

CONSOLIDATED SUSTAINABILITY REPORT

VOSS Group | 2021





TABLE OF CONTENTS

1	Letter from the senior staff	3	4	People	34	6	Ethics	64
				▪ Employees, diversity	39		▪ VOSS code of ethics	65
2	ESG summary	4		▪ Employee training, professional	43		▪ Anti-corruption, Political contributions, charitable donations and sponsorships	68
				▪ development and apprenticeships	45			
3	About VOSS Group	7	5	Environment	52	7	Governance	73
	▪ Products	15		▪ Introduction	53		▪ Economic results	74
	▪ Quality strategy	23		▪ Energy	56			
	▪ Suppliers and customers: Upstream and downstream the value chain	27		▪ Emissions	58	8	About the report	75
	▪ Enterprise risk management	33		▪ Water	60			
				▪ Materials	61			
				▪ Waste management	62			

This report examines VOSS Group operations in a broader **sustainability context**, which is important for understanding this report. The first part of the report describes general information such as VOSS Group day-to-day operations, organization scope, products and attitude towards quality and value chain. Following parts address the three ESG areas and examines VOSS Group's goals, efforts and material effects on people, society and the environment.

LETTER FROM THE SENIOR STAFF

Dear Business Partners and Colleagues,

One of the heritages from Hans Herrmann Voss, is caring about the VOSS employees, the community and the environment. Thus, during past decades VOSS has already implemented many actions now requested for documentation by the EU ESG directive. In this report we explain our recent progress towards our targets and actions we plan to implement for becoming a good corporate citizen.

ENVIRONMENT

As a constantly growing organization, handling resources with care is particularly important. Therefore, we are continually improving our plants' energy efficiency. Since 2019, we are setting ambitious targets for reducing emissions and as a Group by 2025 we want to reduce our carbon footprint by 30%, with a reduction of 90% in Germany and 88% at our plants in Poland. By 2035 we aim for carbon neutral production globally.

In addition, we are developing products that allow for better energy utilization and use of renewable energy, e.g. in battery electrical vehicles and in fuel cells. VOSS develops components and modules for the hydrogen value chain, from generation and transport to hydrogen use. Traditional products are constantly improved for less weight and use of environmentally friendly materials, e.g. plastics from renewable resources.

Together with our customers we contribute to mitigating climate change and its negative consequences.

SOCIAL

At VOSS, our employees are our most valuable assets. That is why we pay the utmost attention to OHS issues, ensuring that our people are adequately protected. By introducing appropriate measures, we are constantly aiming at reducing the number of work-related accidents to zero.

We care for our employee's well-being, by long term job security, offering opportunities for professional growth (also for students, trainees and young professionals) and by promoting a culture of diversity and inclusion.

Our community is supported by paying taxes as a profitable company. Further community activities performed by our employees on a case-by-case basis are for example supporting young people's education, donating goods and money to people in need and safeguarding areas around our plants.

GOVERNANCE

In our daily work we focus on a sustainable, long-term future for VOSS. Thus, we conduct our activities in a manner consistent with all applicable regulations and laws supported by our values and document them in various VOSS reports available to our employees, suppliers and customers.

Yours,
Dr. Thomas Röthig



DR. THOMAS RÖTHIG

“

We in the VOSS family are proud to be the global, profitable, growing and independent champion for smart fluid management systems. We work passionately to remain attractive and reliable for our customers and employees. Social responsibility and sustainable management are the supporting pillars of our entrepreneurial activities.

”



ESG SUMMARY

Goals and 2021
highlighted projects
and plans





ESG GOALS

VOSS Group is committed to developing and implementing a comprehensive strategy to actively meet its Environmental, Social and Governance (ESG) goals. Early results of applying this strategy is showcased through the following goals:

SUPPLY CHAIN

- Improving the supply chain and optimizing the number of transports
- Avoiding special freight

ETHICS AND HUMAN RIGHTS

- Developing our organizational culture in terms of sensitivity, respect and tolerance by maintaining and creating a work environment guaranteeing and promoting our employees' development and wellbeing
- Supporting the local community by, for example, creating new jobs and providing opportunities to students through apprenticeships and internships
- Promoting equality in terms of gender, ethnic origin and faith, among others, for example through achieving a female quota of > 30 % on 1st and 2nd management levels by 2025

ENVIRONMENTAL PROTECTION

- Reducing Scope 1 + Scope 2 CO₂ emissions by 2025 vs. 2019 by 30 %
- Decreasing water consumption and non-recyclable waste

OCCUPATIONAL HEALTH AND SAFETY

- Achieving the status of zero work-related accidents in production plants



HIGHLIGHTED ESG PROJECTS IN 2021 AND FUTURE PLANS

POLICIES / COMPLIANCE:

- VOSS applies a group-wide corporate policy in the areas of quality, environment, occupational safety, energy and sustainability.
- VOSS Automotive Poland is the first plant of the VOSS Group to create a sustainability report compliant with the GRI standard (pilot project).
- VOSS created the first Group-wide consolidated sustainability report striving towards the GRI standard.

OHS:

- VOSS Automotive Poland is certified for the first time according to the management standard for occupational health and safety management ISO 45001. 07/2021.
- VOSS Automotive Bulgaria is certified for the first time according to the management standard for occupational health and safety management ISO 45001. 07/2020.

ENVIRONMENT:

- In 2021, VOSS headquarters in Wipperfürth, Germany and VOSS Automotive Polska in Poland switched the supply of electrical energy to certified renewable energy (0 CO₂ emissions in Scope 2).
- CO₂ emissions (Scope 1) of natural gas, liquefied petroleum gas and fuels for the vehicle fleet will be reimbursed by certified compensatory levies in 2022.
- VOSS is investing in generating its own energy in the form of photovoltaics. In 2021, a plant was planned with another plant to follow.
- Measures are taken to secure the energy supply at the Wipperfürth site. Tank systems for liquefied petroleum gas or light fuel oil replacement supply are furnished by tank trucks and consumers are being prepared for possible conversion to these energy sources.
- The new company location in Gründau (VOSS Automotive Valves and Actuators GmbH, Gründau) with 260 employees plans to be certified in energy and environmental management in 2023.

RISK MANAGEMENT:

- After heavy rainfall in 2021 and subsequent flooding of our Wipperfürth plant, various measures to minimize risks for such a future occurrence were or are being implemented:
 - Emergency generators have been installed;
 - A Wupper River water level monitor allows us to react early at appropriate warning levels by, for example, utilizing a mobile flood protection system consisting of a hose system filled with water to protect the deepest parts of the plant and placing sheet piling in front of gates.
 - Discussions have been held with water and nature conservation authorities as well as the Wupperverband regarding measures for permanent flood protection.



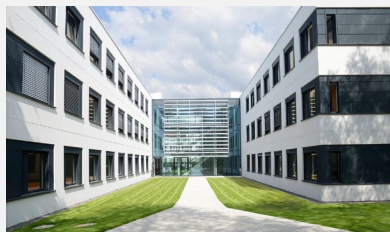
ABOUT VOSS GROUP



ABOUT VOSS GROUP

VOSS Group is an internationally leading and independent system partner to the automotive industry and mechanical engineering for smart fluid management solutions.

VOSS Group's success is based on close customer proximity, innovative and quality products and our employees' dedication and commitment. With subsidiaries and production sites worldwide, VOSS guarantees the fastest possible service in technical support, customer-specific product development and consistent production and logistics standards.



*was not included in the 2021 consolidated financial statement

VOSS GROUP COMPOSITION

VOSS Group's private capital is headquartered in Wipperfurth, Germany. VOSS Holding GmbH + Co. KG oversees 24 individual companies organized in two major divisions:

- **VOSS Automotive division** develops, produces and sells a comprehensive portfolio of line and connection system solutions for the international commercial vehicle and passenger car industry as well as for off-road vehicle and engine construction. Applications include pneumatic and fuel systems, exhaust gas technology (SCR), thermal management as well as fuel cell and hydrogen technologies.
- **VOSS Fluid division** focuses on high-pressure applications in the hydraulic and hydrogen sectors. VOSS Fluid develops, produces and sells a comprehensive product portfolio, including tube and hose assemblies and fittings for mechanical engineering customers worldwide.

IN 2021, VOSS HOLDING GMBH + CO.KG INCLUDED IN ITS CONSOLIDATED FINANCIAL STATEMENT THE FOLLOWING ENTITIES:

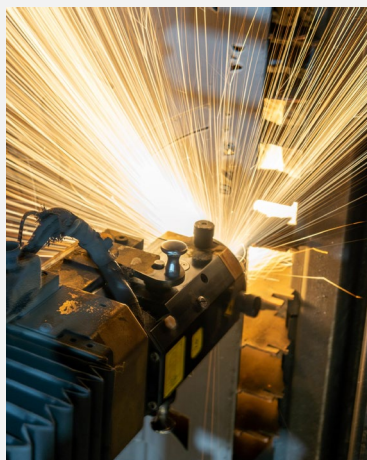
- | | |
|--|---|
| 01 VOSS Geschäftsführungs-GmbH, Wipperfurth (Germany) | 12 VOSS S.A.U., Sabadell (Spain) |
| 02 VOSS Automotive GmbH, Wipperfurth (Germany) | 13 VOSS Automotive LTDA., Sao Paulo (Brazil) |
| 03 VOSS Fluid GmbH, Wipperfurth (Germany) | 14 VOSS Automotive Inc., Fort Wayne (USA) |
| 04 VOSS Immobilien+Service GmbH+Co.KG, Wipperfurth (Germany) | 15 VOSS Automotive Polska Sp. z o.o., Nowa Wieś Legnicka (Poland) |
| 05 VOSS Werkzeugtechnik GmbH, Extertal (Germany) | 16 VOSS Automotive Components (Jinan) Co., Ltd.(China) |
| 06 VOSS Service GmbH & Co. KG. Zossen (Germany) | 17 VOSS Japan Ltd., Tokyo (Japan) |
| 07 VOSS Geschäftsführungs Service GmbH, Zossen (Germany) | 18 VOSS Automotive Mexico S. DE R.L. DE C.V., Arteaga (Mexico) |
| 08 VOSS Automotive Valves and Actuators GmbH, Gründau (Germany) (formerly: HENZEL Automotive GmbH) | 19 VOSS Exotech Automotive Private Ltd., Pune (India) |
| 09 VOSS Fluid S.a.r.l., Vemouillet (France) | 20 VOSS Automotive India Private Ltd., Pune (India) |
| 10 VOSS Fluid S.r.l., Osnago (Italy) | 21 VOSS Automotive Bulgaria EOOD, Bahovitsa (Bulgaria) |
| 11 VOSS Fluid Polska Sp. z o.o., Nowa Wieś Legnicka (Poland) | 22 VOSS Automotive Korea Ltd., Seoul (South Korea) |
| | 23 VOSS Automotive Components (Shaanxi) Co. Ltd, Shaanxi (China) |
| | 24 HypTec GmbH (Austria)* |

APPROACH TO CONSOLIDATION

This consolidated sustainability report covers all the companies included in VOSS Holding GmbH + Co. KG's consolidated financial statement. Because of the Group's business profile as a manufacturing entity, some topics have been analyzed based only on production plants data because they underpin VOSS' operations and have the most impact on environmental and social areas.

VOSS GROUP HISTORY

Thanks to strategic corporate development, responsible awareness of people, the environment and its regional location, VOSS has evolved over the past 90 years from a small factory in Wipperfurth producing plumbing fittings into an internationally successful group of companies.



GENERAL

- 1931** Foundation of Armaturenfabrik Hermann Voss
- 1953** Start of manufacturing tube connections for mechanical engineering and vehicle construction
- 1972** Internationalization: Foundation of distribution companies in France, Great Britain, Italy and Spain
- 1992** Establishment of Hans Hermann Voss Foundation
- 1999** Splitting our automotive industry and mechanical engineering business into VOSS Automotive and VOSS Fluid under the umbrella of VOSS Holding

VOSS Automotive

- 1975** Launch of the world's first quick connector for air brakes in commercial vehicles
- 1993** JV with the Institute for Automotive Engineering (today fka GmbH) at RWTH Aachen
- 2001** Renaming Armaturenfabrik Hermann Voss GmbH + Co. KG into VOSS Automotive GmbH under the umbrella of VOSS Holding
- 2004** SCR line assemblies: unheated, electrically or coolant heated
- 2013** Foundation of Polymer Technology Center in Wipperfurth
- 2014** Introduction of solutions for hybrid and electric vehicle markets: VOSS thermal management
- 2016** Acquisition of MEIPL, India and outstanding shares of VOSS Exotech
- 2017** Acquisition of tool shop Extertal, Germany
- 2019** Development of electrically heated tubes for water injection
- 2020** Acquisition of HENZEL Automotive GmbH as an essential step towards becoming a system supplier for thermal management solutions

VOSS Fluid

- 1998** Market launch of soft sealing cutting ring ES-4
- 2003** Market launch of VOSS FormSQR tube forming solution
- 2010** Market launch of zinc-nickel surface coating with highest level of corrosion protection
- 2015** Market launch of VOSSRingM cutting ring system
- 2016** Expansion of product range to include ready-to-install hydraulic pipes and pipe/hose combinations
- 2016** Acquisition of Larga, Italy to expand into hose fittings
- 2017** Market launch of VOSSLok40 clamping ring alternative
- 2018** Development of steel tube assemblies for fuel cell and natural gas vehicles
- 2019** Launch of VOSS Fluid Poland and China plants
- 2021** Acquisition of HypTec majority



SCOPE OF ACTIVITY – FACTS & FIGURES



23 subsidiaries in **13** countries

25 million
SCR lines sold



17 production plants

1/2 billion

connectors for air brake systems sold

1/2 billion
cutting rings sold



>6,300
employees**

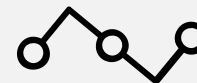
represented in **56** countries



185
trainees and students



>700 million euro turnover
(increase of 17.5% YOY)



>790 million
products delivered annually



50,000
marketable articles

GROUP GOVERNANCE AND GOVERNING BODIES

VOSS Group's highest governance body and senior executives develop, approve and update the organization's purpose, value and mission statements, strategies, policies and goals related to sustainable development.

CHAIRPERSON



Dr. Regine Hagen-Eck
Lawyer/Partner
CMS Hasche Sigle

ADVISORY BOARD OF VOSS HOLDING GMBH + CO. KG (NON-EXECUTIVE BOARD)



Peter Tyroller
Former Managing Director
Robert Bosch GmbH



**Prof. Dr.-Ing.
Lutz Eckstein**
Institute Director
ika Aachen



Georg Weiberg
Former Head of Development
Daimler Trucks



Wolfgang Schmitz
Former Member of the Board of
the Kreissparkasse Cologne



Dr.-Ing. Hans Wobbe
Managing Director
Wobbe-Bürkle-Partner



Dr. Thomas Röthig
VOSS Holding
GmbH + Co. KG

EXECUTIVE BOARD

CEO and Advisory Board promote VOSS Group's best interests and are accountable to shareholders and relevant stakeholders for preserving and enhancing sustainable value over the long-term in alignment with the Group's purpose and strategy. They instill and demonstrate a culture of high business ethics standards and integrity aligned with VOSS Group's values. They proactively oversee key risk assessment and disclosure as well as approve the approach to risk management and internal controls regularly or upon any significant business change.

The highest governance body and senior executives play a significant role in developing, approving and updating the organization's purpose, value and mission statements, strategies, policies and goals related to sustainable development. Moreover, there are also separate meetings of the Leadership Team for local management. The results of these teams' work along with accompanying goals and policies are then cascaded throughout the organizational structure.

The highest governance body is responsible for reviewing and approving information reported in this Sustainability Report, including Voss Group material topics and the content of this Report, which was reviewed and approved by VOSS Holding's CEO. VOSS is currently developing its ESG responsibility structure, including a dedicated committee to deal with sustainability matters on a daily basis.



LOCAL MANAGEMENT

The local Management Board is the decision-making body in every subsidiary. It coordinates all issues related to the local company's activities in economic, environmental, social and labor areas. In addition, relevant organizational units are managed by people who deal daily with these relevant areas. VOSS Group strives to appoint subsidiary managers (members of governing bodies) from local communities.

Over 90% of subsidiary Management Board members are from the country in which the subsidiary is located.



CONFLICT OF INTEREST

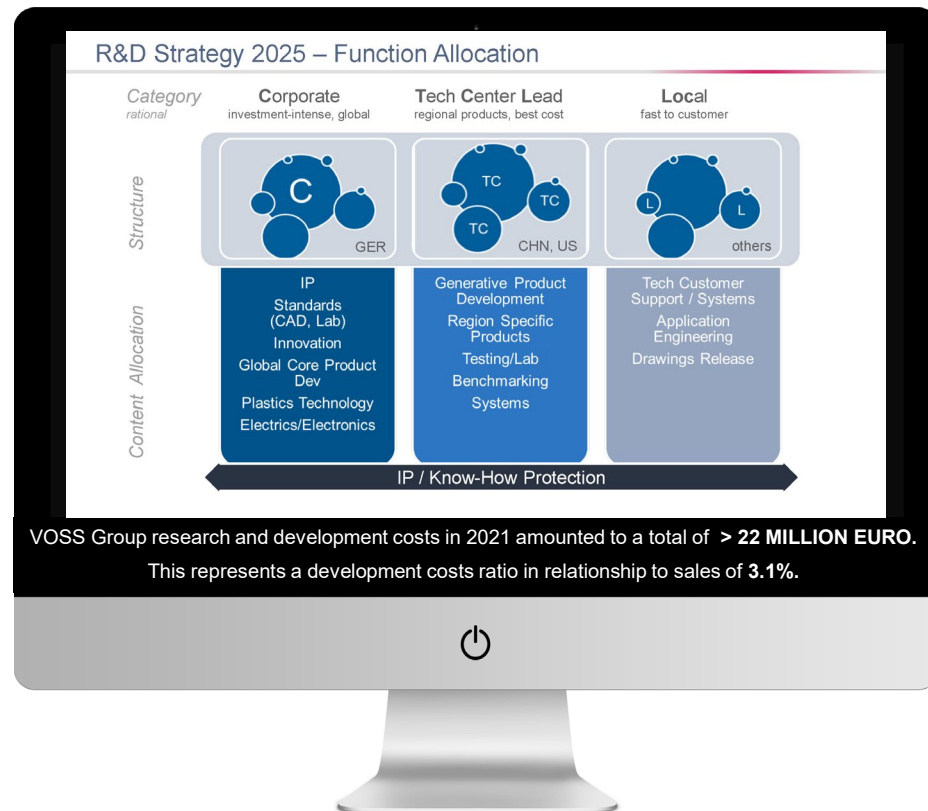
All members of highest governance bodies in all VOSS Group locations must report any conflict of interest between themselves and a relevant company in the Group. The procedure for avoiding a conflict of interest is described in our Code of Ethics. If a member of the governance body finds itself in a conflict of interest, it should immediately report it to VOSS Group's (Holding's) compliance jury, which will forward the report to VOSS Holding's advisory board.

RESEARCH AND DEVELOPMENT / JOINT VENTURES

Practical innovations can only thrive when the best conditions for research, design and testing are met. This is precisely what we offer our engineers worldwide with enhanced design and simulation tools, methods, laboratories for basic and developmental testing, workshops for vehicle analysis and optimization and a polymer technology center for testing extrusion and injection molding methods. Further centers oversee model making, pre-series and prototyping. Close cooperation with technical colleges and universities, specialist institutes, VOSS Incubator and research company fka GmbH's participation create the foundation for solutions within a future-oriented mindset.

TEST LABORATORIES

Although standardized certificates are usually sufficient as proof of quality, VOSS attaches particular importance in an above and beyond preparation for all requirements. Individual customer expectations have top priority. These often arise in practical use of our products over a long period of time. For testing, VOSS simulates the application profile and finds the best solution for the respective customer. To simulate the most demanding conditions, VOSS has built and expanded its international test laboratories to perform its own verification and development tests. Among other things, VOSS products are subjected to in-house testing procedures such as leak, burst pressure and pressure pulse tests, along with vacuum and pull-out tests.



POLYMER TECHNOLOGY CENTER

At VOSS, we operate our own Polymer Technology Center where new ways of extruding plastic pipes and plastic injection molding processes are constantly developed. Joining technologies is another field of expertise driven by the PTC.

We find the best fit-for-purpose match of processes and materials for every customer-specific application, especially when alternatives are needed for previously used plastics. Monolayer and multilayer tubes, both straight and corrugates are available from our production facilities at various locations. In-house design and manufacture of injection molding tools further enhances VOSS plastics excellence.

PROTOTYPE AND PRE-SERIES PRODUCTION FACILITIES

In our worldwide prototype and pre-series production facilities, we produce ready-to-install sample lines and complementary products, such as connector systems, sensors and valves from the first view sample to pre-series delivery.

In addition, within these facilities, we develop and test a wide variety of production processes to find the optimum solution for specific requirements. In this way, we guarantee customers end-to-end expertise from prototype to series production.

VOSS INCUBATOR

<https://voss-incubator.net/partner/>

To develop new opportunities and secure VOSS Group's global and long-term success through crucial innovations and targeted engagement, VOSS Automotive GmbH founded VOSS Incubator on the RWTH Aachen campus in 2019. VOSS Incubator supports VOSS as an Innovation Lab and drives innovative sustainable products outside VOSS' standard product portfolio. Targeting smart products and service solutions, VOSS Incubator aims to lay the foundations for future VOSS business diversified areas.



THE INNOVATION LAB FOCUSES ON THREE MAIN AREAS:

**GREEN TECH AND SUSTAINABILITY,
INTERNET OF THINGS, FUTURE MOBILITY**



PRODUCTS

Activities, brands,
products and service





VOSS Automotive

VOSS Automotive offers a comprehensive portfolio of efficient line, valve and connection systems for the international commercial vehicle and passenger car industry as well as for agricultural machinery, construction equipment and engine construction.

Applications include pneumatic and fuel systems, exhaust gas technology (SCR), thermal management as well as hydrogen and fuel cell systems.

VOSS Fluid

VOSS Fluid is a leading supplier of high-pressure connection technology and an internationally sought-after system partner for stationary and mobile machinery manufacturers.

The product portfolio includes cutting ring, soft-seal and flared couplings; tube forming systems; flange couplings; assembled tube and hose assemblies; valves and complementary accessories. With VOSS zinc-nickel coating, products are effectively protected from corrosion. Main applications are hydraulic and hydrogen systems.

FLUID MANAGEMENT FOR VEHICLE AND MACHINE CONSTRUCTION



VOSS develops and produces ready-to-install modules, valves, lines and connection systems for transporting and storing fluids. VOSS Group activities are divided into automotive and mechanical engineering sectors.

EXPERIENCE IN SYSTEMS AND INNOVATION



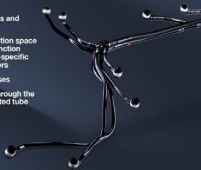
In close cooperation with customers, VOSS designs and optimizes fluid management systems in current and future applications. It is VOSS tradition to convince customers with fast, stable solutions and shape the state of the art in vehicle and machine systems with fundamental innovations.

VOSS AUTOMOTIVE LINE ASSEMBLIES

VOSS Automotive develops individual fluid management system solutions, including routing concepts for SCR, pneumatic, thermal management and fuel systems. VOSS offers a complete solution, from a single line to an integrated system. All products and services are created and deployed according to customer specifications and meet the highest quality standards.

VOSS

LINES FOR THERMAL MANAGEMENT



- Customized line routings and cross sections
- Component and installation space optimization through function integration in customer-specific manifolds and connectors
- Minimized pressure losses
- Customized flexibility through the use of different corrugated tube wave shapes

VOSS

ELECTRICALLY HEATED SCR LINES



- Efficient heating of AdBlue® lines incl. the quick connect system
- Safe and simple encapsulation of the electric connections
- Customized heating performance for specific applications
- Maximum sealing against heat loss and ingress of water or dirt

VOSS

DOUBLE INJECTION SCR LINES



- Multiple injection of AdBlue® at several points in the SCR system
- Combines all advantages of both SCR strategies under-floor and closed-coupled SCR layout
- For more flexible dosing strategies and lower temperature loads
- For more effective emission reduction

VOSS

MEDIUM- AND HIGH-PRESSURE LINE ASSEMBLIES



- For hydrogen applications
- Standard or customized connection systems
- Stainless steel design incl. flux component for tolerance compensation

VOSS

HYDROGEN LINES



- Customized assemblies for deionized water and hydrogen
- Electrically heated purge and drain lines
- Unheated multi layer tubes for the distribution of hydrogen in low pressure applications
- Ready-to-install stainless steel tube systems for high-pressure applications

VOSS AUTOMOTIVE CONNECTION TECHNOLOGY

VOSS QUICK CONNECT SYSTEMS

In low-pressure applications, VOSS quick connect systems are the market standard for high safety, leak-tightness, ease of assembly and adaptation to tight installation spaces.

VOSS FITTINGS

In applications where higher pressure and temperature resistance requirements are of the utmost importance together with reliability, economy and ease of use, VOSS tube fittings are the ideal solution. VOSS Automotive uses screw fittings in compressed air and fuel lines. The fitting system VOSSLok40 is especially suitable for application in CNG, LNG, fuel cell and waste heat recovery systems.

VOSS MULTI-CONNECTIONS

VOSS' multi-connection technology focuses on economy and safety. All multi-connections are designed to simplify assembly, reduce errors and drastically reduce assembly time.

VOSS MANIFOLDS AND IN-LINE CONNECTORS

VOSS manufactures manifolds to customer specifications or as part of a joint project, both with and without valves. All VOSS quick-connect systems can be used as connection variants. Possible materials for manifolds include plastic, aluminum and brass.



QC SYSTEM 241^{N-SL}

The electrically heated quick connect system 241^{N-SL} with additional secondary lock enables safe and efficient thawing performance in SCR and water injection systems.

www.voss-automotive.net



QC SYSTEM 246^{NXX}

The VOSS standard for the connection of plastic tubes in fuel, SCR and cooling systems.

www.voss-automotive.net



QUICK CONNECT SYSTEMS FOR LEAK-OFF LINES

- VOSS quick connect system 249¹⁻⁴
- VOSS quick connect system 249¹⁻⁸
- VOSS quick connect system 250

www.voss-automotive.net

VOSS AUTOMOTIVE VALVES

VOSS Automotive develops and manufactures customer-specific valve technology. VOSS valves transport a variety of media such as compressed air, fuel, cooling water and hydraulic oil. VOSS' broad spectrum of expertise includes mechanically, pressure, thermally and electrically activated valves with their own actuators.

VOSS

PRESSURE ACTUATED VALVES

to open or close a flow when the opening force (pressure or volume flow) is higher than the closing force (closing spring)

www.voss-automotive.net



VOSS

THERMALLY ACTUATED VALVES

to regulate temperature-controlled circuits by a wax expansion element that expands or contracts to open or close the outlet

www.voss-automotive.net



VOSS

ELECTRICALLY ACTUATED VALVES

for a precise flow and on-demand splitting/mixing of multiple flows in complex thermal circuits

www.voss-automotive.net



VOSS

MECHANICALLY ACTUATED VALVES

to prevent leakages of media e.g. liquids or air

www.voss-automotive.net



VOSS AUTOMOTIVE SENSORS

Intelligent vehicle systems rely on sensors and this dependence will be even greater in the future. VOSS Automotive makes a significant contribution by integrating sensors into SCR, compressed air and thermal management systems.

Sensors extend the range of VOSS module functions, optimize system behavior, fit tight installation spaces due to their compact dimensions as well as save weight and component numbers.

TEMPERATURE SENSOR

- Integrable in VOSS quick connect systems or in customer-specific components
- Compact design
- Fast and easy installation

www.voss-automotive.net

VOSS



SYSTEM SOLUTIONS

For customer-specific thermal management requirements, VOSS develops functionally integrated, space-optimized system solutions. These cover the entire VOSS portfolio and are supported by a competence center for valve technology in Gründau.

Integrating valves, lines, connecting systems and manifolds into ready-to-install assemblies enables the maximum performance of electric and hybrid vehicles with minimal assembly effort.

VOSS

Function-integrated system solutions

for thermal management
applications

- ✂ Reduction of single components and optimal utilization of installation space
- 🕒 Optimization of system pressure losses
- ⚙ Effective control of the different cooling circuits
- 🔧 Improved and reduced assembly behavior



TUBE COUPLINGS

We offer a wide range of tested coupling components to suit a large variety of tube and flange couplings. From tried and tested standard solutions, our products are suited for all hydraulic application areas.



MEASURING TECHNOLOGY

Measuring technology in a colorful variety. VOSS PointDC products allow for completely leak-proof and reliable measuring, even during system operation.



HOSE FITTINGS

As a standard, our extensive assortment of hose fittings is protected against corrosion with a zinc-nickel surface – also available with additional tear-out protection on request.



HYDRAULIC VALVES

Our hydraulic valves complement the broad coupling assortment for simple function sequences in hydraulic control circuits. Upon request, modifications, additional function details and customer-related solutions are also available.



VOSS FLUID

PRE-ASSEMBLY DEVICES

From maintenance to series production: VOSS pre-assembly devices and tools enable process-safe assembly of tube couplings.



INDUSTRIAL COUPLINGS

VOSSLok⁴⁰ is the superior alternative. Even under the most demanding conditions, the innovative and cost-efficient tube forming solution provides the highest level of leak protection and maximum micro-fine sealing.



PRE-MADE HYDRAULIC LINES

We supply custom and pre-made line systems with perfectly calibrated hydraulic components and a customized logistics service for all needs.



TOOLS AND ACCESSORIES

For optimum handling, we offer a variety of tools, resources and accessories – custom made for the VOSS product line.



QUALITY STRATEGY

Products and new developments for line and connection technology have made VOSS a recognized and market-leading system partner in the international automotive and mechanical engineering sectors.

QUALITY IS NOT A PRODUCT OF COINCIDENCE.

Above all, quality is tireless work. To maintain our high-quality standards every day and in every location, VOSS Group has applied world-wide a 6-point program on which our customers can rely.

We retain our customer's trust in our quality by establishing processes that complement and meet high-quality standards throughout all VOSS Group business units.

Additionally, we continuously improve our daily routines and react flexibly to meet the ever-increasing expectations of our customers and other interested parties.

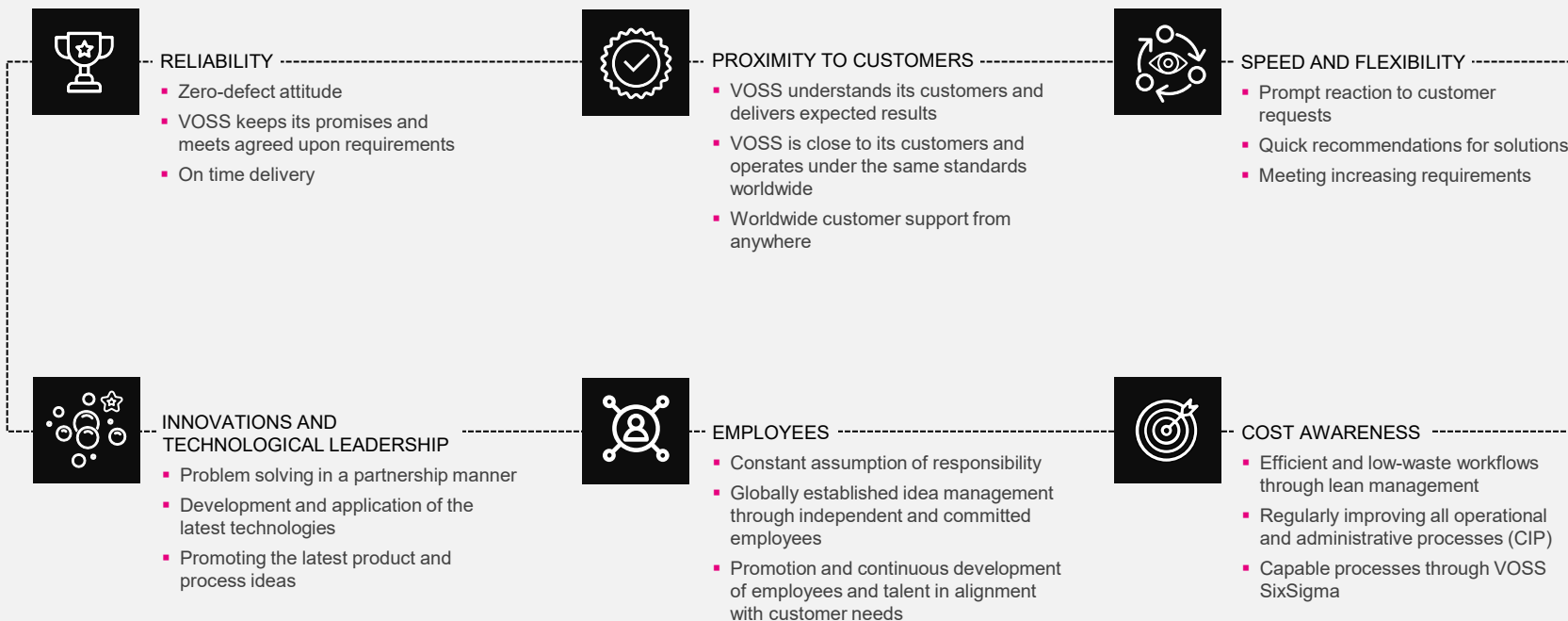
In close interdisciplinary cooperation, supported by Lean and Six Sigma methods, we develop fast, efficient and innovative solutions.

Transparent and efficient procedures, as well as our high production standards: "5S" and "Zero Defect Production" applied in all VOSS Group locations help us avoid errors or detect and eliminate them at an early stage.



QUALITY STRATEGY

The following 6 points define our thoughts and actions, allowing a "passion for quality" to become our fundamental philosophy.



CERTIFICATES

To ensure our customers receive the highest quality of services and products, we maintain quality management systems compliant with **IATF 16949** and **ISO 9001** standards – evidenced by appropriate certificates.

IATF 16949

- VOSS Automotive GmbH (Germany)
- VOSS Automotive Polska sp. z o.o. (Poland)
- VOSS Automotive Valves and Actuators GmbH (earlier as HENZEL Automotive GmbH)
- VOSS Automotive Mexico S. de R.L. de C.V. (Mexico)
- VOSS Automotive India Pvt. Ltd. (Uttarakhand, India)
- VOSS Automotive India Pvt. Ltd. (Unit 1, Pune, India)
- VOSS Automotive India Pvt. Ltd. (Unit 2, Pune, India)
- VOSS EXOTECH Automotive Pvt. Ltd. (Maharashtra, India)
- VOSS Automotive India Pvt. Ltd. (Chennai, India)
- VOSS Automotive Components (Jinan) Co., Ltd. (China)
- VOSS Automotive Bulgaria EOOD (Bulgaria)
- VOSS Automotive Ltda. (Brazil)

ISO 9001

- VOSS Automotive Valves and Actuators GmbH (Germany)
- VOSS Automotive, Inc. (USA)
- VOSS Fluid GmbH (Germany)
- VOSS Fluid Polska Sp. z o.o (Poland)
- VOSS Fluid S.r.l. (Italy)
- VOSS Fluid S.a.r.l. (France)
- VOSS S.A.U. (Spain)



QUALITY REQUIREMENTS FOR SUPPLIERS

For over 90 years, the VOSS brand has stood for quality and innovation. A consistent quality policy is a central component of VOSS' company strategy and our product quality is determined by the quality of our suppliers' products. We purchase most of the raw materials and components for our products through worldwide suppliers, with the performance and capability of our partners contributing crucially to our overall business success. Customer satisfaction through quality in all aspects is a key success factor for VOSS as a provider of complex products to international consumers.

Because of that, VOSS Group has established a detailed **SUPPLIER QUALITY GUIDELINE** that is an important part of quality management throughout the divisions.

This quality guideline applies to the delivery of raw materials and components that become part of a VOSS finished product or are directly passed on to our customer as a commodity.

The established guideline also applies to service providers such as surface treatment, surface coatings, assembly, sorting and reworking – to name a few.

This guideline extends to all VOSS sites and are **APPLICABLE WORLDWIDE**. This document contains the basic quality rules and relates to all current and future orders. If applicable, additional customer requirements can be applied to a supplier. Ideally, a VOSS supplier transfers the customer's and VOSS' requirements to its supply chain until reaching the highest level of materials processing.





SUPPLIERS AND CUSTOMERS

Upstream and down-
stream the value chain





ACTIVITIES AND CUSTOMERS

(downstream the value chain)

In 2021 VOSS Group delivered its products to about **1,900** active customers in the VOSS Automotive division based on long term, contractual, or project-based relations

and over **1,400** active customers in the VOSS Fluid division based mainly on made-to-order relations in accordance with catalog, price lists and P2P project-based relations.

MARKETS SERVED

VOSS Group delivers its products primarily to the **automotive and mechanical engineering industries**, particularly to the sectors of passenger cars and trucks, agricultural and construction vehicles and hydraulic machines.

VOSS Group's products are delivered mainly to European countries (particularly Germany) but also to Africa, Asia, Australia, North America and South America. Deliveries are made mainly from local plants.

CUSTOMERS

VOSS Group's main clients are **manufacturers of vehicles and mechanical devices** (Tier 1 and OEM's), specifically:

- **For the VOSS Automotive division:**
commercial, passenger, industry and off-road vehicles along with engine manufacturers and their suppliers.
- **For the VOSS Fluid division:**
manufacturers of vehicles and machines with hydraulic systems and their suppliers (Tier 1 and OEM's) along with wholesalers.

The customer portfolio includes in particular large automotive corporations.

SUPPLIERS (upstream the value chain)

NUMBER AND TYPES OF SUPPLIERS, NATURE OF BUSINESS RELATIONSHIPS

VOSS Group has more than **4,000** active suppliers worldwide.

Cooperation with suppliers is based **95%** on long-term relationships and **5%** on contractual/ project-based liaisons (new suppliers for auto-motive applications or facility project providers).

VOSS Group tends to have long-term business relationships.

SECTOR-SPECIFIC CHARACTERISTICS OF SUPPLY CHAIN

The automotive and hydraulic sectors, especially for producing internal vehicle components, are characterized by high demand and use of inhouse raw material production, pre-materials and components (externally purchased metal, plastic and elastomer parts).

In general, these sectors can be described as "pre-material intensive." Therefore, VOSS relies on multiple suppliers within its extensive upstream supply chain. Ready products are mainly produced inhouse and conducted with relatively little labor effort.

GEOGRAPHIC LOCATION OF SUPPLIERS

The vast majority of VOSS' suppliers are from the **European Union**, where VOSS' main production plants and headquarters are located (for example France, Germany, Italy and Spain).

VOSS also uses materials/services from entities based in **North America** (Canada, Mexico and USA) and **Asia**.

TYPES OF SUPPLIERS' ACTIVITIES

- The VOSS Group uses suppliers mostly for:
- Manufacturing
- Consulting
- Services and outsourced processes (e.g., painting, welding, coating)
- Labor
- Facility services of all kind
- Freight



APPROACH TO COOPERATION WITH LOCAL SUPPLIERS

VOSS Group is an international organization with plants in 14 countries on 4 continents. With this global presence, VOSS Group has a "local" understanding in every country containing a "significant operation location" (production plant delivering products to customers).

Whether VOSS uses local suppliers depends on VOSS' purchasing strategy which consists of, among other things, ensuring uniformity in the machines/equipment/materials used worldwide to create a uniform quality of products throughout the Group. Procurement methods also depend on the type of material/service being ordered

FOR DIRECT MATERIALS, purchases take place worldwide with suppliers mainly from the European Union. Supplier outside the European Union (for metal, raw material and components) are used mostly locally (purchases for European Union plants are managed by VOSS Germany and for Chinese plants by VOSS China). Worldwide purchases – managed from the Group level of the Group – are made for special production machines, which is part of VOSS Group's production strategy for promoting consistency by providing identical machinery throughout our plants.

FOR INDIRECT MATERIALS, purchases are mainly local with Indirect materials and services for the Fluid division being managed by VOSS Automotive GmbH.

Strategic and group suppliers (for direct and indirect material) are managed by strategic/lead buyers. Local suppliers are managed 100% locally.

Percentage of the procurement budget in significant operation locations spent on Local suppliers

(Such as the percentage of products and services purchased locally).

99% VOSS Europe

93% VOSS China

84% VOSS India

82% VOSS Brazil

58% VOSS US/MX





ENVIRONMENTAL SOCIAL AND LABOR CRITERIA

Non-compliance with the agreed Code of Conduct by a supplier may result in contract termination.

VOSS Group annually evaluates suppliers by VOSS Quality Management. Part of the evaluation, an important factor in the final rating, is the possession or lack of environmental certifications. VOSS is committed to protecting the environment in accordance with DIN EN ISO 14001 and energy efficiency in accordance with DIN EN ISO 50001 (Wipperfurth headquarters). Therefore, the company also expects suppliers to protect the environment through an implemented environment management system.

Additionally, suppliers are assessed on their approach to quality. Quality requirements are included in the Supplier Quality Guideline. VOSS purchases materials and services needed for production only from entities, partners and contractors approved for cooperation/supply. Component suppliers' acceptance occurs based on a positive result from the supplier selection procedure, which may include a production potential analysis or an audit in accordance with VDA 6.3. Each supplier must provide the required information, such as of complete supplier data disclosure and entire financial statements as well as sign a non-disclosure agreement.

All materials and substances supplied and used in production must meet the applicable legal requirements, in particular those of REACH Regulation 1907/2006/EC, EU End-of-Life Vehicle Directive 2000/53/EC and safety orders for dangerous and prohibited substances.

VOSS monitors and continuously adapts its supplier requirements for new legislation, such as the German supply chain act coming into force on January 1, 2023. As a future goal, starting in year 2023, VOSS will focus more on assessing suppliers according to environmental and social criteria.

SUPPLIER VERIFICATION IN TERMS OF ENVIRONMENTAL, SOCIAL AND LABOR CRITERIA

VOSS Group requires new suppliers to sign and comply with the dedicated Code of Conduct. This Code defines VOSS Group's principles, expectations and requirements for its suppliers regarding their responsibility for people and the environment.

IN ENVIRONMENTAL AREA TO:

- Comply with statutory and international standards for environmental protection
- Minimize environmental pollution
- Develop or deploy an environmental management system pursuant to ISO 14001 or similar
- Play an active role in minimizing CO₂ emissions, preferably through increasing energy efficiency or carbon offset agreements

IN SOCIAL AND LABOR AREAS TO:

- Respect human rights, personal dignity, privacy and the personal rights of each individual
- Be responsible for its employees' occupational safety and health
- Develop or deploy an occupational health and safety management system pursuant to ISO 45001 or similar
- Not employ workers who have not reached the minimum age of 15 years or use forced labor





ENTERPRISE RISK MANAGEMENT

The primary objectives of risk management are to secure the company's future success and its corporate goals (strategic, performance, financial and social) as well as optimize risk costs.

To meet this responsibility, we have introduced a company-wide "Enterprise Risk Management" (ERM) system. All employees are informed about the principles and processes via the Risk Management Manual.

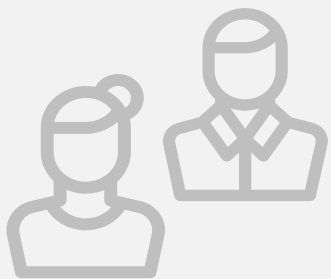
Risk officers defined in the ERM identify, analyze, manage and monitor potential risks on an ongoing basis. For these, a risk priority number (RPN) – the product of probability of occurrence and impact – is calculated. Measures are defined for relevant risks with RPN ≥ 18 .

In 2021, we identified these top 5 risks:

- A. Product liability
- B. Data loss/data leak
- C. Cyber-attacks
- D. Supply chain disruption to customers
- E. Supply chain disruption to suppliers

Probability of occurrence				RPN	
1	3	6	9		
	A	D		9	Impact
	A	D	C E	6	
		C B	B E	3	
				1	

Appropriate measures have been initiated to reduce the risks and their priority figures. The intended impact is marked with an arrow in the table above.



PEOPLE

Employees, diversities
and OHS



INFORMATION ABOUT EMPLOYEES

VOSS owes success to its dedicated employees. That's why in striving to be an excellent employer, VOSS Group relies on a family-like atmosphere and standing up for one another as a strong team. Our multiple awards and good ratings speak to this.



At VOSS, we attach great importance to appreciation and place the highest value on **EMPLOYEE SATISFACTION**.

We strive to provide everyone the opportunity to grow individually and achieve further success as a team. Ideas from the workforce are particularly important to us and we actively encourage them.



HIGHLIGHT: VOSS AUTOMOTIVE GMBH AWARDS

As in previous years, in 2021 our German company VOSS Automotive GmbH gained many career and employer awards. VOSS Automotive GmbH was recognized as a **top company in 4 categories** by Focus Money and Deutschland Test in cooperation with IMWF Institute for Management and Economic Research. In addition to **top career opportunities for university graduates, engineers and IT specialists**, where VOSS Automotive received an excellent ranking, we were also honored for the third time in a row for **"Top Career Chances 2021."**

Additionally, we received an award for Leading Employer Germany 2022, belonging to the **TOP 1%** of all employers in Germany.

FOCUS also honored VOSS as a **"Top National Employer 2022."**

Finally, IMWF named us **"Germany's Fairest Automotive Supplier"** for the second year in a row.



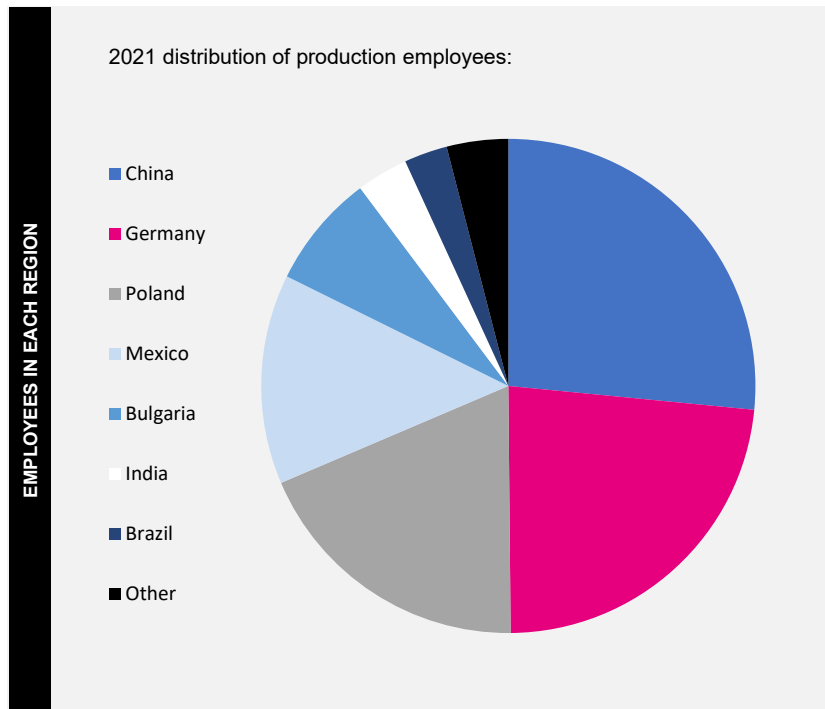
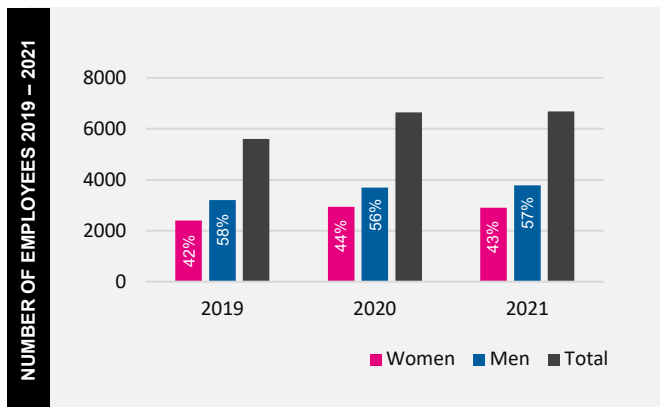
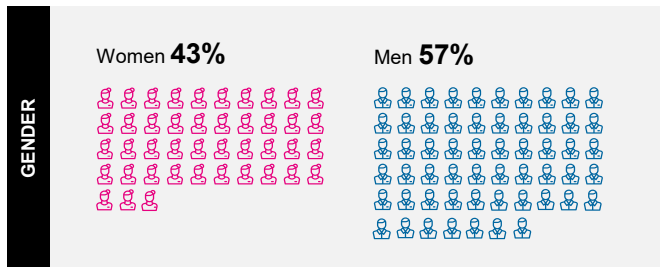
VOSS AUTOMOTIVE, INC.

Internationally, in February 2022, VOSS Automotive, Inc. was named one of the Best Places to Work in Indiana for the seventh consecutive year. The title was awarded in the 17th annual program by the Indiana Chamber of Commerce. This statewide survey and awards program is designed to identify, recognize and honor companies with the highest levels of employee satisfaction and engagement in the workplace.



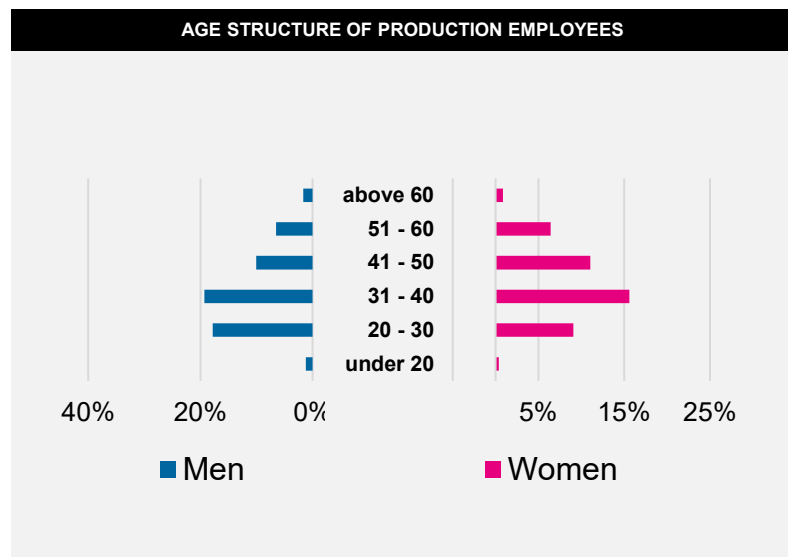
EMPLOYEES

At the end of 2021, VOSS Group employed more than 6,300 employees in its production sites, including:



EMPLOYEES – AGE

VOSS is characterized by a distribution of the age structure analogous to the worldwide age pyramid. This ensures equal opportunities across all age groups and allows our increasingly younger employees to benefit from our older, experienced staff.





DIVERSITY AT VOSS GROUP

When hiring, VOSS Group is guided by qualifications and respecting our increasingly diversified world. Equality both at the management and employee levels is crucial in terms of gender, ethnic origin, disabilities and religious faith – in this model equal opportunities are guaranteed by VOSS for women, individuals in various age groups, people with disabilities and foreigners.

As gender balance has become more important in recent years, we have implemented numerous programs, such as creating targeted incentives among women in a technical/trade environment. The goal is to steadily increase the proportion of women at VOSS.



COLLECTIVE BARGAINING AGREEMENTS

Responsible awareness of people at VOSS and engaging them manifests in collective bargaining agreements from negotiations among VOSS as employer, our employees and trade unions. These mutually developed agreements regarding working conditions and employment terms (wages and working time). Due to individual situations, these collective agreements are made at the worksite, local and national levels to address specific needs.

EMPLOYEE COMPENSATION

At VOSS, compensations are always in line with applicable laws and market conditions, including minimum wage regulations. However, we are committed and believe in the idea that providing wages above the minimum wage contributes to our employees' economic well-being. The ratio of standard entry level wages to the minimum wage in 2021 was above local rates. This value was the same for men and women with no systematic differences regarding gender. From an entry level production position, employees can advance to better positions with higher pay.

The process for determining compensation and payment policies includes detailed employee job descriptions and an individual management approach. Compensation for employees is determined through collective bargaining agreements or arrangements according to pay scale tables created with work councils or labor unions. We seek and consider input from our employee stakeholders regarding compensation. Additionally, salaries for management positions is based on individual, non-pay-scale-table agreements.

MANAGEMENT STAFF FROM THE LOCAL COMMUNITY

More than **90%** of VOSS Group's management staff, including the Management Boards, directors and managers comes from the local community – i.e., the country of the given VOSS site operation.

Thanks to this employment structure, VOSS Group supports the development of competence within the local community while identifying the needs and conditions of the general public.





EMPLOYEE BENEFITS*

As a family-friendly organization, we encourage a work-life balance. Additional benefits for **employees are managed locally** because subsidiaries can fully identify and address the needs and expectations of their employees.

As an organization, VOSS promotes healthy lifestyles, sports and family-like open atmosphere. In many locations, VOSS companies organize celebrations, charitable and sport events and environment-friendly lifestyle. Moreover, many employees are offered other benefits such as additional private healthcare, insurance, sport benefits or meal options (depending on the local standards).

FOR WORK LIFE BALANCE

Our flexible work time models offer employees in administrative workspaces an individual and flexible approach to organizing their time.

FOR AGE

We offer employees personalized support for their retirement pension and subsidize these pensions after six months of employment along with offering partial retirement.

FOR GOOD IDEAS

Employees' ideas, suggestions and proposals for process optimization are important to us. Thus, we consider, check and evaluate them, awarding prizes when successfully implemented. Consideration of these inputs is undertaken every quarter and December, when employees suggesting proposals are entered into raffles.

FOR HEALTH

We promote and support employees with many active health-related activities. Employees can take courses on workplace ergonomics, healthy eating, stress management and quitting smoking along with regular exercise breaks encouraged directly at the workplace. As a member company of the Werksarztzentrum Oberberg e.V., we are actively supported by occupational medicine specialists in ergonomic workplace design and questions concerning medical matters. Annual flu vaccinations are an additional offer. In addition, we work with an external company to which employees can turn in difficult situations for anonymous consultation.

FOR FITNESS

Employees can use company's fitness room "Vossletics" under the guidance of trainers. In addition to equipment training, we offer special courses such as spinal gymnastics, athletics circles, classical fitness and yoga.

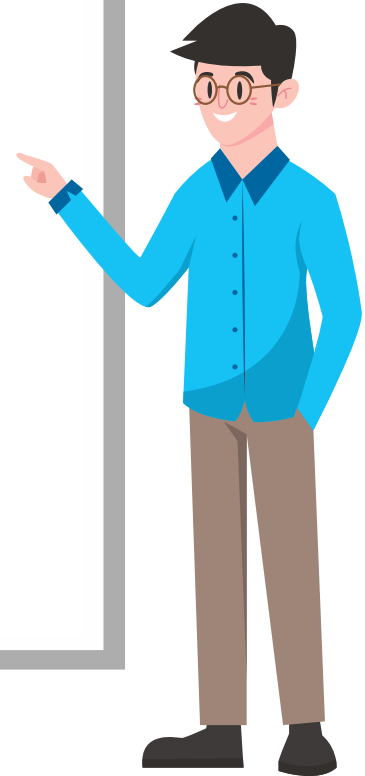
FOR NOURISHMENT

Our cafeterias offer breakfasts and lunches. We value the importance of fresh and healthy food through daily created dishes along with meat-reduced and vegetarian options.

EMPLOYEE TRAINING, PROFESSIONAL DEVELOPMENT AND APPRENTICESHIPS

At VOSS, we attach great importance to appreciating our employees and ensuring their satisfaction. We pursue the goal of giving everyone the opportunity to develop their individual skills and achieve further success together as a team. We actively encourage ideas from the workforce. VOSS also puts great emphasis on developing its managerial staff. The ability to properly manage projects entrusted to them as well as managing people and processes within the organization plays a key role in VOSS' long-term success.

Employee trainings, both technical (improving professional qualifications) and non-technical (communication, languages, etc.) skills are managed by each subsidiary individually. However, the Group requires that all employees at every location be familiar with VOSS' Code of Ethics and Compliance Policy, which occur during initial training. The same is true for production employees receiving OHS training for – generally, all employees should receive appropriate training in accordance with national legislation before they start working.





APPRENTICESHIPS AND STUDENTS

VOSS Group is particularly proud of apprentices who are repeatedly distinguished with awards for their quality. At VOSS, students and graduates have the ideal opportunity to combine theoretical study with practical work experience in a global organization. We attach great importance to individual orientations and trainee programs while providing reliable and individual support for practical student research projects. In addition, students can take part in international work assignments to gain valuable experience for their future careers.

In 2021, as in previous years, VOSS Group companies provided many students and young adults with the opportunity to start their careers in the automotive industry. At all VOSS locations, these opportunities were provided to **> 80 students** and **> 100 trainees**. In German plants, students and trainees accounted for **> 7 %** of all employees.

HIGHLIGHT: AWARDS

VOSS Automotive GmbH was once again named by “Focus Money” and “Deutschland Test” as one of the best companies in Germany for students and trainees.





OCCUPATIONAL HEALTH AND SAFETY (OHS)

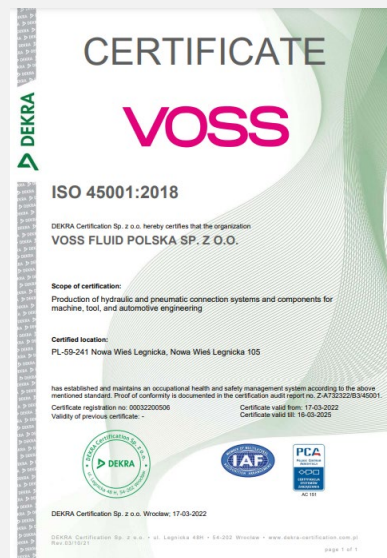
VOSS requires its subsidiaries to comply fully with local OHS regulations and specific OHS management systems adopted by the company. The same is true for all VOSS Group suppliers. Our Code of Conduct for Suppliers contains the following expectations:

- ✓ Responsibility for employees health and safety
- ✓ Reduce risks and ensure optimal preventive measures against accidents and occupational diseases
- ✓ Offer training and ensure that all employees have comprehensive knowledge regarding occupational safety
- ✓ Develop or deploy an occupational health and safety management system pursuant to ISO 45001 or similar

OHS MANAGEMENT SYSTEM

Due to the specific nature of health and safety regulation based on the location and characteristics of a particular plant, OHS matters are mostly managed locally and based mainly on obligatory local legal requirements. However, in the future VOSS is planning to voluntarily implement, plant by plant, a dedicated OHS management system in line with ISO 45001, which is aimed at ensuring the best possible working conditions for all our employees.

The compliance of OHS systems in plants with ISO 45001 standard has been confirmed by appropriate certificates.





HAZARD IDENTIFICATION, RISK ASSESSMENT AND INCIDENT EVALUATION

When it comes to OHS, hazard identification, risk assessment and incident evaluation are based on applicable **local legislation** in the country where a given VOSS site is operating. In all VOSS Group companies, each employee position is examined for occupational risks and appropriate measures are taken to avoid them.

Each VOSS Group company ensures the quality of these measures by employing its own safety specialists or using local external professional services. Identified risks are analyzed in accordance with applicable regulations on which safety goals and measures are determined and appropriately implemented.

Moreover, at each location, frequent **safety-board meetings** take place during which work-related hazards and risk situations are discussed. Workers and their representatives are part of the safety board.

Safety professionals report directly to each subsidiary's general manager and are members of the local safety boards. Their work is of utmost importance for risk prevention.



DEALING WITH HAZARDOUS EVENTS AND ACCIDENTS

If employees believe an event could cause an injury or ill health, employees have a right to cease work without negative consequences (which follows local laws).

In the event of an accident, local procedures apply. In addition, in case of serious accidents, the subsidiary is obligated to inform VOSS Group's management responsible for the OHS area. Based on the information provided, Group management prepares a **“tri-chart”** based on 8D methodology:

- | | |
|-----------|---|
| D0 | Plan |
| D1 | Assemble a team |
| D2 | Define the problem |
| D3 | Implement a temporary fix |
| D4 | Identify root causes and chose a solution |
| D5 | Confirm the solution fixes the problem |
| D6 | Fully implement the solution |
| D7 | Prevent recurrence |

Using the 8D methodology means the prepared tri-chart describes in detail what kind of accident happened, the accident's root-cause, what were/will be the measures to avoid this accident in future and how the Group and individual plant will verify whether this measure was effective.

Once completed, the tri-chart is translated into English and forwarded to all VOSS Group locations worldwide as a “safety alert.” In such a case, the Group requires subsidiaries to assess whether such an accident is possible at their premises, and if so, they must implement preventative measures.

Notwithstanding the above, all production plants must prevent accidents and implement appropriate protective measures through training, increasing employee knowledge, raising awareness and installing appropriate infrastructure along with maintenance and use of all necessary personal protective equipment.



EMPLOYEE TRAINING

Manufacturing VOSS products relies heavily on human work. Adequately preparing for work and learning about possible dangers and OHS rules of conduct are some of the most important elements to ensure safety in our facilities. Therefore, before starting work, each employee must undergo health and safety training.

OHS TRAININGS ARE DIVIDED INTO TWO GROUPS:

1. **General training for all employees** – all employees (production and administrative) must undergo general OHS training regarding work environment, escape and rescue plans, organization of first aid and contact person for occupational safety – among others
2. **Specific training for employees in selected positions** – some positions are associated with additional risks, which is why VOSS places special emphasis on appropriate training when needed, for example, for fork-lifter drivers, crane operators and positions associated with handling hazardous materials – to name a few

Content and scope of training are determined independently by the specific VOSS Group company, taking into account the specifics of the given plant.



PROMOTING EMPLOYEE HEALTH

Each subsidiary must inform and provide contact details to its employees about the location of the nearest medical institution such as a hospital.

Moreover, each site has a medical service provider to carry out required occupational medical examinations and provide preventive health protection measures such as flu vaccinations.

Mandatory medical examinations related to health and safety, both before and during the employment period, are carried out in accordance with the regulations of the specific facility's country.

Local subsidiaries are encouraged to voluntarily promote healthy lifestyle and preventive medical examinations.

OCCUPATIONAL SAFETY COMMITTEES

In most of the countries where VOSS operates, local laws require plants to appoint an occupational safety committee, which oversees OHS issues and consists of management and employee representatives. Details regarding responsibilities, meeting frequency and the decision-making authority of the committee are described within applicable laws, with which all applicable plants fully comply.

Information about work-hazards is communicated to employees in a transparent, understandable manner and language (in the facility's local language or if necessary, another understandable language).

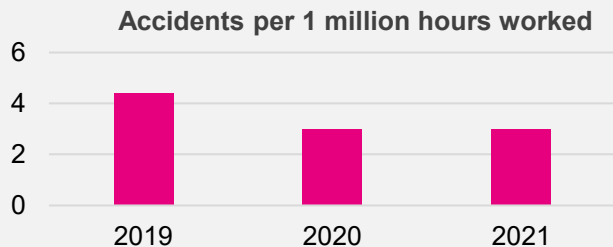
ACCIDENTS AT WORK AND WORK-RELATED INJURIES

WORK-RELATED INJURIES

The Group continuously monitors the number of accidents at each location. In 2021 the Group reported 40 work-related injuries. In 2021, the accident frequency rate (LTIR) amounted to

3 ACCIDENTS PER 1 MILLION HOURS WORKED.

The main type of injury was accidents resulting from human behavior. Such behavior arises from personal factors like inattention or risk taking but may also reflect situational factors such as long work hours.



Preventing workplace accidents is one of VOSS' main priorities. The basis of safety is all employees adhering to established rules and designing a safety system so human errors do not lead to accidents. Every person at VOSS is responsible for fostering VOSS' efforts to operate in a safe manner, which also involves applying the best possible accident-prevention measures:

- Technical planning of workplaces, equipment and processes
- Safety management
- Workplace behavior

WORK-RELATED HAZARDS THAT RISK HIGH-CONSEQUENCE INJURIES

By analyzing job responsibilities and accident statistics, VOSS Group identified the highest risk of work-related hazards occurring is during maintenance work. The hazard that contributed to high-consequence injuries during the reporting period were mainly mechanical risks while working with machines.

VOSS Group companies take appropriate steps to eliminate these hazards by intensified training, retrofitting machines and intensifying risk assessments. Regarding other work-related hazards, VOSS takes appropriate steps to minimize risks associated with such hazards. In 2021, for example, we substituted hazardous chemicals with other materials (coolants in the machining area with a product free of boric acid) and introduced control measures during COVID to reduce the risk of infection. Infected workers were separated from healthy workers.

WORK-RELATED ILL HEALTH

According to the analysis of VOSS Group operation statistics and characteristics, the work environment throughout VOSS facilities does not pose a risk to the occurrence of work-related ill health.

If such risks existed in the past, they were eliminated through appropriate preventive measures such as the threshold for load of packages not exceeding 20 kg to protect employees' backs.



ENVIRON- MENT

Energy, emissions,
water and waste

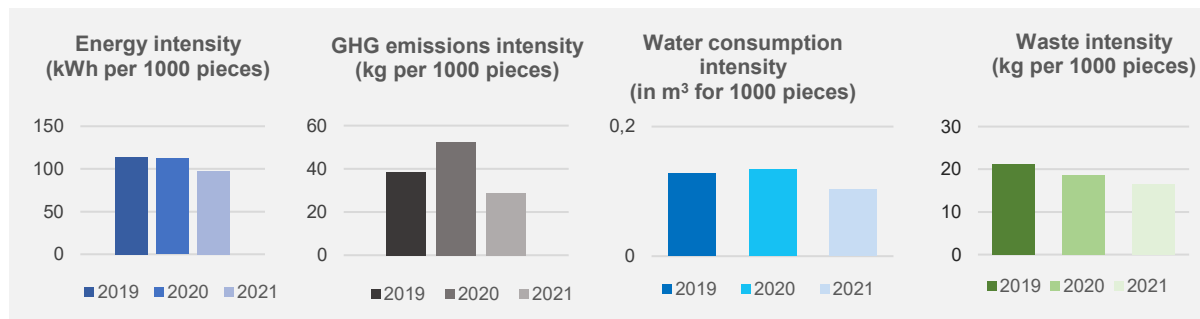


INTRODUCTION

VOSS is systematically fulfilling its environmental responsibility by making production at all plants worldwide energy-efficient, reducing overall energy consumption and utilizing the product portfolio to help climate-friendly technologies such as electric vehicles and hydrogen technology succeed. **VOSS is committed** to green energies and endeavors to reach CO₂ neutrality.



As a growing organization, it is particularly important at VOSS to use resources carefully. Thanks to innovative technology (such as developing a new filter system to save energy and water consumption for surface cleaning or implementing an absorption facility to produce cooling using excess heat from a co-generation facility) and a sustainable management system, it was possible to reduce resource consumption and emissions worldwide in recent years (2021 compared to 2019). We are working continuously to improve these values.



VOSS is conscious about its potential environmental footprint at a strategic and operational level. With every new process, we perform a detailed analysis of the impacts on the environmental aspects such as energy consumption, emissions and waste management. To this end, various technical solutions to minimize our environmental impact are researched and planned, including employee training.

Identified environmental aspects are also subject to strict monitoring. As part of implemented environmental management systems, environmental goals are set at individual plants. All relevant big production sites have ISO 14001 certificates with local targets for 2022. Moreover, our Wipperfurth plant, as the most energy intensive plant, has ISO 50001 certification.

All environment section calculations include only VOSS Group production sites (except VOSS Werkzeugtechnik GmbH and VOSS Fluid s.r.l., Osnago, Italy) because they have the largest impact. Calculations do not include emissions from other VOSS Group entities. The company aims to measure this larger data set in the future.

ENVIRONMENTAL CERTIFICATES

To ensure the highest environmental standards, VOSS maintains management systems compliant with ISO 14001 and ISO 50001 standards, as shown by appropriate certificates.

ISO 14001

VOSS Holding GmbH + Co. KG

VOSS Automotive GmbH

VOSS Fluid GmbH

VOSS Immobilien + Service GmbH + Co. KG

VOSS Automotive Bulgaria EOOD (Bulgaria)

VOSS Automotive Ltda. (Brazil)

VOSS Automotive Mexico S. de R.L. de C.V. (Mexico)

VOSS Automotive Polska sp. z o.o. (Poland)

VOSS Automotive, Inc. (USA)

VOSS Fluid Polska sp. z o.o. (Poland)

VOSS S.A.U. (Spain)

ISO 50001

VOSS Holding GmbH + Co. KG

VOSS Automotive GmbH

VOSS Fluid GmbH

VOSS Immobilien + Service GmbH + Co. KG

COMPLIANCE WITH ENVIRONMENTAL PROTECTION LAWS

In the reporting period, VOSS Group received zero environmental or financial sanctions.





■ FLAGSHIP PROJECTS IN 2021 AND PREVIOUS YEARS

To improve its eco-balance, VOSS plans to implement agreements on CO₂ compensation step by step at the international VOSS sites to meet our global responsibility and achieve CO₂ reduction targets.

Photovoltaic system at Wipperfürth – generates green electricity for the facility. Considering the increasing number of battery or hybrid vehicles in the medium term, this initiative enables us to meet demand with self-generated electricity. The project was implemented in the second half of 2021.

Cogeneration plant (absorption facility) – produces cooling from excess heat.

New filter system – water that VOSS takes from the Wupper River must be cleaned before it can be used in production processes. In the past, this was done with a gravel bed filter that needed to be backwashed periodically. The new filter system does not need backwashing, reducing water and energy consumption. One station was implemented in 2021; a second station will follow in 2022.

100% green electricity from hydropower at Wipperfürth from the beginning of 2021.

100% green electricity from wind and hydropower at VOSS Automotive Polska – confirmed with "Certificates of Guaranteed Sale of Energy Produced from Renewable Sources" and awarded with the Green Energy Certificate "Eko Premium."

Agreements on CO₂ compensation – 2022 implementation: natural gas, LPG (used in forklifts) and fuel for company cars.

With these efforts, 2022 is the first year CO₂ neutrality was achieved for emissions directly attributed to the Wipperfürth location. CO₂ neutrality for other VOSS Group companies Group is planned by 2030, at the latest.

VOSS Group's main environmental goals are:

- Reducing CO₂ emissions by purchasing electricity from renewable energy sources and compensation agreements (compensatory levies for currently unavoidable CO₂ emissions from burning fossil fuels for SCOPE 1 + SCOPE 2).
- Reducing electricity consumption and improving the intensity ratio.
- Reducing water consumption.

ENERGY

VOSS is aware that using energy more efficiently and opting for renewable energy sources is essential for combating climate change and lowering an organization's overall environmental footprint. Therefore, for all VOSS Group production plants, electricity consumption is systematically monitored and recorded.

Calculation data are obtained from meter readings and invoices from entities supplying energy. Moreover, VOSS' in Wipperfurth headquarters established a smart energy metering system to follow the consumption of significant energy users. In the future, such a system will be expanded to VOSS subsidiaries as well.



VOSS production entities take constant action in reducing energy consumption by regularly performing internal audits and presenting them to external auditors (TUV).

With a conscious approach, VOSS has reduced electricity and gas consumption globally. In 2021, energy consumption in kWh per 1000 units produced was reduced by 13.5% (from 114.5 kWh per 1000 units in 2019 to 99 kWh in 2021).

In absolute terms since 2019 energy consumption increased by 15.8% due to a significant increase in product output (+33%), particularly at VOSS plants in Bulgaria, China, Germany and India as well as the newly acquired VOSS Automotive Valves and Actuators GmbH, Gründau, plant.

	2019	2020	2021
Electricity consumption (purchased):	45 GWh	46 GWh	53 GWh
Natural gas consumption:	23 GWh	25 GWh	25 GWh
Other *:	1.3 GWh	1.7 GWh	2.5 GWh

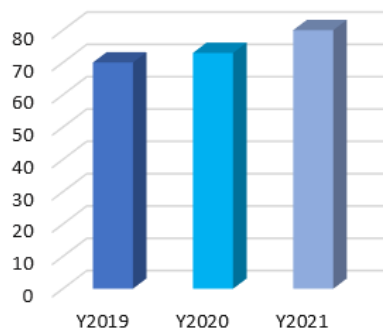
	2019	2020	2021
Total energy consumption (electricity + gas + other)	70 GWh	73 GWh	80 GWh
Energy intensity ratio per 1000 pieces of produced items:	115 kWh/1000 pieces	112 kWh/1000 pieces	99 kWh/1000 pieces**

*LPG for Forklifts, Petrol and Diesel for Company Cars, Emergency energy generation e.g. India.

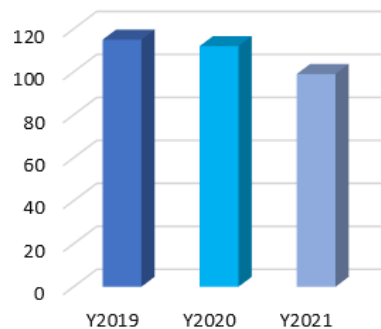
**w/o VOSS Fluid s.r.l., Osnago (Italy)

ENERGY

Energy consumption (GWh)



Energy intensity (kWh / 1.000pcs)



METHODOLOGY

In each case, VOSS Group uses various coefficients and data values such as calorific values from energy suppliers, national agencies and available guides (for example, in Germany, official BAFA conversion factors are used; in Poland, official KOBIZE conversion factors are used).

Currently the calculation is made on a site-by-site basis; however, we plan to receive confirmations from our suppliers in the near future.



Estimates were made with data available on Electricity Maps' website

|EMISSION

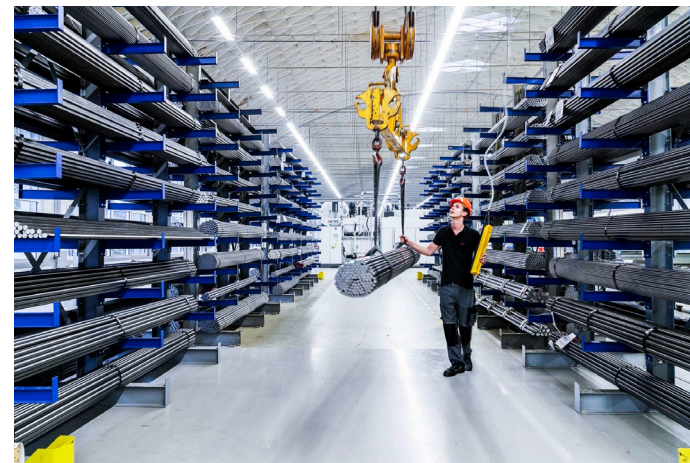
Reducing CO₂ emissions is of particular importance to VOSS. We are making our best possible contribution to mitigating climate change so that future generations will have a sustainable and clean environment. We consistently live up to this responsibility by making all our production plants energy-efficient, reducing energy consumption and using our product portfolio to help climate-friendly technologies such as electric vehicles and hydrogen technology succeed. We are committed to green energy and aim to reduce CO₂ emissions worldwide and subsequently achieve CO₂ neutrality (Scope 1 + Scope 2) by 2030.

To make our contribution measurable, we have the goal of reducing CO₂ emissions throughout VOSS by **30%** by 2025 (base 2019) despite a planned organization growth of **10%** per year on average.

CO₂ emissions reduction targets

Location	Red. CO ₂
Germany	90%
Italy/Spain/France	30%
Brazil	20%
Bulgaria	25%
China/Japan	20%
India (Automotive, Pune)	40%
India (Exotech, Pune)	60%
Poland	88%
USA/Mexico	20%
Total	30%

(2025 vs. 2019)



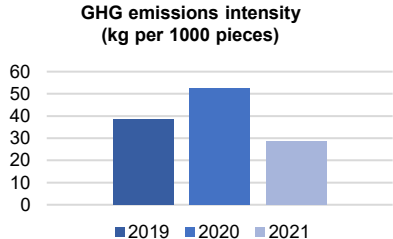
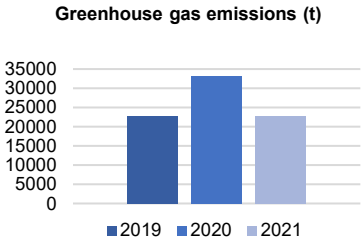


CO₂ EMISSIONS

	2019	2020	2021*
GHG emissions in scope 1 and 2 combined:	22,854 t	33,207 t	22,796 t
GHG emissions intensity per 1000 pieces of produced items:	38.5 kg /1000 pieces	52.4 kg /1000 pieces	28.8 kg /1000 pieces

VOSS reports its CO₂ emissions according to consumption of primary energy sources used at VOSS production sites and electrical energy provided by utility companies.

The company aims at dividing Scope 1 and 2 emission data in the future.



VOSS Group aims at sourcing green electricity with the following plants using **100% electricity supply from renewable sources:**

- Brazil
- Poland
- Wipperfürth



Estimates were made with data available on Electricity Map's website

METHODOLOGY

Values are calculated based on actual energy purchases and emission factors provided by suppliers. If emission factors are not available, we determine the site-related emissions on a flat-rate basis using provided country-specific factors (for example, in Germany official BAFA conversion factors are used; in Poland official KOBIZE conversion factors are used). Currently, calculations are made site by site; however, we plan to receive confirmations from suppliers in the near future. Additionally, our analysis concerns only CO₂. VOSS does not emit CO₂ from combustion or biodegradation of biomass.

BASE YEAR

2019 was the base year for our calculations because it is when VOSS started its enhanced focus on data collection and comprehensive monitoring, analysis and pursuing our action plans and goals.

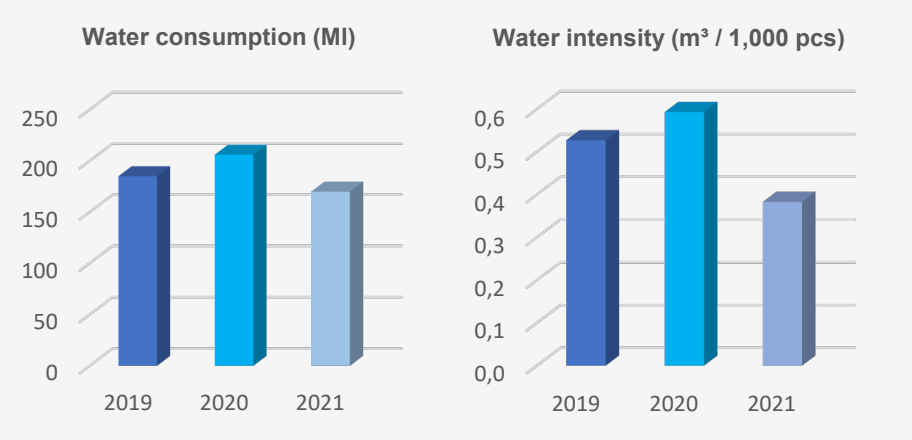


Water in all VOSS facilities is seen as a significant environmental aspect and subject of local targets both in volume and load. VOSS recognizes that access to fresh water is essential for human life and wellbeing.

Water consumption decreased in 2021, especially at the Wipperfürth site:

Tap & surface water	2019	2020	2021
Total water consumption:	184,513 m ³	206,451 m ³	170,157 m ³
Water consumption intensity per 1000 produced pieces	0.53 m ³ /1000 pieces	0.59 m ³ /1000 pieces	0.38 m ³ * /1000 pieces

BASE YEAR 2019 was the base year for our calculations because it is when VOSS started its enhanced focus on data collection and comprehensive monitoring, analysis and pursuing our action plans and goals.





MATERIALS

In the future, VOSS plans to implement tools allowing an uninterrupted collection of reliable information on materials used in manufacturing and packaging.

For now, following are **examples of VOSS' approach to the circular economy for promoting secondary material use:**

- We sort and sell rejected computer chips to recyclers.
- For plastics, we separate specific material sprues, grind them and sell them to recyclers with the process not actually cost efficient.
- Certain materials are fed back into the pipe extrusion process as regranulate. For one pilot project, we recycle the sprues and reintroduce them to the granules to gain experience for the process. Our future target is to recycle 100% of specific material sprues. Our engineering branch validates components containing recyclate and parts without recycled materials.

MATERIALS USED FOR MANUFACTURING

Main raw materials used for manufacturing VOSS products are:

- Brass
- Aluminum
- Plastic granulate
- Steel
- Zinc-nickel for electroplating

MATERIALS USED FOR PACKAGING

Main raw materials used for the packaging VOSS products are:

- Reusable plastic containers to European customers
- Cardboard boxes for intercontinental customers
- PE bags for overseas transport and parts with cleanliness requirements
- Reusable and disposable wooden pallets
- PE films
- Bubble wrap, VCI-chips and dry pouches for overseas transport
- Reusable wooden boxes

At VOSS, we ensure that ordered products reach customers in the same condition as they left our factory. We combine this goal with our efforts to use environmentally friendly materials for product packaging or reusable containers.

| WASTE MANAGEMENT

As manufacturer, VOSS produces municipal and production waste.

To comply with specific regulations, conformity assessments of the types and quantities of waste generated and environmental reviews are performed throughout VOSS production plants. As part of our environmental management, waste disposal services are only contracted to accredited waste disposal companies.

Throughout VOSS production plants various waste minimization programs, such as avoiding defective part production through process controls and extending cooling lubricants' service life through regular monitoring and bath maintenance. Thanks to these efforts in 2021, waste generation was reduced once again, and the share of recyclable waste exceeded **84%**. The only VOSS site not recycling waste is India due to the lack of appropriate infrastructure.

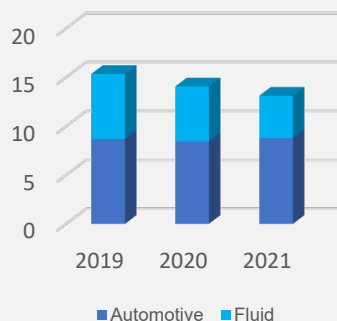
Waste data are collected and evaluated according to waste codes and based on weighing calibrated disposers.

VOSS strives to implement environmentally sound waste management that prevents and reduces waste through reuse and recycling. Most of VOSS' waste is metal, which is regularly collected and separated by waste codes to enable further processing.

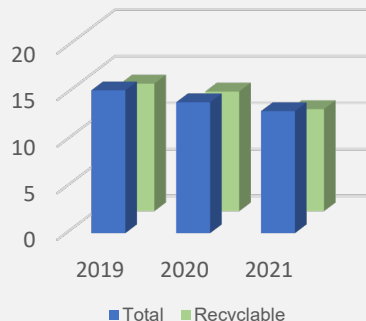


WASTE MANAGEMENT

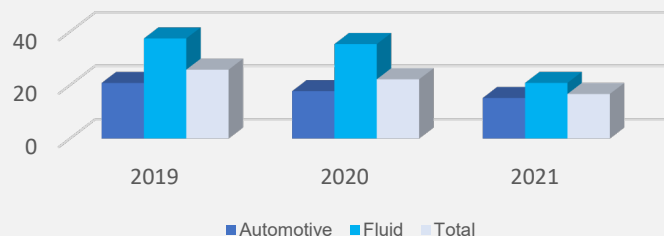
Total weight of waste (kt)



Recyclable waste (kt)



Waste intensity (kg/1,000 pcs)



	2019	2020	2021
Total weight of waste Global*:	15,534 t	14,054 t	13,100 t
Automotive Global:	8,657 t	8,424 t	8,769 t
Fluid Global:	6,676 t	5,631 t	4,330 t
Thereof Wipperfürth*	9,213 t	7,179 t	9,253 t
Recyclable Global:	13,693 t	12,840 t	10,955 t
Recyclable Global %:	87%	91%	84%
Waste intensity per 1000 pieces of produced items:	25.8 kg/1,000 pcs	22.2 kg/1,000 pcs	16.7 kg/1,000 pcs
Automotive:	20.8 kg/1,000 pcs	17.8 kg/1,000 pcs	15.2 kg/1,000 pcs
Fluid:	37.5 kg/1,000 pcs	35.4 kg/1,000 pcs	20.9 kg/1,000 pcs
Wipperfürth*	26.3 kg/1,000 pcs	20.6 kg/1,000 pcs	20.8 kg/1,000 pcs



* On July 14, 2021, the Wipperfürth VOSS plant in was flooded by a once in a century event. The flood was preceded by extreme rainfall which affected large parts of central Europe. Thanks to successful crisis management and tireless efforts of employees and partners, the damage was quickly repaired. However, flooded items such as office furniture and electronics had to be scrapped, which had a significant impact on the waste volume for 2021.



ETHICS

Principles and standards of behavior: Corruption, competition, discrimination, human rights, privacy and data protection



LEGAL COMPLIANCE AND COMMITMENTS

Compliance with legal, regulatory and other requirements is not only binding throughout VOSS Group but also a routine and foundation for sustainable business. We continually strive to provide our employees with a healthy and safe work environment.

The Group has a "Compliance Policy" to ensure all VOSS Group operations comply with applicable international and local regulations. In cooperation with law firms, individual VOSS Group entities constantly develop internal regulations that guarantee compliance of specific areas with current laws.

Moreover, a Group-wide Code of Ethics has been adopted to define rules to ensure all VOSS employees' ethical-legal responsibility.

These documents form the foundational governing conduct throughout VOSS Group as well as in relation to external partners and the public.



Actual version of Compliance Policy
and Code of Ethics are available on
www.voss.net



VOSS COMPLIANCE POLICY

Our "Compliance Policy" defines the most important principles of the compliance management system within VOSS. To ensure the efficiency and consistency of operations throughout the Group, compliance issues are managed at several levels:

- On the Group level, the CEO is responsible for an effective compliance management system along with the Chief Compliance Officer who manages group-wide compliance activities, reporting directly to the Executive Board.
- On the subsidiary level (all operative individual companies within the VOSS Group), dedicated compliance officers take care of local compliance issues.
- Compliance officers of individual Group companies are in regular contact with other on-site departments and report regularly to the Chief Compliance Officer.
- VOSS Group's compliance management constantly monitors and controls each individual company with concern to possible compliance-relevant risks.

VOSS' Compliance Policy also specifies measures and topics for the systematic training of employees. For example, employees have regular courses regarding "Code of Conduct/Compliance Basics," "Anti-Corruption," "Data Protection" and "Money Laundering." They also learn various ways of reporting compliance violations, which include personally reporting to superiors, Human Resources department, compliance officers or using our VOSS Compliance Box.

VOSS CODE OF ETHICS

Our Code of Ethics provides practical guidance to all VOSS employees on how to act in various situations, starting with day-to-day relationships with fellow employees, liaisons within the Group and contact with external parties (customers, suppliers and public authorities). Employees should refer to the Code of Ethics whenever they have doubts about the integrity or appropriateness of a situation in which they find themselves so they will always act in accordance with the principles contained therein.

Mutual respect, honesty and integrity should always be the basis for all actions taken by VOSS employees and management staff. Every employee is responsible for maintaining and promoting VOSS' good reputation in its respective country, which is why VOSS pays special attention to familiarizing employees with the Code of Ethics and enforcing its provisions on a daily basis.

In the Code of Ethics, employees can find useful tips regarding, among others:

- How to act with business partners and third parties, including strictly prohibiting corruption, any kind of unfair advantages or political contributions, money laundering and supplier selection.
- VOSS' approach to charitable donations and sponsoring.
- Relationships with VOSS Group companies, such as avoiding conflict of interests, competition with VOSS, work relationships outside the Group and interests in third companies.
- Handling VOSS' property and confidential/business information, including data protection and security.

All employees must abide by the rules established in the Code. In case of any doubts regarding appropriate behavior in a situation, any employee can contact their supervisor or compliance officer for further guidance.

As a result of our compliance work, in 2021 no fines or sanctions for non-compliance with regulations in the environmental, social or economic area were imposed upon a VOSS Group entity.

VOSS' ANTI-CORRUPTION POLICY

In 2021, no event was found within VOSS that could imply the use of corrupt practices.

Bribery or any other kind of corrupt practice is strictly prohibited in all VOSS plants globally. VOSS operates in locations where gifts or favors, for example to governmental bodies or business partners, are more acceptable or even expected. Nevertheless, the policy regarding anti-corruption is equal and uniform throughout VOSS with zero exceptions, placing special emphasizes and focus on higher corruption-risk locations.



Moreover, our suppliers must not tolerate or be involved in any kind of corruption or bribery, including illegal payment offers or similar benefits to government officials that influence decision making. This requirement is reflected both in VOSS Group's Code of Conduct for Suppliers and General Terms and Conditions of Purchase.

Our internal anti-corruption principles are included in the VOSS Code of Ethics, with which all employees must be familiar.

ANTI-CORRUPTION: OFFERING AND GRANTING ADVANTAGES

VOSS Group companies compete fairly for orders through the quality and price of VOSS' innovative products and services, not by offering improper benefits to others. As a result, no employee may directly or indirectly offer, promise, grant or authorize giving money or anything else of value to a government official that influences official action or gains an improper advantage. The same applies to private commercial counterparts in a business transaction. Any offer, promise, grant or gift may not be made if it could reasonably be understood as a bribe to improperly influence a government official or commercial counterpart to grant VOSS a business advantage.

In addition, employees may not give money or anything of value indirectly to third parties, such as a government official, consultant, agent intermediary or business partner if the circumstances indicate this was done to influence official action or obtain improper advantage. The same applies to a private commercial counterpart in consideration for an unfair advantage in a business transaction.

Therefore, employees responsible for hiring consultants, agents, partners in a joint venture or comparable entities must take the following actions:

- Ensure that third parties understand and abide by VOSS' anti-corruption policies or comparable equivalents.
- Evaluate the qualifications and reputation of such third parties.
- Include appropriate provisions in agreements and contracts designed to protect VOSS.



ANTI-CORRUPTION: REFUSE DEMANDING AND ACCEPTING ADVANTAGES

Employees are not permitted to use their jobs to solicit, demand, accept, obtain or be promised advantages. This does not apply to the acceptance of occasional gifts of purely symbolic value or meals and entertainment reasonable in value that are consistent with local customs and practices. Any other gifts, meals or entertainment must be refused.

POLITICAL CONTRIBUTIONS, CHARITABLE DONATIONS AND SPONSORSHIPS

VOSS does not make political contributions (donations to politicians, political parties or political organizations). However, VOSS does make monetary and product donations for education and science, art and culture as well as social and humanitarian projects.

Neither advertising sponsorships for which VOSS receives publicity are considered donations nor contributions to industrial associations or fees for memberships in organizations that serve business interests.

Some donations are always prohibited, including donations/payments to:

1. Individuals and for-profit organizations.
2. Private accounts.
3. Organizations whose goals are incompatible with VOSS' corporate principles.
4. Damage VOSS' reputation.

All donations must be transparent. Quasi-donations, meaning donations which appear to be compensation for a service but are substantially larger than the value of the service, are prohibited.

Sponsorship means any contribution in money or kind by VOSS towards an event organized by a third party in return to advertise VOSS brands, such as tickets to an event. All sponsorship contributions must be transparent, through written agreement, for legitimate business purposes and proportional with the consideration offered by the event host.

GOVERNMENT PROCUREMENT

VOSS competes for contracts from government entities and government-owned businesses around the world. In all VOSS' dealings and interactions with governments, we act in a manner that is transparent, honest and accurate.



VOSS' POLICY TOWARD ANTI-COMPETITIVE PRACTICES

In 2021, no event was found within the VOSS Group that could indicate the use of anti-competitive, antitrust, or monopoly practices.

VOSS Group, as a significant participant in the international automotive sector, always observes the principles of fair competition and does not participate in or take any actions that could violate this competition.

VOSS' common understanding and rules in this area are included in the Code of Ethics. Moreover, VOSS organizes online trainings for employees in positions representing VOSS Group companies. This occurs especially in relations with competitors, customers and suppliers where there is great risk of anti-competitive behaviors from external market players.

VOSS is guided by the principle that fair competition permits markets to develop freely – with the accompanying social benefits. Accordingly, the fairness principle applies to competition for the market share. Every VOSS employee must act by the rules of fair competition.

As an international organization, VOSS understands that anti-trust evaluations can be difficult, particularly because rules can differ among countries and cases. However, it does not change the overriding principle that an employee's behavior must not in any way lead to a violating anti-trust laws. For example, employees may not enter agreements with competitors that promote non-competition; restrict dealings with suppliers; or divide customers, markets territories or production. Moreover, employees may not obtain a competitive advantage through industrial espionage, bribery, theft, electronic eavesdropping or knowingly providing the public or customers false information about a competitor or its products and services.

VOSS' POLICY ON DISCRIMINATION

Proudly, in 2021 no event that could constitute discrimination was found within VOSS.

At VOSS we value diversity and promote tolerance and mutual respect towards each other. Therefore, **any kind of discrimination is strictly prohibited.**



MUTUAL RESPECT, HONESTY AND INTEGRITY

We respect the personal dignity, privacy and rights of every individual. We work together with individuals of various ethnic backgrounds, cultures, religions, ages, disabilities, races, sexual identity, world view and gender.

Consistent with our corporate principles and employment laws of numerous countries in which we work, we do not tolerate discrimination against anyone based on any of the abovementioned characteristics, harassment or offensive behavior - whether sexual or otherwise personal.

These principles apply to conduct both within VOSS and towards external partners. We make decisions about those with whom we work – including personnel, suppliers, customers and business partners – to avoid discrimination and coercion within our organization.

We are open, honest and stand by our responsibilities. We are reliable partners and make no promises we cannot keep. We expect our employees to act with integrity.

The above principles apply both to VOSS Group entities and suppliers. The Code of Conduct includes requirements for suppliers to:

- Promote equal opportunities and treatment of its staff irrespective of color, race, nationality, social background, disability, sexual orientation, political views, religion, gender or age.
- Not tolerate any unacceptable treatment of employees such as psychological duress, sexual and personal harassment or discrimination.

TRAINING ON HUMAN RIGHTS

To ensure the effectiveness of VOSS Group's Compliance Management System, all managers must confirm compliance with annually applicable legal requirements and internal guidelines. Basic principles are discussed when employees come onboard. VOSS Group training on compliance (including human rights) takes place through online classes and training. Basic courses must be completed by every VOSS Group employee. These include online trainings entitled "Code of Conduct/Compliance Basics." Need for training is checked regularly.

There are no separate human rights policies and procedures at VOSS Group. Instead, it is an element of our organizational culture and entire compliance system. Any violations in this regard are reported according to specified rules.



THE COMPANY'S POLICY REGARDING CUSTOMERS' DATA AND PRIVACY

In 2021, there were no complaints regarding breach of privacy and loss of customers' data.

VOSS ensures that all information, including personal data; trade secrets; and confidential commercial, technological or customer business information, is protected from theft or loss. VOSS has implemented policies to classify information according to its confidentiality and the need for protection. VOSS takes appropriate measures to protect this information according to its classification. We require our suppliers and employees to keep information they provide confidential. Each supplier must sign a confidentiality agreement and contracts with our employees contain appropriate confidentiality clauses.

CONFIDENTIALITY

All employees must maintain confidentiality regarding VOSS' internal proprietary information not made known to the public. Non-public information from or concerning suppliers, customers, employees, agents, consultants and other third parties must be protected in accordance with legal and contractual requirements.

The obligation to maintain confidentiality extends beyond the termination of the relevant relationship, because disclosing confidential information could cause harm to VOSS' business, clients or customers.

DATA PROTECTION AND SECURITY

Access to the Intranet and Internet, worldwide electronic information exchange and dialog as well as end electronic business dealings are all crucial to the effectiveness of VOSS operations and success of the entire business. However, the advantages of electronic communication are tied to risks in terms of personal privacy protection and data security.

VOSS requires that personal data may only be collected, processed or used insofar as it is necessary for pre-determined, clear and legitimate purposes. In addition, personal data must be maintained in a secure manner and appropriate precautions must be taken when transmitting it. High standards must be ensured regarding data quality and technical protections against unauthorized access. Data use must be transparent for those people concerned and their rights must be safeguarded regarding the use and collection of information and, if applicable, comply with requests to block and delete information.

In some jurisdictions (European Union) there are strict laws and regulations pertaining to the collection and use of personal data including information on others, such as customers or business partners. All employees must abide by such laws, to the extent they are applicable, to protect the privacy of others.



GOVER- NANCE

Economic results



ECONOMIC RESULTS

TOTAL ANNUAL REVENUE IN 2021

(economic value generated):

> EUR 700 million*

The revenue disclosure is based on sales in VOSS Group's core business. This value alone determines the scope of activities and participation in the market.

Over the years, there has been a consistent increase in revenue generated by VOSS Group. While GDP in the Eurozone rose by 5.9%, revenues from sale of commercial vehicles (> 6 tons) rose in Europe by 16.8%, while in 2021 the production of passenger vehicles fell by 5% along with an upturn in the global hydraulics sector by 11.7%. VOSS Group was able to considerably outpace sales and earnings expectations for 2021 with economic developments exceeding planning assumptions significantly.

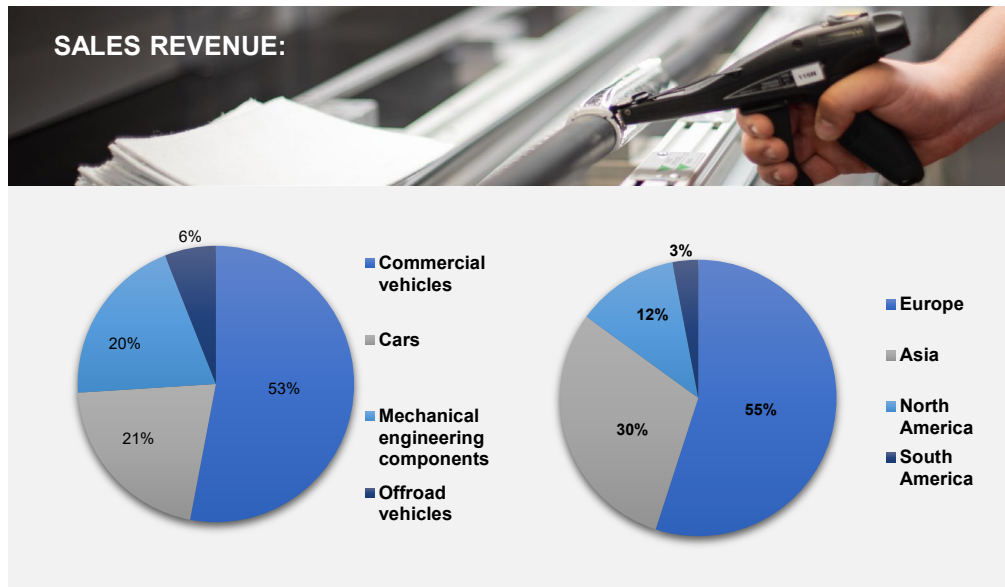
In summary, 2021 sales rose from >600 million euro in 2020 to >700 million euro in 2021, which is significantly higher than our original forecast for 2021.

SALES VOLUME SHOWS THE SIZE OF VOSS GROUP.

By analyzing historical data, VOSS' development over the years can be observed. Revenue increase along with constantly generated profits shows the potential for further development.

*Consolidated financial statement for 2021 of VOSS Holding GmbH + Co.KG

SALES REVENUE:



Breakdown of revenue by industry provides information on sectors to which VOSS Group delivers its products. The largest share of revenues has been generated consistently for many years in the commercial vehicles division.

This disclosure shows the dependence of VOSS Group's condition on shaping the market situation (demand/supply) in a given industry.

Breakdown of revenues by served geographical markets remained unchanged.



ABOUT THE REPORT





VOSS GROUP'S CONSOLIDATED SUSTAINABILITY REPORT

This sustainability report was prepared as part of VOSS Group's transformation and as preparation for implementing full reporting acc. to GRI standard or similar in the future. This is VOSS Group's first complex sustainable report, covering calendar year 2021 (01.01.2021 – 12.31.2021 aligned with the consolidated financial reporting of VOSS Holding GmbH + Co. KG). Any reference to results, activities or information from another period or any data of VOSS Group's entities is indicated accordingly in this report. VOSS Group activities have been based on sustainable development principles for many years. However, they were not always defined. Thus, this report's goal was to determine the general framework for future application on how the context of sustainable development is understood at VOSS Group. This report should not be treated as a full, comprehensive sustainability report and was not audited. We wanted our report to reflect principles we follow every day and present information relevant to our stakeholders.

VOSS Group has identified the following stakeholders to whom future sustainability reports shall be addressed:

KEY STAKEHOLDERS:

- Customers
- Suppliers/ contractors/ insurances
- Employees
- Management board
- The authorities of the locations
- Local communities/ neighborhood/ residents of the locations
- Owners/ advisory board

NON-KEY STAKEHOLDERS:

- Media
- Educational institutions
- Industry associations and organizations

In identifying stakeholders, such factors were considered as the relationship and dependence with and between them, influence, composition and frequency of contacts with them.



Our team has made every effort to collect and describe data for the 2021 sustainability report. Data and descriptions in the report may not constitute grounds for any claims.

Any questions regarding the report and its content should be submitted to:

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