

Partsync Annual Report

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Letter from the Chief Executive Officer: Advancing Partsync's Sustainable Growth Agenda

Fiscal year 2023 marked an inflection point for Partsync, as we transitioned decisively from a period of restructuring to a sustained phase of scalable, organic growth. We consolidated our portfolio around three high-affinity macro trends—Digital, Green, and Connective—anchoring investments to clear returns and disciplined capital deployment. Our international footprint now represents the majority of our asset base, enabling proximity to customers and diversified exposure across end markets. The organization adopted a single operating model branded One Partsync, aligning planning, delivery, and accountability across sectors and regions. This alignment has improved cycle times for decision-making, accelerated cross-selling, and raised the predictability of our execution in large, multi-year programs.

We are prioritizing four reinforcing management loops to create a durable growth engine: evolving governance, continuous portfolio optimization, technology and business model innovation, and consistent value accretion. Our governance model emphasizes an independent, globally experienced board, a merit-based leadership pipeline, and performance-linked remuneration tied to sustainability outcomes. Portfolio actions focus on scaling recurring digital services, phasing out structurally low-return lines, and pursuing bolt-on acquisitions that deepen domain expertise. Innovation combines our IT, OT, and advanced product capabilities inside our Nexida co-creation framework, which turns data into measurable outcomes for clients. The results are evident in rising service mix, improving return on invested capital, and enhanced resilience of cash conversion.

Technology and human capital remain the twin catalysts of our model, and we are investing in both with clarity of purpose. Our Nexida framework has expanded to encompass AI-enhanced engineering, digital twins at scale, and autonomous operations across critical infrastructure. We launched the Generative AI Studio within Partsync Digital to govern safe deployment, accelerate solution design, and codify domain content into secure large models tailored for regulated industries. On talent, we increased the number of digital practitioners globally and sharpened skills through structured programs in cloud architecture, data engineering, cyber, and safety-critical software. We have also intensified leadership development and succession planning to ensure continuity of culture and performance at scale.

Capital discipline has underpinned our advances and will continue to guide our choices in the coming cycle. We established a multi-year cadence for balanced allocation across growth investments, financial resilience, and shareholder returns, supported by rigorous hurdle rates and robust post-investment reviews. Our targets emphasize a higher share of recurring revenue, an expanded Adj. EBITA margin range, and enhanced cash generation to fund reinvestment.

These targets are complemented by clear ESG outcomes on decarbonization, resource efficiency, and safety, integrated into executive incentives. We will maintain flexibility to deploy leverage within conservative bounds when we identify opportunities that meet our financial and strategic criteria.

Externally, we continue to navigate a volatile landscape of supply constraints, interest rate shifts, and geopolitical uncertainty. Partsync's diversified portfolio, global delivery capacity, and strong order backlog in energy, mobility, and industrial automation provide visibility into medium-term growth. We are also strengthening our risk governance, including quantitative stress testing of order books and enhanced cyber defenses across the value chain. Our actions reflect a pragmatic approach: preserve resilience, deliver on backlog, and compound advantages in data-driven services. We believe this disciplined stance best serves customers, employees, communities, and investors over the full cycle.

Entering fiscal year 2024, we will remain focused on three execution priorities. First, deliver the backlog on time and to margin in energy transition programs, high-availability transport platforms, and regulated industrial markets. Second, scale Nexida-based offerings to raise the service mix and expand recurring revenue streams across sectors. Third, embed sustainability outcomes directly into solution contracts, making our clients' decarbonization and resilience goals a core driver of Partsync's growth. With these priorities and our One Partsync culture, we are confident in our ability to create enduring value in the years ahead.

Supplier Sustainability Program

region	assessments	audits	improvement_plans	closure_rate
EMEA	154.69	83.73	90.17	0.1
APAC	124.36	138.99	63.71	0.15
Americas	92.24	111.88	152.14	0.7
EMEA	127.65	124.22	112.25	0.69
APAC	159.65	150.95	84.78	0.04
APAC	151.83	118.7	107.41	0.07
South	98.62	120.24	123.74	0.25
South	98.39	82.83	92.04	0.48
APAC	44.87	149.53	71.8	0.94
APAC	125.02	128.26	104.93	0.73
North	82.32	81.48	93.58	0.09
Americas	101.14	79.43	74.3	0.23
Americas	101.64	65.95	124.14	0.58
EMEA	47.28	63.48	106.97	0.6
Americas	120.26	100.1	92.41	0.29
APAC	150.53	108.62	85.72	0.29
South	106.06	108.79	106.44	0.85

North	87.48	83.74	111.77	0.97
Americas	104.6	86.77	101.03	0.81
Americas	96.87	96.72	74.33	0.43

Strategic Priorities for the Next Decade

Our long-term ambition is to lead in the convergence of Digital, Green, and Connective solutions where industries, infrastructure, and data intersect. We will scale domain platforms that fuse software, control systems, and specialized equipment for regulated and mission-critical environments. Capital will be steered to platforms with high recurrence, differentiated IP, and strong customer switching costs. We will continue to refine the portfolio, exiting low-return adjacencies while doubling down on business lines demonstrating a clear path to 12%+ Adj. EBITA margins. Over the decade, we will raise service penetration, deepen partner ecosystems, and localize delivery to absorb region-specific requirements.

To operationalize this ambition, we established clear milestones on technology roadmaps, customer outcomes, and talent readiness. On technology, we will expand digital twins to plant-level scopes, integrate predictive and prescriptive AI into asset operations, and align architectures to a zero-trust security model. On customer outcomes, we will quantify gains in uptime, energy efficiency, and lifecycle cost, embedding these into outcome-based contracts. For talent readiness, we will build multi-disciplinary guilds that accelerate skill transfer across sectors and regions. These milestones provide transparent metrics to manage execution and course-correct early when conditions change.

Backlog Schedule Risk Assessment

program	baseline_months	p80_months	contingency_used_percent
North	122.51	113.92	0.84
EMEA	79.83	100.6	0.97
EMEA	106.6	99.71	0.94
APAC	60.54	128.25	0.78
South	85.35	97.0	0.26
South	106.03	93.34	0.34
EMEA	115.04	82.81	0.59
EMEA	85.38	104.34	0.19
North	52.44	117.95	0.37
APAC	120.08	83.92	0.36
APAC	124.44	134.27	0.33
EMEA	135.26	51.93	0.95
EMEA	95.93	121.14	0.11

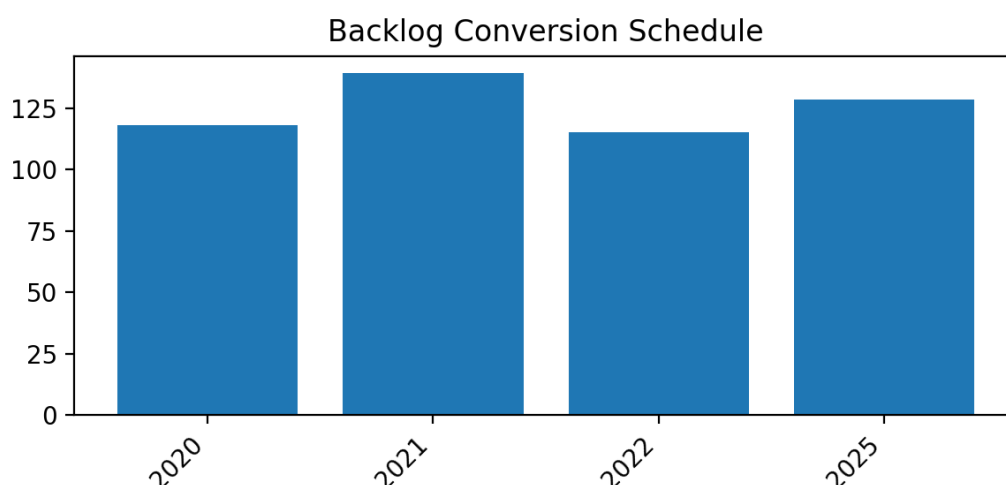
EMEA	88.49	95.69	0.73
South	115.57	86.07	0.22

Technology and People at the Core

Nexida, our customer co-creation framework, is designed to translate complex management challenges into integrated solutions. It structures engagement across Plan, Build, Operate, and Maintain, ensuring data continuity through the life cycle. This continuity enables parts-level traceability, continuous benchmarking across fleets, and AI-assisted decision support. We are migrating Nexida components to cloud-native, sovereign-by-design architectures to satisfy data residency and compliance requirements. The framework's modularity lets us apply proven patterns across energy, mobility, and industrial ecosystems, accelerating time-to-value.

Human capital remains central to scaling Nexida and our sector strategies. We accelerated hiring across data engineering, cyber, safety, systems integration, and product design, with a priority on regions close to customer demand. Our talent programs are indexed to a skills taxonomy and linked to project staffing, which improves utilization and quality. We strengthened engagement through transparent goal setting, feedback loops, and recognition systems that reward outcomes and learning. These steps, together with localized leadership development, are raising capability density and cohesion across One Partsync.

Backlog Conversion Schedule



Our Identity and Operating Model

Partsync's purpose is to improve quality of life by making essential systems smarter, cleaner, and more connected. We pursue this through a portfolio integrating information technologies, operational technologies, and specialized products that deliver outcomes at scale. Our values—Harmony, Sincerity, and Pioneering Spirit—are expressed through safety, integrity, and innovation in daily practice. The operating model aligns enterprise functions, sectors, and regions under a common cadence of planning and review. This coherence reduces duplication, concentrates expertise, and ensures accountability for results.

The One Partsync framework enables cross-sector collaboration and consistent engagement with global customers. Four cross-sector functions—Digital, Green, Innovation, and Marketing & Sales—serve as amplifiers to sector strategies. Regional headquarters provide proximity-based leadership, tailoring execution to local regulatory and cultural contexts. Corporate functions set standards for governance, risk, compliance, finance, and people, while empowering business-led agility. This integration manifests in unified deal teams, leveraged delivery assets, and shared IP portfolios.

Backlog Schedule Risk Assessment

program	baseline_months	p80_months	contingency_used_percent
South	85.56	137.42	0.42
APAC	132.91	146.88	0.07
EMEA	87.63	98.06	0.18
North	73.63	116.05	0.79
Americas	127.2	89.79	0.04
North	129.03	96.22	0.62
South	98.91	105.38	0.87
APAC	77.56	111.36	0.63
Americas	36.87	80.06	0.87
Americas	92.12	81.27	0.28
South	86.59	82.0	0.56
South	75.06	81.04	0.01
EMEA	107.35	98.0	0.54
EMEA	112.53	97.92	0.44
South	123.38	76.37	0.14

Foundational Principles and Cultural Anchors

Our culture anchors to a century-old founding spirit adapted to a digital and sustainable age. We emphasize learning from incidents through rigorous root-cause analysis, documented improvement plans, and knowledge reuse across the enterprise. This discipline, codified in digital playbooks and Nexida modules, reduces repeat errors and elevates performance. We

champion diversity, equity, and inclusion as a source of creativity and resilience in complex, global markets. Culture-based accountability complements formal controls to sustain trust with customers and stakeholders.

A growth mindset permeates our performance systems, linking individual goals to enterprise targets in a transparent manner. Incentives reward team outcomes, customer satisfaction, safety, and sustainability, not just short-term financials. We invest in communities through education, skills, and STEM initiatives to broaden opportunity and enhance our talent pipeline. Ethical conduct is non-negotiable; we reinforce it through training, monitoring, and leadership example. These practices underpin the legitimacy of our long-term strategy and the credibility of our commitments.

Nexida Use Cases and Outcomes

domain	use_case	kpi_improvement	time_to_value_months
Americas	South	0.8	67.51
North	South	0.5	100.61
South	EMEA	0.51	67.93
Americas	APAC	0.16	100.86
South	APAC	0.13	97.64
Americas	APAC	0.25	71.95
North	North	0.99	144.02
APAC	Americas	0.13	56.54
South	South	0.37	122.26
EMEA	EMEA	0.46	105.74
EMEA	APAC	0.91	81.18
North	APAC	0.31	97.5
North	Americas	0.11	117.01
APAC	Americas	0.97	98.27
Americas	Americas	0.12	116.27
EMEA	South	0.73	134.17
North	South	0.35	58.42
EMEA	Americas	0.85	126.34
Americas	APAC	0.43	98.53
EMEA	APAC	0.62	73.34

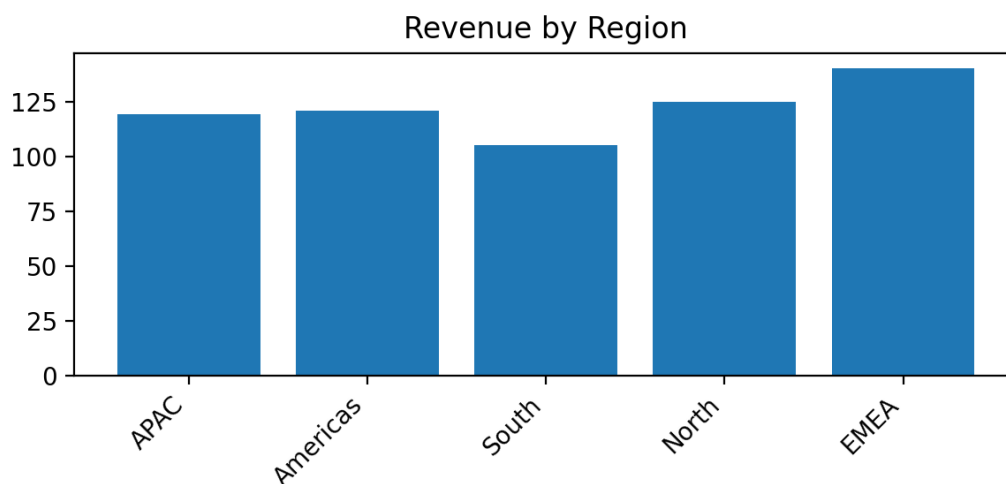
One Partsync Operating Model

The operating model standardizes core processes while allowing local flexibility where it creates value. Planning integrates sector roadmaps with cross-sector platforms and regional commercial

priorities. A single deal review forum governs large opportunities, ensuring risk diligence, delivery alignment, and economic clarity. Program management offices coordinate across functions to de-risk schedules, supply chains, and regulatory approvals. Post-implementation, lifecycle services teams sustain performance and capture data to improve next-generation offers.

We embed continuous improvement through quarterly business reviews that triangulate financial, operational, and customer indicators. These reviews cascade into sector and regional teams, ensuring rapid resolution of bottlenecks. Shared services for finance, procurement, and HR are digitized to raise speed and transparency. Technology platforms standardize identity, cybersecurity, data governance, and infrastructure scaling. This end-to-end coherence reduces cost, shortens lead times, and heightens quality.

Revenue by Region



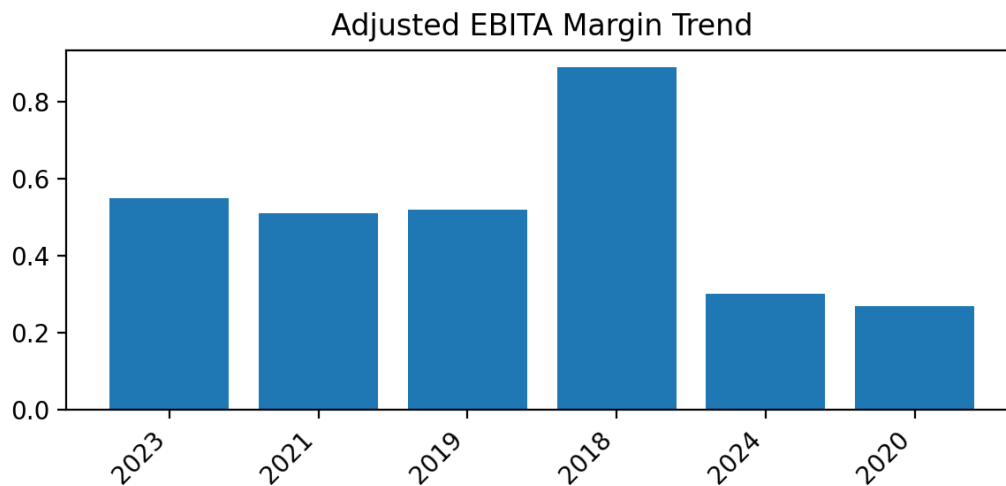
Business Transformation and Portfolio Evolution

Over the past five years, we simplified Partsync's footprint and concentrated capital on scalable platforms in energy transition, smart mobility, and connected industries. We executed divestments of non-core or structurally low-return lines and redeployed capital toward businesses with advantaged technology and service potential. Select bolt-on acquisitions in digital engineering, automation, and grid technologies deepened our differentiation and expanded our installed base. Post-merger integration focused on cultural alignment, common systems, and unified go-to-market under One Partsync. The result is a portfolio with higher growth visibility, stronger recurrence, and improved capital efficiency.

We structured a three-phase transformation program—Stabilize, Simplify, and Scale—to orchestrate change. Stabilize addressed near-term execution risk, supply continuity, and cost competitiveness. Simplify reduced structural complexity, harmonized processes, and retired duplicate platforms. Scale prioritized growth engines with measurable synergies, particularly

where Nexida could magnify customer value. Along this path, we elevated cash discipline and established robust hurdle rates and gates for all investments. These measures have collectively improved resilience and positioned Partsync for sustained value creation.

Adjusted EBITA Margin Trend

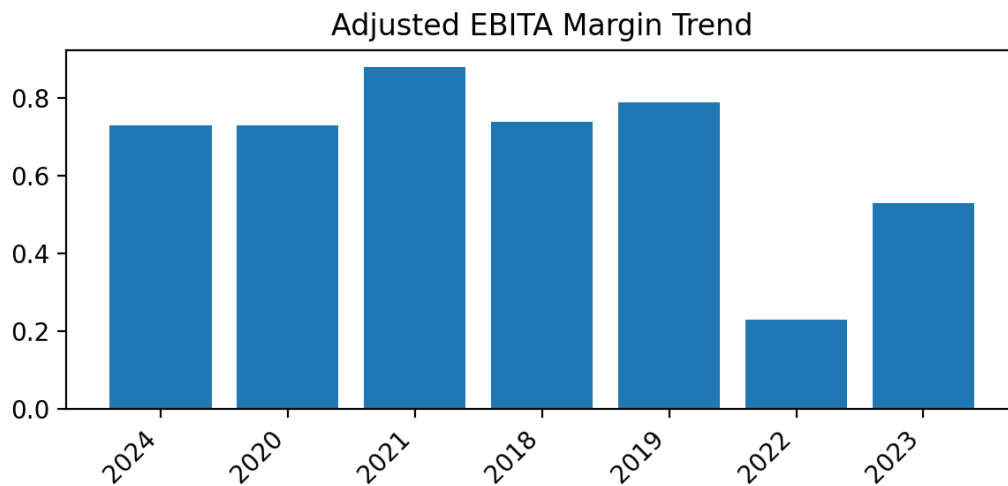


Portfolio Optimization and Capital Rotation

Our portfolio lens emphasizes customer proximity, IP advantage, and service scalability. We evaluate businesses on strategic fit, margin potential, cash profile, and capital intensity to guide retain-grow or exit decisions. Rotation has favored platforms where Nexida accelerates adoption and creates network effects across the installed base. Capital allocation balances organic investments in product and software roadmaps with selective M&A; to acquire capabilities and talent. Asset sales and carve-outs have funded growth, reduced complexity, and raised average returns.

We run disciplined post-investment reviews to validate assumptions, monitor synergies, and enforce course corrections. Integration playbooks define minimum standards for cybersecurity, data governance, safety, and compliance before any customer-facing integration. Commercial integration prioritizes joint pursuits, unified account coverage, and bundled offerings within 90 to 180 days. Financial integration aligns reporting, working capital practices, and capital stewardship to enterprise norms. These routines reduce integration risk and accelerate value capture.

Adjusted EBITA Margin Trend

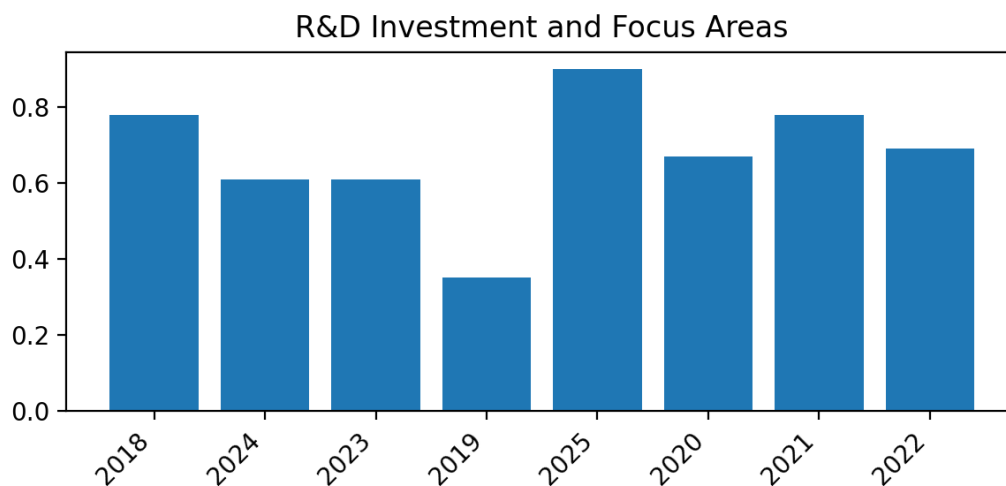


Sustainability Milestones Tied to Portfolio

Sustainability is embedded in portfolio decisions through clear thresholds on environmental impact and lifecycle benefits. We prioritize platforms that enable decarbonization, circularity, and resilience for customers while reducing our own footprint. Product roadmaps incorporate eco-design principles, materials substitution, and recyclability targets aligned to regional regulations. Nexida modules quantify energy savings, avoided emissions, and asset longevity, making outcomes transparent and auditable. These capabilities support outcome-based contracts that reward measurable environmental performance.

Internally, we set milestones for carbon neutrality at owned sites by 2030 and across the value chain by 2050, subject to evolving standards. Resource efficiency goals target water use intensity, waste-to-landfill, and material recovery rates with segment-level plans. Supplier engagement programs drive improvements in environmental and social practices through assessments, action plans, and incentives. Health, safety, and well-being remain foundational, with a focus on continuous reduction of incident rates and robust contractor management. These milestones translate ambition into operational mandates across Partsync.

R&D; Investment and Focus Areas

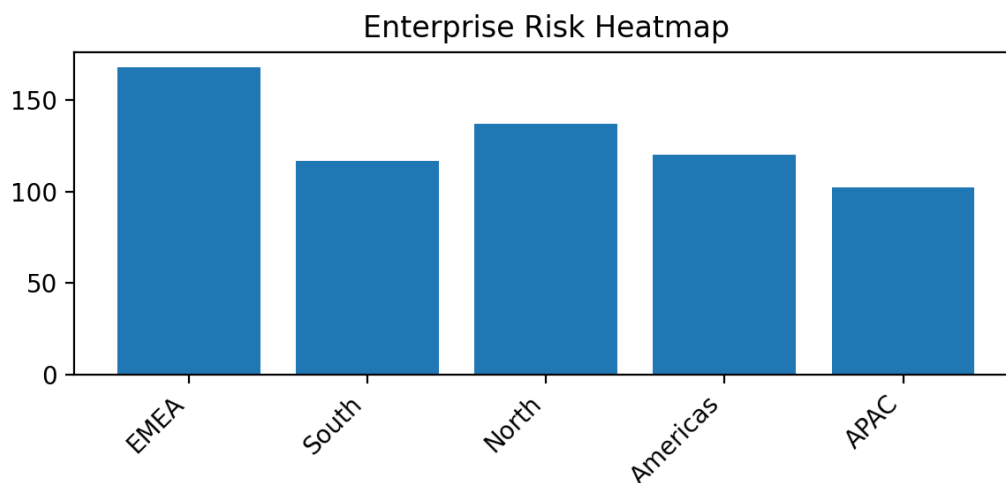


Market Landscape and Competitive Positioning

Demand signals across our core markets remain robust, driven by electrification, digitization of operations, and supply chain resilience. Governments and enterprises are investing in grid modernization, renewable integration, public transit upgrades, and secure industrial automation. Customers are shifting from one-time capex to lifecycle partnerships that combine equipment, software, and services. This shift favors platforms with outcome accountability and data-driven optimization, which aligns with Partsync's Nexida-enabled model. Our competitive advantage lies in integrating domain know-how with software capabilities at scale and with speed.

We compete in markets with significant regulatory oversight, long asset lifecycles, and exacting standards. Success depends on safety, quality, cybersecurity, and delivery reliability as much as on innovation. Our installed base provides privileged access to data, enabling better prediction and prevention across fleets and networks. Partner ecosystems, including cloud, edge, and specialist technology providers, extend our reach and accelerate solution delivery. We differentiate through referenceable outcomes, trusted execution, and the ability to tailor and localize within shared architectures.

Enterprise Risk Heatmap

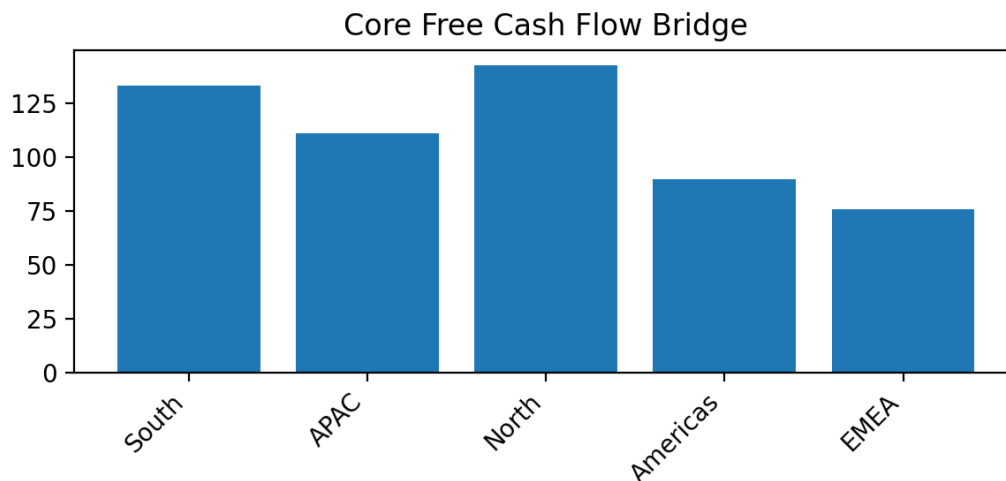


Digital Opportunity: Nexida at Scale

The digital transformation of critical infrastructure is moving from pilot to platform scale, and our Nexida framework is designed for this phase. Customers seek standard architectures that integrate data ingestion, model orchestration, workflow, and visualization across assets and sites. We pre-integrated Nexida components with our control systems and product lines to reduce deployment time and risk. Role-based applications for operators, maintainers, and executives provide actionable insights aligned to safety and compliance mandates. Our roadmap includes composable services for generative AI, digital twins, autonomous operations, and secure data exchange.

We are expanding managed services through Reliant Cloud Centers that operate hybrid and multi-cloud footprints with resilient, compliant architectures. These services combine site-level edge computing, secure connectivity, and centralized observability to maintain performance. We are standardizing SLAs that align with uptime, latency, and recovery objectives for regulated industries. Cybersecurity is embedded by design through zero-trust, continuous monitoring, and secure software development practices. This integrated approach lowers customer risk and total cost of ownership while raising adoption speed.

Core Free Cash Flow Bridge

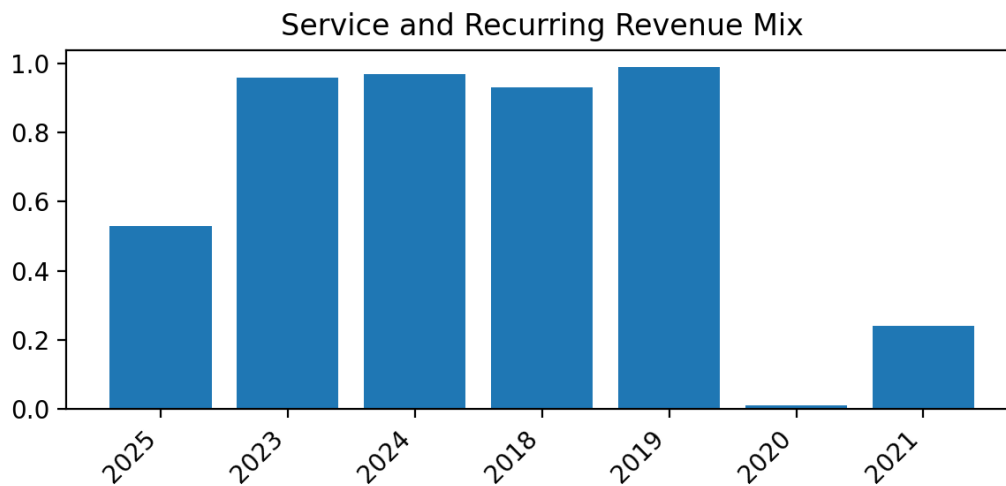


Green Opportunity: Energy Transition and Mobility

Investments in electrification and transport decarbonization are creating multi-year opportunities across our energy and mobility platforms. Grid operators require high-voltage interconnects, flexible substations, and storage integration to manage renewable intermittency. Transit authorities are modernizing rolling stock, signaling, and maintenance practices to improve capacity and reliability with a lower carbon footprint. Industrial customers seek power quality, microgrids, and energy management solutions to reduce emissions and improve resilience. Partsync's VoltForge and MetroSpan platforms, when combined with Nexida, provide lifecycle offerings for these needs.

Our solutions address the full life cycle from design and build to operate and decommission. Outcome-based contracts tie compensation to performance metrics such as availability, energy efficiency, and safety compliance. Nexida enables predictive maintenance, capacity optimization, and energy orchestration across distributed assets. We are developing second-life battery solutions, V2X integrations, and materials recovery programs to support circularity. As markets evolve, we will continue to adapt offerings to regulatory standards and customer expectations for transparency and measurable impact.

Service and Recurring Revenue Mix



Mid-term Management Plan: 2024–2026 Value Creation

The mid-term plan sets targets across growth, profitability, cash generation, and ESG performance to guide capital allocation and operating priorities. We aim to grow revenue at a mid-to-high single-digit CAGR, raise Adj. EBITA margins toward the low teens, and expand recurring revenue to above one-third of total. Core free cash flow conversion targets range from 70% to 80% of net income, supported by working capital discipline and capex selectivity. We set explicit ROIC thresholds at or above 10% for portfolio constituents, with differential targets by asset intensity and maturity. ESG targets include carbon neutrality at sites by 2030, expanded eco-design coverage, and continued improvement in safety and engagement.

Capital allocation balances growth investments of approximately the same magnitude as internally generated cash over the plan with consistent shareholder returns. We will deploy capital to Nexida modules, sector product roadmaps, and selective bolt-ons in digital engineering, automation, and grid technologies. Shareholder returns will be delivered through a mix of progressive dividends and opportunistic buybacks within prudent leverage parameters. We will maintain investment-grade credit metrics with a net debt to EBITDA range aligned to conservative risk appetite. The plan embeds optionality to adjust pace and sequencing as conditions evolve.

Nexida Use Cases and Outcomes

domain	use_case	kpi_improvement	time_to_value_months
Americas	North	0.73	87.71
South	APAC	0.4	133.38
APAC	Americas	0.98	105.08

Americas	South	0.04	70.96
South	North	0.99	126.47
EMEA	APAC	0.5	100.11
North	South	0.54	116.5
EMEA	North	0.82	96.92
South	APAC	0.74	80.33
APAC	North	0.3	106.78
South	EMEA	0.13	105.1
North	North	0.99	152.76
Americas	South	0.56	73.71
APAC	Americas	0.64	114.85
South	South	0.9	89.03
EMEA	South	0.73	94.41
APAC	Americas	0.61	92.39
APAC	North	0.35	134.65
South	APAC	0.3	55.07
South	North	0.05	150.9

Financial Targets and Scorecards

We established sector-level scorecards that roll up to enterprise targets to increase transparency and accountability. Scorecards include growth, margin, ROIC, and cash conversion metrics, complemented by safety, quality, customer satisfaction, and sustainability measures. Targets are calibrated to starting positions and market conditions, with consistent definitions and data integrity checks. Quarterly reviews assess trajectory and variance, and trigger corrective actions on pricing, mix, cost, or delivery. Compensation plans for executives and key leaders are tied explicitly to these scorecards, reinforcing alignment.

We also refined investment decision gates to align with mid-term objectives and risk tolerance. Each gate requires clear linkage to target KPIs, including a path to scale and recurrence. We embedded sensitivity and scenario analysis into every investment case to capture macro and execution risks. Post-investment reviews assess outcomes against baselines and inform future investment criteria. This rigor ensures that capital deployment advances strategy and meets our return expectations.

Backlog Schedule Risk Assessment

program	baseline_months	p80_months	contingency_used_percent
Americas	110.29	99.26	0.41
North	111.57	49.23	0.37

APAC	134.17	107.06	0.75
North	90.48	183.57	0.33
North	111.52	103.9	0.34
Americas	85.89	64.82	0.98
North	78.65	113.68	0.11
Americas	112.97	59.45	0.23
North	81.5	59.95	0.36
EMEA	70.56	70.2	0.76
EMEA	119.7	74.28	0.79
North	87.21	76.06	0.14
North	87.61	58.67	0.06
North	129.36	78.85	0.79
Americas	126.12	110.43	0.82

Capital Allocation and Balance Sheet

Our capital allocation framework balances growth, resilience, and returns to shareholders. We will fund organic growth in platforms with clear competitive moats and proven customer value. Bolt-on acquisitions will be considered where they accelerate strategy, add capability, and meet financial thresholds including 12%+ Adj. EBITA and 10%+ ROIC within a defined horizon. We will maintain liquidity and an efficient capital structure to weather volatility and support timely investments. Credit ratings from independent agencies provide external validation of our financial discipline and resilience.

Shareholder returns will be aligned to earnings and cash generation, with a target payout range that balances reinvestment needs. Buybacks may be used to optimize capital structure and return excess cash, subject to market conditions and alternative opportunities. We will continue to evaluate strategic shareholdings and reduce positions lacking clear strategic or economic rationale. Transparency in policy and outcomes will guide market expectations and support valuation. This approach is designed to compound value over the medium and long term.

Supplier Sustainability Program

region	assessments	audits	improvement_plans	closure_rate
South	112.63	101.08	90.84	0.14
EMEA	119.22	76.47	127.27	0.86
North	69.23	142.99	133.09	0.91
South	92.7	108.9	108.57	0.07
North	112.99	90.1	99.11	0.14
North	101.99	77.69	117.7	0.95

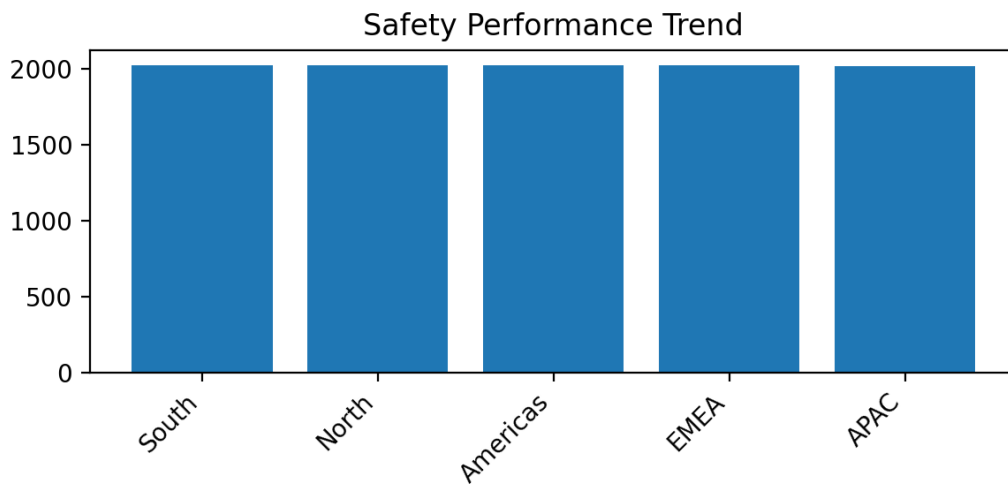
Americas	111.18	70.47	66.51	0.1
APAC	104.26	96.15	89.48	0.53
APAC	78.58	88.78	81.71	0.64
Americas	105.7	126.53	112.86	0.18
South	135.83	132.12	71.49	0.95
APAC	93.94	104.27	104.58	0.46
APAC	96.66	71.12	90.19	0.21
EMEA	106.75	94.5	89.84	0.23
South	108.81	65.98	85.92	0.03
North	136.64	84.11	132.64	0.69
South	91.16	94.12	41.53	0.24
Americas	141.12	131.09	115.69	0.08
North	101.77	96.69	102.84	0.87
APAC	90.31	103.29	103.07	0.4

Digital Strategy: Scaling Nexida and Cloud-Native Services

Partsync Digital orchestrates our global Nexida strategy, integrating design, engineering, cloud, security, and managed services. The Nexida framework structures co-creation with customers through Plan, Build, Operate, and Maintain, leveraging reusable patterns across sectors. We embedded design thinking and agile delivery into our operating model to shorten time-to-value and improve customer adoption. Reliant Cloud Centers deliver secure, compliant operations for hybrid and multi-cloud workloads in regulated industries. We launched governance structures, including a Decision and Advisory Board, to align roadmaps and investments across sectors and regions.

Generative AI is transitioning from experimentation to production within Partsync's boundaries of safety, privacy, and reliability. Our Generative AI Studio curates domain corpora, refines models, and integrates guardrails to ensure responsibly augmented workflows. Use cases include code acceleration, incident summarization, asset documentation, and knowledge retrieval for field technicians. We measure gains through productivity, quality, and risk reduction, while maintaining human oversight for safety-critical decisions. These capabilities strengthen Nexida's differentiation and scalability.

Safety Performance Trend



Customer Co-creation and Reference Outcomes

We expanded Nexida reference architectures with validated outcomes across energy, mobility, and industrial domains. In distributed energy, Nexida orchestrates forecasting, dispatch, and storage control to improve grid stability and reduce curtailment. In mobility, digital twins of networks optimize scheduling, maintenance windows, and passenger flows to raise availability and customer experience. In industrial settings, predictive maintenance and process optimization improve throughput and energy intensity while maintaining safety. These outcomes are codified as templates, reducing deployment risks and accelerating scale across customers.

Our engagement model pairs domain experts with digital engineers in two-in-a-box teams to blend context and craft. These teams co-locate virtually and physically with customer squads to accelerate problem framing and hypothesis testing. Delivery toolchains standardize environments, security baselines, and telemetry to raise repeatability and manage quality. We use outcome contracts that align incentives with performance metrics and shared savings. This model strengthens trust, increases recurrence, and differentiates Partsync in complex transformation programs.

Green Strategy KPIs

kpi	baseline_year	current_value	target_value	target_year
APAC	2019	112.42	86.87	2022
EMEA	2025	127.98	129.57	2021
South	2022	90.37	83.28	2018
North	2019	154.88	105.28	2018
Americas	2024	84.81	107.57	2025
Americas	2018	117.67	116.64	2019
South	2024	152.51	158.43	2024
EMEA	2019	65.71	47.53	2022

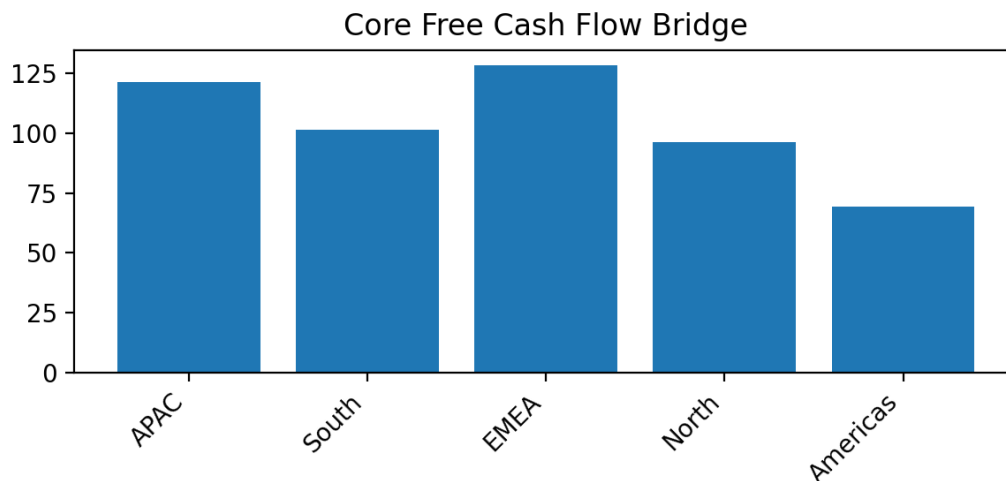
EMEA	2021	131.84	88.12	2019
EMEA	2024	120.03	96.63	2025
Americas	2025	106.76	142.2	2019
APAC	2023	94.4	124.95	2021
EMEA	2021	103.03	59.79	2018
South	2023	86.03	99.7	2019
South	2018	37.92	119.4	2020
APAC	2019	68.63	77.12	2021
South	2023	100.61	87.11	2018
Americas	2022	68.82	149.24	2024

Cloud, Security, and Data Governance

We operate hybrid architectures that balance latency, sovereignty, and cost, with edge computing for time-critical control and cloud for analytics and storage. Zero-trust principles guide identity, access, and workload protection across the estate. Data governance frameworks define ownership, lineage, quality, and retention policies across the life cycle. We embed secure development and continuous testing into CI/CD pipelines to reduce vulnerabilities and accelerate release cadence. These practices are vital for maintaining trust in regulated domains and sustaining our license to operate.

To de-risk operations, we aligned SLAs to customer outcomes, including availability, recovery time objectives, and incident response metrics. We expanded observability to provide end-to-end telemetry across applications, networks, and devices. Cyber drills, red teaming, and tabletop exercises validate preparedness for emerging threats. Supplier and partner assessments extend our security posture across the ecosystem. This comprehensive approach equips Partsync and our customers to manage digital risk proactively.

Core Free Cash Flow Bridge

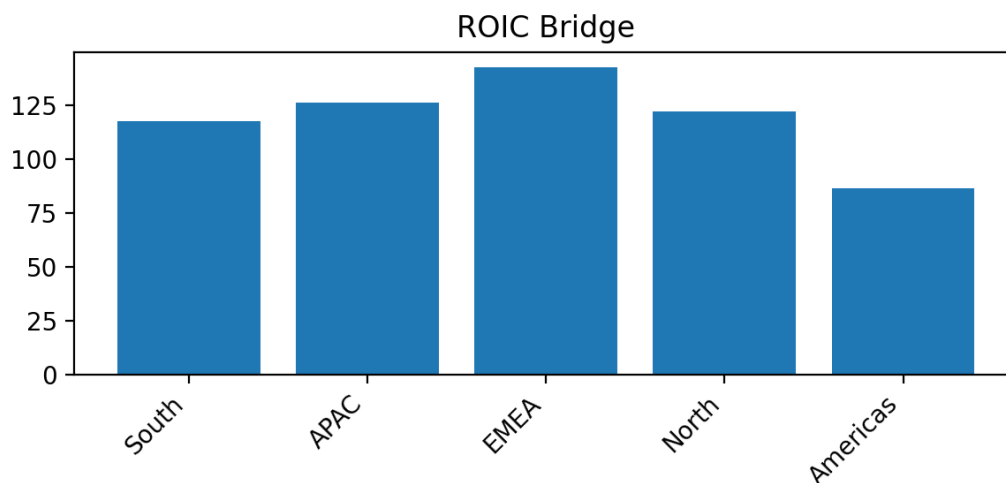


Green Strategy: Climate Leadership and Lifecycle Value

Our green strategy combines GX for Core—our own decarbonization—and GX for Growth—solutions that decarbonize customers and society. We are on track to achieve carbon neutrality at owned sites by 2030, supported by energy efficiency, renewable sourcing, and electrification of fleets. Eco-design adoption is expanding across new products, and zero waste to landfill is advancing through targeted programs. Nexida quantifies avoided emissions and resource efficiency gains for customers, translating environmental value into measurable business outcomes. These efforts align economic value with environmental stewardship.

In customer markets, we are scaling lifecycle offerings for renewable integration, flexible grids, e-mobility, and industrial electrification. VoltForge solutions include HVDC links, digital substations, transformers, and grid automation augmented by Nexida services. MetroSpan offerings span rolling stock, signaling, and maintenance-as-a-service to optimize availability and energy usage. In connected industries, we advance microgrids, storage, and energy management to reduce emissions and improve resilience. Circularity initiatives such as second-life batteries and materials recovery extend lifecycle value and reduce environmental impact.

ROIC Bridge



Decarbonizing Partsync Operations

We are executing a granular roadmap for decarbonizing operations, anchored by site-level energy audits and retrofit programs. Investments include on-site renewables, storage, LED lighting, high-efficiency HVAC, and smart building controls. Power purchase agreements complement on-site generation to increase renewable penetration across regions. Electrification of logistics and service fleets is underway, with charging infrastructure deployed at priority locations. Water conservation and waste reduction targets are embedded into site KPIs, supported by digital monitoring and continuous improvement routines.

Supplier collaboration is essential to extend decarbonization across the value chain. We conduct environmental and social assessments, co-develop improvement plans, and track outcomes through a shared portal. Incentives and recognition programs encourage suppliers to adopt low-carbon materials and processes. For high-impact categories, we are piloting product-level environmental declarations to increase transparency. These actions raise standards and accelerate progress beyond our direct footprint.

Diversity, Equity, and Inclusion Metrics

metric	current	target	target_year
Americas	67.0	95.89	2024
South	93.17	78.08	2019
EMEA	108.44	59.11	2024
Americas	109.7	93.76	2019
EMEA	95.75	77.93	2018
APAC	93.27	74.43	2019
South	116.66	100.52	2024
Americas	64.68	87.06	2018
EMEA	116.96	79.53	2020

South	74.86	113.73	2022
Americas	111.67	146.27	2022
EMEA	90.96	92.23	2022
APAC	105.86	108.58	2018
Americas	156.6	151.1	2020
North	121.41	131.75	2023

Customer GX Offerings and Outcomes

Outcome-based solutions are central to our green growth strategy, and we contract around availability, energy performance, and emissions reductions. Nexida provides the measurement backbone, collecting and validating data to demonstrate outcomes. We align financial mechanisms to performance, including shared savings and service credits where appropriate. These arrangements increase trust and align incentives for continuous improvement over the asset life. As regulations evolve, transparent reporting will become even more important to customers and communities.

We are expanding catalogues for EV charging with multi-point switching, building energy resilience with V2X integration, and deploying fleet and depot management for electrified mobility. In industry, we combine process electrification with advanced controls and analytics to lower energy intensity. For grids, we deliver grid-edge intelligence that enables flexible, demand-side participation. Across these domains, we build circularity into design, enabling refurbishment, remanufacture, and materials recovery. These offerings position Partsync as a lifecycle partner in the energy transition.

Supplier Sustainability Program

region	assessments	audits	improvement_plans	closure_rate
APAC	138.47	70.96	104.14	0.36
EMEA	105.67	118.01	87.93	0.41
Americas	94.85	87.52	106.76	0.62
Americas	112.71	104.26	108.33	0.05
APAC	75.91	78.26	133.14	0.59
South	97.53	103.03	94.09	0.37
North	81.91	71.55	43.12	0.44
EMEA	85.4	106.22	124.9	0.62
North	90.02	56.94	104.76	0.07
APAC	69.82	117.36	154.82	0.47
South	120.75	121.6	136.17	0.62
South	85.72	109.74	124.97	0.05

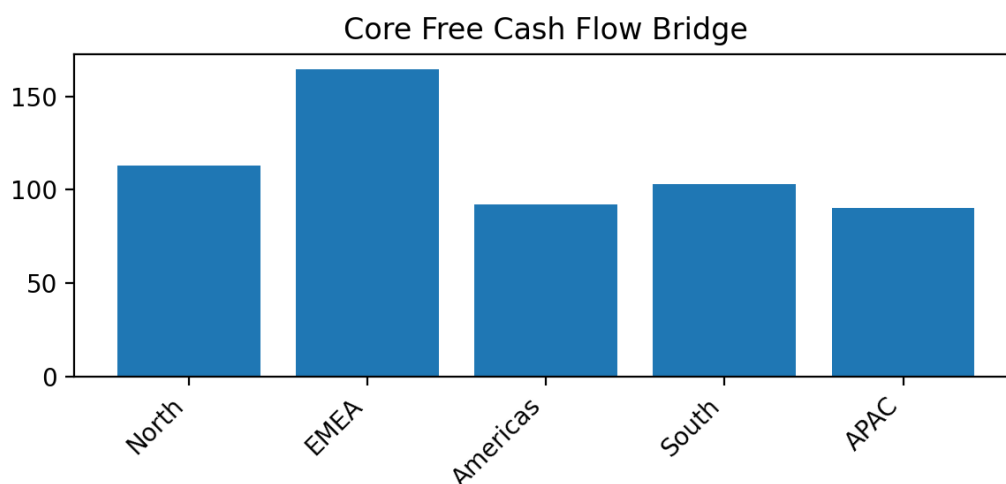
North	147.55	114.58	90.16	0.52
Americas	101.11	73.86	107.98	0.57
Americas	85.7	65.08	111.99	0.25
Americas	78.23	99.28	78.47	0.18
North	97.27	116.58	111.72	0.87
Americas	92.3	110.97	128.46	0.89
EMEA	76.14	123.7	105.18	0.31
APAC	105.03	70.9	143.89	0.67

Innovation and Intellectual Property Strategy

We pursue backcasting R&D; to address societal needs we expect to intensify by 2050, including environmental neutrality, healthy longevity, and human-digital co-evolution. Our R&D; portfolio advances enabling technologies for Nexida, power electronics, safety-critical software, sensors, and materials. We complement internal development with venture investments through Partsync Ventures to access frontier innovations and partnerships. Open innovation hubs, including our Nexida Innovation Hub in Tokyo and regional centers, facilitate co-creation with customers and academia. This approach accelerates time from insight to solution and de-risks adoption.

Our IP strategy is value-driven, oriented around protecting customer-differentiating capabilities and enabling cross-licensing where it expands ecosystem adoption. We build layered protections across patents, trade secrets, data, and know-how. Global patenting aligns with platform roadmaps and target markets, and we monitor competitive landscapes to anticipate shifts. We make IP available across One Partsync to amplify reuse and accelerate solution delivery. This disciplined strategy supports sustained differentiation and monetization.

Core Free Cash Flow Bridge



Backcasting R&D; and Open Innovation

Our backcasting method begins with desired societal outcomes and works backward to define technological and operational prerequisites. We then prioritize research tracks that unlock those outcomes within practical time horizons. This approach ensures relevance and focuses resources on scalable, high-impact areas. We collaborate with universities and institutes globally, sharing pre-competitive research while maintaining clear IP boundaries. Findings are quickly translated into Nexida modules and sector offerings through agile transfer processes.

Open innovation hubs bring together customers, researchers, engineers, and product managers to compress the feedback loop from concept to deployment. These hubs host living labs where prototypes are tested under realistic constraints. We have formalized playbooks for problem framing, rapid experimentation, and pivot-or-persevere decisions. Successes are codified into reusable assets and deployed across markets, accelerating adoption. This approach reinforces Partsync's reputation as a practical innovator with measurable impact.

Cybersecurity Readiness Scorecard

capability_domain	maturity_score	target_score	remediation_eta_quarter
North	89.82	100.24	North
North	110.69	77.36	South
Americas	105.57	132.8	EMEA
North	77.02	98.72	EMEA
EMEA	72.05	113.92	APAC
South	98.5	93.51	APAC
EMEA	100.15	108.48	North
EMEA	95.5	102.74	South
APAC	74.23	66.97	APAC
North	50.71	118.46	South
Americas	104.99	71.89	EMEA
Americas	116.74	89.39	EMEA
North	79.84	88.02	North
APAC	85.15	94.7	North
EMEA	87.14	67.3	North
South	82.18	120.93	APAC

Venture Investments and Ecosystem

Partsync Ventures invests in early- and growth-stage companies aligned to our strategic themes. We target startups with potential to enhance Nexida, advance grid and mobility platforms, or open new service models in connected industries. Beyond capital, we provide access to domain expertise, customer channels, and co-development opportunities. We manage conflicts through clear governance, ring-fenced teams, and transparent objectives. Financial returns and strategic impact are both tracked to assess portfolio performance.

We also cultivate a broader ecosystem of partners, including cloud providers, cybersecurity specialists, device makers, and integrators. Joint reference architectures and validated integrations reduce customer risk and deployment time. Co-selling programs expand reach and create compound value for customers. Governance mechanisms establish standards for security, privacy, and support to maintain trust. These partnerships amplify Partsync's ability to deliver complex, cross-domain solutions.

Nexida Use Cases and Outcomes

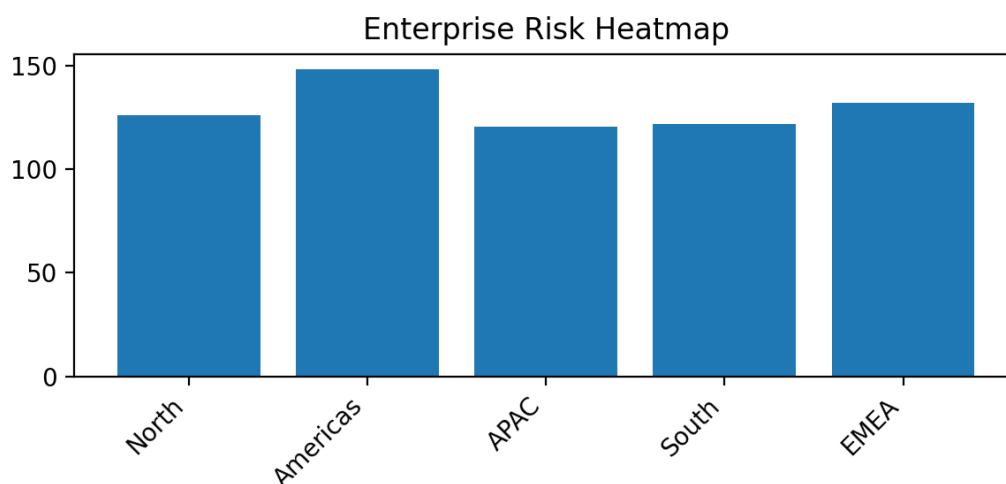
domain	use_case	kpi_improvement	time_to_value_months
South	South	0.34	114.76
Americas	South	0.68	128.11
APAC	EMEA	0.17	80.01
South	APAC	0.19	99.57
APAC	Americas	0.45	78.43
EMEA	North	0.78	130.28
North	North	0.85	113.85
South	Americas	0.01	119.47
Americas	Americas	0.81	112.73
Americas	APAC	0.0	103.49
Americas	Americas	0.58	112.07
APAC	EMEA	0.2	76.54
EMEA	South	0.4	127.47
EMEA	North	0.37	101.34
Americas	South	0.34	83.91
Americas	EMEA	0.95	92.78
Americas	Americas	0.79	47.33
South	North	0.81	103.11
South	South	0.97	67.78
Americas	South	0.21	140.44

Global Marketing & Sales: Customer-Centric Growth

Global Marketing & Sales leads growth by unifying account management, segment strategies, and branding across regions. We prioritize seven segments where Partsync has differentiated assets and where Nexida can unlock clear outcomes. A co-creation account model governs strategic customers, establishing multi-year roadmaps, joint KPIs, and governance routines. Segment playbooks translate customer challenges into solution bundles with validated references. Regional teams adapt these playbooks to local market dynamics and regulatory contexts.

We are upgrading commercial capabilities through training, tools, and performance management. A unified CRM system and deal governance raise pipeline quality and forecast accuracy. We standardized commercial roles, competency frameworks, and incentive structures to foster collaboration and accountability. Customer experience programs measure and improve journey moments from discovery to renewal. These measures strengthen brand trust and increase lifetime value.

Enterprise Risk Heatmap



Strategic Accounts and Co-creation

Strategic accounts are overseen by enterprise directors with authority to marshal cross-sector resources. Joint steering committees align on outcomes, investment, and sequencing across geographies and functions. We maintain integrated roadmaps that span equipment upgrades, digital overlays, and managed services. Quarterly business reviews check progress, unblock issues, and refine next steps. This rigorous cadence builds momentum and trust in complex transformations.

Commercial constructs include outcome-based commitments and lifecycle services to align incentives over time. We structure programs to capture the benefits of data network effects and shared learning. Embedded success criteria include safety, uptime, energy efficiency, and sustainability. These constructs make value explicit, measurable, and repeatable. As reference outcomes accumulate, adoption accelerates across sectors and regions.

Backlog Schedule Risk Assessment

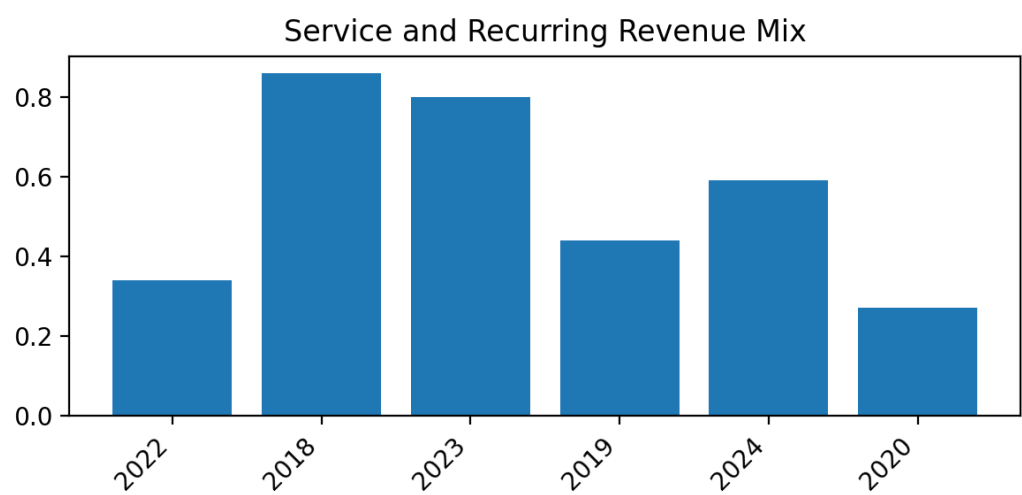
program	baseline_months	p80_months	contingency_used_percent
Americas	77.71	114.17	0.34
North	108.53	56.63	0.18
South	103.39	107.55	0.37
South	102.85	58.56	0.39
North	113.34	115.29	0.39
South	83.4	132.37	0.83
North	39.91	162.71	0.09
APAC	165.94	78.5	0.52
EMEA	119.61	62.06	0.73
South	41.57	120.76	0.43
EMEA	33.28	106.6	0.38
Americas	63.34	122.86	0.71
APAC	114.89	109.21	0.32
Americas	127.42	101.06	0.05
APAC	63.89	142.02	0.1

Segment Strategy and Campaigns

Segment strategies focus on energy, mobility, industrial technology, public services, financial services, logistics, and smart spaces. Each segment has a leader responsible for market analysis, proposition design, and partner strategy. Campaigns concentrate resources on high-potential plays with clear references and sales enablement assets. We coordinate content, events, and customer advocacy to raise awareness and credibility. Feedback loops refine propositions and sharpen differentiation.

Success is measured by segment revenue growth, win rates, attach rates for services, and customer satisfaction. We set targets for cross-sell penetration and reference generation to compound impact. Segment teams work closely with Partsync Digital and Innovation to align roadmaps to market needs. These alignments increase speed to market and relevance. The result is a more predictable, scalable growth engine.

Service and Recurring Revenue Mix



Human Capital Strategy: Skills, Engagement, and Inclusion

Our human capital strategy treats people as the primary source of competitive advantage. We are scaling digital talent through balanced hiring, reskilling, and targeted acquisitions. Skills frameworks map capabilities to roles and projects, guiding development and staffing. Engagement programs focus on clarity of purpose, feedback, recognition, and well-being. Inclusion is a non-negotiable principle, as diverse teams solve complex problems more effectively.

We expanded our learning ecosystem with modular programs in cloud, data, AI, cybersecurity, safety, systems engineering, and product management. Reciprocal rotations between sector teams and Partsync Digital accelerate cross-pollination of methods and tools. Leadership programs build capability at multiple levels, from emerging leaders to enterprise stewards. Global performance management links goals and results to rewards with transparency and predictability. These investments increase capability density and cohesion across One Partsync.

Backlog Schedule Risk Assessment

program	baseline_months	p80_months	contingency_used_percent
North	91.98	108.28	0.66
Americas	115.71	116.47	0.98
South	75.28	87.15	0.55
EMEA	82.85	38.4	0.81

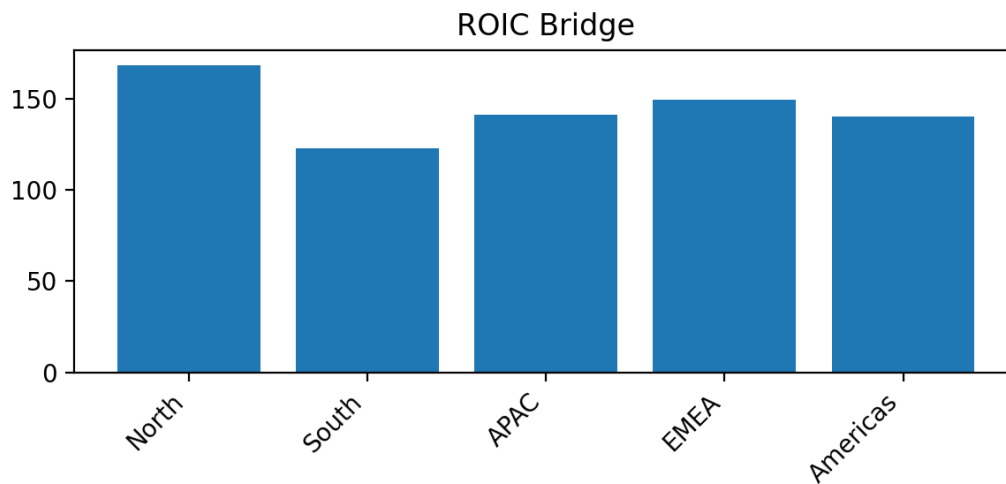
North	110.69	98.35	0.37
Americas	96.23	96.94	0.44
EMEA	72.25	99.4	0.29
EMEA	129.61	115.69	0.95
South	157.4	106.4	0.8
APAC	86.66	85.61	0.38
APAC	98.66	60.03	0.07
EMEA	117.72	140.95	0.99
South	75.79	95.93	0.24
APAC	129.02	101.15	0.06
EMEA	108.17	95.17	0.24

Digital Talent and Capability Building

We continue to grow our digital practitioner base across key regions, with emphasis on engineering hubs proximate to customer demand. Capability tracks span design, data, cloud, DevSecOps, and domain-specific digital for energy, mobility, and industry. Learning paths include hands-on labs, certifications, mentorship, and project-based assessments. Communities of practice sustain knowledge sharing and elevate standards. This structure accelerates mastery and improves delivery quality.

We supplement internal growth with targeted bolt-on acquisitions, integrating practices and enabling teams at pace. Integration priorities include culture, delivery playbooks, security baselines, and shared tooling. We set expectations for leadership, customer engagement, and quality early in the onboarding journey. Retention is supported by clear career paths, recognition, and purposeful work. These measures make Partsync an employer of choice in competitive markets.

ROIC Bridge



Engagement, Safety, and DEI

Engagement is tracked through global surveys and pulse checks, with action plans owned by leaders at all levels. We target improvements in pride, advocacy, role clarity, and growth opportunities. Safety remains a core value, with continuous reduction of recordable incidents and stronger contractor safety programs. DEI metrics guide representation goals and inclusive practices across hiring, development, and advancement. Together, these elements create a healthy, high-performing culture.

We are scaling global town halls, local listening sessions, and cross-cultural learning to deepen One Partsync. Employee idea programs reward innovation and process improvements, with winning ideas piloted and scaled. Benefits are benchmarked and updated to support physical, mental, and financial well-being. Ethical conduct is reinforced through training, reporting channels, and leadership example. These practices reinforce trust and strengthen our ability to compete.

Supplier Sustainability Program

region	assessments	audits	improvement_plans	closure_rate
EMEA	94.59	66.54	111.71	0.08
Americas	113.93	60.97	52.46	0.43
APAC	102.15	136.55	141.52	0.4
South	112.06	77.16	86.61	0.13
North	96.99	113.84	84.55	0.1
North	77.14	94.7	80.09	0.44
APAC	71.42	83.77	92.04	0.22
APAC	96.29	95.46	110.27	0.71
North	88.16	102.45	129.37	0.26
North	67.84	91.68	137.19	0.12

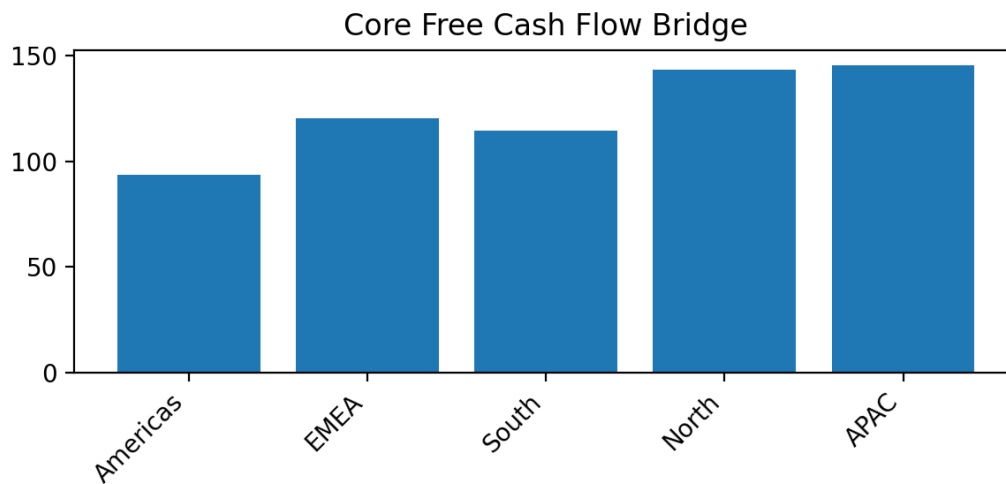
Americas	100.12	121.29	129.6	0.33
Americas	79.66	111.88	112.42	0.5
South	90.66	67.47	53.11	0.96
Americas	107.6	144.46	101.27	0.28
South	111.82	98.36	149.09	0.17
South	85.31	97.07	47.83	0.58
South	70.08	103.66	125.17	0.06
EMEA	111.95	113.61	110.31	0.25
South	101.03	127.4	127.79	0.77
APAC	159.08	85.24	83.88	0.1

Financial Strategy and CFO Perspective

Our financial strategy is designed to reinforce sustainable growth through disciplined capital allocation, cash generation, and efficient balance sheet management. ROIC is the central compass, driving actions to improve profitability and asset efficiency across the portfolio. Working capital programs target early collections, inventory turns, and disciplined payables management. Cost initiatives focus on procurement, production efficiency, and project margin enhancement. Structural reforms continue where returns are below thresholds and strategic fit is weak.

We operate within a conservative leverage framework to preserve agility and resilience. Funding strategies combine internal cash generation with selective use of debt for high-confidence investments. Our rating profile reflects consistent execution and discipline. Shareholder returns align with earnings and cash generation while preserving capacity to invest. Transparency in performance and capital deployment is intended to enhance market confidence.

Core Free Cash Flow Bridge

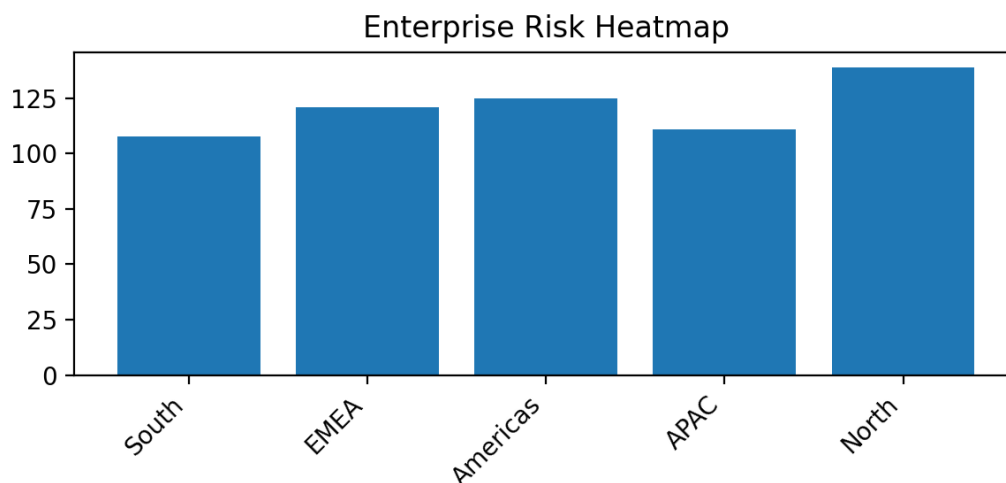


ROIC Management and Cash Discipline

We use a ROIC tree to cascade drivers into field-level actions for revenue quality, margin, and asset turns. Commercial actions include pricing, mix management, and disciplined order selection. Operational levers include yield, throughput, and waste reduction. Asset efficiency programs drive working capital turns and optimize fixed asset utilization. Tax, JV synergies, and equity income also contribute to after-tax returns.

Cash discipline is reinforced through robust forecasting, liquidity management, and digital treasury operations. We align capex to hurdle rates and strategic priorities, with post-investment reviews assessing realized outcomes. Cash conversion targets are supported by improved project controls and risk management. Strong cash generation underwrites reinvestment and consistent shareholder returns. These routines compound capability and confidence over time.

Enterprise Risk Heatmap

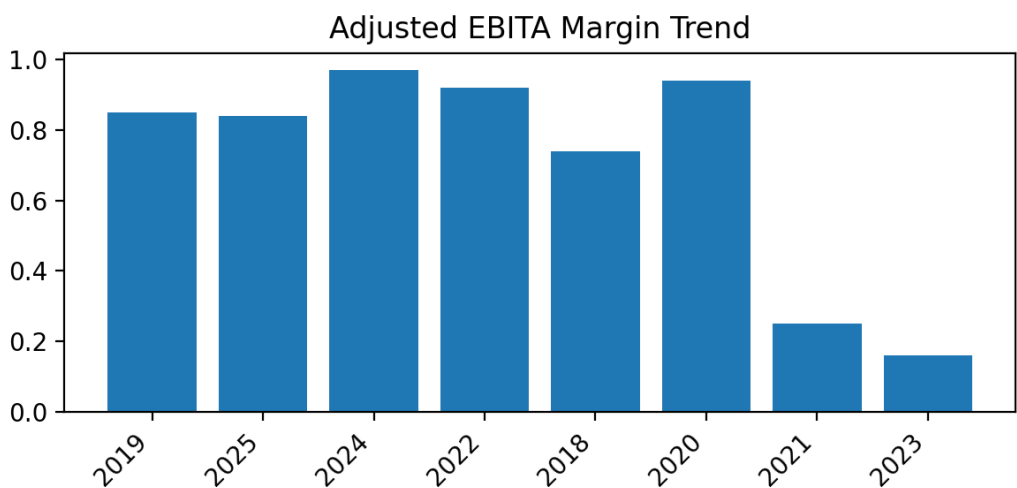


Risk and Investment Governance

Investment decisions follow a structured, multi-gate process with clear accountabilities and thresholds. Advisory committees provide independent challenge on strategic fit, economics, and risk. For large programs, we quantify order backlog risks using statistical models and scenario analysis. Post-approval, we monitor leading indicators to surface deviations early and enable corrective actions. This rigor balances ambition with prudence.

We maintain a dynamic view of macro, financial, operational, and cyber risks. Risk appetite statements guide decision-making in uncertain environments. Hedging policies mitigate currency and interest rate exposures where appropriate. Crisis playbooks, drills, and redundant systems increase resilience. This integrated approach strengthens our ability to deliver commitments despite volatility.

Adjusted EBITA Margin Trend



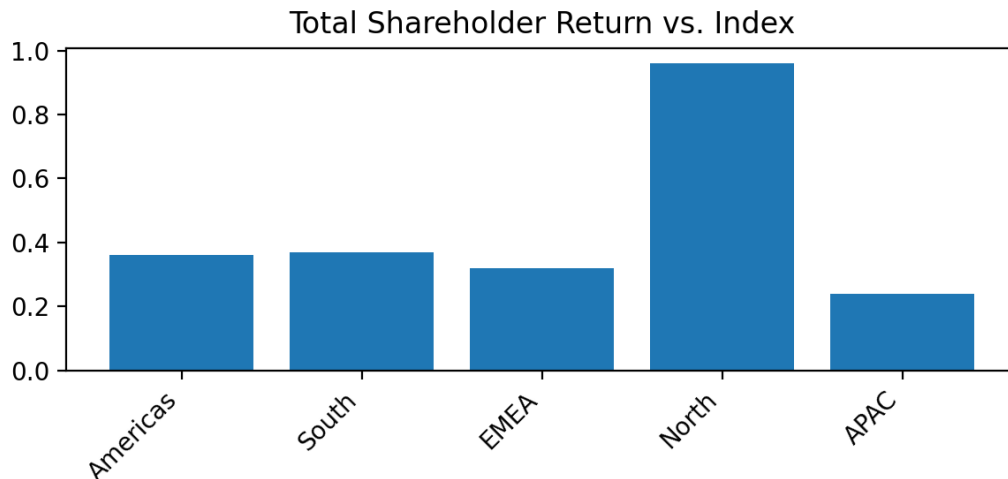
Sector Strategy: Digital Systems & Services

The Digital Systems & Services sector solves complex challenges by integrating mission-critical IT, cloud, and digital engineering. Strengths include decades of systems delivery in regulated domains, coupled with modern cloud and data capabilities. The sector focuses on end-to-end services from design to managed operations, with a growing recurring revenue base. Nexida is central, providing reusable modules and patterns across industries. Growth is supported by talent pipelines, partner ecosystems, and bolt-on acquisitions like Infralytica that deepen design-led engineering.

Market demand is fueled by modernization of legacy systems, cloud migration under strong compliance, and proliferation of data across operations. Customers favor partners who can own

outcomes, provide security at scale, and integrate with complex environments. Our priorities are to grow recurring services, standardize platforms, and expand managed services through Reliant Cloud Centers. We will increase development productivity through low-code, automation, and AI-assisted engineering. These actions support margin expansion and scale.

Total Shareholder Return vs. Index

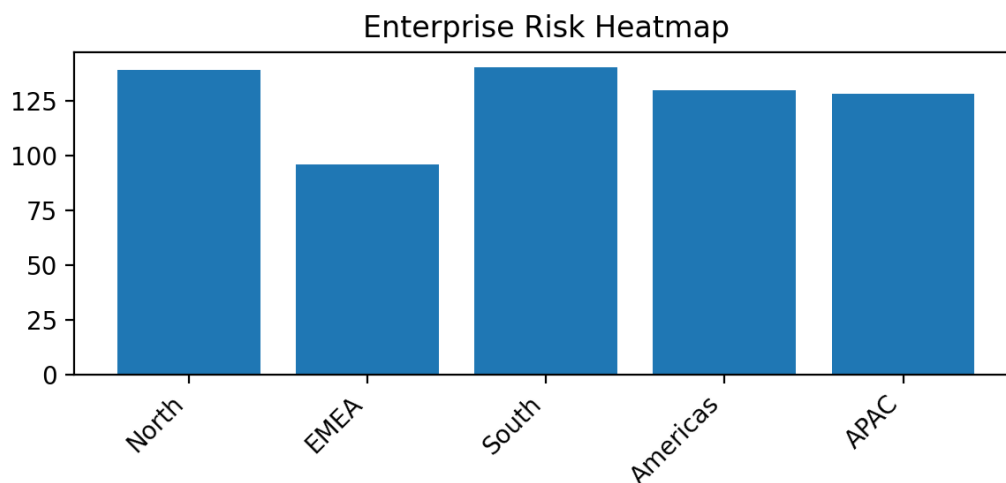


Market Conditions and Competitive Edge

The global digital transformation market in critical sectors is expanding as systems become more data-intensive and regulation tightens. Our edge stems from safety-grade delivery capabilities and integrated cyber posture combined with modern digital methods. We differentiate on referenceable outcomes, time-to-value, and end-to-end accountability. Partner alliances with hyperscalers and security firms extend our reach and compliance options. Investment will prioritize accelerators that improve speed and quality in regulated contexts.

We will continue to build nearshore and offshore delivery capacity, balancing cost, capability, and proximity. Delivery hubs will specialize by domain to concentrate expertise. Commercially, we are sharpening solution catalogs and outcome metrics to simplify purchasing and prove value. As adoption increases, we will scale managed services for stable, recurring economics. This strategy creates a durable growth flywheel.

Enterprise Risk Heatmap

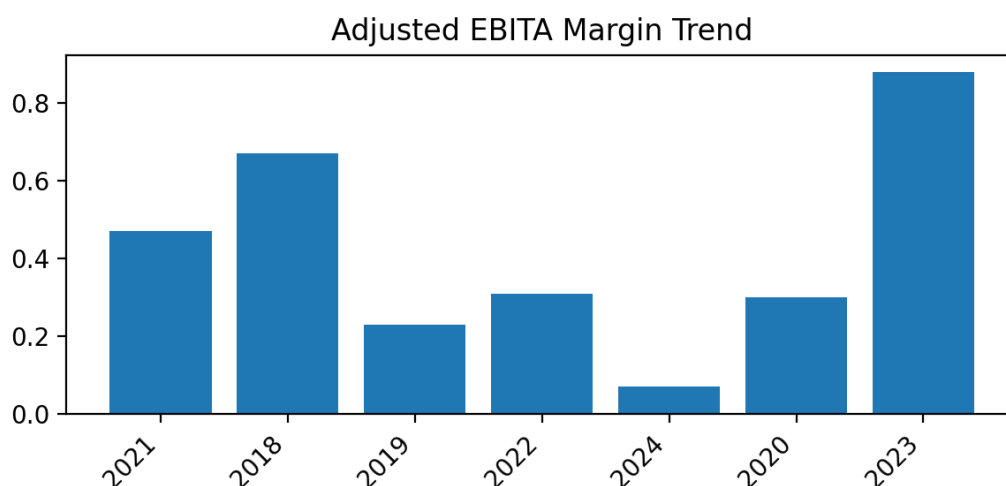


Growth Actions and Operating Model

Growth actions include codifying Nexida modules, expanding managed services, and deepening co-creation programs. We will invest in asset libraries, reference architectures, and compliance packs to shorten delivery cycles. Delivery will be orchestrated through standardized toolchains and quality gates aligned to security and safety. Operating reviews link commercial performance with delivery metrics to maintain healthy margins. These practices reinforce predictability and scalability.

Talent remains a central lever, and we will expand communities of practice to accelerate knowledge flow. We will formalize rotation programs with other sectors to increase domain understanding. Incentives will reward reuse, quality, and customer outcomes. These steps will raise productivity and customer satisfaction concurrently. The sector is positioned to compound growth reliably.

Adjusted EBITA Margin Trend



Sector Strategy: Green Energy & Mobility

The Green Energy & Mobility sector concentrates on grid modernization, renewable integration, and smart transit. VoltForge provides HVDC, digital substations, transformers, and grid automation, while MetroSpan delivers rolling stock, signaling, and lifecycle services. Demand remains strong with governments and utilities funding resilient, low-carbon infrastructure. The order backlog provides multi-year visibility, with execution rigor as a priority. Nexida overlays enhance availability, efficiency, and safety throughout the lifecycle.

We are evolving the business model from product-centric to lifecycle-centric, increasing services and outcomes-based engagements. Partnerships with Partsync Digital accelerate digital overlays and managed services offerings. Internal decarbonization within the sector reinforces credibility with customers. Circularity initiatives are built into design and service offers. This transformation will improve margins, recurrence, and customer stickiness.

Backlog Schedule Risk Assessment

program	baseline_months	p80_months	contingency_used_percent
North	76.87	121.78	0.52
Americas	102.76	88.44	0.75
South	91.86	121.48	0.26
North	66.07	94.93	0.75
Americas	74.67	94.69	0.75
EMEA	120.87	99.63	0.09
EMEA	138.38	128.07	0.57
Americas	120.6	95.27	0.38
Americas	89.63	113.94	0.88
North	101.96	63.36	0.13
South	61.66	102.61	0.18
South	54.82	113.11	0.83
EMEA	98.44	112.44	0.2
Americas	91.5	77.36	0.76
North	110.97	128.32	0.87

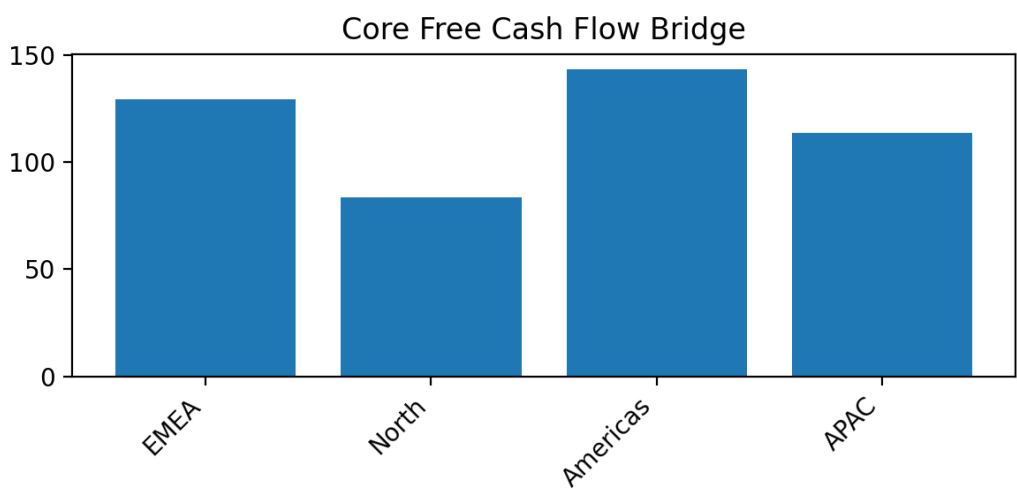
Order Book Delivery and Margin Expansion

Delivery excellence is paramount as we convert backlog into revenue and cash. We strengthened project governance, risk controls, and supply chain resilience to maintain schedule

and margin. Pricing, indexation, and hedging protect economics amid input volatility. Digital twins support commissioning, performance testing, and predictive maintenance. These measures improve outcomes for customers and Partsync alike.

We are also expanding the installed base service attach rates through proactive offerings and value demonstrations. Performance-based contracts align incentives and drive continuous improvement. As service penetration grows, margins stabilize and cash conversion improves. Investment will prioritize service capabilities, including parts, repairs, and remote operations. This shift raises quality of earnings and customer lifetime value.

Core Free Cash Flow Bridge



Lifecycle Services and Digital Overlay

Lifecycle services include spares, repairs, upgrades, and performance optimization over decades. Nexida provides the digital overlay that connects assets, collects data, and orchestrates workflows. Analytics reveal patterns that reduce failures and energy waste, and simulations inform upgrade strategies. Remote operations centers provide monitoring and incident support, reducing downtime and travel. This overlay converts data into enduring value.

We are standardizing service offerings and SLAs to raise scale and consistency. Training programs for customer operators and maintainers increase safe and efficient use. Outcome reporting increases transparency and supports regulatory and community expectations. These services deepen relationships and open pathways for continuous improvement. Over time, this model creates compounding advantages.

Nexida Use Cases and Outcomes

domain	use_case	kpi_improvement	time_to_value_months
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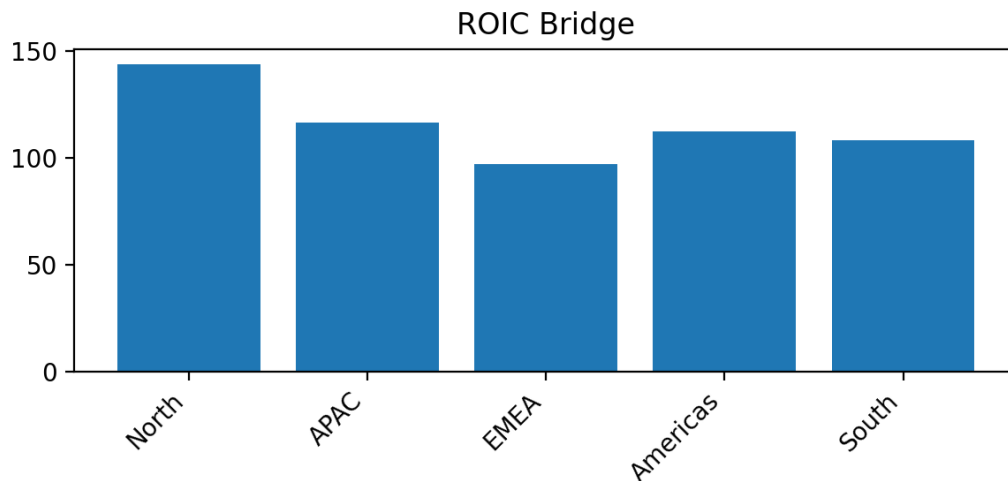
South	Americas	0.99	96.52
North	APAC	0.85	60.62
South	South	0.64	103.3
Americas	EMEA	0.57	141.83
Americas	Americas	0.7	79.95
South	South	0.68	86.6
APAC	EMEA	0.21	122.18
Americas	South	0.61	80.83
South	APAC	0.62	109.55
APAC	EMEA	0.96	82.33
North	EMEA	0.12	88.14
Americas	South	0.24	119.45
EMEA	APAC	0.83	65.0
EMEA	Americas	0.62	105.79
EMEA	South	0.25	87.84
South	Americas	0.45	105.12
South	EMEA	0.02	52.98
Americas	North	0.24	104.03
APAC	North	0.26	96.98
EMEA	South	0.4	114.23

Sector Strategy: Connective Industries

Connective Industries integrates leading products in buildings, healthcare, industrial equipment, and measurement with digital services. The Total Seamless Solution connects shop floor to top floor across plants, buildings, and logistics. Recurring services are a priority, including smart building optimization, medical equipment platforms, and industrial asset services. Nexida's cross-domain patterns accelerate value creation as boundary problems become more complex. Geographic expansion, particularly in North America and Europe, leverages acquisitions such as RoboSpan, AeroFlux, MarkLynx, and FlowForge.

Market dynamics include growth in semiconductors, advanced diagnostics, automation, and smart spaces. Customers seek partners with deep domain expertise and integrated digital capabilities. We are aligning roadmaps to enhance energy efficiency, reliability, and productivity while meeting safety and compliance. Recurrence will come from software subscriptions, maintenance, consumables, and managed services. This sector is designed to deliver steady growth with strong cash generation.

ROIC Bridge

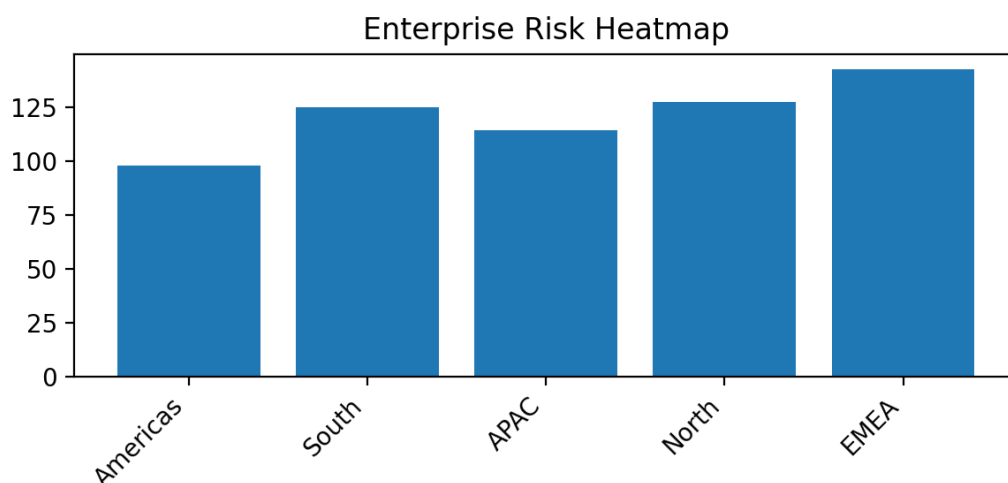


Total Seamless Solution and Use Cases

The Total Seamless Solution links equipment, sensors, controls, and enterprise systems to provide real-time visibility and control. In buildings, we optimize HVAC, elevators, and lighting to reduce energy and improve comfort. In healthcare, platforms streamline diagnostics, throughput, and preventive maintenance for high-availability equipment. In industry, we connect compressors, robots, and marking systems to optimize uptime and quality. Nexida provides the connective tissue and analytics that make these systems adaptive and intelligent.

Use cases are packaged as solution bundles with references and quantified outcomes. Implementation follows standardized playbooks with security and safety baselines. We measure success against customer KPIs such as energy intensity, OEE, and service levels. Over time, we expand scope to add value and deepen relationships. This approach makes complex transformations manageable and repeatable.

Enterprise Risk Heatmap

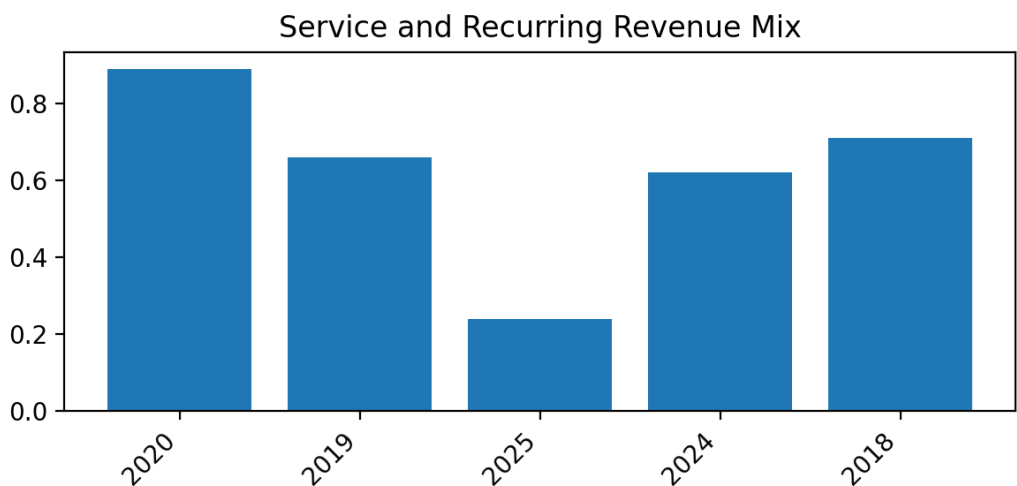


Recurring Business and Global Expansion

Recurring business growth is driven by connected installed base, consumables, and managed services. We track connected units, attach rates, and renewal health to manage growth. Offerings are modular and priced transparently to ease adoption. Global expansion focuses on strengthening regional delivery and service parts logistics. We will maintain quality and customer experience while scaling efficiently.

Acquisitions are integrated to preserve strengths and harmonize to One Partsync ways of working. Delivery, safety, quality, and ethical standards apply uniformly. Synergies focus on cross-selling, shared sourcing, and joint engineering. This integration increases capability density and expands total addressable market. The sector is positioned to deliver sustained, high-quality earnings.

Service and Recurring Revenue Mix

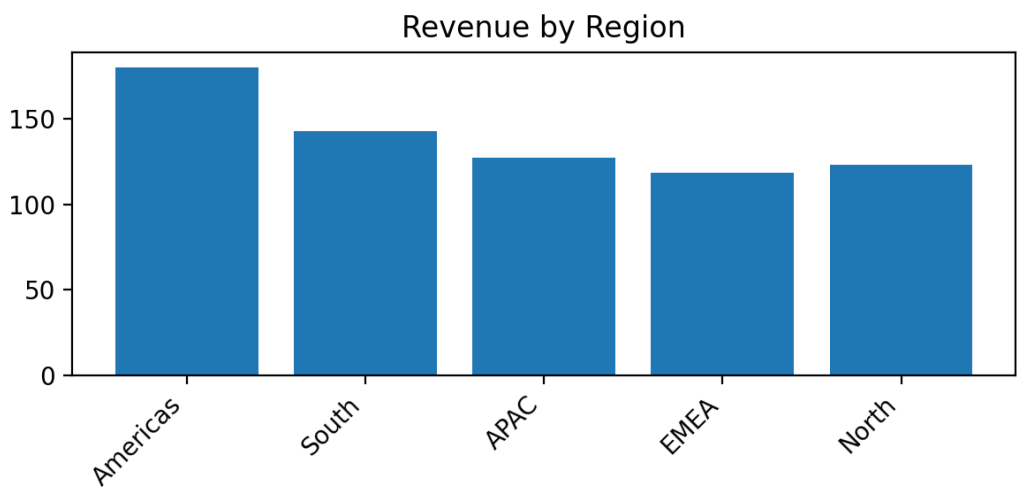


Corporate Governance and Board Effectiveness

Our governance model separates oversight from execution, with an independent chair and a majority of independent directors. Board composition reflects diversity in geography, gender, and expertise, including digital, industrial, finance, and public policy. The board approves strategy, budgets, major investments, and oversees risk and performance. Committees for nominations, compensation, and audit are chaired by independent directors and operate under clear charters. Annual board evaluations assess effectiveness and inform continuous improvement.

We invest in onboarding, site visits, and information flows to equip directors with context and access to frontline insights. Board agendas provide adequate time for strategic deliberations and tracking of multi-year programs. Management transparency and constructive challenge are cornerstones of our governance culture. Executive compensation is aligned to mid-term plan targets, sustainability outcomes, and shareholder value creation. These practices support stewardship and long-term performance.

Revenue by Region



Compensation, Succession, and Culture

Executive compensation blends fixed pay with short- and long-term incentives weighted toward performance shares. KPIs include growth, margin, cash generation, ROIC, and sustainability outcomes aligned to materiality. Clawback provisions and robust disclosure enhance accountability and trust. We benchmark compensation globally to attract and retain leaders in competitive markets. The program rewards long-term value creation over short-term gain.

Succession planning is active and deep, spanning multiple layers of leadership. We invest in diverse talent pipelines and experiences that build enterprise perspective. Culture is reinforced through tone from the top, values, and recognition of role models. We maintain open channels for employees to raise concerns without fear of retaliation. Governance extends beyond compliance to the lived experience of One Partsync.

Backlog Schedule Risk Assessment

program	baseline_months	p80_months	contingency_used_percent
North	134.63	121.13	0.43
South	109.79	75.59	0.94

North	98.22	87.0	0.68
North	79.3	120.81	0.2
South	106.6	134.59	0.09
North	81.75	88.76	0.6
EMEA	74.85	114.96	0.66
EMEA	128.48	119.38	0.36
APAC	70.62	114.93	0.03
EMEA	54.48	75.56	0.11
APAC	112.41	119.38	0.53
South	95.52	93.32	0.56
EMEA	77.72	137.09	0.47
South	78.12	107.83	0.67
EMEA	115.61	73.57	0.39

Audit, Controls, and Integrity

The Audit Committee oversees financial reporting integrity, internal controls, and collaboration with external auditors. Tripartite auditing between internal audit, external auditors, and the Audit Committee strengthens effectiveness. We execute risk-based audit plans covering financial, operational, and cyber domains. Control remediation is tracked to closure with executive sponsorship. This rigor protects stakeholders and enables reliable performance.

Integrity is a non-negotiable standard, encompassing anti-corruption, competition law, data privacy, and human rights. Training, monitoring, and swift consequences deter misconduct. We promote a speak-up culture with multiple channels and protections. Supplier and partner integrity is enforced through due diligence and contractual obligations. These measures uphold our reputation and license to operate.

Capital Allocation Plan 2024–2026

category	amount_planned	percent_of_total	period
EMEA	131.85	0.38	APAC
South	73.74	0.46	North
South	78.4	0.72	Americas
APAC	86.92	0.35	South
EMEA	76.85	0.46	South
North	120.7	0.33	APAC
APAC	74.45	0.89	EMEA
North	119.48	0.25	North
APAC	85.57	0.46	Americas

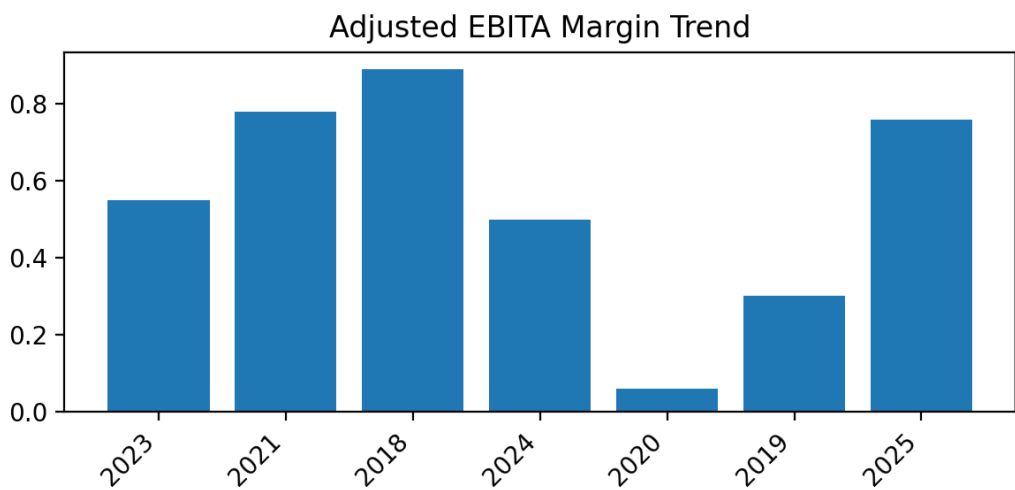
Americas	139.54	0.64	North
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Enterprise Risk Management and Resilience

Enterprise risk management integrates financial, strategic, operational, and compliance risks into a coherent framework. A Risk Management Meeting chaired by the CEO and supported by the CFO/CRMO monitors the risk environment and responses. We quantify exposures, including backlog risk in long-lead programs, using Value-at-Risk models and scenarios. Crisis management playbooks and drills prepare the organization for high-severity events. This framework supports informed decision-making and agility under uncertainty.

We closely monitor macroeconomic, geopolitical, supply chain, and cyber risks. Hedging strategies mitigate currency and interest rate volatility where appropriate. Business continuity plans for facilities and critical functions are periodically tested and updated. Cybersecurity is managed through zero-trust, continuous monitoring, and incident response capabilities. A resilient enterprise is foundational to delivering our commitments and creating value.

Adjusted EBITA Margin Trend

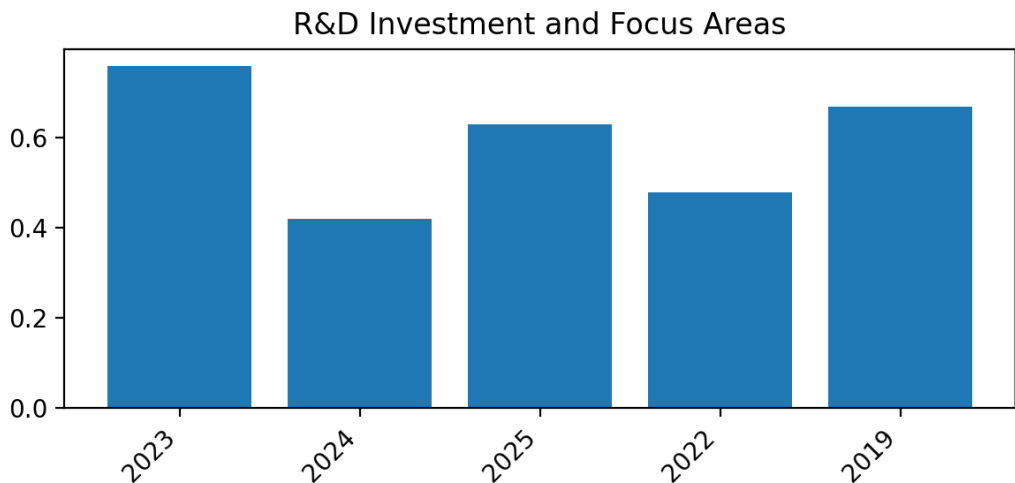


Investment Risk and Post-Investment Monitoring

Investment risk governance begins well before commitment, with independent assessments of strategic fit, economics, and execution risk. Decision rights are tiered by size and risk profile, with the most material decisions brought to the board. Post-investment monitoring tracks synergy capture, performance against plan, and emerging risks. Exit options are defined upfront and revisited as conditions change. This discipline protects capital and accelerates learning.

We also assess climate-related risks and opportunities in investment decisions, including physical and transition risks. Scenario analysis helps to understand resilience across plausible futures. Investments that contribute to decarbonization and resilience are favored where economics are robust. These practices align capital with long-term value creation and stakeholder expectations. Transparency enhances credibility with the market.

R&D; Investment and Focus Areas



Crisis Management and Business Continuity

We maintain crisis management protocols with clear roles, escalation paths, and communication plans. Drills, including cyber tabletop exercises and disaster simulations, test preparedness and reveal improvement opportunities. Business continuity plans cover critical processes, suppliers, and IT systems with redundancies and recovery objectives. Lessons from events are codified into standards and training. This readiness reduces impact and speeds recovery.

During normal operations, we monitor indicators that could signal rising risk, including supply constraints, health and safety trends, and geopolitical developments. This early warning allows pre-emptive actions such as alternative sourcing, inventory buffers, and travel restrictions. We work closely with customers and partners to coordinate responses and maintain service levels. Resilience is a shared responsibility across the value chain. Preparedness is an ongoing commitment, not a one-off exercise.

Diversity, Equity, and Inclusion Metrics

metric	current	target	target_year
North	140.54	107.76	2021
EMEA	104.3	92.55	2020

EMEA	93.38	89.25	2023
EMEA	98.34	125.29	2025
Americas	65.93	102.18	2022
EMEA	141.79	83.63	2022
South	66.16	49.09	2022
APAC	57.59	85.82	2018
EMEA	128.79	120.01	2025
North	129.7	86.24	2024
APAC	88.18	106.1	2022
South	109.32	66.04	2022
North	72.6	72.5	2023
North	90.76	128.75	2022
North	111.59	83.37	2024

ESG Materiality and Performance

Materiality at Partsync encompasses Environment, Resilience, Safety & Security, Quality of Life, Business with Integrity, and DEI. We identified sub-topics and targets for each area, integrating them into sector plans and enterprise scorecards. Environmental priorities include decarbonization, resource efficiency, and harmonization with nature. Resilience priorities cover supply chains and critical infrastructure reliability, enhanced by Nexida. Safety, quality, and cybersecurity protect people and trust across all operations.

We monitor progress through KPIs with governance at executive and board levels. Transparency includes detailed reporting on emissions, resource use, safety, and talent metrics. Supplier sustainability is advanced through assessments, audits, and capacity building. Community engagement focuses on education, skills, and inclusion. These efforts reflect our belief that sustainable performance and financial performance are mutually reinforcing.

Nexida Use Cases and Outcomes

domain	use_case	kpi_improvement	time_to_value_months
South	South	0.22	113.8
North	Americas	0.91	98.4
APAC	EMEA	0.73	66.08
EMEA	EMEA	0.01	111.69
Americas	EMEA	0.37	146.71
APAC	North	0.55	78.83
APAC	North	0.24	113.23

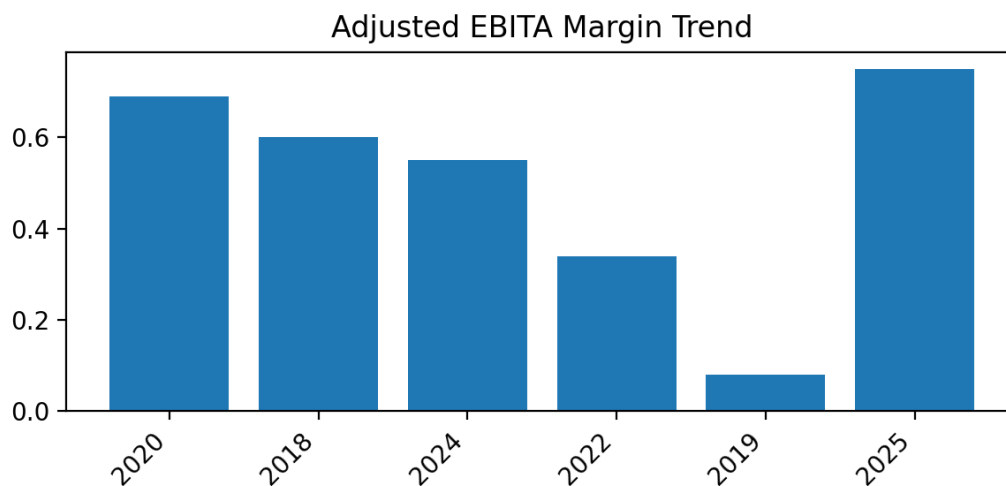
Americas	APAC	0.14	39.19
South	South	0.31	72.28
Americas	APAC	0.37	112.39
North	South	0.64	101.67
South	South	0.33	101.69
South	Americas	0.31	62.18
Americas	APAC	0.45	115.47
South	Americas	0.79	151.94
Americas	EMEA	0.26	84.55
Americas	Americas	0.21	85.33
South	Americas	0.45	92.88
North	APAC	0.41	41.67
South	Americas	0.74	118.1

Environmental Stewardship and Circularity

We are advancing environmental stewardship through site decarbonization, eco-design, and materials circularity. Eco-design guidelines are applied to new products to reduce environmental impact across the lifecycle. Circularity programs enable refurbishment, remanufacturing, and recycling for key product lines. Water use intensity and waste to landfill targets guide continuous improvement. Nexida provides the data backbone to measure and report progress.

Customer contributions to avoided emissions are quantified through outcome measurement and independent methodologies where feasible. We work with standards bodies and industry groups to harmonize metrics. Supplier programs advance improvements upstream, including material choices and processing. Biodiversity impacts are assessed for major projects, and mitigation plans are integrated as required. Stewardship is a shared endeavor across our ecosystem.

Adjusted EBITA Margin Trend



People, Integrity, and Inclusion

We invest in our people's well-being, growth, and inclusion. Programs target physical and mental health, flexible work models, and career development. DEI goals drive representation and equitable outcomes, supported by inclusive practices and leadership accountability. Ethical conduct is reinforced through training, controls, and open channels for raising concerns. These practices underpin trust and performance.

We advance human rights across our value chain through due diligence, risk assessments, and remediation as needed. Supplier engagement includes training and audits on labor standards, environment, and ethics. We are committed to safe workplaces with continuous reduction in total recordable incident frequency. Employee engagement informs priorities and actions, and we communicate progress transparently. Inclusion and integrity are essential to One Partsync.

Cybersecurity Readiness Scorecard

capability_domain	maturity_score	target_score	remediation_eta_quarter
Americas	117.69	48.44	South
Americas	166.03	104.39	South
North	115.57	104.09	North
Americas	89.49	127.5	Americas
EMEA	103.21	108.49	North
APAC	88.52	85.99	EMEA
Americas	106.73	72.14	Americas
EMEA	108.21	92.25	South
Americas	118.02	61.65	APAC
South	127.97	100.11	APAC
EMEA	96.46	93.53	South

South	115.84	132.1	EMEA
APAC	41.58	145.18	South
South	122.32	100.14	EMEA
EMEA	110.55	90.96	EMEA
North	128.97	144.25	North

Outlook and Forward Priorities

We enter fiscal 2024 with confidence in our backlog, pipeline, and capability to execute. Macro conditions remain dynamic, and we will manage with prudence and agility. Priorities include delivering on large programs, scaling Nexida services, and embedding sustainability outcomes into contracts. We will continue to invest in talent, innovation, and partner ecosystems to compound advantages. Financial discipline and transparent communication will guide our engagement with stakeholders.

We will refine our strategies as conditions evolve, maintaining optionality and focus on long-term value. Feedback from customers, employees, and investors will inform our decisions and sharpen execution. We believe Partsync is well-positioned to lead in the convergence of Digital, Green, and Connective solutions that define the next industrial era. Our commitments are clear, our culture is aligned, and our capabilities are scaling. We thank all stakeholders for their trust and partnership.

Service and Recurring Revenue Mix

