

2024

**POLICY STATEMENT ON
RESPECT FOR HUMAN
RIGHTS
ACCORDING TO
§ 6 PARA 2 OF THE GERMAN
SUPPLY CHAIN DUE
DILIGENCE ACT (LKSG)**

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1 SCOPE

This policy statement applies to Vitesco Technologies Group AG, Vitesco Technologies GmbH and Vitesco Technologies Germany GmbH. It also applies to all domestic and foreign majority shareholdings and investments in which Vitesco Technologies directly or indirectly holds a majority interest or can exercise a controlling influence.

2 OUR COMMITMENT TO HUMAN RIGHTS

We acknowledge our social responsibility to respect human rights and are committed to protecting the environment. Ethical business conduct and social responsibility are essential components in Vitesco Technologies' efforts to actively promote sustainability along the entire supply chain. Therefore, as a global company, it is of utmost importance for Vitesco Technologies to protect and promote human rights and ethical standards in the workplace and throughout its business operations.

Vitesco Technology commits to the International Bill of Human Rights¹, with particular emphasis on the rights of vulnerable groups.

Our commitment extends across various internationally recognized principles and guidelines, serving as a framework for our actions. We adhere to the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the ten Principles of the United Nations Global Compact.

3 MANAGEMENT SYSTEM FOR THE FULFILMENT OF HUMAN RIGHTS- AND ENVIRONMENT-RELATED DUE DILIGENCE OBLIGATIONS

Vitesco Technologies sees the identification of human rights- and environment-related risks as well as the implementation of preventive and remedial measures as an ongoing task and therefore follows a management system approach. Our goal is to proactively address human rights risks and to permanently challenge the effectiveness of our established processes in order to achieve continuous improvement in human rights-related due diligence in all business processes.

3.1 RESPONSIBILITIES AND ANCHORING IN THE OVERALL ORGANIZATION

The overarching responsibility of our due diligence processes is anchored in the CHRO role and assigned to the Sustainability & Security central function. In addition, Vitesco Technologies has established a clear management structure: the Human Rights Management System is managed under the direction and supervision of the Human Rights Officer (Menschenrechtsbeauftragter), who reports directly to the CHRO and acts independently and without instruction in this role.

The task of the Human Rights Officer is performed by the Head of Group Sustainability & Security, who monitors the implementation of human rights due diligence and is responsible for regular and ad hoc reporting to the Executive Board. The Global Human Rights & CSR Manager is responsible for the operational aspects of the due

¹ This includes the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights (ICESCR), and the International Covenant on Civil and Political Rights (ICCPR).

diligence processes, including the regular implementation of risk analyses as well as prevention and remediation management.

In order to be able to identify and assess our human rights- and environment-related risks across the Group, we have created an additional committee, the Human Rights Committee. It is made up of risk-relevant functions from Purchasing, HR, Environment, and Occupational Safety departments, as well as central employee representatives and representatives from our locations.

The Human Rights Committee is tasked with analyzing the risks arising from within our own business area and our supply chain and identifying the priority risks. Furthermore, it is the Committee's task to decide on preventive and remedial measures and to evaluate and review the adequacy and effectiveness of all measures taken by Vitesco Technologies.

To ensure that our risk management is practiced at all levels and in all areas of the company, we have provided key functions with the requisite knowledge and required authority. We have appointed local Human Rights Officers at all our locations. In Purchasing, the Purchasing & SQM Processes & Supplier Integrity department is responsible for monitoring due diligence with regards to our supply chain. All key functions provide information for risk analysis, implement preventive measures, engage with local stakeholders, and take immediate remedial action if any human rights violations occur.

Within this organizational set-up, the results of the processes listed in section 3.2 Risk management and prioritized risks are reported regularly and on an ad hoc basis to the Global Human Rights & CSR Manager and presented to the Human Rights Committee. An annual assessment of our management system effectiveness is conducted through a management review. Subsequently, the Head of Sustainability & Security communicates this review to both the Management Board and the Supervisory Board annually.

3.2 RISK MANAGEMENT AND PRIORITIZED RISKS

Comprehensive and ongoing risk analysis is the basis for appropriate preventive and remedial measures. This involves regularly reviewing risks that may arise in our own business area and with regard to our direct suppliers. The same applies to risks at indirect suppliers if there are substantiated indications that suggest a violation of a human rights-related or environmental obligation.

After completing the initial risk analysis in our own business area in the year 2022, a standard process was established according to which the local Human Rights Officers at our local sites continuously record and assess human rights risks and regularly report to the Global Human Rights & CSR Manager. In addition, we defined risk escalation criteria and use internal and external monitoring controls to identify human rights risks and to review the effectiveness of our risk mitigation measures.

Risk analysis with regards to our direct suppliers is carried out continuously in a phased process. All suppliers are classified into risk groups based on country, industry and product characteristics. We focus on all suppliers for whom the first (abstract) risk analysis led to the identification of a high risk. In a second step, these suppliers are asked for a self-assessment using the RBA questionnaire. If the original risk assessment does not improve as a result of the self-assessment, which is checked for plausibility in each case, we carry out risk-based and random checks in a third step in the form of audits conducted by an independent organization.

In the event of substantiated indications of violations, the Purchasing & SQM Processes & Supplier Integrity Manager leads the risk analysis with the technical support of the Global Human Rights & CSR Manager.

The Global Human Rights & CSR Manager tracks the results of the risk analysis in our business area and in the supply chain in a risk inventory list. Based on the criteria ‘severity of the violation’ (remediability, scale and scope) and ‘likelihood of occurrence’, the Human Rights Committee then regularly prioritizes the identified risks and decides on preventive and remedial measures. When prioritizing risks, we also assess our proximity to a risk as well as our contribution to causing it.

Global employee representatives are important members of our Human Rights Committee. The employee representatives at our sites are involved in the local risk analysis process. This is how we ensure that the interests of our employees are adequately taken into account.

In its own business area, Vitesco Technologies identifies the following relevant human rights topics:

Topic	Prioritization Factors
Excessive workload	Documented cases of excessive workload, introduction of new product lines, restructuring, and an upcoming major reorganization, as well as a culture of overtime in some production countries.
Mental health stressors	The current societal shift and changes in the workplace pose potential risks to mental health. Employee perceptions, as evidenced by surveys, provide insights into individual risk factors for mental health. An upcoming major reorganization could also lead to additional psychological stress for individual employees. We have also identified a need for further counselling on mental health issues among managers.
Prohibited payment of fees by foreign temporary workers during recruitment	A recent occurrence highlights the importance of prioritizing additional focus on minimizing risks associated with payment of fees for foreign temporary workers.

With regards to our suppliers, we perceive the general lack of transparency and traceability as a risk. Through our risk analysis, we identify relevant human rights topics for our direct suppliers in the following areas:

Topic	Prioritization factors
Excessive workload	We have identified cases of excessive overtime at direct suppliers and see excessive overtime as an inherent challenge in international supply chains.
Unfair Wages	We have identified cases of payroll-related matters, including payroll deductions, incorrect payroll calculations and pay slips.
Prohibited payment of fees by foreign temporary workers during recruitment	There is a structural need for temporary workers in production planning, and we are also seeing regional bottlenecks in the availability of labour, as well as weaknesses in the control measures of temporary employment agencies, particularly with regard to foreign temporary workers.

Challenges to the free formation of trade unions or workers' representatives and their activities	We are observing challenges with regard to the application of labour laws and local restrictions on the ability of employee representatives to act.
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3.3 PREVENTIVE MEASURES IN OUR OWN BUSINESS AREA

Our Code of Conduct emphasizes our expectation that wherever Vitesco Technologies does business, respect for human rights must be ensured. We share our Code of Conduct with our employees and train them on it annually.

We also train relevant internal stakeholders on the human rights management system, in particular our local human rights officers and relevant functions in Purchasing.

We regularly subject our own locations to internal audits conducted by our qualified internal auditors. Other already implemented management systems that touch on human rights topics are externally verified at the majority of our sites (e.g. ISO14001 – Environmental Management System, ISO45001 – Occupational Health and Safety Management System). We also have the human rights management systems at our sites externally audited by an independent organization.

3.4 PREVENTIVE MEASURES WITH REGARD TO OUR SUPPLIERS

Vitesco Technologies has implemented procurement strategies and practices that prevent or minimize human rights risks. This is based on our Business Partner Code of Conduct, which commits our suppliers to comply with the human rights- and environment-related expectations set out therein and to enforce them along the supply chain, in particular with their own suppliers.

We also offer training to our suppliers and our Purchasers, for example through access to the Responsible Business Alliance's (RBA) e-learning platform.

The purchasing department comprehensively checks new suppliers for their compliance with human rights- and environment-related obligations in accordance with our Business Partner Code of Conduct. If, based on this review, a very high risk exists, no business relationships are entered into with the potential supplier. Existing suppliers are also subjected to annual and ad-hoc risk analyses. For selected suppliers, we have auditors from an independent organization carry out on-site inspections.

Vitesco Technologies has also defined firm escalation criteria and an escalation process for human rights-related risks to ensure that these risks are tracked and remedied at suppliers. In addition, human rights criteria are included in the overall supplier assessment. The supplier assessment is conducted annually and influences the awarding of new business.

Vitesco Technologies also requires its business partners to support due diligence and traceability throughout its supply chain for all minerals. This involves the business partner conducting due diligence on its supply chains to determine whether products sold to Vitesco Technologies contain critical minerals or materials, and from which smelters they originate. This information serves as the basis for our external reporting and is made available to stakeholders upon request in the form of the Conflict Minerals Reporting Template (CMRT) provided by the Responsible Minerals Initiative (RMI). Given reasonable notice, the business partner must be prepared to provide Vitesco Technologies with current and updated information, such as CMRTs, and to work to eliminate non-compliant smelters within their respective supply chains.

3.5 REMEDIAL MEASURES FOR VIOLATIONS OF PROTECTED LEGAL POSITIONS

To be able to respond appropriately to possible human rights violations, we have established clear processes and responsibilities. Necessary investigations are carried out by the Head of Sustainability & Security and the Global Human Rights & CSR Manager in our own business area as well as by the Purchasing & SQM Processes & Supplier Integrity Manager in the supply chain. In addition, reporting lines exist for the timely and appropriate information of the management in the event of existing or threatened violations.

While we take immediate remedial action in our own business area, in the case of existing or threatened violations by suppliers, we work with our suppliers – including indirect suppliers provided we have become aware of it – to find a solution to end the violation or imminent violation as quickly as possible. As a last resort, we reserve the right to terminate the business relationship.

4 COMPLAINTS PROCEDURE

Our Integrity Line, our comprehensive whistle-blower system, allows for information about potential violations of our core values, as well as e.g. human rights obligations or environmental concerns, to be reported anonymously or with contact details to the responsible and competent bodies. The Integrity Line is accessible via our website and available in eleven languages.

Information reported to the Integrity Line is promptly reviewed by the Case Management Committee (consisting of Legal Compliance, Internal Audit and Group Security). An investigation is then initiated, which is carried out by the Investigation Unit (usually Internal Audit) with the involvement of the Global Human Rights & CSR Manager. If necessary, the Global Human Rights & CSR Manager will take immediate remedial action (see 3.5 Remedial measures for violations of protected legal positions).

5 DOCUMENTATION AND REPORTING OBLIGATIONS

We will report on the fulfilment of our due diligence obligations to the Federal Office of Economics and Export Control (BAFA) starting from the 2023 financial year. This report is available on our website.

In addition, we review this policy statement annually as well as on an ad hoc basis and adapt it to the changed or expanded risk situation, if applicable.

Coordinating the reporting process is the responsibility of the Global Human Rights & CSR Manager, who is also in charge of the timely submission of the BAFA questionnaire, the preparation and updating of the policy statement, and the active internal communication of its contents. The Head of Group Sustainability & Security is responsible for obtaining the subsequent approvals and providing regular information, at least once a year, to the entire Management Board and to the management of Vitesco Technologies GmbH and Vitesco Technologies Germany GmbH.

6 HUMAN RIGHTS- AND ENVIRONMENT-RELATED EXPECTATIONS

6.1 OUR EXPECTATIONS OF EXECUTIVES AND EMPLOYEES

We expect our executives and employees to conduct their business activities with the highest degree of honesty, fairness, and responsibility when it comes to human rights issues. We expect them to be aware of the human rights- and environment-related obligations that must be respected, and to ensure compliance with these obligations in their areas of responsibility and within the scope of their duties. Potential violations should be proactively reported through our Integrity Line. We also expect active participation in any training provided and in the ongoing analysis of potential human rights- and environment-related risks and control measures to ensure compliance with the principles contained in this statement (see also Code of Conduct).

6.2 OUR EXPECTATIONS OF SUPPLIERS

First and foremost, we expect our suppliers to accept our Business Partner Code of Conduct as a mandatory part of all purchasing contracts. We expect our suppliers to comply with and accept all the principles and requirements described therein, and strive to pass these on to their subcontractors and sub-suppliers.

We further expect them to respect internationally recognized human rights as fundamental rights of all people in their business and supply chains, to intervene to an appropriate extent and considering their options for action, and not to look the other way where human rights are endangered or violated.

We expect that own profit motives will not take precedence over the protection of human rights and that employees will openly and trustingly participate in Vitesco Technologies' ongoing risk analysis and monitoring activities. We expect that employees are trained to comply with Vitesco Technologies' human rights- and environment-related expectations, that risks and violations are adequately explained, and that preventive or remedial actions are implemented without delay.

This declaration was adopted and signed by the Management Board of Vitesco Technologies Group AG on April 29, 2024.

Management Board, Vitesco Technologies Group AG

April 29, 2024.