wages	Page 177
S1-12 – Persons with disabilities	Page 181
S1-13 – Training and skills development – metrics	Page 182
S1-14 – Health and safety metrics	Page 184
S1-16 – Remuneration metrics (pay gap and total remuneration)	Page 176
S1-17 – Incidents, complaints and severe human rights impacts	Page 178
S2 – Workers in the value chain	Page 186
ESRS 2 SBM-2 Interests and views of stakeholders	Page 99
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Page 186
S2-1 – Policies related to value chain workers	Page 187
S2-2 – Processes for engaging with value chain workers about impacts	Page 188
S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	Page 188
S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	Page 188
S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Page 190

S4 – Consumers and end-users	Page 191
ESRS 2 SBM-2 – Interests and views of stakeholders	Page 100
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Page 191
S4-1 – Policies related to consumers and end-users	Page 192
S4-2 – Processes for engaging with consumers and end-users about impacts	Page 192
S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Page 192
S4-4 – Taking action on material impacts on consumers and end-users,, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users and effectiveness of those actions	Page 193
S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Page 194
G1 - Business Conduct	Page 195
ESRS 2 GOV-1 – The role of the administrative, supervisory and management bodies	Page 87
G1.IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities	Page 114
G1-1 – Business conduct policies and corporate culture	Page 195
G1-3 – Prevention and detection of corruption and bribery	Page 196
G1-4 – Incidents of corruption or bribery	Page 199

2.9 List of data points in general and thematic standards arising from other EU legislation (ESRS 2 Annex)

The following table provides an overview of all data points arising from other EU legislation listed in ESRS 2 Annex B of this standard and refers to the relevant chapters.

Disclosure requirement and associated data point	SFDR reference (23)	Pillar 3 reference (24)	Benchmark Regulation Reference (25)	EU-Climate Law reference (26)	HELLA CSRD Link see section in the non-financial report
ESRS 2 GOV-1 Gender diversity in management and supervisory bodies section 21 (d)	Indicator no. 13 in Annex 1 Table 1		Commission Delegated Regulation (EU) 2020/1816 (27), Annex II		Reference to HELLA's declaration on corporate governance
ESRS 2 GOV-1 Percentage of board members who are independent, section 21 (e)			Commission Delegated Regulation (EU) 2020/1816, Annex II		Reference to HELLA's declaration on corporate governance
ESRS 2 GOV-4 Statement on due diligence section 30	Indicator no. 10 in Annex 1 Table 3				2.4 Statement on due diligence (ESRS 2 GOV-4)
ESRS 2 SBM-1 Participation in activities related to fossil fuels section 40(d)(i)	Indicator no. 4 Table 1 in Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28), Table 1: Qualitative information about environmental risks, and Table 2: Qualitative information about social risks	Commission Delegated Regulation (EU) 2020/1816, Annex II		n.a., no activities in connection with fossil fuels
ESRS 2 SBM-1 Participation in activities related to the production of chemicals section 40 (d) (ii)	Indicator no. 9 in Annex 1 Table 2		Commission Delegated Regulation (EU) 2020/1816, Annex II		n.a., no activities in connection with the production of chemicals
ESRS 2 SBM-1 Participation in activities related to controversial weapons section 40 (d) (iii)	Indicator no. 14 in Annex 1 Table 1		Delegated Regulation (EU) 2020/1818 (29), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		n.a., no activities in connection with the manufacture of controversial weapons

Disclosure requirement and associated data point	SFDR reference (23)	Pillar 3 reference (24)	Benchmark Regulation Reference (25)	EU-Climate Law reference (26)	HELLA CSRD Link see section in the non-financial report
ESRS 2 SBM-1 Participation in activities related to the cultivation and production of tobacco section 40 (d) (iv)			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		n.a., no activities in connection with the manufacture of tobacco
ESRS E1-1 Transition plan to achieve climate neutrality by 2050 section 14				Regulation (EU) 2021/1119, Article 2(1)	3.1.2.1.1 Transition plan for climate change mitigation (ESRS E1-1)
ESRS E1-1 Companies exempt from the Paris-aligned benchmarks section 16(g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, disclosure template 1: Banking book – Indicators of potential climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12(1)(d) to (g) and Article 12(2)		3.1.4 Metrics and targets in connection with climate change mitigation (E1-4) and (E1-6)
ESRS E1-4 GHG emission reduction targets section 34	Indicator no. 4 in Annex 1 Table 2	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, disclosure template 3: Banking book – Indicators of potential climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		3.1.4.1 Energy consumption and energy mix (ESRS E1-5)
ESRS E1-5 Energy consumption from fossil fuels by source (climate-intensive sectors only) section 38	Indicator no. 5 in Annex 1 Table 1 and indicator no. 5 in Annex 1 Table 2				3.1.4.1 Energy consumption and energy mix (ESRS E1-5)
ESRS E1-5 Energy consumption and energy mix section 37	Indicator no. 5 in Annex 1 Table 1				3.1.4.1 Energy consumption and energy mix (ESRS E1-5)

Disclosure requirement and associated data point	SFDR reference (23)	Pillar 3 reference (24)	Benchmark Regulation Reference (25)	EU-Climate Law reference (26)	HELLA CSRD Link see section in the non-financial report
ESRS E1-5 Energy intensity associated with activities in climate-intensive sectors sections 40 to 43	Indicator no. 6 in Annex 1 Table 1				3.1.4.1 Energy consumption and energy mix (ESRS E1-5)
ESRS E1-6 Gross GHG emissions in Scope 1, 2 and 3 categories and total GHG emissions section 44	Indicators No. 1 and 2 in Annex 1 Table 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, disclosure template 1: Banking book – Indicators of potential climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), Article 6 and Article 8(1)		3.1.4.2 Gross GHG emissions in Scope 1, 2 and 3 categories and total GHG emissions (ESRS E1-6)
ESRS E1-6 Gross GHG emissions intensity section 53 to 55	Indicator no. 3 Table 1 in Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, disclosure template 3: Banking book – Indicators of potential climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		3.1.4.3 Reduction of greenhouse gases and projects to reduce greenhouse gases, financed via CO ₂ certificates (ESRS E1-7)
ESRS E1-7 Reduction of greenhouse gases and CO ₂ certificates section 56				Regulation (EU) 2021/1119, Article 2(1)	n.a.
ESRS E1-9 Exposure of the reference asset portfolio to climate-related physical risks section 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		n.a.

Disclosure requirement and associated data point	SFDR reference (23)	Pillar 3 reference (24)	Benchmark Regulation Reference (25)	EU-Climate Law reference (26)	HELLA CSRD Link see section in the non-financial report
ESRS E1-9 Breakdown of monetary amounts by short- and long-term physical risk section 66(a) ESRS E1-9 Location of significant assets with material physical risk section 66(c).			Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, sections 46 and 47; Disclosure template 5: Banking book - Indicators of potential climate change physical risk: Exposures subject to physical risk.		n.a.
ESRS E1-9 Breakdowns of the carrying amount of its assets by energy efficiency class section 67(c).			Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, section 34; Disclosure template 2: Banking book - Indicators of potential climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral		n.a.
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities section 69			Commission Delegated Regulation (EU) 2020/1818, Annex II		n.a.
ESRS E2-4 Quantity of each pollutant listed in Annex II to the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and land, section 28	Indicator no. 8 in Annex 1 Table 1 Indicator no. 2 in Annex 1 Table 2 Indicator no. 1 in Annex 1 Table 2 Indicator no. 3 in Annex 1 Table 2				n.a.
ESRS E3-1 Water and marine resources section 9	Indicator no. 7 in Annex 1 Table 2				n.a.
ESRS E3-1 Specific strategy section 13	Indicator no. 8 in Annex 1 Table 2				n.a.
ESRS E3-1 Sustainable oceans and seas section 14	Indicator no. 12 in Annex 1 Table 2				n.a.

Disclosure requirement and associated data point	SFDR reference (23)	Pillar 3 reference (24)	Benchmark Regulation Reference (25)	EU-Climate Law reference (26)	HELLA CSRD Link see section in the non-financial report
ESRS E3-4 Total quantity of reclaimed and reused water section 28(c)	Indicator no. 6.2 in Annex 1 Table 2				n.a.
ESRS E3-4 Total water consumption in m ³ per net revenue from own activities section 29	Indicator no. 6.1 in Annex 1 Table 2				n.a.
ESRS 2 – IRO-1 – E4 section 16(a) (i)	Indicator no. 7 in Annex 1 Table 1				2.8.1.8 Topic-specific description of procedures for the identification and assessment of material impacts, risks and opportunities (ESRS 2 IRO-1)
ESRS 2 – IRO-1 – E4 section 16(b)	Indicator no. 10 in Annex 1 Table 2				2.8.1.8 Topic-specific description of procedures for the identification and assessment of material impacts, risks and opportunities (ESRS 2 IRO-1)
ESRS 2 – IRO-1 – E4 section 16(c).	Indicator no. 14 in Annex 1 Table 2				2.8.1.8 Topic-specific description of procedures for the identification and assessment of material impacts, risks and opportunities (ESRS 2 IRO-1)
ESRS E4-2 Sustainable practices or strategies in land use and agriculture section 24(b)	Indicator no. 11 in Annex 1 Table 2				n.a.
ESRS E4-2 Sustainable ocean/seas practices or policies section 24(c).	Indicator no. 12 in Annex 1 Table 2				n.a.
ESRS E4-2 Strategies to combat deforestation section 24(d)	Indicator no. 15 in Annex 1 Table 2				n.a.
ESRS E5-5 Non-recycled waste section 37(d)	Indicator no. 13 in Annex 1 Table 2				3.2.3.3.2 Waste (E5-5)
ESRS E5-5 Hazardous and radioactive waste section 39	Indicator no. 9 in Annex 1 Table 1				3.2.3.3.2 Waste (E5-5)
ESRS 2 SBM3 - S1 Risk of forced labour section 14(f)	Indicator no. 13 in Annex I Table 3				4.1.1 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3) in relation to the own workforce (ESRS S1)
ESRS 2 SBM3 - S1 Risk from child labour section 14(g)	Indicator no. 9 in Annex I Table 3 and Indicator no. 11 in Annex I Table 1				4.1.1 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3) in relation to the own workforce (ESRS S1)

Disclosure requirement and associated data point	SFDR reference (23)	Pillar 3 reference (24)	Benchmark Regulation Reference (25)	EU-Climate Law reference (26)	HELLA CSRD Link see section in the non-financial report
ESRS S1-1 Due diligence provisions relating to issues covered by the International Labour Organization's fundamental conventions 1 to 8, section 21			Commission Delegated Regulation (EU) 2020/1816, Annex II		4.1.2.1 Policies (ESRS S1-1) in relation to own workforce
ESRS S1-1 Procedures and action to combat human trafficking section 22	Indicator no. 11 in Annex I Table 3				4.1.2.1 Policies (ESRS S1-1) in relation to own workforce
ESRS S1-1 Strategy or management system for the prevention of accidents at work section 23	Indicator no. 5 in Annex I Table 3				4.1.2.1 Policies (ESRS S1-1) in relation to own workforce
ESRS S1-14 Number of fatalities and number and rate of occupational accidents section 88 (b) and (c)	Indicator no. 2 in Annex I Table 3		Commission Delegated Regulation (EU) 2020/1816, Annex II		4.6.2.2 Health and safety indicators (ESRS S1-14)
ESRS S1-14 Number of days lost due to injury, accident, death or illness section 88(e)	Indicator no. 3 in Annex I Table 3				4.6.2.2 Health and safety indicators (ESRS S1-14)
ESRS S1-16 Unadjusted gender pay gap section 97(a)	Indicator no. 12 in Annex I Table 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		4.2.2.2 Remuneration indicators – pay gap and total remuneration (ESRS S1-16)
ESRS S1-16 Excessive remuneration of members of management bodies section 97 (b)f	Indicator no. 8 in Annex I Table 3		Commission Delegated Regulation (EU) 2020/1816, Annex II		4.2.2.2 Remuneration indicators – pay gap and total remuneration (ESRS S1-16)
ESRS S1-16 Excessive remuneration of members of management bodies section 97 (b)f	Indicator no. 8 in Annex I Table 3				4.2.2.2 Remuneration indicators – pay gap and total remuneration (ESRS S1-16)
ESRS S1-17 Cases of discrimination section 103(a)	Indicator no. 7 in Annex I Table 3				4.3.2.2 Incidents, complaints and serious impacts related to human rights (ESRS S1-17)

Disclosure requirement and associated data point	SFDR reference (23)	Pillar 3 reference (24)	Benchmark Regulation Reference (25)	EU-Climate Law reference (26)	HELLA CSRD Link see section in the non-financial report
ESRS S1-17 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines section 104(a)	Indicator no. 10 in Annex I Table 1 and Indicator no. 14 in Annex I Table 3		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12(1)		4.3.2.2 Incidents, complaints and serious impacts related to human rights (ESRS S1-17)
ESRS 2 SBM3 - S2 Material risk of child labour or forced labour in the value chain section 11(b)	Indicators 12 and 13 in Annex I Table 3				4.7.1 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3) in relation to workers in the value chain (ESRS S2)
ESRS S2-1 Commitments relating to human rights policy section 17	Indicator no. 9 in Annex 1 Table 3 and indicator no. 11 in Annex 1 Table 1				4.7.2.1 Policies in relation to workers in the value chain (ESRS S2-1)
ESRS S2-1 Strategies related to employment in the value chain section 18	Indicators no. 11 and 4 in Annex 1 Table 3				4.7.2.1 Policies in relation to workers in the value chain (ESRS S2-1)
ESRS S2-1 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines section 19	Indicator no. 10 in Annex 1 Table 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12(1)		4.7.2.1 Policies in relation to workers in the value chain (ESRS S2-1)
ESRS S2-1 Due diligence provisions relating to issues covered by the International Labour Organization's fundamental conventions 1 to 8, section 19			Commission Delegated Regulation (EU) 2020/1816, Annex II		4.7.2.1 Policies in relation to workers in the value chain (ESRS S2-1)
ESRS S2-4 Problems and incidents related to human rights in the upstream and downstream value chain section 36	Indicator no. 14 in Annex 1 Table 3				4.7.2.4 Actions and resources in relation to workers in the value chain (S2-4)
ESRS S3-1 Human rights obligations section 16	Indicator no. 9 in Annex 1 Table 3 and indicator no. 11 in Annex 1 Table 1				n.a.

Disclosure requirement and associated data point	SFDR reference (23)	Pillar 3 reference (24)	Benchmark Regulation Reference (25)	EU-Climate Law reference (26)	HELLA CSRD Link see section in the non-financial report
ESRS S3-1 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines section 17	Indicator no. 10 in Annex 1 Table 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12(1)		n.a.
ESRS S3-4 Problems and incidents related to human rights section 36	Indicator no. 14 in Annex 1 Table 3				n.a.
ESRS S4-1 Strategies related to consumers and end-users section 16	Indicator no. 9 in Annex 1 Table 3 and indicator no. 11 in Annex 1 Table 1				4.8.2.1 Policies in relation to consumers and end-users (ESRS S4-1)
ESRS S4-1 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines section 17	Indicator no. 10 in Annex 1 Table 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Article 12(1)		4.8.2.1 Policies related to consumers and end-users (ESRS S4-1)
ESRS S4-4 Problems and incidents related to human rights section 35	Indicator no. 14 in Annex 1 Table 3				4.8.2.4 Action and means related to material impacts on consumers and end-users (ESRS S4-4)
ESRS G1-1 United Nations Convention against Corruption section 10 (b)	Indicator no. 15 in Annex 1 Table 3				5.1.1.1 Policies related to corporate governance and corporate culture (ESRS G1-1)
ESRS G1-1 Protection of whistleblowers section 10 (d)	Indicator no. 6 in Annex 1 Table 3				5.1.1.1 Policies related to corporate governance and corporate culture (ESRS G1-1)
ESRS G1-4 Fines for offences under corruption and bribery regulations section 24 (a)	Indicator no. 17 in Annex 1 Table 3		Commission Delegated Regulation (EU) 2020/1816, Annex II		5.1.2.2 Incidents of corruption or bribery (ESRS G1-4)
ESRS G1-4 Standards to combat corruption and bribery section 24 (b)	Indicator no. 16 in Annex 1 Table 3				5.1.2.2 Incidents of corruption or bribery (ESRS G1-4)

2.10 List of data points in general and topic-related standards that have been incorporated by references (ESRS 2 Annex)

The following information has been incorporated by references into this non-financial report. These can be found in the management report, the declaration on corporate governance and the remuneration report published at the same time (they were not shown separately in the reports).

ID	ESRS	DR	Section	Reference to AR	Name	Reference to data point
GOV-1_01	ESRS 2	GOV-1	21 a		Size of management board	HELLA's declaration on corporate governance
GOV-1_02	ESRS 2	GOV-1	21 a		Number of non-executive members	HELLA's declaration on corporate governance
GOV-1_03	ESRS 2	GOV-1	21 b		Information about the representation of employees and other workers	HELLA's declaration on corporate governance
GOV-1_04	ESRS 2	GOV-1	21 c	AR 5	Information about members' experience in relation to the Company's industries, products and geographical locations Percentage of members of the administrative, management and supervisory bodies by gender and other aspects of diversity	HELLA's declaration on corporate governance
GOV-1_05	ESRS 2	GOV-1	21 d		Percentage of members of the administrative, management and supervisory bodies by gender and other aspects of diversity	HELLA's declaration on corporate governance
GOV-1_06	ESRS 2	GOV-1	21 d		Ratio of gender diversity on the Board of Directors	HELLA's declaration on corporate governance
GOV-1_07	ESRS 2	GOV-1	21 e		Percentage of independent members on the Board of Directors	HELLA's declaration on corporate governance
GOV-1_08	ESRS 2	GOV-1	22 a		Information about the identity of the administrative, management and supervisory bodies or the people within the bodies responsible for monitoring impacts, risks and opportunities	HELLA's declaration on corporate governance
GOV-1_09	ESRS 2	GOV-1	22 b	AR 3	Information about how the responsibilities of the committees or people on the committees for impacts, risks and opportunities are reflected in the Company's rules of procedure, the mandates of the Management Board and other related policies	HELLA's declaration on corporate governance
GOV-1_11	ESRS 2	GOV-1	22 c i		Description of how oversight is exercised over the management-level position or committee to which the management role is delegated	HELLA's declaration on corporate governance
GOV-1_12	ESRS 2	GOV-1	22 c ii		Information about the reporting lines to administrative, management and supervisory bodies	HELLA's declaration on corporate governance
GOV-1_15	ESRS 2	GOV-1	23	AR 5	Information about how governing, management and supervisory bodies determine whether appropriate skills and expertise are in place or being developed to oversee sustainability issues	HELLA's declaration on corporate governance
GOV-1_16	ESRS 2	GOV-1	23 a		Information about sustainability-related expertise that the bodies either have directly or can draw on	HELLA's declaration on corporate governance
GOV-1_17	ESRS 2	GOV-1	23 b		Disclosure of how sustainability-related skills and expertise relate to material impacts, risks and opportunities	HELLA's declaration on corporate governance
BP-1_02	ESRS 2	BP-1	5 b i		The scope of consolidation for the consolidated sustainability statement is the same as for the financial statements	Financial report
SBM-1_06	ESRS 2	SBM-1	40 b	AR 12-13	Total sales	Financial report
G1.GOV-1_02	G1	G1.GOV-1	5 b		Disclosure of the expertise of the administrative, management and supervisory bodies in matters of business conduct	HELLA's declaration on corporate governance

03 Environment

3.1 CLIMATE CHANGE (ESRS E1)

3.1.1 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3) in relation to climate change (ESRS E1)

The risks, effects and opportunities listed below were determined as part of the double materiality analysis.

		Value chain			Time horizon		
		upstream value chain	HELLA operations	down-stream value chain	short-term	medium-term	long-term
Mitigating climate change With a carbon footprint of 18.2 million tCO ₂ e in 2019 (base year) in categories 1, 2 and 3, HELLA is contributing to man-made climate change.	Negative impact	X	X	X	X		
Adapting to climate change Physical risks, such as the interruption of production at a site due to more extreme weather events and the failure to adapt to climate change in time.	Risk		X				X
Adapting to climate change Physical risks include disruptions to critical global supply chains due to the increasing impact of climate change, such as an increase in the frequency and severity of extreme weather events and failure to adapt in a timely manner.	Risk	X				X	
Mitigating climate change In the automotive industry, a competitive advantage can be achieved through a competitive, emission-reducing product portfolio and carbon neutral production.	Opportunity		X			X	

Resilience analysis

HELLA's resilience analysis was carried out in collaboration with FORVIA. From 2023–2024, FORVIA commissioned Carbone 4 to carry out a detailed analysis of the climate resilience in relation to 2030 and 2050 of five FORVIA sites (1 HELLA site included) on three continents using the OCARA (Operational Climate Adaptation and Resilience Assessment) method. This assessment was representative of FORVIA's key business divisions and provided a comprehensive assessment of potential 'non-resilience' risks. The result of this assessment was the creation of a catalogue of long-term, medium-term and short-term adaptation measures.

Based on these results, FORVIA has been working with HELLA 2024 to expand its own site database (FRED) to integrate future exposure data and develop a climate resilience assessment module. The aim is to provide the sites with a tool with which they can assess the resilience of individual industrial plants to the dangers of climate change and make recommendations to minimise the 'non-resilience' risks.

The estimated expected financial impact of material physical and transition risks includes the short-term financial risk related to natural disasters, excluding earthquakes, and amounts to €400 million. This estimate was developed in collaboration with the FORVIA Group's insurers, taking into account the potential risks related to natural disasters. This estimate reflects the potential costs related to infrastructure repairs, production interruptions and delivery delays due to these climatic events, including the interdependencies between the FORVIA Group's plants. Risk-mitigating measures and resources are described in Chapter 3.1.3.2 Measures and resources related to the climate strategies (ESRS E1-3).

Climate scenarios

As part of its Carbon net-zero project, HELLA parent company FORVIA has developed three climate scenarios for the FORVIA Group with the help of the Toulouse School of Economics and the Collège de France. These scenarios are based on the forecasts of the IPCC (Intergovernmental Panel on Climate Change) and cover a global temperature increase of +1.5°C to +4.5°C by 2080 and take into account factors such as governance, CO₂ management and economic development. These scenarios help to anticipate climate-related risks and adapt production strategies to minimize potential impacts on supply chains and material availability.

3.1.2 Strategy related to climate change (ESRS E1)

Climate change mitigation is a central focus of HELLA's sustainability strategy, as climate change and its effects pose considerable challenges for people and the environment. HELLA recognises the climatic consequences of its own business activities and the entire value chain. By implementing its climate change mitigation strategy, HELLA aims to contribute to the decarbonisation of the economy and protect the planet for future generations.

Climate change mitigation activities are coordinated by the cross-divisional Sustainability Council under the direction of the Corporate Sustainability Office. This is also where the continuous reduction of greenhouse gas emissions from business operations is tracked and current developments are regularly reported to the Management Board. Project teams, which are staffed internationally and cross-functionally as needed, develop packages of measures that are implemented on site by technical experts.

To manage the reduction of Scope 1 and Scope 2 emissions, Real Estate Management consolidates and analyses Company-wide energy consumption and the resulting emissions. Specialists also manage the activities regarding the purchase and self-generation of renewable energies and the reduction of energy consumption. Activities relating to emissions in the upstream and downstream value chain (Category Scope 3) are coordinated by the Corporate Sustainability Office with the involvement of the specialist departments. In the reporting period, corresponding responsibilities were also defined in the core functions of the business divisions. The emissions are calculated in cooperation with the parent company FORVIA and the economic consultancy Deloitte. The Sustainability Council monitors the progress of the relevant measures to ensure that the climate targets are realised.

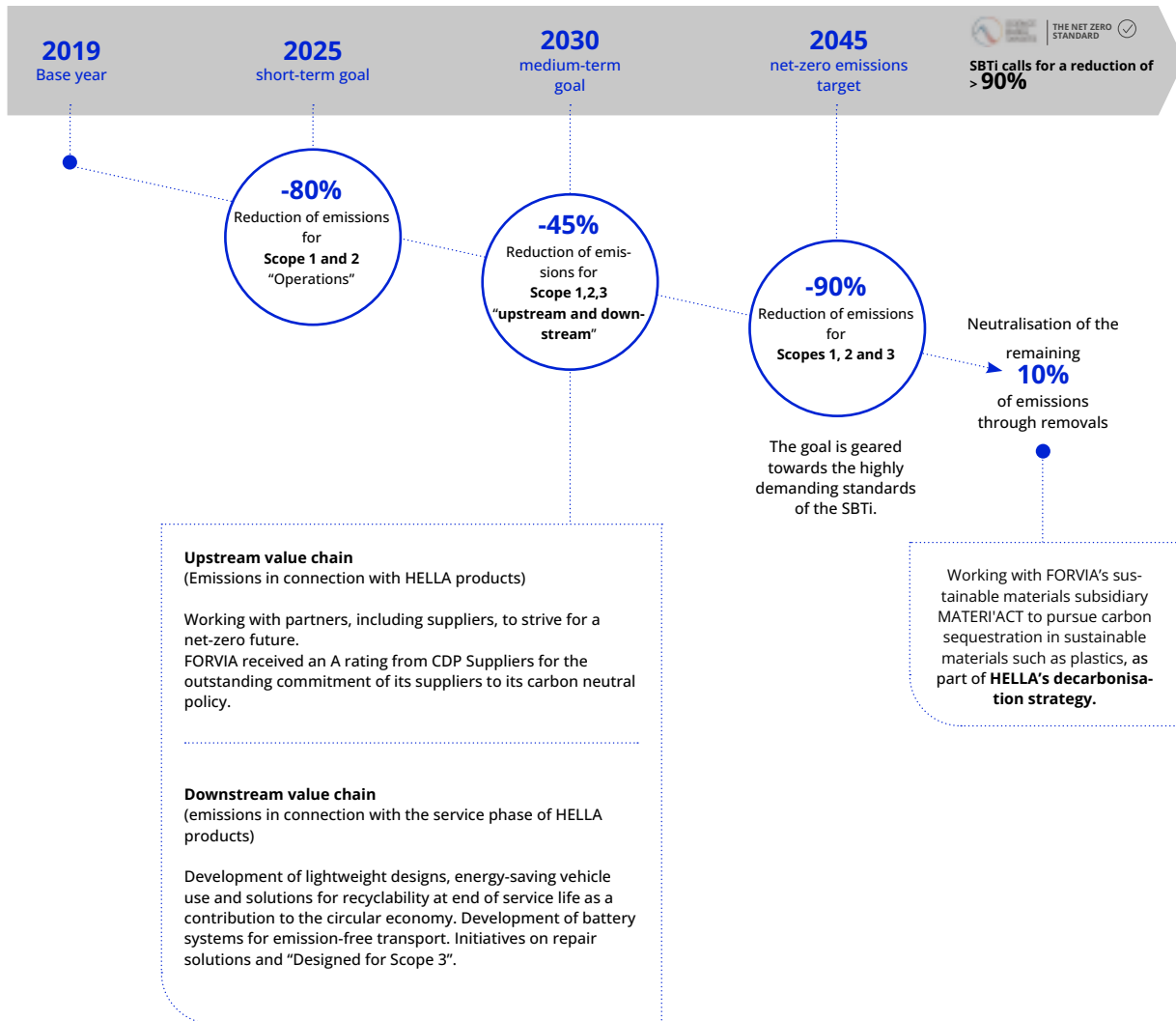
3.1.2.1 Transition plan for climate change mitigation (ESRS E1-1)

HELLA, as a FORVIA Group company, has drawn up a transition plan for climate change mitigation in accordance with the SBTi Net-Zero Standard, which was validated by the Science-Based Targets Initiative (SBTi) for the parent company FORVIA in June 2022. This is compatible with the aim of limiting global warming to 1.5 °C and is therefore in line with the Paris Agreement. It corresponds to the most ambitious threshold of the thresholds pro-

posed by the SBTi. The Science Based Targets Initiative (SBTi) is a non-profit organisation that supports companies in setting science-based climate targets and reducing their greenhouse gas emissions in line with current climate change mitigation requirements. HELLA is aiming for net-zero emissions along the entire global value chain by 2045. As an interim target, HELLA aims to reduce GHG emissions by 45 per cent by 2030 compared to 2019.

HELLA's CO2 emission reduction plan validated by the SBTi Net-Zero Standard

(in line with the objective of the 2015 Paris Agreement to limit global warming to 1.5°C)



Key reduction levers

The key reduction levers of the transition plan are analysed as part of the Company's strategic planning process and the results are incorporated into the business divisions. The following reduction levers cover various divisions:

Category Scope 1 & 2 emissions

This includes energy savings and the complete switch to electricity from renewable energy sources for HELLA sites by 2025. An electricity share from renewable energy of 54.5% was achieved for the fiscal year 2024. In the long term, the aim is to phase out fossil fuelled heating energy.

Category Scope 3.1 Purchased goods and services

The category Scope 3.1 Purchased goods and services includes goods and services from direct and indirect purchasing as defined by the FORVIA Group. The reduction in CO₂ emissions from suppliers contributes to the interim target of reducing CO₂ emissions by 45% by 2030 compared to 2019. In addition to CO₂ targets for suppliers, this also includes reducing the weight of components and switching to more sustainable materials with lower emission factors and a higher proportion of recycled materials, such as recycled plastics and metals. Project-specific requirements are taken into account in the fiscal year 2024.

Category Scope 3.4 & 3.9 Upstream and downstream transport and distribution

In this area, carbon emissions in transport are to be reduced by 20% in 2030 compared to 2019. This is planned through the decarbonisation of transport and includes measures such as optimising truck loading, shifting from road to rail, alternative fuels such as biodiesel and green hydrogen.

Category Scope 3.11 Use of sold products

As the proportion of zero-emission vehicles on the market increases, the GHG emissions of HELLA products in the utilisation phase also decrease. Emissions are to be reduced by means of an eco-design for HELLA products, which also includes energy efficiency and weight reduction through lightweight construction, for example.

Category Scope 3.12 End-of-life treatment of products

Efforts are being made to improve the recyclability and design of products for the circular economy and to further reduce weight through lightweight construction.

Information on financial resources and funds as

well as investments in measures that contribute to climate change mitigation and adaptation are described in section 3.1.3.2 Measures and resources related to the climate strategies (ESRS E1-3).

3.1.3 Management of impacts, risks and opportunities in relation to climate change**3.1.3.1 Policies in relation to climate change mitigation and adaptation (ESRS E1-2)**

The following policies relate to the identified risk of adaptation to climate change in relation to the upstream value chain and the Company's own production, as well as to the identified negative impact of climate change mitigation.

The HELLA guideline on environmental protection, occupational health and safety (EHS Policy) addresses the protection of resources, the use of renewable energy and the reduction of greenhouse gas emissions for all financially consolidated HELLA companies. HELLA is also planning to roll out a dedicated climate change mitigation policy in the coming reporting period. HELLA is thus counteracting the identified negative impact of climate change mitigation in terms of reducing the carbon footprint.

HELLA sets out climate change mitigation requirements for business partners in the supply chain in the Code of Conduct for Suppliers and Service Providers and in the Quality Guideline, among other things. The corresponding guidelines refer to the FORVIA climate targets to which HELLA has committed itself, which have been defined in accordance with the SBTi net-zero scenario and the ambition level of the Paris Climate Agreement.

'Protect the climate' is one of the 10 Green Principles, which set out requirements for environmental protection in production as part of the FORVIA Excellence System. This includes measures such as drawing up a carbon reduction action plan, taking energy consumption into account when deciding on new appliances and planning adaptations to climate change.

The interests and expectations of the most important stakeholder groups are taken into account when defining the policies for climate change mitigation and adaptation to climate change. This includes both employees and sustainable and safe workplaces, including those of suppliers, to ensure that the Company's sustainability requirements

can be met. Customer and investor requirements for transparency with regard to climate performance, fulfilment of customer-specific targets, and risks are also taken into account in the policies. The disclosures in the company presentations and the non-financial report include the policies of climate change mitigation and climate change adaptation. Specific expectations are discussed in project-specific collaboration with customers and suppliers. The policy statements are countersigned by the HELLA Managing Director, who represents the HELLA Management Board and is therefore responsible for their implementation.

3.1.3.2 Actions and resources in relation to climate change policies (ESRS E1-3)

Climate change mitigation and adaptation to climate change are anchored in corporate guidelines, and the planning of corresponding measures and resources is an integral part of the corporate strategy for all HELLA companies worldwide. As part of the annual strategic planning HELLA reviews the current strategic orientation of the individual business divisions or central functions and develops and decides on new strategic initiatives, as well as their budgeting. The central Strategy department steers and moderates this process, which the business divisions and the members of the Management Board actively help to shape. The result is the HELLA technology roadmap, in which product developments are prioritised and budgeted. In this way, HELLA ensures that innovations are developed in line with market requirements. In the reporting period, HELLA also took into account strategic levers for reducing its carbon footprint and promoting the transformation to a circular economy as part of its strategic planning. Accordingly, reduction measures per core product segment along the three central approaches 'Use Less, Use Better, Use Longer' have been developed. These action plans are part of the strategic planning process and are to be expanded further by 2030, including as part of product development. The carbon action plan was initiated last year as part of our strategic planning process. There were no predefined budget allocations at this time, but the integration of carbon reduction measures was taken into account as part of the strategic discussions. Measures are also dependent on possible changes in product demand and eco-design aspects of the products as well as the associated investments in research and development. The results of the strategic planning process, including the carbon reduction plan and the transition plan, are approved by the divisions, the Executive Board, the Supervisory Board and the Shareholder Committee. Additional

measures to support or remedy those who have been harmed by actual material impacts related to climate change have not yet been implemented, but are going to be addressed by HELLA in the long term.

Climate change measures (illustrative)

Energy savings

Saving energy in manufacturing and thus also reducing emissions make a contribution to climate change mitigation at HELLA. Against this background, the Company has advanced the "Think.Act. Save!" initiative for systematic electricity and gas saving. The initiative has created a network of specialists in manufacturing who identify and implement local energy saving measures. In the reporting period, the HELLA production sites completed over 343 projects that saved a total of 44.8 GWh of electricity and gas. The measures can include technical projects or improvements in the use of energy (e.g. improving switch-off behaviour). The measures are followed-up via the Company-wide tool for improvement projects. This ensures timely and efficient implementation as well as effective scaling and dissemination of projects within the Company. The measures saved 8,633 tCO₂e in 2024. The energy saving programme is a continuous process. The next important target for 2025 is to reduce energy intensity (energy consumption per turnover) by 20% compared to 2019.

Switch to renewable energy sources

HELLA endeavours to supply energy from renewable sources. In the fiscal year 2024, the Company further expanded its own renewable electricity generation. During the year, a photovoltaic system with an output of 6.8 MWp was installed at the German logistics centre in Erwitte as part of an on-site power purchase agreement. In addition and for the first time, in 2024 the Company is going to obtain 54.5% of the electricity it consumes exclusively from renewable sources (prior year: 15%), including through virtual power purchase agreements. The measures mentioned enabled 103,471 tCO₂e to be saved compared to 2023. By 2025, the proportion of electricity from renewable sources is to be increased to 100%.

The phase-out of fossil thermal energy is also being pursued: The new plant in Ghiroda, Romania, has already been equipped with a geothermal heat pump. In 2024, two further heat pump projects were also launched at the Shanghai and Changhung plants (China) in order to ensure the future supply of heat using electricity from renewable sources. In the pilot project, HELLA is gaining expe-

rience in switching from fossil fuels to renewable heating energy on this scale for other sites.

Sustainable procurement

Sustainable procurement practices play a crucial role in the management of Category Scope 3 emissions. HELLA plans to reduce its carbon footprint, for example by increasing the use of secondary materials for products and the use of energy from renewable sources in the supply chain as well. Specific recommendations on climate targets for suppliers were introduced in the 2024 reporting period: Suppliers are to reduce greenhouse gas emissions from their production by 80% by 2027 compared to 2019. In addition, a carbon footprint for materials and products is requested for new contracts and taken into account as a procurement criterion. In the reporting period, the Company was able to further increase transparency with regard to carbon emissions and, for example, obtain more primary data on materials from the supply chain and logistics. Efficient logistics that take greenhouse gas emissions into account are also part of the action plans.

The absolute carbon reduction for Scope 3.1 Purchased goods and services compared to 2023 is 103,968 tCO₂e (-4.8%). This reduction is primarily due to improvements in the methodology and refinements to the calculations and not to significant changes in actual emissions from procurement.

Eco-design for products

HELLA determines the carbon footprints of numerous innovation projects to identify reduction levers and pursue targeted product carbon savings together with customers and suppliers. In product design, HELLA promotes measures such as lightweight construction, increasing energy efficiency and the use of secondary materials in order to reduce the use of materials and resources and ultimately also GHG emissions. HELLA is conducting comprehensive research and development to promote the recycling and reuse of products and materials as well as waste streams. By promoting longevity and the circular economy, the Company is helping to minimise the consumption of natural resources. The implementation of these measures is planned for the long term. Further notes is provided in the chapter on the circular economy.

The absolute carbon reduction for Scope 3.11 - Use of products sold compared to 2023 is 266,191 tCO₂e (-2.1%). This reduction is primarily due to improvements in the methodology and refinements to the calculations and not to significant

changes in the actual emissions from the utilisation phase of the products sold.

Measures to adapt to climate change (illustrative)

HELLA analyses physical climate risks to prepare for the possible effects of climate change and take appropriate local, mostly technological measures. A comprehensive analysis enables potential risks to be better understood, making it possible to develop appropriate adaptation strategies. This can help to minimise physical damage, strengthen the resilience of infrastructures and mitigate long-term economic impacts. In 2022, HELLA analysed the physical climate risks at its production sites according to two IPCC scenarios (SSP2 4.5 and SSP5 8.5) for the time horizons 2030 and 2050.

The Company used site-specific coordinates to assess the production sites in terms of their exposure to two climate risks:

- Impacts of acute climate risks, i.e. risks from natural events with destructive consequences such as floods, extreme storms, heavy rainfall, forest fires or heat waves.
- Impacts of chronic climate risks caused by long-term changes in the average and variability of climate patterns, such as higher temperatures or humidity or increasing water stress.

Against this background, HELLA is developing a short and medium-term action plan for adapting to climate change in cooperation with the parent company FORVIA, which is to be implemented in the functions and units as required. The Company already had an early warning system in place to monitor natural disasters and weather phenomena such as storms, floods, extreme temperatures, earthquakes and others for production sites to respond to natural events accordingly. In the case of significant new investments, e.g. development of new production sites, according to the Green Factory Whitebook, a climate risk analysis should also be carried out and taken into account when deciding on a location. In the reporting period, HELLA also checked the functionality of production hall roofs in the event of heavy rainfall in order to initiate measures if necessary.

HELLA invests in measures that contribute to climate change. A significant amount of these are primarily related to capitalised research and development costs for products for batteries and zero-emission vehicles. Corresponding information is

presented in detail in the EU Taxonomy chapter. In the 2024 reporting year, taxonomy-compliant investments (CapEx) totalled €192.2 million, 27.20 % of total investments, and taxonomy-compliant operating costs (OpEx) amounted to €133.7 million, 15.14 % of the total operating costs according to the EU taxonomy. In line with an increase in zero-emission vehicles on the market, HELLA expects a corresponding development in taxonomy-enabled sales, capital expenditure and operating costs. The requirements for the avoidance of material impair-

ment (do no significant harm) and the minimum protection standards should be fulfilled accordingly.

Actions and resources related to climate change are broken down as follows into capital expenditure, operating expenditure and other resources. These can be found in the annual financial statements under administrative expenses and research and development expenses and in the cash flow statement under payments for the acquisition of intangible assets and property, plant and equipment.

Actions and resources: Climate change	2024	2025
Capital expenditure (CapEx) in €million	192.2	1.8*
Operating expenditure (OpEx) in €million	133.7	2.8*
Other resources (number of employees worldwide; = FTE)	29 employees; = 7.25 FTE	29 employees; = 7.25 FTE
Other resources (training hours)	497 hours	-

*excluding taxonomy-aligned CapEx and OpEx.

3.1.4 Targets in relation to climate change mitigation and adaptation (E1-4)

The HELLA Management Board, in close coordination with the parent company FORVIA, has defined the following climate change mitigation targets for the Company in order to address the main effects of its business activities. The targets were agreed and verified as part of the SBTi and are compatible with limiting global warming to 1.5 °C.

- By 2025, HELLA aims to reduce carbon equivalent emissions at its own production, administration and development sites by 80% in absolute terms (Scope 1 and Scope 2 categories based on SBTi). This target corresponds to an absolute reduction in emissions of 296,907 tCO₂e compared to 2019.
- By 2025 at the latest, HELLA is going to procure electricity exclusively from renewable sources worldwide (100%), which is going to reduce market-based Scope 2 emissions by 311,149 tCO₂e compared to 2019.
- By 2025, the Company is going to reduce the specific electricity intensity (kWh in relation to €1,000 of sales) in production by 20 percent (base year 2019). Taking the sales trend into

account, this corresponds to energy savings of 212 GWh in 2025 compared to 2019.

- HELLA is aiming for net-zero emissions along the entire value chain by 2045. According to the SBTi-validated roadmap of the parent company FORVIA, market-based GHG emissions are to be reduced by 90% compared to 2019, which corresponds to an absolute reduction of 16.4 million tCO₂e compared to the base year 2019. The remaining 1.8 million tCO₂e (10% of GHG emissions) are offset or processed into materials for the Company's own products.

The climate targets of the parent company FORVIA, to which HELLA makes a significant contribution, cover all aspects of business operations as well as the entire value chain and regions. The science-based climate targets take into account the sectoral decarbonisation pathway of the automotive sector with a focus on reducing emissions in line with limiting global warming to 1.5 °C. The approach is based on climate scenario modelling and the use of standardised emission factors to ensure consistency with international reporting frameworks. The effectiveness of target achievement is measured in tonnes of carbon equivalents. Key assumptions in setting these targets include the forecast growth in production volumes, the expected

shift in customer preferences towards low-carbon products, regulatory changes (e.g. stricter emissions standards in key markets) and advances in new technologies such as electric vehicles. The Company also takes into account external factors such as the resilience of the supply chain and future market demand. Although external stakeholders were not directly involved in setting the emissions reduction targets, the Company's strategy reflects extensive collaboration with partners along the entire automotive supply chain. HELLA works closely with its suppliers and customers to coordinate their decarbonisation measures with its own, particularly related to the reduction of Scope 3 emissions.

The FORVIA Group together with HELLA is the first global company in the automotive sector whose roadmap to climate neutrality has been validated by the SBTi according to the new Net -Zero Standard.

Adjustments to the comparative figures for the base year (2019)

01 Changes in the scope of consolidation

The base year 2019 was recalculated in order to adjust the emissions of the sold / financially deconsolidated units and to add the emissions of the acquired/newly financed units and existing units in these years.

02 Methodological improvements

As part of a continuous improvement process, HELLA endeavours to improve the quality of greenhouse gas emission calculations. With the support of Deloitte, several methodological improvements were made, particularly in the main Scope 3 categories:

- For Scope 1, 2 and 3.3: the use of updated and more precise emission factors for electricity and the inclusion of LPG consumption at several sites in North America (low impact)
- For Scope 3, Category 1 (purchased services): the integration of HELLA into the Greenly platform using more accurate emission factors
- For Scope 3, Category 2: the use of more specific emission factors;
- For scope 3, Category 7: Use of more accurate emission factors for car journeys
- For Scope 3, Category 11: (utilisation of products sold), several changes have been made that lead to significantly more accurate results. These include:
 - The redefinition of product categories and the associated hypotheses (product weight, electricity consumption and useful life, where relevant) for several groups of companies
 - Full methodological adaptation to the WLTP method for emission factors, as commonly used in the automotive sector
 - The use of a global vehicle database for passenger cars that provides vehicle data (emission factor and weight) per mnemonic code (vehicle make, nameplate, programme, production plant and year of production) and per country in which the vehicle was sold, significantly increasing the accuracy of the calculations
 - Continuous improvement of the link between products sold and equipped vehicles

These changes were applied to the calculations for 2024, 2023 and 2019 to obtain consistent developments over the years.

HELLA's target is based on the base year 2019, as this represents a regulated production operation before the impact of the crisis caused by the COVID-19 pandemic, component shortages and the energy crisis due to the war in Ukraine in subsequent years. Energy consumption, sales and production volumes are correspondingly representative. The effectiveness of the climate targets and their implementation are reviewed at least once a year and adjusted if necessary. The corresponding KPIs for Scope 1 and 2 are recorded monthly and compared with the target values. In addition, the measures described above for achieving the objectives and their implementation dates were defined, budgeted and realised. With regard to Scope 3 and its relevant sub-categories, it is planned to measure the achievement of the KPIs on a quarterly basis.

Scopes	Target	Corresponding to target in absolute values (uncertainty: long-term sales forecast in a volatile automotive industry)	Target achievement 2024
Scope 1 & 2 market-based	-80% 2025 vs. 2019	74,227 tCO ₂ e*	162,724 tCO ₂ e (-56.2% vs. 2019)
Scope 1	-31% 2025 vs. 2019	39,940 tCO ₂ e**	30,350 tCO ₂ e (-47.6% vs. 2019)
Scope 2 market-based	-96.8% 2025 vs. 2019	10,000 tCO ₂ e**	132,374 tCO ₂ e (-57.7% vs. 2019)
Scope 1 & 2 market-based	Energy intensity (energy input per net product sales): -20% 2025 vs. 2019	113.8 MWh/€million	105.8 MWh/€million (-25.6% vs. 2019)
Scope 2 market-based	100% renewable electricity	651,400 MWh of electricity from renewable sources in 2025	363,724 MWh (54.5% share of green electricity in 2024)
Scope 1 & 2 (market-based), 3***	-45% 2030 vs. 2019	10,035,629 tCO ₂ e	15,738,662 tCO ₂ e (-14% vs. 2019)

*In line with SBTi targets for 2022.

**Subsection of Scope 1&2 targets based on current budget planning. HELLA plans to exceed the SBTi target.

***Target for the FORVIA Group.

Important measures to reduce emissions

The most important levers for reducing emissions are analysed as part of HELLA's strategic planning process and focus on several key areas:

Scope 1 & 2 emissions (energy and process emissions)

HELLA is working on increasing energy efficiency and switching completely to renewable energy at its sites by 2025. In the long term, HELLA aims to phase out heating with fossil fuels so that the remaining Scope 1 emissions are offset from 2025.

Scope 3.1 Emissions (purchased goods and materials)

HELLA actively involves its suppliers to drive CO₂ reduction through low-carbon procurement strategies. The measures include

- supplier-specific CO₂ targets, weight reduction for components and the use of sustainable materials with lower emission factors.
- The increased use of recycled plastics and metals is a priority in order to further reduce the carbon footprint of purchased goods.
- Sustainability requirements are now systematically integrated into the supplier evaluation process at HELLA.

Scope 3.4 & 3.9 Emissions (transport and distribution)

HELLA implements logistics optimisations to reduce transport-related emissions. The strategies include:

- Increased rail transport where possible.
- Use of alternative fuels such as biofuels and hydrogen.
- Optimisation of truck loading and improved route planning.

Scope 3.11 Emissions (utilisation phase of sold products)

HELLA is utilising the increasing switch to electric and hybrid vehicles to reduce emissions during the use phase of its products. Further measures are:

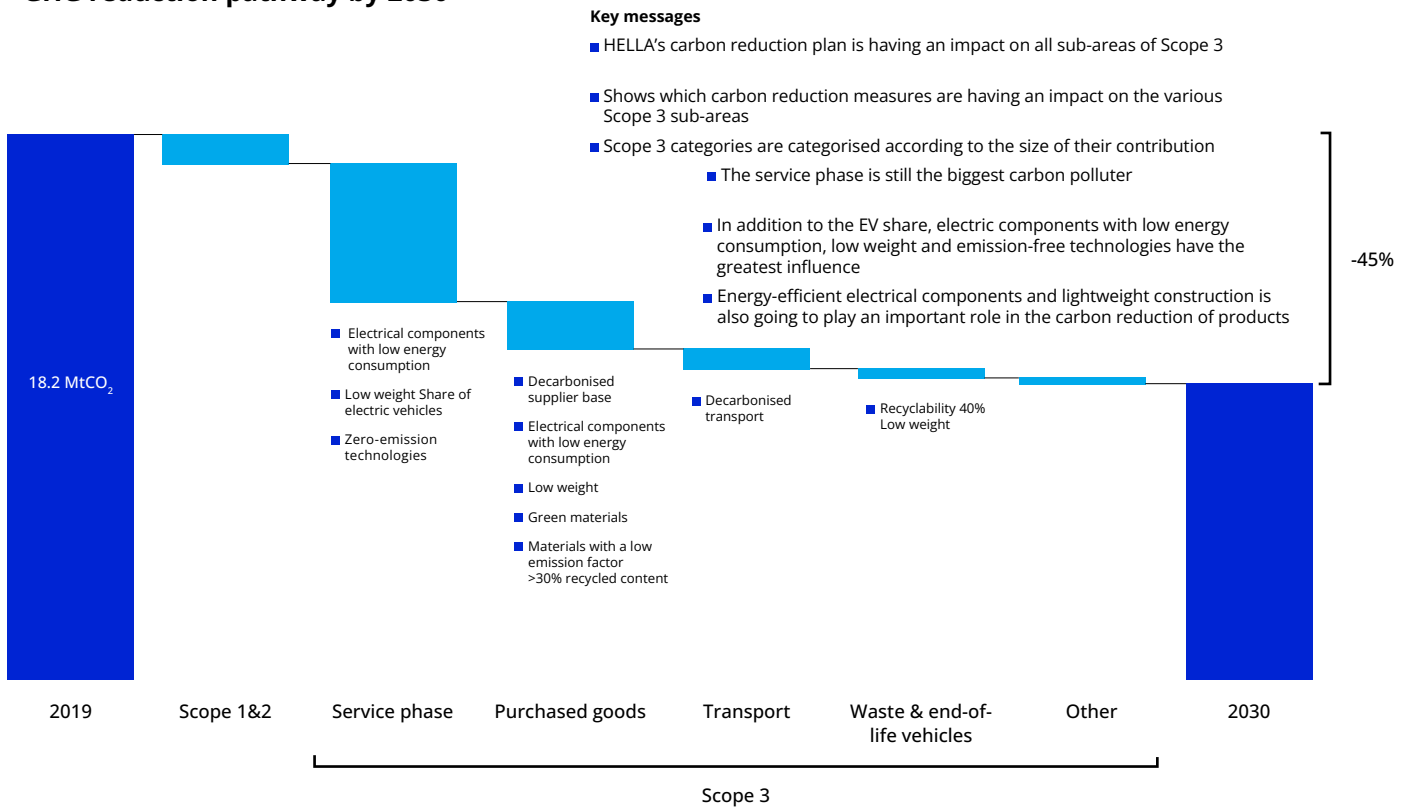
- Eco-design principles that focus on energy-efficient components and lightweight construction.
- Emission-free technologies that help to reduce the energy consumption of HELLA products.

Scope 3.12 Emissions (end-of-life treatment of sold products)

HELLA is committed to improving recyclability and the circular economy. The areas of focus include:

- Improving material recovery processes to increase recycling rates.
- Reducing product weight through material innovations.
- Development of products according to the principles of the circular economy in order to minimise the amount of waste at the end of their life cycle.

GHG reduction pathway by 2030



3.1.4.1 Energy consumption and energy mix (ESRS E1-5)

Energy consumption at HELLA and proportion of electricity from renewable sources*

	FY 2024
Fuel consumption from coal and coal products (MWh)	0
Fuel consumption from crude oil and petroleum products (MWh) **	1,034
Fuel consumption from natural gas (MWh) **	126,486
Fuel consumption from other fossil sources (MWh) **	897
Consumption from purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	314,957
Total consumption of fossil energy (MWh) (sum of lines 1-5)	443,374
Share of fossil sources in total energy consumption (in %)	54.9%
Consumption from nuclear power sources (MWh)	0
Share of consumption from nuclear sources in total energy consumption (in %)	0
Fuel consumption for renewable sources, including biomass (MWh)	0
Consumption from purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	363,446
Consumption of self-generated renewable energy other than fuels (MWh)	279
Total consumption of renewable energy (MWh) (total of lines 8-10)	363,724
Share of renewable sources in total energy consumption (in %)	45.1%
Total energy consumption (MWh) (sum of lines 6 and 11)	807,098
Energy generation from non-renewable sources (MWh)	2,759
Energy generation from renewable sources (MWh)	279

* Consumption data available from 1 January 2024 to 31 October 2024, values for November and December 2024 were estimated on the basis of the prior year's consumption.

** In contrast to the ESRS definition, the stated fuel consumption is determined on the basis of calorific values.

Specific energy consumption at HELLA*

Energy intensity by net revenue	Comparison (2023)	2024	% 2024/2023
Total energy consumption by net revenue (MWh / € million net product sales)	108.45	105.81	97.6%
Total energy consumption from activities in climate-intensive sectors by net revenue from activities in climate-intensive sectors (MWh / currency unit)	108.45	105.81	97.6%
Net revenue used to calculate energy intensity (€million net product sales)**	7,763.552	7,627.505	98.2%
Net revenue (other)	0	0	
Total net revenue (financial statements) (€million net product sales)	7,493.470	7,600.876	101.4%

* Consumption data available from 1 January 2024 to 31 October 2024, values for November and December 2024 were estimated on the basis of the prior year's consumption.

** Data from 1 November 2023 to 31 October 2024.

HELLA belongs to the climate-intensive sectors under NACE Code paragraph C 29.3.2 (REGULATION (EC) No. 1893/2006), on the basis of which the energy intensity is determined.

3.1.4.2 Gross GHG emissions in Scope 1, 2 and 3 categories and total GHG emissions (ESRS E1-6)

HELLA determines the Company's gross GHG emissions in the Scope 1, 2 and 3 categories annually. The information can be found in the following tables:

	Looking back						Milestones and target years			
	Base year 2019 (as reported in 2023)	Base year 2019 (after restatement of base year)	Comparison with 2023 (as reported in 2023)	Comparison with 2023 (after restatement base year)	2024	% 2024/2023	2025	2030	2050	Annual % of target/ base year
Category Scope 1 Greenhouse gas emissions										
Scope 1 GHG gross emissions (tCO ₂ e)	56,675	57,884	37,003	37,958	30,350	80.0%	39,940	-	-	-
Percentage of Scope 1 GHG emissions from regulated emissions trading schemes (in %)	32.6%	31.5%	18.7%	18.2%	16.1%	88.5%	16.6%	-	-	-
Category Scope 2 Greenhouse gas emissions										
Location-based Scope 2 GHG gross emissions (tCO ₂ e)	237,896	257,639	235,007	258,434	256,074	99.1%	-	-	-	-
Market-based Scope 2 gross GHG emissions (tCO ₂ e)	293,242	313,250	205,858	229,774	132,374	57.6%	10,000	-	-	-
Significant category Scope 3 greenhouse gas emissions										
Total indirect Scope 3 gross GHG emissions (tCO ₂ e)	9,391,472	17,875,464	9,892,742	16,023,142	15,575,939	97.2%	-	-	-	-
1 Purchased goods and services	1,823,761	1,962,832	2,003,268	2,185,902	2,081,934	95.2%	-	-	-	-
2 Capital goods	224,767	171,054	212,626	170,037	158,631	93.3%	-	-	-	-
3 Fuel- and energy related activities	70,642	76,827	53,462	58,314	49,778	85.4%	-	-	-	-
4 Upstream transport and distribution	125,281	125,254	142,778	149,134	124,593	83.5%	-	-	-	-
5 Waste generated in operations (production sites)	13,888	13,888	27,333	27,353	19,385	70.9%	-	-	-	-
6 Business travel	10,807	10,826	23,037	23,170	11,669	50.4%	-	-	-	-
7 Employees commuting	53,686	57,043	40,310	38,922	33,254	85.4%	-	-	-	-
8 Upstream leased assets	7,188	8,025	8,199	8,724	8,883	101.8%	-	-	-	-
9 Downstream transportation and distribution	52,881	45,740	66,327	63,753	96,755	151.8%	-	-	-	-
10 Processing of products sold	191,106	200,314	210,113	255,364	255,471	100.0%	-	-	-	-
11 Use of products sold	6,485,187	14,912,375	6,876,228	12,819,790	12,553,599	97.9%	-	-	-	-
12 End-of-life treatment of sold products	246,614	284,892	207,583	218,964	178,784	81.6%	-	-	-	-
13 Downstream leased assets	-	-	-	-	-	-	-	-	-	-
14 Franchises	-	-	-	-	-	-	-	-	-	-
15 Investments	85,664	6,393	21,478	3,714	3,204	86.3%	-	-	-	-

Total GHG emissions

Total GHG emissions (location-based) (tCO ₂ e)	9,686,043	18,190,986	10,164,752	16,319,534	15,862,362	97.2%	-	-	-	-
Total GHG emissions (market-based) (tCO ₂ e)	9,741,389	18,246,597	10,135,603	16,290,873	15,738,662	96.6%	-	45%	-	-

* FWB Kunststofftechnik GmbH is a company over which HELLA exercises operational control. Its Scope 2 gross emissions are included in the table, whereby location-based Scope 2 emissions in 2019 were 2,294 tCO₂e, in 2023 1,852 tCO₂e, in 2024 1,786 tCO₂e and the percentage for comparison in 2024 vs. 2023 is 96.4%. The market-based Scope 2 gross emissions comprise 4,022 tCO₂e in 2019, 3,635 tCO₂e in 2023, 3,506 tCO₂e in 2024 and the percentage for comparison 2024 vs. 2023 96.5%.

In order to ensure the comparability of the data after changes in the scope of consolidation, historical reference values including data from HBBL were adjusted.

In 2024, HELLA made significant progress in reducing greenhouse gas emissions in the Scope 1, Scope 2 and Scope 3 categories:

Scope 1 emissions

Reduction from 57,884 tCO₂e in the base year 2019 to 30,350 tCO₂e in 2024, which corresponds to a reduction of 48% compared to the base year. This shows consistency with the provisional reduction path towards the 2030 targets.

Scope 2 emissions (market-based)

Reduction from 313,250 tCO₂e in 2019 to 132,374 tCO₂e in 2024, which corresponds to a reduction of 58% compared to the base year. This is due to the increased use of electricity from renewable energies and energy efficiency measures.

Scope 2 emissions (location-based)

Reduction from 257,639 tCO₂e in 2019 to 256,074 tCO₂e in 2024, which corresponds to a reduction of 1% compared to the base year. The slight decrease was achieved despite an increase in electricity consumption (+5%), as the expansion of electricity generation from renewable sources is progressing worldwide.

Scope 3 emissions

Total Scope 3 emissions fell from 17,875,464 tCO₂e in 2019 to 15,575,939 tCO₂e in 2024, which corresponds to a reduction of 13% compared to the base year. The categories "Business travel" (>-40%) and "Operational waste" (>-29%) achieved significant reductions compared to the previous year, while moderate progress was made in other categories such as "Use of products sold".

Total GHG emissions (market-based)

Combined GHG emissions across all areas fell from 18,246,597 tCO₂e in 2019 to 15,738,662 tCO₂e in 2024, which corresponds to a total reduction of 14%. This reflects HELLA's proactive measures to implement decarbonisation initiatives.

While HELLA has made remarkable progress, further actions are going to focus on accelerating the Scope 3 reduction, especially in high impact areas such as 'goods and services purchased' and 'use of products sold' to achieve the long-term targets for 2030 and beyond.

Information about contractual instruments for Scope 2 GHG gross emissions

Percentage of contractual instruments for Scope 2 GHG gross emissions	74.5%
Percentage of market-based Scope 2 GHG emissions associated with purchased electricity bundled together with instruments	33.6%
Percentage of contractual instruments used for the sale and purchase of energy bundled together with attributes on energy production related to Scope 2 GHG emissions	0.4%
Percentage of contractual instruments used for the sale and purchase of unbundled energy attribute entitlements related to Scope 2 GHG emissions	0.0%
Biogenic carbon emissions from the combustion or biodegradation of biomass not included in Scope 2 GHG emissions	0.0%

The contractual instruments used for the sale and purchase of energy bundled with energy generation attributes or for unbundled claims to energy attributes are direct contracts with guarantees of origin and the following certifications: iRECs (International Renewable Energy Certificates) and GECs (Green Electricity Certificates).

Carbon-intensity Scope 1, 2 and 3*

Carbon-intensity Scope 1, 2 and 3* by net revenue	Base year 2019	Comparison 2023	2024	% 2024/2023
GHG Scope 1 by net revenue (tCO ₂ e / €million net product sales)	8.81	4.89	3.98	81.4%
GHG Scope 2 location-based by net revenue (tCO ₂ e / €million net product sales)	39.21	33.29	33.57	100.9%
GHG Scope 2 market-based by net revenue (tCO ₂ e / €million net product sales)	47.67	29.60	17.35	58.6%
Total GHG emissions by net revenue (tCO ₂ e Scope 1 + 2 (market-based) + 3 / €million net product sales)	2,776.87	2,098.38	2,063.41	98.3%
Total GHG emissions by net revenue (tCO ₂ e Scope 1 + 2 (location-based) + 3 / €million net product sales)	2,768.41	2,102.07	2,079.63	98.9%
Net revenue used to calculate carbon intensity (€million net product sales)**	6,570.923	7,763.552	7,627.505	98.2%

* Consumption data available from 1 January 2024 to 31 October 2024, values for November 2024 and December 2024 were estimated on the basis of the prior year's months Data for base year 2019 was recalculated and not audited due to a change in the HELLA reporting period.

** Data from 1 November 2023 to 31 October 2024.

3.1.4.3 GHG removals and GHG mitigation projects financed through carbon credits (ESRS E1-7)

In the 2024 reporting period, HELLA did not finance any carbon reduction through carbon certificates or climate change mitigation projects. Corresponding plans to achieve the net-zero target in 2045 have not yet been concretised or contractually agreed as at the reporting date. Accordingly, these are not taken into account in the policies for mitigating climate change.

3.1.4.4 Internal carbon pricing (ESRS E1-8)

In November 2023, the HELLA Management Board decided to introduce an internal carbon price within the Group in the medium term. This is initially to be piloted as a shadow price in the areas of purchasing and development in order to anchor climate targets more firmly in corporate decision-making processes. A basis for calculating such a carbon price is to be developed in the near future. For this reason, no further details on the carbon pricing system can be provided.

3.1.4.5 Specifications for the collection of environmental indicators

HELLA collects environmental indicators at a total of 41 production sites. Of these, 36 are categorised as main production sites and five as satellite sites, where outsourced production lines are subject to the management and processes of the main production sites. These are included in the calculation of the KPIs via the respective main production site, unless otherwise stated.

Production at the new production site in Olomouc, Czech Republic, was ramped up during the reporting period and the management systems were gradually implemented. For this reason, the site has not yet been fully included in the calculation of the environmental indicators.

All HELLA locations, and not just the production sites, are used for the greenhouse gas emissions data.

The reporting period covers the calendar year 2024. HELLA uses actual data for the period from 1 January 2024 to 31 October 2024 for the environmental metrics. Data for the fiscal year months November and December 2024 are not available in time to ensure data collection and validation by the publication deadline. Accordingly, the data is extrapolated based on the prior year's figures for the corresponding calendar months.

Use of total net revenue to calculate intensity

HELLA's total net sales in fiscal year 2024, see financial report Chapter 11 - Sales in the annual financial statements, amounted to €7,601 million. The difference to the total net revenue used to calculate the CO₂ intensity is due to the different comparison period, as this is based on data from 1 November 2023 to 31 October 2024. The financial metrics used to determine the intensity-based environmental metrics include external product sales for the reporting period from 1 November 2023 to 31 October 2024.

3.1.5 Methodology for calculating carbon emissions

Categories Scope 1 and 2

Scope 1 and 2 emissions are calculated in carbon equivalents. It is based on consumption data from 1 November 2023 to 31 October 2024. The calculation of Scope 1 emissions is based, in accordance with the requirements of the ESRS, on the gas consumption of the sites and the diesel and petrol consumption of the emergency power generators, including the fuel consumption of the Company's vehicle fleet, refrigerants and direct emissions from processes (e.g. dry ice treatment). For HELLA, fuel consumption in Germany is tracked using a fuel card. In other countries, emissions are estimated on the basis of the number of vehicles. The emission factors come from the UK Department for Environment, Food and Rural Affairs and the French Environment Agency ADEME. The process emissions (carbon emissions caused by chemical reactions of certain processes) of the sites concerned were also taken into account. Indirect emissions related to electricity are calculated using the market- and location-based approach, in accordance with the requirements of the ESRS. Scope 2 emissions are calculated on the basis of electricity consumption (buildings and company cars) and external heat consumption and reported using the market- and location-based approach. The emission factors used for the market-based approach are, in order of availability, those of the market instruments (power purchase agreement, energy attribute certificates, etc.), then those of the suppliers, then those of the residual mix (AIB in Europe, Green-e in the USA), then those of the national electricity mix (Ministry of Ecology and Environment in China, International Energy Agency in other countries). The 2024 emission factors from the International Energy Agency were used for the location-based approach.

Category Scope 3

The emissions are calculated accordance with ESRS. They include all Scope 3 categories (3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 3.10, 3.11, 3.12, 3.15) with the exception of downstream leasing (3.13) and franchising (3.14), as these activities do not affect the company. HELLA uses currently available emission factors for the categories under Scope 3. The uncertainties in the calculation of carbon emissions were assessed taking into account the accuracy of the activity data and the uncertainties in the emission factors. The methodology for the five most important Scope 3 categories in relation to emissions is described below:

Category Scope 3.1 Purchased goods and services

The calculation of emissions for Scope 3.1 is based on a standardised methodology that complies with the GHG Protocol and the requirements of the CSRD. The methodology takes into account HELLA's specific activities and applies scientific standards to establish transparency and accuracy while maintaining confidentiality. Emissions are calculated as follows:

1. Quantity-based calculation:

HELLA uses extracts from its tool to consolidate purchasing data. For product groups for which a weight-based data basis (in kg) is available, the emissions are determined on the basis of the availability of emission factors. The following sequence applies:

- Emission data transmitted by the supplier (primary data);
- Emission factors calculated from similar purchases from the parent company FORVIA;
- Emission factors from a generic database, e.g. Footprint Database® of ADEME (secondary data).

2. Spends-based calculation:

For the remaining purchases that are not available in kg, expenditure is calculated using an expenditure-based emission factor (in tCO₂e per €1,000) taken from FORVIA data (weighted average of similar purchases (same purchasing (sub) group, same raw material)) or from the ADEME Footprint Database®.

Quality assurance and data integration are based on the following points:

- The calculations are based on consolidated procurement data from HELLA's internal system (MIMS) and external sources provided by FORVIA.
- All emission factors and data used are regularly reviewed and validated.
- Where available, supplier-specific emissions data is prioritised to increase accuracy.

Categories Scope 3.4 and 3.9 Upstream and downstream transport

For 50% of the goods purchased and sold for which HELLA is responsible for transport, data is collected as follows based on information from the five most important carriers (around 50% of transport orders). The calculations are performed based on one of the following types of data:

- Emissions data based on the values calculated directly by the suppliers;
- Distance-based method: Distance travelled and tonnes transported (t.km), multiplied by an emission factor of the Global Logistics Emissions Council (GLEC) for the corresponding vehicle type (over 99%).

If this data is not available, the emissions are estimated on the basis of the costs associated with each transport (less than 1%).

Emissions for the remaining 50% of transport activities not managed by the top five carriers are extrapolated using industry averages and adjusted emission factors.

Scope 3.10 Processing of sold products

This category includes emissions resulting from the processing of sold intermediate products by third parties after sale. These emissions are related to the energy consumption required by OEMs (Original Equipment Manufacturers) for the assembly of HELLA components into the final vehicle. The calculation takes into account the assembly time of HELLA components in relation to the total vehicle assembly time, which was determined by OEMs. As not all OEMs have provided this data, average data is used.

Category Scope 3.11 Use of sold products

The emissions are calculated in two phases:

Emissions associated with the indirect use of the products sold. These correspond to a mass allocation of emissions from vehicles in the utilisation phase in relation to the weight of HELLA products in the vehicles. Emissions in connection with the direct use of the products, which are related to the current consumption of HELLA products.

Several metrics are taken into account when calculating indirect use: the service life of the vehicle (set at 150,000 km), the weight of the HELLA products per vehicle, the weight of the vehicle with the HELLA products and the emission factor of the vehicle (in gCO₂e/km). The latter includes direct emissions from vehicle use (fuel combustion tank-to-wheel (TTW)) and indirect emissions (extraction and production of fuel and electricity generation, including the upstream areas of electricity generation, well-to-tank (WTT)). The emission factors for vehicles with combustion engines, the current consumption for electric vehicles and the weight data for the vehicles come from various regional databases, depending on the country in which the vehicle is sold. If no information about a vehicle is available in these databases, an average value of similar vehicles is used (e.g. average weight of an electric vehicle in the same segment).

For electric and plug-in hybrid vehicles, the electricity emission factors of the IEA are adopted, assuming that the vehicle is used in the country in which it was sold. A correction coefficient is applied to the emission factors calculated according to the WLTP (Worldwide harmonised Light vehicles Test Procedure) to take into account the emissions associated with the use of the vehicles.

3.2 RESOURCE USE AND CIRCULAR ECONOMY (ESRS E5)

3.2.1 Material impacts, risks and opportunities in relation to resource use and circular economy (ESRS 2 E5)

The risks, effects and opportunities listed below were determined as part of the double materiality analysis.

		Value chain			Time horizon		
		upstream value chain	HELLA operations	downstream value chain	short-term	medium-term	long-term
Resource outflows in connection with products and services The use of virgin materials such as plastics for HELLA products contributes to resource scarcity and damage to the environment.	Impact		X			X	
Waste The generation of waste in the upstream value chain has an impact on resource scarcity and damage to the environment throughout the supply chain.	Impact	X			X		
Waste The current, mostly linear product design of HELLA products has a negative impact on end-of-life recycling, which increases the amount of waste and the scarcity of resources.	Impact			X	X		
Resource inflows, including resource consumption Increased costs or even business interruptions due to lack of resources and scarcity (e.g. semiconductor crisis)	Risk		X			X	
Resource outflows in connection with products and services Materi'Act range+ eco-design for all products. Initiatives related to the transformation and commercialisation of unique, state-of-the-art, low and ultra-low carbon footprint materials in conjunction with eco-design practices.	Opportunity		X	X		X	X

3.2.2 Management of impacts, risks and opportunities in relation to resource use and circular economy

The following chapter describes the management of the material impacts, risks and opportunities identified in the previous Chapter 3.4.7 related to waste in the upstream and own value chain, resource inflows and outflows related to products and services.

A description of the procedures for identifying and assessing the material impacts, risks and opportunities related to resource utilisation and the circular economy is set out in Chapter 1 About the non-financial report under the disclosure requirement ESRS 2 IRO-1.

3.2.2.1 Policies in relation to resource use and circular economy (ESRS E5-1)

HELLA's activities along the value chain have an impact on the transformation to a circular economy. Core aspects at HELLA include product design for a circular economy, the use of secondary materials and waste-avoiding production. The following concepts, guidelines or internal processes shape the identified impacts, risks and opportunities in connection with resource use and the circular economy.

Resource outflows related to products and services

Through specifications and processes for product development, HELLA ensures consistent standards worldwide with regard to quality, product safety and environmental management. The Development department is responsible for the implementation of these specifications and processes, in particular pre-development. The HELLA environmental standard stipulates, among other things, that products are to be designed in a way that conserves resources, that waste and pollutants are to be avoided and that lightweight construction is to be promoted to implement the 'waste hierarchy': Avoid waste, reduce quantities and enable the reuse and recycling of materials and parts through a recycling-friendly design. Strategies to prevent or reduce waste must be prioritised over waste processing in accordance with the environmental standard and the standards on waste and recycling.

The requirements apply to all financially consolidated companies with the exception of Docter Optics. Further production specifications ensure waste-preventing production, which is also part of the 10 Green Principles.

Resource inflows (including resource consumption) and waste (upstream value chain)

The Supplier Code of Conduct describes the topics of circular economy, waste reduction and recycling and thus communicates specifications to the upstream value chain. Accordingly, HELLA partners should promote closed-loop systems by supporting the use of sustainable, renewable natural resources. The HELLA partner must provide HELLA with information on its use of secondary materials at the product level. In addition, the HELLA partner should opt for the use of secondary, bio-based and renewable materials if these are available and their use is technically feasible. HELLA partners must take a systematic approach to identifying, managing, reducing, reusing, recycling and – as a last resort – disposing of waste responsibly.

The Purchasing department is responsible for implementing resource inflow concepts (including resource consumption). The Sustainability in Purchasing department is responsible for concepts related to waste in the upstream value chain.

Resource outflows related to products and services and waste (downstream value chain)

HELLA consistently aligns its own product range with market requirements and trends. This also increasingly includes aspects of the circular economy, and the Company intends to gradually expand its activities in this area over the coming years. The Strategy department manages and coordinates the annual strategic planning process, in which the business divisions and members of the Management Board are actively involved. The result is the HELLA technology roadmap, in which product developments are prioritised and budgeted. In the reporting period, HELLA also took into account strategic levers for reducing its carbon footprint and promoting the transformation to a circular economy as part of its strategic planning. The respective business divisions in the business segments are responsible for the exact design of the products from the product idea to series production. To this end, the employees of the international HELLA development centres work closely with the customer-oriented product centres. This also ensures coordination and alignment with customer-specific requirements, for example regarding the service life of the products, the use of secondary materials or recyclability at the end of the product's life. The development departments of the respective business divisions are responsible for implementing the concepts related to resource use and the circular economy.

3.2.2.2 Actions and resources in relation to resource use and circular economy (ESRS E5-2)

Contributors to the promotion of the circular economy can be found in the HELLA product range of all financially consolidated companies, for example in the sale of spare parts or in products that are designed according to circular principles. The Company plans to expand its focus on the circular economy in the long term and is investing accordingly in business activities and research and development activities.

Spare parts for vehicles

The automotive industry's spare parts business plays a material role in the transformation to circularity and in delaying the identified material impact on waste in terms of end-of-life utilisation. One of HELLA's three business divisions, the Lifecycle Solutions division, develops, manufactures and sells, among other things, replacement vehicle parts for independent dealers and independent workshops, which are designed to extend the value and service life of a vehicle. The product range of the spare parts business for independent garages comprises more than 45,000 parts. In the Lighting and Electronics business divisions, HELLA produces spare parts for its own product portfolio in ongoing series production and post-series production, mainly within the framework of legal requirements for vehicle manufacturers. HELLA spare parts help to conserve resources and reduce the ecological footprint of the automotive industry. HELLA also sells brake calipers that have undergone remanufacturing. Remanufacturing is an aspect of the circular economy in which used or defective products are refurbished and restored to as-new condition. The aim is to extend the service life of the parts and conserve resources. Remanufacturing goes far beyond recycling: Instead of just recycling the raw materials, remanufacturing involves processing and reusing entire products.

Product design for a transition to a circular economy

Circular product design aims to extend the service life of products, enable them to be repaired and reused and to recycle or reuse materials at the end of their life cycle. This represents a response to the material identified impact on waste (downstream value chain) and the opportunity for resource outflows related to products and services. This is part of corresponding research and development activities within the Company. In the reporting period, HELLA is working with partners in the value chain to investigate, for example, how headlamps can be made more sustainable. Accord-

ingly, the NALYSES project considers the entire product life cycle, from the purchase of materials to possible repairs and recyclability.

HELLA takes aspects of circularity into account during product development. The products are designed according to customer-specific requirements and in compliance with the requirements of EU Directive 2000/53/EC on end-of-life vehicles.

As part of its strategic research activities, HELLA is investigating how the contribution of products to the circular economy can be further expanded. Accordingly, HELLA also researches and develops resource-saving product solutions that make mechanical components redundant and replace them with digital solutions. The steer-by-wire functionality makes it possible to steer vehicles using digital signals without a mechanical connection between the steering wheel and wheels. Brake-by-wire systems offer corresponding options for digital instead of mechanical brake control. Smart Car Access options are intended to make the radio key superfluous for vehicle users by having the key function assumed by an app on the mobile phone.

Efficient resource utilisation and integration of secondary materials

The efficient use of resources and the integration of secondary materials are crucial for a circular economy in which the life cycles of materials are extended and waste volumes are reduced. This economic focus is intended to reduce the negative impact on resource outflows related to products and services and the identified risk of resource inflows, including resource consumption. The gradual integration of recycled materials into HELLA products not only reduces the need for new raw materials, but also minimises the environmental impact of resource extraction and generates cost benefits. HELLA endeavours to use resources efficiently, promotes lightweight construction and waste avoidance and strives to increase the use of secondary materials such as recycled plastics and metals. The use of secondary materials is considered on a project-specific basis during the development process, as is the potential for resource efficiency or lightweight construction. The company maintains a close dialog with customers and suppliers regarding the selection of recycled materials used, and this is implemented on a project-specific basis in the development process. Particular attention is paid to the quality and long-term availability of materials to ensure that the safety and reliability requirements of the automotive industry are met. In order to increase the proportion of recycled ma-

materials in products, HELLA plans to expand data collection in this regard in 2025 and to coordinate with suppliers.

Systematic waste management

In order to minimise the identified impact on resource outflows related to products and services, HELLA uses a systematic waste management system that prioritises recycling over landfilling. This is part of the environmental management system. The waste recycling rate is tracked and optimised at the sites. To obtain transparency about the traceability of substances of concern in the manufactured products, information about this is managed via the International Material Data System (IMDS), which covers the entire product life cycle. The Company has introduced programmes to reduce scrap and waste and promotes recycling initiatives and reusable packaging. This comprehensive approach is based on the principles of the circular economy and focuses on the reuse and recycling of materials to minimise waste. HELLA production sites worldwide are implementing site-specific measures to reduce waste, and already use reusable packaging for a large part of their business with car manufacturers.

Group-wide measures regarding waste avoidance in the upstream and downstream value chain have not yet been implemented. The Nalyses project is investigating how waste can be reduced at the end of a headlamp's life by increasing its recyclability. Further measures to prevent waste in the upstream value chain are also planned for 2025, such as adapting the sustainability manual for the value chain in order to raise awareness of waste prevention in the value chain.

Actions and resources related to resource use and circular economy can be categorised as follows: capital expenditures, operating expenditures, and other resources. These can be found in the annual financial statements under administrative expenses and research and development expenses and in the cash flow statement under payments for the acquisition of intangible assets and property, plant and equipment.

Actions and resources: Resource use and circular economy	2024	2025
Capital expenditure (CapEx) in €	871,806	900,000
Operating expenditure (OpEx) in €	10,000	10,000
Other resources (number of employees worldwide; = FTE)	77 employees; = 76.3 FTE	77 employees; = 76.3 FTE
Other resources (training hours)	-	-

* Operating expenditure relate to pro rata expenses for the Tennaxia campaign. Capital expenditure includes innovation projects from the respective divisions.

3.2.3 Metrics and targets in relation to resource use and circular economy

3.2.3.1 Targets (ESRS E5-3) in relation to resource use and circular economy

HELLA's Management Board sets the targets. In the reporting period, a voluntary target was defined to reduce waste intensity at the production sites, which is presented under E5-5 – Resource outflows. This is directly related to the objectives of the 10 Green Principles (reduce waste). It measures the effectiveness of the waste measures in the production phase. The same Group target is broken down to all production sites. They incorporate it into their local environmental programme and define local improvement measures to achieve the target, such as measures for production waste, material/parts recovery and inventory management. These measures to achieve the target thus correspond to the implementation of the environmental standard. The methodology for setting the target is based on measuring resource efficiency using a relative indicator of the amount of waste produced in relation to sales. Assumptions for target setting were forecasts for production volume and sales. Internal stakeholders were involved in defining the objectives. These were presented to the heads of Global Operations as well as the basic feasibility of the locations was analysed. Ecological threshold values were not taken into account in the target setting. Further goals to promote resource utilisation and

the circular economy along the product life cycle have not yet been included in the objectives, but are to be developed in the medium to long term, so that only then can the overall effectiveness of the concepts and measures related to resource utilisation and the circular economy be tracked.

3.2.3.2 Resource inflows (ESRS E5-4)

HELLA procures various process materials, raw materials and semi-finished goods for the manufacture and assembly of its own products. HELLA's supply chain for production materials comprises an annual purchasing volume of over four billion euros and over 2,000 suppliers. The largest areas of expenditure after purchasing costs are:

- Semiconductors
- Printed circuit boards
- Plastic parts from injection moulding & die casting
- Metal parts
- Chemical raw materials
- Lighting technology such as LEDs
- Passive electronics
- Mechatronics such as cable harnesses, motors, etc.

HELLA also procures production machinery and systems, IT equipment, packaging and packaging materials from suppliers. As is customary in the industry, the electronic components in particular also contain critical raw materials such as rare earths, cobalt and mica.

Reused, recycled and organic materials from resource inflows*	FY 2024
Total weight in tonnes of products as well as technical and biological materials and packaging used	428,442 t
Of which packaging	38,457 t
% of total biological materials **	5.63%
Of which biofuels not used for energy purposes	n/a
% of organic packaging of total weight of packaging procured sustainably **	60%
Weight of reused or recycled secondary components, products and materials used to manufacture the products	17,765 t
Of which packaging	14,828 t
% by weight of reused or recycled secondary components, products and materials used to manufacture the products	4.15%

* Data from Docter Optics is included for the Chemicals and Packaging purchasing group.

** Sustainable procurement of materials and packaging is not part of external certification, so HELLA differs from the definition in the ESRS for this KPI.

HELLA collects data on recycled and bio-based plastics, chemicals and packaging in the 2024 reporting period. No information is available on other purchasing groups in the reporting period. Due to the limited availability of data, the high quality requirements in the automotive industry and the limited global availability of reused or recycled production materials and secondary components, their share of HELLA's resource inflows is low, at less than 1%. This is to be gradually expanded in the coming years by identifying and realising product- and project-specific potential and improving data availability. Validated data on the weight of the materials was available for 86% of the materials, 14% of the materials are currently without weight information. The weight total was estimated on the basis of 86% for the 100%. These were extrapolated to 100%. The information on reused materials for the plastics and packaging purchasing group was also estimated. The data is collected per business division (Electronics, Lighting and Lifecycle Solutions) and per purchasing group to avoid double counting.

3.2.3.3 Resource outflows

3.2.3.3.1 Products and materials

In fiscal year 2024, HELLA aims to investigate the recycling potential of a headlamp at the end of its product life. In the medium to long term, the aim is to derive a guideline for the design of new product innovations from this activity. This project was successfully completed with external partner companies as part of the NALYSES project.

HELLA's product portfolio from its own production comprises a wide range of solutions in the Lighting business division, including headlamps and modules, rear lights, body lighting and interior lighting. In the Electronics business division, HELLA manufactures products for energy management. These include battery management systems, environmental and position sensors, modules for vehicle electronics, actuators, radar sensors for automated driving functions and electronics for lighting applications. HELLA's Lifecycle Solutions business division also manufactures lighting and electronic products for special and customised vehicles and boats. Some of the product packaging consists of reusable packaging, for example when transporting the products to the vehicle manufacturers. In addition, customised cardboard packaging and filling materials are also used to ensure safe transport. The design of products according to circular economy criteria is part of research and development activities at HELLA, and initial approaches can al-

ready be found in the active product portfolio in the 2024 reporting period. How to achieve long-term reusability, repairability, dismantling, reprocessing and return to the cycle. HELLA is researching appropriate solutions and incorporating the findings into product development.

The durability of HELLA products generally corresponds to the expected service life of the vehicle. If, for example, a product is damaged in an accident, HELLA provides the appropriate spare parts for its own products via its network of OEM and independent workshops; repairs are not usually possible. The proportion of recycled materials is determined together with the customer for each project. A corresponding key performance indicator is not available for the entire product portfolio and packaging material due to a lack of data transparency in the reporting period; this is to be collected in the medium to long term. FORVIA and HELLA strictly adhere to the specifications of its OEM customers, which vary depending on the product.

Based on the material decomposition of the products, the respective recycling process and the recycling potential of the materials, HELLA has determined the specific recycling potential for each product line. Based on the weighting of the products (calculated for the emissions of the indirect use phase of the Group's greenhouse gas inventory), HELLA has calculated a weighted average, which leads to the following result:

The recyclability of HELLA products in 2024 is 10%.

3.2.3.3.2 Waste (E5-5)

HELLA has voluntarily set itself the goal of reducing waste intensity at its production sites by nine percent by the end of the fiscal year 2025 and by 13 percent by 2027 compared to the base year 2019. Waste intensity comprises the total amount of waste generated in tonnes and is expressed in relation to net product sales in euros. For the 2024 reporting period, the short-term target for the production sites is

to reduce waste intensity in production by two per cent compared to 2023. Ecological threshold values were not taken into account in the target setting; an estimate of the reduction potential in the production companies forms the basis of the target values.

The target of a waste intensity of 4.4 was not achieved with a waste intensity of 4.48 in the reporting period.

Waste generated at HELLA production sites in tonnes

	2023	2024
Waste generation (no one-off waste expenditure such as demolition waste) in tonnes	33,608	34,194
Total quantity in tonnes diverted from disposal	-	29,662
of which hazardous waste	-	1,089
In preparation for reuse	-	0
Recycling	-	382
Other recovery operations	-	707
of which non-hazardous waste	-	28,573
In preparation for reuse	-	508
Recycling	-	24,858
Other recovery operations	-	3,207
Total quantity in tonnes for disposal	-	4,480
of which hazardous waste	-	743
Incineration	-	59
Landfill	-	78
Other disposal operations	-	606
of which non-hazardous waste	-	3,737
Incineration	-	449
Landfill	-	2,321
Other disposal operations	-	967
Total amount of non-recycled waste	-	8,446
% proportion of non-recycled waste	-	25
Total quantity in tonnes of radioactive waste	0	0
Total amount of hazardous waste	-	1,832
Total amount of non-hazardous waste	-	32,310

	2019	2023	2024	Target 2024
Waste intensity (waste volume in tonnes in relation to net product sales in € millions)	4.7	4.5	4.5	4.4

HELLA has the waste data from 01/01/2024 – 31/10/2024. Data for the months of November and December are estimated on the basis of the prior year's figures. The data is collected annually for all fully consolidated companies and their production sites using the Tennaxia tool. Data is recorded on the basis of invoices or waste acceptance documents from the waste service providers. Further information on the data collection methodology can be found in Chapter 3.1.4.5 Specifications for the collection of environmental indicators The

composition of waste from HELLA production sites comprises different materials. The most important categories include paper and cardboard packaging, plastic packaging and wooden packaging, as well as metal waste, electrical and electronic devices and components and mixed municipal waste. Industry-specific waste streams include automotive parts and electronic products. The calculation of non-recycled waste differs from EFRAG Q&A ID 400, with an adjustment planned for 2025.

3.3 EU TAXONOMY

The EU Taxonomy is used to identify sustainable economic activities and aims to channel capital flows into them. This is intended to support the EU - Green Deal, the EU's environmental objectives and the Paris Climate Agreement. In accordance with EU Regulation 2020/852 of 18 June 2020 (known as the 'Taxonomy Regulation') and the Delegated Act on the EU Taxonomy 2021/2139 of 4 June 2021 and its amendments by Regulation 2023/2485 of 27 June 2023 and the supplement by EU Delegated Act 2023/2486 of 27 June 2023, which set out the conditions under which economic activities can be considered substantial contributors to EU environmental objectives, HELLA is required to disclose the proportion of its sales, capital expenditure and certain operating expenditure for the fiscal year 2024 that result from economic activities that are aligned with the six environmental objectives:

- Climate change mitigation (CCM)
- Climate change adaptation (CCA)
- Sustainable use and protection of water and marine resources (WTR)
- Transition to a circular economy (CE)
- Pollution prevention and control (PPC)
- Protecting and restoring biodiversity and ecosystems (BIO)

An economic activity is considered taxonomy-eligible if it corresponds to the activity descriptions set out in the delegated acts of the Taxonomy Regulation. In these Acts, the European Commission defines which activities potentially contribute to one of the two climate and four environmental objectives.

A taxonomy-eligible economic activity is deemed to be taxonomy-aligned if it fulfils the following three criteria:

- It contributes substantially to one or more climate and environmental objectives by fulfilling the criteria for substantial contribution set out in the Delegated Acts of the Taxonomy Regulation.
- It does not affect the other climate and environmental objectives by fulfilling the "Do No Significant Harm" criteria described in the Delegated Acts of the Taxonomy Regulation.
- It is carried out in accordance with the minimum social protection regulations and complies with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

3.3.1 Taxonomy-eligible economic activities

In order to prepare the required disclosures, HELLA has identified the relevant economic activities for the financially fully consolidated companies across the Group, which are classified as potentially sustainable in accordance with the EU Taxonomy Regulation, the Delegated Acts and the published statement of the EU Commission on frequently asked questions. To this end, HELLA has carried out a central assessment of the entire product portfolio as well as capital expenditure and operating expenditure using standardised interviews and templates. The valuation was carried out in close consultation with the parent company FORVIA. This interdisciplinary analysis led to the identification of the following taxonomy-eligible economic activities for 2024:

EU environmental objective	Taxonomy-eligible activity	Corresponding HELLA business activities	Taxonomy KPI		
			Sales	CapEx	OpEx
Climate change mitigation	3.4 Manufacture of batteries	HELLA manufactures components for battery systems, such as battery management systems, intelligent battery sensors and voltage converters.	x	x	x
Climate change mitigation	3.18 Manufacture of automotive and mobility components	HELLA continues to develop and produce components for emission-free vehicles. However, according to the draft Commission communication of 29 November 2024, these components are not listed in full, as some may not lead to a significant improvement in the environmental performance of the vehicle. Nevertheless, most of the products developed by HELLA for M1, M2, M3 and N1, N2 and N3 vehicles (with the exception of battery components, which are listed under CCM 3.4) contribute directly to improving the environmental compatibility of vehicles by optimising aerodynamics, reducing energy requirements for HVAC systems and reducing the overall weight of the vehicle.	x	x	x
Climate change mitigation	6.5 Transport by motorbikes, passenger cars and light commercial vehicles	HELLA is investing in its own vehicle fleet.		x	
Climate change mitigation	7.2 Renovation of existing buildings	HELLA invest in the renovation of existing buildings.		x	x
Climate change mitigation	7.3 Installation, maintenance and repair of energy efficiency equipment	HELLA invests in the maintenance and repair of energy-efficient appliances.		x	x
Climate change mitigation	7.7 Acquisition and ownership of buildings	HELLA owns and invests in buildings and exercises ownership over them.		x	x

HELLA has not identified any taxonomy-eligible economic activities related to the climate and environmental objectives of adapting to climate change, sustainably using and protecting water and marine resources, transitioning to a circular economy, and preventing and reducing environmental pollution and protecting and restoring biodiversity and ecosystems. To identify the potential activities, interviews and data queries were conducted with the various specialist departments and sites.

The activities CE 1.2 Manufacture of electrical and electronic equipment and CE 5.2 Sale of spare parts, both noted under the objective of transitioning to a circular economy, were subjected to a de-

tailed review by HELLA.

HELLA does not report its activities in the area of electronic devices (which are mainly included in the Electronics and Lighting segments and whose sales are presented in Chapter 23 Segment reporting of the annual financial statements) under CE 1.2, as HELLA believes that these activities are not applicable to the automotive sector. The draft Commission notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Delegated Act on the Environment, the EU Taxonomy Delegated Act on Climate Action and the EU Taxonomy Delegated Act on Disclosure of 29 November 2024 (FAQ) refers to Directive 2012/19/EU and Article 2(4)(d) of Directive 2012/19/EU, which explicitly exclude vehicles and their components in their interpretation.

Directive 2012/19/EU excludes vehicles and their components, as these are explicitly regulated by the End-of-Life Vehicles Directive 2000/53/EC. The WEEE Directive is aimed at electrical and electronic equipment that can be operated independently and is not usually an integral part of a vehicle. According to Article 2(4)(d) of Directive 2012/19/EC, the Directive does not apply to 'means of transport used for the carriage of passengers or goods, with the exception of two-wheel electric vehicles which are not type-approved'.

HELLA has thoroughly reviewed the activity CE 5.2 Sale of spare parts as part of the objective of transitioning to a circular economy. This activity contains no reference to business activities in the transport/mobility sector, neither in the activity description nor in the technical screening criteria or the do no significant harm requirements. In addition, the draft Commission communication published on 29 November 2024 indicates in question 4 that the NACE codes listed are mandatory for CE 5.1 to CE 5.6. HELLA therefore does not report any activities under CE 5.2.

In contrast to 2023, HELLA will not report any activities under CCM 3.3 - Manufacture of low carbon technologies for transport. Due to uncertainties in the interpretation of the new CCM 3.18 area of activity, HELLA decided in 2023 to report part of its activities in the automotive sector under CCM 3.3. These uncertainties were largely eliminated with the new draft of the Commission Communication of 29 November 2024. In light of these new findings, reporting under CCM 3.3 is no longer considered appropriate. Relevant activities from the Automotive division that do not fall under CCM 3.4 are reported under CCM 3.18.

Furthermore, HELLA will not report under CE 5.1 - Repair, refurbishment and remanufacturing in 2024. The draft Commission Communication of 29 November 2024 describes under ID 4 that the NACE codes for activity CE 5.1 are to be read as an exhaustive and not an indicative list. The listed NACE codes are not related to activities carried out by HELLA. According to the new understanding of CCM 3.18, HELLA can also report the remanufacturing and resale of brakes under CCM 3.18. HELLA is making use of this option for the 2024 report.

One innovation is the first-time recognition of the activities CCM 6.5, CCM 7.2 and CCM 7.3. These economic activities were not recognised in previous reporting periods. Corresponding sales, investments and operating expenditure were categorised as immaterial by the departments in the past due to a narrow definition of activities. This year, a decision was made at Group level to deviate from this definition. According to the broader understanding of the activities, the activities exceed the materiality threshold.

For reporting purposes, HELLA also examined whether investments and operating expenditure attributable to heat pumps (for industrial applications and for the generation of heating and cooling in administrative buildings) exceed the materiality thresholds for reporting. For CCM 7.6 (heat pumps for heating and cooling of administrative buildings), no correspondingly high investments and operating expenditure could be identified, which is why no disclosure is made.

In addition, HELLA has carried out a climate risk analysis (further description in the context of DNSH - Appendix A) to assess whether locations or companies (including the upstream and downstream value chain) are exposed to physical climate risks. For the cases in which risks and adaptation solutions were identified, HELLA assessed whether these adaptation solutions correlate with existing activities or whether they apply to the activities described in the climate change adaptation objective. The assessment showed that the activities carried out by HELLA and reported under climate change mitigation (CCM) do not have their origin in climate change adaptation. The activities are exclusively related to HELLA's operating business, so there is no basis for a designation under the climate change adaptation (CCA) objective. HELLA does not report on activities within the scope of the climate change adaptation objective.

HELLA has no material sales, capital expenditure or operating expenditure in activities that fall under the activities listed in the reporting form 1 of Annex XII 2022/1214.

Activities in the field of nuclear energy

Line	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

3.3.1.1 Substantial contribution

With regard to the activity CCM 3.4 – Manufacture of batteries, the main contribution criteria relate to the production of battery components that lead to a substantial reduction in greenhouse gas emissions, for example in the transport sector. The battery components manufactured by HELLA make a material contribution to reducing greenhouse gas emissions in the transport sector. This is achieved, for example, through start-stop functions, recuperation for vehicles (including those with combustion engines) and by supporting high-voltage systems for hybrid and electric vehicles. The battery components are used exclusively for the automotive sector.

With regard to the activity CCM 3.18 – Manufacture of automotive and mobility components, HELLA develops and manufactures components for vehicles with 0gr exhaust emissions (electric and hydrogen vehicles), which are essential for providing and improving the environmental performance of the vehicle. For example, a vehicle's headlamps are an essential component of any vehicle. In addition to road safety, the headlamps make a material contribution to the aerodynamics of a vehicle and are developed and produced in accordance with the special requirements of car manufacturers. As a result, the headlamps make a material contribution to the aerodynamics and therefore the efficiency of the electric vehicle.

With regard to activity CCM 6.5 – Transport by motorbikes, passenger cars and light commercial vehicles, only part of HELLA's fleet added in 2024 fulfils the criteria for a material contribution.

With regard to the activity CCM 7.2 – Renovation of existing buildings, HELLA aims to carry out all renovation measures sustainably and to the highest quality. There is currently no precise tracking of the criteria specified in the EU taxonomy. It was therefore not possible to assess the measures for 2024.

With regard to the activity CCM 7.3 – Installation, maintenance and repair of energy efficiency equipment, HELLA assesses on a project-by-project basis which of the measures implemented fulfil the requirements for a material contribution. For listed measures, HELLA assessed whether they fulfil the minimum requirements of Directive 2010/31/EU and, if applicable, whether they correspond to the two highest energy efficiency classes (in accordance with Regulation 2017/1369). Measures that did not fulfil the requirements were excluded from further analysis.

In regard to the activity CCM 7.7 – Acquisition and ownership of buildings, capital expenditure does not fulfil the criteria of a material contribution. HELLA therefore does not declare taxonomy alignment with CCM 7.7.

3.3.1.2 DNSH assessment

Please note: All DNSH criteria were evaluated at the HELLA level. HELLA has completed these audits for the areas of the EU taxonomy that require an examination of criteria beyond its own activities.

Climate change adaption (CCA)

Together with FORVIA, HELLA has conducted an analysis of the exposure and vulnerability of economic activities to physical climate risks under two global climate scenarios (IPCC scenarios SSP2 4.5 and SSP5 8.5) with the future time horizons 2030 and 2050. For risks that have been identified as particularly relevant for HELLA's production sites, HELLA is working with the parent company FORVIA to develop action plans to minimise the expected impact of climate scenarios that may occur. HELLA is endeavouring to closely monitor the implementation of the corresponding measures over the next few years.

Sustainable use and protection of water and marine resources (WTR)

HELLA carried out a risk analysis for its production sites to identify risks relating to maintaining water quality and avoiding water stress. The assessment is based on the WRI database (World Research Institute) using the 'Aqueduct' tool provided by WIR.

HELLA has drawn up action plans to minimise identified material risks in accordance with the existing environmental management system. One example of the implementation of remedial measures is the elimination of leaks, which has led to a reduction in water consumption at the affected site. Consequently, the risk analysis and the action plans derived from it ensure the sustainable use and protection of water resources.

The risk-based approach is part of the HELLA environmental management system and is subject to internal control and monitoring of the various local legal obligations.

HELLA analyses the potential for saving energy and resources when investing in building renovations. The requirements in accordance with CCM 7.2 are assessed on a case-by-case basis. Where possible and practicable, compliance with the requirements of CCM 7.2 is contractually agreed with the service

providers. Projects for which the implementation of the requirements could not be confirmed are not considered further.

Transition to a circular economy (CE)

HELLA takes requirements for the transition to a circular economy into account in all relevant processes. The handling of waste is regulated at all production sites worldwide and prioritized where the reuse and recycling of materials is economical and viable. The waste utilisation rate is tracked and published by HELLA (further information can be found in Chapter 3.2.3.3.2 Waste (E5-5)). Information on the traceability of substances of concern in the manufactured products are managed via the International Material Data System (IMDS), which covers the entire product life cycle of the goods produced by HELLA. HELLA also takes circularity aspects into account during product development. The products are designed according to customer-specific requirements and in compliance with the requirements of EU Directive 2000/53/EC on end-of-life vehicles. For example, the use of secondary materials and the potential for resource efficiency or lightweight construction are considered on a project-specific basis during the development process. As part of its strategic research activities, HELLA is investigating how the contribution of products to the circular economy can be further expanded.

As a supplier of components for the production of vehicle batteries, HELLA does not consider the additional requirements from the DNSH criteria for activity CCM 3.4, in particular with regard to the recycling of used batteries (Directive 2006/66/EC and Directive 2010/75/EU), to be applicable. According to the End-of-Life Vehicles Directive (2000/53/EC), the vehicle manufacturers are specifically responsible for the further use or recycling of a vehicle.

With regard to the deviating requirements of CCM 6.5, HELLA considers the requirements for reusability, recyclability and recoverability in accordance with the End-of-Life Vehicles Directive (2000/53/EC) to be fulfilled. All vehicles sold in the EU are subject to it. HELLA is also of the opinion that, for economic reasons, globally active vehicle manufacturers comply with these standards worldwide.

HELLA as the lessee is not responsible for the waste produced during maintenance or the final disposal of the vehicle. Maintenance is carried out by service providers selected by the lessor and the vehicle is returned to the lessor before the end of its useful life.

In the context of renovation activities that are assigned to activities CCM 7.2, HELLA checks on a case-by-case basis whether compliance with the requirements can be guaranteed.

Pollution prevention and control (PPC)

HELLA uses the IMDS data collection system to monitor hazardous substances along the entire value chain, from suppliers to manufacturing customers.

HELLA, together with its parent company FORVIA, has carried out the analysis of its substances in relation to criteria (a) to (e) of Appendix C of Delegated Regulation 2021/2139. This complies with the applicable regulations, including the use and presence of persistent organic pollutants, mercury and mercury compounds, substances that deplete the ozone layer and substances covered by Regulation 1907/2006 (REACH). The FORVIA Group, including HELLA, benefits from the exemptions for the automotive industry set out in the regulations and believes that the requirements of the above criteria are met, taking into account the current discussions and uncertainties in interpretation.

There is no harmonized list at European level that includes all the substances described in paragraph (f) ("substances of concern") and no applicable regulation requires them to be traced or declared. Nevertheless, HELLA's processes at the production sites require an assessment of the substances used that are carcinogenic, mutagenic, toxic to reproduction, (very) persistent, (very) bioaccumulative and toxic, as well as substances with endocrine disrupting properties (see Article 57 of EU Regulation 1907/2006). To this end, safety data sheets for the operating and auxiliary materials used are analysed and recorded in an internal database. Before substances that are not already recorded in IMDS can be ordered and used for the first time, they must undergo a risk assessment and approval workflow involving various specialist departments. As part of the process, the substance is tested against internationally applicable bans and restrictions. HELLA also tests the substance for its hazard category and cost-effectiveness, among other things. In cases where no suitable alternatives to hazardous substances could be identified, HELLA continues to use them. HELLA continuously examines the possibility of replacing such substances. In this respect, HELLA's processes comply with the newly formulated requirements set out by the EU in its draft Commission communication of November 29, 2024.

In the use of all (potentially) hazardous substances and materials, HELLA ensures appropriate health and safety conditions when handling these substances in order to protect people and the environment and to minimise the risk of use. HELLA complies with applicable directives and laws and fulfils the corresponding requirements defined under REACH (Regulation (EU) 1907/2006). A valid ISO 45001 certification (occupational health and safety management system) is available for all production sites with more than 200 employees for the reporting period. An extension of the certification to all locations is currently being planned. In the meantime, appropriate health and safety concepts have been developed and implemented locally for non-certified sites.

In line with the DNSH-CE criteria for CCM 3.4, HELLA supplies components for the manufacture of batteries and does not place the batteries on the market. Based on this, the DNSH criteria for PPC with regard to Regulation 1907/2006 and Directive 2006/66/EC are not applicable to HELLA's activities. Due to different rental and leasing procedures worldwide, HELLA is currently not in a position to collect the information required to demonstrate compliance with the criteria for the CCM 6.5 activity. HELLA plans to review its processes in this regard for the fiscal year 2025.

HELLA pays attention to the use of sustainable and non-hazardous substances and materials when working on and in buildings in use (CCM 7.2 and 7.3). The safety of the people who carry out this work and of those who later work in the buildings is a top priority for HELLA. Compliance with the specific requirements of the EU taxonomy cannot be checked at a higher level and is checked on a case-by-case and project-by-project basis.

Protecting and restoring biodiversity and ecosystems (BIO)

HELLA has carried out an assessment of all production sites to identify those in the vicinity of key biodiversity areas. During the analysis, all key biodiversity areas within a radius of 15 kilometres of a HELLA production site were identified. The handling of potential impacts on the identified key biodiversity areas is governed by the principles described in the FORVIA Green Whitebook. The Green Whitebook also specifies how environmental impact assessments are to be carried out before new sites are developed. Corresponding findings from the analyses are shared with the sites concerned. Together with the locations, measures were then identified to reduce, eliminate or compensate for

the (potential) impacts. With this in mind, HELLA has drawn up a realisation/implementation plan. The first pilot projects to implement the measures were launched in the reporting year. Based on the implementation plan, further improvement measures are to be implemented at additional sites from March 2025.

The FORVIA Group, supported by HELLA, has also committed itself to the Act4Nature initiative to limit the impact on biodiversity and contribute to the preservation of ecosystems.

3.3.1.3 Minimum safeguards

HELLA complies with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the principles and rights set out in the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

Human rights due diligence obligations

HELLA respects the international obligations and principles relating to human rights and labour standards. HELLA has introduced processes to ensure that appropriate due diligence is carried out and identified risks are addressed. The HELLA Declaration of Principles for Human Rights, which has been rolled out, sets out expectations for the Company's stakeholders with regard to the implementation of their due diligence obligations. Following a risk-based approach, human rights risks are analysed and prioritised internally and in the value chain, and preventive measures are taken to avoid violations. All significant violations are discussed by the Management Board and corrective measures are initiated as and when required, and within a reasonable period. During the reporting period, there were 74 reported human rights violations that were exclusively attributable to discrimination and harassment. (Further information on this can be found in Chapter 4.3.2.2 Incidents, complaints and severe human rights impacts (ESRS S1-17)).

Anti-corruption

HELLA's commitment to combating corruption is embedded in the Code of Conduct and the compliance guidelines. HELLA is subject to various anti-corruption laws and has introduced an internal programme to comply with these laws. There were no legally binding convictions related to corruption in the reporting period. (Further information on this can be found in Chapter 5.1.2 Metrics and targets (ESRS G1-3) in relation to business conduct.

Taxation

HELLA aims to comply with tax law in the countries in which the Company is active. The tax guideline fulfils the requirements of the OECD. Tax risks are monitored by the Legal, Tax and Finance departments. There were no final convictions under criminal tax law in the reporting period.

Fair competition

HELLA is committed to a business environment with partners and competitors that promotes and protects fair competition. To this end, HELLA has developed a global programme for risk management in connection with anti-competitive practices, which raises the awareness of internal stakeholders and offers preventative training measures. This programme is constantly being developed further. In the reporting period, there were no legally binding judgements by antitrust authorities or courts against HELLA.

Science, technology and innovation

HELLA is actively committed to transparent cooperation in the areas of science, technology and innovation. HELLA is involved in numerous subsidised projects aimed at the development of fundamental technologies. There is an increasingly strong focus on the promotion of sustainable technologies, particularly through the use of digital approaches.

Sustainability also plays a central role in the Company's own developments: For example, HELLA is developing innovative headlamps that are easier to recycle, as well as software solutions that replace physical products and thus help to reduce greenhouse gas emissions.

HELLA also works closely with universities to offer students the opportunity to write theses and doctoral dissertations in co-operation with HELLA. This commitment is complemented by an extensive network of business partners with which HELLA works together to drive technological progress.

HELLA is aware of its responsibility to ensure that scientific and technological developments benefit both society and the environment. In the reporting year, there were no legally binding judgements in the area of patent law.

Critical weapons

HELLA does not manufacture any products or provide any services that are categorised as critical weapons or that are intended to enable the function of critical weapons. However, some products can potentially contribute to the use of critical weapons (dual-use goods). One component of HELLA's business partner review and due diligence process is to check whether business partners are associated with the supply, manufacture or use of critical weapons. Should information in this regard become known, HELLA would examine it immediately and respond appropriately. HELLA has no knowledge of products or business partners related to critical weapons.

Legal monitoring

HELLA monitors legal developments at Group and business division level and proactively identifies potential risks. The anonymous whistleblowing system 'tellUs!' is available to all stakeholders.

3.3.1.4 Specifications for the collection of taxonomy key performance indicators

EU taxonomy key performance indicators:

Turnover, capital and operating expenditure FY 2024

in %	Taxonomy-aligned	Taxonomy-eligible, but not taxonomy-aligned	Taxonomy-eligible	Not taxonomy-eligible
Turnover	21.14	0.00	21.14	78.86
CapEx	27.20	2.96	30.16	69.84
OpEx	15.14	0.00	15.14	84.86

The denominators of the KPIs have been determined in accordance with the definition of the Delegated Act 2021/2178 of 6 July 2021 and its annexes supplementing the EU Taxonomy Regulation. The underlying financial information was reviewed jointly by the finance and project management teams to ensure consistency and reconciliation with the annual financial statements. The key performance indicators are presented after elimination of internal transactions and comprise the entire scope of consolidation of the Group (excluding companies consolidated using the equity method). In order to avoid double counting between economic activities, HELLA has set up the classification process in such a way that allocations are based on

product categories or customers. The specialist departments identified activities that contribute to several economic activities and allocate them manually. For activities related to non-EU taxonomy activities, the technical experts estimated the proportion that is relevant to the EU taxonomy. Only this share is included in the further calculations. In addition, HELLA has implemented internal controls within the process (further details can be found in the subchapter on operating expenditure).

Moreover, turnover, capital and operating expenditure are identified at the division level and not at the site level so as to take consolidation effects into account.

Turnover

HELLA determines the relevant turnover on the basis of the analysed products. Total turnover, which is used as the denominator for calculating the taxonomy figures, amounted to €8.02 billion as at 31 December 2024 and correspond to the total turnover reported in the Company's consolidated financial statements (see financial report p. 208). The numerator is made up of the turnover allocated to climate change mitigation activities CCM 3.4 (€418.4 million) and CCM 3.18 (€1,277.7 million).

The turnover reported by HELLA is not related to internal uses.

The changes compared to the prior year are due in particular to general developments on the international market for vehicles, meaning that the proportion of HELLA projects with products for electric vehicles has increased. Furthermore, the company HBBL was fully consolidated in the reporting period, which also had an effect on the taxonomy-aligned increase in total turnover. In relation to CCM 3.4, the decline in taxonomy-aligned turnover is due to market-side changes in a product line at an important customer.

In € million	2023	2024	2023	2024	2023	2024
	CCM 3.4	CCM 3.4	CCM 3.18	CCM 3.18	Total	Total
Total turnover	473.6	418.4	1,245.8	1,277.7	1,719.4	1,696.1
... of which from contracts with customers	473.6	418.4	1,245.8	1,277.7	1,719.4	1,696.1
... of which from leasing contracts	0,0	0,0	0,0	0,0	0,0	0,0
... of which from other sources of revenue	0,0	0,0	0,0	0,0	0,0	0,0

Capital expenditure (CapEx) and Operating expenditure (OpEx)

Investments and operating expenses are disclosed taking into account materiality thresholds. Economic activities that account for more than 0.5% of total EU taxonomy relevant investments and operating expenses were assessed for potential reporting in accordance with EU taxonomy requirements. This applies primarily to capital expenditures and operating expenses related to the activities CCM 7.2 Renovation of existing buildings, CCM 7.3. Installation, maintenance and repair of energy efficiency equipment, CCM 7.4. Installation, maintenance and repair of charging stations for electric vehicles, CCM 7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings and CCM 7.6. Installation, maintenance and repair of renewable energy technologies. Capital expenditures and operating expenditures that were neither classified as material nor related to identified economic activities were not recognised as taxonomy-eligible.

Capital expenditure (CapEx)

As at 31 December 2024, the capital expenditure used as the denominator for calculating the taxonomy figures amounted to €706.6 million, corresponding to the additions to property, plant and equipment and intangible assets over the reporting period, including capitalised development costs and additions in connection with business combinations. The figures can be reconciled with the values presented in the consolidated financial statements and with the figures presented in the consolidated cash flow statement (sections 30 Intangible assets and 31 Property, plant and equipment).

Investments related to taxonomy-eligible and taxonomy-aligned sales were classified as taxonomy-eligible and taxonomy-aligned. For the numerator, capital expenditures that cannot be clearly allocated to an activity were included on a pro rata basis. In these cases, the allocation was made on

the basis of expert knowledge by those responsible from the respective specialist departments. Investments that contribute to activities that are not 100% taxonomy-eligible or taxonomy-aligned were broken down in the same way as revenue. The breakdown of sales is based on detailed analyses of the relevant sales markets. For example, headlamps that are used in both electric and combustion vehicles are divided up according to the distribution of sales in the respective market. HELLA also reports on renovation measures (CCM 7.2), energy efficiency measures on and in buildings (CCM 7.3), the acquisition and ownership of buildings (CCM 7.7) and leased vehicles recognised in the balance sheet (CCM 6.5). HELLA did not issue any long-term bonds or debentures to finance certain defined taxonomy-aligned activities in the reporting period. In addition, no CapEx plans were approved in the reporting period. The numerator of the taxonomy-aligned capital expenditure totals €192.2 million.

In € million	2023 CCM 3.4	2024 CCM 3.4	2023 CCM 3.18	2024 CCM 3.18	2023 Total	2024 Total
Total investments	66.9	58.7	74.0	133.5	140.8	192.2
... of which additions to property, plant and equipment	*	7.7	*	52.0	*	59.7
... of which additions to intangible assets	*	51.0	*	81.5	*	132.5
... of which additions due to company mergers	0.0	0.0	0.0	0.0	0.0	0.0
... of which additions to investment property	0.0	0.0	0.0	0.0	0.0	0.0
... of which capitalised user rights	0.0	0.0	0.0	0.0	0.0	0.0

* Data for 2023 was not broken down into property, plant and equipment and intangible assets.

The changes compared to the prior year are due in particular to an increase in the capitalisation of development expenses and sustained expenditure on capital expenditure instead of operating expenses. Additional capital expenditures were also recognised compared to the prior year due to improved data quality from global projects in the Real Estate Management division.

Operating expenditure (OpEx)

Operating expenses, which are used as the denominator for calculating the taxonomy disclosures, amounted to €883.6 million as at 31 December 2024 and correspond to direct, non-capitalised costs from research and development activities, building renovation measures, short-term leases and other expenses in connection with the day-to-day maintenance of assets or property, plant and equipment. For the numerator, operating expenses that cannot be clearly allocated to an activity were included on a pro rata basis. In these cases, the allocation was made on the basis of expert knowledge by those responsible from the respec-

tive specialist departments. Operating expenses that contribute to activities that are not 100% taxonomy-eligible or taxonomy-aligned were broken down in the same way as revenue. The breakdown of sales is based on detailed analyses of the relevant sales markets. For example, headlamps that are used in both electric and combustion vehicles are divided up according to the distribution of sales in the respective market.

The reported figures also include operating expenses for research and development. The numerator of the taxonomy-aligned operating expenditure amounts to €133.7 million.

In € million	2023	2024	2023	2024	2023	2024
	CCM 3.4	CCM 3.4	CCM 3.18	CCM 3.18	Total	Total
Total operating expenditure	37.1	47.9	119.6	85.8	156.7	133.7
... of which research and development	37.1	47.9	119.6	85.8	156.7	133.7
... of which refurbishment	0	0	0	0	0	0
... of which short-term leasing	0	0	0	0	0	0
... of which maintenance and repair	0	0	0	0	0	0

The operating expenses incurred by HELLA are not related to a CapEx plan.

The changes compared to the prior year are due in particular to an increase in the capitalisation of development expenses and sustained expenditure on capital expenditure instead of operating expenses. In relation to CCM 3.4, there was an increase in research expenditure for battery management product line projects, although sales will only be realised in subsequent years.

3.3.2 Reporting forms

Reporting forms in accordance with the EU Taxonomy Regulation (EU-Tax-VO)

Share of turnover associated with taxonomy-aligned economic activities.

Financial Year 2024	Year 2024		Substantial contribution criteria							DNSH criteria ("Does Not Significantly Harm")					Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)	
	Code (2)	Turnover (3)	Proportion of turnover (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)				Biodiversity (16)
	€ million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	%	E	T
Economic activities (1)																		
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
Manufacture of batteries	CCM 3.4	418.4	5.21%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	473.6	E	
Manufacture of automotive and mobility components	CCM 3.18	1,277.7	15.92%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	1245.8	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,696.1	21.14%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	21.6%		
Of which enabling		1,696.1	21.14%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	21.6%	E	
Of which transitional		0.0	0.00%	0%	0%											0.0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0.00%	0%	0%	0%	0%	0%	0%							0.0%		
A. Turnover of Taxonomy-eligible activities (A1+A2)		1,696.1	21.14%	100%	0%	0%	0%	0%	0%							21.6%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
Turnover of Taxonomy-non-eligible activities		6,328.6	78.86%	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL				
Total		8,024.8	100.00%															
											Proportion of turnover / total turnover							
											Taxonomy-aligned per objective				Taxonomy-eligible per objective			
											CCM				0.00%-			
											CCA				0.00%-			
											WTR				0.00%-			
											CE				0.00%-			
											PPC				0.00%			
											BIO				0.00%			

As in section 3.3.1. Taxonomy-eligible economic activities, HELLA does not report its activities in the field of electronic devices under CE 1.2, as HELLA believes that this activity is not applicable to the automotive sector.

Reporting forms in accordance with the EU Taxonomy Regulation (EU-Tax-VO)

CapEx share associated with taxonomy-aligned economic activities

Financial Year 2024	Year 2024		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")						Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) CapEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
	Code (2)	CapEx (3) € million	Proportion of CapEx, year 2024 (4) %	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)				
Economic activities (1)																		
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
Manufacture of batteries	CCM 3.4	58.7	8.31%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	E	
Manufacture of automotive and mobility components	CCM 3.18	133.5	18.89%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		192.2	27.20%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y		
Of which enabling		192.2	27.20%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	E	
Of which transitional		0.0	0.00%	0%	0%												T	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	5.7	0.81%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								n.a.	
Renovation of existing buildings	CCM 7.2	6.0	0.85%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								n.a.	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	2.9	0.41%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								n.a.	
Acquisition and ownership of buildings	CCM 7.7	6.3	0.89%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.0	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		20.9	2.96%	100%	0%	0%	0%	0%	0%								n.a.	
A. CapEx of Taxonomy-eligible activities (A1 + A2)		213.1	30.16%	100%	0%	0%	0%	0%	0%								21.1%	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
CapEx of Taxonomy-non-eligible activities		493.4	69.84%															
Total		706.6	100.00%															
			Proportion of CapEx / total CapEx			Taxonomy-aligned per objective			Taxonomy-eligible per objective									
			CCM			27.20%			2.96%			2.96%						
			CCA, WTR, PPC, BIO			0.00%			0.00%			0.00%						
			CE			0.00%			0.00%			0.00%						

Reporting forms in accordance with the EU Taxonomy Regulation (EU-Tax-VO)

OpEx share associated with taxonomy-aligned economic activities

Financial Year 2024	Year 2024		Substantial contribution criteria										DNSH criteria ("Does Not Significantly Harm")					Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
	Code (2)	OpEx (3) € million	Proportion of OpEx, year 2024 (4) %	Climate change mitigation (5) Y; N; N/E	Climate change adaptation (6) Y; N; N/E	Water (7) Y; N; N/E	Pollution (8) Y; N; N/E	Circular Economy (9) Y; N; N/E	Biodiversity (10) Y; N; N/E	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular Economy (15) Y/N	Biodiversity (16) Y/N	Minimum safeguards (17) Y/N	%			
Economic activities (1)																				
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
	CCM 3.4	47.9	5.43%	Y	N/E	N/E	N/E	N/E	N/E	Y	Y	Y	Y	Y	Y	Y	37.1	E		
	CCM 3.18	85.8	9.71%	Y	N/E	N/E	N/E	N/E	N/E	Y	Y	Y	Y	Y	Y	Y	119.6	E		
		133.7	15.14%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	16.2%			
		133.7	15.14%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	16.2%	E		
		0.0	0.00%														0.0%		T	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
				EL; N/E	EL; N/E	EL; N/E	EL; N/E	EL; N/E	EL; N/E								n.a.			
		0.0	0.00%	0%	0%	0%	0%	0%	0%											
		133.7	15.14%	0%	0%	0%	0%	0%	0%								16.2%			
A. OpEx of Taxonomy eligible activities (A1+A2)																				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
		749.9	84.86%																	
		883.6	100.00%																	
OpEx of Taxonomy-non-eligible activities																				
Total																				
										Proportion of OpEx / total OpEx										
										Taxonomy-aligned per objective					Taxonomy-eligible per objective					
										CCM					0.00%					
										CCA					0.00%					
										WTR					0.00%					
										CE					0.00%					
										PPC					0.00%					
										BIO					0.00%					

04 Social

4.1 OWN WORKFORCE (ESRS S1)

4.1.1 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3) in relation to own workforce (ESRS S1)

The risks, effects and opportunities listed below were determined as part of the double materiality analysis.

		Value chain			Time horizon		
		upstream value chain	HELLA operations	down-stream value chain	short-term	medium-term	long-term
Health and safety							
Production activities pose health and safety risks for the Company's own workforce: In rare cases, such as related to human error or process failure, accidents may occur, which may result in serious injury, including loss of limbs, or even death, or exposure to hazardous substances from chemicals and substances that are used in production.	Negative impact		x		x		
Working hours							
In the automotive industry, high levels of stress in the workplace and non-compliance with working hours and rest periods, as defined in the basic International Labour Organisation (ILO) standards, can lead to fatigue, demotivation and health consequences such as burnout.	Negative impact		x		x		
Work-life balance							
Poor working conditions, such as a lack of work-life balance and inadequate rest periods, can lead to extra stress, burnout and reduced overall employee wellbeing.*	Negative impact		x		x		
Social dialogue							
Limited or ineffective social dialogue can lead to the needs of the workforce not being adequately taken into account, exacerbating global inequalities and perpetuating social injustice in HELLA's operations.	Negative impact		x		x		
Collective bargaining, including the proportion of employees covered by collective agreements							
Unauthorised collective agreements could contribute to injustice and inequality.**	Negative impact		x		x		
Equal treatment and equal opportunities for all							
Recruitment, talent retention, staff development and training processes can be influenced by conscious or unconscious bias, which can lead to unfair treatment.	Negative impact		x		x		
Employment and inclusion of people with disabilities							
Discrimination against disabled employees in the workforce can lead to inequalities and create barriers to progress.***	Negative impact		x		x		
Diversity							
Discrimination and unequal treatment of people who consider themselves LGBTI (lesbian, gay, bisexual, transgender and intersex).***	Negative impact		x		x		
Gender equality and equal pay for work of equal value							
Unequal treatment of the sexes.***	Negative impact		x		x		
Protecting against violence and harassment in the workplace							
Harassment and violence in the workplace.***	Negative impact		x		x		
Forced labour							
Forced or child labour contributes to human rights violations, exploitation and modern slavery, undermines global efforts to create ethical and sustainable supply chains and has a serious impact on the mental and physical well-being of victims.	Negative impact		x		x		
Child labour							
HELLA does not tolerate any form of child labour. Child labour would impair a child's development and education as well as their physical and mental health.****	Negative impact		x		x		

*This impact is summarised in the following sections with the impact on working hours.

**This impact is summarised in the following sections with the impact on social dialogue.

***This impact is summarised in the following sections with the impact on equal treatment and equal opportunities for all.

****This impact is summarised in the following sections with the impact on forced labour.

A detailed description of the procedures for identifying and assessing the material impacts, risks and opportunities related to own workforce can be found in Chapter 1 About the non-financial report under the disclosure requirement ESRS 2 IRO-1.

HELLA ensures that all persons within its workforce who may be materially affected by the Company's business operations are included in the scope of disclosure in accordance with ESRS 2. This includes both direct employees and external employees such as contractors, temporary staff and external employees working at the Company's sites, as well as a considerable number of external employees who are involved through various contractual agreements.

The Group's reporting framework for health and safety (FORVIA Excellence System) comprehensively addresses the impact on health, safety and well-being by implementing targeted measures to minimise risks and create a safe, positive working environment for all employees, both direct employees and external employees.

HELLA's workforce is made up of various categories of employees and non-employees, including executives, production employees and temporary workers, all of whom are exposed to different risks in the workplace.

Special attention is paid to particularly vulnerable groups, such as older workers and people with musculoskeletal disorders (MSDs), who are demonstrably exposed to negative effects as a result of their work. A survey is conducted annually among employees at all locations and regions to identify their specific needs and take corrective action based on the results. These assessments serve as a basis for the application of health, safety and environmental guidelines and ergonomic measures to reduce stress and improve working conditions.

In addition, the Company's digital transformation initiatives have opened up new opportunities for retraining and upskilling employees to prepare them for future roles in data analytics, automation and sustainability-focused projects. This ensures that the workforce remains competitive and flexible and is aligned with the Company's long-term strategic goals.

Furthermore, no sectors, occupations or geographical areas within HELLA's business operations have been identified where there is a high risk of child or forced labour. As a result, no specific measures were taken.

With regard to working conditions, particular attention is paid to vulnerable groups, e.g. older workers, workers with chronic illnesses or disabilities, who are more likely to face negative effects.

In relation to the identified impact on equal treatment and equal opportunities for all with regard to recruitment, talent retention, personnel development and training processes, female employees, employees with disabilities and employees with a migration background, for example, may be particularly affected.

In accordance with the ESRS requirements for employee profit-sharing schemes, HELLA has introduced structured feedback systems, such as employee surveys and quarterly town halls, to ensure a continuous dialogue with employees. This communication enables the Company to address employee concerns promptly and adapt its strategies, which increases overall employee satisfaction and engagement.

4.1.2 Management of impacts, risks and opportunities in relation to own workforce

4.1.2.1 Policies (ESRS S1-1) in relation to own workforce

The following chapter describes concepts related to the Company's workforce. These include internal and external guidelines, instructions or processes. The Head of Human Resources is responsible for implementing these concepts.

The HELLA Code of Conduct that applies Group wide and the FORVIA/HELLA values describe the cornerstones of cooperation and thus shape the working conditions at HELLA and the way in which HR management works. Among other things, the foundation is laid for respecting human rights and appreciative and constructive interaction with each other and with business partners.

FORVIA/HELLA values

- We act with foresight.
- We take responsibility.
- We rely on teamwork.
- We embody agility.
- We act with respect.
- We believe in open-mindedness.

HELLA is internationally committed to social standards and the protection of human rights. Guidelines in this regard are set out, among other things, in the HELLA Code of Conduct and in the Declaration of Principles for Human Rights. HELLA sets out guidelines for all employees and expectations of business partners in the Declaration of Principles for Human Rights. It is based on the following measurement international standards:

- International Bill of Human Rights, consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights
- ILO core conventions, as defined in the ILO (International Labour Organization) Declaration on Fundamental Principles and Rights at Work
- UN Guiding Principles on Business and Human Rights

- OECD (Organisation for Economic Co-operation and Development) Guidelines for Multinational Enterprises

HELLA is committed to respecting the following principles and is committed to worldwide compliance with them.

- No child labour
- No forced labour and free choice of employment
- Freedom of association and the right to collective bargaining
- No discrimination and equal opportunities
- Appropriate remuneration
- Reasonable working hours
- Employee development and training
- Right to health and safety
- Guidelines on land acquisition with regard to the protection of human rights and the rights of indigenous peoples
- Requirements for security personnel to protect human rights
- Human rights and the environment: Preservation of natural resources

Employees receive training on the Code of Conduct and, as of the 2024 reporting period, also on the Declaration of Principles for Human Rights. Internal and external compliance with human rights is ensured on the basis of the human rights risk analysis in accordance with the Supply Chain Due Diligence Act (LkSG) by linking it with internal controls.

Further information on the Company's workforce can be found in the sub-chapters under 4.2, 4.3, 4.4, 4.5 and 4.6, including information on discrimination, adequate wage, training and skills development, and health and safety.

4.1.2.2 Processes for engaging with own workforce and workers' representatives about impacts (ESRS S1-2)

The HELLA employees referred to in the following section relate to employees with (un)fixed-term contracts, on-call employees, full-time and part-time employees, students and trainees. Employees have the right to form and join trade unions or employee representative bodies and to elect their own representatives and organise their activities in accordance with the local legal framework. HELLA is neutral in these activities. Employees or their representatives must not be discriminated against in any way on the basis of their trade union membership. In countries where these rights are restricted by local laws, local solutions for an open dialogue with employees are considered. In order to identify the interests of employees and take them into account in the HR strategy, we work closely with the elected employee representatives. HR managers work closely with elected employee representatives such as the Group Works Council, as well as local works councils or representatives on various committees. Involvement usually takes the form of information, consultation or co-determination on a regular basis, as well as on a project-related basis in the event of material effects on the Company's workforce and at the request of employee representatives as required. The highest operational responsibility for inclusion lies with the member of the Management Board responsible for Human Resources.

In Germany, for example, there are various committees and representatives for subject-specific dialogue and inclusion, including the Equal Opportunities Officer, the Equal Opportunities Committee, the Health and Environmental Protection Working Group, the Further Training Committee, the Severely Disabled Persons' Representative and the personnel committee. Vulnerable persons and persons in need of protection are involved through appropriate representatives: For example, the interests of trainees are represented by the youth and trainee representatives, while the interests of disabled employees are represented by the representatives for severely disabled employees. There is a company social counselling service for people with additions or long-term illnesses. The results of this dialogue include numerous global and site-specific framework agreements and works agreements on topics such as personnel development and talent management, working hours and mobile working, and data protection. Feedback from employees is also gathered through commu-

nication channels such as staff meetings, but also through regular staff surveys and direct exchanges with the HR business partners. In addition to the results of internal and external audits, this is used to evaluate the effectiveness of measures.

Moreover, employees are involved in the fulfilment of due diligence obligations with regard to human rights by signing the HELLA Declaration of Principles for Human Rights.

4.1.2.3 Processes to remediate negative impacts and channels for own workforce to raise concerns (ESRS S1-3)

HELLA encourages employees and external stakeholders to anonymously report concerns and violations of the Code of Conduct, laws, business ethics and internal rules via various reporting channels, including an externally operated whistleblowing portal called tellUS!. The Compliance Office treats all reports confidentially and informs the whistleblower of the status of the investigation, whereby the processing time depends on the complexity of the report. HELLA emphasises the importance of a speak-up culture and guarantees the protection of whistleblowers from negative consequences for reports made in good faith. Further information on the channels through which concerns can be raised and the procedures for following up on such reports are set out in chapter ESRS G1 – Corporate Governance (Disclosure requirements for whistleblower protection, G1-1).

4.1.2.4 Actions and resources (ESRS S1-4)

Detailed information on the measures taken with regard to material impacts and approaches to mitigate material risks and utilise material opportunities related to the Company's workforce, as well as the effectiveness of these measures and approaches, are presented in the following subsections. Measures and resources related to the Company's workforce can be categorised as follows: capital expenditures, operating expenditures, and other resources. This includes efforts to implement measures to create attractive working conditions, respect and promote human rights, promote diversity as well as training and skills development. These can be found in the annual financial statements under administrative expenses.

Actions and resources: Own workforce	2024	2025
Capital expenditure (CapEx) in €	-	-
Operating expenditure (OpEx) in €	550,000	550,000
Other resources (number of employees worldwide; = FTE)	68 employees; = 54 FTE	66 employees; = 52 FTE
Other resources (training hours)	674,102	700,000

*The number of training hours here includes the number of training hours for all employees.

4.1.3 Metrics and targets in relation to own workforce

4.1.3.1 Targets (ESRS S1-5)

Personnel-related targets are determined by the department based on the prior year's results and the findings of strategic planning and are set by the member of the Management Board responsible for personnel. The interests of employees are taken into account when setting objectives, even if employee representatives are not directly involved in setting objectives and tracking status. Progress is reported regularly to the HR department, the business divisions and the Management Board. Where applicable, the relevant information is provided in the disclosure requirements from S1-6 to S1-17.

4.1.3.2 Characteristics of the under-taking's employees (ESRS S1-6)

The total number of employees comprises HELLA's core workforce (employees with permanent active employment contracts) as well as temporary and agency workers. A corresponding reference to the number of employees is provided in the HELLA management report in the section entitled Group fundamentals (section: Personnel).

Number of employees by gender

Gender	Number of employees (number of people)
Male	25,349
Female	14,835
Other	1
Not specified	0
Total number of employees	40,185
Total number of employees (permanent staff only)*	36,413

*Does not include long-term absentees, trainees, interns, temporary workers

Country	Number of employees (number of people)	Number of employees (number of people) in %
Germany	8,291	20.6%
China	6,166	15.3%
Mexico	5,949	14.8%
Romania	5,140	12.8%
Slovakia	3,470	8.6%
Czech Republic	3,412	8.5%
India	2,562	6.4%
Slovenia	1,858	4.6%
USA	751	1.9%
Lithuania	444	1.1%
Austria	431	1.1%
Spain	360	0.9%
Vietnam	302	0.8%
New Zealand	242	0.6%
Brazil	152	0.4%
France	133	0.3%
Denmark	87	0.2%
Turkey	82	0.2%
Australia	62	0.2%
United Kingdom	55	0.1%

Employees by type of contract, broken down by gender* (number of people)

FY 2024 as at 31 December 2024			
	Europe	Asia incl. RoW	North and South America
Number of employees (number of people)			
Female	8,669	3,124	3,043
Male	15,218	6,308	3,823
Number of employees with permanent employment contracts (number of people)			
Female	7,186	1,719	2,938
Male	13,628	5,295	3,699
Number of employees with fixed-term contracts (number of people)			
Female	601	156	93
Male	691	302	104
Number of non-guaranteed hours** (number of people)			
Female	881	1,249	12
Male	899	711	20
Number of full-time employees (number of people)			
Female	8,093	3,111	2,797
Male	15,028	6,308	3,148
Number of part-time employees*** (number of people)			
Female	576	13	246
Male	190	0	675

* Gender according to employees' own statements. ** The definition of non-guaranteed hours corresponds to that of day workers, for example. *** Part-time employment is defined as working less than a full-time equivalent.

Employees by type of contract, broken down by region (number of people)

FY 2024 as at 31 December 2024

	Europe	Asia incl. RoW	North and South America
Number of employees (number of people)			
	23,887	9,432	6,866
Number of employees with permanent employment contracts (number of people)			
	20,815	7,014	6,637
Number of employees with fixed-term contracts (number of people/FTEs)			
	1,292	458	197
Number of non-guaranteed hours (number of people)			
	1,780	1,960	32
Number of full-time employees (number of people)			
	23,121	9,419	5,945
Number of part-time employees (number of people)			
	766	13	921

The employee figures are calculated as the number of persons after the end of the reporting period. The following data is based on central SAP data. Exceptions are Docter Optics and HBBL, where the data is requested monthly.

employees is calculated as the number of persons after the end of the reporting period. The following data is based on central SAP data. Exceptions are Docter Optics and HBBL, where the data is requested monthly.

4.1.3.3 Characteristics of non-employees in the undertaking's own workforce (ESRS S1-7)

External workers are employed by employment agencies with the purpose of being able to react quickly to fluctuating output situations and to provide specialised skilled workers for short-term project-related tasks. The total number of external

Total number of external workers employed by the Company

External labour	Number	Per cent
Total	3,772	9.4%
Self-employed	0	-
Agency workers from employment agencies	3,772	100.0%

4.2 CREATING ATTRACTIVE WORKING CONDITIONS – OWN WORKFORCE

4.2.1 Management of material impacts, risks and opportunities in relation to attractive working conditions

The following chapter describes the management of the material impact on working time / work-life balance identified in the previous Chapter 4.1. with a focus on and the material impact on a possible limited or poorly functioning social dialogue between the Company and its employees.

In the automotive industry, high levels of stress in the workplace and non-compliance with working and rest times, as defined in the basic International Labour Organisation (ILO) standards, can lead to fatigue, demotivation and health consequences such as burnout.

HELLA is convinced that all employees contribute to the success of the business. To support this, HELLA strives to ensure an attractive and inspiring working environment that promotes fairness, team spirit and commitment, as well as helping to shape the specific corporate culture. Employees should have a safe working environment with reasonable working hours, fair pay and a good work-life balance.

4.2.1.1 Actions and resources (ESRS S1-4) related to attractive working conditions

HELLA implements a wide range of measures worldwide to maintain and increase its attractiveness as an employer and employee satisfaction. Accordingly, HELLA analyses the operational situation, for example by surveying employees, and derives specific starting points for improvements within the scope of operational possibilities. For example, a global employee survey was conducted in the reporting period. The subsidiary Docter Optics is not included in the survey. Employees were invited to rate aspects such as company development, job satisfaction, working conditions, training opportunities and working atmosphere. Together with an external survey company, the feedback was evaluated anonymously. Around 28,000 of 35,000 of the employees invited worldwide took part in the survey. Satisfaction with work at HELLA was rated at 74/100 points on average. Employees were particularly satisfied with the Company's commitment to sustainability, diversity and fairness in its dealings with employees. HELLA responds to employee suggestions with tailored packages. Based on the results of the previous global employee surveys, HELLA is constantly ex-

panding the 'We CARE' project and has now developed it into an international initiative for employee satisfaction.

'We CARE' measures that contribute to improving the working atmosphere include employee programmes and the expansion of social networks. These were identified and implemented within this framework. Activities include employee events such as family days or after-work programmes, expanded sports offerings and training and workshops, as well as new communication channels such as town hall meetings.

The effectiveness of the measures is continuously evaluated using the KPIs described in the following section and positive and negative developments in this regard are regularly reported to management. Risks arising from negative effects are tracked using the TellUs! tool.

Secure employment

HELLA focuses on permanent employment as far as possible. In order to be able to react flexibly and quickly to peaks in capacity utilisation, particularly in production, and to maintain long-term employment prospects for the core workforce, temporary and agency workers are also used (approx. 9.4% of the Company's workforce), as is usual in the volatile automotive industry.

Working hours

Working hours, as well as break, rest and holiday times, at HELLA should comply with the locally applicable laws and protect the health and well-being of employees. Regulations on working hours are agreed with the employee representatives as part of works agreements. HELLA relies on trust-based working hours in the development and administration areas. Because HELLA is a production company, a large proportion of its workforce is employed locally. Employees in production work worldwide in different shift systems, which are planned and communicated in advance. Overtime is voluntary worldwide.

Work-life balance

Reconciling work and family life is a high priority in the promotion of equal opportunities. HELLA wants to promote a good balance between work and private life. The various HELLA locations are developing appropriate local measures to further support employees. Leave or time off for family reasons is granted in accordance with national law or collective agreements. Flexible working time models such as part-time arrangements or mobile working for employees administration and devel-

opment are also made possible. Site-specific regulations and Company agreements apply in this regard. A company preschool at the Lippstadt site and other local services are relevant. These include flexible working time models, trust-based working hours, mobile working options, rooms for breastfeeding mothers and parking spaces for pregnant women.

Adequate wage

In its Declaration of Principles for Human Rights, HELLA commits itself to fair and competitive remuneration throughout the Group that is at least equivalent to the statutory minimum wage and guarantees a decent standard of living. The local cost of living and social benefits are taken into account. Corresponding regulations are intended to implement fair and performance-related remuneration throughout the Group. To ensure fair remuneration, all positions in the Company are systematically evaluated using regional external benchmarks with salary data and collective agreements. These are intended to guarantee equal treatment of employees, including gender equality. Employment agencies are contractually obliged to pay appropriate wages by means of the HELLA Declaration of Principles for Human Rights signed by the agencies.

The remuneration structures of HELLA managers depend on several factors, including the level of responsibility exercised. The higher the level of responsibility, the greater the proportion of variable components in total remuneration.

4.2.1.2 Collective bargaining coverage and social dialogue (ESRS S1-8)

The working and employment conditions of HELLA's workforce are largely determined and influenced by collective labour agreements. HELLA employees are extensively represented in the social dialogue within the European Economic Area (EEA) at both the company and European level. At HELLA, the European Works Council (also known as the European Employees' Forum) operates across borders within the European Economic Area and corresponds to the European Works Council (EWC). It deals with decisions and developments that have a transnational impact on employees and strengthens their rights to information and consultation.

Social dialogue, existence of works councils and workers' rights to information, consultation and co-determination

Social dialogue encompasses the exchange between employers and employee representatives in order to jointly shape working conditions and material effects on employment issues. For example, employees have the right to comprehensive information, consultation and co-determination in the event of restructuring measures. Their participation and influence on important company decisions are ensured by the involvement of works councils.

Employee representatives

as of 31/12.	FY 2023	FY 2024
Percentage of employees whose interests are represented by at least one body	99.2%	99.2%

Freedom of association, collective bargaining including the quota of workers covered by collective agreements

Collective bargaining

as of 31/12.	FY 2023	FY 2024
Percentage of employees covered by at least one collective work agreement	86.3%	86.5%

Coverage rate	Collective bargaining coverage		Social Dialogue
	Employees – EEA (for countries with >50 employees accounting for >10% of the total)	Employees – non-EEA countries (Estimate for regions with >50 employees accounting for >10% of the total)	Representation at the workplace (EEA only) (for countries with >50 employees accounting for >10% of the total)
0–19%	-	-	-
20–39%	-	-	-
40–59%	-	-	-
60–79%	-	-	-
80–100%	Germany, Romania Slovakia, Czech Republic Slovenia, Lithuania, Austria, Spain, France, Denmark	Asia incl. RoW North and South America	Germany, Romania Slovakia, Czech Republic Slovenia, Lithuania, Austria, Spain, France, Denmark

4.2.2 Metrics and targets related to attractive working conditions

4.2.2.1 Objectives (ESRS S1-5) related to attractive working conditions

The unintended turnover rate is used by HELLA as an indicator of competitiveness, working atmosphere and satisfaction with the Company. It measures the ratio of employees who voluntarily leave the Company against the average number of employees. In the 2024 reporting period, the unin-

tended turnover rate across the group was 8.1% (prior year: 12.1%), meaning that the target of 13.5% was achieved.

Staff turnover rate

as of 31/12.	FY 2023**	FY 2024	Target FY 2024
Unwanted fluctuation*: Employees who left the Company on their own initiative	12.1%	8.1%	13.5%
Total staff turnover*	23.3%	18.2%	n.a.
Number of employees who have left the Company*		6,640	

*Total staff turnover includes all departures, i.e. unwanted and intentional turnover as well as other reasons such as retirement, secondments abroad to non-consolidated companies and death.

**Docter Optics employees are not included in the data for 2023.

Results of the employee survey

HELLA aims to maintain the engagement index of the global employee survey at least at the prior year's level (greater than or equal to 76/100 points) and thus demonstrate engagement above the industry average.

	FY 2023	FY 2024	Target FY 2024
Engagement Index of the HELLA employee survey	76/100	74/100	≥ 76/100

4.2.2.2 Remuneration metrics – pay gap and total remuneration (ESRS S1-16)

At HELLA, the principle of equal pay for equal performance applies. HELLA aims to ensure that there are no gender-specific differences in pay within the Company. Accordingly, the Company regularly reviews its salary structures and ensures that fair and transparent remuneration practices are implemented.

HELLA's unadjusted gender pay gap in accordance with the European regulation (CSRD) is 33.70% in 2024. This ratio is calculated by comparing the average annual full-time total remuneration, including all bonuses and individual remuneration components, of men and women at HELLA in 2024, taking into account the formulas required by the standard. The ratio was calculated using the data collected for the annual total remuneration ratio. Apprentices and expats are excluded from the population, and the remuneration of part-time employees and newly hired employees was annualized.

The unadjusted gender pay gap results from the pure comparison of average salaries worldwide without taking into account factors such as job categories, areas of activity and locations, which would make the salaries comparable and could lead to explainable differences in remuneration in the current presentation. To enable a more substantiated analysis, HELLA additionally calculates an adjusted gender pay gap, which takes the aforementioned aspects into account in the calculation. Based on this adjustment, relevant deviations can be identified and meaningful measures to reduce inequalities can be derived and implemented.

Gender pay gap (adjusted)

	FY 2024	Target FY 2024
Gender pay gap (difference between the average income of female and male employees, expressed as a percentage of the average income of male employees)*	2.3%	No gender pay gap

**The KPI calculation takes into account the various job categories, site locations and uses average salary as the basis. Additional benefits are not taken into account, as these are guaranteed by job category and do not depend on individual negotiations. A 2-stage weighting is also carried out. The former is a weighting by job category (employee distribution in the various categories) and the latter is a weighting by number of employees per company to reflect the different sizes of the locations. Management numbers are not included when calculating the key figure.*

Ratio of the annual total remuneration of the highest-paid individual to the median annual total remuneration of all employees

	FY 2024
Ratio of the annual total remuneration of the highest-paid individual to the median annual total remuneration of all employees (excluding the highest-paid individual)	Factor 62.4

**The calculation takes into account all remuneration factors, bonuses and variable factors paid in 2024. All active employees in 2024 were reported, excluding management, expats and long-term absentees. Part-time and unpaid absences were normalised to full-time and a full year.*

4.2.2.3 Adequate wages (ESRS S1-10)

All employees worldwide receive appropriate remuneration that corresponds to the applicable reference values. The following procedure was used to determine this: The lowest wage in a country is based on the basic income, which is guaranteed to all employees. A comparison was then made with the applicable local minimum wage or collective labour agreements.

4.2.2.4 Metrics for work-life balance (ESRS S1-15)

In the 2024 reporting period, HELLA is going to utilise the options for the gradual introduction of the disclosures and will not make the corresponding disclosures.

4.3 RESPECT FOR AND PROMOTION OF HUMAN RIGHTS (OTHER LABOUR-RELATED RIGHTS) – OWN WORKFORCE

The following chapter describes the Group-wide management of the material impact identified in the previous Chapter 4.1. on the category 'Other labour-related rights', which includes forced and child labour.

As an employer of over 36,000 people, HELLA's business practices have an impact on the protection of human rights in its own workplace.

4.3.1 Management of impacts, risks and opportunities related to the respect and promotion of human rights

HELLA is committed to respecting internationally recognised human rights and complying with its due diligence obligations.

4.3.1.1 Policies (ESRS S1-1) related to the respect and promotion of human rights

The HELLA Declaration of Principles for Human Rights sets out our commitment to respecting and promoting international human rights. There are specific procedural requirements for implementing these principles, such as age checks or ethical principles when recruiting, dealing with young employees such as trainees who require special protection, or working with employee representatives. The HELLA Declaration of Principles for Human Rights also includes how to deal with human rights violations that have occurred. As soon as HELLA becomes aware of human rights violations that have occurred, these must be documented, remedial action taken and internal and external stakeholders informed in order to prevent recurrence.

In addition, the Forced Labour Prevention and Ethical Recruitment Guideline and the Child Labour Prevention Guideline were published and rolled out internally and externally in 2024. In the next step, mandatory training is planned for both guidelines for the HR department.

4.3.1.2 Actions and resources (ESRS S1-4) related to the respect and promotion of human rights

HELLA analyses human rights-related risks annually and on an ad hoc basis if the risk situation changes fundamentally. In the Company's own business division, the internal risk analysis is carried out locally at selected locations throughout the Company; findings from the complaints procedure are also taken into account. The risks identified are prioritised in an appropriate manner. Based on the results of HELLA's internal risk analysis, suitable preventive measures are developed where necessary. The results of HELLA's internal risk analysis are passed on internally to the Management Board and other relevant departments.

When human rights violations are identified, appropriate remedial action is taken immediately to prevent, end or minimise the magnitude of the violation. The effectiveness of the remedial measures is reviewed annually or on an ad hoc basis. To sensitise employees to the protection of human rights and their influence, HELLA launched a corresponding e-learning course in the reporting period.

No child labour and protection of vulnerable groups

HELLA rejects all forms of child labour, including its worst forms (e.g. illegal activities or work that affects the health, safety or morals of children). Children's childhood, dignity, health, safety and education must be respected and protected. The minimum age for the employment of young people and their health, safety and morals in an employment relationship must comply with the provisions of the ILO's core conventions. During the reporting period, the Company established new guidelines and specific instructions for dealing with young employees (Child Labour Prevention Guideline).

The protection and consideration of the interests of vulnerable groups such as young employees, people with disabilities, people with addictions or long-term illnesses and pregnant women are endeavoured by both the relevant works council committees and the HR business partners.

No forced labour and free choice of employment

HELLA rejects all forms of forced and compulsory labour, modern slavery and human trafficking and does not use any forms of forced and compulsory labour in its business activities. All practices must comply with the ILO core conventions. Forced or compulsory labour is any work or service that is demanded of a person under threat of punishment and that they have not offered voluntarily. Forced or compulsory labour practices may include servitude, the withholding of original identity documents, restrictions on movement, debt bondage or other forms of coercion. At HELLA, employees are free to choose their employment and may terminate their employment relationship at any time subject to a reasonable notice period in accordance with local laws. In the reporting period, HELLA adopted a guideline on ethical recruitment practices, which details specific requirements and sets out, among other things, the requirement for contract documents in a language understandable to employees and the rejection of recruitment fees (Forced Labour Prevention and Ethical Recruitment Guideline).

4.3.2 Metrics and targets in relation to the respect and promotion of human rights

4.3.2.1 Targets (ESRS S1-5) related to the respect and promotion of human rights

HELLA aims to respect and promote human rights. HELLA does not have a measurable, quantitative target, but HELLA's human rights due diligence obligations are implemented through the human rights risk analysis.

4.3.2.2 Incidents, complaints and severe human rights impacts (ESRS S1-17)

In the reporting period, there were no violations or labour-related incidents with serious consequences in relation to human rights within HELLA's workforce that resulted in material fines, sanctions or compensation.

The total number of complaints submitted via channels through which the Company's employees can raise their concerns (including grievance mechanisms) was 85 in the fiscal year 2024. The total number of cases of discrimination, including harassment, reported via the tellUS! whistleblowing channel during the reporting period was 74. There were no reported cases outside of tellUS!.

The number of serious human rights incidents related to the Company's workforce was 0 in the 2024 reporting period. The total amount of material fines, sanctions and compensation payments related to this totalled €0.

In the reporting period, HELLA did not receive any reports of serious violations of human rights and environmental protection in its own company or in the value chain.

4.4 PROMOTING DIVERSITY – OWN WORKFORCE

The following chapter describes the management of the material impact identified in the previous chapter 4.1. on equal treatment and equal opportunities for all, which includes unequal (un)conscious treatment in recruitment, talent retention, personnel development and training processes.

HELLA values diversity and considers this to be an innovation driver and thus an important key to business success. Therefore, the Company fosters an inclusive culture in which disparate employees, as well as their ideas and perspectives, are a driver for innovation and engaged collaboration increases the Company's success.

4.4.1 Management of impacts, risks and opportunities related to diversity

4.4.1.1 Actions and resources (ESRS S1-4) related to diversity

HELLA therefore takes targeted measures to promote diversity by creating an inclusive working environment and supporting diversity initiatives. This promotes collaboration in diverse teams and strengthens the Company's innovative power.

Diversity

At HELLA, the qualification for the requirements specific to the position is the decisive factor in HR decisions. HELLA rejects any form of discrimination on the grounds of age, race, ethnicity, skin colour, gender, language, religion, political or ideological conviction, national or social origin, wealth, birth, sexual orientation, gender identity, marital status, pregnancy, parenthood, health or disability, trade union activity or any other legally protected status. The Company is committed to equal treatment and equal opportunities, as set out in the Declaration of Principles for Human Rights, among other things. These principles are implemented worldwide by the HR managers based on the applicable national legal frameworks.

As a signatory to the Women Empowerment Principles (WEPs), an initiative of the United Nations Global Compact and UN Women, HELLA is committed to promoting gender equality.

HELLA has set targets for the promotion of women in specialist and management roles and has established a monthly reporting system to closely monitor developments. Results are systematically analysed on a regular basis and communicated to the management with recommendations for action to the HR managers and the Management Board as part of regular updates. The target achievement of the proportion of women has been extended in the 2024 reporting period as part of the remuneration of the HELLA Management Board with the top management level at HELLA. The global Human Resources Diversity network at HELLA, in which regions and business divisions are represented, is responsible for strategic initiatives and the implementation of regional and local measures. Site-specific actions in 2024 included, for example, training programmes on unconscious bias for managers as well as studies on pay equity and networking events. In addition, all employees are trained on the HELLA Declaration of Human Rights.

HELLA endeavours to both recruit and promote female employees to increase the proportion of female specialists and managers. Accordingly, HELLA encourages the recruitment agencies commissioned to focus on gender equality. As a concrete requirement, one of two profiles among the shortlisted applicants should be female. Together with its parent company FORVIA, HELLA organises various events and panel discussions throughout the year that are primarily aimed at women. Digital HER WAY events, for example, present inspiring career paths of female colleagues who share their professional paths and challenges as well as their successes and tips.

Gender equality and equal pay for equal work

HELLA has analysed pay equity between men and women in the main countries. The result is that there is pay equity between men and women. Differences at individual level are adjusted in individual case decisions.

Employment and inclusion of employees with disabilities

The Company employs people with disabilities. In order to take their interests into account, there is a dialogue with the representative body for severely disabled employees, among others. Disabilities are multifaceted, which is why the Company seeks individual solutions in close cooperation with the HR

department, the representative body for severely disabled employees and line managers. Different integration needs, for example following a stroke, cancer or a walking disability, require customised measures. In its Human Rights Policy Statement, HELLA prohibits discrimination on the basis of employees' health or disability and is committed to equal treatment and equal opportunities. Examples of inclusion measures at the Company's German sites include a special workshop in Lippstadt for severely disabled employees and the provision of interpreters for deaf-mute employees when required, for example at staff meetings.

Measures against violence and harassment in the workplace

Discrimination and harassment in any form are not tolerated at HELLA. The Company promotes respectful and appreciative cooperation, regardless of origin, gender, religion, age or sexual orientation. Violations of these principles are consistently pursued and appropriate measures are taken. The Company has implemented measures to combat violence and harassment in the workplace, including regular training sessions on the Code of Conduct for all employees and voluntary training programmes aimed specifically at managers responsible for human resources. Incoming complaints to superiors, HR department or via the TellUS! whistleblower channels are thoroughly investigated and appropriate action is taken. For example, an increase in reports of sexual harassment and discrimination in Mexico led to an intensive awareness campaign and targeted measures in the reporting period, during the course of which 20 HR employees and more than 300 managers received special training. The processing of reports is being stepped up to provide appropriate feedback quickly. In India, HELLA also has a local committee (called POSH), which is available locally as a trustworthy reporting channel in addition to the whistleblower portal TellUS!.

4.4.2 Metrics and targets related to diversity

4.4.2.1 Targets (ESRS S1-5) related to diversity

In the reporting period, the HELLA Management Board set new targets for the advancement of women in the Company. The proportion of female employees in specialist and management positions is expected to be 26.4% in 2024 and 27.5% in 2026 (previously: 27.0% in 2025). Similarly, the target for the proportion of female employees in top management is 12%.

4.4.2.2 Diversity metrics (ESRS S1-9)

This target for the 2024 reporting period could not be achieved, partly because fewer external female candidates were recruited and fewer internal female candidates were promoted. The percentage of women in the entire HELLA workforce is 37% as of the reporting date 31 December 2024.

Proportion of female specialists and managers

as at 31/12.	FY 2023	FY 2024	Target 2024
% proportion of female specialists and managers*	25.8%	26.2%	26.4%
Gender distribution by number at the senior management level**	62 / 490	67 / 512	n.a.
% proportion of female employees at senior management level**	12.7%	13.1%	n.a.

* The category of specialists and managers includes employees with responsibility for HR and technical experts without a management role. Temporary employees are excluded. Employees of the subsidiary Docter Optics are not included in the KPI or target setting.

** The senior management level at HELLA is defined as the senior management level and the management level (total: 512 employees, incl. long-term absentees, e.g. on parental leave).

Information about gender distribution on the Management Board, Supervisory Board and Shareholder Committee is provided in the Corporate Governance Statement.

Distribution of employees by age group*:

as at 31/12.	FY 2024 Number of people	FY 2024 % share of employees
aged under 30	8,339	21%
30–50 years	23,511	59%
over 50	7,787	20%

*company-wide figures

4.4.2.3 People with disabilities (ESRS S1-12)

HELLA fulfils the country-specific legal requirements for employees with disabilities. In Germany, for example, the interests of disabled employees are supported by the works council's representative body for severely disabled employees.

as at 31/12.	FY 2023	FY 2024
Proportion of permanent employees with disabilities*	1.5%	1.5%

** What constitutes disability is legally defined in every country. Accordingly, data was requested from the local companies. HELLA is not aware of any legal restrictions on the collection of data relating to the proportion of employees with disabilities in the core workforce.*

4.5 TRAINING AND SKILLS DEVELOPMENT – OWN WORKFORCE

The following chapter describes the Group-wide management of the material impact identified in the previous chapter 4.1. on equal treatment and equal opportunities for all, which includes unequal (un)conscious treatment in recruitment, talent retention, personnel development and training processes.

The skills and motivation of our employees play a key role in positioning HELLA at the forefront of global competition and successfully driving technological change in the automotive industry. HELLA's economic success is therefore inextricably linked to the acquisition of suitable talent for the Company, the qualification and commitment of employees and their loyalty to the Company. Against this background, HELLA promotes and trains employees in a targeted manner so that they can realise their potential.

4.5.1 Management of impacts, risks and opportunities related to training and skills development

4.5.1.1 Actions and resources (ESRS S1-4) in relation to training and skills development

Training and talent management are essential elements of forward-looking HR management and succession planning at HELLA. Accordingly, HELLA offers training and education programmes to enable employees to develop their skills, maintain their performance and improve it in the long term. Various training programmes address the needs and potential of employees. HELLA focuses on technical training and personal development. Ac-

cess to further education and training should be based on the principle of equal opportunities for all employees. Training and education opportunities enable employees to develop their skills in line with current and future business needs.

The Global Training Management Team at HELLA coordinates training and education programmes worldwide. The team is also a supporting partner and contact person for line managers and employees in case of training needs as well as for the design and introduction of new training opportunities. Training coordinators from the HR departments in the respective countries cooperate with the area managers on site and coordinate the local training activities. With the central My Talent Compass learning management system, HELLA offers a cloud-based platform on which online courses and in-person training can be booked and tracked. All employees with a computer connection have access to the platform. There, you can see assigned compulsory training measures as well as other available training. The courses on offer can be booked and carried out via the tool. HELLA employees also have access to the parent company's online training platform FORVIA Learning Lab. This platform offers more than 2,000 training courses on topics such as communication, artificial intelligence, creativity, time management and sustainability. The training programme is correspondingly wide-ranging. It covers both function-specific and overarching topics such as occupational safety, project management and soft skills. Line managers are responsible for assigning training to employees according to their role, personal needs and potential. Training courses usually conclude with a learning success check. This ensures the training on offer is evaluated. Employees who do not have computer access are trained by a trainer in classroom sessions.

In the reporting period, HELLA carried out the joint leadership programmes with the parent company FORVIA (Drive Leadership, Drive Advanced Leadership and Ignite) to promote talent, among other things. These target group-oriented development programmes for internal executives and experts aim to encourage and develop talent globally. Corresponding learning modules focus on leadership topics such as setting goals, fostering global collaboration and developing employees.

HELLA specifically seeks and promotes employees from its own workforce in order to meet and expand the demand for talent. For this purpose, the talent management organisation specifies the processes and procedures, and implements various

programmes together with the supervisors. At HELLA, the core of development planning consists of personal feedback meetings as part of the “Performance Review” assessment process, which takes place at least once a year between the manager and the office employee. In these discussions, performance and potential are reflected upon, training needs are identified and development measures are set out and agreed upon. HELLA strongly believes that feedback loops are an essential prerequisite for professional as well as personal development.

In the annual Group-wide Talent Review process, the HR department works with line managers to systematically identify the potential of employees with a certain level of qualifications worldwide in accordance with standardised rules across the Group. On this basis, the candidates for the corresponding development programmes are nominated at the same time. Talent conferences at different hierarchical levels ensure uniform standards and fairness. HELLA also offers numerous programmes and mentoring opportunities at the local level to encourage talent. Through this, employees network with each other and further upgrade their qualifications in order to be systematically prepared for subsequent career steps. This approach also helps to retain talent within the Company.

4.5.2 Metrics and targets in relation to training and skills development

4.5.2.1 Targets (ESRS S1-5) in relation to training and skills development

The HELLA Management Board has set the target that every employee should complete 25 hours of training per year by 2030. This goal emphasises the Company’s commitment to the continuous training and development of its workforce.

4.5.2.2 Training and skills development metrics (ESRS S1-13)

In the 2024 reporting period, each HELLA employee completed an average of 17 hours of training. HELLA is pursuing the goal of increasing training hours to an average of 25 per employee by 2030.

Average training hours per employee

	Fiscal year 2023	Fiscal year 2024 (Hella)	Fiscal year 2024 (HBBL)	Fiscal year 2024 (Docter Optics)	Target 2030
Number of employees as at 31/12/2024 excluding temporary workers		38,930	672	412	
Average training hours per employee	16.7	16.8	26.2	7.75	25.0
Average training hours per male employee*	Not reported	18.4	26.5	11.5	
Average training hours per female employee*	Not reported	14.2	25.6	5.2	
Average training hours per office worker*	25.0	23.0	31.3	12.5	
Average training hours per male office worker*	Not reported	24.0	32.5	14.6	
Average training hours per female office worker*	Not reported	20.7	28.9	10.8	
Average training hours per employee in the production environment*	7.4	9.7	21.8	5.6	
Average hours of training per male employee in the production environment*	Not reported	9.4	21.4	10.5	
Training hours per female employee in the production environment*	Not reported	9.9	22.5	1.5	
Total training hours*	678,908	653,306	17,602	3,194	

* The KPI also takes into account employees who were trained during the year and had left the Company by the reporting date of 31 December 2024.

4.6 HEALTH AND SAFETY

The following chapter describes the management of the material health and safety impacts identified in the previous Chapter 4.1, which include health and safety risks for own workforce arising from product activities and which, in rare cases, can lead to accidents, some of which can result in serious injuries.

4.6.1 Management of impacts, risks and opportunities in relation to health and safety

4.6.1.1 Policies (ESRS S1-1) in relation to health and safety

The HELLA policy on environmental protection, and occupational health and safety (EHS policy) describes the preventive approach and sets the framework for activities. In addition, protecting the health and safety of employees is a cornerstone of the FORVIA Excellence System (FES). The FORVIA Excellence System formulates the requirements for the management of production sites with regard to the pursuit of operational excellence. In the 2023 reporting year, the FES was extensively revised to bring together best practices from the parent company FORVIA and from HELLA. The right to safety in the workplace has been established as a core principle. The corresponding requirements are based on active risk prevention and support production activities in which employees and subcontractors may be exposed to the risk of occupational accidents. The current 2024 reporting period is characterised by the gradual introduction of these requirements. The FORVIA Excellence System will not be introduced at the subsidiary Docter Optics, which will manage the issues independently.

7 Safety Fundamentals (7 principles of safety)

- 01 STOP work**
Everyone has the responsibility and duty to stop work immediately if an observed unsafe condition or unsafe behaviour may result in injury or damage to persons, equipment or the environment
- 02 LOTO (Lockout-Tagout)**
All energy sources must be secured with a padlock and personal identification for the entire time maintenance and repair work is being carried out on machines and systems.

- 03 Safe equipment**
All machines and systems must be in a safe condition
- 04 Safe traffic**
Employees must be effectively protected from vehicle traffic in the plant.
- 05 High-risk operations**
At HELLA, all high-risk operations are not normal conditions, e.g. work at heights, work at risk of fire, energised work and work in containers and confined spaces. Special authorisation must be obtained for all high-risk work.
- 06 Personal protective equipment (PPE)**
The need to wear personal protective equipment (PPE), such as safety goggles or protective gloves, and the scope of such equipment is determined by the results and the measures defined in the local risk assessments.
- 07 Chemical and fire prevention**
Measures for handling chemicals and fire prevention are defined.



4.6.1.2 Actions and resources (ESRS S1-4) in relation to health and safety

A uniform process landscape defines global safety standards and reporting channels at HELLA. The core element of occupational safety at HELLA is a preventive, systematic risk assessment, which results, inter alia, in detailed work instructions for handling machines in production or in specifications for the necessary personal protective equipment. These apply not only to employees, but also to temporary and agency workers or visitors. The needs of vulnerable groups, such as pregnant employees, are considered separately in the risk assessments. Potential risks are identified during regular safety site inspections and compliance with the requirements is checked on site. The effectiveness of occupational health and safety guidelines and measures is also analysed in internal and external audits.

As part of the introduction of the FORVIA Excellence System (FES), the following four standards from environmental management and occupational safety (HSE) are going to be initially introduced at HELLA:

- 01** Compliance with the HSE rules
The basic rules on occupational safety must be observed by every location.
- 02** Risk prevention
Preventive measures are intended to further increase the level of safety, for example by means of hazard hunting activities.
- 03** HSE commitment
Employee involvement is the key to safe behaviour.
- 04** Environmental protection
The introduction of the 10 Green Fundamentals further emphasises environmental protection within the Company. Further information on the 10 Green Principles can be found in the chapter on environmental management.

HELLA employees are regularly trained on potential hazards in the workplace and the safe handling of risks, especially at technical workplaces in production. Regular training and instruction should ensure that employees are aware of the requirements and focus attention on safe handling. HELLA also offers first-aid training to employees worldwide.

In the event of near-accidents and accidents, an investigation team is formed with the involvement of the local EHS officers, which carefully examines the reportable accidents, identifies the causes of accidents, defines measures to prevent accidents and shares best practices to achieve continuous improvements. To this end, the specialist department maintains an intensive dialogue with the occupational safety officers of the parent company FORVIA.

Within the Company, the findings (referred to as lessons learnt) from accidents are processed and distributed and tracked across all business units worldwide with the aim of preventing accidents from happening again.

4.6.2 Metrics and targets in relation to health and safety

4.6.2.1 Targets (ESRS S1-5) in relation to health and safety

4.6.2.2 Health and safety metrics (ESRS S1-14)

Coverage of own workforce through ISO 45001 health and safety management system

In 2020, the HELLA Management Board set the goal of having the occupational health and safety management system at all production sites with more than 200 employees at the time externally certified in accordance with the internationally recognised ISO 45001 standard. This target was achieved in the 2024 reporting period. Other sites that have since been consolidated or at which fewer than 200 people are employed are focussing on implementing the occupational health and safety requirements of the FORVIA Excellence System in the short and medium term and are not included in the target scope.

HELLA production sites with certified health and safety management system*

as of 31/12.	Fiscal year 2023	Fiscal year 2024
Total number of production sites	32	41
Total number of production sites with an ISO 45001 certified health and safety management system	25	32
Proportion of total production sites with an ISO 45001 certified health and safety management system	78%	78%
Employees (in %) at production sites covered by the ISO 45001 certified health and safety management system	95%	97%
Number of production sites with more than 200 employees	30	31
Number of production sites with more than 200 employees with an ISO 45001 certified health and safety management system	25	31
Proportion of production sites with more than 200 employees with an ISO 45001 certified health and safety management system	83%	100%
Employees (in %) at production sites with more than 200 employees covered by the ISO 45001 certified health and safety management system	95%	100%

* Including sites where only the main production site is certified.

HELLA accident statistics*

	FY 2023	FY 2024	Target 2024
Number of incidents in connection with work-related injuries (reportable) Employees and non-employees	241	177	No target for absolute number, only for the key figure (accident rate)
Number and fatalities Own employees	0	1	0
Number of fatalities due to work-related injuries and illnesses of other employees working at the Company's sites	0	0	0
Accident rate (accidents per 1 million hours worked)	3.2	2.4	3.05
Days lost due to work-related injuries and fatalities as a result of occupational accidents (hours lost per 1 million hours worked)	388	338	377

* Accident rate and absenteeism include HELLA permanent staff, contract workers and temporary workers. External companies are not included. For historical reasons, the fully consolidated subsidiary Docter Optics manages its affairs independently and is not including in the HELLA KPIs or target setting. In the 2024 financial year, the accident rate at Docter Optics was 37.8 with a lost time injury rate of 3072.

HELLA aims to continuously improve occupational safety measured in terms of accident rates and absenteeism. For this purpose, the occupational safety officers measure the frequency of reportable accidents (accident rate) as well as the severity of accidents (lost-time rate, downtimes) and cases of death due to accidents. The journey to work is not included in the key performance indicators (accident rate and lost time rate), but only accidents that occurred at the workplace. The employee's planned working time is calculated for the lost working time. The aim is to steadily reduce the number of accidents and the resulting downtimes.

HELLA therefore sets annual targets for each location. These are based on the results of the prior year. Based on this, the Management Board has set Group-wide targets of an accident rate of 3.05 and 377 hours lost per 1 million working hours for the fiscal year 2024.

In the reporting period, HELLA recorded one fatal occupational accident in January 2024. The incident was systematically investigated. Targeted measures have been taken worldwide to prevent a similar accident from happening again.

4.7 WORKERS IN THE VALUE CHAIN (ESRS S2)

4.7.1 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3) in relation to workers in the value chain (ESRS S2)

The risks, effects and opportunities listed below were determined as part of the double materiality analysis.

		Value chain			Time horizon		
		upstream value chain	HELLA operations	down-stream value chain	short-term	medium-term	long-term
Occupational health and safety Production activities at suppliers (parts and raw materials) pose health and safety risks for workers in the value chain. In rare cases, there are serious consequences of work-related injuries, including loss of limbs, or even fatalities.	Negative impact	X			X		
Child labour Child labour in HELLA's supply chain contributes to human rights violations, exploitation, undermines global efforts to ensure ethical and sustainable supply chains and has a serious impact on the mental and physical well-being of victims.	Negative impact	X	X		X		
Forced labour Forced or bonded labour in the supply chain contributes to human rights abuses and exploitation, undermines global efforts to ensure ethical and sustainable supply chains, and has a serious impact on the mental and physical well-being of victims*	Negative impact	X			X		

* This impact is summarised in the following sections with the impact on child labour.

A detailed description of the procedures for identifying and assessing the material impacts, risks and opportunities in relations to workers in the value chain in accordance with ESRS 2 IRO-1 can be found in Chapter 1 About the non-financial report.

4.7.2 Management of impacts, risks and opportunities in relation to workers in the value chain

4.7.2.1 Policies in relation to workers in the value chain (ESRS S2-1)

The commitment to the protection of human rights is laid down in the HELLA Declaration of Principles for Human Rights and in the HELLA Code of Conduct for Suppliers and Service Providers. They include acting responsibly in accordance with applicable law and are based on the principles described in international standards. These include in particular the standards of the International Labour Organisation (ILO), the Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD) and the United Nations Guiding Principles for Human Rights and Business. The documents are available on the Company website, among other places, and are an integral part of HELLA's general terms and conditions of purchase and the contract documents for project awards to suppliers. More information on the policies can be found in the chapter on the Company's workforce. The purchasing management of the respective business divisions is responsible for implementing these policies.

In fiscal year 2024, HELLA published a revised version of the Code of Conduct for Suppliers and Service Providers. The Code of Conduct is an integral part of the 'Letter of Nomination' and must be accepted by suppliers every time a contract is awarded. Docter Optics and HBBL were not part of the rollout for the Supplier Code of Conduct. The Code of Conduct is divided into three main areas:

■ Labour and social affairs

The Code of Conduct for Suppliers and Service Providers emphasises the relevance of respecting human rights, including the prohibition of child labour and forced labour. It calls for the equal treatment of all workers, including vulnerable groups, as well as the protection of minorities and indigenous peoples. In addition, appropriate working conditions are emphasised in reference to ILO standards, such as fair pay, compliance with working hours, ensuring health and safety in the workplace as well as the freedom to form trade unions and the right to collective bargaining.

■ Environmental protection

HELLA requires its suppliers to comply with all relevant environmental laws and to promote sustainable practices such as the responsible sourcing of raw materials, especially minerals, with a focus on transparency and accountability in the supply

chain. This includes the systematic reduction of carbon emissions, the promotion of renewable energies and the reduction of energy consumption. The Code also emphasises the importance of resource conservation, waste management to promote the circular economy and the protection of water, air and soil from pollution. The protection of biodiversity and the prevention of deforestation are also key issues.

■ Ethical business practices

The Code of Conduct requires suppliers to comply with all legal regulations. There is a clear ban on corruption and bribery. The Code also attaches great importance to the protection of confidential information and intellectual property. It calls for fair competition practices, promotes fair competition and emphasises the need to avoid conflicts of interest.

The Code of Conduct for Suppliers references international standards and guidelines:

- ILO International Labour Standards
- AIAG guiding principle for the automotive industry
- Alliance for Responsible Business (RBA)
- OECD Guidelines for Multinational Enterprises
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
- United Nations Guiding Principles on Business and Human Rights
- ISO 14001: Environmental management systems
- ISO 45001: Management system for health and safety at work

Further sustainability requirements, such as product-related carbon specifications, the use of green electricity from suppliers and the responsible sourcing of raw materials and conflict minerals, are also set out in corresponding project-specific frameworks.

4.7.2.2 Processes for engaging with value chain workers about impacts (ESRS S2-2)

The perspective of workers in the value chain is primarily represented indirectly in the risk process by external studies and international standards that also take vulnerable groups into account. In the 2024 reporting period, HELLA does not yet have a general procedure for cooperation with labour in the value chain. The tellUS! whistleblowing system is open to external third parties such as employees at suppliers. When investigating reports of serious violations, HELLA involves affected groups of people directly in the investigation of the circumstances and the remediation process, as needed.

If sustainability-related shortcomings for workers in the value chain, e.g. with regard to occupational safety / personal protective equipment or fire protection, are identified during on-site quality audits at strategic suppliers (contribution of up to 80% of the purchasing volume in euros) in accordance with the standard of the German Association of the Automotive Industry 6.3, the auditor records these and follows up on corresponding improvement measures by the supplier.

4.7.2.3 Processes to remediate negative impacts and channels for value chain workers to raise (ESRS S2-3)

There are various ways for workers in the value chain to report concerns about negative impacts or complaints.

- Such information can be provided, for example, in direct contact with the HELLA purchaser or in writing to the HELLA management.
- As part of quality audits at suppliers, employees can also approach company representatives directly.
- Employees in the value chain can also use the tellUS! whistleblower portal to report possible human rights or environmental violations and negative effects in the supply chain. The web-based portal is available around the clock in several languages worldwide. Prompt processing of reports by the Compliance Office and other specialist departments is ensured within the Company; see Chapter 5.1 Governance (ESRS G1). Information on the whistleblower portal can be found on the HELLA website and in the Code of Conduct for Suppliers and Service Providers.

As part of the Code of Conduct for Suppliers and Service Providers, HELLA stipulates the requirement that business partners must provide an equivalent complaints mechanism at operational level that is accessible to all employees, suppliers and the public. Similarly, according to the Code of Conduct, business partners should not retaliate against anyone who reports a violation of policies or laws in good faith. Reported complaints should therefore be investigated and closed by means of suitable remedial measures. The aim is to reduce negative effects on labour in the value chain.

More information on channels through which concerns can be raised is provided in the Governance chapter (ESRS G1).

During the reporting period, HELLA did not receive any reports of serious problems or incidents related to human rights within its upstream and downstream value chain. During the reporting period, HELLA received no reports or confirmed cases of serious human rights violations in the supply chain.

4.7.2.4 Actions and resources in relation to workers in the value chain (S2-4)

HELLA has anchored sustainability as a central criterion in its procurement process. Suppliers are assessed on the basis of how comprehensively they fulfil the defined sustainability standards. This measure ensures that all partners in the supply chain contribute to HELLA's environmental and social responsibility goals. Accordingly, HELLA assesses the sustainability maturity of its suppliers, mainly using the ESG rating provider Ecovadis. New suppliers and existing suppliers in the context of new project awards must undergo the comprehensive sustainability assessment, which queries and evaluates ethical, social and environmental practices. Employee rights and working conditions such as no child labour, no forced labour, occupational health and safety, appropriate working hours and remuneration, for example, are part of the assessment. It takes into account country- and sector-specific risks and Company size and adapts the questionnaire accordingly. HELLA comprehensively rolled out the commitment to the ESG rating and its consideration in the awarding process in the reporting period. In the reporting period, HELLA further expanded the mandatory sustainability assessment in the supply chain following its introduction in 2023. Corresponding processes have been defined and the employees involved have been trained accordingly see Chapter 2.7.4 Strategy (ESRS 2) in relation to workers in the value chain

(ESRS S2). In addition, supplier certification for the environmental management system (ISO 14001) and occupational health and safety management system (ISO 45001) is taken into account in strategic supplier development.

HELLA pays attention to the origin of the minerals and raw materials used in its products. The Company expects suppliers not to use minerals and raw materials that fuel conflicts in the countries of origin and whose supply chains do not fulfil sustainability-related criteria. For responsible procurement, HELLA is working to source the relevant raw materials from certified smelters and thus prevent potential human rights violations and environmental damage in its own supply chain. HELLA therefore asks suppliers about the origin of conflict minerals in its own supply chain in accordance with the templates of the Responsible Minerals Initiative (RMI), the so-called Conflict Mineral Reporting Template (CMRT) for raw materials: Tin, tantalum, tungsten and gold and the Extended Minerals Reporting Template (EMRT) for the raw materials cobalt and mica. HELLA uses the reports to check whether sources validated by the RMI are used to melt the raw materials. Otherwise, the supplier is requested to dispense with non-certified melts and to change the source of supply or to submit a corresponding action plan. If necessary, appropriate escalation processes are implemented in Purchasing via the Head of Strategic Purchasing. The reports are made available to clients and business partners upon request. By not using non-certified smelters, HELLA reduces the risk of child labour and forced labour.

HELLA reserves the right to verify suppliers' compliance with human rights and environmental obligations through self-assessments, on-site visits and audits. If any of these audits reveal violations of the Code of Conduct, human rights or environmental requirements, corrective measures must be taken within a reasonable period of time. If necessary, escalations are made via the existing processes, first to the respective business division management and then to the HELLA Management Board. If suppliers fail to remedy serious violations, HELLA reserves the right to terminate the business relationship with the suppliers concerned. As described in the previous chapter, these offences can also be reported via the TellUs! portal. In addition, external supplier audits should ensure that remedial measures are available and effective in the event of violations of human rights by labour in the value chain.

The activities are regularly reported to the Sustainability Council and the Management Board. Status as well as challenges and progress in improvement measures are discussed.

In 2024, HELLA initiated a project between Purchasing and the relevant specialist departments (LkSG Health Check) to improve and assess the appropriateness and effectiveness of the due diligence obligations regarding sustainability aspects in the supply chain and the measures taken. The result was that the implementation of the due diligence obligations through the human rights risk analysis in the value chain is LkSG compliant.

HELLA uses various communication formats to inform and train suppliers about sustainability aspects and involve them in decision-making processes. A central aspect is the project-specific dialogue on concrete product requirements. HELLA also offers general training on sustainability topics. These include, for example, online training courses that deal with sustainability assessments and the specific sustainability requirements for suppliers.

Actions and resources related to workers in the value chain are broken down into capital expenditure, operating expenditure and other resources as follows. These can be found in the annual financial statements under administrative expenses.

Actions and resources: Workers in the value chain	2024	2025
Capital expenditure (CapEx) in €	-	-
Operating expenditure (OpEx) in €	105,000	105,000
Other resources (number of employees worldwide; = FTE)	504 employees; = 28.5 FTE	504 employees; = 28.5 FTE
Other resources (training hours)	750 hours	-

* Of these, 500 employees work in purchasing and are only included in the FTE calculation on a pro rata basis.

4.7.3 Metrics and targets in relation to workers in the value chain

4.7.3.1 Targets (ESRS S2-5) in relation to workers in the value chain

HELLA aims to cover 75% of the purchasing volume of strategic suppliers with a valid sustainability rating by the end of 2025. The target was set by the HELLA Management Board. Workers in the value chain or their representatives were not included. HELLA uses the sustainability rating result to ensure

a comprehensive view of the level of maturity in the supply chain, including social aspects. External ratings are used to create a benchmark against which supplier performance can be assessed. In addition, defined threshold values ensure that suppliers comply with basic minimum standards and do not have any serious deficits. Target achievement is focussed through seminars for suppliers, direct inclusion of a valid sustainability assessment in the award decision and in the supplier evaluation.

Purchasing volume of strategic suppliers with a valid sustainability assessment*

	FY 2023	FY 2024	Target 2024	Target 2025
Proportion of the purchasing volume of strategic suppliers (= 80% purchasing volume in €) with a valid sustainability assessment	42%	60%	80%	75%

* In the reporting period, priority was given to Ecovadis ratings which achieved an overall score of at least 50 out of 100 points (prior year: 45) and in no assessment category below 50 out of 100 points (prior year: 40). In certain cases, sustainability assessments by third parties categorised as similar are also taken into account. From 2025, all strategic suppliers, regardless of their purchasing volume, is going to be included in calculating the percentage of the purchasing volume covered by suppliers with a valid sustainability assessment. Based on this new calculation basis, the target for 2025 has been adjusted accordingly.

With a result of 60%, the interim target for 2024 of a valid sustainability assessment for suppliers contributing to 80% of the purchasing volume in euros was not achieved. Ecovadis ratings that achieve an overall score of at least 50 out of 100 points and are not below 50 out of 100 points (prior year: 45) in any assessment category were mainly taken into account in the reporting period (prior year: 40). One of the reasons for missing the target is the in-

creased level of ambition: 84% of the purchasing volume is covered by suppliers who have a valid sustainability rating, but some of whom do not fulfil the specific HELLA targets. These must present action plans to improve their sustainability performance. HELLA and its parent company FORVIA offer corresponding training courses for suppliers with low earnings.

4.8 CONSUMERS AND END-USERS (ESRS S4)

4.8.1 Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3) in relation to consumers and end-users (ESRS S4)

The risks, effects and opportunities listed below were determined as part of the double materiality analysis.

		Value chain			Time horizon		
		upstream value chain	HELLA operations	down-stream value chain	short-term	medium-term	long-term
Health and safety, personal safety and child protection							
Deaths/injuries in car accidents caused by defects in safety-related products	Negative impact			x	x	x	x

The negative impact listed above includes the sub-categories of health and safety, the safety of persons and the protection of children. This refers to safety-relevant products and defects that can occur in rare cases and harbour the risk of injury or even death of end users regardless of their age, gender or other groupings in the event of car accidents.

A detailed description of the procedures for identifying and assessing the material impacts, risks and opportunities related to end users in accordance with ESRS 2 IRO-1 is provided in Chapter 1 About the non-financial report.

4.8.2 Management of impacts, risks and opportunities in relation to consumers and end-users

4.8.2.1 Policies related to consumers and end-users (ESRS S4-1)

The HELLA Code of Conduct includes a voluntary commitment to fully guarantee product safety and thus the protection of vehicle occupants and road users. Product safety is also laid down as a requirement by the HELLA management in the HELLA quality policy. The HELLA management members are directly responsible for the implementation of product safety policies in the respective business divisions. Established company-wide guidelines form the concrete framework for the implementation of product safety at HELLA. The Company takes international standards such as ISO 26262 for safety-relevant electrical and electronic systems in motor vehicles and ISO 21434 for product cyber security for the implementation of §823 BGB and §1 ProdHaftG into account.

With the HELLA Human Rights Policy Statement, HELLA respects the human rights of consumers and end users and is guided by internationally recognised frameworks such as the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights. The Company ensures that these principles are integrated into its management of consumer risks, for example by preventing misleading marketing practices, protecting consumer privacy and ensuring access to legal remedies in the event of infringements. These obligations are regularly reviewed in order to fulfil the changing expectations of stakeholders and international regulatory requirements. Human rights risks are analysed, prioritised and communicated as part of the due diligence process. In the event of a significant breach, the management is informed and corrective action is taken.

4.8.2.2 Processes for engaging with consumers and end-users about impacts (ESRS S4-2)

Various government agencies around the world continuously monitor the safety of vehicles on the market in order to protect vehicle users and occupants. There is no direct dialogue with vehicle owners. If necessary, these authorities organise vehicle recalls for all vehicle owners in order to effectively close security gaps. If anomalies occur, the authorities communicate them and the HELLA product safety organisation takes the relevant information into account for its own product portfolio and similar products on the market.

Close cooperation with vehicle manufacturers is essential for effective product safety in project-specific work. Within this framework, safety-relevant products are jointly identified and appropriate measures are agreed. HELLA also works closely with working groups in industry associations to promote the exchange of best practices and pursue the further development of product safety standards in the automotive industry.

The findings from market observation, customer dialogues and working groups are continuously incorporated into HELLA's day-to-day business. An overarching team consisting of product safety managers from the business and product areas for each project ensures that current requirements are implemented in company-wide standards and internal instructions. In addition, those responsible for product safety are involved in every relevant project through a safety release with corresponding escalation processes as part of product integrity to ensure a high level of product safety. The effectiveness is evaluated by the product safety organisation as part of the projects.

4.8.2.3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (ESRS S4-3)

In addition to official market monitoring and recall management, end users of HELLA products can report product safety and technical compliance information as required using the HELLA whistleblower tool TellUS!. Further information on the whistleblower system and the protection of whistleblowers can be found in the Governance chapter (ESRS G1) of this non-financial report.

4.8.2.4 Actions and resources in relation to material impacts on consumers and end-users (ESRS S4-4)

To manage the material impact on end-users with the risk of injury and death, HELLA product safety is organised as follows:

Product safety in development, production and market observation

Internal safety inspections and state-of-the-art tests in development and production must be successfully passed before HELLA products are created and delivered. Uniform methods are used and documented worldwide for this purpose. Product safety officers in the relevant projects and locations receive extensive and regular training on product safety standards. The product safety of the products is digitally recorded at checkpoints so that any problems can be precisely analysed and, if necessary, recall actions or updates via radio / remotely ('over-the-air updates') can be precisely anticipated in cooperation with the vehicle manufacturers. There is a regular dialogue with vehicle manufacturers on the effective implementation of product safety requirements.

Effectiveness checks for product safety

Internal audits are conducted on an ongoing basis to monitor efficiency and global implementation of the processes. These focus in particular on development sites that work with safety-related products. HELLA has had the internal, procedural specifications for functional product safety certified externally in accordance with the ISO 26262 standard. Due to key industry trends such as autonomous driving and vehicle connectivity, HELLA is increasingly focusing on the topic of cyber security. Products such as battery management systems, DCDC converters, battery sensors or radar systems are becoming increasingly complex and so are the safety requirements. The end user gets visibly more connectivity by simply connecting to the mobile phone. However, there is a risk of data being intercepted or manipulated. Accordingly, the Com-

pany-wide experts are further detailing their own specifications in accordance with the requirements of the ISO 21434 standard.

Information and measures in the event of incidents

The Company consistently follows up on information about the safety of HELLA products via defined escalation channels. Violations of product safety are escalated to the responsible internal bodies, the Product Safety Committee and the higher-level Product Safety and Conformity Committee. This is where specific measures to effectively restore product safety are decided and followed up. The HELLA Management Board nominates the representatives who are relevant to this case and is kept informed in regular meetings. The Incident Management Team is responsible for the coordination of security-related incidents and the implementation of remedial measures is the responsibility of security managers at product level.

The information on serious human rights issues and incidents related to consumers and/or end users is described in Chapter 5 Governance. There were no indications of serious violations in relation to human rights issues during the reporting period.

Actions and resources related to product safety are broken down as follows into capital expenditure, operating expenditure and other resources. These can be found in the annual financial statements under administrative expenses.

Actions and resources: Product safety	2024	2025
Capital expenditure (CapEx) in €	-	-
Operating expenditure (OpEx) in €	548,174	180,968
Other resources (number of employees worldwide; = FTE)	87 employees; = 87 FTE	87 employees; = 87 FTE
Other resources (training hours)	2,797 hours	2,797 hours

*This involves 37 employees in the product safety organisation and 50 employees as safety managers for projects at product level.

4.8.3 Metrics and targets related to consumers and end-users

4.8.3.1 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (ESRS S4-5)

Based on the identified negative impact on occupational health and safety, personal safety and the protection of children, HELLA aims to act in a legally compliant manner and to avoid possible product recalls as well as resulting liability claims with loss of sales or reputation. Negative effects on human health and the environment should also be avoided. The basis for this is, among other things, a functioning quality management system at the production sites, certified in accordance with international standards ISO 9001 or IATF 16949.

In the 2024 reporting period, HELLA aims for the first time to have its product security processes and their implementation externally certified in accordance with the international cyber security standard ISO 21434 and thus have their effectiveness confirmed. ISO 21434 is an international standard that focuses on cyber security in the automotive industry and specifies requirements for securing vehicles against digital threats. It includes guidelines for the management of risks that can arise from cyber attacks and supports the industry in protecting safety-relevant systems throughout the entire life cycle of a vehicle. HELLA successfully received external certification in accordance with ISO 21434 in autumn 2024.

HELLA production sites with certified quality management system*

	FY 2023	FY 2024
Number of HELLA production sites	32	41
Number of HELLA production sites with an ISO 9001 or IATF certified quality management system	32	40
Proportion of HELLA production sites with an ISO 9001 or IATF certified quality management system	100%	98%
Employees (in %) at production sites covered by an ISO 9001 or IATF certified quality management system	100%	99%

* Including sites where only the main production site is certified. Not included are the four Docter Optics production sites, all of which are ISO 14001 certified, including the sites where only the main production site is certified.

05 Governance – Business conduct

5.1 Business Conduct (ESRS G1)

The risks, effects and opportunities listed below were determined as part of the double materiality analysis.

	Value chain			Time horizon		
	upstream value chain	HELLA operations	downstream value chain	short-term	medium-term	long-term
Corruption and bribery Breaches of anti-corruption laws with reputational consequences		x			x	

5.1.1 Management of impacts, risks and opportunities in relation to business conduct

The procedure for identifying and assessing material impacts, risks and opportunities is described in section 2.7 Description of the procedure for identifying and assessing material impacts, risks and opportunities (ESRS 2 IRO-1).

5.1.1.1 Business conduct policies and corporate culture (ESRS G1-1)

The HELLA Code of Conduct is a fundamental guide to the corporate culture at HELLA. It describes clear and binding principles for complying with rules and behaving with integrity at HELLA. Topics include, for example, labour and social standards, principles relating to the protection of data, information and the environment as well as fair business behaviour, including compliance with cartel law, combating corruption and handling conflicts of interest. The Code helps employees as a framework and guide to act in compliance with the law and with integrity. It also provides guidance to make the right decision in case of doubt and to live the corporate values. Various departmental guidelines, such as guidelines on the delegation of decision-making, concretise the requirements of the Code of Conduct and shape the corporate culture. This is also made available to external stakeholders via the HELLA website.

The Chief of Compliance Officer is responsible for implementing the Code of Conduct.

5.1.1.2 Protection of whistleblowers (ESRS G1-1 and ESRS S1-3)

Employees and external stakeholders such as suppliers, customers, end consumers and other third parties are encouraged to raise concerns and report violations of the Code of Conduct, laws and internal rules of behaviour within the Company and in the supply chain. This includes reports on fraud, theft, corruption and bribery, conflicts of interest, competition and antitrust law, occupational safety, human rights, environmental protection, harassment and discrimination, labour law, data protection, export control, accounting and tax regulations and product safety.

Various reporting channels are available for this purpose: You can contact your line manager, other managers, the HR department or the compliance contact person directly or, if direct contact is not possible or desired, you can also submit a report via the web-based TellUS! whistleblower portal. Reports can be submitted in the portal around the clock, anonymously and in the local language. The portal is operated by an external third party. HELLA protects the confidentiality of the identity of whistleblowers and protects them from possible disadvantages due to a report, provided that it was made in good faith.

The Compliance Office acts as a reporting centre. It investigates all reports confidentially, objectively, carefully and consistently and, depending on the report, involves other specialised departments after corresponding training in examining the information. The Compliance Office informs whistleblowers about the receipt of the report as well as the status and outcome of the investigation. The duration of this procedure depends on the scope and complexity of the notification. When investigating reports, HELLA adheres to the principles of fair procedure, the presumption of innocence and proportionality, as well as data protection regulations.

The whistleblowing Group guideline emphasises the relevance of the speak-up culture at HELLA, i.e. that concerns can be raised and misconduct reported in direct contact with managers, the HR department or the compliance organisation,. It also explains how serious compliance violations can be reported via the web-based whistleblowing channel TellUS! and how HELLA deals with such reports, in accordance with the requirements of the EU Whistleblowing Directive and the German Whistleblower Protection Act as well as the German Supply Chain Due Diligence Act. Protection against retaliation is laid down as a principle in the guidelines and is taken into account in the specific processes.

HELLA does not tolerate any misbehaviour and initiates appropriate corrective measures. Misconduct can have consequences under labour law, including termination of the employment contract or business relationship, as well as criminal prosecution and claims for damages.

To ensure awareness of the reporting channels, the mandatory training on the Code of Conduct and anti-corruption also includes the whistleblower channel. Information is also available in flyers, on the intranet, on the Group website and in the Code of Conduct for Suppliers.

To test the effectiveness of the Speak-Up! culture, the global employee survey also asks whether employees believe that the Company takes the right measures in the event of misconduct and unethical behaviour. High approval ratings were also achieved for these questions in 2024.

5.1.1.3 Prevention and detection of corruption and bribery (ESRS G1-3)

In accordance with the United Nations Convention against Corruption, combating bribery and corruption is an integral part of our corporate culture. The basic anti-corruption policy and other guidelines on specific corruption risk topics such as gifts and invitations, donations and sponsorship as well as conflicts of interest set out these standards and requirements. In a risk-oriented approach, employees are trained on combating corruption and other compliance topics, for example, in face-to-face events and through e-learning courses to which employees with computer workstations are invited. Due to their role in the Company, senior management and the sales and purchasing departments are categorised as functions with an increased risk of bribery and corruption. In the short term (from H2 2024 and H1 2025), these functions are to be trained by the compliance officers in the regions in addition to generic e-learning with on-site training and extended, function-specific training content and concrete examples from day-to-day work.

The central Compliance function is responsible for investigating possible cases of bribery and corruption. To this end, it is independent of the management chain, impartial, neutral and objective and reports twice a year to the Audit Committee of the Supervisory Board.

HELLA anti-corruption programme

- 01** The **anti-corruption guideline** defines principles and responsibilities.
- 02** Employees and external stakeholders can report unethical behaviour and suspected violations via a **whistleblower system**.
- 03** **Corruption risks** are systematically identified and **assessed**.
- 04** **Due diligence obligations** are recorded.
- 05** **Accounting controls** are carried out systematically.
- 06** **Training measures** qualify and maintain awareness.
- 07** Appropriate **disciplinary measures** are going to be taken in the event of violations.
- 08** The anti-corruption programme is subject to **regular monitoring** and evaluation to ensure that it is continuously updated and improved.

In the reporting period, the following implementation measures in particular were taken with a view to an effective anti-corruption programme:

- As part of the anti-corruption-related 'accounting controls', HELLA introduced quarterly Group-wide audits of postings to certain accounts (including sales agent commissions, donations and sponsoring, gifts and invitations) during the reporting period. The audits were carried out by the country CFOs designated for individual companies/countries/divisions in coordination with and with the support of the compliance organisation. In addition, quarterly

audits of payments to recipients (suppliers) with bank accounts in sensitive countries were introduced throughout the Group and carried out by the compliance organisation with the involvement of the business divisions and specialist departments on a risk-based basis.

- As part of the anti-corruption business partner audit, all sales agents operating worldwide (sales agents: in total) were audited. 42 in the USA & Brazil in the Lifecycle Solutions division) successfully completed – without any critical findings.
- The recording and assessment of corruption risks (corruption risk mapping) in the IAM was also successfully completed with the Group-wide validation of the results and planned follow-up measures.
- Following the adoption of the Group policy on conflicts of interest at the end of 2023, HELLA successfully carried out the first annual survey on conflicts of interest as part of a pilot at the beginning of 2024.
- Finally, the new anti-corruption e-learning programme was revised and its group-wide roll-out continued in 2024. Participation in this e-learning course – as with all compliance e-learning courses – is mandatory for HELLA employees who work with a monitor. In addition, face-to-face training sessions on anti-corruption were also held.

Actions and resources related to governance are broken down into capital expenditure, operating expenditure and other resources as follows. These can be found in the annual financial statements under administrative expenses.

Actions and resources: Governance	2024	2025
Capital expenditure (CapEx) in €	-	-
Operating expenditure (OpEx) in €	62,000	62,000
Other resources (number of employees worldwide; = FTE)	9 employees; = 5.4 FTE	11 employees; = 7.4 FTE
Other resources (training hours)	180	220

5.1.2 Key performance indicators and targets (ESRS G1-3) in relation to business conduct

The above-mentioned measures pursue the following objective from the French anti-corruption law 'Sapin 2' – which applies to HELLA – to establish an effective anti-corruption programme that covers the 8 subject areas/pillars regulated by Sapin 2; it is therefore a legal, not a voluntary objective. As this is a qualitative target, the information on the base year and base value does not apply.

5.1.2.1 Compliance training

The mandatory training courses on the HELLA Code of Conduct and on anti-corruption and anti-trust law are designed to provide employees with comprehensive knowledge and sensitise them to ethical issues in their day-to-day work. All employees with computer workstations go through the basic e-learning modules, which present the key topics in an easy-to-understand format. This is supplemented by risk-based classroom training courses that delve deeper into the subject matter. These classroom training courses are specially tailored to the participants and use detailed case studies that address the specific challenges and risk profiles of the respective positions in the Company.

Training in compliance principles and code of conduct

The training covers basic ethical business behaviour and principles such as anti-corruption, gifts and hospitality, compliance in human resources and the use of company property. It integrates practical case studies that illustrate typical everyday business challenges in order to make the theoretical content tangible. For example, scenarios are played out in which employees receive invitations to events or are offered gifts and have to decide how to behave correctly.

In the reporting period, 3,604 employees completed the e-learning programme on the Code of Conduct and compliance principles. This corresponds to a completion rate of 95% (out of 3,812 invitees). The target is 100% of employees in scope in 2025.

Anti-corruption training & antitrust law

Anti-corruption training and training courses on antitrust law focus on avoiding bribery and dealing with conflicts of interest. Aspects such as gifts and invitations as well as sponsoring and donations are also covered. Here, too, case studies are used that reflect real-life situations, such as how to refuse gifts in negotiations or which sponsorship offers are ethically unobjectionable.

14,801 employees completed the Anti-Corruption e-learning module (completion rate of 95% of 15,505 people) and 7,541 employees completed the Antitrust e-learning module (completion rate of 96% of 7,863 people invited). In the fiscal year 2024, HELLA employees with computer workstations were again invited to complete the anti-corruption and antitrust law e-learning programme.

The completion rates take into account all employees obliged to take part in e-learning after the period in which the training must be completed. This means that the completion rate includes all employees whose due date was in the reporting period (1 January 2024 – 31 December 2024) and who completed the e-learning course on time.

	Risk-sensitive roles*	Management**	Management and Supervisory Board	Other own workforce***
Coverage through training				
In total	7,291	479	22	32,403
Total number of people given training	5,207	437	16	20,251
People given training in % in 2024	71%	91%	73%	62%
Training method and duration				
Classroom training	1,947	55	0	9,108
Computer-based training (mandatory) 30 min.	3,260	382	16	11,143
Voluntary computer-based training	n.a.	n.a.	n.a.	n.a.
Frequency				
How often is training required?	Computer-based training: mandatory, repeated every 2 years In-person: recurring as required			
Topics covered				
Definition of corruption	x	x	x	x
Policies	x	x	x	x
Procedures relating to suspicion/detection	x	x	x	x
etc.				

* Due to their role in the Company, employees in the areas of sales, purchasing, programme management and logistics are classified as functions that are most at risk in terms of corruption and bribery.

** The senior management level at HELLA is defined as the senior management level and the management level (total: 486 employees excluding long-term absentees, who are not included in the training statistics).

*** Computer-based training is mandatory for all HELLA employees with computer workstations. This group, excluding risk-sensitive roles, managers and executive bodies, is categorised as "other own employees". Employees of the subsidiary Docter Optics and HBBL are not connected to the HELLA training landscape, but are included in "other own employees". HELLA has changed its fiscal year to the calendar year as of 1 January 2023. Due to seasonal effects, the periods presented are comparable only to a limited extent.

5.1.2.2 Incidents of corruption or bribery (ESRS G1-4)

In the reporting period, the total number of confirmed cases of corruption or bribery was 0; there were no cases in which own employees were disciplined or contracts with business partners were terminated / not renewed. In the reporting period, HELLA did not record any convictions or fines or public court proceedings due to violations of corruption and bribery regulations.

→ For further information on HELLA's sustainability activities as part of the FORVIA Group, please refer to the FORVIA Sustainability Statement for the fiscal year 2024. This reference is unaudited.

06 Independent Practitioner's Report on a Limited Assurance Engagement on a Combined Non-financial Report

Forvis Mazars GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft has performed a limited assurance engagement on the German version of the combined non-financial report and issued an independent practitioner's report in German language. The following text is a non-binding translation of the original German independent practitioner's report.

To HELLA GmbH & Co. KGaA, Lippstadt

Assurance Conclusion

We have performed a limited assurance engagement on the non-financial group report of HELLA GmbH & Co. KGaA, Lippstadt (hereinafter: "Company") and its subsidiaries (the Group), which was combined with the Company's non-financial report, for the fiscal year from January 1, 2024 to December 31, 2024 (hereinafter: "combined non-financial report"). The combined non-financial report was prepared to comply with sections 315b and 315c HGB ["Handelsgesetzbuch": German Commercial Code], sections 289b to 289e HGB and Article 8 of Regulation (EU) 2020/852.

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the combined non-financial report for the period from January 1, 2024 to December 31 2024 is not complied, in all material respects in accordance with sections 315b and 315c HGB, sections 289b to 289e HGB and Article 8 of EU Taxonomy Regulation and the interpretation by the legal representatives as disclosed.

Basis for the Conclusion

We performed our assurance engagement in accordance with the draft German auditing standard: Limited assurance engagement on the non-financial (group) report outside the scope of an audit of the financial statements (IDW EPS 991 (11.2022), issued by the Institute of Public Auditors in Germany, Incorporated Association [Institut der Wirtschaftsprüfer in Deutschland e.V. (IDW)] and

the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB).

Our responsibility in accordance with ISAE 3000 (Revised) is further described in the section 'Practitioner's responsibility for the limited assurance engagement related to the combined non-financial report'.

Our audit firm has applied the requirements for the quality assurance system of the IDW Standard on Quality Management in the Audit Firm (IDW QS 1) and in addition, the International Standard on Quality Management (ISQM 1) as issued by the IAASB. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Emphasis of Matter - Principles for the preparation of the combined non-financial re-port

Without modifying our assurance conclusion, we draw attention to the explanations in the combined non-financial report, which describe the principles for preparing the combined non-financial report. The company has applied the European Standards for Sustainability Reporting (ESRS) to the scope stated in the section "ESRS 2 BP-1" of the combined non-financial report.

The combined non-financial report was prepared by the Company to comply with sections 315b and 315c HGB, sections 289b to 289e HGB and Article 8 of EU Taxonomy. Consequently, the combined non-financial report is not suitable for other purposes.

Responsibility of the legal representatives and the supervisory board for the combined non-financial report

The legal representatives are responsible for the preparation of the combined non-financial report in accordance with the sections 315b and 315c

HGB, sections 289b to 289e HGB and Article 8 of EU Taxonomy and with the specific criteria outlined by the legal representatives. They are also responsible for the internal controls they deem necessary to enable the preparation of a combined non-financial report that is free from material misstatement, due to fraud (e.g. manipulation of the combined non-financial report) or error.

This responsibility of the legal representatives includes establishing and managing the materiality analysis process, selecting and applying appropriate methods to prepare the combined non-financial report as well as making assumptions and estimates about individual non-financial disclosures that are reasonable under the given circumstances.

The relevant regulations contain phrases and terms that are subject to considerable uncertainties of interpretation and for which no authoritative comprehensive interpretations have yet been published. Accordingly, the legal representatives have provided their interpretations of such phrases and terms in the section on the EU Taxonomy Regulation of the combined non-financial report. The legal representatives are responsible for the reasonableness of these interpretations. Due to the immanent risk that such phrases and terms can be interpreted differently by regulators or courts, the legality of such interpretations is uncertain. The supervisory board is responsible for overseeing the process of preparing the combined non-financial report.

Practitioner's responsibility for the limited assurance engagement related to the combined non-financial report

Our objective is to express an assurance conclusion with limited assurance as to whether, based on our assurance procedures performed, we have become aware of any matters that cause us to believe that the combined non-financial report has not been prepared, in all material respects, in compliance with sections 315b and 315c HGB, sections 289b to 289e HGB and Article 8 of EU Taxonomy as well as the substantiating criteria outlined by the legal representatives of the Company.

In a limited assurance engagement, the assurance procedures performed are less extensive than in a reasonable assurance engagement, and therefore a significantly lower level of assurance is obtained. The selection of the assurance procedures is at the practitioner's discretion.

Within the scope of our limited assurance engagement, we performed the following assurance procedures and other activities, among others:

- Evaluation of the suitability of the criteria disclosed by the legal representatives in the combined non-financial report,
- Inquiries of personnel responsible on group level for the materiality analysis to gain an understanding of the Company's approach to identifying material issues and corresponding reporting boundaries,
- Inquiries of personnel involved on group level to gain an understanding of the preparation process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the combined non-financial report,
- Inquiries of the legal representatives and relevant personnel involved in the preparation of the combined non-financial report about the preparation process, the internal controls related to that process and the disclosures in the combined non-financial report,
- Identifying and assessing the risk of material misstatements in the combined non-financial report,
- Evaluating the reasonableness of the estimated values provided by the legal representatives and the related explanations. If the legal representatives estimate the value chain information to be reported in accordance with the ESRS for a case in which the legal representatives are unable to obtain the value chain information despite reasonable efforts, our audit is limited to assessing whether the legal representatives have made these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but not to obtain value chain information that management was unable to obtain.
- Inspection of the relevant documentation of the systems and processes for collecting, aggregating and validating the data from the relevant areas in the reporting period,
- Performing analytical assurance procedures on selected disclosures in the combined non-financial report,

- Evaluation of future-oriented disclosures.
There is a significant unavoidable risk that future events will differ materially from the future-oriented disclosures and
- Evaluation of the overall presentation of the combined non-financial report.

Restriction of use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the results of the assurance engagement. Consequently, it is not suitable for any other purpose than the aforementioned. Thus, the report is not intended to be used by third parties to make (financial) decisions based on it. Our responsibility is to the Company alone. We do not accept any re-sponsibility towards third parties.

General Engagement Terms and Liability

The General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] dated 1 January 2024 (<https://www.forvismazars.com/de/de/services/audit-assurance/auftragsbedingungen>) apply to this engagement, including in relation to third parties. In addition, please refer to the liability provisions contained in no. 9 and to the exclusion of liability to third parties. We do not accept any responsibility, liability or other obligations towards third parties, unless we have concluded a written agreement to the contrary with the respective third party or liability cannot effectively be precluded.

We expressly state that we will not update this assurance report to reflect events or circumstances arising after it was issued, unless required to do so by law. It is the sole responsibility of anyone taking note of the summarized result of our work contained in this report to decide whether and in what way this information is useful or suitable for their purposes and to supplement, verify or update it by means of their own review procedures.

Frankfurt am Main, 05 March 2025

Forvis Mazars GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Dr. Marcus Borchert Yvonne Meyer
German Public Auditor German Public Auditor

Report by the Supervisory Board

Ladies and Gentlemen,

In the fiscal year 2024, the Supervisory Board closely followed the situation and development of HELLA GmbH & Co. KGaA. The Supervisory Board performed the tasks incumbent upon it as provided for by applicable law and the articles of association, and advised and supervised the Management Board.

Work with the Management Board

The Management Board regularly provided the Supervisory Board with written and verbal information on the business performance of HELLA GmbH & Co. KGaA. In particular, the market and sales situation of the Company against the background of general economic developments, the financial situation of the Company and its subsidiaries as well as earnings trends were presented to the Supervisory Board. In the context of the monthly reporting, sales and earnings performance figures were discussed for the HELLA Group as a whole as well as broken down by business segment. Furthermore, during the Supervisory Board meetings, the current business situation, the sales, earnings and capital expenditure planning, as well as the operational targets were discussed. The Management Board provided a detailed commentary regarding any deviations in the course of business from the budgeted values. The Management Board also reported regularly on current market developments in the automotive industry and on the status of coordination and cooperation activities between HELLA and the parent company FOR-

VIA. The Chairman of the Supervisory Board also engaged in regular dialogue with the President and CEO outside of the Supervisory Board meetings.

Focus of consultations of the Supervisory Board

In the fiscal year 2024, the Supervisory Board held six ordinary meetings and one constituent meeting following the election of the new employee representatives. All meetings were held in person. Resolutions were also passed by shareholder resolution passed in writing.

At the ordinary meeting on 14 March 2024, which was attended by representatives of the auditor, the annual financial statements of HELLA GmbH & Co. KGaA and the Group as well as the dependency report, the remuneration report and the non-financial report of HELLA GmbH & Co. KGaA for the fiscal year 2023 were presented and discussed in detail. Based on the initial review by the Audit Committee, the Supervisory Board approved both sets of financial statements. It also endorsed the proposal of the General Partner for the appropriation of distributable profits. The dependency report and the non-financial report for the fiscal year 2023 was intensively discussed and approved by the Supervisory Board. The Supervisory Board also dealt with the remuneration report for the fiscal year 2023 and noted it with approval. It also dealt with the report on the Supervisory Board's activities, and it discussed and adopted the proposed resolutions for the Annual General Meeting on 26 April

2024. The Articles of Association of HELLA GmbH & Co. KGaA were amended to reflect a change to the wording of Section 123 (4) sentence 2 of the German Stock Corporation Act (AktG). In addition, the management board presented the current company situation.

Following the election of new employee representatives to the Supervisory Board, a constituent meeting was held on 26 April 2024, during which Christian van Remmen was elected Deputy Chairman of the Supervisory Board. The employee representatives for the Audit Committee were also elected.

At the ordinary meeting on 19 July 2024, the Management Board reported to the Supervisory Board on the current status of the implementation of the initiated competition programme for Europe, in particular on the planned measures at plant 2 in Lippstadt, Germany, in addition to reporting on the current business development of the business segments and the Group. In addition, the current status of preparations for the non-financial report for the fiscal year 2024 was presented and discussed.

At the ordinary meeting with the Management Board on 7 October 2024, the Management Board presented the current status of the restructuring of the company headquarters in Lippstadt to the Supervisory Board. In addition, the current status of the cybersecurity strategy and an overview of the internal control system (ICS) were presented to and discussed with the Supervisory Board. The Management Board also reported to the Supervisory Board on the current company situation.

At the ordinary meeting with the Management Board on 12 December 2024, the current status of the sustainability strategy and the current business situation were presented and the budget planning for the fiscal year 2025 and the strategic planning up to 2029 were discussed.

Meetings or parts of meetings without the Management Board were used for reporting by the Chairmen of the Audit Committee from the meetings of the Audit Committee and by the Chairman of the Supervisory Board from his consultations with the Chairman of the Management Board. In addition, focal points for discussion were defined for the meetings with the Management Board.

The average attendance at the meetings of the Supervisory Board in the fiscal year 2024 was 90%. Susanna Hülsbömer and Christoph Rudiger were each unable to attend two meetings of the Supervisory Board. Ms Peter did not attend any Supervi-

sory Board meetings. The other members of the Supervisory Board attended all meetings during their term of office.

Outside of the meetings, the Supervisory Board passed three resolutions by shareholder resolution passed in writing in accordance with Section 15 (1) of the Articles of Association. This was to approve and adopt the "Declaration on the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (AktG)" for 2024.

Work of the committees

The Supervisory Board has established an Audit Committee that is responsible for the initial review of the annual financial statements, the consolidated financial statements, the combined management report, the proposal for the appropriation of profits as well as the report from the General Partner on relations with affiliates (dependency report) and the non-financial reporting. The Audit Committee decides on the agreements with the auditor, in particular the audit assignment, the determination of the main points of the audit, and the fee agreement. The Audit Committee also deals with the monitoring duties prescribed by Section 107 (3) sentence 2 AktG.

The Audit Committee convened in six ordinary meetings in the fiscal year 2024. With the exception of one meeting on 5 December 2024, all meetings were held in person. All members of the Audit Committee attended the meetings of the Audit Committee (average attendance of 100%). Representatives of the auditor for the fiscal years 2023 and 2024, Mazars GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft (Mazars), regularly attended the meetings. By resolution of the Audit Committee, representatives of the Management Board of the general partner also attended, whereby parts of the meeting were regularly reserved for discussions between the members of the Audit Committee and the auditor and without the presence of the Management Board. The Chair of the Audit Committee also maintained a close dialogue with the auditor, the Management Board and the relevant managers in the Finance/Controlling, Compliance, Internal Audit, Risk Management, and Internal Controls departments.

At the ordinary meeting on 4 March 2024, the Audit Committee examined the initial review of the annual financial statements and the consolidated financial statements, the combined management report, the proposal for the appropriation of profits, the dependency report and the non-financial re-

port for the fiscal year 2023 taking into account the audit reports and the auditor's explanations. The representatives of the auditor reported on the result of their audits and gave additional information. In the course of its audit, the auditor did not find any material shortcomings in respect of the organisation and effectiveness of the internal control and risk management system. Furthermore, the Audit Committee received an overview of the remuneration report and the proposed resolutions to be discussed at the Supervisory Board meeting on 14 March 2024 for the Annual General Meeting on 26 April 2024. The meeting also included the annual reports from Corporate Audit, Risk Management and Compliance Management as well as the presentation of a roadmap for Internal Controls.

At the meeting of the Audit Committee on 13 March 2024, the final draft reports of the consolidated financial statements, the combined management report, the proposal for the appropriation of profits, the dependency report, the non-financial report and the remuneration report as well as the proposed resolutions to be discussed by the Supervisory Board at the Annual General Meeting were discussed.

At the meeting on 24 April 2024, the Management Board presented the three-month financial statement of the fiscal year 2024. The Audit Committee also dealt with monitoring the audit quality of the audit for the fiscal year 2023 as well as the budget and scope of the audit for the fiscal year 2024 and determined the focal points of the audit for the fiscal year 2024.

At the meeting on 18 July 2024, the Management Board presented the half-year financial statement of the fiscal year 2024. The Audit Committee also discussed the schedule for the annual financial statements for the fiscal year 2024 and once again the budget and the key audit matters for the audit of the fiscal year 2024 and dealt with the half-year reports from Corporate Audit, Risk Management, Compliance Management and Internal Controls.

At the meeting on 5 November 2024, the Management Board presented the nine-month financial statement of the fiscal year 2024. The Audit Committee also discussed issues relating to accounting and the internal control system as well as the audit plan for the Internal Audit department for the fiscal year 2025 with the Management Board. In addition, the status of risk management was discussed in depth and an approval guideline was adopted.

At its meeting on 5 December 2024, the Audit Committee dealt intensively with the preliminary consolidated financial statements prepared as at 31 October 2024 (hard close) and the preparations for the audit of the consolidated financial statements. In addition, the status of the implementation of the Corporate Sustainability Reporting Directive (CSRD) in the internal control system, the current cybersecurity organisation, preliminary findings of an IT audit and developments in significant legal disputes were discussed.

The Nomination Committee, consisting of Andreas Renschler and Andreas Marti, which is responsible for preparing the Supervisory Board's proposals to the Annual General Meeting for the election of shareholder representatives to the Supervisory Board, did not meet in the fiscal year 2024.

Audit of the annual and consolidated financial statements

On 26 April 2024, the Annual General Meeting appointed Mazars as auditor both for the annual financial statements and for the consolidated financial statements for the fiscal year 2024. The annual financial statements and the management report of HELLA GmbH & Co. KGaA for the fiscal year 2024 were prepared by the General Partner in accordance with the provisions applicable under the German Commercial Code (Handelsgesetzbuch, "HGB"); the consolidated financial statements and the Group management report were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union, and in accordance with the additional provisions as they apply under Section 315a HGB. The two sets of financial statements, including the combined management report and the dependency report for the fiscal year 2024, were audited by the auditor Mazars, which issued an unqualified auditors' certificate for all documents. The auditor has issued the following auditors' certificate on the results of its audit of the dependency report:

"Following our mandatory audit and assessment, we confirm that

- 01** the factual information in the report is correct,
- 02** the consideration paid by HELLA GmbH & Co. KGaA, Lippstadt, was not inappropriately high or disadvantages were compensated,
- 03** there are no circumstances indicating a materially different assessment of the measures listed in the report than that made by the Management Board."

In addition, the non-financial report was created for HELLA GmbH & Co. KGaA and the Group for the fiscal year 2024. This was audited by Mazars on behalf of the Supervisory Board in accordance with the "limited assurance" standard and issued with an unqualified opinion. PwC has also issued an unqualified opinion for the remuneration report for the fiscal year 2024 in accordance with Section 162(3) AktG.

The Audit Committee of the Supervisory Board thoroughly reviewed the annual financial statements for the fiscal year 2024 at its meetings on 19 February 2025 and 11 March 2025. The representatives of the auditor reported on the result of their audits and gave additional information. In the course of its audit, the auditor did not find any material shortcomings in respect of the organisa-

tion and effectiveness of the internal control and risk management system. Furthermore, the Audit Committee discussed the initial review of the dependency report and the non-financial reporting for the fiscal year 2024. In this context, Mazars presented the results of the audit of the dependency report and the non-financial report. In addition, the Audit Committee dealt with the remuneration report for the fiscal year 2024 at the meetings on 19 February 2025 and 11 March 2025.

Based on the preparatory initial review by its Audit Committee, the Supervisory Board, for its part, also reviewed the annual financial statements of HELLA GmbH & Co. KGaA, the consolidated financial statements, the combined management report, the dependency report and the non-financial report for the fiscal year 2024. Given the final result of the Supervisory Board's review, there are no objections to be raised against the annual financial statements, the consolidated financial statements, the Management Board declaration at the end of the dependent-company report or the non-financial reporting. At its meeting on 11 March 2025, which was also attended by the representatives of the auditor Mazars, the Supervisory Board approved the annual financial statements, the consolidated financial statements and the non-financial report, and endorsed the proposal of the General Partner for the appropriation of distributable profits. Furthermore, after review and discussion, the Supervisory Board noted, with approval, the remuneration report for the fiscal year 2024 prepared by the Management Board and the Shareholder Committee.

Composition of the Supervisory Board

On the shareholder representatives' side, there were no changes in the reporting period.

The terms of office of all Supervisory Board members elected by the employees ended at the end of the 2024 Annual General Meeting. In the course of electing new members, former Supervisory Board member Franz-Josef Schütte resigned from the Supervisory Board of HELLA GmbH & Co. KGaA. The Supervisory Board expressed its thanks and appreciation to Mr Schütte for his many years of trusting cooperation. Previously, on 14 March 2024, the Assembly of Delegates elected Marco Schweizer as the new employee representative on the Supervisory Board. The other employee representatives were confirmed in office.

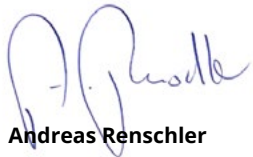
The election took effect from the end of the Annual General Meeting on 26 April 2024 which decides on the discharge the members of the Supervisory Board for the fourth fiscal year after the beginning of the term of office. Here, the fiscal year in which the term of office begins is not counted.

Thanks to the members of the Management Board and to all employees

The Supervisory Board would also like to express its gratitude and appreciation to the members of the Management Board and to all HELLA employees worldwide for their commitment and successful achievements in the fiscal year 2024, which was characterised by a challenging market environment, persistent cost inflation and disruptive geopolitical events.

Lippstadt, 11 March 2025

On behalf of the Supervisory Board

A handwritten signature in blue ink, appearing to read 'A. Renschler', is positioned above the printed name.

Andreas Renschler

Consolidated financial statements of HELLA GmbH & Co. KGaA

for the fiscal year from 1 January 2024 to 31 December 2024

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Consolidated income statement

of HELLA GmbH & Co. KGaA from 1 January 2024 to 31 December 2024
and from 1 January 2023 to 31 December 2023

€ thousand	Notes	2024	2023*
Sales	11	8,024,792	7,954,141
Cost of sales	12	-6,268,263	-6,083,806
Gross profit		1,756,529	1,870,335
Research and development expenses	13	-810,724	-812,584
Distribution expenses	14	-322,796	-309,246
Administrative expenses	15	-318,776	-315,464
Other income	16	189,567	45,286
Other expenses	16	-29,008	-28,281
Earnings from investments accounted for using the equity method	32	10,523	13,947
Other income from investments		-5,811	34
Earnings before interest and taxes (EBIT)		469,503	464,027
Financial income	17	63,416	59,646
Financial expenses	17	-120,182	-126,699
Net financial result	17	-56,765	-67,052
Earnings before income taxes (EBT)		412,738	396,975
Income taxes	18	-41,856	-130,658
Earnings for the period		370,882	266,317
of which attributable:			
to the owners of the parent company		353,104	263,919
to non-controlling interests		17,777	2,398
Basic earnings per share in €	20	3.18	2.38
Diluted earnings per share in €	20	3.18	2.38

HELLA uses the "operating income margin" as an operating performance indicator for internal and external reporting. In the 2024 reporting period, the **operating income - margin was +5.6%** (prior year: +6.1%). Operating income totalled €+446.1 million in absolute terms (prior year: €+486.3 million). Please refer to chapter 22 for further information.

*The disclosure of expenses for sales, research and development and cost of sales was adjusted to be EBIT-neutral. Please refer to Chapter 10 for further information.

Consolidated statement of comprehensive income

(after-tax view) of HELLA GmbH & Co. KGaA from 1 January 2024 to 31 December 2024
and from 1 January 2023 to 31 December 2023

€ thousand	Notes	2024	2023
Earnings for the period		370,882	266,317
Currency translation differences	39	46,776	-76,214
Changes recognised in equity		46,776	-76,214
Profits (-) / losses (+) reclassified to profit or loss		0	0
Financial instruments for cash flow hedging	39	-26,493	-10,238
Changes recognised in equity		-22,888	21,925
Profits (-) / losses (+) reclassified to profit or loss		-3,605	-32,163
Change in fair value of debt capital instruments held	39	-1,769	2,301
Changes recognised in equity		-1,767	2,482
Profits (-) / losses (+) reclassified to profit or loss		-2	-181
Share of other comprehensive income attributable to associates and joint ventures	32	2,707	-8,539
Items that were or can be transferred to profit or loss		18,514	-84,150
Remeasurements of defined benefit plans	37	15,359	-25,067
Share of other comprehensive income attributable to associates and joint ventures		0	6
Items never transferred to profit or loss		15,359	-25,067
Other earnings for the period		33,873	-109,217
Comprehensive income for the period		404,755	157,100
of which attributable:			
to the owners of the parent company		385,890	156,041
to non-controlling interests		18,864	1,059

See also chapter 39 for notes to OCI.

Consolidated statement of financial position

of HELLA GmbH & Co. KGaA as at 31 December 2024 and 31 December 2023

€ thousand	Notes	31 December 2024	31 December 2023
Cash and cash equivalents	24	1,293,167	1,090,450
Financial assets	25	123,154	127,929
Trade receivables	26	941,371	923,065
Other receivables and non-financial assets	27	246,193	263,426
Inventories	28	1,118,106	1,124,531
Current tax assets	18	48,729	38,147
Contract assets	29	119,896	116,774
Assets held for sale		0	72,587
Current assets		3,890,616	3,756,909
Intangible assets	30	716,294	544,954
Property, plant and equipment	31	2,323,492	2,247,591
Financial assets	25	75,672	78,799
Investments accounted for using the equity method	32	98,349	123,399
Deferred tax assets	33	134,906	88,391
Contract assets	29	130,450	115,824
Other non-current assets	34	113,439	105,777
Non-current assets		3,592,602	3,304,735
Assets		7,483,219	7,061,644
Financial liabilities	38	162,522	434,288
Trade payables	35	1,506,396	1,364,891
Current tax liabilities	18	67,929	72,922
Other liabilities	36	552,927	516,589
Provisions	37	153,414	154,520
Contract obligations	29	178,356	138,369
Current liabilities		2,621,545	2,681,579
Financial liabilities	38	1,040,789	840,375
Deferred tax liabilities	33	33,761	43,750
Other liabilities	36	90,691	77,679
Provisions	37	449,131	520,335
Non-current liabilities		1,614,372	1,482,139
Subscribed capital	39	222,222	222,222
Reserves and unappropriated surplus	39	2,978,208	2,671,207
Equity before non-controlling interests	39	3,200,430	2,893,429
Non-controlling interests	39	46,871	4,497
Equity		3,247,301	2,897,926
Equity and liabilities		7,483,219	7,061,644

Consolidated cash flow statement

of HELLA GmbH & Co. KGaA from 1 January 2024 to 31 December 2024
and from 1 January 2023 to 31 December 2023

€ thousand	2024	2023
Earnings before income taxes (EBT)	412,738	396,975
Depreciation, impairment losses and reversals of impairment losses	585,461	556,701
Change in provisions	-92,865	-163,104
Other non-cash income / expenses and cash flows not attributable to operating activities	-178,299	-60,011
Profits/losses from the sale of property, plant and equipment and intangible assets	5,727	265
Net financial result	56,765	67,052
Change in trade receivables and other assets not attributable to investing or financing activities	91,125	-41,537
Change in inventories	84,634	9,210
Change in trade payables and other liabilities not attributable to investing or financing activities	-5,031	165,515
Tax refunds received	30,952	11,150
Taxes paid	-151,126	-110,670
Dividends received	10,340	6,887
Interest received	39,154	23,563
Interest paid	-35,436	-36,302
Cash flow from operating activities	854,141	825,694
Cash receipts from the sale of property, plant and equipment and of intangible assets	15,323	14,785
Payments for the purchase of property, plant and equipment	-455,751	-464,383
Payments for the purchase of intangible assets	-224,606	-170,802
Payments for loans granted to investments	0	-5,667
Payments for capital contributions to associated companies, joint ventures and unconsolidated companies	-7,641	-2,338
Cash receipts from the sale of associates, joint ventures and from other investments	201,873	32,908
Payments made for acquiring other investments	-3,720	-6,328
Payments for the purchase, sale and withdrawal of securities	14,134	63,329
Cash flow from investing activities	-460,388	-538,497
Payments for the repayment of financial liabilities	-405,124	-163,616
Cash receipts from changes in financial liabilities	251,947	14,598
Dividends paid	-81,294	-320,243
Cash flow from financing activities	-234,472	-469,261
Net change in cash and cash equivalents	159,282	-182,064
Cash and cash equivalents at the beginning of the fiscal year	1,090,450	1,285,924
Changes in cash due to changes in the scope of consolidation	38,128	0
Effect of exchange rate changes on cash and cash equivalents	5,308	-13,410
Cash and cash equivalents at the end of the fiscal year	1,293,167	1,090,450

See also chapter 40 for notes to the cash flow statement. HELLA uses the net cash flow margin as an operating performance indicator for internal and external reporting. In the 2024 reporting period, this amounted to +2.4% (prior year: +2.6%).

Consolidated statement of changes in equity

of HELLA GmbH & Co. KGaA from 1 January 2023 to 31 December 2023
and from 1 January 2024 to 31 December 2024

€ thousand	Subscribed capital	Capital reserve	Reserve for currency translation differences	Reserve for financial instruments for cash flow hedging	Reserve for debt capital instruments
As at: 01 January 2023	222,222	250,234	-16,975	-6,743	-17,221
Earnings for the period	0	0	0	0	0
Other earnings for the period	0	0	-74,846	-10,238	2,301
Comprehensive income for the period	0	0	-74,846	-10,238	2,301
Distributions to shareholders	0	0	0	0	0
Changes in ownership interests in subsidiaries	0	0	-49	0	0
Transactions with shareholders	0	0	-49	0	0
As at: 31 December 2023	222,222	250,234	-91,870	-16,981	-14,920
As at: 01 January 2024	222,222	250,234	-91,870	-16,981	-14,920
Earnings for the period	0	0	0	0	0
Other earnings for the period	0	0	45,673	-26,493	-1,769
Comprehensive income for the period	0	0	45,673	-26,493	-1,769
Distributions to shareholders	0	0	0	0	0
Changes in ownership interests in subsidiaries	0	0	0	0	0
Transactions with shareholders	0	0	0	0	0
As at: 31 December 2024	222,222	250,234	-46,196	-43,473	-16,689

See also chapter 03 and 39 for notes on equity.

Annual report 2024 Consolidated financial statements – Consolidated statement of changes in equity

€ thousand	Remeasurement from defined benefit plans	Other retained earnings / profit carried forward	Reserves and unappropriated surplus	Equity before non-controlling interests	Non-controlling interests	Equity
As at: 01 January 2023	-12,714	2,638,520	2,835,100	3,057,322	3,747	3,061,069
Earnings for the period	0	263,919	263,919	263,919	2,398	266,317
Other earnings for the period	-25,095	0	-107,878	-107,878	-1,340	-109,217
Comprehensive income for the period	-25,095	263,919	156,041	156,041	1,059	157,100
Distributions to shareholders	0	-320,000	-320,000	-320,000	-243	-320,243
Changes in ownership interests in subsidiaries	-2	116	65	65	-65	0
Transactions with shareholders	-2	-319,884	-319,935	-319,935	-308	-320,243
As at: 31 December 2023	-37,812	2,582,555	2,671,207	2,893,429	4,497	2,897,926
As at: 01 January 2024	-37,812	2,582,555	2,671,207	2,893,429	4,497	2,897,926
Earnings for the period	0	353,104	353,104	353,104	17,777	370,882
Other earnings for the period	15,374	0	32,786	32,786	1,087	33,873
Comprehensive income for the period	15,374	353,104	385,890	385,890	18,864	404,755
Distributions to shareholders	0	-78,889	-78,889	-78,889	-8,185	-87,074
Changes in ownership interests in subsidiaries	0	0	0	0	31,694	31,694
Transactions with shareholders	0	-78,889	-78,889	-78,889	23,509	-55,380
As at: 31 December 2024	-22,437	2,856,770	2,978,208	3,200,430	46,871	3,247,301

See also Chapter 03 and 39 for notes on equity.

Consolidated notes

01 Basic information

HELLA GmbH & Co. KGaA and its subsidiaries (collectively referred to as the “Group”) develop and manufacture lighting technology and electronics components and systems for the automotive industry. In addition to the development and manufacture of components, the Group also produces complete vehicle modules. The Group's production and manufacturing sites are located across the globe; its most significant markets are in Europe, the USA and Asia, particularly China. In addition, HELLA has its own international sales network for all kinds of vehicle accessories.

The Company is a listed stock corporation, which was founded and is based in Lippstadt, Germany. The address of the Company's registered office is Rixbecker Str. 75, 59552 Lippstadt, Germany. HELLA GmbH & Co. KGaA is registered in the Commercial Register B of the Local Court of Paderborn under the number HRB 6857. Its direct parent company is FORVIA Germany GmbH. HELLA GmbH & Co. KGaA is included in the higher-level consolidated financial statements of FORVIA S.E., Nanterre (Hauts-de-Seine), France, which constitutes the highest level controlling company. The consolidated financial statements of FORVIA S.E. are published via the French online portal BODACC (Bulletin officiel des annonces civiles et commerciales).

The consolidated financial statements of the HELLA Group for the fiscal year 2024 were prepared on the basis of Section 315e(1) of the German Commercial Code (Handelsgesetzbuch, HGB) in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. In the consolidated financial statements, the HELLA Group has applied all standards and interpretations adopted by the IASB and endorsed by the EU the application of which was mandatory as at 31 December 2024.

The comparative prior year values have been de-

termined according to the same principles. The consolidated financial statements are prepared in euros (€). Amounts are rounded to the nearest thousand euros (€ thousand).

The consolidated financial statements are prepared using accounting and measurement methods that are applied consistently within the Group on the basis of amortised historical cost. This does not apply held assets that are held for sale and derivative financial instruments, which are measured at fair value. The consolidated income statement is prepared using the cost-of-sales method. The current/non-current distinction is observed in the consolidated balance sheet. The amounts reported under current assets and liabilities are expected to be realised within twelve months of the reporting date or within the normal operating cycle for inventories and trade receivables. Accordingly, non-current items have a maturity of more than twelve months or are allocated to current assets or liabilities due to their normal business cycle. Contract assets and liabilities are excluded from this; these are categorised as current or non-current based on their maturity.

In order to enhance the clarity of the presentation, items of consolidated balance sheet and consolidated income statement have been grouped together where this is appropriate and possible. These items are broken down and explained in the consolidated notes. Where sums and percentages have been rounded, differences may arise in the report as a result of commercial rounding.

In addition to HELLA GmbH & Co. KGaA, all significant domestic and foreign subsidiaries that are directly or indirectly controlled by HELLA are included in the scope of consolidation. Associate companies and joint venture companies are included in the consolidated financial statements using the equity method of accounting.

The Management Board prepared the consolidated financial statements as at 31 December 2024 on 28 February 2025, submitted the consolidated financial statements to the Audit Committee and the Supervisory Board for review and approval and

released them for publication. A resolution by the Supervisory Board approving the consolidated financial statements is expected to be passed at the ordinary Supervisory Board meeting to be held on 07 March 2025.

02 Scope of consolidation

The most important subsidiaries are set out below:

Company	Country	City	Share of equity (%)	
			31 December 2024	31 December 2023
HELLA Automotive Mexico S.A. de C.V.	Mexico	Tlalnepantla	100	100
HELLA Slovakia Lighting s.r.o.	Slovakia	Bánovce nad Bebravou	100	100
HELLA Autotechnik Nova s.r.o.	Czech Republic	Mohelnice	100	100
HELLA Shanghai Electronics Co., Ltd.	China	Shanghai	100	100
HELLA Romania s.r.l.	Romania	Ghiroda-Timisoara	100	100
Jiaxing HELLA Lighting Co., Ltd.	China	Jiaxing	100	100
HELLA Electronics Corporation	USA	Plymouth, MI	100	100
HELLA Saturnus Slovenija d.o.o.	Slovenia	Ljubljana	100	100
Changchun HELLA Automotive Lighting Ltd.	China	Changchun	100	100
HELLA Fahrzeugkomponenten GmbH	Germany	Bremen	100	100

A complete listing of the shares held by the Group can be found in an attachment to the consolidated notes.

In the current fiscal year 2024, the newly founded companies HELLA Nanjing Electronic Co., Ltd. and HELLA India Autoparts and Services Private Limited were fully consolidated for the first time.

Number	31 December 2024	31 December 2023
Fully consolidated companies	79	75
Companies accounted for using the equity method	10	22

The Russian company HELLA OOO and HELLA Innenleuchten-Systeme Bratislava, s.r.o. are no longer included in the scope of consolidation in the current reporting period.

The companies Hella Colombia Autopartes S.A.S. and HELLA Pagid GmbH were also fully consolidated for the first time at the beginning of the fiscal year 2024; both were previously allocated to non-consolidated companies due to a lack of materiality. In the prior year, the HELLA Group acquired control of the German company HELLA Pagid GmbH by acquiring the remaining 50% of the shares in this company on 22 December 2023.

However, full consolidation has no material impact on the assets and liabilities recognised in the balance sheet or the components of the income statement. The company was merged with HELLA GmbH & Co. KGaA as of 1 January 2024.

In addition, the company Beijing HELLA BHAP Lighting Technology Co., Ltd. was founded and recognised using the equity method.

The companies Beijing HELLA BHAP Automotive Lighting Co., Ltd., HELLA BHAP (Sanhe) Automotive Lighting Co., Ltd., HELLA BHAP (Tianjin) Automotive Lighting Co., Ltd. and HELLA BHAP (Changzhou) Automotive Lighting Co., Ltd., were consolidated for the first time on 1 January 2024.

In addition, the associate HELLA Evergrande Electronics (Yangzhou) Co., Ltd. and the affiliate Docter Optics Asia Ltd. were disposed of in the current reporting period.

As a result of the sale of the shares in the associate Behr-Hella Thermocontrol GmbH, the subsidiaries of the BHTC Group are also no longer included as associates in the scope of consolidation of HELLA GmbH & Co. KGaA.

03 Company acquisitions

HELLA GmbH & Co. KGaA concluded a transaction on 22 December 2023 to increase its share in the former joint venture HELLA Pagid GmbH by 50% to 100%. As a result of the acquisition of control, the company was fully consolidated from the beginning of the fiscal year until the merger of the company with HELLA GmbH & Co. KGaA was fully consolidated. HELLA Pagid GmbH was not included in the consolidated financial statements in the past fiscal year. As part of the acquisition of the remaining shares, the HELLA Group carried out a company valuation in accordance with IFRS 3. As a result of the acquisition of control, the investment previously recognised using the equity method was fully consolidated from the beginning of the fiscal year. The company was merged with HELLA GmbH & Co. KGaA as of 1 January 2024. This led to a merger loss of €3,266 thousand.

The HBBL subgroup was fully consolidated for the first time in the fiscal year 2024. In prior reporting periods, these companies already belonged to the

Group and were included as associates. This did not result in any changes to the scope of consolidation. Only the inclusion method of the HBBL subgroup has changed. Due to contractual agreements, the HELLA Group gained control of the companies through extended rights and powers to manage the companies and their activities. These rights were achieved without cash flows. This report includes sales from this group totalling €270,974 thousand and earnings before taxes of €22,016 thousand. In addition, income of €16,340 thousand was recognised from the remeasurement of all acquired assets, in particular from profitable customer contracts, and assumed liabilities and reported under other income.

The cash and cash equivalents recognised in the opening balance sheet amount to €38,757 thousand. The balance sheet values at the start of consolidation are summarised in the following table. The balance sheet amounts of each individual company within the subgroup are immaterial. The following information is therefore summarised in economic terms.

€ thousand	2024
Cash and cash equivalents	38,757
Financial assets	16,853
Trade receivables	140,123
Other receivables, non-financial assets	2,301
Inventories	61,810
Intangible assets	32,004
Property, plant and equipment	72,626
Deferred tax assets	1,760
Assets	366,234
Financial liabilities	26,928
Trade payables	154,354
Income tax and deferred tax liabilities	16,356
Other liabilities	44,672
Provisions	10,883
Contract obligations	33,312
Liabilities	286,506
Net assets	79,729

The acquisition resulted in the following negative difference:

€ thousand	fair value
Value of the consideration transferred (100% assumption)	63,388
including non-controlling interests	31,694
Fair value of net assets	79,729
Negative difference	16,340

04 Principles of consolidation

If the balance sheet date of a subsidiary is not the same as that of HELLA GmbH & Co. KGaA, interim financial statements are prepared effective 31 December.

Business combinations

Acquired subsidiaries are accounted for using the purchase method. The acquisition costs correspond to the fair value of the assets acquired, the equity instruments issued and the liabilities arising or assumed on the transaction date. They also include the fair values of all recognised assets and liabilities arising from contingent consideration. Acquisition-related costs are recognised as expenses when they arise. Upon first consolidation, identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair value on the date of acquisition. Goodwill is recognised as the amount by which the business combination costs, the amount of the non-controlling interests in the acquired company and the share of equity already held on the acquisition date and measured at fair value, exceed the net assets measured at fair value. If this figure is negative, the difference is recognised directly in the income statement after reassessment.

Non-controlling interests

In the case of each business combination, the Group determines whether the non-controlling interests in the acquired company are to be measured at their fair value or in accordance with proportion of the net assets of the acquired company held at the date of acquisition. Transactions for the purchase or sale of non-controlling interests that do not result in a loss of control are recorded as equity transactions. Any difference between the figure by which the carrying amount of the non-controlling interests is adjusted to match the current interest held in the company and the fair value of the consideration rendered or received is recognised directly within equity.

Any binding put options that have been agreed for non-controlling interests are recognised within financial liabilities and measured at their fair value on the basis of the agreed purchase price. If the put option is related to the purchase of a majority holding in the company concerned, its value is recognised as part of the business combination costs.

Subsidiaries

Subsidiaries are entities that are controlled by the Group. The Group is deemed to control a subsidiary if it is exposed to varying returns from its involvement with the subsidiary or has rights to returns and has the ability to use its power over the subsidiary to affect these returns. The financial statements of subsidiaries are included in the consolidated financial statements as of the date on which the Group gains control over them and until the date on which control over them ends.

Investments accounted for using the equity method

Investments accounted for using the equity method comprise shares in joint venture companies and associates.

Joint ventures are joint arrangements in which HELLA exercises joint control together with other partners and also has rights to the arrangement's equity. Associates are entities over which the Group exercises material influence, but no control, and in which it usually holds 20% to 50% of the voting rights.

Shares in joint ventures and associates are accounted for using the equity method and are recorded at historical cost upon initial recognition. The Group's share also includes the goodwill arising on acquisition (less cumulative impairments).

The Group's share in the profits and losses is recognised in the income statement from the acquisition date. The cumulative changes following acquisition are deducted from or added to the carrying amount of the investment. If losses have reduced

the fair value of the Group's share to zero, additional losses are only allowed for and recognised as liabilities to the extent that HELLA is subject to legal or constructive obligations to settle such losses. Gains at a later period are not taken into account until they are sufficient to cover the unrecognised loss.

Contractually agreed put and call options as well as change of control clauses are reviewed at the balance sheet date.

Intra-Group transactions

Intra-Group transactions, balances and unrealised gains or losses from intra-Group transactions are eliminated. However, the existence of unrealised losses is viewed as an indication that the transferred asset must be examined for impairment.

05 Currency translation

Foreign currency gains and losses from monetary assets and monetary liabilities are recognised in profit or loss. Non-monetary items are translated into the Group's currency at the time of acquisition.

Currency translation differences for non-monetary items, changes which are recognised at fair value in the income statement (for example, equity instruments measured at fair value through profit or loss (FVPL)), are reported in the income statement as part of the gain or loss from measurement at fair value. Currency translation differences for non-monetary items, changes which are recognised at fair value within equity (for example, equity instruments measured at fair value through other comprehensive income (FVOCI)) are included in other reserves as part of the revaluation surplus.

Functional currency and reporting currency

The items included in the financial statements of each of the Group companies are measured using the currency of the primary economic environment in which the company operates (functional currency).

The consolidated financial statements are prepared in euros, the functional and reporting currency of HELLA GmbH & Co. KGaA.

The net profit/loss and balance sheet items of all consolidated companies that have a functional currency other than the euro are treated as follows:

- 01** Assets and liabilities are translated into euros for each balance sheet date using the spot exchange rate.
- 02** Income and expenses are translated for each income statement using the average exchange rate (unless this fails to give an appropriate approximation of the cumulative effects that would have arisen from currency translation at the rates prevailing on the transaction dates, in which case income and expenses are translated at the rates prevailing on the transaction dates).
- 03** Any currency translation differences are recognised in equity as separate items within the currency translation reserve and, hence, in other comprehensive income.

The exchange rates used to translate the main currencies for HELLA were as follows:

	Average		Reporting date	
	2024	2023	31 December 2024	31 December 2023
€1 = US dollar	1.0821	1.0810	1.0389	1.1050
€1 = Czech koruna	25.1189	24.0017	25.1850	24.7240
€1 = Japanese yen	163.8174	151.9122	163.0600	156.3300
€1 = Mexican peso	19.8249	19.1796	21.5504	18.7231
€1 = Chinese renminbi	7.7863	7.6554	7.5833	7.8509
€1 = Romanian leu	4.9746	4.9464	4.9743	4.9756
€1 = Indian rupee	90.5307	89.2788	88.9335	91.9045

Transactions and outstanding balances

Foreign currency transactions are translated into the functional currency at the spot exchange rate applicable on the transaction date. Forward exchange transactions are valued at the forward rate on the valuation date. Gains and losses from the settlement of such transactions as well as from the translation of financial assets and liabilities held in foreign currencies at the spot exchange rate are recognised in the income statement.

On consolidation, currency translation differences on financial liabilities and the effective portions of currency instruments designated as hedging such investments are recognised directly in equity without affecting income. If a foreign business is sold, any currency translation differences hitherto recognised within equity are recognised in the income statement as part of the profit or loss derived from the sale. Goodwill arising from business combinations and from disclosed hidden reserves and liabilities that are recognised as adjustments to the carrying amounts of the assets and liabilities of the company concerned are translated using the end-of-year spot exchange rate on the balance sheet date in the same way as that applied to assets and liabilities.

06 New accounting standards

The Group has applied the following amendments which were adopted by the EU as European law as at the balance sheet date for the first time in the fiscal year 2024:

“IAS 7 “Cash flow statements” and IFRS 7 “Financial instruments: Details”: Supplier financing agreements

On 25 May 2023, the IASB published amendments to IAS 7 and IFRS 7 on supplier financing agreements ("reverse factoring" agreements). These supplement the existing disclosures, in that companies are obliged to provide qualitative and quantitative information on financing agreements with suppliers. This is intended to increase the transparency of supplier financing agreements and their impact on a company's liabilities and cash flows as well as its liquidity risk. These amendments are mandatory for fiscal years commencing on or after

1 January 2024. In the course of applying the amendments, the consolidated financial statements were supplemented by the corresponding disclosures.

IFRS 16 “Leases”: Lease liability in a sale and leaseback transaction

The IASB published amendments to IFRS 16 on sale and leaseback transactions on 22 September 2022. These provide that a seller-lessee shall subsequently measure lease liabilities arising from a sale and leaseback transaction so as not to recognise any amount of gain or loss relating to the right of use retained. These amendments are mandatory for fiscal years commencing on or after 1 January 2024. There were no material effects on these HELLA consolidated financial statements.

Amendments to IAS 1 “Presentation of Financial Statements”:

On 23 January 2020, the IASB published the amendments "Classification of liabilities as current or non-current". In future, the classification as current or non-current will be based on the rights held by the company on the balance sheet date. According to this, the unconditional right is no longer used as a basis, but rather liabilities are classified as non-current if the company has a substantive right at the end of the reporting period to defer settlement of the liability for at least twelve months after the balance sheet date.

In addition, the amendments "Long-term liabilities with ancillary conditions" were issued on 31 October 2022. These amendments to IAS 1 clarify with respect to the classification of liabilities as current or non-current that only ancillary conditions that an entity must meet on or before the reporting date affect this classification. However, an entity shall disclose in the notes information that enables users of the financial statements to understand the risk that long-term liabilities with ancillary conditions could become repayable within twelve months.

With the recently published further amendments to IAS 1, the IASB has subsequently postponed the mandatory application date for all amendments to IAS 1. These amendments must be applied to fiscal years commencing on or after 1 January 2024, retrospectively. This had no significant impact on the HELLA consolidated financial statements.

The following amended IFRS have already been adopted by the EU as European law as of the balance sheet date but will not take effect until a later date:

IAS 21 “The Effects of Foreign Exchange Rate Changes”: Lack of exchangeability of a currency

On 15 August 2023, the IASB published amendments to IAS 21. These provide for a standardised approach when assessing whether a currency is exchangeable into another currency. If this is not the case, IAS 21 now contains rules on how to determine the exchange rate to be used. In addition, additional disclosures in the notes are required. These amendments are mandatory for fiscal years commencing on or after 1 January 2025. Possible effects on the HELLA consolidated financial statements are currently being analysed.

As of the balance sheet date, the following new or amended IFRS have not yet been adopted by the EU and will not be applicable until a later date:

The HELLA Group plans to apply the newly issued standards and amendments from the date of mandatory first-time application after adoption and applicability in the EU.

IFRS 9 and IFRS 7: Classification and measurement of financial instruments

The IASB published amendments to the IFRS 7 and 9 standards on 30 May 2024. These are the result of feedback from the post-implementation review of IFRS 9. The topics of classification of financial assets with ESG or similar conditions and the fulfilment of liabilities through electronic payment systems are addressed. These amendments are applicable to fiscal years commencing on or after 1 January 2026. Possible effects on the HELLA consolidated financial statements are currently being analysed.

IFRS 9 and IFRS 7: Contracts for nature-based electricity

On 18 December 2024, the IASB published amendments to the standards IFRS 7 and 9 in relation to contracts for nature-dependent electricity. If companies conclude energy supply contracts from renewable energy sources, there may be discrepancies between the amount of electricity produced and the buyer's requirements, as the nature-dependent energy sources cannot be controlled. Under the previous provisions of IFRS 9, companies were excluded from the own-use exception for

energy supply contracts that provided for the resale of unused electricity due to uncontrollable electricity generation. In future, the own-use assumption will also apply to these contracts under certain conditions, meaning that IFRS 9 can be applied accordingly. In addition, new regulations on hedge accounting in relation to energy supply contracts are included and companies must make additional quantitative and qualitative disclosures in the notes on contracts for nature-dependent electricity (amendments to IFRS 7). These amendments are mandatory for fiscal years commencing on or after 1 January 2026. Possible effects on the HELLA consolidated financial statements are currently being analysed.

Annual Improvements Volume 11

The amendments as part of the annual improvement project were published on 18 July 2024 and relate to the IFRS standards IFRS 1 "First-time Adoption of IFRS", IFRS 7 "Financial Instruments: Disclosures", IFRS 9 "Financial Instruments", IFRS 10 "Consolidated Financial Statements" and IAS 7 "Cash Flow Statements". Adjustments to the wording of individual standards serve the purpose of clarifying the existing guidance. These amendments are mandatory for fiscal years commencing on or after 1 January 2026. Possible effects on the HELLA consolidated financial statements are currently being analysed.

IFRS 18 "Presentation and Disclosure in Financial Statements"

On 9 April 2024, the IASB published the new accounting standard IFRS 18 "Presentation and Disclosure in Financial Statements". This redefines fundamental requirements for the presentation and disclosure of information in financial statements, replaces IAS 1 "Presentation of Financial Statements" and affects all components of the financial statements.

The subtotals "earnings before interest and tax" and "profit or loss before financing and income taxes" are introduced in the income statement. In addition, income and expenses must be broken down into the categories "operating", "investing", "financing", "income taxes" and "discontinued business divisions".

In future, information on company-specific key performance indicators (so-called "management-defined performance measures") and corresponding reconciliations to comparable IFRS subtotals must be disclosed in the notes. In addition, new principle-based aggregation and disaggregation rules for accounting items are to be applied in all components of the financial statements.

These amendments are applicable to fiscal years commencing on or after 1 January 2027. In addition, first-time application must be retrospective. The specific effects on the HELLA consolidated financial statements are currently being analysed.

IFRS 19 "Subsidiaries not publicly accountable: Information"

On 9 May 2024, the IASB published the new accounting standard IFRS 19 "Subsidiaries without Public Accountability: Information". This allows subsidiaries to make reduced disclosures in their own financial statements when applying IFRS accounting standards. Application of the standard is optional for subsidiaries reporting in accordance with IFRS. These amendments are applicable to fiscal years commencing on or after 1 January 2027. Possible effects on the HELLA consolidated financial statements are currently being analysed.

07 Basis of preparation and accounting

Revenue recognition

Only product sales and services provided to customers as a result of the Group's business operations are recognised as revenue. The five step model of IFRS 15 is applied to determine whether and in what amount revenue should be recognised. When applying the five steps to contracts with customers, the existing distinct performance obligations (definable) are identified. The transaction price for the customer contract is determined pursuant to IFRS 15. Variable amounts such as discounts, customer bonuses or other concessions are recognised as sales deductions. Price increases (commercial claims) that are passed on to customers via unit price adjustments or one-off payments are also recognised as revenue in accordance with IFRS 15. Sales in the amount of the allocated transaction price are to be recognised for each performance obligation as soon as the agreed service has been provided or control is passed to the customer (control approach).

The HELLA Group generates sales revenue primarily from the sale of goods to automotive manufacturers or other tier 1 suppliers. In particular, the Group sells customer-specific speed components and systems in the areas of lighting technology and electronics for the automotive industry, as well as standardised goods like automotive parts and accessories for vehicles and original equipment for special-purpose vehicles. In accordance with IFRS

15, the HELLA Group recognises sales from customer-specific series production over time and sales from the sale of standardised goods at a point in time. The measurement of progress in the realisation of sales over time is based on the output-oriented method, which is applied on the basis of the goods delivered. The production and delivery of similar goods from customised series production fulfils the conditions for the application of the output-oriented method. Revenue recognition at a point in time from the sale of standardised goods is based on the transfer of control of the goods to the customer. This is regularly the case when the delivery is made.

There is no significant financing component, as the average payment term agreed in the market is 60 days. A receivable is reported upon delivery of the goods, since at that point in time claims for consideration arise.

Especially in the Electronics and Lighting segments, vehicle-specific solutions, which are presented in Chapter 11 as income from the provision of services, are also developed. These performance obligations primarily comprise development services based on customer requirements of the HELLA Group. Pursuant to the five-step model of IFRS 15, income is recognised in accordance with the terms of the contract if the performance obligation is satisfied upon release of the customer (point in time). As the customers in these cases regularly first make payments only after the development work has been completed, this results in the contract assets reported in the Group.

Functional costs

Cross-functional costs in the consolidated income statement are reported in accordance with internal reporting requirements. Operating expenses are generally initially allocated to the functional division in which they are primarily incurred. If the functional division performs services for which the economic benefit arises in another functional area, such expenses are allocated proportionally to the functional division for which the services were performed.

Earnings per share

Basic earnings per share are calculated by dividing the share of earnings after tax attributable to the shareholders of the parent company by the weighted average number of shares outstanding during the fiscal year. Diluted earnings per share also take account of the shares that may have to be issued if option or conversion rights are exercised. No such rights existed during the reporting period.

Property, plant and equipment

Property, plant and equipment are measured at historical cost less accumulated depreciation and amortisation and cumulative impairments. Historical cost comprises the expenses directly attributable to the acquisition.

Subsequent cost, e.g. as a result of expansion or replacement investments, is only recognised as part of the historical cost of the asset or – if applicable – as a separate asset if it is probable that the Group will derive future economic benefits from them and the costs of the asset can be reliably measured. Expenses for repairs and maintenance that do not represent a material reinvestment are recognised as an expense in the income statement in the fiscal year in which they arise.

Tools produced or purchased for production purposes are capitalised at acquisition or production cost in accordance with IAS 16 and reported separately in the statement of changes in non-current assets as production-related equipment. Each item of property, plant and equipment with historical cost that represents a significant portion of the total value of the item is recognised and depreciated separately.

Land is not depreciated. All other assets are depreciated on a straight-line basis. In this case, their historical cost or fair value is written down to their residual carrying amount over their expected average useful life as follows:

Building	30 years
Machinery	8 years
Product-related operating resources	3–5 years
Operating and office equipment	5 years

The residual carrying amounts and economic useful lives are reviewed and, if necessary, adjusted on each balance sheet date.

If the carrying amount of any item of property, plant and equipment exceeds its estimated recoverable amount, it is immediately written down to this amount.

Government grants

Government grants are recognised if it is reasonably certain that the related conditions will be satisfied and the grants will actually be received. Grants for the purchase or production of non-current assets (asset-related grants) are deducted from the historical cost of the assets in question and reduce future depreciation. Grants that are not awarded

for non-current assets (performance-related grants) are accounted for in the income statement in the same functional division as the related expense items. They are recognised in the income statement on a pro rata basis over the periods in which the expenses to be covered by the grants are incurred. Government grants awarded for future expenses are reported as deferred income.

Intangible assets

Goodwill

Goodwill represents the amount by which the cost of a business combination exceeds the fair value of the Group's shares in the net assets of the entity acquired and the sum of all non-controlling interests at the time of acquisition. The goodwill arising from business combinations is recognised as an intangible asset. The goodwill resulting from the acquisition of an associate or joint venture company is included in the carrying amount of the investment accounted for using the equity method and is therefore not tested for impairment separately but as part of the total carrying amount. Goodwill recognised in the balance sheet is tested for impairment annually and whenever there is an indication of impairment. No reversals of impairment are performed. Gains and losses from the sale of an entity include the carrying amount of the goodwill allocated to such entity. The goodwill is allocated to cash-generating units for the purpose of impairment testing. It is allocated to those cash-generating units or groups of cash-generating units (CGUs) that are expected to benefit from the business combination giving rise to the goodwill.

Capitalised development expenses

Costs related to development projects that are subject to IAS 38 are recognised as intangible assets if it is likely, given their economic and technical viability, that the project will be successful and the costs can be reliably determined; otherwise, the research and development expenses are recognised in the income statement. Capitalised development expenses are amortised on a straight-line basis over their expected useful life starting with the date on which the product goes into commercial production. Depreciation and amortisation is calculated over an average estimated useful life of three to five years. The depreciation/amortisation charged on capitalised development expenses is recognised in the cost of sales and is applied in the Electronics and Lighting segments.

Acquired intangible assets

Acquired intangible assets are recorded at historical cost. Intangible assets are amortised on a straight-line basis over their useful life of three to eight years.

Impairment of non-monetary assets

Assets with an indefinite useful life or not yet ready to use – primarily capitalised development costs in the group, as well as goodwill – are not depreciated or amortised according to schedule but tested for impairment on an annual basis and whenever there is an indication of a reduction in value. Assets that are subject to depreciation or amortisation are tested for impairment when corresponding events or changes in circumstances indicate that the carrying amount may no longer be recoverable.

An impairment is recognised in the amount by which the carrying amount exceeds the recoverable amount. The recoverable amount is either the fair value of the asset less the cost to sell or the value in use, whichever is higher. For the purposes of impairment testing, assets are aggregated at the lowest identifiable level for which cash flows can be generated by independent units (CGUs). The recoverable amount of a CGU is determined on the basis of the expected future discounted cash flows from planned use (value in use). These are based on Management Board forecasts covering a period of five years. With the exception of goodwill, non-monetary assets for which an impairment has been recognised in prior periods are reviewed at each balance sheet date to test whether the impairment must be reversed. Impairment losses are recognised in the corresponding functional areas.

Reversals of impairment losses

An impairment loss recognised in prior periods for an asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the impairment loss was recognised. The carrying amount of an asset increased by a reversal of an impairment loss is limited to the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised in prior years. No reversals of impairment losses on amortised goodwill are recognised.

Contract assets and contract liabilities

A contract asset is recognised wherever the HELLA Group has recognised revenue from fulfilment of contractual performance obligations, the customer has not yet paid the related consideration and other criteria, other than the passage of time, must be met before the Group can issue an invoice and thus recognise a receivable. The contract asset is derecognised as soon as the HELLA Group receives a payment from the customer under the contract. A contract liability is recognised wherever the customer has made a payment before the HELLA Group has fulfilled its contractual performance

obligation and thus recognised revenue. Contract obligations must be netted against contract assets within a customer contract. Quantitative disclosures of performance obligations are reported if they are part of a contract with an expected original term of more than one year. The HELLA Group has elected not to make additional disclosures on performance obligations with an expected original term of one year or less.

Assets and liabilities held for sale

A non-current asset (or disposal group) is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. Classification as held for sale requires a specific intention to sell and a highly probable sale within twelve months. The corresponding assets and liabilities are recognised separately in the statement of financial position.

A non-current asset (or disposal group) classified as held for sale is generally recognised at the lower of fair value less costs to sell and carrying amount.

Inventories

Inventories are recognised at the lower of historical cost or net realisable value. Historical cost is determined using the moving average method. The historical cost of finished and unfinished goods includes the costs of product development, raw materials, consumables and supplies, direct personnel costs, other direct costs, and the overheads attributable to production (based on normal plant capacity). The net realisable value is the estimated sales revenue achievable in the normal course of business less the necessary variable distribution expenses and the expected costs until completion.

Cash and cash equivalents

Cash consists of cash and bank balances as well as cheques. Cash equivalents are investments that are held to cover short-term cash obligations and are subject to an insignificant risk of changes in value. They are measured at fair value at the time of acquisition. They are allocated to the category "at amortised cost". Bills received are reported as cash equivalents if their maturity on receipt is less than three months and they can be directly converted into sight deposits almost without generating any loss. If maturity on receipt is more than three months or the bill cannot be converted directly into sight deposits, the bills are reported in the debt capital instruments category within financial assets. Other subordinated bills in qualitative terms from banks with poor credit rating continue to be recognised as receivables.

Equity

Subscribed capital

The limited partner shares issued by the Company are classified as equity. The various issues of capital from profit participation certificates are recognised as liabilities.

Capital reserve

Cash deposits attributable to the issuance of new shares which exceed the nominal value of the shares issued are recognised under the capital reserve. Costs directly attributable to the issuance of new shares are recognised in equity net of tax as a deduction from the capital reserves.

Reserve for currency translation differences

The reserve for currency translation differences comprises all foreign currency translation differences stemming from the translation of the financial statements of foreign business divisions.

Cash flow hedging reserve

The reserve for financial instruments for cash flow hedging comprises the effective portion of cumulative net changes in the fair value of the hedging instruments used to hedge cash flows until such point as the hedged cash flows are recognised in profit or loss, as well as the cost of hedging.

Reserve for FVOCI financial instruments(debt capital instruments)

The reserve for FVOCI financial instruments contains the cumulative net changes in the fair value of FVOCI financial assets until the derecognition of these assets.

Reserve for FVOCI financial instruments (equity instruments)

The reserve for FVOCI financial instruments contains the cumulative net changes in the fair value of FVOCI equity instruments."

Remeasurements of defined benefit plans

Remeasurements of net debt stemming from defined benefit plans comprise actuarial gains and losses attributable to changes in the insurance assumptions upon which the calculation of defined benefit pension liabilities is based. It also includes the difference between the standardised and actual income generated by the plan assets as well as its impact on any asset ceiling in place.

Other retained earnings/profit carried forward

The item "Other retained earnings/profit carried forward" includes other retained earnings of the parent company and the past earnings of consolidated companies also included in the consolidated financial statements. This item also includes the statutory reserve of the parent company. The statutory reserve is subject to the distribution restrictions specified in the German Stock Corporation Act (Aktiengesetz – AktG). Offsetting of differences in assets and liabilities arising from the capital consolidation of subsidiaries consolidated before 1 June 2006, and the adjustments recognised directly in equity for the first-time adoption of IFRS are also included in this item.

Trade payables

Trade payables are initially measured at their fair value. They are subsequently measured at amortised cost using the effective interest method.

Current and deferred taxes

Current tax expense is calculated in accordance with the tax legislation applicable in the countries in which the subsidiaries and associates operate. In accordance with IAS 12, deferred taxes are recognised for any temporary differences between the tax basis of the assets/liabilities and their carrying amount in the IFRS financial statements ("temporary concept"). Deferred taxes are also recognised for tax loss carryforwards. Deferred taxes are measured on the basis of the tax rates (and tax legislation) that apply on the balance sheet date or are about to be adopted and are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are only reported to the extent to which it is probable that there will be a taxable profit against which the deferred tax asset or loss carry-forward can be offset.

Deferred tax assets and deferred tax liabilities are netted only if offsetting is legally permissible. In accordance with IAS 12, deferred tax assets and liabilities are not discounted.

Employee benefits

Pension liabilities

Pension provisions are calculated using actuarial methods on the basis of the projected unit credit method in accordance with IAS 19. As a rule, the pension liabilities are measured using the latest mortality tables as at 31 December of the respective reporting year; in Germany, the calculations are based on Heubeck's 2018 G actuarial tables.

In the case of funded pension plans, the pension provisions calculated using the projected unit credit method are reduced by the fair value of the fund assets. If the fund assets exceed the provisions, recognition of the assets is limited to the present value of future refunds from the plan or the reduction in future contributions.

Remeasurements arise from increases or decreases either in the present value of the defined benefit liabilities of the plan (actuarial gains and losses) or in the fair value of the plan assets. This may be caused by changes in the calculation parameters, differences between the estimated and actual risk exposure of the pension liabilities and returns on the fund assets, excluding amounts reported within net interest income and expenses.

Actuarial gains and losses are recognised directly in equity (other comprehensive income for the period) in the period in which they arise, as are remeasurements resulting from the application of an asset ceiling and income from the plan assets (excluding interest on net debt).

The service cost for pensions and similar liabilities is recognised as an expense in the operating result. The interest expense derived by multiplying the net provisions by the discount rate is likewise recognised within the corresponding items of the earnings before interest and taxes.

Severance

Severance payments arising from the termination of employment are made if an employee is dismissed by a Group company before normal retirement age. The Group recognises severance payments if it can be proven that it is under an obligation to terminate the employment of current employees in accordance with a detailed formal plan that cannot be revoked or if it can be proven that it is under an obligation to make severance payments in the event of employment being terminated voluntarily by the employee. Payments that are due for settlement in more than twelve months after the balance sheet date are discounted to calculate their present value.

Profit-sharing and other bonuses

Liabilities and provisions are recognised for bonus payments and profit-sharing and the expected payments reported on the basis of a measurement process. Provisions are set aside in the consolidated financial statements in cases in which there is contractual commitment or constructive obligation based on past business practice.

Share-based remuneration

Obligations from share-based remuneration agreed for the first time in fiscal year 2019/2020 are recognised as a cash settled plan in accordance with IFRS 2. These cash settled plans are measured at fair value during their term. The fair value is determined using a recognised measurement procedure. The payment cost is distributed over the vesting period and shown under personnel expenses. Please refer to Chapter 42 for information on share-based remuneration.

Partial retirement

The obligations from partial retirement according to the block model mostly have maturities of between two and six years. The size of top-ups is determined in line with the provisions of collective agreements. They are accumulated on a pro rata basis from the beginning of the commitment onwards. Payments that are due for settlement in more than twelve months after the balance sheet date are discounted to calculate their present value. Benefits are mostly invested in the form of fixed-income investments in order to take account of hedging as per the statutory provisions.

Provisions

Provisions are recognised if the Group has a present legal or constructive obligation resulting from a past event, and it is likely that the settlement of the obligation will result in an outflow of resources and the amount of the provision can be reliably estimated. If there are a large number of similar liabilities (as is the case for statutory warranties), the likelihood of an outflow of resources is determined on the basis of this group of liabilities. Provisions are also recognised as a liability if there is a low probability of an outflow of resources related to a single liability within this group.

Provisions are measured at the present value of the expected expenses, using a pre-tax rate that reflects current market expectations regarding the interest effect and the risks specific to the liability. The increase in provisions resulting from the related interest expenses is recognised in the income statement within interest expenses.

Should warranty obligations arise from contractual or statutory warranty obligations, HELLA creates provisions for these obligations. Specific warranty provisions are made for warranty claims that have arisen or been asserted individually. When carrying out the measurement, the parts concerned are identified based on the established total supplied products, and a failure rate estimated for these

products. Failure rates are appropriately estimated using historical failure rates and all other available data for each individual warranty case. The valuation is based on the estimated average costs (material and expenses for the replacement of parts).

Provisions for losses from supply and sales liabilities include liabilities under current third-party agreements from which future losses are expected. These provisions for contingent losses are created if the losses are unavoidable in order to fulfil these contracts. The losses are made up of the difference resulting from the fulfilment of the contractual obligation and the expected economic benefit from these contracts – i.e. regularly the sales revenues.

The determination of unavoidable costs is based on past experience and its future development. The further development takes into account both estimates of external parameters, such as inflation and industry development, but also internal aspects, such as production conditions and the valuation of production costs. The sales planning on which the determination of the economic benefit of the contracts is based takes into account the contractually agreed series delivery period. The changes in the parameters considered probable or contractually agreed in this period are included in the valuation. The valuation is based on the lower of the unavoidable costs of contract fulfilment and the costs of contract termination.

The previous section “Employee Benefits” describes provisions for employees.

The management uses historical figures from similar transactions to estimate the amount of the provisions, taking into account details of any events arising up until the consolidated financial statements are drawn up.

Contingent liabilities

Contingent liabilities are potential or existing liabilities towards third parties, for which an outflow of resources is unlikely or whose amount cannot be reliably determined. If no contingent liabilities were assumed under a business combination, these are not recognised in the statement of financial position. In the case of guarantees, the amount of the contingent liabilities stated in the notes corresponds to the liabilities existing on the balance sheet date.

Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and, at the same time, a financial liability or equity instrument of another entity. Financial assets and liabilities are assigned to measurement categories in accordance with IFRS 9.

Financial assets

Financial assets and/or the purchase or sale of financial assets under normal market conditions are recognised in the statement of financial position if the Company is party to a contract concerning these assets. The HELLA Group recognises financial assets on the settlement date.

Financial assets which are due for settlement in more than one year are classified as non-current. They are derecognised as soon as the contractual right to payments from the financial assets expires or the financial assets are transferred with all the significant risks and opportunities.

Financial instruments are assigned to the following measurement categories:

- 01** at amortised cost
- 02** at fair value through other comprehensive earnings (FVOCI) (debt capital instruments)
- 03** at fair value through other comprehensive income (FVOCI) (equity instruments)
- 04** at fair value through profit or loss (FVPL)

At amortised cost

A financial asset is measured at amortised cost if it meets the following two conditions and is not classified as FVPL: First, it is held within a business model whose objective is to hold financial assets to collect contractual cash flows. Second, its contractual terms give rise to payments to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding. When initially recognised, they are measured at fair value, taking into account transaction costs, using the effective interest method and recognised for any impairment. Financial assets at amortised cost are subsequently measured using the effective interest method less repayments, plus or less cumulative amortisation and adjusted for any impairment. Gains and losses are recognised in the income statement if the asset is derecognised, modified or impaired.

At fair value through other comprehensive earnings (FVOCI) (debt capital instruments)

A debt capital instrument that meets the following two conditions must be measured at FVOCI unless the asset is classified as FVPL: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding. For debt instruments measured at FVOCI, interest income, currency revaluations and value adjustments related to credit ratings are recognised in the income statement and calculated in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. After derecognition of the financial assets, the cumulative change in fair value recognised in OCI of the financial assets is recycled to the income statement.

At fair value through other comprehensive earnings (FVOCI) (equity instruments)

Equity instruments for which there is a strategic objective and no intention to trade are – after exercising the option – designated at fair value with changes in value recognised in other comprehensive earnings. Initial and subsequent measurement is at fair value. The changes in fair value are recognised in equity and remain in equity even after the disposal of these equity instruments. Dividend earnings are recognised in the income statement."

At fair value through profit or loss (FVPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated as at fair value through profit or loss at initial recognition or financial assets required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing them within a short period of time. Derivatives are also measured at fair value through profit or loss (FVPL) unless they are designated as hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss regardless of the business model.

Even if debt instruments meet the above classification criteria for amortised cost or FVOCI, they can still be measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces an accounting mismatch. Financial assets at FVPL are measured at fair value in the

statement of financial position, with net value changes recognised in the income statement.

Within the HELLA Group, this applies to financial Financial Instruments traded by Group companies.

Impairment

The Group measures the future expected credit loss for its receivables measured at amortised cost and its debt instruments measured at FVOCI. For trade receivables, the Group uses the simplified approach of IFRS 9 to measure lifetime expected credit losses since initial recognition.

Financial liabilities

During the current fiscal year, as in the prior year, there were no non-derivative financial liabilities measured at fair value in the income statement or categorised as such. The accounting policies and measurement methods for the derivative financial liabilities measured at fair value included under other liabilities are described separately in the section entitled "Derivative financial instruments".

All other non-derivative financial liabilities in the HELLA Group are allocated to the "at amortised cost" category. Non-derivative financial liabilities are initially measured at fair value less transaction costs. They are subsequently measured at their amortised cost using the effective interest method.

If an outflow of resources is expected after more than one year, these liabilities are classified as non-current. Liabilities are derecognised if the contractual commitments are settled, reversed or expire.

Derivative financial instruments

The HELLA Group uses derivative financial instruments to hedge financial risks and market risks from expected transactions. Derivative financial instruments are recognised or derecognised on the trade date. In principle, all derivative financial instruments are allocated to the FVPL category unless they are designated as hedging instruments as part of hedge accounting,

Depending on whether the derivatives have a positive or negative fair value, they are reported within other financial assets or other financial liabilities. The recognition of changes in fair value depends on the classification of the financial asset and the financial liability. In principle, all derivative financial instruments are recognised at fair value through profit or loss. Changes in the fair value of assets held in this category are recognised directly in the income statement.

Derivatives held for hedging purposes are also recognised as other assets or other liabilities.

HELLA recognises certain risk hedges with derivative financial instruments in accordance with the requirements of IFRS 9 on hedge accounting. The HELLA Group secures currency risks of existing transactions as well as future highly probable planned transactions. The valuation rules for the hedged transactions do not change. As part of the cash flow hedges used by the HELLA Group the change in the fair value of the derivative financial instrument and the cost of hedging are recognised in equity (reserve for financial instruments for cash flow hedging), while the ineffective portion is recognised in the income statement. The portion of the change recognised within equity is posted to the income statement as soon as the underlying transaction is recognised in the income statement. Further details on the design and implementation of the respective cash flow hedges can be found in the “Management of currency risks” section.

Embedded derivatives

Hybrid financial liabilities contain both a derivative and a non-derivative component. If the economic characteristics and risks of embedded derivatives are not closely related to those of the host contract, the embedded derivative must be separated from the host contract and recognised at FVPL. The host contract continues to be recognised in accordance with the relevant accounting standard.

Determination of the fair value

The fair value is the price that would be realised in a transaction between independent market participants in the sale of assets or paid in the transfer of liabilities. It is determined on the basis of financial instruments listed in active markets and price quotations, provided these are prices used in regular and current transactions. HELLA sets valuation techniques to determine the fair value of financial instruments if no quoted prices in active markets are available. The input parameters used are, as far as possible, observable data derived from prices of relevant financial instruments traded in active markets. The selection and application of valuation methods and parameterisation calls for assumptions and estimates by management. The valuation methods are based on models commonly used in the industry. If no market data is available, the parameters are determined from other relevant sources of information, historical data series and the analyses of key economic data for the transaction or comparable transactions, and adjustments are made if necessary. In the case of a range of

different fair values, the estimated value within the range that best reflects the fair value is used.

The financial assets and liabilities measured at fair value must be classified according to the input parameters of the valuation method used to determine the fair value:

- Measurement based on quoted prices in an active market (Level 1)
- Valuation methods based on observable parameters (Level 2)
- Valuation methods that use significant unobservable inputs (Level 3)

The fair values of financial instruments valued at amortised cost are disclosed. There are generally no active markets for these financial instruments, which requires more extensive assessments by the management.

Borrowing costs

Borrowing costs are capitalised if they are directly attributable to the acquisition, construction or manufacture of a qualifying asset and can therefore be considered to form part of the historical cost of the asset concerned. All other borrowing costs are recognised as expenditure in the period in which they arise.

Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract contains the right to control the use of an identified asset, the Group assesses whether:

- the contract contains the right to use an identified asset, which may be specified explicitly or implicitly and should be physically distinct or represent essentially all of the capacity of a physically distinct asset. The asset is not identified if the supplier has a substantive substitution right;
- the Group has the right to obtain essentially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right if it has the decision-making rights that are most relevant to changing how and for what purpose the

asset is used throughout the period of use. The Group also has the right to direct the use of the asset in those rare cases where the relevant decisions about how and for what purpose the asset is used are predetermined;

- the Group has the right to operate the asset; or
- the Group designed the asset in a way that pre-determines how and for what purpose the asset will be used.

At the inception or remeasurement of a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Group has elected to separate the non-lease components for leases of land and buildings for reasons of materiality. With regard to other asset classes, such as machinery and office furniture, the Group has elected not to separate non-lease components from lease components, and instead to account for each lease component and any associated non-lease components as a single lease component.

Leases in which the Group is the lessee

The Group recognises a right-of-use asset and a lease liability at lease inception. The right-of-use asset is initially measured at cost, where cost consists of the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date and any direct costs incurred, less any lease incentives received. The Group has not assumed any obligations to cover the costs of dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. This means no provision is required to be recognised under IAS 37.

To determine the lease term, management considers all relevant facts and circumstances to assess the economic incentives to exercise an extension option or not to exercise an option to terminate the lease. Options to extend the lease (or periods after options to terminate the lease) are only included in leases if there is a good reason to assume that the term will be extended (or not terminated).

The right-of-use asset is then depreciated on a straight-line basis from the commencement date

to the end of the useful life of the right-of-use asset or the end of the lease term. The useful life of right-of-use assets is estimated based on the useful life of property, plant and equipment. Depreciation begins on the commencement date of the lease. The right-of-use asset is also periodically tested for impairment pursuant to IAS 36 and, if found to be impaired, its carrying amount is adjusted to reflect the impairment and certain remeasurements of the lease liability.

The lease liability is measured on initial recognition at the present value of the remaining lease payments at the commencement of the lease, discounted at the interest rate implicit in the lease or, if that rate cannot be readily determined, using an incremental borrowing rate that reflects the economic substance of the contract and the specific market conditions. The Group generally uses as its discount rate the interest rate it pays to borrow capital.

The lease payments included in the measurement of the lease liability comprise the following:

- initial payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate and are initially measured using the index or rate at the commencement date;
- amounts expected to be payable under residual value guarantees; and
- exercise price of a purchase option if the Group is reasonably certain to exercise that option;
- lease payments in an optional extension period if the Group is reasonably certain to be able to exercise an extension option, and payments of penalties for terminating the lease early unless the Group is reasonably certain that it will not terminate the lease early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured if there is a change in future lease payments resulting from a change in an index or a rate, in the amounts the Group expects to be payable under a residual value guarantee or in the Group's assessment of whether it will exercise a purchase, extension or termination option. If the lease liability is remeasured in any of these scenarios, a corresponding adjustment to the carrying amount of the right-of-use asset is made or taken to profit or loss if the carrying amount of the right-of-use asset is reduced to zero.

The Group elected not to recognise any right-of-use assets and lease liabilities for short-term leases with a lease term of 12 months or less or for leases of low-value assets (primarily IT equipment, machinery and office furniture). The Group recognises the lease payments associated with these leases as expenses on a straight-line basis over the lease term.

The Group has decided to recognise rights of use from leases under “Property, plant and equipment” in its statement of financial position and to recognise corresponding lease liabilities in its current and non-current financial liabilities.

Leasing components are recognised as follows in the cash flow statement:

- A** cash payments for the principal portion of the lease liability within financing activities;
- B** cash payments for the interest portion of the lease liability within financing activities, applying the requirements in IAS 7 for interest paid;
- C** short-term lease payments, payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability within operating activities.

Leases in which the Group is the lessor

If the Group is a lessor, it classifies each lease as either a finance lease or an operating lease at the inception of the lease. When classifying each lease, the Group makes a general determination as to whether the lease substantially transfers all the risks and rewards incidental to ownership of the underlying asset. If this is the case, the lease is a finance lease; if not, it is an operating lease. In this assessment, the Group considers certain indicators such as whether the lease term is the major part of the economic life of the asset.

In the Lifecycle Solutions segment, HELLA concludes finance lease agreements with workshops for its portfolio of diagnostic testing equipment and workshop equipment. These agreements generally have five-year terms. At the beginning of the term of these contracts, the present value of the discounted future lease payments is recognised as sales. The corresponding receivables from finance leases are recognised under other assets.

Dividend distributions

Shareholder claims to dividend distributions are recognised as a liability in the period in which the corresponding resolution is adopted.

08 Discretionary decisions and management estimates

The preparation of the consolidated financial statements in accordance with IFRS requires estimates and assumptions to be made. In addition, the application of company-wide accounting policies and measurement methods requires management to make valuations.

All estimates and assessments are reviewed on a continual basis and are based on past experience and other factors including expectations concerning future events that appear reasonable given the circumstances.

Discretionary decisions and critical accounting estimates

The Group makes forward-looking assessments and assumptions. It is in the nature of things that the resulting estimates only very rarely correspond exactly to the later, actual circumstances. The estimates and assumptions that engender a significant risk in the form of a material adjustment to the carrying amount of assets and liabilities in the following fiscal year are discussed below.

Control of companies

The Group exercises its judgement in deciding whether it controls an investee. This is relevant if factors other than voting rights have to be taken into account because the Group is granted special rights under existing agreements that lead to control being obtained.

Estimates in the context of goodwill

In accordance with the accounting policies and measurement methods described herein, the Group tests for impairment on goodwill on an annual basis and whenever there is an indication of impairment. The recoverable amount from cash-generating units (CGUs) is calculated on the basis of the value in use. These calculations must be based on certain assumptions (see also Chapter 30).

Estimates in the context of impairments of non-current assets

In the case of self-created intangible assets, assessment of the point at which the capitalisation requirements have been met in accordance with IAS 38 is a matter of discretion. Important estimates also relate to the determination of the useful life for intangible assets and property, plant and equipment.

The Group performs impairment tests on intangible assets (especially capitalised development expenses) and property, plant and equipment and net capital expenditures in associates and joint ventures as soon as any indication of impairment arises in a specific case (triggering event). An impairment loss is recognised by comparing the carrying amount with the estimated recoverable value. The cash flow forecasts and the discount factors used constitute particularly important estimated values when reviewing the value of non-current assets (see Chapter 30 and 31). The underlying forecasts are based on experience as well as expectations regarding future industry developments, particularly assumed sales volumes.

If an impairment loss has been recognised, checks must be performed in subsequent periods to determine whether the triggering events for such have been eliminated. For this purpose, both internal and external sources must be taken into account. An impairment loss recognised in previous periods must be reversed if there has been a change in the estimates of the recoverable amount (through use or sale). In addition to the assessment of the cash flow forecasts from the continuing use, there is discretionary scope in the assessment of whether the indications that led to the impairment loss have been eliminated. If the indications are directly related to changes in the company environment, then experience and expectations are also used in assessing whether said indications have been or will be eliminated. The assessment of market-related or economic changes as well as the effects of legal framework conditions are subject to assumptions and estimates and are thus discretionary.

Product-specific operating equipment (tooling) that is manufactured for the HELLA Group's own production purposes and not for a customer is capitalised at its manufacturing costs. There is scope for discretion in the determination of useful life.

Provisions

Provisions are to be recognised in accordance with IAS 37 if a legal or constructive obligation has arisen for HELLA from a past event, it is probable that an outflow of economic resources will be required to settle this obligation and the amount of the obligation can be estimated reliably. Scope for discretion exists with respect to estimating the probability of the outflow of resources as well as the amount of the obligation.

Warranty provisions are recognised based on past empirical values, taking into account conditions on the balance sheet date based on the expenses di-

rectly attributable to the processing of individual warranty cases. Estimation of the anticipated expenses and reimbursements for the individual cases and calculation of the expenses for the generalised warranty risks are discretionary.

Provisions for onerous contracts or provisions for onerous contracts are recognised when the unavoidable expenses of meeting the contractual obligation exceed the expected economic benefits. The unavoidable costs are determined on the basis of cost structures that are based on past experience and their further development during the period of service provision. Discretionary adjustments are made as at the balance sheet date in relation to current inflationary and macroeconomic conditions. The sales planning on which the determination of the economic benefit of the contracts is based is also influenced by exogenous factors and is therefore subject to estimation.

The amount of pension liabilities was calculated using actuarial methods and an estimation of the relevant influencing variables. In addition to the assumptions about life expectancy, assumptions regarding the parameters to be applied for the assumed rate of interest, wage trend, pension trend and fluctuation were made for the calculations.

For restructuring measures, corresponding provisions must be established if the general and specific requirements for recognition are met. The valuation of the employee-related restructuring provisions is highly dependent on the assessments and assumptions – in particular with regard to the design of voluntary components, severance payments, social plans and site assignment costs.

Income taxes

Due to the international nature of its business activities, HELLA is subject to a large number of national tax laws and regulations. Changes in tax laws, as well as the adoption of case law and its interpretation by local tax authorities, may have an impact on the amount of both actual and deferred taxes. This results in corresponding uncertainties in the accounting that must be addressed via assumptions and estimates.

The assessment of this uncertainty is carried out with the most probable value of the possible realisation of the uncertainty.

Uncertainties arise, firstly, in the actual taxes, which are taken into account by an appropriate estimate of potential retrospective tax payments. Secondly, they arise from the value of deferred tax assets, which is countered by means of operational

planning. If the final tax amount for these transactions differs from the amount initially assumed, this will be corrected in the period in which the differing taxation is recognised. (see Chapter 18).

Fair value of derivative and other financial instruments

The fair value of financial instruments not traded on an active market (for example, OTC derivatives) is determined using appropriate measurement methods selected from a number of methods. The assumptions used for this are predominantly based on the prevailing market conditions on the balance sheet date. The Group uses present value methods to determine the fair value of the financial assets that are not traded on an active market.

Impairments for financial assets

The Group satisfies the requirements of IFRS 9 regarding the determination of the impairment model. The impairment model applies to financial assets measured at their amortised cost or at their fair value with changes in value recognised in other comprehensive income (FVOCI), to contract assets pursuant to IFRS 15 and to lease obligations. Impairment is recognised using the expected loss model that takes account of past events, current conditions and forecasts of future economic conditions.

Patent risks

In the context of its research and development activities, the HELLA Group faces the risk of infringing other companies' patents through the use of new technologies. In the event of an infringement, the HELLA Group could be obliged to pay damages or be forced to acquire the licences in order to continue using third-party technologies. This leads to corresponding uncertainties. Patent risks are recognised in the statement of financial position under provisions.

Impacts of the current macroeconomic environment and climate-related issues

The macroeconomic environment in the reporting year continued to be characterised by inflation with, in particular, increased costs for energy and raw materials as well as a rise in interest rates. For this reason, the HELLA Group continues to recognize additional provisions for losses from delivery and sales obligations. In the course of the adjustment of actuarial assumptions, there was a counteracting decrease in provisions for post-employment benefits (see Chapter 37).

Climate-related aspects can affect various areas of the balance sheet, including the useful lives and residual values of non-financial assets and their recoverability; expected credit losses on financial instruments; and provisions and contingent liabilities arising from legal and constructive obligations. There are currently no material influences from climate-related aspects in the HELLA Group.

Revenue recognition

The Group recognises sales revenue from customer-specific series production over time depending on the stage of completion.

The HELLA Group uses the output-oriented method, which is based on the goods delivered, to measure the stage of completion for the recognition of sales over time. The production and delivery of similar goods from series production takes place almost "just in time", which is why the output-oriented method is used for revenue recognition. The choice of this method is a discretionary decision.

09 Notable events

On 26 June 2024, HELLA announced structural measures to make lighting production in Lippstadt competitive for the future. The measures include the specialisation of the plant in the most innovative headlamp technologies on the one hand and its downsizing on the other. This is due to structural changes in the European market environment, which are primarily attributable to significantly lower vehicle production, a persistently high cost level and changing customer and supplier structures. The reorganisation of lighting production in Lippstadt also necessitates an adjustment to the personnel structure. The plan is to cut around 420 permanent jobs in lighting production at the Lippstadt site. The Company examined the consequences associated with this measure, in particular the need to recognise provisions and impairments of fixed assets, and recognised €60,142 thousand as an expense in this regard (see Chapters 22 and 37).

On 2 April 2024, HELLA and MAHLE sold the shares in the joint venture Behr-HELLA Thermocontrol GmbH (BHTC), which is accounted for using the equity method, to the Taiwanese company AUO Corporation, following approval by the responsible authorities (see Chapters 16 and 22).

On 16 December 2024, the rating agency Moody's downgraded HELLA's corporate rating from Baa3 to Ba1. With this rating downgrade, Moody's is primarily reflecting the corporate rating of the majority shareholder FORVIA S.E., which at Ba3 is two rating levels below HELLA's corporate rating. This has no material impact on the Group.

10 Comparative data

As part of a stronger focus on services with a direct link to sales revenue, the reporting of costs for product changes, brokerage services and freight costs was changed.

The expenses for product changes and associated costs are related to development services that are attributable to additional independent change requests from customers, which result in separate remuneration.

Expenses for transport and brokerage services, which are mainly incurred in the Lifecycle Solutions division, are reclassified from distribution expenses to cost of sales in accordance with a standardised management approach. This reclassification has no effect on the presentation of sales.

From the Company's perspective, this presentation represents a more appropriate allocation of revenue-related costs and thus provides more relevant and reliable information about the Company's contribution margins.

The following tables show the reporting periods taking this change into account.

€ thousand	2024 before reclassification	Change	2024 after reclassification
Sales	8,024,792	0	8,024,792
Cost of sales	-6,119,959	-148,304	-6,268,263
Gross profit	1,904,833	-148,304	1,756,529
Research and development expenses	-884,679	73,955	-810,724
Distribution expenses	-397,146	74,350	-322,796
Administrative expenses	-318,776	0	-318,776
Other income	189,567	0	189,567
Other expenses	-29,008	0	-29,008
Earnings from investments accounted for using the equity method	10,523	0	10,523
Other income from investments	-5,811	0	-5,811
Earnings before interest and taxes (EBIT)	469,503	0	469,503
Financial income	63,416	0	63,416
Financial expenses	-120,182	0	-120,182
Net financial result	-56,765	0	-56,765
Earnings before income taxes (EBT)	412,738	0	412,738
Income taxes	-41,856	0	-41,856
Earnings for the period	370,882	0	370,882

€ thousand	2023 before reclassification	Change	2023 after reclassification
Sales	7,954,141	0	7,954,141
Cost of sales	-5,943,353	-140,454	-6,083,806
Gross profit	2,010,789	-140,454	1,870,335
Research and development expenses	-881,633	69,049	-812,584
Distribution expenses	-380,650	71,404	-309,246
Administrative expenses	-315,464	0	-315,464
Other income	45,286	0	45,286
Other expenses	-28,281	0	-28,281
Earnings from investments accounted for using the equity method	13,947	0	13,947
Other income from investments	34	0	34
Earnings before interest and taxes (EBIT)	464,027	0	464,027
Financial income	59,646	0	59,646
Financial expenses	-126,699	0	-126,699
Net financial result	-67,052	0	-67,052
Earnings before income taxes (EBT)	396,975	0	396,975
Income taxes	-130,658	0	-130,658
Earnings for the period	266,317	0	266,317

The corresponding segment information is as follows:

Lighting

€ thousand	2024 before reclassification	Change	2024 after reclassification
Sales with third-party entities	3,944,018	0	3,944,018
Intersegment sales	51,256	0	51,256
Segment sales	3,995,274	0	3,995,274
Cost of sales	-3,336,582	-30,938	-3,367,520
Gross profit	658,692	-30,938	627,753
Research and development expenses	-338,938	9,397	-329,541
Distribution expenses	-80,947	21,541	-59,406
Administrative expenses	-117,215	0	-117,215
Other income	9,717	0	9,717
Other expenses	-5,052	0	-5,052
Operating Income	126,257	0	126,257

Electronics

€ thousand	2024 before reclassification	Change	2024 after reclassification
Sales with third-party entities	3,000,716	0	3,000,716
Intersegment sales	295,432	0	295,432
Segment sales	3,296,148	0	3,296,148
Cost of sales	-2,400,511	-71,916	-2,472,427
Gross profit	895,636	-71,916	823,721
Research and development expenses	-488,515	63,974	-424,541
Distribution expenses	-68,206	7,942	-60,264
Administrative expenses	-119,527	0	-119,527
Other income	21,417	0	21,417
Other expenses	-14,846	0	-14,846
Operating Income	225,961	0	225,961

Lifecycle Solutions

€ thousand	2024 before reclassification	Change	2024 after reclassification
Sales with third-party entities	1,012,363	0	1,012,363
Intersegment sales	18,000	0	18,000
Segment sales	1,030,362	0	1,030,362
Cost of sales	-595,061	-45,438	-640,499
Gross profit	435,302	-45,438	389,864
Research and development expenses	-49,573	576	-48,998
Distribution expenses	-247,770	44,862	-202,908
Administrative expenses	-43,783	0	-43,783
Other income	7,406	0	7,406
Other expenses	-2,668	0	-2,668
Operating Income	98,913	0	98,913

Lighting

€ thousand	2023 before reclassification	Change	2023 after reclassification
Sales with third-party entities	3,830,678	0	3,830,678
Intersegment sales	56,810	0	56,810
Segment sales	3,887,488	0	3,887,488
Cost of sales	-3,257,896	-30,332	-3,288,228
Gross profit	629,592	-30,332	599,260
Research and development expenses	-308,546	10,923	-297,623
Distribution expenses	-74,345	19,409	-54,936
Administrative expenses	-120,529	0	-120,529
Other income	10,532	0	10,532
Other expenses	-4,707	0	-4,707
Operating Income	131,997	0	131,997

Electronics

€ thousand	2023 before reclassification	Change	2023 after reclassification
Sales with third-party entities	3,048,628	0	3,048,628
Intersegment sales	323,553	0	323,553
Segment sales	3,372,180	0	3,372,180
Cost of sales	-2,429,782	-64,673	-2,494,455
Gross profit	942,398	-64,673	877,725
Research and development expenses	-519,476	57,029	-462,447
Distribution expenses	-66,003	7,643	-58,359
Administrative expenses	-131,261	0	-131,261
Other income	13,781	0	13,781
Other expenses	-7,257	0	-7,257
Operating Income	232,182	0	232,182

Lifecycle Solutions

€ thousand	2023 before reclassification	Change	2023 after reclassification
Sales with third-party entities	1,059,142	0	1,059,142
Intersegment sales	10,228	0	10,228
Segment sales	1,069,370	0	1,069,370
Cost of sales	-618,115	-45,392	-663,507
Gross profit	451,255	-45,392	405,863
Research and development expenses	-48,854	1,041	-47,813
Distribution expenses	-234,894	44,351	-190,543
Administrative expenses	-44,884	0	-44,884
Other income	9,003	0	9,003
Other expenses	-4,090	0	-4,090
Operating Income	127,536	0	127,536

11 Sales

Sales in the fiscal year 2024 amounted to €8,024,792 thousand (prior year: €7,954,141 thousand). Sales are attributable entirely to the sale of goods and performance of services.

They can be classified as follows:

€ thousand	2024	2023
Sales from the sale of goods	7,600,876	7,493,470
Sales from the rendering of services	423,916	460,671
Total sales	8,024,792	7,954,141

Sales by region (based on the registered offices of HELLA's customers):

€ thousand	2024	2023
Europe	4,576,531	4,588,378
North, Central and South America	1,629,976	1,623,815
Asia / Pacific / RoW	1,818,285	1,741,948
Consolidated sales	8,024,792	7,954,141

12 Cost of sales

In the fiscal year, €6,268,263 thousand (prior year: €6,083,806 thousand) was recognised as expenses under cost of sales. Apart from directly attributable material and production costs, the cost of sales also comprises foreign currency gains and losses (largely from the purchase of materials) and gains and losses from the disposal of fixed assets. In the reporting period, exchange rate gains amounted to €66,620 thousand (prior year: €42,597 thousand), exchange rate losses amounted to €59,849 thousand (prior year: €50,809 thousand). The recognised gains on the disposal of fixed assets amounted to €259 thousand (prior year: €593 thousand), the losses on disposal of fixed assets to €6,477 thousand (prior year: €7,350 thousand).

The cost of sales also includes a reduction in provisions for onerous contracts totalling €116,644 thousand. In addition to additions and reversals, utilisations are also recognised in this item, which compensate for operating shortfalls. The prior year included provisions for onerous contracts in the amount of €131,393 thousand (see Chapter 37).

This item also includes reversals of impairment losses of €7,215 thousand recognised in the reporting period on intangible assets and property, plant and equipment in connection with impending losses. In the prior year, reversals of impairment losses in the amount of €18,610 thousand were recognised.

13 Research and development expenses

The research and development expenses serve to generate future sales and mainly consist of personnel expenses and material expenses. The reported expenses in the fiscal year were €810,724 thousand (prior year: €812,584 thousand).

14 Distribution expenses

The distribution expenses include all downstream production costs that can, however, be attributable directly to the provision of goods or services to customers. This includes both the operation of warehouses and customer-related local supply. Classification as distribution expenses is carried out on a Group-wide basis, but also within the individual companies. The reported expenses in the fiscal year were €322,796 thousand (prior year: €309,246 thousand).

15 Administrative expenses

The administrative expenses recognised cover all central functions that are not usually directly related to production, development or distribution. These essentially consist of the financial, human resources, IT and similar departments. The reported expenses in the fiscal year were €318,776 thousand (prior year: €315,464 thousand).

16 Other income and expenses

The other income and expenses, totalling €160,559 thousand (prior year: €17,005 thousand), were made up of income amounting to €189,567 thousand (prior year: €45,286 thousand) and expenses amounting to €29,008 thousand (prior year: €28,281 thousand).

The sale of shares in the joint venture BHTC was recognised under income from the sale of financial assets (see Chapters 09 and 22).

Other income

€ thousand	2024	2023
Disposal of financial assets	129,970	11,006
Release of provisions	20,866	953
Valuation of investments	18,735	6,053
Government grants	13,296	3,788
Reversal of valuation allowances on receivables	254	3,233
Insurance refunds	0	863
Other	6,447	19,389
Other income, total	189,567	45,286

Other expenses

€ thousand	2024	2023
Disposal of financial assets	9,492	0
Value adjustments on trade receivables	7,690	3,743
Impairment loss on investments	3,053	3,833
Other	8,772	20,705
Other expenses, total	29,008	28,281

17 Net financial result

In addition to original interest expenses for financial instruments totalling €40,142 thousand (prior year: €47,191 thousand), the interest expense for the period includes accrued interest for provisions amounting to €23,084 thousand (prior year: €28,501 thousand). Please refer to Chapter 44 for

information on other financial expenses and income. Within interest income, €5,803 thousand was recognised for cancelled interest obligations for which the interest expense was recognised in prior years.

€ thousand	2024	2023
Interest income	43,161	30,735
Income from securities and other loans	3	3
Other financial income	20,252	28,908
Financial income	63,416	59,646
Interest expenses	-63,226	-75,692
Other financial expenses	-56,956	-51,007
Financial expenses	-120,182	-126,699
Net financial result	-56,765	-67,052

18 Income taxes

€ thousand	2024	2023
Effective income tax expense	-92,037	-115,606
Deferred income tax expense/income	50,180	-15,052
Recognised income taxes	-41,856	-130,658

The actual tax expense includes net income and expenses attributable to prior years amounting to totalling €14,738 thousand were (prior year: €13,117 thousand).

Deferred taxes are calculated based on the tax rates applicable or announced, depending on the legal situation, in the individual countries at the expected time of realisation. The prevailing corporate income tax rate of 15% plus the trade tax and the solidarity surcharge results in an average tax rate of 31% for German companies. The tax rates outside Germany range from 7.5% to 35%.

The development of the reported taxes on income derived from the expected tax expense is shown below. A tax rate of 31% (prior year: 31%) is taken as a basis.

Within the deferred tax assets recognised, an amount of €19,257 thousand is attributable to loss carryforwards for which HELLA, in contrast to the prior year, assumes that sufficient taxable earnings will be generated in the future. This new assessment is based on a more specific and extended planning calculation based on updated information on the taxable earnings in the planning years.

Of the effects from changes in tax rates and laws, €20,148 thousand is attributable to taxable exchange rate and inflation effects in Mexican units. The effects from tax-free income result in the amount of €36,337 thousand from the sale of the participation in BHTC.

In accordance with the national legal standards relevant to HELLA GmbH & Co. KGaA (Section 4 III, IV and Section 8 II MinStG), the indirect majority shareholding of FORVIA S.E. in HELLA GmbH & Co. KGaA qualifies FORVIA S.E. as the ultimate parent company within the meaning of BEPS Pillar 2 ("Base Erosion and Profit Shifting" Pillar 2). Corresponding disclosure requirements, including the amendments to IAS 12 "Income Taxes" "International Tax Reform – Pillar Two Rule Models", are stated in the FORVIA consolidated financial statements. Due to the current investment structure, neither actual nor deferred income tax effects from BEPS Pillar 2 are therefore recognised in HELLA's consolidated financial statements.

€ thousand	2024	2023
Earnings before tax	412,738	396,975
Expected income tax expense/income	-127,949	-123,062
Utilisation of previously unrecognised loss carryforwards	831	394
Reversal of previously unrecognised temporary differences	11,759	21,151
Unrecognised deferred tax assets	-14,933	-33,176
Subsequent recognition of deferred tax assets	20,827	1,959
Deferred tax from outside basis differences	-2,557	-3,906
Tax effect of changes in tax rates and laws	22,015	-23,472
Tax effect from tax-free income	42,391	11,803
Tax effect from investments accounted for using the equity method	3,262	4,324
Tax effect of non-deductible operating expenses	-23,518	-10,129
Tax effect for prior years	9,880	2,490
Non-deductible foreign withholding tax	-16,184	-16,100
Deviation in tax rates	36,636	37,101
Other	-4,316	-35
Reported income tax expense/income	-41,856	-130,658

19 Personnel

As at 31 December 2024, the core workforce comprised 36,413 employees (prior year: 37,773 employees). Including long-term absentees, trainees, interns and employees in the retirement phase of partial retirement (1,973 employees), the number of employment relationships totalled 38,386 (prior year: 39,844) on the reporting date.

The average number of employees in the permanent workforce in the companies included in the consolidated financial statements totals 37,381 (prior year: 37,448) for the fiscal year 2024. The change compared to the prior year includes a further 672 employees due to changes in the scope of consolidation.

Number	2024	2023
Direct employees	8,482	8,988
Indirect employees	28,899	28,460
Permanent employees	37,381	37,448

The number of employees is stated as a headcount. Direct employees are directly involved in the manufacturing process, while indirect employees are employed mainly in the areas of quality, research and development, as well as administration and distribution.

The average number of apprentices stood at 301 during the fiscal year (prior year: 313).

In addition, a further 3,772 (prior year: 3,718) employees were on temporary employment contracts internationally at the end of December, of which 734 were in new Group companies.

Permanent employees in HELLA Group by region:

Number	2024	2023
Europe	22,633	22,942
North, Central and South America	7,095	7,601
Asia / Pacific / RoW	7,653	6,906
Permanent employees worldwide	37,381	37,448

**Personnel expenses for permanent employees
break down as follows:**

€ thousand	2024	2023
Wages and salaries	1,482,521	1,403,698
Social security and retirement benefit expenses	419,331	396,185
Total	1,901,852	1,799,883

The costs of restructuring measures are included in personnel expenses which amounted to €71,210 thousand (prior year: €18,790 thousand).

20 Earnings per share

Basic earnings per share are calculated by dividing the share of earnings attributable to the shareholders of HELLA GmbH & Co. KGaA by the weighted average number of ordinary shares issued.

The basic earnings per share amount to €3.18 and, as in the prior year, are equivalent to the diluted earnings per share.

of units	31 December 2024	31 December 2023
Weighted average number of shares in circulation during the period		
Basic ordinary shares	111,111,112	111,111,112
Diluted ordinary shares	111,111,112	111,111,112
€ thousand	2024	2023
Share of profit attributable to owners of the parent company	353,104	263,919
€	2024	2023
Basic earnings per share	3.18	2.38
Diluted earnings per share	3.18	2.38

21 Appropriation of earnings

The Management Board will propose to the Annual General Meeting of HELLA GmbH & Co. KGaA that a dividend amounting to €105,931 thousand (€0.95 per no-par value share) be distributed from the net profit reported in the separate financial statements prepared for the parent company under commercial law for the fiscal year 2024.

A dividend totalling €0.71 per no-par value share was distributed in the prior year.

22 Operating income

The HELLA Group is managed by the Management Board using financial key performance indicators. With the start of the fiscal year 2023, the operating income margin took on a prominent role in the management of the HELLA Group, in addition to the continued currency and portfolio-adjusted sales growth. HELLA presents the income statement up to operating income in an adjusted form. The background to this is the company's guideline that the key performance indicators used must provide a transparent picture of operational performance. In the following presentation, special items are therefore not taken into account as special components, as these may affect the assessment of the company's operating performance due to their one-off nature or amount. The reported consolidated income statement can be found in the selected financial information.

Non-recurring operating income and expenses represent one-off effects that by their nature or amount lead to distortions and thus provide an inadequate assessment of the company's operating performance. This essentially comprises income and expenses in connection with changes in the legal structure of the Group, site closures, restructuring measures or the measurement of financial instruments. Therefore, non-recurring operating income and expenses are not included in operating income or the operating income margin. Non-recurring operating income and expenses are tracked uniformly and consistently across the Group.

The non-recurring expenses and income in the current reporting period consist of restructuring, changes in the scope of consolidation, investment valuations and other causes, which are explained below.

The corresponding reconciliation statement for the fiscal years 2023 and 2024 is

€ thousand	2024 as reported	Restructuring	Scope of consolidation	Investments	Other	2024 adjusted
Sales	8,024,792	0	0	0	0	8,024,792
Cost of sales	-6,268,263	83,649	0	0	4,860	-6,179,755
Gross profit	1,756,529	83,649	0	0	4,860	1,845,037
Research and development expenses	-810,724	7,496	0	0	0	-803,228
Distribution expenses	-322,796	124	0	0	0	-322,673
Administrative expenses	-318,776	14,847	5,353	0	12,589	-285,987
Other income	189,567	0	-145,982	-2,216	-18,136	23,233
Other expenses	-29,008	4,150	10,889	1,850	1,802	-10,317
Operating Income		110,265	-129,739	-366	1,114	446,065
Earnings from investments accounted for using the equity method	10,523					
Other income from investments	-5,811					
Earnings before interest and taxes (EBIT)	469,503					

In the current reporting period, adjustments for structural measures totalling €110,265 thousand (prior year: €32,700 thousand) were made. This mainly includes expenses for strategic programmes initiated in Europe (see Chapter 09).

Furthermore, income after transaction costs from the disposal of the joint venture BHTC totalling €119,084 thousand and income of €16,340 thousand from the remeasurement of all acquired assets and assumed liabilities of the HBBL subgroup were recognised. In addition, in connection with the full consolidation of Hella Pagid GmbH into HELLA GmbH & Co. KGaA, expenses totalling €3,434 thousand were recognised in relation to the devaluation of shares and transaction costs, as were expenses of €2,251 thousand for the further impairment of shares. In the reporting period of the prior year, costs of €1,668 thousand in connection with the planned sale of the joint venture BHTC were recognised in the below table under the scope of consolidation as an adjustment.

Income totalling €129,739 thousand was therefore reported as part of changes in the scope of consolidation (prior year: in the amount of €1,668 thousand).

In the item investments, income amounting to €2,216 thousand (prior year: expenses of €2,901 thousand) from the remeasurement of investments, some of which are related to venture capital activities, was adjusted. In addition, a loss in connection with the disposal of shares as part of venture capital activities totalling €1,850 thousand was also adjusted (prior year: income of €11,006 thousand).

The Other item, amounting to an expense of €1,114 thousand, mainly comprises the reversal of provisions totalling €8,465 thousand net, which were recognised in the short fiscal year 2022 for expected costs in connection with a legal dispute. Furthermore, provisions of €7,700 thousand were reversed, which were recognised in the fiscal year 2021/2022 to settle potential claims for damages and were reported in Others. In addition, an expense of €4,860 thousand was recognised in this item for the depreciation of previously capitalised customer base, in particular for the HBBL subgroup. Moreover, unexpected but enforced compensation claims from contractual partners for delivery failures during the COVID-19 phase in Shanghai totalling €10,617 thousand are reported. In the prior year under Other, expenses from the adjustment of contracts agreed to secure the supply of electronic components during the COVID-19 pandemic were also adjusted (€15,837 thousand).

€ thousand	2023 as reported	Restructuring	Scope of consolidation	Investments	Other	2023 adjusted
Sales	7,954,141	0	0	0	0	7,954,141
Cost of sales	-6,083,806	11,455	0	0	0	-6,072,352
Gross profit	1,870,335	11,455	0	0	0	1,881,790
Research and development expenses	-812,584	3,928	0	0	0	-808,656
Distribution expenses	-309,246	5,538	0	0	0	-303,708
Administrative expenses	-315,464	11,588	1,750	0	0	-302,126
Other income	45,286	-3,961	-82	-17,059	0	24,185
Other expenses	-28,281	4,152	0	3,152	15,837	-5,140
Operating Income		32,700	1,668	-13,907	15,837	486,345
Earnings from investments accounted for using the equity method	13,947					
Other income from investments	34					
Earnings before interest and taxes (EBIT)	464,027					

23 Segment reporting

External segment reporting is based on internal reporting (“management approach”). Segment reporting is based solely on financial information used by the Company's decision-makers for the internal management of the Company and to make decisions regarding the allocation of resources and the measurement of profitability.

The HELLA Group's business activities are divided into three segments: Lighting, Electronics and Lifecycle Solutions:

The product portfolio of the Lighting Segment is divided into four product lines: headlamps, combination rear lamps, body lighting and interior lighting.

The Electronics segment focuses on the product lines of Automated Driving, Sensors and Actuators, Body Electronics and Energy Management.

Both the Lighting and Electronics segments serve automotive manufacturers and other tier-1 suppliers in the premium and volume segments worldwide with a variety of lighting and electronic components.

The Lifecycle Solutions segment consists of the three divisions Independent Aftermarket, Workshop Solutions and Special Original Equipment. In the Independent Aftermarket, HELLA sells vehicle-specific or universally applicable wear parts, spare parts and accessories to dealers and independent workshops in Europe. The Workshop Solutions division's core offering includes vehicle diagnostics, emissions testing, battery testing, light adjustment, and calibration, as well as service and data-based services. In the Special Original Equipment division, HELLA develops, manufactures and distributes lighting and electronic products for special-purpose vehicles such as construction and agricultural machinery, buses and motor homes, as well as for the marine sector. The starting point for this is above all the high level of technological competence from the automotive core business.

All other Group segments are subordinate in terms of their economic significance and are therefore not segmented further. Their functions relate mainly to Group financing.

The segments Light and Electronics together generated sales of €1,602,078 thousand (prior year: €1,366,049 thousand) from a single customer in the reporting year and therefore accounted for approximately 20% of consolidated sales.

Currency and portfolio-adjusted sales growth and the operating income margin are used to manage the business segments. Assets and liabilities are not reported. The internal reporting applies the same accounting and measurement principles as the consolidated financial statements.

The segment information for the fiscal years 2024 and 2023 is as follows:

€ thousand	Lighting		Electronics		Lifecycle Solutions	
	2024	2023	2024	2023	2024	2023
Sales with third-party entities	3,944,018	3,830,678	3,000,716	3,048,628	1,012,363	1,059,142
Intersegment sales	51,256	56,810	295,432	323,553	18,000	10,228
Segment sales	3,995,274	3,887,488	3,296,148	3,372,180	1,030,362	1,069,370
Cost of sales	-3,367,520	-3,288,228	-2,472,427	-2,494,455	-640,499	-663,507
Gross profit	627,753	599,260	823,721	877,725	389,864	405,863
Research and development expenses	-329,541	-297,623	-424,541	-462,447	-48,998	-47,813
Distribution expenses	-59,406	-54,936	-60,264	-58,359	-202,908	-190,543
Administrative expenses	-117,215	-120,529	-119,527	-131,261	-43,783	-44,884
Other income	9,717	10,532	21,417	13,781	7,406	9,003
Other expenses	-5,052	-4,707	-14,846	-7,257	-2,668	-4,090
Operating Income	126,257	131,997	225,961	232,182	98,913	127,536
Additions to property, plant and equipment and intangible assets	199,896	238,998	369,169	302,570	30,751	40,277

Sales with third-party entities in the fiscal years 2024 and 2023 are as follows:

€ thousand	Lighting		Electronics		Lifecycle Solutions	
	2024	2023	2024	2023	2024	2023
Sales from the sale of goods	3,777,358	3,654,846	2,875,255	2,838,972	947,979	999,652
Sales from the provision of services	166,660	175,832	125,461	209,656	64,384	59,490
Sales with third-party entities	3,944,018	3,830,678	3,000,716	3,048,628	1,012,363	1,059,142

Sales by region with third-party entities in the fiscal years 2024 and 2023 are as follows:

€ thousand	Lighting		Electronics		Lifecycle Solutions	
	2024	2023	2024	2023	2024	2023
Europe	2,143,646	2,170,131	1,647,995	1,646,231	716,861	756,296
North, Central and South America	890,757	882,371	604,965	598,403	134,587	143,068
Asia / Pacific / RoW	909,615	778,177	747,755	803,993	160,915	159,778
Segment sales	3,944,018	3,830,678	3,000,716	3,048,628	1,012,363	1,059,142

Sales reconciliation:

€ thousand	2024	2023
Total sales of the reporting segments	8,321,784	8,329,039
Sales in other divisions	68,068	15,998
Elimination of intersegment sales	-365,059	-390,895
Consolidated sales	8,024,792	7,954,141

Reconciliation of the segment results with consolidated net profit:

€ thousand	2024	2023
Operating income of the reporting segments	451,131	491,715
Operating income from other areas	-5,066	-5,370
Adjustments	18,726	-36,298
Earnings from investments accounted for using the equity method	10,523	13,947
Result from other investments	-5,811	34
Net financial result	-56,765	-67,052
Consolidated EBT	412,738	396,975

The operating income of the reporting segments includes consolidation effects affecting operating income. The operating income of other areas includes expenses for strategic investments in potential new technologies and business fields, depreciation and amortisation of assets not used for

operations and expenses for central functions. The operating income of the reporting segments and other areas totalled €446,065 thousand (prior year: €486,345 thousand). Please refer to section 22 for further reconciliations of this total to the consolidated income statement as a whole.

Non-current assets by region:

€ thousand	2024	2023
Germany	661,041	723,826
Europe excluding Germany	1,083,384	1,052,344
North, Central and South America	720,442	620,197
Asia / Pacific / RoW	731,910	583,488
Consolidated non-current assets	3,196,777	2,979,854

Depreciation and amortisation of non-current assets amounted to €282,680 thousand (prior year: €282,066 thousand) in the Lighting segment, €230,386 thousand (prior year: €214,861 thousand) in the Electronics segment and €31,457 thousand (prior year: €33,831 thousand) in the Lifecycle Solutions segment.

The impairment losses after deduction of the reversal of impairment losses on non-current assets amount to €19 thousand in the Lighting segment (prior year: reversal of impairment losses of €6,509 thousand), €174 thousand in the Electronics segment (prior year: €6,157 thousand) and €0 thousand in the Lifecycle Solutions segment (prior year: reversal of impairment losses of €185 thousand).

24 Cash and cash equivalents

Cash and cash equivalents include current account balances of €1,003,633 thousand (prior year: €868,208 thousand) and current investments of

€289,535 thousand (prior year: €222,242 thousand), i.e. a total of €1,293,167 thousand as at 31 December 2024 (prior year: €1,090,450 thousand).

25 Financial assets

€ thousand	31 December 2024	31 December 2023
Debt capital instruments	106,088	99,351
Loans	14,801	24,021
Other bank balances	2,265	4,558
Current financial assets	123,154	127,929
Debt capital instruments	12,962	16,859
Equity instruments	62,571	61,776
Loans	92	126
Other financial assets	48	38
Non-current financial assets	75,672	78,799
Financial assets	198,826	206,729

Within financial assets, debt capital instruments mainly include securities and bills of exchange. Bills of exchange received are recognised under financial assets if the maturity on receipt is more than three months or the bill cannot be converted directly into sight deposits.

Equity instruments mainly comprise shares in affiliates and other equity investments.

The loans category mainly includes loans receivable from companies that are not included in the consolidated financial statements and have therefore not been consolidated.

26 Trade receivables

€ thousand	31 December 2024	31 December 2023
Trade receivables involving associates, joint ventures and investments	76,523	14,735
Trade receivables with affiliated companies not included in the consolidated financial statements	1,091	1,643
Trade receivables with companies of the FORVIA Group that do not belong to the HELLA Group	3,140	5,574
Total	80,754	21,952

Under a factoring programme contractually agreed in June 2022, HELLA can transfer receivables to third parties. For the receivables sold under the

agreement, essentially all opportunities and risks are transferred to the buyer of the receivables; the receivables are consequently derecognised in full.

As at 31 December 2024, the sales of receivables amounted to €285,675 thousand (prior year: €247,325 thousand), not taking into account the retention of collateral. The contractually agreed security retention is levied in the amount of 5% of the sale of receivables and amounted to €15,043 thousand as at 31 December 2024 (prior year: €13,161 thousand).

The trade receivables of €941,371 thousand (prior year: €923,065 thousand), include receivables from associates, joint ventures, non-consolidated affiliates and companies in which a participating interest is held as well as companies of the FORVIA group that do not belong to the HELLA Group in the amount of €80,754 thousand (prior year: €21,952 thousand).

27 Other receivables and non-financial assets

Receivables from other taxes mainly include deductible input taxes. Other advance payments include sales-related discounts amounting to

€54,463 thousand (prior year: €54,043 thousand), which are amortised over the term of the contract in a manner that reduces sales.

€ thousand	31 December 2024	31 December 2023
Receivables from finance leases	21,467	19,760
Security retentions	15,043	13,161
Positive market value of currency hedges	4,880	28,585
Insurance receivables	461	1,927
Other current assets	16,228	17,334
Subtotal of other financial assets	58,080	80,766
Advance payments for services	7,102	6,722
Advance payments for insurances	6,847	2,789
Advance payments for licences	17,717	18,971
Other advance payments	59,710	61,411
Receivables for partial retirement	304	310
Advance payments to employees	1,647	1,758
Other tax receivables	94,786	90,698
Subtotal of other non-financial assets	188,114	182,660
Total	246,193	263,426

28 Inventories

Inventories are broken down as follows:

€ thousand	31 December 2024	31 December 2023
Raw materials and supplies	444,899	469,765
Unfinished goods	438,096	423,692
Finished goods	99,549	89,769
Merchandise	129,247	134,683
Other	6,315	6,622
Total inventories	1,118,106	1,124,531

The carrying amounts of the inventories recognised at fair value less the cost of sales amounted to €474,034 thousand (prior year: €433,919 thousand).

Impairments of €9,638 thousand (prior year: €9.561 thousand) were recognised under the cost

of sales in the reporting year. This results in cumulative adjustments to inventory in the amount of €91,233 thousand for the reporting period (prior year: €81,594 thousand). The historical cost of inventories amounting to €4,620,402 thousand (prior year: €4,568,714 thousand) was recognised as expenses in the reporting period.

29 Contract assets and contract obligations

The contract assets as at 31 December 2024 were the result of business transactions where the HELLA Group had already provided services, but where there was not yet an absolute payment entitlement with regard to the customer. The contract obligations as at 31 December 2024 were the result of

customer payments received in connection with development services and customer tools for which the power of disposition had not yet been transferred to the customer, plus other payments received from contracts with customers. Compared to the prior year, contract assets have increased.

Contract assets and contract obligations

€ thousand	31 December 2024	31 December 2023
short-term contract assets	119,896	116,774
long-term contract assets	130,450	115,824
Contract assets	250,346	232,598
Contract obligations	178,356	138,369
Revenue received as part of contract obligations at the start of the fiscal year		
and recognised during the reporting period	91,462	75,776
from performance obligations fulfilled in previous fiscal years	3,055	1,438

The increase is mainly due to performance obligations on the part of customers to compensate for inflation-related increases in material prices.

The contract obligations as at 31 December 2024 mainly involved service obligations yet to be fulfilled from development contracts. Their realisa-

tion is recognised when the power of disposition over the finished development service is transferred to the customer. From this, expected sales in the amount of €148,003 thousand will be mainly realised over the next three years (prior year: €107,805 thousand).

30 Intangible assets

€ thousand	Capitalised development expenses	Goodwill	Acquired intangible Assets	Total
Acquisition or manufacturing costs				
As at 01 January 2023	884,195	70,461	174,537	1,129,193
Currency translation	-18,196	-827	-976	-20,000
Additions	157,405	0	18,849	176,254
Disposals	-20,005	0	-9,640	-29,645
As at 31 December 2023	1,003,399	69,634	182,769	1,255,803
Accumulated depreciation and amortisation				
As at 01 January 2023	447,446	65,620	138,576	651,642
Currency translation	-7,022	-799	-757	-8,578
Additions	70,513	0	14,818	85,331
Disposals	-14,259	0	-9,257	-23,517
Recorded impairments	13,434	0	0	13,434
Reversal of impairment losses	-7,464	0	0	-7,464
As at 31 December 2023	502,648	64,821	143,379	710,848
Carrying amounts 31 December 2023	500,751	4,813	39,390	544,954

€ thousand	Capitalised development expenses	Goodwill	Acquired intangible Assets	Total
Acquisition or manufacturing costs				
As at 01 January 2024	1,003,399	69,634	182,769	1,255,803
Changes in the scope of consolidation	4,937	0	34,040	38,976
Currency translation	23,289	394	1,710	25,393
Additions	219,388	0	20,031	239,419
Disposals	-201,718	0	-8,957	-210,675
As at 31 December 2024	1,049,295	70,028	229,593	1,348,916
Accumulated depreciation and amortisation				
As at 01 January 2024	502,648	64,821	143,379	710,848
Changes in the scope of consolidation	3,417	0	1,883	5,299
Currency translation	8,004	373	232	8,609
Additions	83,203	0	20,226	103,429
Disposals	-186,684	0	-9,059	-195,743
Recorded impairments	12,008	0	0	12,008
Reversal of impairment losses	-11,829	0	0	-11,829
As at 31 December 2024	410,766	65,194	156,661	632,622
Carrying amounts 31 December 2024	638,529	4,834	72,931	716,294

All capitalised development expenses arose from internal developments. Borrowing costs of €9,749 thousand (prior year: €0 thousand) were taken into account when capitalising the production costs of intangible assets. A financing cost rate of between 4.55% and 5.99% was used to determine the capitalisable borrowing costs.

Of the amortisation of intangible assets amounting to €103,429 thousand (prior year: €85,331 thousand) was recognised in the income statement with €95,681 thousand (prior year: €77,921 thousand) in the cost of sales and €7,748 thousand (prior year: €7,410) in administrative expenses. Impairments of €12,008 thousand were recognised, inter alia, in connection with the recognition of provisions for onerous contracts (Chapter 37) and are included in the cost of sales, as are the reversals of impairment losses recognised in this context in the amount of €11,730 thousand in the Lighting segment and €98 thousand in the Electronics segment.

The discount rate used in the context of the impairment loss was between 8.60% and 13.82% (prior year: between 10.05% and 16.76%). The acquired intangible assets mainly include software licences. Of the capitalised development expenses of €638,529 thousand (prior year: €500,751 thousand), €252,391 thousand (prior year: €141,554 thousand) was still under development as of the reporting date.

Goodwill amounted to €4,834 thousand (prior year: €4,813 thousand) as of the reporting date. Of this amount, €4,817 thousand (prior year: €4,796 thousand) is attributable to the business segments, and a further €17 thousand (prior year: €17 thousand) has not been allocated to the operating business segments.

Goodwill

Goodwill is allocated to the business segments as follows:

€ thousand	31 December 2024	31 December 2023
Lighting	2,218	2,218
Electronics	1,796	1,782
Lifecycle Solutions	803	796
Total	4,817	4,796

Goodwill impairment monitoring in the HELLA Group is based on the CGUs in the operative segments. CGUs represent the smallest group of assets that generate cash flow, and are, therefore, the smallest reporting units. Since the fiscal year 2023, the Lighting, Electronics and Lifecycle Solutions segments have represented the smallest cash-generating unit. This reflected the increased responsibility of the segments as part of the ongoing decentralisation of management tasks. Based on the adjustment of the reporting structure in calendar year 2023 (the Automotive segment was broken down into the Lighting and Electronics segments), it was examined whether goodwill should be reallocated. The goodwill recognised in the balance sheet was not changed and remains unchanged for each segment. The recoverable amounts of all CGUs were significantly higher than the carrying amounts of the respective CGUs.

If it is determined that the recoverable amount of a CGU is lower than its carrying amount, an impairment loss is recognised. The recoverable amount is determined on the basis of the expected future discounted cash flows from planned use (value in use). These are based on Management Board forecasts covering a period of five years. In addition to

the CGU-specific experience and the expectation of future industry development, these plans also take into account contractually agreed sales and anticipated purchase prices. Future capital expenditure is also forecast.

The discount rates applied within the scope of the measurement are calculated on the basis of market data. As in the prior year, consistent growth rates were used to extrapolate the cash flow after the detailed planning phase. The growth rates are based on analyses conducted by a specialist service provider and do not exceed the long-term growth rates for the sector or the region in which the CGUs are active.

To take into account the differentiation between segments, a specific peer group was used to determine the discount rates. The weighted capital cost of the segments is thus based on the capital structure of the relevant group of listed companies to which the segment in question is comparable in terms of its risk/reward structure. A cost of capital after tax of 10.62% was recognised for the CGU Lighting, 10.80% for the CGU Electronics and 11.31% for the CGU Lifecycle Solutions.

	Discount rates		Growth rates	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Lighting	8.60% to 13.82%	10.05% to 15.61%	1.00%	1.00%
Electronics	8.60% to 14.71%	9.78% to 16.76%	1.00%	1.00%
Lifecycle Solutions	8.76% to 41.40%	8.76% to 65.78%	1.00%	1.00%

The risk-free interest rate applied is 2.48% (prior year: 2.71%) and the market risk premium (including country risk) ranges between 7.50% and 13.0% (prior year: between 7.50% and 32.5%). The inflation spreads applied ranged between -0.26% and 26.82% (prior year: between -1.45% and 46.49%).

In addition to impairment testing, two sensitivity analyses were carried out for each group of CGUs with goodwill. The most important sensitivity indicators for the impairment test are the discount

rates and long-term growth rate. A sensitivity analysis performed for the business segments found that the 1 percentage point increase in the WACC or a 1 percentage point reduction in the long-term growth rate would not change the outcome of the impairment test.

The tables below show the results of the sensitivity analysis, which can also be extended to non-current assets other than goodwill.

The following impairments (-) would arise:

Lighting segment	31 December 2024		31 December 2023	
	Change in € thousand	Change in € thousand	Change in € thousand	Change in € thousand
	WACC	Long-term growth rate	WACC	Long-term growth rate
Change in percentage points				
- 1 percentage point	-	-	-	-
+ 1 percentage point	-	-	-	-

Electronics segment	31 December 2024		31 December 2023	
	Change in € thousand	Change in € thousand	Change in € thousand	Change in € thousand
	WACC	Long-term growth rate	WACC	Long-term growth rate
Change in percentage points				
- 1 percentage point	-	-	-	-
+ 1 percentage point	-	-	-	-

Lifecycle Solutions segment	31 December 2024		31 December 2023	
	Change in € thousand	Change in € thousand	Change in € thousand	Change in € thousand
	WACC	Long-term growth rate	WACC	Long-term growth rate
Change in percentage points				
- 1 percentage point	-	-	-	-
+ 1 percentage point	-	-	-	-

For the Lighting, Electronics and Lifecycle Solutions segments, changes in the long-term growth rate and the WACC of 1% do not lead to any need to recognise impairment losses.

31 Property, plant and equipment

€ thousand	Land and buildings	Machinery	Production equipment	Operating and office equipment	Assets under construction	Total
Acquisition or manufacturing costs						
As at 01 January 2023	1,130,166	2,766,530	1,378,311	616,181	479,760	6,370,948
Currency translation	-21,486	-52,640	-14,163	-9,356	-9,654	-107,300
Additions	25,837	98,230	39,225	60,476	286,683	510,451
Disposals	-17,949	-101,307	-301,167	-26,483	-2,490	-449,398
Reclassifications	25,869	149,825	123,899	8,324	-307,917	0
As at 31 December 2023	1,142,436	2,860,637	1,226,105	649,141	446,382	6,324,702
Accumulated depreciation and amortisation						
As at 01 January 2023	527,284	1,912,154	1,200,274	433,629	30,309	4,103,650
Currency translation	-8,488	-33,508	-10,514	-6,374	-145	-59,030
Additions	60,649	241,500	85,533	61,431	0	449,114
Disposals	-14,385	-94,551	-299,244	-24,728	-3	-432,910
Recorded impairments	50	320	7,684	728	9,999	18,782
Reversal of impairment losses	0	-539	-1,702	0	-254	-2,495
Reclassifications	586	-45,120	44,800	-255	-12	0
As at 31 December 2023	565,697	1,980,255	1,026,832	464,432	39,894	4,077,111
Carrying amounts 31 December 2023	576,740	880,382	199,273	184,709	406,488	2,247,591

€ thousand	Land and buildings	Machinery	Production equipment	Operating and office equipment	Assets under construction	Total
Acquisition or manufacturing costs						
As at 01 January 2024	1,142,436	2,860,637	1,226,105	649,141	446,382	6,324,702
Change of the scope of consolidation	15,211	64,190	25,381	1,065	22,244	128,091
Currency translation	15,908	50,459	5,734	9,253	7,015	88,370
Additions	51,634	101,727	39,314	42,806	231,662	467,143
Disposals	-18,828	-115,837	-104,443	-51,007	-4,577	-294,692
Reclassifications	73,446	178,404	58,710	11,409	-321,969	0
As at 31 December 2024	1,279,807	3,139,580	1,250,800	662,667	380,758	6,713,611
Accumulated depreciation and amortisation						
As at 01 January 2024	565,697	1,980,255	1,026,832	464,432	39,894	4,077,111
Change of the scope of consolidation	7,069	28,214	18,987	1,207	0	55,476
Currency translation	6,239	31,454	4,617	6,722	-39	48,993
Additions	70,509	244,282	90,886	62,092	0	467,769
Disposals	-18,315	-109,678	-96,838	-48,482	0	-273,313
Recorded impairments	7,689	7,572	4,745	1,484	877	22,366
Reversal of impairment losses	-1,637	-2,503	0	-404	-3,737	-8,282
Reclassifications	649	2,853	1,561	-5,063	0	0
As at 31 December 2024	637,899	2,182,449	1,050,789	481,988	36,995	4,390,120
Carrying amounts 31 December 2024	641,908	957,132	200,011	180,679	343,763	2,323,492

In the reporting period 2024, no restrictions on the powers of disposition over property, plant and equipment existed in the form of land charges and assignments.

The additions to property, plant and equipment include €36,396 thousand from leases. Please refer to Chapter 47, "Information on leases", for additional information on leases.

As part of the test of asset impairment which compared the carrying amounts that applied in each case with the corresponding recoverable amounts that are impacted by lower earnings prospects as a

consequence of higher inflation, an impairment loss for property, plant and equipment of €16,164 thousand (prior year: €16,164 thousand) was recognised in the cost of sales in the Lighting, Electronics and Lifecycle Solutions segments. The impairment losses of €6,202 thousand (prior year: €0 thousand) were mainly related to the recognition of provisions for onerous contracts (Chapter 37) and were recognised in the cost of sales and in research and development expenses.

A discount rate between 10.62% and 11.31% was used for the valuation. The unit's long-term growth rate was set at 1%.

32 Investments accounted for using the equity method

The financial information for all joint ventures and associates is presented below:

€ thousand	31 December 2024	31 December 2023
100% basis		
Sales	572,034	1,188,506
Earnings before interest and income taxes (EBIT)	28,216	49,054
Group's total share of:		
Sales	268,082	569,186
Earnings before interest and income taxes (EBIT)	13,649	23,950
Consolidated net profit for the period	10,523	13,249
Other consolidated net profit for the period	2,707	-8,533
Comprehensive income for the period recognised in the Group	13,231	4,716

The recognised net assets of all joint ventures and all associates are made up as follows:

€ thousand	31 December 2024	31 December 2023
Carrying amount of HBBL	0	31,694 ¹
Carrying amount HELLA MINTH Jiaxing Automotive Parts Co., Ltd.	19,324	16,463
Carrying amount of InnoSenT	25,527	26,237
Carrying amounts of significant companies accounted for using the equity method	44,851	57,932²
Proportionate net assets of the other companies accounted for using the equity method	112,884	160,229
Goodwill, eliminations and impairment	-59,386	-94,762
Carrying amount of the remaining companies accounted for using the equity method	53,498	65,468
Investments accounted for using the equity method	98,349	123,399

¹The HBBL subgroup was fully consolidated for the first time in the fiscal year 2024 (see Chapter 03) and is therefore no longer recognised as a significant company accounted for using the equity method.

²HELLA MINTH was not reported as a significant company accounted for using the equity method as at 31 December 2023 and is therefore not included in the total of material companies accounted for using the equity method, but in the total of other companies accounted for using the equity method.

The net assets of all joint ventures and all associates on the balance sheet developed as follows in the 2024 fiscal year:

€ thousand	31 December 2024	31 December 2023
Pro rata share of the net assets as at 1 January	123,399	203,008
Earnings for the period	10,523	13,947
Other earnings for the period	2,707	-8,533
Dividends	-8,511	-4,270
Capital increases/contributions	1,926	954
Disposals	-31,694	0
Reclassifications to non-consolidated companies	-3	-9,120
Reclassifications to assets held for sale	0	-72,587
Pro rata share of net assets as at 31 December	98,349	123,399

The disposals from the net assets of all joint ventures and all associates totalled €31,694 thousand (prior year: €0 thousand). This development is due to the fact that the HBBL subgroup was fully consolidated for the first time in the fiscal year 2024 (see Chapter 03 Company acquisitions) and is therefore no longer recognised as a material company accounted for using the equity method. In the fiscal year 2024, shares totalling €3 thousand (prior year: €9,120 thousand) were reclassified as non-consolidated companies. Due to the increase in the shareholding in the former joint venture HELLA Pagid GmbH from 50% to 100% in the previous fiscal year, the company was not included in the consolidated financial statements in 2023 but shown as a non-consolidated company. From the beginning of the fiscal year 2024 until the merger of the company with Hella GmbH & Co. KGaA, the company will be fully consolidated (see Chapter 03).

The following is a list of the Group's investments accounted for using the equity method. The summarised IFRS financial information for the two joint ventures HELLA MINTH and InnoSenT is shown separately first, as these have material significance for the at-equity measurement in the Group. The financial information of all joint ventures and associates is presented below.

HELLA MINTH

HELLA MINTH Jiaxing Automotive Parts Co., Ltd. is a China-based joint venture between HELLA and the MINTH Group. The company develops, produces and markets radomes and illuminated logos. Radomes are permeable covers for radar systems

that can be customised and integrated into the radiator grille, for example. The financial information of the HELLA MINTH joint venture is presented below.

€ thousand	31 December 2024	31 December 2023
Share of equity (%)	50	50
Cash and cash equivalents	6,737	5,020
Other current assets	17,689	14,738
Non-current assets	25,937	25,214
Total assets	50,362	44,971
Current financial liabilities	0	0
Other current liabilities	12,685	13,016
Non-current financial liabilities	0	0
Other non-current liabilities	0	0
Total liabilities	12,685	13,016
Net assets (100%)	37,677	31,955
Pro rata share of the net assets	18,839	15,977
Eliminations, impairments and other valuations	486	486
Goodwill	0	0
Carrying amount	19,324	16,463
Sales	29,630	27,970
Depreciation and amortisation	-2,919	-2,583
Interest income	119	60
Interest expenses	0	-65
Taxes on income	-998	-2,087
Earnings before interest and income taxes (EBIT)	7,911	8,714
Earnings for the period	7,044	6,521
Other earnings for the period	0	-1,876
Comprehensive income for the period (100%)	7,044	4,645
Share of comprehensive income for the period	3,522	2,322
Dividends received	1,284	0

InnoSenT

As one of the world market leaders for radar sensors, InnoSenT GmbH develops and produces radar technology for safety-relevant driver assistance systems in cars, such as lane change assistant or lane departure warning system. In addition, InnoSenT GmbH produces systems for traffic monitoring and

building surveillance. The focus of the cooperation between HELLA and InnoSenT GmbH is primarily on the development and production of radar sensors for automotive applications in the worldwide HELLA network. The financial information of the InnoSenT joint venture is presented below.

€ thousand	31 December 2024	31 December 2023
Share of equity (%)	50	50
Cash and cash equivalents	1,242	1,081
Other current assets	21,231	24,696
Non-current assets	19,057	16,176
Total assets	41,530	41,952
Current financial liabilities	4,020	2,825
Other current liabilities	2,138	2,335
Non-current financial liabilities	0	0
Other non-current liabilities	0	0
Total liabilities	6,158	5,160
Net assets (100%)	35,372	36,793
Pro rata share of the net assets	17,686	18,396
Eliminations and impairments	-443	-443
Goodwill	8,284	8,284
Carrying amount	25,527	26,237
Sales	36,585	41,196
Depreciation and amortisation	-1,258	-1,236
Interest income	8	12
Interest expenses	-118	-105
Taxes on income	-827	-1,498
Earnings before interest and income taxes (EBIT)	2,890	5,398
Earnings for the period	2,179	4,007
Other earnings for the period	0	0
Comprehensive income for the period (100%)	2,179	4,007
Share of comprehensive income for the period	1,090	2,003
Dividends received	1,800	1,400

The Group also has shares in further joint ventures and associates, which are also accounted for using the equity method. The financial information of all joint ventures and associates – with the exception of HELLA MINTH and InnoSenT – is presented below.

€ thousand	31 December 2024	31 December 2023
100% basis		
Sales	505,820	783,570
Earnings before interest and income taxes (EBIT)	17,415	18,568
Group's total share of:		
Sales	234,975	366,719
Earnings before interest and income taxes (EBIT)	8,249	8,707
Earnings for the period	2,826	3,258
Other earnings for the period	2,083	-4,883
Comprehensive income for the period recognised in the Group	4,910	-1,624
Carrying amount of the remaining companies accounted for using the equity method	53,498	65,468

Of the earnings for amount of the other companies accounted for using the equity method in the amount of €2,826 thousand (prior year: €3,258 thousand), €72 thousand (prior year: €61 thousand) is attributable to associates and €2,754 thousand (prior year: €3,197 thousand) to joint venture companies. Other comprehensive income for the period totalling €2,083 thousand (prior year: €-4,883 thousand) is attributable to the associates at €1,884 thousand (prior year: €-3,471 thousand) and to the joint ventures at €200 thousand (prior year: €-1,412 thousand). Of the comprehensive in-

come for the period of €4,910 thousand (prior year: €-1,624 thousand), €1,956 thousand (prior year: €-3,410 thousand) is attributable to associates and €2,954 thousand (prior year €1,786 thousand) to joint venture companies. Of the carrying amount of other companies accounted for using the equity method totalling €53,498 thousand (prior year: €65,468 thousand), €48,906 thousand (prior year: €48,489 thousand) is attributable to associates and €4,592 thousand to joint ventures (prior year: €16,979 thousand).

33 Deferred tax assets/ liabilities

The deferred tax assets of €134,906 thousand (prior year: €88,391 thousand) and the deferred tax liabilities of €33,761 thousand (prior year: €43,750 thousand) mainly relate to differences from the tax balance sheet valuations.

Before netting, the current portion of losses or deferred tax assets and liabilities amounts to €154,552 thousand or €198,084 thousand, losses or (prior year: €135,680 thousand losses or €179,729 thousand, respectively).

The deferred tax assets and liabilities are broken down as follows:

€ thousand	Deferred tax assets	Deferred tax liabilities	Net status of deferred taxes As at 31 Dec 2023
Intangible assets	62,791	-120,319	-57,529
Property, plant and equipment	83,324	-83,017	307
Financial assets	1,235	-5,921	-4,686
Other non-current assets	5,789	-20,703	-14,914
Receivables	2,694	-18,204	-15,510
Inventories	12,857	-18,864	-6,007
Other current assets	9,200	-64,263	-55,063
Non-current financial liabilities	1	-8,231	-8,230
Provisions for pensions and similar obligations	54,761	-1,884	52,876
Other non-current provisions	68,241	-16,390	51,851
Other non-current liabilities	27,716	-171	27,545
Liabilities	18,253	-11,006	7,246
Other liabilities and accruals	77,586	-62,791	14,795
Other current liabilities	15,090	-4,602	10,489
Subtotal	439,537	-436,366	3,171
Tax loss carryforwards	41,470	-	41,470
Netting	-392,616	392,616	0
Total	88,391	-43,750	44,641

€ thousand	Recognised in the income statement	Recognised in other comprehensive income	Change Consolidation scope	Net status of deferred taxes as at 31 Dec 2024	Deferred tax assets	Deferred tax liabilities
Intangible assets	-23,600	3,675	0	-77,453	82,165	-159,618
Property, plant and equipment	9,082	-46	-2,465	6,878	92,879	-86,001
Financial assets	-3,017	43	0	-7,660	2,463	-10,123
Other non-current assets	18,491	-528	0	3,049	19,927	-16,878
Receivables	4,583	1,181	0	-9,746	4,333	-14,079
Inventories	-5,395	324	0	-11,078	22,356	-33,434
Other current assets	-15,668	855	0	-69,877	4,507	-74,383
Non-current financial liabilities	-1,542	158	0	-9,614	2	-9,616
Provisions for pensions and similar obligations	-697	-6,241	0	45,939	49,869	-3,930
Other non-current provisions	-3,844	-945	0	47,062	39,790	7,272
Other non-current liabilities	3,158	-25	0	30,678	30,678	0
Liabilities	5,513	-931	0	11,828	19,307	-7,479
Other liabilities and accruals	-197	11,119	0	25,717	94,143	-68,426
Other current liabilities	-512	-353	0	9,624	9,906	-282
Subtotal	-13,645	8,285	-2,465	-4,654	472,325	-476,979
Tax loss carryforwards	63,825	0	504	105,799	105,799	0
Netting	0	0	0	0	-443,218	443,218
Total	50,180	8,285	-1,961	101,145	134,906	-33,761

There is sufficient probability that the loss carryforwards for which deferred tax assets are recognised will be realised. The amount of the loss carryforwards for which no deferred tax assets are recognised was €248,572 thousand as at 31 December 2024 (prior year: €269,154 thousand). Future offsetting against taxable profits is not sufficiently likely. Of this amount, €92,514 thousand (prior year: €20,325 thousand) will expire within the next five years and €156,058 thousand (prior year: €248,829 thousand) thereafter. Unrecognised deferred tax assets on temporary differences amounted to €89,635 thousand as at 31 December 2024 (prior year: €82,300 thousand). As at 31 December 2024, deferred tax assets of €51,283 thousand (prior year: €577 thousand) were recognised in individual Group companies that reported a tax loss in the current or prior year, which resulted from recognised current losses, loss carryforwards and deductible differences. The realisability of these deferred tax assets is considered sufficiently probable in anticipation of future taxable profits (see chapter 18).

On 31 December 2024, a temporary difference constituting a liability of €12,026 thousand (prior year: €7,45 thousand) was recorded in connection with shares in subsidiaries and €0 thousand (prior year: €13,207 thousand) in connection with associates and joint venture companies. No deferred tax liabilities were recognised for these differences under IAS 12.39, however, because the subsidiaries' dividend policy is determined by the Group's Management Board. The Group can thus control the reversal of these temporary differences. The Management Board does not expect the temporary differences to be reversed in the foreseeable future.

The amounts of the income tax recognised and disclosed directly in other earnings amounted in the reporting period to €11,384 thousand (prior year: €3,004 thousand) for financial instruments used for cash flow hedging, €-290 thousand (prior year: €-1,739 thousand) for financial instruments held at fair value through profit or loss and €-6,772 thousand (prior year: €-11,140 thousand) for the remeasurement of defined benefit plans.

34 Other non-current assets

€ thousand	31 December 2024	31 December 2023
Receivables from finance leases	33,349	41,379
Other non-current assets	2,348	488
Subtotal of other financial assets	35,698	41,867
Advance payments	58,642	63,910
Assets relating to partial retirement obligations	19,100	0
Subtotal of other non-financial assets	77,742	63,910
Total	113,439	105,777

See Note 47 for more detailed explanations about receivables from leases

The advance payments include sales-related discounts of €53,687 thousand (prior year: €59,243 thousand), which are amortised over the term of the contract to reduce sales.

35 Trade payables

In the fiscal year, there were liabilities to associate companies, joint venture companies, non-consolidated affiliates and companies in which a participating interest is held as well as companies of the

FORVIA Group that do not belong to the HELLA Group in the amount of €24.897 thousand (prior year: €19,135 thousand).

€ thousand	31 December 2024	31 December 2023
Materials and services	1,343,200	1,186,056
Capital expenditures	138,300	159,700
Related parties	24,897	19,135
with associates, joint ventures and investments	9,829	6,134
with affiliated companies not included in the consolidated financial statements	12,167	9,471
with companies of the FORVIA Group that do not belong to the HELLA Group	2,901	3,530
Total trade payables	1,506,396	1,364,891

Since 2020, HELLA has been using supplier financing agreements with Unicredit and HELABA since, under which suppliers can obtain early payment of their invoices from these banks by factoring their receivables from HELLA. HELLA has agreed supplier financing with Santander for the NAFTA region from the start of the fiscal year 2024. Under these agreements, the banks agree to pay a participating supplier the amounts for the invoices owed by HELLA and receive the settlement from HELLA on the payment date contractually agreed between the supplier and HELLA. The total amount of the supplier financing agreements is limited by the invoices owed and financing commitments of the banks involved. The main purpose of this agreement is to support efficient payment processes and to offer suppliers the opportunity to sell their receivables from HELLA to a bank before the due date. HELLA does not derecognise the original liabilities to which the agreement relates, as the conclusion of the supplier financing agreement neither releases HELLA from the legal obligation of the liabilities nor makes a material change to the original liabilities. From the HELLA Group's perspective, the agreement does not lead to an extension of the average payment terms across the entire supplier portfolio. The liabilities have a fixed payment date. The Group pays the trade payables on the payment date agreed with the supplier regardless of whether

the supplier makes use of the supplier financing programme described here or not. HELLA does not incur any additional interest on the amounts owed to the supplier vis-à-vis the bank. As the nature and function of the trade payables for which the suppliers have already received payments from the banks is the same as that of the other trade payables, the amounts are not disaggregated in the balance sheet. Instead, these are broken down in the following table in the notes to the consolidated financial statements. All trade payables that are part of a supplier financing agreement are classified as current liabilities as at 31 December 2024. The payments to the banks are included in the net cash flow from operating activities as they continue to be part of HELLA's normal operating business cycle and their main character remains operational. HELLA has increased the supplier financing agreements with both Uni-credit and HELABA to a total of €134,654 thousand as at 31 December 2024, compared with €84,600 thousand as at 31 December 2023. The financing agreement with Santander as at 31 December 2024 amounts to €22,024 thousand.

There were no significant non-cash changes in the carrying amount of the financial liabilities covered by the supplier financing agreements apart from exchange rate-related differences.

€ thousand	31 December 2024	31 December 2023
Total trade payables that are part of a supplier financing agreement	156,678	84,600
of which suppliers have received as payments from the banks	109,185	71,419
Range of payment terms (in days)		
Trade payables that are part of a supplier financing agreement	60 - 120	60 - 120
Comparable trade payables that are not part of a supplier financing agreement	60 - 120	60 - 120

36 Other liabilities

€ thousand	31 December 2024		31 December 2023	
	Non-current	Current	Non-current	Current
Derivatives	77,115	32,342	68,427	7,115
Other financial liabilities	13,576	278,930	9,252	268,157
Subtotal of other financial liabilities	90,691	311,272	77,679	275,272
Other taxes	0	50,395	0	41,112
Accrued personnel liabilities	0	184,862	0	194,743
Deferred revenue	0	6,399	0	5,463
Subtotal of other non-financial liabilities	0	241,655	0	241,317
Total	90,691	552,927	77,679	516,589

Other financial liabilities include mainly liabilities from outstanding invoices or credit notes in the amount of €278,893 thousand (prior year €264,561 thousand).

In fiscal year 2024, HELLA accrued sales-related financial liabilities in the Lighting and Electronics segments in the amount of €49.769 thousand (prior year: €54,195 thousand).

37 Provisions

The main components of provisions are presented below:

€ thousand	31 December 2024		31 December 2023	
	Non-current	Current	Non-current	Current
Provisions for post-employment benefits	267,541	0	282,795	0
Other provisions	181,590	153,414	237,540	154,520
Total	449,131	153,414	520,335	154,520

Provisions for post-employment benefits

The HELLA Group provides occupational pension benefits to the vast majority of its employees in Germany. Employees in many of the international HELLA companies also receive occupational pension benefits. There are both defined benefit and defined contribution pension plans.

The benefits provided by the German companies mainly consist of pension payments, the amount of which is based on length of service and which are paid in the form of old age, disability and survivors' pensions. In addition, one company has an old pen-

sion scheme whereby members receive a fixed sum depending on the income band in which they are classified. All employees can also participate in a contribution-based scheme through salary conversion. Management is offered a contribution-based scheme through salary conversion, which is financed through employers' pension liability insurance. Pension plans dating from 2009 onwards are fully financed through employers' pension liability insurance and are recognised as contribution-based schemes. Older pension plans, dating from before 2009, are recognised as defined benefit plans.

The companies continue to remain liable for fulfilment of the pension liabilities assigned to the pension fund, acting as guarantor in the event of non-performance, meaning that the pension liabilities and the corresponding trust- will be included on a net basis in the consolidated balance sheet.

In the Netherlands, no new entitlements will be acquired in the former defined benefit pension systems. The accrued benefits will be financed through insurance policies. A contribution-based plan has been introduced for the actively contributing plan members in the Dutch company to set up future pension entitlements.

Besides these systems, whose benefits are mostly paid on an annuity basis, employees of the companies in Mexico, Korea and India receive benefits in the form of a single capital payment. The amount of the obligation from the respective defined benefit plan is determined on the basis of the salary and number of years of service. In Mexico, the

guaranteed pension benefits are supplemented by a contribution-based Flex Plan into which the employer can pay variable contributions. Employees in Slovenia and France receive a single capital payment on retirement based on their salary. In Italy and Turkey, capital is paid out at the end of the contract, irrespective of the reason for termination.

Granting of defined benefit plans entails the customary long life, inflation, interest rate and market (investment) risks; these risks are regularly monitored and assessed.

In the USA, Australia and Mexico, as well as in many European and Asian companies, employees receive company pension benefits in the form of what are referred to as defined contribution plans. Furthermore, in the USA there are liabilities for the medical care of active employees, although the costs of these benefits are not borne for former employees after retirement.

The funding status and the reconciliation to the balance sheet amounts are presented below:

€ thousand	31 December 2024	31 December 2023
Defined Benefit Obligation (DBO) at end of fiscal year	363,398	382,355
Fair value of plan assets at the end of the fiscal year	-95,857	-99,560
Recognised amount	267,541	282,795

The amounts carried are made up of the following balance sheet items:

€ thousand	31 December 2024	31 December 2023
Assets from covered pension plans	-793	-696
Pension provisions	255,613	269,854
Other provisions for post-employment benefits	12,721	13,637
Sum of the individual amounts	267,541	282,795

Asset cover for the pension provisions was as follows:

€ thousand	31 December 2024		31 December 2023	
	Present value	Plan assets	Present value	Plan assets
Without asset cover	260,014	0	272,994	0
At least partial asset cover	103,384	95,857	109,361	99,560
Total	363,398	95,857	382,355	99,560

Change in the present value of pension liabilities:

€ thousand	31 December 2024	31 December 2023
DBO at the beginning of the fiscal year	382,355	342,813
Current service cost	7,957	7,506
Past service cost	-120	53
Interest expense	13,339	13,480
Actuarial gains (-)/losses (+) due to changes in demographic assumptions	-8,597	35
Actuarial gains (-)/losses (+) due to changes in financial assumptions	-8,573	39,339
Actuarial gains (-)/losses (+) due to changes in experience-based assumptions	-3,887	929
Pension payments	-17,841	-25,915
Transfers	0	-135
Currency effects	-1,235	798
Pension reclassification	0	3,452
DBO at end of fiscal year	363,398	382,355

Development of plan assets:

€ thousand	31 December 2024	31 December 2023
Fair value of plan assets at the beginning of the fiscal year	99,560	100,342
Interest income from plan assets	3,278	3,799
Actuarial gains (+)/losses (-) from the plan assets	1,905	2,769
Employer contributions	820	977
Pension payments from plan assets	-9,716	-8,017
Administrative costs	-3	-3
Transfers	0	-124
Currency effects	13	-139
Pension reclassification	0	-44
Fair value of plan assets at the end of the fiscal year	95,857	99,560

The pension cost of the pension plans is broken down as follows:

€ thousand	31 December 2024	31 December 2023
Current service cost	7,957	7,506
Past service cost	-120	53
Administrative costs	3	3
Net interest expense	10,061	9,681
Expense for defined benefit plans recognised in the consolidated earnings for the period	17,901	17,243
Actuarial gains (-)/losses (+) from scope of obligations	-21,057	40,303
Actuarial gains (-)/losses (+) from the plan assets	-1,905	-2,769
Income (-)/ expense (+) from remeasurement recognised in other comprehensive income	-22,962	37,534
Income (-)/ expense (+) for defined benefit plans recognised in comprehensive income	-5,061	54,777

Development of the balance sheet amounts

€ thousand	31 December 2024	31 December 2023
Balance sheet amount at the beginning of the fiscal year	282,795	242,471
Service costs	7,840	7,562
Net interest expense	10,061	9,681
Expense from remeasurement recognised in other comprehensive income	-22,962	37,534
Pension payments	-8,125	-17,898
Employer contributions	-820	-977
Transfers	0	-11
Currency effects	-1,248	937
Pension reclassification	0	3,496
Balance sheet amount at the end of the fiscal year	267,541	282,795

Actuarial gains/losses recognised in equity:

€ thousand	31 December 2024	31 December 2023
Actuarial gains (+) / losses (-) at the beginning of the fiscal year	-53,911	-16,389
Actuarial gains (+)/losses (-) during the fiscal year	22,962	-37,534
Currency effects	-636	36
Pension reclassification	0	-24
Actuarial gains (+)/losses (-) at the end of the fiscal year	-31,585	-53,911

The present value was measured on the basis of the following assumptions:

	Germany		International	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
DBO (in € thousand)	330,626	343,848	32,772	38,507
Discount rate (in %)	3.34	3.15	5.62	6.30
Wage and salary trend (in %)	3.00	3.00	4.96	5.23
Pension trend (in %)	2.00	2.00	0.00	0.00

"In addition, a one-off premium of 3.5% on the provision for pension recipients totalling €5,068 thousand is taken into account for the higher expected inflation."

The following assumptions were used to determine the expense from pension plans at the beginning of the fiscal year:

Weighted average in %	Germany		International	
	2024	2023	2024	2023
Discount rate	3.40	3.90	6.39	6.56
Wage and salary trend	3.00	3.00	5.23	4.44
Pension trend	2.00	2.00	0.00	0.00

The discount rate was determined in 2024 on the basis of the yields on the capital markets in the various relevant regions.

would have changed at the balance sheet date if individual key assumptions had varied. The change was determined by a corresponding remeasurement of the portfolio.

The following table shows how the defined benefit obligation of the defined benefit pension liabilities

€ thousand		31 December 2024	31 December 2023
Discount rate	+ 0.5 percentage points	-6.1%	-6.2%
	-0.5 percentage points	6.9%	7.0%
Pension dynamics	+ 0.5 percentage points	4.6%	4.3%
	-0.5 percentage points	-4.2%	-4.0%
Salary dynamics	+ 0.5 percentage points	0.2%	0.3%
	-0.5 percentage points	-0.2%	-0.3%
Death rate	+ 10 percentage points	-2.6%	-2.4%
	-10 percentage points	2.9%	2.7%

The average duration of the defined pension liabilities, weighted on the basis of the present values, is 13 years (prior year: 14 years).

Breakdown of plan assets:

in %	31 December 2024	31 December 2023
Shares	4.66%	3.92%
Bonds	19.10%	17.79%
Insurance	74.81%	76.78%
thereof: no price quotation in an active market	74.81%	76.78%
Cash and cash equivalents	1.43%	1.51%
Total investment types	100.00%	100.00%

The domestic plan assets are largely managed by a pension fund and employers' pension liability insurance policies. The structure of the Group's plan assets is reviewed on an ongoing basis by an investment committee, taking into account the forecast pension liabilities. This committee regularly reviews the investment decisions and the underlying return expectations of the individual asset classes, taking into account empirical values and the selection of external fund managers.

Proper management and use of the trust assets is supervised by these external trustees. The pension fund and the insurance companies are also subject to supervision by the German Federal Financial Supervisory Authority (BaFin).

The plan assets do not include any own financial instruments or assets used by the Group itself.

The actual income from pension assets amounted to €5,183 thousand in the past fiscal year (prior year: income of €6,567 thousand).

The probable contributions for defined benefit pension plans for the year 2025 are €3,195 thousand (prior year €1,842 thousand).

The following overview shows the payments expected for the next ten fiscal years (not discounted, excluding payments from the plan assets):

€ thousand

2025	18,496
2026	18,513
2027	18,915
2028	23,345
2029	24,173
Total of the years 2030 to 2034	99,436

Group liabilities arising from defined contribution pension plans were recognised in profit and loss in the operating result. Expenses in the fiscal year just ended amounted to €115,479 thousand (prior year: €109,156 thousand). These expenses also

include contributions to public pension insurance funds outside HELLA GmbH & Co. KGaA, which total €107,807 thousand (prior year: €103,641 thousand) for the fiscal year.

Other provisions

€ thousand	31 December 2023	Additions	Reversals	Compounding	Other	Utilisation	31 December 2024
Severance commitments	11,246	56,562	-1,956	0	-186	-8,061	57,605
Partial retirement programme	32,522	13,968	-1	2,105	19,100	-32,145	35,548
Profit-sharing and other bonuses	35,071	15,150	-3,155	575	-828	-8,203	38,610
Warranty obligations	40,926	38,310	-6,713	161	5,295	-22,875	55,104
Losses from supply and selling arrangements	238,312	37,986	-43,757	6,900	7,875	-110,873	136,443
Other provisions	33,985	10,059	-29,025	3	3,936	-7,265	11,694
Total	392,061	172,036	-84,607	9,745	35,192	-189,422	335,005

HELLA is exposed to product liability claims in which the Company may be accused of violating its duties of care, breaches of warranty obligations or material defects. In addition, claims may be asserted from breaches of contract due to recalls or government proceedings. HELLA has taken out insurance policies for such risks, the scope of which is deemed appropriate from a commercial point of view.

Provisions for warranty obligations comprise burdens for specific individual cases in the Lighting and Electronics segment, in particular, for which the current portion amounts to €21,076 thousand (prior year: €16,970 thousand).

Insurance refunds expected in connection with warranty claims are recognised under other receivables and non-financial assets, and amounted to €461 thousand in the reporting period (prior year: €1,927 thousand).

Provisions for losses from supply and sales liabilities include liabilities under current third-party agreements from which future losses are expected. Of the total provisions for onerous contracts of

€136,444 thousand (prior year: €238,312 thousand), €37,217 thousand constitutes current provisions with a maturity of less than one year. The remaining €99,227 thousand was classified as non-current provisions with a maturity of more than one year.

The allocations to provisions for severance pay and partial retirement relate to restructuring measures in Germany which were agreed in the current fiscal year, while the consumption of the provisions for severance pay relate to the restructuring measures in Germany which were agreed from September 2019 onwards.

The profit-sharing provisions and other bonuses relate to the remuneration components of the Management Board and other employees of HELLA.

Expected charges against third parties for specific compensation claims from recent transactions were recognised in the remaining provisions.

Changes from currency translation are reported under "Other".

€ thousand	31 December 2024	31 December 2023
Present value of obligation	55,949	72,022
Fair value of plan assets	-20,400	-39,500
Balance	35,548	32,522

The provision for partial retirement programmes corresponds to the present value of the obligation on the balance sheet date less the fair value of plan assets on the balance sheet date. A discount rate of 3.02% was applied (prior year: 4.06%). The deducted plan assets are pledged securities. The change in the fair value of the plan assets is recognised under "Other" in the provisions table; in doing so, the change resulted in an important additional transfer.

38 Financial liabilities

Current and non-current financial liabilities total €1,230,312 thousand (prior year: €1,274,663 thousand).

Current financial liabilities maturing within a year amount to €162,522 thousand (prior year: €434,288 thousand). This includes current financial liabilities of €14,561 thousand to a factoring company (prior year: €6,015 thousand), bill liabilities of €79,056 thousand (prior year: €77,806 thousand) and a current portion from finance leases of €39,178 thousand (prior year: €34,251 thousand). Current financial liabilities were reduced compared to the end of the prior year by the timely repayment of a bond which had a maturity of 17 May 2024 and was reported at €299,924 thousand as at the end of the prior year. Other current financial liabilities amount to €29,727 thousand (prior year: €16,293 thousand).

Non-current financial liabilities amount to €1,040,789 thousand (prior year: €840,375 thousand) and include a bond that was issued on 3 September 2019 and matures on 26 January 2027. It has a value of €499,505 thousand (prior year: €499,275 thousand) with a nominal volume of €500,000 thousand and an interest rate of 0.5%. Also included is a promissory note loan issued on 29 February 2024 for €200,000 thousand with terms of three, five and seven years with maturities as at March 2027, March 2029 and March 2031, which was used in particular to refinance the bond that matured in May 2024. Financial liabilities also include €73,593 thousand (prior year: €76,761 thousand) attributable to notes certificates denominated in yen issued in fiscal years 2002 and

2003 with a 30-year maturity, and a loan of €70,777 thousand (prior year: €72,077 thousand) denominated in yen with a 30-year maturity, both of which are fully currency-hedged to a value totalling €175,177 thousand (prior year: €175,177 thousand). Also included is a loan of €72,192 thousand (prior year: €67,873 thousand) denominated in US dollars and maturing on 29 January 2026. Capital from profit participation certificates of €5,000 thousand (prior year: €5,000 thousand) and finance lease liabilities amounting to €119,681 thousand (prior year: €119,149 thousand) are also recognised.

In September 2022, HELLA negotiated a syndicated credit facility amounting to €450 million and an increase option of €150 million. This facility was concluded with a syndicate of international banks and has a term of three years until September 2025. The first extension option of 15 months was exercised in August 2023. The second extension option of twelve months was exercised in August 2024. The end of the new term is December 2027 (utilisation as at 31 December 2024: 0%). The banks have a special right of cancellation in the event of a change of control. A special right of termination would also exist in the event of a squeeze-out or domination agreement being entered in the commercial register.

The following table shows the financial liabilities described above together with cash and cash equivalents. Net financial liquidity totals €213,010 thousand (prior year: net financial debt of €56,284 thousand).

€ thousand	31 December 2024	31 December 2023
Cash and cash equivalents	1,293,167	1,090,450
Financial assets	123,154	127,929
Cash and cash equivalents	1,416,321	1,218,379
Current financial liabilities	-162,522	-434,288
Non-current financial liabilities	-1,040,789	-840,375
Financial liabilities	-1,203,312	-1,274,663
Net financial debt (-) / net financial liquidity (+)	213,010	-56,284

39 Equity

On the liabilities side, nominal capital is recognised at its nominal value under the "Subscribed capital" item. The nominal capital amounts to €222,222 thousand and is divided into 111,111,112 no-par value bearer shares. The shares have no par value. All issued shares are fully paid up. Each share confers one voting right and a right to dividends if distributions are agreed.

In addition to "Other retained earnings / profit carried forward" and the capital reserve, "reserves and unappropriated surplus" include the reserve for currency translation differences, the reserve for financial instruments used for cash flow hedging, the reserve for debt capital instruments (IFRS 9) and the results from the remeasurement of defined benefit plans, which are recognised directly in equity. A detailed overview of the composition and changes in the results recognised directly in equity is presented in the consolidated statement of changes in equity.

In the reporting period, actuarial gains before taxes totalling €22,962 thousand (prior year: losses before taxes totalling €37,534 thousand) were recorded. The change in value of the defined benefit liabilities or of the assigned plan assets is attributable to calculation parameters and in particular the discount rate used here, which, at the end of December 2024, was 3.34% (prior year: 3.15%).

The owners of the parent company will receive a dividend of €78,889 thousand for the fiscal year 2023 (1 January 2023 to 31 December 2023), which has already been distributed in full (prior year: €320,000 thousand). This corresponds to €0.71 per share; the dividend in the prior year was €2.88 per share. A dividend of €8,185 thousand (prior year: €243 thousand) was paid to non-controlling interests in the current period.

The objective of the Group is to maintain a strong equity base. The Group strives to strike a balance between a higher return on equity, which would be possible through greater external financing, and the advantages and security offered by a sound equity position. The Group is aiming to not exceed a ratio of 1.0 for net financial debt to reported earnings before interest, taxes, depreciation and amortisation (EBITDA) in the long term. As at 31 December 2024, the Group reported a net financial assets (thus exceeding the criterion). The ratio was 0.1 in the prior year.

Other comprehensive earnings from non-controlling interests are attributable to currency translation differences and the remeasurement from defined benefit pension plans. The following allocation results for each item:

€ thousand	2024		2023	
	In total	thereof non-controlling	In total	thereof non-controlling
Currency translation differences	46,776	1,102	-76,214	-1,368
Cash flow hedging	-26,493	0	-10,238	0
Debt capital instruments	-1,769	0	2,301	0
Pension plans	15,359	-15	-25,067	28
Total	33,873	1,087	-109,217	-1,340

40 Notes to the cash flow statement

As was the case in the prior year, the cash funds are solely made up of cash and cash equivalents totalling €1,293,167 thousand (prior year: €1,090,450 thousand).

In the current reporting period, depreciation, amortisation, recognised impairment losses and reversals of impairment losses of €585,461 thousand (prior year: €556,701 thousand) were recognised.

The reduction in provisions in the current fiscal year 2024 amounts to €92,865 thousand (prior year: €163,104 thousand), mainly influenced by the utilisation of provisions for delivery and sales obligations and personnel obligations, reduced by additions to personnel provisions for structural measures, while the prior year was mainly influenced by the utilisation of provisions for delivery and sales obligations and personnel and warranty obligations.

Other non-cash income and cash flows not attributable to operating activities total €178,299 thousand (prior year: €60,011 thousand) and in the current reporting period mainly include the total income from the sale of shares in the associated company Behr-Hella Thermocontrol (see also Chapters 16 and 22) as well as valuation and discounting effects and results from investments accounted for using the equity method, while the prior year mainly included valuation and discounting effects and results from investments accounted for using the equity method.

Gains from the disposal of property, plant and equipment and intangible assets totalled €5,727 thousand in the fiscal year 2024 (prior year: €265 thousand). The net financial result was €56,765 thousand (prior year: €67,052 thousand).

The cash inflows from the change in trade receivables and other assets not attributable to investing or financing activities amounted to €91,125 thousand in current fiscal year (prior year: cash outflows of €41,537 thousand). The positive change of €132,663 thousand compared to the prior year is mainly due to lower additions to contract assets in the fiscal year 2024 compared to the change in the prior year. Cash inflows of €32,786 thousand (prior year: €55,548 thousand) are included from the factoring programme. The changes in inventories led to a cash inflow of €84,634 thousand (prior year: €9,210 thousand), mainly due to lower inventories of raw materials and supplies. The cash outflows

from the change in trade liabilities and other assets not attributable to investing or financing activities amounted to €5,031 thousand in the first half of the current fiscal year 2024 (prior year: cash inflows of €165,515 thousand). The change of €170,546 thousand compared to the prior year is mainly due to a lower increase in accrued personnel expenses and liabilities and contract obligations in the current fiscal year 2024 compared to the change in the prior year.

The balance of tax refunds and tax payments show a cash outflow of €120,174 million (prior year: €99,520 thousand). The dividends received resulted in a cash inflow of €10,340 thousand (prior year: €6,887 thousand). The balance of interest received and paid showed a cash inflow of €3,718 thousand (prior year: cash outflow of €12,739 thousand).

Cash flow from operating activities therefore show a cash inflow of €854,141 thousand (prior year: €825,694 thousand).

The balance of cash inflows from the sale and payments for the procurement of intangible assets and property, plant and equipment led to cash outflows totalling €665,033 thousand (prior year: €620,400 thousand).

In the current reporting period, the cash inflows from the sale of Behr-Hella Thermocontrol in the amount of €201,873 million were allocated to the cash receipts from the sale of investments in associates and joint ventures as well as other investments in cash flow from investing activities.

The current fiscal year includes on balance cash inflows from the sale of securities amounting to €14,134 thousand (prior year: €63,329 thousand). The cash flow of investing activities thus show a cash outflow of €460,388 million (prior year: €538,497 thousand).

In the current reporting period, repayments and proceeds from borrowings represented total payments of €153,178 thousand and, in the current reporting period, were significantly influenced by the timely repayment of a bond amounting to €300,000 thousand in May 2024, payments for lease liabilities in the amount of €44,483 thousand and a promissory note loan of €200,000 thousand issued in February 2024 (prior year: payments totalling €149,018 thousand).

The dividends paid totalling €81,294 thousand (prior year: €320,243 thousand) in the current and previous reporting period consist primarily of payments to the owners of the parent company. Hence, after the Annual General Meeting on 26 April 2024, dividends totalling €78,889 thousand (€0.71 per no-par value share) distributed to owners of the parent company. In the previous reporting period, dividends totalling €320,000 thousand (€2.88 per no-par value share) were distributed to owners of the parent company.

Cash flow from financing activities therefore show a cash outflow of €234,472 thousand (prior year: €469,261 thousand).

The changes in cash and cash equivalents due to changes in the scope of consolidation total €38,128 thousand in the current reporting period, of which

€40,249 thousand is attributable to the newly consolidated companies HELLA BHAP Automotive Lighting Co. Ltd. and Hella Pagid GmbH. The effects of Hella OOO in Russia in the amount of €2,121 thousand had the opposite effect, as this subsidiary is no longer part of the HELLA - Group's scope of consolidation.

The following table shows the (net) changes in the total current and non-current financial liabilities and thus represents the non-cash changes of the line items, in addition to the cash flow statement. The "Other changes" line primarily contains non-cash interest expenses and non-cash changes to the fair value.

€ thousand		Bonds	Loans	Lease Liabilities	Other financial liabilities	Total financial liabilities
As at:	31 December 2022	889,166	283,013	170,301	86,333	1,428,814
Cash changes	(Net) changes	0	-112,416	-38,934	2,332	-149,018
	New finance leases	0	0	19,473	0	19,473
Non-cash changes	Effect of exchange rate changes	-8,551	-8,829	-3,418	-4,845	-25,644
	Other changes	327	-5,266	5,977	0	1,038
As at:	31 December 2023	880,942	156,501	153,400	83,821	1,274,663
Cash changes	(Net) changes	-300,000	204,236	-44,483	-12,931	-153,178
	New finance leases	0	0	35,708	0	35,708
Non-cash changes	Change in the scope of consolidation	0	2,547	4,492	19,888	26,928
	Effect of exchange rate changes	-3,168	13,729	3,022	2,994	16,577
	Other changes	-1,603	-8,282	6,720	5,779	2,614
As at:	31 December 2024	576,171	368,731	158,859	99,551	1,203,312

41 Net cash flow

Relative to sales, net cash flow is 2.4% (prior year: 2.6%).

For the internal management of the HELLA Group, net cash flow has been used as a performance indicator for Group management since the beginning of the fiscal year 2023. Net cash flow is a key performance indicator that is not defined in the International Financial Reporting Standards. However, it is reported as additional information in the HELLA Group's financial reporting as it is used for internal management purposes. The net cash flow is shown in relation to sales in order to provide appropriate information independent of the respective business volume of a reporting period.

For this purpose, the cash inflows from the sale of equipment and intangible assets, plant and equipment as well as the payments for the procurement

of equipment and intangible assets, plant and equipment are added to the cash flow from operating activities. The resulting figure is the net cash flow.

Net cash flow of €189,108 thousand in the fiscal year 2024 remains slightly below the prior-year level (prior year: €205,294 thousand). The slight reduction compared to the prior year is mainly due to an increase in non-cash investing activities for property, plant and equipment and intangible assets, which at €665,033 thousand are higher than the prior year's figure of €620,400 thousand. This is offset by operating improvements, which can be seen in the increase in cash flow from operating activities to €854,141 thousand (prior year: €825,694 thousand). The net cash flow in relation to sales of €8,024,792 thousand (prior year: €7,954,141 thousand) is 2.4% (prior year: 2.6%).

The performance of the net cash flow for the fiscal years 2024 and 2023 is shown in the following table:

€ thousand	2024	2023
Cash flow from operating activities	854,141	825,694
Cash receipts from the sale of property, plant and equipment and of intangible assets	15,323	14,785
Payments for the purchase of property, plant and equipment	-455,751	-464,383
Payments for the purchase of intangible assets	-224,606	-170,802
Net cash flow	189,108	205,294

42 Information on related party relationships

HELLA GmbH & Co. KGaA and its subsidiaries maintain business relationships with many companies and individuals in the course of their normal operations. In addition to the business relationships with fully consolidated companies, relationships exist with associates and companies in which shares are held; these are classified as related parties under IAS 24. In addition, business relationships with the FORVIA Group have been reported as related parties since February 2022 if these companies are not part of HELLA Group. Corresponding disclosures are made for expenses and income.

There were supply and service relationships between companies within the scope of consolidation and related parties, particularly with associates, joint ventures, non-consolidated affiliates and FORVIA Group entities. The outstanding items from the purchase or sale of goods and services between companies in the scope of consolidation and associates, joint ventures, non-consolidated affiliates and FORVIA Group entities are presented under the respective items. For further information on goods and services, see Chapters 26 and 35.

Key management personnel at HELLA GmbH & Co. KGaA are defined as the management, the members of the shareholders' committee and the supervisory board, as well as the members of the Board of Directors and the Executive Committee at FORVIA S.E. and the members of the Management Board at Forvia Germany GmbH.

These individuals, immediate members of their families, and the companies they jointly or individually control are considered to be related parties under IAS 24.

The following transactions were made with related parties:

€ thousand	2024	2023
Income from the sale of goods and services	293,212	87,138
with associates	34,188	23,250
with joint ventures	181,373	19,426
with affiliated companies not included in the consolidated financial statements	3,304	288
FORVIA Group	74,347	44,045
Management in key positions:	0	99
Companies controlled by management in key positions	0	31
Expenses from the purchase of goods and services	100,690	152,107
with associates	211	155
with joint ventures	16,329	108,979
with investments	0	1,803
with affiliated companies not included in the consolidated financial statements	29,807	31,706
FORVIA Group	54,343	9,432
Management in key positions:	0	0
Companies controlled by management in key positions	0	32

Business relationships with related parties operate under normal market conditions. They do not fundamentally differ from supply and service relationships with third parties. The HELLA Group concluded no significant transactions with related party individuals. Income generated with members of the management in key positions or with companies they control mainly concerns the shipments of goods, while the expenses are related to shipments of goods, rental expenses and other services.

For assuming personal liability in its role as General Partner, HELLA Geschäftsführungsgesellschaft mbH receives liability remuneration of €1 thousand (prior year: €1 thousand). Moreover, the Company is entitled to reimbursement by HELLA GmbH & Co. KGaA for all of the expenses arising in connection with the management of the Company's business activities, including the remuneration of the management bodies.

Remuneration for management in key positions:

€ thousand	2024	2023
Current benefits	8,574	9,526
Post-employment benefits	1,416	2,027
Other non-current benefits	452	1,101
Share-based payment	760	2,065
Termination benefits	0	0
Total	11,201	14,719

The following table shows the total remuneration of the corporate bodies (Section 314 (1) (6 a) and b)) of the German Commercial Code (Handelsgesetzbuch – HGB) for the fiscal year 2024 and the respective prior-year figures of the fiscal year 2023:

Total remuneration paid to the management bodies:

€ thousand	2024	2023
Total remuneration paid to the active institution members	8,574	9,526
Management Board	6,260	7,240
Supervisory Board	1,125	1,103
Shareholder Committee	1,189	1,183
Total remuneration paid to the former institution members and their surviving dependants	1,858	3,726
Management Board	1,858	3,726
Supervisory Board	0	0
Shareholder Committee	0	0

Remuneration of the active members of the Management Board

The expenses for the remuneration of active members of the Management Board recognised in accordance with IFRS in the fiscal year 2024 amounted to €8,887 thousand (prior year: €12,650 thousand). The members of the Management Board receive an annual fixed salary paid in 12 monthly instalments, the appropriateness of which is reviewed annually. It amounted to a total of €3,245 thousand for all active members of the Management Board in the fiscal year 2024 (prior year: €3,302 thousand). In addition, active members of the Management Board receive benefits in kind and other fringe benefits, short-term variable remuneration (STI), long-term variable remuneration (LTI) and pension commitments. The remuneration

in kind and other fringe benefits of the members of the Management board active in the reporting period totalled an equivalent value of €541 thousand (prior year: €155 thousand) in the fiscal year 2024. Benefits in kind were measured on the basis of actual cost. These mainly consist of the private use of a company car, the assumption of service-related accommodation and travel costs, and inclusion in the Group's directors and officers liability insurance (D&O insurance).

The expense recognised under IFRS for short-term variable remuneration (STI) in the fiscal year 2024 totalled €2,474 thousand for all active members of the Management Board (prior year: €3,783 thousand), and the provision for this totalled €2,474 thousand as at 31 December 2024 (prior year:

€3,557 thousand). The short-term variable remuneration is granted as an annual cash bonus as a multiple of the annual fixed salary depending on the degree of achievement of certain targets. These targets are made up of key performance indicators (in the past fiscal year: operating income margin and Net cash flow) and special (prioritised) targets, which in turn consist of collective/team targets (including ESG-related targets) are individual targets and are redefined annually.

Up to and including the short fiscal year 2022 as the base fiscal year, the long-term variable remuneration (LTI) was still granted on a share-based basis and paid out in cash following a five-year calculation period on the basis of the share price development and Group-specific performance targets (RoIC and EBT margin). An LTI base amount was allocated for the first fiscal year of the calculation period, the amount of which depends on the RoIC achieved. Over the four following years of the period, the three aforementioned target figures are compared annually with the values of the first fiscal year. One fifth each of the partial amount determined in this way are added to the amount paid out, along with the LTI base amount. The expenses were determined using a suitable option pricing model (Monte Carlo simulation). Assumptions of the Monte Carlo simulation: Share price simulation using the Black-Scholes model over the residual term of the LTI; initial price: €88.30 (Xetra trading platform; closing price 30 December 2024); volatility annualised (250 days; expected volatility corresponding to the residual term of the LTI based on historical volatility with matching maturities); risk-free interest rate corresponding to the remaining term of the LTI (in accordance with the yield curve for listed German government bonds published by the Deutsche Bundesbank); dividends in accordance with the dividend announcement (no targeted values)). The expense recognised under IFRS for share-based long-term variable remuneration in the fiscal year 2024 totalled €760 thousand for all active members of the Management Board (prior year: €2,065 thousand) and the provision for this totalled €9,739 thousand as at 31 December 2024 (prior year: €9,641 thousand). "A share based LTI scheme has not been used since the beginning of the fiscal year 2023. The new LTI regulation used since then stipulates that two equally weighted LTI components are granted, each comprising a four-year reference period with a two-year assessment period (LTI component 1) and a three-year assessment period (LTI component 2). Whether and to what extent a payment will be made will only be determined after the end of the reference period, which for the fiscal year 2024 tranche ends at the

end of the fiscal year 2027. The expense recognised under IFRS for non-share-based long-term variable remuneration in the fiscal year 2024 totalled €452 thousand for all active members of the Management Board (prior year: €1,101 thousand) and the provision for this totalled €1,382 thousand as at 31 December 2024 (prior year: €1,016 thousand).

The total remuneration for the Management Board (Section 314 para. 1 no. 6 lit. a and b HGB) for the 2023 and 2024 financial years shown above does not include any long-term variable remuneration (LTI). This is due to the fact that the Company has no longer practised a share-based LTI scheme since the beginning of the fiscal years 2023 and that no measurement periods for previous non-share-based LTI tranches expired in the fiscal years 2023 and 2024.

If a Management Board member terminates their service agreement or if the service agreement ends for a compelling reason as defined in Section 626 of the German Civil Code (Bürgerliches Gesetzbuch – BGB) for which the Management Board member is responsible, any LTI remuneration claims that have not yet been paid out under either the old share-based LTI regulation or the new non-share-based LTI regulation will lapse. In the event of termination of the service agreement for other reasons, there may be a temporis reduction of the LTI tranches whose calculation period has not yet expired at the time of termination. In addition, the Company grants pension commitments within the framework of a defined contribution capital account system, into which a percentage (40% or 50% in the case of the President & CEO) of the annual fixed salary is allocated each year as a financial contribution. The members of the Management Board also have the option of making optional payments by way of deferred compensation. Upon pension eligibility arising, the accrued capital is paid either in a single lump sum or – subject to the Company's approval – in instalments over a maximum period of eight years. As a general rule, the capital account is closed on 31 May of the year following the member of the Management Board's 58th birthday. Eligibility for payment only arises once the member of the Management Board has left the Company. This period may be extended at the member of the Management Board's request and is subject to the Company's approval.

The defined benefit obligation for liabilities from the defined contributions capital account system for active members of the Management Board was €5,074 thousand on 31 December 2024 (prior year: €5,377 thousand). The financing contributions

structured in the form of investment fund units and pledged to the active beneficiaries were valued at €1,550 thousand in the fiscal year 2024 (prior year: €976 thousand). As at the balance sheet date, there were plan assets totalling €4,396 thousand (prior year: €4,368 thousand).

In certain circumstances, members of the Management Board may be entitled to severance payments. If the Company revokes the appointment of a member of the Management Board prior to the date of expiry of the service agreement, the service agreement may be terminated prematurely for cause. In these cases in which the service agreement is terminated for compelling reasons for which the member of the Management Board is not responsible, they are entitled to a severance payment of two times their annual remuneration or, if the residual term of the service agreement is less than two years, an amount reduced on a pro-rata basis. "A member of the Management Board is also entitled to a special right of termination until 31 December 2027. The provisions for severance payments to be paid to members of the Management Board totalled €0 thousand (prior year: €0 thousand) as at the balance sheet date.

Remuneration of the former members of the Management Board

There are provisions for the pension liabilities towards former members of the Management Board and their surviving dependants amounting to €13,709 thousand (prior year: €14,158 thousand). In addition, entitlements in the amount of €2,411 thousand (prior year: €3,076 thousand) were transferred to Allianz Pensionsfonds AG. The net obligation of the share transferred to Allianz Pensionsfonds AG comes to €167 thousand (prior year: €193 thousand). The defined benefit obligation from the defined contributions capital account system towards former members of the Management Board and their surviving dependants is €7,102 thousand (prior year: €8,260 thousand). As at the balance sheet date, there were plan assets totalling €7,530 thousand (prior year: €7,797 thousand).

Pension payments to former members of the Management Board and their surviving dependants came to €912 thousand (prior year: 956 thousand). The total remuneration paid to former members of the Management Board came to €1,858 thousand in the fiscal year 2024 (prior year: €3,726 thousand), which comprised mainly of LTI instalments payable for prior years, severance payments and payments Pension liabilities.

Remuneration of the members of the Supervisory Board

The expense recognised under IFRS for the remuneration of the members of the Supervisory Board (fixed remuneration and committee work) totalled €1,125 thousand for the fiscal year 2024 (prior year: €1,103 thousand). Of this amount, €1,000 thousand (prior year: €978 thousand) is attributable to fixed remuneration and €125 thousand (prior year: €125 thousand) to committee work. Variable remuneration is not provided for in the remuneration system for the Supervisory Board. The employee representatives on the Supervisory Board receive standard market remuneration.

Remuneration of the members of the Shareholder Committee

The expense recognised under IFRS for the remuneration of the members of the Shareholder Committee totalled €1,189 thousand plus VAT for the fiscal year 2024 (prior year: €1,183 thousand plus VAT). The entire amount is accounted for by fixed remuneration; variable remuneration or remuneration for committee work is not provided for in the remuneration system for the Shareholder Committee.

No loans or advances were granted to the members of the Management Board, the Supervisory Board or the Shareholder Committee. →

43 Declaration of Conformity with the Corporate Governance Code

On 27 February 2025, the General Partner as well as the Shareholder Committee and the Supervisory Board of HELLA GmbH & Co. KGaA (the "Company") approved a joint Declaration of Conformity in accordance with Section 161 of the German Stock Corporation Act (Aktengesetz – AktG) which stated that the recommendations of the German Corporate Governance Code have been and will be complied with as well as which recommendations have not been or are not being applied. This version has been made permanently accessible on the Company's website at www.hella.com/de/Unternehmen/Governance-257/.

→ See the remuneration report for details on the remuneration systems for the Management Board of HELLA Geschäftsführungsgesellschaft mbH and the members of the Supervisory Board and the Shareholder Committee of HELLA GmbH & Co. KGaA.

44 Disclosures on financial instruments

The carrying amounts and fair values of classes of financial instruments and the carrying amounts in accordance with IFRS 9 measurement categories as at 31 December 2024 and 31 December 2023 are set out below.

€ thousand	Measurement category under IFRS 9	Carrying amount 31 December 2024	Fair value 31 December 2024	Carrying amount 31 December 2023	Fair value 31 December 2023	Fair value hierarchy
Cash and cash equivalents	Amortised cost	1,293,167	1,293,167	1,090,450	1,090,450	
Trade receivables	Amortised cost	941,371	941,371	923,065	923,065	
Financial assets						
Debt capital instruments	FVOCI	106,088	106,088	99,351	99,351	Level 1
Loans	Amortised cost	14,801	14,801	24,021	24,021	
Other bank balances	Amortised cost	2,265	2,265	4,558	4,558	
Other financial assets						
Derivatives designated as hedging instruments	n.a.	4,392	4,392	26,443	26,443	Level 2
Derivatives not designated as hedging instruments	FVPL	488	488	2,142	2,142	Level 2
Other receivables associated with financing activities	Amortised cost	18,346	18,346	20,141	20,141	
Current financial assets excluding lease receivables		2,380,919	2,380,919	2,190,170	2,190,170	
Financial assets						
Equity instruments	FVPL	58,518	58,518	55,313	55,313	Level 3
Equity instruments	FVOCI	3,527	3,527	5,708	5,708	Level 1
Equity instruments	FVOCI	526	526	756	756	Level 2
Debt capital instruments	FVPL	12,962	12,962	16,859	16,859	Level 2
Loans	Amortised cost	92	92	126	126	Level 2
Other financial assets	Amortised cost	48	48	38	38	Level 2
Non-current financial assets excluding lease receivables		75,672	75,672	78,799	78,799	
Financial assets excluding lease receivables		2,456,591	2,456,591	2,268,970	2,268,970	
Financial liabilities						
Financial liabilities to banks	Amortised cost	123,344	123,344	400,037	400,037	
Trade payables	Amortised cost	1,506,396	1,506,396	1,364,891	1,364,891	
Other financial liabilities						
Derivatives designated as hedging instruments	n.a.	21,787	21,787	5,080	5,080	Level 2
Derivatives not designated as hedging instruments	FVPL	10,554	10,554	2,035	2,035	Level 2
Other financial liabilities	Amortised cost	278,930	278,930	268,157	268,157	
Current financial liabilities		1,941,012	1,941,012	2,040,201	2,040,201	
Financial liabilities						
Financial liabilities to banks	Amortised cost	348,011	349,712	145,190	159,427	Level 2
Bonds	Amortised cost	573,097	537,344	576,036	516,592	Level 1
Other financial liabilities						
Derivatives designated as hedging instruments	n.a.	42,223	42,223	40,454	40,454	Level 2
Derivatives not designated as hedging instruments	FVPL	32,513	32,513	27,973	27,973	Level 2
Other financial liabilities	Amortised cost	13,576	13,576	9,252	9,252	
Non-current financial liabilities		1,009,421	975,369	798,905	753,699	
Financial liabilities		2,950,433	2,916,381	2,839,106	2,793,899	

€ thousand	Carrying amount	Fair value	Carrying amount	Fair value
	31 December 2024	31 December 2024	31 December 2023	31 December 2023
Of which aggregated under IFRS 9 measurement categories:				
Financial assets				
FVPL	71,969	71,969	74,313	74,313
Amortised cost	2,270,089	2,270,089	2,062,399	2,062,399
FVOCI	110,141	110,141	105,814	105,814
Financial liabilities				
Amortised cost	2,843,355	2,809,303	2,763,564	2,718,357
FVPL	43,068	43,068	30,008	30,008

Notes on the abbreviations used:

FVPL: Fair value through profit or loss, at fair value with changes in value recognised in the income statement.

FVOCI: Fair value through other comprehensive income that, measured at fair value with changes in value recognised in other comprehensive income.

The valuation technique used for financial assets and financial liabilities measured at fair value depends on the available inputs. If quoted prices can be accessed for identical assets in active markets, those prices are used to measure fair value (Level 1). If this is not possible, the fair values of comparable market transactions are used as well as financial methods based on market parameters (net present value method, forward standard method, derivation of fair value from comparable market-oriented values) based on observable market data (Level 2). Fair values not based on observable market data are measured using generally recognised financial modelling methods or observable achievable prices from recent qualified funding rounds while taking account of the entity's life and development cycle (Level 3).

The Group reports possible transfers between different levels of the fair value hierarchy at the end of the reporting period in which the change occurred. As in the prior year, no transfers were made between different levels of the fair value hierarchy during the current 2024 reporting period. The carrying amounts of current financial instruments correspond to the fair value due to the short residual terms and the high credit rating of the counterparties.

Non-current financial instruments on the assets side were mainly made up of other investments, securities as covering assets for pension provisions, and loans. The non-current equity instruments represent other investments recognised as FVOCI and valued at €4,053 thousand (prior year: €6,464 thousand) and non-consolidated affiliates recognised as FVPL and valued at €58,518 thousand (prior year: €55,313 thousand). A change in the valuation parameters, in particular the future results and multipliers, would not have a material impact on the consolidated income statement.

The following table shows the changes in level 3 financial instruments:

€ thousand	2024	2023
As at 1 January	55,313	58,022
Changes in the scope of consolidation	-1,774	9,120
Change in fair value recognised in profit or loss	14,241	-11,675
Translation differences recognised in other comprehensive income	2,240	-2,044
Additions	3,759	4,873
Disposals	-15,261	-8,071
Reclassifications from level 2 to level 3	0	5,088
As at 31 December	58,518	55,313

Pledged collateral

As at 31 December 2024, interest-bearing investments of €20,400 thousand (prior year: €39,500 thousand) were pledged to a trustee as statutory insolvency protection for partial retirement fund assets. These are netted at the settlement amount of the partial retirement obligation against the ob-

ligations from partial retirement. In addition, financial assets were pledged as collateral for two derivative contracts serving as hedges. The carrying amount of the pledged financial assets totalled €71,405 thousand (prior year: €0 thousand).

The following table shows the net result from financial instruments for each IFRS 9 measurement category for the fiscal year 2024:

€ thousand	Interests	Dividends	Fair value measurement	Currency translation	2024
Financial assets FVPL	0	0	-18,887	0	-18,887
Financial assets FVOCI	2,308	0	57	0	2,365
Financial assets amortised cost	37,406	0	0	14,420	51,826
Financial liabilities amortised cost	-49,672	0	0	6,603	-43,069
Total	-9,957	0	-18,830	21,022	-7,765

The following table shows the net result from financial instruments for each IFRS 9 measurement category for the fiscal year 2023:

€ thousand	Interests	Dividends	Fair value measurement	Currency translation	2023
Financial assets FVPL	0	0	16,859	0	16,859
Financial assets FVOCI	2,440	0	181	0	2,621
Financial assets amortised cost	24,261	0	0	-7,584	16,677
Financial liabilities amortised cost	-46,587	0	0	-21,177	-67,764
Total	-19,886	0	17,040	-28,761	-31,607

Net profit/loss per measurement category

When determining the net result from financial instruments, value adjustments and value recoveries, income and expenses resulting from the application of the effective interest method, income and expenses from currency translation,

gains or losses on disposals, and other changes in the fair value of financial instruments recognised in the income statement is taken into account.

Financial risk management

The HELLA Group is exposed to various financial risks in the course of its operations. In particular, these include liquidity, currency and interest rate risks.

Risk management is carried out by the central financial management department in accordance with the guidelines adopted by the corporate bodies. Detailed information is provided in the management report.

On the procurement side, there are risks relating to the general security of supply. Moreover, credit risks arise from trade receivables, leasing receivables and also from receivables relating to financial transactions, such as the investment of cash or cash equivalents or the acquisition of securities. Liquidity risks can arise from a significant decline in the operating business performance as well as from the risk categories mentioned above.

Management of liquidity risks

HELLA works with mainly centralised liquidity structures in order to pool liquidity across the Group (“cash pooling”). The centralised liquidity is calculated on a regular basis and planned using a

bottom-up process. HELLA actively manages the loan portfolio on the basis of the liquidity planning. The following tables show the maximum settlements to be paid. These show the worst-case scenario for HELLA – i.e. the earliest possible contractual payment date. This takes into account creditor cancellation rights. Foreign currency items are always converted at the spot rate applicable on the balance sheet date. Interest payments for items with variable interest rates are always measured at the reference interest rate applicable on the balance sheet date. Of the maximum payments from primary financial liabilities of less than one year, trade payables account for more than 80% of the total amount. These have an average maturity as indicated in Chapter 35. In addition to non-derivative financial instruments, derivative financial instruments (e.g. foreign currency forwards) are taken into account. For derivatives where gross payments are settled between the parties involved, only the settlements are shown in line with the worst-case scenario. These settlements are offset by cash receipts, which are also shown. In addition, loans granted but not yet drawn in full and financial guarantees issued are included in the settlements to be paid.

Maximum future settlements as at 31 December 2024

€ thousand	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Non-derivative financial liabilities	1,989,714	905,726	200,614	3,096,054
Derivative financial instruments	1,337,945	213,498	219,679	1,771,122
Lease liabilities	39,178	98,818	20,863	158,859
Total	3,366,837	1,218,042	441,156	5,026,035
Proceeds from derivative financial instruments	1,308,814	182,763	154,097	1,645,674

Maximum future settlements as at 31 December 2023

€ thousand	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Non-derivative financial liabilities	2,035,985	706,721	177,627	2,920,333
Derivative financial instruments	1,106,555	192,339	233,543	1,532,437
Lease liabilities	34,251	100,017	39,792	174,060
Total	3,176,791	999,077	450,962	4,626,830
Proceeds from derivative financial instruments	1,125,049	164,575	165,315	1,454,939

The Group's liquidity supply is also sufficiently assured through cash and bank balances on hand,

marketable short-term securities on hand and the available unused bank lines of credit.

The table below sets out the main liquidity instruments:

€ thousand	31 December 2024	31 December 2023
Cash and cash equivalents	1,293,167	1,090,450
Marketable securities	109,515	113,119
Available, unused cash line of credit	482,111	497,252
Total	1,884,793	1,700,821

The total of the cash lines of credit available to the HELLA Group amounts to roughly €488,081 thousand (prior year: €501,362 thousand). These consist of a syndicated loan with a volume of €450,000 thousand (term until 2027, utilisation as at 31 December 2024: 0%) and short-term money market lines with a volume of €38,081 thousand (utilisation as at 31 December 2024: 16%). In some cases, standard lenders' rights to call in a loan apply to the latter (as part of financial covenants). These covenants are reviewed on an ongoing basis as part of corporate planning and are currently being complied with. Owing to the broad and international base of core banks and the utilisation of the capital market for financing, the refinancing risk is classified as very low. There are no concentration risks in the provision of liquidity.

Management of currency risks

Currency risks (in the context of transaction risks) arise from receivables, liabilities, liquid funds, securities and executory contracts in a currency other than the functional currency. The HELLA Group's currency risk is calculated as a net exposure by aggregating the Company's planned foreign currency cash flow.

The net exposure is constantly monitored and managed by regularly adjusting the hedge ratio to conform to the HELLA hedging targets, which are regularly reviewed. Currency derivatives, primarily foreign currency forwards, are used to offset exchange rate-related fluctuations impacting these payments and positions.

In principle, changes in the fair value of currency derivatives are recognised in the income statement. In the case of cash flow hedge accounting within the meaning of IFRS 9, the unrealised gains and losses from the effective part of the hedging transaction are initially recognised in the statement of "Changes in equity with no impact on the income statement". The gains and losses are only realised and transferred to the income statement when the hedged risk of the underlying transaction is also recognised in profit or loss.

Hedging of foreign currency risks from long-term refinancing in foreign currencies

HELLA mainly designates currency derivatives to hedge foreign currency cash flow from funding taken out in JPY and maturing in 2032 or 2033 under flow hedge accounting (micro-hedges, use of currency swaps).

Hedging is carried out using the spot-to-spot method. The components in excess of the spot components of the currency hedging derivative are recognised separately in equity as transaction-related hedging costs and are recognised in profit or loss when they are used.

The effectiveness of hedging relationships is determined using the dollar offset method with recourse to a hypothetical derivative.

Hedging of planned and highly probable transactions

Planned, highly probable foreign currency transactions are hedged spot-to-spot using forward exchange transactions. The price component of the exchange rate that exceeds the spot component is recognised as the cost of hedging and reversed in accordance with the management of the respective maturity bands. Hedging transactions with currency derivatives almost exclusively have a term of less than one year and are used to hedge currency risks from operating cash flows.

This offsetting reflects the HELLA Group's expectation that the fair value measurements of the hedged item and hedging instrument normally move in opposite directions. Accordingly, forward agreements are entered into to sell future cash flows from sales denominated in a foreign currency. A change in the exchange rate may have a positive impact on the cash flows from the flow currency sales but a negative effect on the currency forward, or vice versa.

The effective changes in the value of currency derivatives recognised in equity are recognised in the same period and in the same item of the income statement as the planned underlying transaction is recognised in the income statement. If hedged transactions are no longer expected to occur, the amounts are reclassified to other income.

The other currency derivatives are also used to hedge currency risks from underlying transactions, whereby no hedge accounting is applied.

The relatively high sensitivity of the net profit/loss for the year is largely attributable to market fluctuations of non-derivative financial instruments and planned cash flow that are not hedged within the meaning of IFRS 9.

The sensitivity analysis is performed on the basis of the hedge ratios as at the balance sheet date. They are reviewed regularly in the course of the fiscal year and may be above or below the level at the balance sheet date.

The following sensitivity analyses show the effects a 10% change in the exchange rate of each foreign currency would have on equity or on the net profit/loss for the year (before taxes). The analysis is based on the respective risk position on the balance sheet date and only takes into account the largest gross exposure in the HELLA Group:

Effects of a 10% fluctuation in the exchange rate on equity and net profit/loss for the year

€ thousand	Exchange rate	Foreign currency	31 December 2024		31 December 2023		
			Net exposure	depreciates by 10%	appreciates by 10%	Net exposure	depreciates by 10%
Change in equity owing to fluctuations in the market value of currency derivatives used for hedging purposes (cash flow hedge accounting)	CNY	-	18,988	-23,208	-	18,814	-22,995
	CZK	-	-17,136	20,944	-	-16,661	20,363
	JPY	-	2,273	2,225	-	-577	806
	MXN	-	-25,593	31,280	-	-15,023	18,361
	RON	-	-18,030	22,037	-	-19,847	24,257
	USD	-	30,497	-37,274	-	17,946	-21,933
Change in the year's result owing to unhedged currency exposures in the case of non-derivative financial instruments and fluctuations in the market value of derivative financial instruments	CNY	98,048	-8,913	10,894	122,562	-11,142	13,618
	CZK	-73,739	6,704	-8,193	-112,428	10,221	-12,492
	JPY	-19,898	1,809	-2,211	-20,793	1,890	-2,310
	MXN	-22,989	2,090	-2,554	-75,031	6,821	-8,337
	RON	-104,565	9,506	-11,618	-122,111	11,101	-13,568
	USD	10,101	-918	1,122	85,993	-7,818	9,555

The following table shows the nominal values and measurements of the hedging instruments, aggregated for all currencies, as well as their balance sheet category and the change in ineffectiveness.

Nominal values and measurements of hedging instruments

€ thousand	Nominal amount of the hedging instrument	Carrying amount of the hedging instrument		Line items in the statement of financial position that include the hedging-	Changes in fair value for the calculation of hedge ineffectiveness	
		Assets	Liabilities			
Cash flow hedges						
31 December 2024	Exchange rate risk (forecast transactions)	1,111,246	5,605	-24,670	Other assets/liabilities	-
	Exchange rate risk (financing)	175,177	0	-76,551	Other assets/liabilities	-
31 December 2023	Exchange rate risk (forecast transactions)	987,893	28,087	-5,177	Other assets/liabilities	-
	Exchange rate risk (financing)	175,177	0	-70,772	Other assets/liabilities	-

The following tables contain quantitative disclosures on the hedging instruments used in each category, broken down by the most important currencies:

Hedging instruments per risk category

	Nominal amount in € thousands		
	<1 year	1-5 years	>5 years
Exchange rate risk as at 31.12.2024	954,600	156,646	175,177
Exchange rate risk as at 31.12.2023	850,728	137,165	175,177

Average hedging rates

Exchange rate risk	Average prices over the entire term of the hedging instruments as at 31.12.2024	Average prices over the entire term of the hedging instruments as at 31.12.2023
EUR/USD	1.09	1.09
EUR/CZK	25.17	24.76
EUR/JPY	157.05	145.05
EUR/RON	5.10	5.11
EUR/CNY	7.70	7.57
USD/MXN	20.22	19.34

The following table contains information about designated hedged items in each risk category. HELLA only uses cash flow hedges for currency risks.

Since the hedged items consist of planned cash flows that have not (yet) been recognised in the financial statements, only the carrying amount of the hedging instrument portfolio is reported.

Designated hedged items per risk category

€ thousand		Cash flow hedge reserve		
		Change in value for calculation of hedge ineffectiveness	Ongoing hedging activities	Hedging activities that no longer qualify for hedge accounting
31 December 2024	Exchange rate risk for forecast transactions	-	-19,065	-
	Exchange rate risk for financing	-	-42,194	-
31 December 2023	Exchange rate risk for forecast transactions	-	22,911	-
	Exchange rate risk for financing	-	-40,476	-

Gains and losses from cash flow hedges are as follows:

Profits and losses from cash flow hedges

Cash flow hedges in € thousand		Earnings from hedging recognised directly in equity	"Hedge ineffectiveness recognised in profit or loss"	Earnings line in the statement of comprehensive income that contains hedge ineffectiveness	"Amount reclassified from the CFH reserve to the income statement"	Individual income statement items affected by the reclassification
31 December 2024	Exchange rate risk (planned cash flows)	-19,065	-	Other operating earnings	9,624	Other operating earnings
	Exchange rate risk (financing)	-42,194	-	Other operating earnings	-4,540	Other operating earnings
31 December 2023	Exchange rate risk (planned cash flows)	22,911	-	Other operating earnings	50,995	Other operating earnings
	Exchange rate risk (financing)	-40,476	-	Other operating earnings	-15,338	Other operating earnings

The following table reconciles the equity items relating to currency risks in other comprehensive income (OCI):

Reconciliation of equity items from currency risks

€ thousand	2024			2023		
	Reserve for financial instruments to secure payment flows	Hedging costs	Total	Reserve for financial instruments to secure payment flows	Hedging costs	Total
As at 1 January	-36,257	10,433	-25,824	-26,456	14,336	-12,120
Profits or losses from effective hedging relationships	-16,342	-26,769	-43,111	71,614	-120,975	-49,361
Reclassifications due to being recognised in profit or loss	-3,771	8,855	5,084	-81,415	117,072	35,657
As at 31 December	-56,371	-7,481	-63,851	-36,257	10,433	-25,824

The fair values and changes in currency derivatives used to hedge items recognised in the balance sheet are shown in the following table.

Currency derivatives without hedge accounting

€ thousand	31 December 2024	Fair values	
		31 December 2023	Change
Currency derivatives	-9,928	-1,344	-8,584

Management of interest rate risks

Interest rate risks arise when fluctuations in interest rates lead to changes in the value of financial assets and liabilities on the statement of financial position of HELLA. These may affect the amount of the interest income and expenses in the fiscal year as well as the market value of derivative contracts and other financial assets measured at fair value. As at 31 December 2024, interest rate-sensitive net financial debt stood at €976,691 thousand (prior year: €971,847 thousand).

These risks are managed by the HELLA Group through natural hedging, i.e. the elimination of interest rate risks by assuming offsetting items and through the targeted use of interest rate derivatives."

The following sensitivity analyses show how a one percentage point movement in the respective market interest rate would change equity and the net profit/loss for the year (before taxes). The analysis is based on the respective risk position on the balance sheet date. The calculation method used is the net present value method.

Effects of a 1% fluctuation in the market interest rate on equity and net profit/loss for the year

€ thousand	31 December 2024		31 December 2023	
	rises by 1 percentage point	falls by 1 percentage point	rises by 1 percentage point	falls by 1 percentage point
Market interest rate				
Change in equity owing to fluctuations in the market value of fixed-income securities recognised directly in equity at fair value	11,088	-3,780	11,733	-10,582
Change in net profit/loss for the year owing to variable interest items in the case of non-derivative financial instruments and fluctuations in the market value of derivative financial instruments	9,767	-9,767	9,718	-9,718

Equity instruments

HELLA holds shares in a company in the form of shares with strategic objectives.

HELLA actively manages the price risks. By continuously observing and analysing the markets, it is possible to manage investments in real time. Negative developments on the capital markets can thus be identified at an early stage and appropriate measures taken. Derivatives are only used to manage other price risks in exceptional cases.

Management of default risks

Default risks arise for the HELLA Group from its operations and from financial investments and financial derivatives with positive fair values. Default risks from trade receivables, contract assets or other financial assets pose the risk that the receivables will be collected significantly late or not at all if a customer or another contracting party fails to satisfy its contractual commitments.

The Company considers the probability of default when initially recognising an asset as well as whether the credit risk has continually increased significantly in every reporting period. To determine whether the credit risk has increased significantly, the Company compares the default risk of the asset on the balance sheet date to the default risk at the time of initial recognition. The Group makes this assessment based on quantitative and qualitative information that is reasonable and appropriate, including past experience and/or forward-looking information that can be obtained without excessive effort or expense. The default risk largely depends on the characteristics of the customers and their industry and is thus monitored by central and regional financial officers. The credit ratings and payment practices of contracting partners are regularly analysed.

Regardless of the outcome of the above assessment, the Group presumes that the credit risk of a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due unless the Group has reasonable and appropriate information that proves otherwise.

A financial asset is in default or credit impaired if any of the following criteria have been met:

- Insolvency or similar event indicating significant financial difficulties and a probable default on the part of the counterparty
- Probable debt waiver
- Other reasons for credit managers to assume that it is more likely that the receivables are not collectible.

In addition, all past-due trade receivables are tested for impairment during the year.

Financial assets are written off if there is no reasonable expectation of settlement. The residual value of these written-off financial assets can still be recovered, possibly with the involvement of legal counsel, if the customer enters insolvency. No residual value was recovered from the written-off receivables in the past fiscal year, as was the case in the prior year. Any amounts collected are recognised in profit or loss.

The maximum default risk for the financial assets corresponds to their carrying amount. Netting off is not carried out due to the full or partial lack of offsetting criteria under IAS 32. Collateral is accepted in individual cases as described below, which means that the actual default risk is smaller.

The HELLA Group concludes transactions in the form of derivative financial instruments on the basis of the German Master Agreement for Financial Futures (DRV). The versions of the German Master Agreement for Financial Futures used by the HELLA Group do not provide for the possibility of aggregating the amounts owed under such an agreement by each counterparty on the same day in respect of all outstanding transactions in the same currency into a single net amount payable by one party to the other. Four Group companies have local framework agreements on the basis of which these companies have concluded derivative financial instruments. These agreements do not fulfil the criteria for offsetting in the statement of financial position.

Potential for offsetting derivatives**31 December 2024**

€ thousand	Gross	IAS 32.42	Net prior to potential for offsetting	Potential for offsetting	Net
Assets – derivatives	5,756	-	5,756	6,616	-860
Liabilities – derivatives	-109,457	-	-109,457	6,616	-102,841

31 December 2023

€ thousand	Gross	IAS 32.42	Net prior to potential for offsetting	Potential for offsetting	Net
Assets – derivatives	28,585	-	28,585	6,900	21,685
Liabilities – derivatives	-75,520	-	-75,520	6,900	-68,620

The Group has the following types of financial assets that are subject to the expected credit loss model:

- Trade receivables
- Debt capital instruments at FVOCI
- Other financial assets at amortised cost
- Receivables from finance leases

Trade receivables

The Group's credit risk results from trade receivables and is mainly influenced by the individual characteristics of each customer. However, management also considers the factors that affect the credit risk of the customers and the customer portfolios, including the default risk associated with the industry and country where the customer is located. HELLA has established a process in which it individually assesses the creditworthiness of every new customer before offering the Group's customary payment and delivery terms. In conducting the review, the Group considers external ratings (if available), financial statements, credit reports, industry information and, in some cases, bank references. Counterparty risks are managed by continuously monitoring receivables using customer portals and other sources of information that enable measures to be taken at an early stage to ensure that payments are received on time. In addition, all past-due trade receivables are tested for impairment during the year.

Specific default risks are addressed upon identification by recognising corresponding impairments. In individual cases, HELLA Group companies also demand collateral to secure receivables. This includes warranties, performance guarantees and advance payment guarantees. HELLA has drawn up internal rules for accepting collateral. The only acceptable collateral providers are banks and insurance firms with good credit ratings. Many shipments to customers are also subject to retention of title clauses.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables. The expected credit losses for trade receivables, receivables from finance leases and contract assets are measured using the credit losses expected over the entire term. Detailed information on receivables from finance leases can be found in Chapter 47 "Information on leases". Advance payments are usually used in the area of contract assets. There are no significant counterparty risks for the remaining portion.

The recoverability of all the receivables, which do not include past-due or impaired financial assets, is considered very high. This assessment is primarily based on ratings issued by large rating agencies and the fact that the HELLA Group maintains long-standing business relationships with most of its customers. The historical default rate of these trade receivables is extremely low.

Trade receivables are essentially spread over key accounts from the automotive and automotive supply industry. To avoid concentration risks, analysing customers and customer portfolios is part of portfolio management in the Group's strategic planning.

Despite the transformation in the automotive industry, no major bad debt losses are expected among major customers in the automotive industry. In addition to this customer segment, business in China continues to grow, particularly with new local Chinese OEMs in the field of electromobility.

The market is expected to consolidate in the future. As at 31 December 2024, there were no significant defaults on receivables attributable to the transformation. No increased credit risk was identified for major customers in the Electronics and Lighting divisions or for the majority of customers in the Lifecycle Solutions division. The change in the customer portfolio due to the new local Chinese OEMs was taken into account accordingly in the calculation.

An impairment analysis is carried out at each balance sheet date based on the age structure within the overdue receivables. In this case, the receivables are impaired depending on the overdue portfolio. Portfolios (Level 2) older than 6 months are taken into account; impairment rates are applied as follows: Overdue receivables in the portfolio older than 6 months 25% (€334 thousand; prior year: €340 thousand), in the portfolio older than 9 months 50% (€125 thousand; prior year: €81 thousand) and in the portfolio (stage 3) older than 12 months 100% (€1,562 thousand; prior year: €615 thousand). Individual transactions that have already been individually impaired are not included in the calculation within the portfolios. The maximum credit risk on the balance sheet date is the carrying amount (cf. Note 26).

Using this as a basis, the value adjustment for trade receivables as of 31 December 2024 and 31 December 2023 (applying IFRS 9) was calculated as follows:

Detailed overview of value adjustment for trade receivables

		31 December 2024			
		Value adjustment			Net carrying amount
€ thousand	Regions	Gross carrying amount	ECL	Specific value adjustments	
Trade receivables	Germany	143,144	564	150	142,430
	Europe excluding Germany	170,355	369	1,518	168,468
	North Central and South America	169,467	651	91	168,726
	Asia / Pacific / RoW	479,571	3,290	14,534	461,747
Total		962,537	4,873	16,293	941,371

		31 December 2023			
		Value adjustment			Net carrying amount
€ thousand	Regions	Gross carrying amount	ECL	Specific value adjustments	
Trade receivables	Germany	148,780	94	475	148,211
	Europe excluding Germany	202,976	209	1,428	201,338
	North Central and South America	163,892	231	0	163,661
	Asia / Pacific / RoW	416,591	502	6,233	409,856
Total		932,238	1,037	8,136	923,065

Value adjustments for trade receivables carried at amortised cost as at 31 December 2024 are shown below and reconciled with the value adjustments for opening losses.

The estimation techniques or main assumptions used to estimate the value adjustment for these financial assets did not change in the current reporting period.

Reconciliation overview of value adjustment for trade receivables

€ thousand	2024	2023
As at 1 January	9,173	11,559
Additions	5,116	1,415
Utilisation	-254	142
Reduction	-621	-3,408
Change in the scope of consolidation	7,330	0
Currency translation	421	-534
As at 31 December	21,166	9,173

Debt investments

The Group solely invests in listed debt instruments that carry very little credit risk. All of the Group's debt instruments at fair value through OCI are listed bonds that have received investment-grade (very good and good) ratings from rating agencies and are thus considered to be low-risk investments.

The Group measures the value adjustment for financial instruments in the OCI category using the CDS values. The expected credit losses (ECLs) for securities consider the exposure at default (EaD), the probability of default in the next 12 months (12m PD) and the loss given default (LGD).

In the fiscal year 2024, the Group recognised a value adjustment of €38 thousand (prior year: €40 thousand) for expected credit losses for its debt

instruments measured at fair value through FVOCI. There were reversals of impairment losses in the amount of €2 thousand (prior year: €181 thousand).

The maximum exposure as at 31 December 2024 is the carrying amount of these investments of €106,088 thousand (prior year: €99,351 thousand).

The estimation techniques or main assumptions used to estimate the value adjustment for these financial assets did not change in the current reporting period.

Notes on the abbreviations used:

POCI: Purchased or originated credit-impaired financial assets.

The Group's credit risk exposure to debt capital instruments at FVOCI can be summarised as follows:

Summary of credit risk exposure for debt capital instruments measured at FVOCI

2024					
€ thousand	12-month ECL	Lifetime ECL without credit impairment	Lifetime ECL with credit impairment	POCI	Total
Gross carrying amounts	106,088	0	0	0	106,088
Value adjustments OCI	-38	0	0	0	-38

2023					
€ thousand	12-month ECL	Lifetime ECL without credit impairment	Lifetime ECL with credit impairment	POCI	Total
Gross carrying amounts	99,351	0	0	0	99,351
Value adjustments OCI	-40	0	0	0	-40

Financial assets at fair value through profit or loss

The Company is also exposed to credit risk in connection with financial assets measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments amounting to €71,969 thousand (prior year: €74,313 thousand).

Capital risk management

The HELLA Group manages its capital with the aim of ensuring that all Group companies can continue their business activities. By optimising the debt-equity ratio as needed, capital costs are kept as low as possible. These measures help to maximise shareholder income.

The capital structure consists of the current and non-current liabilities in the statement of financial position less the cash representing net borrowings and the balance sheet equity. The Risk Management Committee assesses and reviews the Group's capital structure on a regular basis. Risk-adjusted capital costs are taken into account in this assessment. The Group is aiming to not exceed a ratio of 1.0 for net financial debt to reported earnings before interest, taxes, depreciation and amortisation (EBITDA) in the long term. As at 31 December 2024, the Group reported a net financial assets (thus exceeding the criterion). The ratio was 0.1 in the prior year.

The overall capital risk management strategy pursued in the current fiscal year has not changed from the prior year.

Other financial assets at amortised cost

The value adjustments for other receivables, mainly receivables from finance leases, as of 31 December 2024 are shown in the reconciliation below.

Reconciliation of value adjustments for other receivables

€ thousand	2024	2023
As at 1 January	339	209
Additions	0	130
Utilisation	-71	0
Reduction	0	0
As at 31 December	268	339

45 Contractual commitments

There were contractual commitments to purchase or use property, plant and equipment amounting to €157,705 thousand as at the balance sheet date (prior year: €170,705 thousand). Contractual commitments for the acquisition of intangible assets amounted to €6,099 thousand at the end of December 2024 (prior year: €3,099 thousand).

46 Contingent liabilities

In a letter dated August 2021 German Federal Financial Supervisory Authority ("BaFin) asked HELLA GmbH & Co. KGaA (the "company") for information and the submission of documents regarding potentially delayed capital market information under the Market Abuse Regulation (EU) No. 596/2014 ("MAR") in connection with the public takeover process of the Company's shares in 2021. The company is of the opinion that it has acted in accordance with all legal requirements, and responded to this letter and another from BaFin regarding suspicion of an administrative offence accordingly.

In May 2024, the Company was advised that the public prosecutor's office in Frankfurt am Main ("public prosecutor's office") had taken over the penalty proceedings because the possible administrative offence was factually related to the prosecution of a criminal offence. This criminal offence is not directed against responsible persons and em-

ployees of the company. In its first written response, the public prosecutor's office informed HELLA GmbH & Co. KGaA that the capital market disclosures had been made too late and were incomplete. Based on previous correspondence with BaFin and an exchange of correspondence with the public prosecutor's office, the Company continues to believe that there has been no violation of the MAR that would give rise to a fine. According to current estimates, the material legal situation for the situation for the company in this matter has not changed. The outcome of the proceedings remains open. The company is cooperating with the authorities to confirm its view and further explain the circumstances that support its position.

47 Information on leases

The HELLA Group as lessee

HELLA has entered into lease agreements for various assets and includes leases for buildings, vehicles and office equipment in the accounting accordingly. Leases are usually fixed for a particular period – generally 4 years for motor vehicles and between 5 and 15 years for buildings – but may include extension options. Some leases for buildings and office equipment include extension and termination options for the Group as a whole.

These terms are utilised to maximise operational flexibility. Most extension and termination options can only be exercised by the Group, not by the lessor.

Leases are negotiated individually and cover a wide range of different terms and contract conditions. The HELLA Group is not subject to any obligations or restrictions from leasing agreements.

Usufructuary rights to assets:

€ thousand	Land and buildings	Machinery	Operating and office equipment	Total
As at: 1 January 2023	151,695	2,721	10,741	165,156
Additions	12,512	27	8,586	21,125
Depreciation/amortisation	-28,483	-1,149	-6,460	-36,092
Disposals	-1,973	-2	-138	-2,113
Changes in classification	38	-35	-3	0
Currency translation	-3,046	-51	-56	-3,153
As at: 31 December 2023	130,744	1,510	12,669	144,923
As at: 1 January 2024	130,744	1,510	12,669	144,923
Additions	25,025	331	11,039	36,396
Depreciation/amortisation	-31,272	-1,358	-7,527	-40,157
Changes in the scope of consolidation	3,624	757	0	4,382
Disposals	-236	0	-212	-448
Currency translation	2,764	26	-6	2,784
As at: 31 December 2024	130,649	1,267	15,964	147,879

The right-of-use assets are measured at amortised cost and so do not require additional notes on remeasurement.

Lease liabilities:

€ thousand	31 December 2024	31 December 2023
Up to 1 year	39,178	34,251
Between 1 and 5 years	98,818	89,539
More than 5 years	20,863	29,610
Total	158,859	153,400

Amounts recognised in the income statement:

€ thousand	31 December 2024	31 December 2023
Interest expenses for lease liabilities	-7,024	-6,049
Variable lease payments that are not included in the valuation of the lease liability	-555	-1,845
Expenses from current leases	-10,483	-9,455
Expenses from leases of low-value assets	-4,973	-4,097

Interest expenses for lease liabilities are reported within financing costs in the income statement and other comprehensive income. Payments of €44,483 thousand (prior year: €38,934 thousand) are recognised in the cash flow statement.

The portfolio of short-term leases is identical to the portfolio "up to one year". There are no additional lease liabilities.

There are no leases with residual value guarantees or pending leases that the Group has committed to.

The HELLA Group as lessor

In the Lifecycle Solutions segment, HELLA concludes finance lease agreements with workshops for its portfolio of diagnostic testing equipment and workshop equipment. These agreements generally have five-year terms. All lease agreements are concluded in euros and relate exclusively to business within the EU. To reduce the risk associated with the transactions, HELLA conducts a credit check for each potential customer and, if needed, obtains bank guarantees for the full term of the lease. There are no variable lease payments that depend on an index or rate. Financial income from net capital expenditure in leasing for the period amounts to €3,898 thousand (prior year: €3,290 thousand).

Distribution of minimum lease payments (not discounted):

€ thousand	31 December 2024	31 December 2023
Up to 1 year	22,100	23,197
Between 1 and 2 years	17,183	19,087
Between 2 and 3 years	12,875	13,120
Between 3 and 4 years	7,678	9,106
Between 4 and 5 years	658	4,458
More than 5 years	0	0
Future interest income under finance leases	-5,678	-7,828
Total	54,816	61,139

Distribution of the present values of minimum lease payments:

€ thousand	31 December 2024	31 December 2023
Up to 1 year	21,467	19,760
Between 1 and 5 years	33,349	41,379
More than 5 years	0	0
Total	54,816	61,139

Changes in the carrying amount of net capital expenditure in financing relationships:

€ thousand	31 December 2024	31 December 2023
Carrying amount at the beginning of the reporting period	61,139	49,792
Additions from new business	15,719	36,579
Delimitations	-525	117
Value adjustments	-187	-130
Payments	-21,330	-21,219
Carrying amount at the end of the reporting period	54,816	61,139

An impairment analysis is carried out at each balance sheet date on the basis of credit history, which is based on the current payment practices of customers. Overdue lease receivables for which dunning proceedings have been initiated are impaired by 50% (Stage 2). As soon as the lease agree-

ment is cancelled by HELLA, the lease receivables are impaired by 100% (Stage 3).

As at 31 December 2024, impairments for receivables from leases amounted to €312 thousand (prior year: €374 thousand).

48 Events after the balance sheet date

On 16 January 2025, the electronics division published a targeted structural adjustment in its German development network. Accordingly, the Berlin-based company HELLA Aglaia will be closed by mid-2026 and all of the 175 jobs based there will be cut. Aglaia, a wholly-owned subsidiary of HELLA since 2006, is an internal development service provider primarily entrusted with development activities in the fields of energy management, lighting electronics and software.

In December 2024, HELLA concluded an agreement in connection with the settlement of a legal dispute in Mexico. Part of the agreement consisted of the acquisition of a plot of land in Mexico City. With entry in the land register and payment of the purchase price, ownership has now been transferred to HELLA.

Dr. Martin Fischer joined the Shareholder Committee on 1 January 2025, while Mr. Patrick Koller left the Shareholder Committee at the end of 28 February 2025.

In addition, on February 27, 2025, it was announced that adjustments would be made at the Lippstadt site. The plan is to cut around 150 jobs within the Electronics Business Group as part of a voluntary severance program (including a partial retirement offer). In addition, there will be up to 20 positions in the Corporate Center Lippstadt and up to 30 positions in the Lifecycle Solutions Business Group.

49 Audit fees

The total fees for the services of auditor Forvis Mazars GmbH & Co. KG Audit firm for the fiscal year 2024 amounts to €1,904 thousand (prior year: €1,560 thousand), of which €201 thousand relates to prior years. They mainly relate to auditing services, other assurance services accounted for €425 thousand (prior year: €261 thousand). Tax consultancy services by the auditor are not permitted and are therefore not provided.

The auditing services relate to the audit of the annual and consolidated financial statements of the parent company. The other assurance services mainly include the audit of the remuneration report, the non-financial report and other assurance services in connection with the half-year financial statements of the FORVIA Group.

Lippstadt, 28 February 2025

The Managing General Partner of HELLA GmbH &
Co. KGaA

HELLA Geschäftsführungsgesellschaft mbH



Bernard Schäferbarthold
(President and CEO of
HELLA Geschäftsführungsgesellschaft mbH)



Yves Andres
(Director of HELLA
Geschäftsführungsgesellschaft mbH)



Jörg Weisgerber
(Director of HELLA
Geschäftsführungsgesellschaft mbH)



Stefan van Dalen
(Director of HELLA
Geschäftsführungsgesellschaft mbH)



Stefanie Rheker
(Director of HELLA
Geschäftsführungsgesellschaft mbH)



Philippe Vienney
(Director of HELLA
Geschäftsführungsgesellschaft mbH)

Scope of consolidation fiscal year 2024

Affiliated companies included in the consolidated financial statements:

No.	Company	Country	City	Investment	
				in %	in
1	HELLA GmbH & Co. KGaA	Germany	Lippstadt	100.0	
2	HELLA Innenleuchten-Systeme GmbH*	Germany	Wembach	100.0	1
3	HELLA Fahrzeugkomponenten GmbH*	Germany	Bremen	100.0	1
4	HFK Liegenschaftsgesellschaft mbH	Germany	Bremen	100.0	3
5	HELLA Aglaia Mobile Vision GmbH*	Germany	Berlin	100.0	1
6	HELLA Distribution GmbH*	Germany	Erwitte	100.0	1
7	RP Finanz GmbH*	Germany	Lippstadt	100.0	1
8	Docter Optics SE*	Germany	Neustadt an der Orla	100.0	1
9	Docter Optics Inc.	USA	Gilbert, AZ	100.0	8
10	Docter Optics Components GmbH	Germany	Neustadt an der Orla	100.0	8
11	Docter Optics s.r.o.	Czech Republic	Skalice u České Lípy	100.0	8
12	HELLA Saturnus Slovenija d.o.o.	Slovenia	Ljubljana	100.0	1
13	HELLA Werkzeug Technologiezentrum GmbH*	Germany	Lippstadt	100.0	1
14	HELLA Corporate Center GmbH*	Germany	Lippstadt	100.0	1
15	HELLA Gutmann Holding GmbH*	Germany	Ihringen	100.0	1
16	HELLA Gutmann Solutions GmbH*	Germany	Ihringen	100.0	15
17	HELLA Gutmann Anlagenvermietung GmbH*	Germany	Breisach	100.0	15
18	HELLA Gutmann Solutions A/S	Denmark	Viborg	100.0	15
19	HELLA Gutmann Solutions AS	Norway	Porsgrunn	100.0	18
20	TecMotive GmbH	Germany	Berlin	100.0	15
21	HELLA Geschäftsführungsgesellschaft mbH*	Germany	Lippstadt	100.0	1
22	UAB HELLA Lithuania	Lithuania	Kaunas	100.0	1
23	HELLA Holding International GmbH*	Germany	Lippstadt	100.0	1
24	HELLA Shanghai Electronics Co., Ltd.	China	Shanghai	100.0	23
25	HELLA Changchun Tooling Co., Ltd.	China	Changchun	100.0	23
26	HELLA Corporate Center (China) Co., Ltd.	China	Shanghai	100.0	23
27	Changchun HELLA Automotive Lighting Ltd.	China	Changchun	100.0	23
28	Beifang HELLA Automotive Lighting Ltd.	China	Beijing	100.0	23
29	HELLA Asia Pacific Pty Ltd	Australia	Mentone	100.0	23
30	HELLA Australia Pty Ltd	Australia	Mentone	100.0	29
31	HELLA-New Zealand Limited	New Zealand	Auckland	100.0	29
32	HELLA Asia Pacific Holdings Pty Ltd	Australia	Mentone	100.0	29
33	HELLA Korea Inc.	South Korea	Seoul	100.0	32
34	HELLA India Automotive Private Limited	India	Gurgaon	100.0	32
35	HELLA India Autoparts and Services Private Limited	India	Delhi	100.0	34
36	HELLA Emobionics Pvt Ltd.	India	Delhi	100.0	34
37	HELLA UK Holdings Limited	Great Britain	Banbury	100.0	23

No.	Company	Country	City	Investment	
				in %	in
38	HELLA Limited	Great Britain	Banbury	100.0	37
39	HELLA Corporate Center USA, Inc.	USA	Plymouth, MI	100.0	23
40	HELLA Electronics Corporation	USA	Plymouth, MI	100.0	39
41	HELLA Automotive Sales, Inc.	USA	Peachtree City GA	100.0	39
42	HELLA Ventures, LLC	USA	Delaware	100.0	39
43	HELLA España Holdings S. L.	Spain	Madrid	100.0	23
44	Manufacturas y Accesorios Electricos S.A.	Spain	Madrid	100.0	43
45	HELLA S.A.	Spain	Madrid	100.0	43
46	Hella Colombia Autopartes S.A.S.	Colombia	Bogota	100.0	45
47	HELLA Handel Austria GmbH	Austria	Vienna	100.0	23
48	HELLA Fahrzeugteile Austria GmbH	Austria	Großpetersdorf	100.0	47
49	HELLA S.A.S.	France	Le Blanc Mesnil-Cedex	100.0	23
50	HELLA Engineering France S.A.S.	France	Toulouse	100.0	49
51	HELLA Benelux B.V.	The Netherlands	Nieuwegein	100.0	23
52	HELLA S.p.A.	Italy	Caleppio di Settala	100.0	23
53	HELLA Autotechnik Nova s.r.o.	Czech Republic	Mohelnice	100.0	23
54	HELLA Hungária Kft.	Hungary	Budapest	100.0	23
55	HELLA Polska Sp. z o.o.	Poland	Warsaw	100.0	23
56	Intermobil Otomotiv Mümesillik Ve Ticaret A.S.	Turkey	Istanbul	56.0	23
57	HELLA Centro Corporativo Mexico S.A. de C.V.	Mexico	Tlalnepantla	100.0	23
58	HELLA Automotive Mexico S.A. de C.V.	Mexico	Tlalnepantla	100.0	57
59	HELLAmex S.A. de C.V.	Mexico	Naucalpan	100.0	57
60	HELLA A/S	Denmark	Aabenraa	100.0	23
61	Hella India Lighting Ltd.	India	New Delhi	85.2	23
62	HELLA Asia Singapore Pte. Ltd.	Singapore	Singapore	100.0	23
63	HELLA Trading (Shanghai) Co., Ltd.	China	Shanghai	100.0	62
64	HELLA Slovakia Holding s.r.o.	Slovakia	Kocovce	100.0	23
65	HELLA Slovakia Lighting s.r.o.	Slovakia	Bánovce nad Bebravou	100.0	64
66	HELLA Romania s.r.l.	Romania	Ghiroda-Timisoara	100.0	23
67	HELLA do Brazil Automotive Ltda.	Brazil	São Paulo	100.0	23
68	HELLA Automotive South Africa (Pty) Ltd	South Africa	Uitenhage	100.0	23
69	HELLA Middle East FZE	United Arab Emirates	Dubai	100.0	23
70	HELLA Middle East LLC	United Arab Emirates	Dubai	49.0	69
71	HELLA China Holding Co., Ltd.	China	Shanghai	100.0	23
72	HELLA (Xiamen) Electronic Device Co., Ltd.	China	Xiamen	100.0	71
73	Jiaxing HELLA Lighting Co., Ltd.	China	Jiaxing	100.0	71
74	Beijing Hella BHAP Automotive Lighting Co., Ltd.	China	Beijing	50.0	71
75	Hella BHAP (Sanhe) Automotive Lighting Co., Ltd.	China	Sanhe	100.0	74
76	Hella BHAP (Tianjin) Automotive Lighting Co., Ltd.	China	Tianjin	100.0	74
77	Hella BHAP (Changzhou) Automotive Lighting Co., Ltd.	China	Changzhou	100.0	74
78	HELLA Vietnam Company Limited	Vietnam	Ho Chi Minh City	100.0	23
79	HELLA Nanjing Electronic Co., Ltd.	China	Nanjing	100.0	23

* As in the prior year, the Company exercises the exemption pursuant to Section 264 (3) of the German Commercial Code (HGB).

Associates / joint ventures:

No.	Company	Country	City	Investment	
				in %	in
80	Beijing SamLip Automotive Lighting Ltd.	China	Beijing	24.5	32
81	Changchun Hella Faway Automotive Lighting Co., Ltd.	China	Changchun	49.0	24
82	Chengdu Hella Faway Automotive Lighting Co., Ltd.	China	Chengdu	100.0	81
83	Faway Hainuo Automotive Technology (Changzhou) Co., Ltd.	China	Changzhou	61.0	81
84	Hella Faway Automotive Lighting (Tianjin) Co., Ltd.	China	Tianjin	100.0	81
85	InnoSenT GmbH	Germany	Donnersdorf	50.0	1
86	Hella BHAP Electronics (Jiangsu) Co., Ltd.	China	Zhenjiang	50.0	23
87	HELLA Evergrande Electronics (Shenzhen) Co.,Ltd.	China	Shenzhen	49.0	23
88	HELLA MINTH Jiaxing Automotive Parts Co., Ltd.	China	Jiaxing	50.0	23
89	Beijing HELLA BHAP Lighting Technology Co., Ltd.	China	Beijing	50.0	71

The companies listed below were not consolidated as they are of minor significance for the Group's financial position, financial status and results of operations. For this reason, the other disclosures

under Section 313 (2) (4) HGB could be omitted. The Group's shares in this company were recognised at fair value.

Companies not included in the consolidated financial statements:

No.	Company	Country	City	Investment	
				in %	in
90	Electra Hella's S.A.	Greece	Athens	73.0	23
91	HELLA Japan Inc.	Japan	Tokyo	100.0	23
92	CMD Industries Pty Ltd.	Australia	Mentone	100.0	32
93	Hella Mexico Tooling, S.A. de C.V.	Mexico	El Salto, Jalisco	100.0	57
94	Hella-Stanley Holding Pty Ltd.	Australia	Mentone	50.0	1
95	FWB Kunststofftechnik GmbH	Germany	Pirmasens	100.0	1
96	The Drivery GmbH	Germany	Berlin	100.0	5
97	HELLA Fast Forward Shanghai Co., Ltd.	China	Shanghai	100.0	71
98	avitea GmbH	Germany	Lippstadt	100.0	1
99	avitea Industrieservice GmbH	Germany	Lippstadt	100.0	99
100	hvs Verpflegungssysteme GmbH	Germany	Lippstadt	100.0	1
101	The Drivery Holding GmbH	Germany	Berlin	100.0	5
102	The Drivery Shanghai	China	Shanghai	100.0	102
103	Ahead Automotive GmbH	Germany	Berlin	25.0	1
104	FH Services S.A.S	France	Nanterre	25.0	1
105	HELLA OOO	Russia	Moscow	100.0	1
106	HELLA Innenleuchten-Systeme Bratislava, s.r.o.	Slovakia	Bratislava	100.0	2
107	HELLA Investment Holding GmbH	Germany	Lippstadt	100.0	1
108	HELLA Ignite GmbH	Germany	Berlin	100.0	108

Since no significant influence is exercised over the following companies, they were treated as investments.

Investments:

No.	Company	Country	City	Investment	
				in %	in
109	PARTSLIFE GmbH	Germany	Neu-Isenburg	9.7	1
110	TecAlliance GmbH	Germany	Ismaning	7.0	1
111	EMC Test NRW GmbH electromagnetic compatibility	Germany	Dortmund	11.6	1
112	KFE Kompetenzzentrum Fahrzeug Elektronik GmbH	Germany	Lippstadt	12.0	1
113	Gapwaves AB (publ)	Sweden	Gothenburg	10.0	23

Certificate of the independent auditor

To HELLA GmbH & Co. KGaA, Lippstadt

Report on the audit of the consolidated financial statements and of the Group management report

Audit opinions

We have audited the consolidated financial statements of HELLA GmbH & Co. KGaA, Lippstadt, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, the income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the fiscal year from 1 January to 31 December 2024, and the consolidated notes, including essential information on the accounting policies. We have also audited the group management report of HELLA GmbH & Co. KGaA, which is combined with the management report of the Company, for the fiscal year from 1 January to 31 December 2024. In accordance with German legal requirements, we have not audited the content of those parts of the group management report listed in the "Other information" section of our auditor's certificate.

In our opinion, on the basis of the findings obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter "IFRS Accounting Stand-

ards") as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and, in compliance with these requirements, give a true and fair view of the financial status and position of the Group as at 31 December 2024, and of the results of its operations for the fiscal year from 1 January to 31 December 2024, and

- the accompanying Group management report as a whole provides an appropriate view of the Group's position. In all material respects, this Group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the Group management report does not cover the content of those parts of the group management report listed in the "Other information" section.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the Group management report.

Basis for the audit opinions

We conducted our audit of the consolidated financial statements and of the Group management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as the "EU Audit Regulation") and in compliance with German Generally Accepted

Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany, IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and of the Group management report" section of our auditors' certificate. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, pursuant to Article 10 (2) (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and the group management report.

Key audit matters in the audit of the consolidated financial statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the fiscal year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the next session, we present the key audit matters from our point of view:

Sales revenue

Related information in the consolidated financial statements and Group management report

The Company's disclosures on the sales are contained in sections "07 Basis of preparation and accounting" and "11 Sales" of the consolidated notes.

Facts and risk for the audit

The consolidated financial statements report sales from the sale of goods totalling €7,600.9 million (prior year: €7,493.5 million). The HELLA Group generates sales revenue primarily from the sale of goods to automotive manufacturers or other automotive suppliers. In particular, the Group sells customer-specific speed components and systems in the areas of lighting technology and electronics for the automotive industry, as well as standardised

goods like automotive parts and accessories for vehicles and original equipment for special-purpose vehicles.

In accordance with IFRS 15, the HELLA Group recognises sales from customer-specific series production over time and sales from the sale of standardised goods at a point in time. The HELLA Group uses the output-oriented method to measure the stage of completion for the recognition of sales over time on the basis of the products delivered; production and delivery are carried out "just in time" for customer-specific series production. Revenue recognition at a point in time from the sale of standardised goods is based on the transfer of control of the goods to the customer. This is the case when the delivery is made.

Sales from the sale of goods also includes compensation for general cost and price increases (so-called "commercial claims"), which are negotiated with customers in the form of unit price adjustments or one-off payments.

The consolidated financial statements also recognise sales revenue from the provision of services in the amount of €423.9 million (prior year: €460.7 million) for the fiscal year 2024. HELLA generates these revenues primarily from the development of vehicle-specific solutions in the Electronics and Lighting segments. The revenue recognition at the point in time when control of the development service is transferred to the customer. As customers generally only make payments after the development work has been completed in the form of a one-off payment or an agreed surcharge on the product price, this results in contract assets.

Overall, sales represent a significant item in terms of amount, the correct recognition and accrual of which is in part categorised as complex under the Group-wide application of the IFRS 15 accounting standard. The delimitation of the performance obligations and the determination of the time of fulfilment of the performance obligations are also based on estimates and assumptions by the legal representatives. With regard to commercial claims, there is an inherent risk of a material misrepresentation of sales due to manual postings. Revenue recognition was therefore of particular significance for our audit.

Audit approach and findings

As part of our audit, we first obtained an understanding of the processes for recognising sales and the components of the internal controls relating to the sales process and performed an IT system au-

dit. The IT applications and interfaces relevant to revenue recognition were tested, the mapping and processing of the business processes were tracked and the effectiveness of the general IT controls was assessed. For relevant control activities, we assessed the effectiveness of their design, implementation and maintenance using our auditor's judgement.

We also obtained an understanding of the Company's accounting policies in relation to the various contractual arrangements. As part of this audit, we have, in particular, examined and assessed the identification of performance obligations and the revenue recognition in accordance with IFRS 15. Based on this, we performed substantive audit procedures to ensure the completeness and accuracy of revenue from the sales of goods and the rendering of services.

In connection with the commercial claims we first obtained an understanding of the accounting practices and the process established by the Company to document the compensation payments. Based on our understanding, we assessed the contractual or quasi-contractual claims and the related judgements of the executive directors with regard to the requirements of IFRS 15 on a test basis.

The company's approach to assessing the realisation of revenue is in line with the provisions of IFRS 15.

We were able to satisfy ourselves that sales revenue was recognised in accordance with the International Financial Reporting Standards.

Recoverability of capitalised development expenses

Related information in the consolidated financial statements and Group management report

The Company's disclosures on capitalised development expenses and their impairment test are contained in sections "07 Basis of preparation and accounting", "08 Management judgements and estimates" and "30 Intangible assets" in the notes to the consolidated notes.

Facts and risk for the audit

The consolidated financial statements reported intangible assets as at 31 December 2024 of €716,3 million (prior year: €545.0 million). Of this amount, €638.5 million (prior year: €500.8 million) is attributable to capitalised development expenses. The Group recognises costs related to development

projects that are subject to IAS 38 as intangible assets if it is likely, given their economic and technical viability, that the project will be successful and the costs can be reliably determined. Otherwise, the development costs and research expenses are recognised in profit or loss. Capitalised development expenses are amortised on a straight-line basis over their expected useful life starting with the date on which the product goes into commercial production.

HELLA reviews the recoverability of capitalised development expenses on a quarterly basis as part of a control mechanism and also on an ad hoc basis if there are indications of possible impairment (triggering event). Impairment is assessed at contract level by comparing the carrying amount with the recoverable amount. The recoverable amount is generally determined using the value in use. In addition, the recoverability of capitalised development costs is also reviewed in connection with the determination of recognised or potential provisions for onerous contracts. HELLA recognises provisions for impending losses from delivery and sales obligations unavoidable costs of fulfilling contractual obligations are higher than the expected economic benefit. For all onerous contracts, the Group reviews whether the capitalised development expenses attributable to the contract must be written off before a provision for onerous contracts is recognised.

The result of the impairment tests is highly dependent on the estimates of the legal representatives with regard to future cash inflows, the discount rates used, the growth rates and other assumptions and is therefore generally subject to considerable uncertainty. In addition, the contractual agreements on which the orders are based offer scope for discretion, which is exercised by the company for the assessment of capitalisation decisions on the basis of commercial practice in the automotive industry and the processes practised with the respective customer. Against this background and due to the in-part complex nature of the valuation, this matter was of particular significance in the context of our audit.

Audit approach and findings

As part of our audit, we first examined the valuation model for testing the recoverability of capitalised development expenses, verified the calculations methodically and mathematically and assessed compliance with the requirements of IAS 36. With the involvement of internal assessment specialists, we assessed the plausibility of the assumptions underlying the valuation, such as the

discount rates. We conducted surveys and sensitivity analyses to assess the plausibility of the future cash flows taken into account in the valuation models. In addition, with the involvement of internal IT specialists, we carried out a structural audit of the activated development services and a functional test of the specific IT application controls and tested manual controls.

With regard to the determination of recognised or potential provisions for onerous contracts in connection with capitalised development costs, we have addressed the risk of error with regard to the reliability of the data used to calculate the provisions. In this respect, we have analysed individual calculations based on the detailed valuation parameters.

Overall, the valuation parameters and assumptions used by the legal representatives are within the ranges considered by us to be reasonable. The accounting consequences of the respective impairment assessments of the capitalised development expenses were derived logically.

Other information

The legal representatives and the Supervisory Board are responsible for the other information. The other information comprises the following non-audited components of the Group management report:

- the declaration on corporate governance in accordance with Sections 289f and 315d HGB,
- the combined non-financial report in accordance with Section 289b (3) and Section 315b (3) HGB, to which reference is made in the Group management report,
- the remuneration report pursuant to Section 162 AktG, to which reference is made in the Group management report, and
- the information in the sections "Opportunity and risk report" relating to the management board's statement on the internal control and risk management system, and "Group fundamentals" relating to information on the cost synergies resulting from the collaboration with FORVIA and technologies in the area of research and development; information not included in the management report is information that is not required under Sections 289 ff and 315 ff of the German Commercial Code (HGB).

The other information also includes:

- the assurances pursuant to Section 297 (2) sentence 4 and Section 315 (1) sentence 5 HGB on the consolidated financial statements and group management report,
- the report of the Supervisory Board and
- the remaining parts of the annual report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditors' certificate.

The legal representatives and the Supervisory Board are jointly responsible for the remuneration report. The Supervisory Board is responsible for the report of the Supervisory Board. Otherwise, the legal representatives are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the Group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of audit conclusion thereon.

In connection with our audit, we have a responsibility to read the other information and, in doing so, to assess whether the other information:

- is materially inconsistent with the consolidated financial statements, the group management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibility of the legal representatives and the Supervisory Board for the consolidated financial statements and the Group management report

The legal representatives are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB, and for ensuring that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the financial position, financial status and results of operations of the Group. Furthermore, the legal representatives are responsible for such internal controls as they deem necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. manipulation of accounting records and impairment of assets) or error.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue with business activities. They also have the responsibility for disclosing, as applicable, matters related to the continuation of business activities. In addition, they are responsible for financial reporting based on the continuation of business activities basic of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative to doing so.

Furthermore, the legal representatives are responsible for the preparation of the Group management report that, as a whole, provides an appropriate view of the Group report's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. In addition, the legal representatives are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a Group management report that is in accordance with the applicable German legal requirements and to be able to provide sufficient appropriate evidence for the assertions in the Group management report.

The Supervisory Board is responsible for overseeing the Group's accounting process for the preparation of the consolidated financial statements and the Group management report.

Auditor's responsibility for the audit of the consolidated financial statements and the Group management report

Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements, whether due to fraud or error, and whether the Group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the audit findings, complies with German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditors' certificate that includes our audit opinions on the consolidated financial statements and the Group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation, and in compliance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the IDW will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or collectively, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this Group management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of a material misstatement resulting from fraud not being detected is higher than the risk of a material misstatement resulting from error not being detected, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the overriding of internal controls.
- obtain an understanding of the internal controls relevant to the audit of the consolidated financial statements and of the arrangements and measures relevant to the audit of the Group management report in order to design

audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.

- evaluate the appropriateness of accounting policies used by the legal representatives and the acceptability of estimates and related disclosures made by the legal representatives.
- conclude on the appropriateness of the legal representatives' use of the continuation of business activities basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue its business activities. If we conclude that a material uncertainty exists, we are required to draw attention in the auditors' certificate to the related disclosures in the consolidated financial statements and in the Group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditors' certificate. However, future events or conditions may cause the Group to cease to be able to continue its business activities.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the financial position, financial status and results of operations of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.
- obtain sufficient appropriate audit evidence regarding the financial information of the companies or business activities within the Group to express audit opinions on the consolidated financial statements and on the Group management report. We are responsible for the direction, supervision and implementation of the audit of the Group financial statements. We bear sole responsibility for our audit opinions.

- evaluate the consistency of the Group management report with the consolidated financial statements, its conformity with German law and the view of the Group's position it provides.
- perform audit procedures on the prospective information presented by the legal representatives in the Group management report. On the basis of sufficient appropriate audit evidence, we reproduce, in particular, the significant assumptions used by the legal representatives as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the underlying assumptions used. There is a significant unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to have an effect on our independence and, where applicable, the actions taken or safeguards applied to address any threats to our independence.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current reporting period and are therefore the key audit matters. We describe these matters in our auditors' certificate unless legislation or other legal regulations preclude public disclosure about the matter.

Other legal and regulatory requirements

Report on the audit in accordance with Section 317 (3a) HGB on the electronic reproduction of the consolidated financial statements and the Group management report prepared for publication purposes

Audit opinion

We have conducted an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the information contained in the file "HELLA_KA_ESEF-2024-12-31.zip" (MD5 hash value: e33c7fe26466cc60b99322395c770ee2) and the reproduction of the consolidated financial statements and the Group management report (hereinafter also referred to as "ESEF documents") prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this audit only extends to the conversion of the information contained in the consolidated financial statements and the Group management report into the ESEF format and therefore relates neither to the information contained in this reproduction nor to any other information contained in the aforementioned electronic file.

In our opinion, the reproduction of the consolidated financial statements and the Group management report contained in the aforementioned electronic file and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB on the electronic reporting format. We do not express any audit opinion on the information contained in this reproduction nor on any other information contained in the aforementioned file beyond our audit opinion on the accompanying consolidated financial statements and the accompanying Group management report for the fiscal year from 1 January to 31 December 2024 contained in the "Report on the audit of the consolidated financial statements and of the Group management report" above.

Basis for the audit opinion

We conducted our audit on the reproduction of the consolidated financial statements and the Group management report contained in the aforementioned electronic file in accordance with Section 317 (3a) HGB and IDW Auditing Standard: Audit in Accordance with Section 317 (3a) HGB on the Elec-

tronic Reproduction of Financial Statements and Management Reports Prepared for Publication Purposes (IDW AuS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (revised). Our responsibilities under these standards are further described in the "Responsibilities of the auditors of the consolidated financial statements for the audit work on the ESEF documents" section. Our auditing practice has applied the quality management system requirements of the International Standard on Quality Management (ISQM 1).

Responsibilities of the legal representatives and the Supervisory Board for the ESEF documents

The legal representatives of the Company are responsible for the preparation of the ESEF documents including the electronic reproduction of the consolidated financial statements and the Group management report in accordance with Section 328 (1) sentence 4 no. 1 HGB and for the markup of the consolidated financial statements in accordance with Section 328 (1) sentence 4 no. 2 HGB.

In addition, the legal representatives of the Company are responsible for such internal controls- as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format, whether intentional or unintentional.

The Supervisory Board is responsible for overseeing the preparation process of the ESEF documents as part of the accounting process.

Responsibilities of the auditors of the consolidated financial statements for the audit work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of Section 328 (1) HGB, whether intentional or unintentional. We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material non-compliance with the requirements of Section 328 (1) HGB, whether intentional or unintentional, design and perform audit procedures reacting to these risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.

- obtain an understanding of the internal controls relevant to the audit on the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents; i.e. whether the electronic file containing the ESEF documents meets the requirements of Delegated Regulation (EU) 2019/815, in the version valid as at the balance sheet date, on the technical specification for this file.
- assess whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and to the audited Group management report.
- evaluate whether the markup of ESEF documents with Inline XBRL technology (iXBRL) in accordance with Articles 4 and 6 of Delegated Regulation (EU) 2019/815, in the version applicable as at the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Other information pursuant to Article 10 of the EU Audit Regulation

We were selected as auditors of the consolidated financial statements by the Annual General Meeting on 26 April 2024 and engaged by the Supervisory Board on 30 August 2024. We have served as auditors of the consolidated financial statements of HELLA GmbH & Co. KGaA Germany since the fiscal year 2023.

We declare that the audit opinions expressed in this auditors' certificate are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other matters – utilisation of the audit opinion

Our auditors' certificate should always be read in conjunction with the audited consolidated financial statements and the audited Group management report as well as the audited ESEF documents. The consolidated financial statements and the Group management report converted to ESEF format – including the versions to be entered in the company register – are merely electronic reproductions of the audited consolidated financial statements and the audited Group management report and do not replace them. In particular, the ESEF report and our audit opinion contained therein can only be used in conjunction with the audited ESEF documents provided in electronic form.

Senior German Public Auditor

The Certified Public Accountant responsible for conducting the audit is Burak Sarigül.

Frankfurt am Main, 5 March 2025

Mazars GmbH & Co. KG
Audit firm
Tax consultancy firm

Dr. Markus Borchert
Certified Public
Accountant
(Wirtschaftsprüfer)

Burak Sarigül
Certified Public
Accountant
(Wirtschaftsprüfer)

Responsibility statement

on the consolidated financial statements, annual financial statements, Group management report and management report of HELLA GmbH & Co.

To the best of our knowledge, the consolidated financial statements and annual financial statements give a true and fair view of the financial position, financial status and results of operations of the Group and the Company in accordance with applicable accounting principles, and the Group management report and management report in-

clude a fair review of the development and performance of the business and the position of both the Group and the Company, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Lippstadt, 28 February 2025



Bernard Schäferbarthold
(CEO of Hella Geschäftsführungsgesellschaft mbH)



Yves Andres
(Managing Director of Hella Geschäftsführungsgesellschaft mbH)



Jörg Weisgerber
(Managing Director of Hella Geschäftsführungsgesellschaft mbH)



Stefan van Dalen
(Managing Director of Hella Geschäftsführungsgesellschaft mbH)



Stefanie Rheker
(Managing Director of Hella Geschäftsführungsgesellschaft mbH)



Philippe Vienney
(Managing Director of Hella Geschäftsführungsgesellschaft mbH)

Corporate bodies of HELLA GmbH & Co. KGaA

Supervisory Board

Andreas Renschler

Since 30 September 2022,
Chair of the Supervisory Board,
independent management consultant,
former member of the Board of Management of
Volkswagen AG

Britta Peter

Since 27 September 2019,
Deputy Chair of the Supervisory Board until
26 April 2024, IG Metall Hamm-Lippstadt

Christian van Remmen

Since 23 July 2022,
Deputy Chair since 26 April 2024
Counsel of the German Metalworkers' Union
(IG Metall) North Rhine-Westphalia

Tatjana Bengsch

Since 9 February 2022,
Head of Legal, North Europe, FORVIA (Faurecia)

Judith Buss

Since 30 September 2022,
Independent business consultant

Paul Hellmann

Since 27 September 2019,
Member of technical staff, works council member

Gabriele Herzog

Since 9 February 2022,
Managing Director of Faurecia Automotive GmbH,
Managing Director of Forvia Germany GmbH

Susanna Hülsbömer

Since 14 October 2009,
Member of commercial staff, works council
member

Rupertus Kneiser

Since 9 February 2022,
Independent business consultant

Oliver Lax

Since 23 July 2022,
Technical employee, works council member

Andreas Marti

Since 9 February 2022,
Managing Director / Labour Director of
Faurecia Automotive GmbH

Thorsten Muschal

Since 9 February 2022,
Executive Vice President
Business Group Interiors, FORVIA (Faurecia)

Christoph Rudiger

Since 1 October 2018,
Member of commercial staff, works council
member

Franz-Josef Schütte

27 September 2019 until 26 April 2024,
Member of technical staff, works council member

Kirsten Schütz

Since 09 February 2022,
Chief Human Resource Officer Siemens Gamesa
Renewable Energy S.A.U, Self-employed lawyer

Anke Sommermeyer

Since 11 July 2023,
Senior executive

Shareholder Committee

Dr. Wolfgang Ziebart

Since 30 September 2022,
Chairman of the Shareholder Committee, Independent business consultant, among other things, formerly CEO of Infineon Technologies AG

Patrick Koller

4 February 2022 to 28 February 2025,
Deputy Chairman of the Shareholder Committee, Chief Executive Officer, FORVIA (Faurecia)

Judith Buss

Since 30 September 2022,
Independent business consultant

Olivier Durand

Since 14 July 2022,
Executive Vice President,
Chief Financial Officer, FORVIA (Faurecia)

Jill Greene

Since 5 February 2024,
Executive Vice President, Group General Counsel & Corporate Secretary, FORVIA (Faurecia)

Andreas Renschler

Since 30 September 2022,
Independent business consultant, former CFO of Volkswagen AG

Christophe Schmitt

4 February 2022 until 31 December 2024,
Former Executive Vice President,
Business Group Seating, FORVIA (Faurecia)

Jean-Pierre Sounillac

Since 4 February 2022,
Executive Vice President,
Group Human Resources, FORVIA (Faurecia)

Management Board

Hella Geschäftsführungsgesellschaft mbh

General Partner

Bernard Schäferbarthold

Since 01 November 2016,
President and CEO,
Sustainability, Quality, Legal and Compliance
(since 1 January 2024)

Yves Andres

Since 15 April 2022,
Business Group Lighting

Stefan van Dalen

Since 1 April 2023,
Business Group Lifecycle Solutions

Stefanie Rheker

Since 1 March 2024,
Human Resources

Philippe Vienney

Since 1 March 2024
Finance, Controlling, Risk Management
and
Internal Control System

Jörg Weisgerber

Since 1 April 2023,
Business Group Electronics

Glossary

AFLAC (American Family Life Assurance Company)

US insurance company specialised in health and life insurance

AfS (available-for-sale)

Available-for-sale financial assets

Actuator technology

These are usually electric motors or electromagnetic valves that convert signals from a control unit into an action

Asia/Pacific/RoW

Countries of Asia as well as Australia and New Zealand; "Rest of world" is the term used to cover all other countries outside of those regions mentioned specifically

Associates

Associates are companies over which the Group exercises significant influence but no control

At equity

Inclusion in the consolidated financial statements using the equity method with proportional equity

Operating result

Total services and income less total operating expenses

CCBS (Cross Currency Basis Spread)

Unit to measure how well a currency is performing; results in additional hedging costs that have an impact on both currencies

CDS (Credit Default Swap)

Credit default swap is a credit derivative in which the risk of defaults from credits, bonds or borrowers is negotiated (credit default insurance)

Compliance

Adherence to statutory and internal Company regulations

DBO (Defined Benefit Obligation)

Value of obligations arising from the Company pension scheme

EaD (Exposure at Default)

Exposure at default quantifies the amount of the credit claim that exists at the time of a borrower's default

EBIT (earnings before interest and taxes)

Earnings before interest payments and income taxes

EBIT margin

Earnings before interest payments and income taxes in relation to the sales reported according to the consolidated financial statements

EBITDA (earnings before interest, taxes, depreciation and amortisation)

Earnings before interest, income taxes, depreciation and amortisation

EBITDA margin

Earnings before interest payments, income taxes, depreciation and amortisation in relation to the sales reported according to the consolidated financial statements

EBT (earnings before taxes)

Earnings before income taxes

ECL (Expected Credit Losses)

Measurement of expected credit losses from financial instruments

IT

IT stands for information technology and refers to all types of computer expertise including software and hardware

Return on equity

Return on equity is a ratio calculated by dividing net income by shareholders' equity

Europe excluding Germany

This region comprises all countries in Europe including Turkey and Russia but excluding Germany

R&D

Research and development

FLAC (financial liabilities at amortised cost)

Financial liabilities measured at amortised cost

FVOCI (Fair Value through other Comprehensive Income)

Financial instrument measured at fair value with changes in value recognised in other comprehensive income

FVPL (Fair Value through Profit or Loss)

Financial instrument measured at fair value with changes in value in profit or loss

Overall performance

Total operating performance comprises sales, changes in inventories and other own work capitalised (in the annual financial statements of HELLA GmbH & Co. KGaA)

Capital expenditures

Payments for the acquisition of property, plant and, the and intangible assets less cash receipts from the sale of property, plant and equipment and intangible assets as well as payments received for series production

IFRS (International Financial Reporting Standards)

International accounting rules for company financial statements to guarantee international comparability of annual and consolidated financial statements

KGaA (Kommanditgesellschaft auf Aktien)

Legal form of a company that combines the elements of a stock corporation with those of a limited partnership

LaR (loans and receivables)

Loans and receivables

LGD (Loss Given Default)

Loss given default is the expected percentage loss in the event of insolvency

n.a. (not applicable)

Not applicable

Net financial debt

Net financial debt is the balance of cash and cash equivalents and current financial assets and current and non-current financial liabilities

Net cash flow

Sum of cash flow from operating activities and cash inflows and outflows from the sale/procurement of intangible assets and property, plant and equipment

Ratio of net cash flow to sales

Net cash flow in relation to reported sales according to the consolidated financial statements

North, Central and South America

The North, Central, and South America region comprises all the countries on the continents of North and South America

Operating Income

Operating earnings before interest and taxes (EBIT) according to the consolidated financial statements, excluding special components, less the result from investments accounted for using the equity method and other income from investments

Operating income margin

Absolute value of operating income in relation to reported sales according to the consolidated financial statements

PD (Probability of Default)

Probability of default is the likelihood of default on receivables and thus describes the possible loss incurred by a credit institution or from a business relationship

POCI (Purchased or originated credit impaired financial assets)

Financial assets with a credit rating already impaired at the time of acquisition or origination

Rating

In terms of financial accounting, the rating is a method for classifying creditworthiness. This rating is issued by independent rating agencies on the basis of a company analysis

RoC (return on invested capital)

The ratio of operating income before financing costs and after taxes to invested capital

Segment sales

Total sales of a business group as a reporting segment according to the consolidated financial statements, including sales with non-Group companies and other business segments

SPPI (Solely Payments of Principal and Interest)

Contractual cash flows that represent solely principal and interest payments on the outstanding principal amount

SOE, Special OE (Special Original Equipment)

Designation of "special original equipment" at HELLA. In this division, HELLA systematically taps customer target groups outside the automotive original equipment market, such as manufacturers of caravans, agricultural and construction vehicles and machinery, as well as municipalities

Tier-1 supplier

First-level supplier

Currency and portfolio-adjusted**Group sales growth**

Development of Group-wide sales compared to the prior year, assuming constant exchange rates and excluding the effects of portfolio changes

(CGU) Cash-generating unit

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are further independent of the cash inflows of other assets or other groups of assets

Legal notice

Publisher

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This report is available in German and English.
Both versions are available
on the company's website at
www.hella.de/geschaeftsbericht and
www.hella.com/annualreport.

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investor.relations@hella.com

Equality is a fundamental principle for HELLA.
Therefore, gender-neutral formulations are used
wherever possible. Female and male employees
are collectively referred to as employees exclu-
sively in interests of better readability. The term
includes all genders.

Credits

Photos on the cover and inside:
HELLA (15); Matthias Haslauer (7);
Elisa Sholobnjuk, HELLA (4); LYNK & CO (3);
Francois de Ribaucourt Photography (1);
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C3 Creative Code and Content GmbH
Heiligegeistkirchplatz 1, 10178 Berlin, Germany

Comparison of key performance indicators over three years

	2024	2023	2022
Currency and portfolio-adjusted sales (in € million)	8,060	7,954	4,410
Operating income margin	5.6%	6.1%	4.4%
Net cash flow in relation to sales	2.4%	2.6%	5.3%

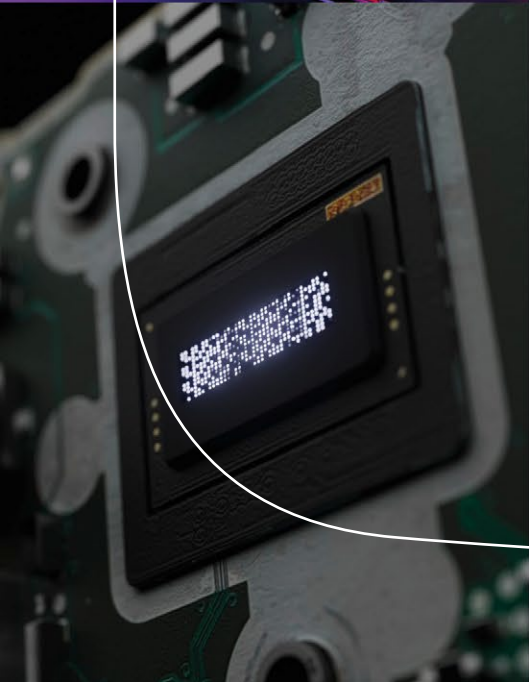
In € million	2024	2023	2022
Sales	8,025	7,954	4,410
Operating Income	446	486	195
Earnings before interest and taxes (EBIT)	470	464	383
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	1,055	1,021	369
Earnings for the period	371	266	352
Earnings per share (in €)	3.18	2.38	3.15
Net cash flow	189	205	233
Research and development (R&D) expenses	803	809	458
Capital expenditures	665	620	392

	2024	2023	2022
EBIT margin	5.9%	5.8%	8.7%
EBITDA margin	13.1%	12.8%	8.4%
R&D expenses in relation to sales	10.0%	10.2%	10.4%
Capital expenditures in relation to sales	8.3%	7.8%	8.9%

	31 December 2024	31 December 2023	31 December 2022
Net financial debt (-) / net financial liquidity (+) (in € million)	213	-56	43
Equity ratio	43.4%	41.0%	41.9%
Employees	36,413	37,773	36,280

Development of the HELLA share (in €)	2024	2023	2022
Closing price	88.80	82.50	76.05
Highest price	91.30	83.70	82.10
Lowest price	80.70	64.70	63.65
Dividend per share (2024: Dividend proposal, 2022: incl. special dividend after sale of HBPO shares)	0.95	0.71	2.88

2022: Seven-month short fiscal year (1 June to 31 December 2022)



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FORVIA
