Task Force on Climate-related Financial Disclosures

Dauch Corporation (formerly American Axle & Manufacturing Holdings, Inc.) is a premier Driveline and Metal Forming supplier serving the global automotive industry with a powertrain-agnostic product portfolio supporting electric, hybrid and internal combustion vehicles that is headquartered in Detroit, Michigan. As a result of the acquisition of Dowlais Group plc and its subsidiaries – GKN Automotive and GKN Powder Metallurgy – in early 2026, the company has operations that span 24 countries and more than 175 locations.

The Company provides climate-related disclosures consistent with the four core recommendations and 11 recommended disclosures set out in the June 2017 report of the Task Force on Climate-related Financial Disclosures. Dauch provides this standalone 2025 Task Force on Climate-related Financial Disclosures Report in accordance with

- UKLR 14.3.24R
- California SB 261, Climate-Related Financial Risk Act

This retrospective report provides information sourced from the following disclosures:

- 2025 AAM/Dauch Sustainability Report
- 2025 AAM/Dauch Annual Report
- 2026 Dauch Proxy Statement
- 2025 CDP Response

Governance

Climate change presents a challenge for the automotive industry and many other sectors, needing proactive measures to both adapt operations and reduce environmental impact. Sustainability responsibilities at Dauch are distributed across various management positions (both globally and locally) and committees.

- Board of Directors, Chairman and CEO: Provide governance and alignment of sustainability initiatives with overall business strategy.
- Policy Committee: Responsible for policymaking and implementation, including the determination of material topics. Chaired by our CEO, this committee consists of our President and Chief Operating Officer, EVP and Chief Financial Officer, Sr VP Chief of Staff and Sustainability, VP Human Resources, General Counsel and the Top Business Unit Leaders.
- Sustainability Program Lead (Sr VP Chief of Staff and Sustainability): Reports to Dauch's CEO and is responsible for guiding and directing corporate sustainability initiatives.
- Corporate Sustainability Team: Reports to Dauch's Sr VP Chief of Staff and Sustainability and is responsible for sustainability-related communication, customer requests and rating agency assessments; works closely with top-level leadership on sustainability strategy, gap analysis and relevant initiatives; supports internal and external stakeholder engagement on sustainability matters.
- ESG Working Group: Includes leads who were responsible for our 15 material topics. Bimonthly reports focus on the material topics and key sustainability deliverables to ensure information is shared across all relevant groups. The ESG Working Group includes leaders from Human Resources; Facilities and Environmental, Health and Safety; Supply Chain; Procurement; Strategy and

Business Development; Product Engineering and Quality; Manufacturing Services; IT; Investor Relations; Marketing and Communications; Corporate Finance; and Legal.

The Board of Directors plays a critical role in Dauch's Sustainability Approach through effective and engaged oversight and responsiveness to feedback from shareholders. The Board holds senior leadership accountable for sustainability performance and reporting. Dauch's Chairman of the Board is also the CEO and has the highest level of authority and responsibility to drive operational performance aligned with a business strategy that includes mitigating Dauch's environmental impact and leading Dauch to a more sustainable future.

The CEO has assigned the Sustainability Program Lead the responsibility to update the Board on our Sustainability Approach as a regular agenda item. These updates include strategy, integration into the business plan, engagement, goal setting and progress against pre-established goals, and sustainability reporting. For example, in 2024, the Board was updated on the company's: strategy to comply with the EU's Carbon Border Adjustment Mechanism (CBAM) and Corporate Sustainability Reporting Directive (CSRD); strategy to perform Life Cycle Assessments (LCAs) for customer requirements; development of a quarterly Corporate Environmental Sustainability Dashboard with status of key waste, water, emissions and energy metrics; enhanced cybersecurity disclosures in public documents and rating agency assessments, among other topics.

The Board has delegated responsibility for oversight of Dauch's Sustainability Approach to the Nominating/Corporate Governance Committee. According to its charter, this Committee is responsible for oversight of Company policies, strategies and performance related to sustainability matters and corporate social responsibility. It reviews sustainability matters with management at least annually and updates the full Board.

Audit Committee	Nominating / Corporate Governance Committee	Compensation Committee	Technology Committee
Oversees policies and activities related to financial reporting, internal controls, risk management, cybersecurity, ethics and corporate compliance	Oversees policies, strategies and performance related to corporate governance, ethics, sustainability and human capital management	Structures executive compensation programs to drive performance aligned with our business strategy and objectives	Oversees product technology, with a focus on advancements relative to powertrain, drivetrain and driveline components and systems and other key product technologies

Other Board committees oversee sustainability topics related to their areas of responsibility.

- The Audit Committee continues to oversee the Company's overall risk management program, which includes climate risk, and assigns responsibility for oversight of compliance and regulatory matters associated with these risks.
- The Compensation Committee structures executive compensation programs to drive performance aligned with our business strategy, key components are environmental sustainability goals and initiatives, including climate. The

executive compensation program for C-suite officers is weighted 10% of the annual incentive award to achieve key objectives.

- The Technology Committee oversees product technology, focusing on advancements relative to powertrain, drivetrain and driveline components and systems, and other key product technologies. Dauch's strategy for sustainable product development and long-term success is integrated into Board discussions and decision-making regarding strategic business plans, annual budgets, capital allocation and risk management.

From a day-to-day management structure perspective, Dauch's Facilities and Environmental, Health and Safety (EHS) organization is managed using a global and local approach to ensure company policies and commitments are supported, while complying with requirements that may have varied by market. The Vice President of Facilities and EHS reports directly to the President and Chief Operating Officer, allowing for direct communication and engagement with the teams for continuous feedback.

Reporting to the global organization, regional managers are responsible for making sure all Dauch's environmental programs are properly integrated and aligned with global policies. Dauch's management reviews EHS performance on a quarterly basis and ensures corrective actions and adjustment strategies are put in place through plant-level operations reviews. At each facility, a designated EHS representative is responsible for tracking and maintaining environmental compliance.

Our E4 Environmental Operating System (E4 System) leverages our global standards, policies and best practices across the environmental disciplines. The E4 System creates a standard structure for facilities to increase Associate awareness, monitor progress with environmental-related goals, implement consistent data management and encourage and incentivize continuous improvement.

The E4 System is foundational to Dauch's energy, water and waste strategies. Along with critical policies, processes and procedures, E4 champions are embedded at each facility to closely monitor environmental activities. Having these local point people in place who have the knowledge of day-to-day operations is imperative to understand the data analysis, potential issues and resolutions. Involving our Associates plays a key role in not only reducing our environmental impact, but also encouraging teamwork and bringing new ideas to the forefront.

The E4 System is organized around a four-level rating scale. Achievement of progressively higher levels at each of our plants reflects the maturity and effectiveness of the system inside a Dauch facility.

E4 ENVIRONMENTAL OPERATING SYSTEM

Risk Management and Strategy

Dauch follows a comprehensive risk identification and management process with climate-related risk recognized as one of our top-10 risks. Dauch's Board of Directors has oversight of risk management and builds upon management's risk assessment and mitigation processes, which include an enterprise risk management program, regular internal management disclosure and compliance committee meetings, a global ethics and compliance program and comprehensive internal audit processes. The Board implements its risk oversight function both as a full Board and through delegation to Board committees, which regularly report to the full Board. The Board has delegated the oversight of specific risks to Board committees that align with their functional responsibilities, as summarized in the table below.

Responsible Party	Primary Areas of Risk Oversight
Full Board	Oversees overall risk management function and strategic risks. Receives regular reports from the chairs of individual Board committees on risk-related matters falling within each committee's oversight responsibilities. Also receives reports from management on particular risks facing the Company, including through the review of our strategic plan.
Audit Committee	Monitors financial, operational, and compliance risks by regularly reviewing reports by management, internal audit, Company advisors and the independent auditors. Regularly reviews risk management and risk assessment practices and related policies and evaluates potential risks related to internal controls over financial reporting. Oversees the Company's cybersecurity and information technology risk management, control measures, and mitigation programs. Receives quarterly reports from the Chief Information Officer regarding cybersecurity, data protection, and business continuity, including our security posture, relevant metrics, and processes & procedures for monitoring, auditing, incident management, and stakeholder reporting. Monitors financial risks, including capital structure and liquidity risks, and reviews the policies and strategies for managing financial exposure and contingent liabilities.
Compensation Committee	Monitors potential risks related to the design and administration of our compensation plans, policies and programs, including our performance-based compensation programs, to promote appropriate incentives that do not encourage executive officers to take unnecessary and/or excessive risks.
Nominating / Corporate Governance Committee	Monitors potential risks related to our governance practices by, among other things, reviewing succession plans and performance evaluations of the Board and CEO and monitoring legal developments and trends regarding corporate governance practices. Oversees potential risks associated with our sustainability program, human capital management and climate-related risks.
Technology Committee	Monitors risks associated with the Company's product portfolio and our innovation and technology plans.

The formal risk management process begins with the Policy Committee. The Policy Committee is supported by the Risk Management Working Group (RMWG), which identifies and assesses Dauch's top risks, including environmental dependencies that may impair business objective attainment. This multi-disciplinary, executive-level group of functional leaders meets 6–8 times per year (or more as required) to identify the top risks to the business, which are then reviewed by the Policy Committee and Audit Committee, as part of the Board of Directors.

The RMWG brings forth risks within their respective areas of expertise pertaining to strategic, operational, financial, or compliance risks. The group determines whether an issue constitutes substantive financial or strategic risk through our risk management process. The group defines the risks, identifies potential root causes, assesses exposure impact, assesses management capabilities, defines the basis for the management strategy going forward, and establishes a monitoring process. Risks, opportunities, and dependencies based on the SBTi for Nature definition are included as one of the inputs for this process, and are not separated by type.

We originally conducted a Climate Scenario Analysis (CSA) in 2022 to evaluate certain scenarios and how Dauch could incorporate the information into our business strategies. Our CSA covered two scenarios: a low carbon world and a high carbon world.

- In a low carbon world, Dauch assumed: The global economy reaches net-zero by 2050. There is still an increase in mean air temperature over 1 °C by 2050, causing an increase in physical climate risks. Fully electric cars are the main solution, with minimal hybrid or alternative fuel solutions. By 2030, 60% of global cars are electric by 2035, there are no new ICE car sales. Driving forces in the scenario are primarily decarbonization, public investment in transition and climate policy. The primary sectors to rapidly decarbonize are the power generation and transportation sectors, primarily through renewables and electrification. Climate policy and carbon pricing reaches notable highs, estimating to be $250/tonne of CO2e. The primary uncertainty or constraint in this scenario, especially supported by recent trends, is the assumption that purely electric vehicles will drive the transition. Dauch's response primarily relies on the market, and having a mix of hybrid cars or alternative fuels alters Dauch's product portfolio, and thus our business strategy.

- In a high carbon world, Dauch assumed: The global economy fails to reach net-zero by 2050. Emissions in the U.S. flat line from 2023 onwards, but global emissions double by 2050. The mean air temperature rises to above 2°C by 2050. There is an increased frequency and intensity of extreme weather events. Driving forces in the scenario are primarily that there is less investment in low carbon technologies, limited climate policy and regulation, and extreme heat waves and

water stress. Most states in the U.S. never reach 100% electric vehicle sales. In the desert regions of the U.S. and Mexico, the number of days with extreme heat increase by nearly 30 days by 2050, and in Mexico, the heatwave exposed land increases by six times. In this scenario, heat waves cause a decrease in labor productivity by 2-5%. This is the primary uncertainty or constraint in this scenario. Dauch's response to this scenario primarily relies on operational efficiency and upgrades, and thus labor productivity may be less of an impact than facility maintenance costs.

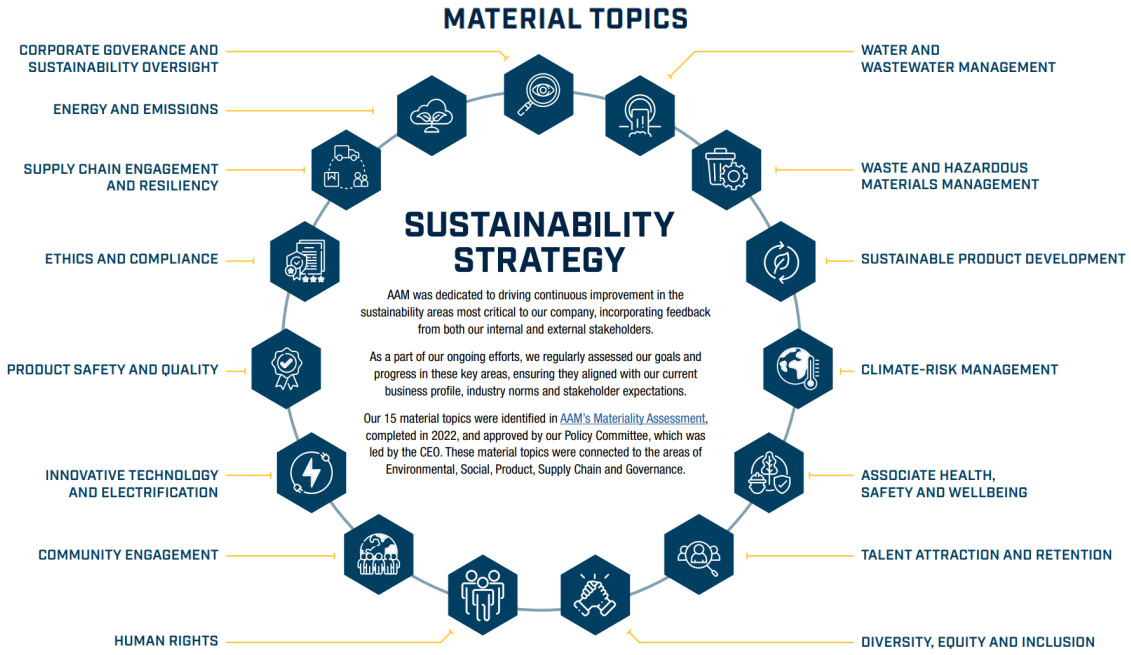
In 2025, we refreshed and expanded our Climate Scenario Analysis to reflect evolving climate-related physical and transition risks, consistent with ISSB guidance. This analysis was a step in an iterative process to refine our climate strategy over time and help determine the main levers to build resiliency. The results of this CSA will be evaluated for future strategy integration and communicated as needed.

Examples of climate-related risks identified through our processes are listed below. A more complete listing, including both transitional and physical risks, can be found in our 2025 CDP Response.

Risk Type: Chronic Physical – Water stress
Description of risk: Dauch facilities use water for both the habitability of our facilities and to support manufacturing processes. This includes cooling, cleaning, landscape irrigation, and operation of toilets, sinks, and drinking fountains. Lack of water in sufficient quantities could cause a disruption in our production capacity, resulting in reduced revenues from lower output. If we were to lose some or all of our capacity, we may need to rebalance production and reorganize processes. If we are not able to provide potable water for drinking, sanitation, and hygiene, it would force us to shut down our facilities. According to the WRI Aqueduct Water Risk Atlas Projections, the water supply in multiple river basin regions where Dauch operates is currently identified as medium-high and high for water stress in 2024. We anticipate the water stress situation to continue to decline with year-over-year changes to temperature and water availability. This could negatively impact manufacturing operations and revenue for these locations. Increases in operational costs may drive the need for incremental capital expenditures to mitigate the situation.
Area where risk occurs: China, India, Spain, Mexico, Romania, Thailand, U.S.
Primary financial effect of risk: Decreased revenues due to reduced demand for products and services
Time horizon: Medium-term
Primary response to risk and description: Adopt water efficiency, water reuse, recycling and conservation practices. Water availability is critical to Dauch's business, as our facilities use water for process operations, facility operations, and for sanitation and hygiene uses. Dauch Global Facilities team completes facility assessments where a corporate subject matter expert evaluates the site utilizing a standardized company-wide assessment. As site needs are discovered, we complete studies where appropriate, manage capital plans and implement projects. These assessments contribute to prioritization of capital investments for 1-3 years, as well as longer term. Dauch works to find continuous improvement projects to decrease water withdrawal. An example in 2024 can be found at our Three Rivers Manufacturing Facility in the U.S.; it uses an eight-stage axle washing process. Formerly, the washers ran continuously and each of the eight stages required separate tanks of water. In 2024, the process for the system was optimized to reuse water throughout the various stages. The number of nozzles used to wash the axles was assessed, and sensors were added to stop continuous water flow when an axle was not present. These improvements saw a reduction in water required to run the process as well as a reduction in wastewater production.

Risk Type: Chronic Physical – Heat stress
Description of risk: Our Climate Scenario Analysis in 2022 was completed by working with an external consultant to model the significant climate and weather-related conditions that may most impact Dauch. Based on the regions where we operate, increasing temperatures were identified as a chronic physical risk, with heat stress having the potential for multiple impacts on our operations. Increased temperatures may affect both the habitability of our facilities and productivity. Dauch has multiple facilities located in regions of high temperature such as Mexico, India, and China. In order to respond to this increased risk, facilities could be modified to provide cooling capability, which would result in increased capital expenditures. In addition, increased temperatures may also affect product quality in terms of maintaining part tolerances. Dauch has invested in temperature-controlled environments for operations to protect precision machines and tools that are temperature sensitive. In the event a facility has decreased production or complete closure in operations, there is risk of meeting customer requirements.
Area where risk occurs: China, India, Spain, Mexico, Romania, Thailand, U.S.
Primary financial effect of risk: Decreased revenues due to reduced production capacity
Time horizon: Long-term
Primary response to risk and description: Improve maintenance of infrastructure. Temperatures within our operating facilities impact the habitability of our locations and the quality of our parts. Chronic heat stress impacts the health and safety of our Associates, puts strain on existing cooling systems and can create the need for new or additional systems to be installed. Conditioning options vary from site to site in size and complexity. Typically, systems to abate heat rise in a standard operational department cost between $400k and $750k to isolate and provide appropriate HVAC systems. Costs vary depending on the geographic location, size of facility, number of heat-sensitive processes and people. Dauch has a corporate facilities engineering group that evaluates every plant for proper air quality and suitable manufacturing environment on an annual basis. CAPEX budgets are then developed to address any actual or forecasted issues. Approximately 5% of company revenues are used for CAPEX projects. For our balance shaft products in Mexico, we constructed a climate-controlled environment to ensure that the required tight tolerances for the parts were maintained in view of the wide temperature swings in that environment, which will only be exacerbated by climate change.

To support evaluating our strategy, developing long-term commitments and prioritizing our sustainability-related initiatives, Dauch identified 15 material topics through our materiality assessment.



Along with Climate-Risk Management, our focus on Innovative Technology and Electrification impacts Dauch's product development strategy. Our technologies are designed not only to enhance performance and efficiency but also to contribute to global efforts to reduce CO2 emissions and build a more sustainable future. Since our founding more than 30 years ago, we have invested approximately $2.84 billion (USD) in research and development. In addition, in 2025, approximately 51% of our research and development spend was on sustainability-focused projects.

Dauch leverages its extensive knowledge and decades of field data to optimize traditional driveline systems for improved sustainability. By designing products that are more power- and torque-dense, we reduce the amount of material required for manufacturing, which lowers the CO2 footprint of our production processes. Lighter driveline systems also contribute to reduced vehicle weight, which improves fuel efficiency and decreases emissions during vehicle operation. Dauch pioneered and continues to advance innovative solutions to reduce energy losses in beam axle systems. These advancements include:

- Fuel-Efficient Lubricants developed in collaboration with our partners to minimize energy losses.
- Optimized Gear Geometries reducing friction and improving efficiency throughout the gear train.
- Advanced Lubricant Flow Management enhancing cooling and reducing energy consumption.

- Bearing Arrangement Optimization lowering mechanical losses while maintaining durability.
- Power-Dense Gear Systems leveraging Dauch's extensive expertise in gear design to maximize torque capacity in smaller, more efficient packages.

Together, these innovations contribute to reduced fuel consumption and lower CO2 emissions, making traditional propulsion systems more sustainable.

Dauch's industry-leading EcoTrac® disconnecting all-wheel drive (AWD) technology plays a critical role in enhancing fuel efficiency and reducing emissions in secondary drive applications. By disconnecting non-essential driveline components during vehicle operation, this technology minimizes energy losses and optimizes power usage. Our first-to-market EcoTrac® technology is integrated into a wide range of AWD vehicles. Dauch's disconnecting technologies provides sustainability benefits across ICE, hybrid and electric platforms, reinforcing their versatility and adaptability in the evolving mobility landscape. Through these innovations, Dauch demonstrates its commitment to delivering solutions that support global sustainability goals.

Metrics and Targets

The Compensation Committee within the Board of Directors structures executive compensation programs to drive performance aligned with our business strategy. This includes alignment of environmental sustainability goals and initiatives, including climate. The executive compensation program for C-suite officers is weighted 10% of the annual incentive award to achieve key objectives.

Dauch has committed to climate-related targets, including targets through the Science-Based Target initiative. Targets include:

- Achieve net-zero GHG emissions across the value chain by 2040 from a 2020 base year
- Reduce absolute Scope 1 and 2 GHG emissions 45% by 2030 from a 2020 base year, including absolute Scope 3 GHG emissions from purchased goods and services, capital goods, fuel and energy related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, downstream transportation and distribution, end-of-life treatment of sold products and investments 25% within the same timeframe.
- Reduce absolute Scope 1 and 2 GHG emissions 90% by 2040 from a 2020 base year, including Scope 3 GHG emissions.
- Achieve 100% renewable and carbon-free energy in the U.S. by 2025
- Achieve 100% renewable and carbon-free energy globally by 2035
- Achieve zero incidents of water scarcity and water contamination in the watersheds in which we operate (annually)
- Achieve zero waste-to-landfill status for all manufacturing facilities by 2035

Dauch provides climate-related metrics through a variety of channels throughout the year, including our annual Sustainability Report and CDP Response. The following tables and charts represent those metrics connected to our climate-related material topics and targets.

SCOPE 1 AND 2 EMISSIONS

YEAR [1]	EMISSIONS tCO_2e	SALES $MUSD	EMISSIONS INTENSITY tCO_2e/$MUSD	% CHANGE	SCOPE 1 tCO_2e	SCOPE 2 tCO_2e
2020 BASELINE	462,935	4,711 [2]	98	—	80,963	381,972
2021	475,782	5,157	92	6.1%	87,033	388,749
2022	437,116	5,802	75	18.5%	93,682	343,434
2023	391,783	6,080	64	14.7%	94,578	297,205
2024	268,169	6,125	44	31.3%	91,346	176,823
2025 [3]	264,623	5,837	45	(2.3%)	90,479	174,144

(1) The 2023 amounts in the table include Tekfor and non-manufacturing locations. Our 2022 amounts have been recast to reflect our Tekfor acquisition on June 1, 2022, and also our non-manufacturing locations. Amounts prior to 2022 reflect only our manufacturing locations.

(2) Our emissions baseline for 2020 was independently calculated with the help of a third-party expert and was used in our 2022 SBTi submission. We did not adjust for lost sales or activity due to COVID-19 in our SBTi submission.

(3) On July 1, 2025, we completed the sale of AAM India Manufacturing Corporation Pvt., Ltd. The table above includes emissions generated from the sold facilities up until that date.

ENERGY

YEAR [1]	ENERGY (MMBTU)	SALES $MUSD	INTENSITY MMBTU/$MUSD	% CHANGE
2020 BASELINE	5,560,553	5,954 [2]	934	—
2021	5,122,186	5,157	993	(6.3%)
2022	5,638,824	5,802	972	2.1%
2023	5,727,780	6,080	942	3.1%
2024	5,589,551	6,125	913	3.1%
2025 [3]	5,393,131	5,837	924	(1.2%)

(1) The 2023 amounts in the table include Tekfor and non-manufacturing locations. Our 2022 amounts have been recast to reflect our Tekfor acquisition on June 1, 2022, and also our non-manufacturing locations. Amounts prior to 2022 reflect only our manufacturing locations.

(2) Our energy baseline is based on 2020 intensity levels and was adjusted to compensate for lost activity in our operations due to disruptions related to COVID-19.

(3) On July 1, 2025, we completed the sale of AAM India Manufacturing Corporation Pvt., Ltd. The table above includes energy consumption from the sold facilities up until that date.

CARBON-FREE AND RENEWABLE ENERGY

YEAR [1]	% RENEWABLE [2] GLOBAL
2021	19%
2022	32%
2023	44%
2024	66%
2025	68%

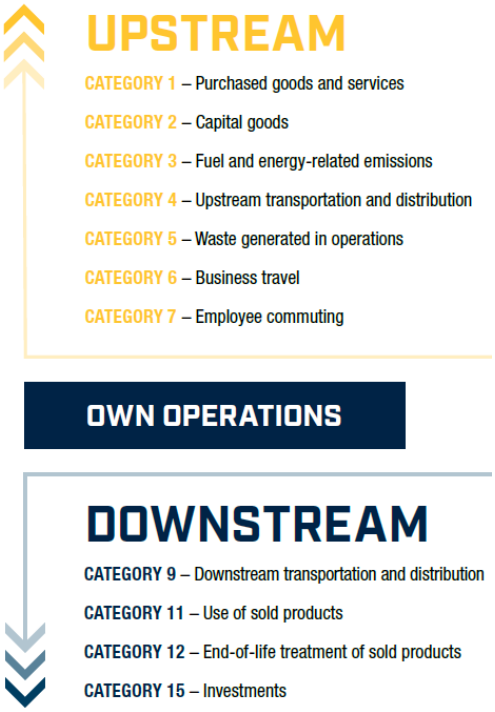
(1) The 2023 amounts in the table include Tekfor and non-manufacturing locations. Our 2022 amounts have been recast to reflect our Tekfor acquisition on June 1, 2022, and also our non-manufacturing locations. Amounts prior to 2022 reflect only our manufacturing locations.

(2) The sourcing of renewable or carbon-free energy through a combination of direct utility purchases (where available) and the purchase of renewable energy certificates (RECs), presented in a percentage of MWh.

Dauch will increase its purchases of renewable and carbon-free energy to reach our targets of 100% renewable and carbon-free energy globally by 2035. In 2024, Dauch met our 2025 goal by having 100% of energy in the U.S. from renewable and carbon-free sources one year ahead of schedule.

SCOPE 3 EMISSIONS

Scope 3 is comprised of emissions from throughout our value chain, both upstream and downstream. Dauch considers the following categories to be relevant, following the GHG Protocol:



SCOPE 3 EMISSIONS – 2024 CY DATA
Additional Details in 2025 CDP Response

CATEGORY	CATEGORY DESCRIPTION	EMISSIONS (TCO2E)
1	Purchased Goods & Services	2,931,743
2	Capital Goods	26,192
3	Fuel & Energy Related	177,714
4	Upstream Transportation	65,045
5	Waste from Operations	62,195
6	Business Travel	6,436
7	Employee Commuting	35,601
8	Upstream Leased Assets	N/A
9	Downstream Transportation	861,960
10	Processing of Sold Products	N/A
11	Use of Sold Products	10,835,969
12	End-of-Use Treatment of Sold Products	1,349,940
13	Downstream Leased Assets	N/A
14	Franchises	N/A
15	Investments	46,966

Dauch evaluates our methodologies and assumptions over time to identify any changes that should be considered. We modify our approach as needed to create more robust processes.

For Scope 1, 2 and 3 emissions, the relevant data/metrics use the standards, protocols, and/or methodologies below:

- IEA CO2 Emissions from Fuel Combustion
- The Greenhouse Gas Protocol: Scope 2 Guidance
- The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019
- US EPA Greenhouse Gases Equivalencies Calculator - Calculations and References, DESNZ emission factors

WATER

YEAR	WITHDRAWAL ML [1]	SALES $MUSD	WATER INTENSITY ML/$MUSD
2025	2,008	5,837	0.34

(1) On July 1, 2025, we completed the sale of AAM India Manufacturing Corporation Pvt., Ltd. The table above includes water withdrawn by the sold facilities up until that date.

Dauch's water target focuses on zero incidents of water scarcity and water contamination in the watersheds in which we operate. There were no incidents of compliance breaches in any area in 2025, and we continued to attain our annual goals of zero incidents of water quality and scarcity issues. As a part of our water management strategy, we conduct an annual analysis utilizing the WRI Aqueduct tool for all manufacturing facilities. Across our global enterprise, 25 of our facilities, representing 32% of our manufacturing locations, are considered to be exposed to potentially high water risks. They collectively accounted for 31% of our total water withdrawals in 2025.

WASTE

WASTE MANAGEMENT	2025 [1]
Solid waste generated total (ton)	613,649
Non-hazardous waste recycling (ton)	49,062
Recycled or reused scrap metal (ton)	486,950
Solid waste sent to landfill (ton)	77,637
% of Solid waste diversion	87%

(1) On July 1, 2025, we completed the sale of AAM India Manufacturing Corporation Pvt., Ltd. While the table above includes waste generated by the sold facilities up until that date, the ZWTL figure reflects the facilities owned as of December 31, 2025.

Dauch's goal is to achieve Zero Waste-to-Landfill (ZWTL) by 2035 at all manufacturing facilities, with 81% being our result in 2025. Hazardous waste accounted for approximately 1% of total waste from our facilities in 2025, as we continue to replace hazardous materials where possible.