

Supplier Sustainability Policy

Volburg's and Accilator Automotive Volburg's vision "Our customers are our partners: their success is our success", indicates the long-term focus of our work. At Volburg and AVA we consider sustainability to be an essential part in all our business operations. Volburg is committed to a Code of Conduct (available at www.volburg.lv) which describes how we do business. At Volburg, we believe that means investing into our future and at the same time it forms the basis of our commercial success today. It opens up new business opportunities and allows us to minimize risks and find timely solutions to environmental, social and business challenges - for us and our stakeholders.

Our supplier network makes a contribution to value creation and hence to our success. Therefore, it is essential that our business partners meet the same environmental, social and governance standards we set for ourselves.

To this end, Volburg has implemented certain governing principles for our suppliers. These principles are based on the UN's Global Compact principles. The purpose of these principles is to ensure that we collaborate with suppliers who share our values regarding sustainability. We expect that our suppliers, as a minimum, follow our sustainability principles when conducting their own business, including protecting the environment and respecting human rights in line with international expectations. In addition, Volburg expects the supplier to monitor its own suppliers in order to ensure commitment to environmental and social responsibility. This is the starting point for entering into and maintaining a business relationship with Volburg. These principles are included in this Supplier Sustainability Policy.

APPLICABILITY

The Supplier Sustainability Policy applies to all suppliers providing products and/or services to Volburg. Workers/employees are considered to be all people who are working for the supplier, whether directly employed, subcontracted or employed by other agency.

COMPLIANCE

Volburg has a process in place to follow-up compliance of suppliers' sustainability work. Suppliers may be asked to answer a self-assessment questionnaire regarding their social and environmental performance. Volburg reserves the right to conduct reviews and/or on-site audits of his suppliers to ensure compliance with this Supplier Sustainability Policy. Supplier agrees to cooperate in order to facilitate such reviews or audits.

SUSTAINABLE PRINCIPLES FOR OUR SUPPLIERS

General

The supplier shall comply with applicable legislative and regulatory requirements.

SOCIAL RESPONSIBILITY

Human Rights and Working Conditions

It is crucially important to Volburg, that all business activities take into account the company's social responsibility towards its own employees and society. Therefore, all suppliers are called upon to observe the principles and rights set forth in the guidelines of the UN Initiative 'Global Compact' and the 'ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up' and to align their due diligence process with the requirements of the 'Guiding Principles on Business and Human Rights' by the United Nations.

Of particular importance are the respect for human dignity and internationally recognized human rights like:

- **the prohibition of child labor**

No person shall be employed who is below the minimum legal age for employment. It is forbidden to use children under the minimum legal working age or fifteen (15) years old; whichever is higher, as labor. Employees under eighteen (18) years of age shall not carry out hazardous work.

- **the prohibition of modern slavery** (i.e. slavery, servitude and forced or compulsory labor and human trafficking)

The Supplier shall not engage in or support the use of any form of forced, compulsory or illegal labor. Work must take place on a voluntary basis, and personal documents and possessions must not be confiscated in order to force somebody to work.

- **the prohibition of harassment and discrimination**

No employee shall be discriminated on grounds of their gender, marital or parental status, ethnic or national origin, sexual orientation, religious belief, political affiliation, age, or disability.

- **ensuring the right to freedom of association and collective bargaining**

Employees shall be free to form and join, or not to join, trade unions and to bargain collectively. and

- **compliance with all applicable labor regulations e.g. regarding working hours, wages and benefits and work safety**

As a minimum, statutory wages must be paid and applicable working time legislation must be followed.

Health & Safety

The suppliers shall provide a safe and healthy working environment and take all practicable steps to prevent incidents and injuries. Occupational hazards and injuries shall be documented and necessary measures shall be taken to prevent accidents from reoccurring.

The suppliers shall ensure that all employees are provided with necessary instructions, training and personal protective equipment free of charge necessary for facilitating safe work methods.

Anti-Corruption

All forms of corruption and bribery are unacceptable. Supplier should work against corruption and bribery in all its forms, including but not limited to extortion, fraud, money laundering and facilitation payments.

ENVIRONMENTAL RESPONSIBILITY

Suppliers shall work in a systematic, goal-oriented and proactive manner to reduce the impact to the environment including pollution prevention, waste minimization and CO2 reduction.

The business must be run in such a way that serious discharges and emissions to the ground, water and air are systematically prevented.

Material Restrictions

Our suppliers shall comply with all applicable laws and regarding the restriction and registration and where necessary, authorization or

notification of chemical substances contained in the end product or production process according to the statutory requirements that apply to the corresponding market (e.g. REACH).

Responsible Sourcing of Raw Materials

We aim to use only raw materials in our products, whose extraction, production, transport, trade, processing and export neither directly nor indirectly contribute to human rights abuses, health & safety issues, environmental pollution or compliance breaches.

This regards to raw materials, such as tin, tungsten, tantalum and gold (3TG) from conflict-affected and high-risk areas (CAHRAs) like the Democratic Republic of the Congo (DRC), as well as cobalt. Smelters without adequate, audited due diligence processes in place shall be avoided. Upon request, suppliers shall disclose their supply chain including information on the origin of the material via the RMI.

Viktors Kononovs
Management Director



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