

ACPS AUTOMOTIVE'S POLICY STATEMENT ON COMPLIANCE WITH HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE OBLIGATIONS

OUR COMMITMENT TO RESPECTING HUMAN RIGHTS AND ENVIRONMENTAL STANDARDS

Dear employees,
Dear business partners and suppliers,

Treating people, the environment and resources responsibly is a cornerstone of our identity. As the market and technology leader in towbars, we are heavily involved in global supply chains. Consequently, we feel it is our duty to take economic, ecological and social responsibility along these supply chains.

Respect for human and environmental rights is a fundamental part of ethical and sustainable corporate governance. Our aim is to ensure that these rights are respected in all our group companies and likewise by our partners and suppliers.


Here we are driven by our values: integrity, innovation, responsibility and respect. They are deeply rooted in our corporate culture and influence how we pursue our goals and meet challenges. We are convinced that long-term success is only possible if we act ethically and always keep the well-being of all stakeholders in mind.

This policy statement provides the framework for our day-to-day operations. This document is a living one, and as such will continue to develop in line with developments in the industry, in society and in our company. We ask all employees and partners to familiarise themselves with these principles and to take them into account in their work. Only in this way can we successfully implement our mission together and keep our company on track in the future.

We thank you for your commitment and support and look forward to continuing to shape the future of our company together with you.



Michael Weiss
CEO



Volker Butz
CFO

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OUR UNDERSTANDING OF HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE OBLIGATIONS

Ban on child labour

We are committed to the principle that children must not be prevented from receiving an education by having to work, as this would restrict their development. Their dignity must be respected and their health and safety protected. We therefore strictly reject child labour. We conduct due diligence to ensure that applicants and employees have reached the minimum age for employment and that tasks assigned to minors are appropriate.

Our business partners must comply with the applicable local legal requirements and may not employ any workers under the age of 15. This extends to the most egregious forms of child labour, including hazardous, slavery-like, or unethical activities, particularly for children and young people under the age of 18.

Ban on forced labour

ACPS Automotive and its business partners unequivocally reject the use of forced or illegal compulsory labour in our business activities up to the origin of the supply chain. This commitment extends to all forms of modern slavery and human trafficking. All employment contracts at ACPS Automotive and with contracted companies and suppliers must be based on voluntariness. Termination of employment relationships is to be in compliance with an appropriate or legally regulated notice period.

Prohibition of discrimination

At ACPS Automotive, we are committed to a policy of non-discrimination, non-intimidation and non-aggression. We are a cohesive team, treating our colleagues with respect and fairness, recognising that diverse teams with complementary skills and contributions are the key to success.

We are committed to ensuring equal rights and opportunities for all individuals, and we evaluate and promote our employees based on their individual performance, potential, skills and experience. We do not discriminate on the basis of gender, ethnicity, membership of certain population groups, skin colour, disability, trade union membership, political conviction, origin, religion, age or sexual orientation.

Ethical behaviour plays a crucial role in our recruitment and selection processes, as it positively impacts the performance and job satisfaction of our employees. For ACPS Automotive, ethical recruitment means hiring employees in a fair, transparent and merit-based manner.

We prohibit recruitment fees for applicants, respect freedom of movement, confidentiality and data protection, are transparent about working conditions and uphold the right to legal recourse.

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Freedom of association and the right to collective bargaining

We respect the right of employees to form employee representative bodies and to conduct collective bargaining to regulate working conditions, and aim to maintain a solid working relationship for the benefit of the employees and the company. Employees are neither favoured nor discriminated against on the basis of their membership or non-membership of a trade union or employee representative body. At locations where there is no employee representation, we promote regular dialogue between employees and management.

Working hours

The working hour principles of ACPS Automotive take into account both operational and individual concerns and comply with the applicable local legal working hour regulations. We place a high value on balancing work and personal life, and also see the design of working hour models as an expression of our attractiveness as an employer.

Right to fair compensation

At ACPS Automotive, we are committed to providing our employees with competitive and performance-based compensation packages, supplemented by additional benefits. Our compensation system is guided by uniform global principles, ensuring fairness across all locations. Where applicable, compensation aligns with the locally applicable statutory minimum standards and minimum wages set for specific economic sectors. Wages and reimbursable expenses are paid punctually, in full, and in recognised currencies. Withholding of wages requires a sufficient legal basis and a corresponding justification in the context of payroll accounting.

Health and safety

At ACPS Automotive, we prioritise the health and safety of our employees. We create a work environment that fosters optimal performance without compromising physical and mental well-being. Adherence to stringent technical and operational safety standards is paramount to our operations, with the objective being to eliminate occupational accidents and work-related illnesses.

When we commission or use private or public security forces to protect our sites and projects, we ensure that these security forces are sufficiently trained and monitored to avoid any violation of the prohibition of torture and cruel, inhuman or degrading treatment, any endangerment of life and limb, or any restriction of freedom of association and freedom of assembly.

Rights of local communities and indigenous peoples

We conduct our business in a way that respects the livelihoods and health of local communities and indigenous peoples. This particularly concerns air, water and soil pollution, deforestation,

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the improper handling of hazardous waste and the extraction of groundwater in regions with water scarcity.

We avoid the destruction of cultural and ritual sites, as well as the unlawful forced eviction or deprivation of land, forests or water.

Furthermore, we are committed to minimising any adverse effects on the local population during ongoing operations at our sites, and to using environmentally friendly and resource-efficient processes and procedures. We also aim to avoid negative impacts on society.

Ban on violations of specific environmental obligations

Our company's risk-based approach is designed to prevent negative human rights and environmental impacts when handling hazardous materials. In our risk analyses, we comprehensively consider the potential risks posed by certain raw materials during procurement and processing. This approach ensures the safety of people and the environment and establishes the necessary measures to mitigate risks.

Protection of personal data

At ACPS Automotive, we prioritise the protection of the personal rights of our employees and business partners. We ensure compliance with the applicable data protection laws by our group companies. When exchanging personal data within the group, our companies comply with German and European legal requirements to ensure the protection of the rights and freedoms of each individual with regard to information, correction, blocking or deletion of personal data.

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OUR APPROACH TO MEET OUR HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE OBLIGATIONS

Scope

The scope of our corporate due diligence extends beyond our own business unit, including all group companies over which ACPS Automotive has significant influence, as well as employees and business partners along our entire supply chain.

Respect for human rights is an integral part of our corporate culture and part of our shared values. Our employees are obliged to comply with our Code of Conduct and to make the principles and guidelines formulated therein the standard for their professional actions.

Responsibilities

At ACPS Automotive, clear responsibilities have been established throughout the group within the framework of the 'three-line model' as an organisational framework for a holistic governance, risk and compliance management system for managing not only corporate risks but also those for the legally protected assets of human and environmental rights.

The responsibility for effective implementation is clearly regulated throughout the company and lies with the respective responsible operational units of the ACPS Automotive companies, as well as the business partners, who have to fulfil the due diligence obligations that apply to them.

On 1 April 2025, the management appointed the function of Group Sustainability Manager as human rights officer. In addition to the relevant central functions, such as health, safety and environmental protection, IT or HR, this function supports and monitors our due diligence requirements and processes.

The group-wide Compliance and Legal department provides the overarching concept and framework for compliance with human and environmental rights. The Purchasing and Supplier Development department is responsible for guiding our due diligence processes in the supply chain.

To ensure the effectiveness of our due diligence processes and our measures to avoid or mitigate negative human rights and environmental impacts, we regularly review, and additionally on an ad hoc basis, whether our topic-specific and procedural requirements are being met. To do this, we use internal and external audits as well as queries to the companies of ACPS Automotive.

Establishing a risk management system

The basis for all our due diligence activities is the implementation of a risk management process. We regularly assess the human rights and environmental risks and impacts arising from our business activities, as well as on an ad hoc basis.

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Such occasions may include a change in business activity or substantiated knowledge gained from receiving relevant information.

Risk identification

Our approach is based on systematic data collection and processing to identify human rights and environmental risks. This is achieved by leveraging both internal and external data sources to assess country risks, product group risks, and risks tailored to specific business objectives.

Furthermore, we consider the nature and scope of our business activities, complemented by insights gained from implementing measures and our complaints management system, which serve as additional data sources.

Risk analysis and assessment

The data collected is evaluated and weighted using a scoring model and defined risk classes. The results reflect the abstract risk exposure of the ACPS Automotive. Depending on the risk classification, further detailed analyses may be carried out to substantiate the risk exposure and identify actual negative impacts on people and the environment.

The identified risks are then prioritised, with the appropriateness criteria of influence and contribution to causation incorporated into this process. We incorporate insights gained into human rights and environmental risks and impacts into our established corporate decision-making processes, for example, when selecting and evaluating suppliers and business partners.

The results also drive our adaptation of internal regulations, processes and training courses, and consideration of changing requirements for our due diligence processes as part of regular reviews.

In addition, ACPS Automotive regularly participates in the NQC rating, a process conducted by NQC Ltd., a company specialising in the development of solutions for risk management and sustainability in supply chains. These solutions are focused on the use of technologies to improve transparency and efficiency. NQC operates the platform for answering the Self-Assessment Questionnaire (SAQ) and checks the documents provided. SAQ is a standardised supplier questionnaire in the automotive industry and forms part of an industry-wide long-term strategy. It is used to measure and gradually improve sustainability performance, and to automatically monitor and report acute risks from the supply chain.

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Establishing a whistleblowing system

Our whistleblowing system is designed to effectively prevent and remedy negative human rights and environmental impacts. It is an integral part of our compliance management and includes various reporting channels, one of which is our global whistleblowing hotline.

This offers the option of confidential or anonymous reports via a portal and associated hotlines in several languages. We ensure that all employees are informed and trained about the reporting channels. Our whistleblowing portal is available to all internal and external parties at all times.

We undertake systematic follow-ups on all reports if there is reasonable suspicion.

We maintain the anonymity and confidentiality of whistleblowers, as retaliation against them is prohibited in principle, provided the report was made in good faith, in accordance with our whistleblowing guidelines.

Implementing preventive measures

We implement appropriate measures to avoid violations of human or environmental rights. These measures are derived from the results of the risk assessment and risk classification. We have developed standardised measures for systematic implementation, which are carried out regularly and additionally as required. These measures are suitable for preventing possible violations (preventive controls) or for detecting violations or preceding undesirable developments (detective controls).

In terms of procurement, this involves ensuring that business partners are aware of information and obligations during the awarding process. For this and for regular or event-driven updates, we use a supplier relationship management portal. If the risk situation changes or a defined risk threshold is exceeded, the information in one's own business area must also be updated. If necessary, we then introduce further controls to prevent any violations.

Our preventive measures also include regular, company-wide training within our company. These measures are designed to enhance our employees' risk awareness, ensure their sensitivity to human and environmental rights, and facilitate the effective implementation of our due diligence processes. They also enable us to impart relevant expertise in the relevant business areas.

Implementation of corrective measures

We assess risk situations by drawing on expert opinions, audits or standardised queries. If a risk situation is identified as high risk, or if complex risk causes or violations have already occurred, we conduct on-site audits and assessments. These help us to understand the causes of the violations and to take effective remedial action. We carry out these audits and assessments regardless of whether the offending business unit or business partner is our own.

In the event of human or environmental rights violations by our employees, we will take appropriate action and impose sanctions. In the event of a business partner being affected, we will

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request that they develop and implement specific measures to swiftly clarify the situation and prevent, mitigate or remedy any violations.

ACPS Automotive will evaluate these measures to ensure that they are suitable for remedying the identified abuses and will monitor their implementation and effectiveness. We contractually obligate our business partners to cooperate appropriately in the implementation of the measures. Depending on the extent of the violation, ACPS Automotive reserves the right to take legal action, to temporarily suspend the business relationship or, as a last resort, to terminate it.

Procedure for documenting and fulfilling internal and external reporting requirements

We document the fulfilment of our due diligence obligations on an ongoing and decentralised basis in the group companies and central functions. As part of our corporate due diligence, we continuously document our internal human rights and environmental risk management process.

We also report internally and transparently on our human rights activities and our social responsibility, our human rights risk analysis, prevention and remediation measures, and the status of the due diligence process.

ACPS Automotive is not subject to the annual external reporting requirement to the Federal Office for Economic Affairs and Export Control (BAFA) in accordance with §10 para. 2 LKSG (German Supply Chain Due Diligence Act).