

FORMEL D SUSTAINABILITY REPORT 2021

Reporting period: 2019-2021







**THE
DRIVING
FORCE.**

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POSITIONING OF MANAGEMENT REGARDING THE SUSTAINABILITY REPORT



 Dr. Thomas Klukas | CEO of Formel D

DEAR LADIES AND GENTLEMEN,

The United Nations Global Compact (UNGC) is the largest and most important initiative for responsible corporate governance. The alliance urges companies around the world to voluntarily align their business activities and strategies with ten universally accepted principles of human rights, labor standards, environmental protection, and anti-corruption measures.

We actively employ the UNGC guidelines and streamline our operational measures to promote and actively implement the ten principles within our sphere of influence. This sustainability report is based on the criteria of the UNGC and describes the evaluation, implementation, and determination of the results of our operational activities and projects in the four areas of responsible corporate governance.

We believe in United Nations Global Compact guidelines and will continue our efforts over the next few years to intensely promote the fulfillment of the ten principles and to actively incorporate them in the day-to-day business processes.

In times when various aspects of people's lives are restricted due to the coronavirus pandemic, it is particularly important for us to align our operational measures to create the best possible framework for humanity and sustainability.

We are also committed to inform our stakeholders on an annual basis and through our communication channels of our efforts to implement the principles of the United Nations Global Compact.

Best regards,



Dr. Thomas Klukas | CEO

FORMEL D. THE DRIVING **FORCE.**

WE ARE THE DRIVING FORCE BEHIND THE AUTOMOTIVE SERVICE INDUSTRY

Formel D is a globally active service provider to the automotive and supply industry with registered office in Cologne, Germany. The company is managed by Dr. Thomas Klukas as CEO and Gian Mario Deligios as CFO.

With our services we support our customers and partners in getting vehicles and components ready for the market and ensure the implementation and optimization of service processes. Formel D offers market-leading concepts and custom scalable solutions for quality assurance and process optimization along the entire automotive value chain – from development and production to after-sales. This holistic approach, coupled with specific expertise and extensive experience, creates synergies that contribute decisively to the quality of products and processes throughout the supply chain. The service portfolio ranges from testing, rebuilding, reworking, or retrofitting of vehicles and components to quality inspections, including rectification of minor defects as well as complete responsibility assumption of outsourced process steps in development, production, or after-sales. Consulting services, training courses, and seminars ensure know-how transfer and round out our portfolio.

➤ We divide our service portfolio into three areas – analogous to the automotive value chain.
In each area we offer detailed analysis, precise planning, reliable implementation as well as expert advice and qualification.

PRODUCT DEVELOPMENT ➤	PRODUCTION ➤	AFTER-SALES ➤
<ul style="list-style-type: none">▪ Setup of testing devices and vehicles▪ Vehicle testing▪ Operations of test centers▪ Vehicle camouflaging▪ Software testing	<ul style="list-style-type: none">▪ Supplier management▪ Launch and Series Management▪ Quality management▪ Localization and relocation▪ Assembly and customization	<ul style="list-style-type: none">▪ Service management▪ Vehicle management▪ Distributor management▪ Warranty management▪ Software management
Engineering Consulting Training Operations		

As a future-oriented, global company, a **resource-efficient work process** is very important to us. Our daily activities are aligned with the United Nations Global Compact (UNGC), which include **social and ecological responsibility** as well as **sustainability**.

FACTS

- Founded: 1993
- Headquarters in Cologne
- Global presence
- Automobile services in product development, production and after-sales

KEY FIGURES

- About 50 % of sales with OEMs and 50 % with suppliers
- Core regions: Europe, North America, and China
- Approximately 10,500 people from 45 nations work together in intercultural teams

LOCATIONS AND PROJECTS

- **Subsidiaries/sites**
Over 90 sites in 22 countries
- **Europe**
Germany, Belgium, France, Great Britain, Italy, Austria, Poland, Romania, Russia, Slovakia, Spain, Czech Republic, Turkey, Hungary
- **Asia**
China, India, South Korea
- **Africa**
Morocco
- **America**
Brazil, Canada, Mexico, USA

(Last updated: December 2021)





HUMAN RIGHTS

- Principle 1 Businesses should support and respect the protection of international human rights.
- Principle 2 Businesses should ensure that they are not complicit in human rights abuses.

HUMAN RIGHTS. EVALUATION, STRATEGY AND GOALS.

Formel D guarantees respect for human rights within its sphere of influence. We respect the dignity of men and women and are actively engaged in ensuring compliance with, and protection of, human rights.

Our employees and committees are committed to the fulfillment of these principles. Of course, this does not only apply to cooperation within the company, but also to behavior towards our business partners. Our position to respect human rights is firmly entrenched in our [Code of Conduct](#). To ensure that this information is properly acknowledged, we send it to all new employees before they start their work at Formel D. Furthermore, the Code of Conduct is always available for all employees on our intranet.

Training on the Code of Conduct is integrated in our New Employee Onboarding (NEO II) induction program. In the future, they will be presented in web-based training sessions and continuously expanded. Topic-specific training courses on compliance content are currently in the developmental phase or will be expanded further. In the future, they will be presented to the relevant employee groups via an e-learning system.

Therefore, we expect the employees and organs of Formel D to fully observe and implement the Code of Conduct in their day-to-day practice. Mere formal compliance with the Code of Conduct does not meet the standards of Formel D.

For the selection of our suppliers and for assessing new and existing supply relationships, Formel D not only considers economic criteria, but also compliance with human rights. We generally extend our commitment to protecting human rights to suppliers, service providers, and subcontractors in the supply and value chain by asking them to sign a "[Code of Conduct for Suppliers of the Formel D Group](#)". If suspicion of a subcontractor or supplier breaching the Code of Conduct is deemed to be justified or if a subcontractor or supplier do not adequately fulfill their duty to inform and cooperate in case of suspicious activities, Formel D can terminate the business relationship with the respective subcontractor or supplier with immediate effect on the basis of the existing contractual or legal rights.

HUMAN RIGHTS. IMPLEMENTATION.

With the appointment of the Chief Compliance Officer and the Compliance Officer we have introduced two positions that, among other things, promote the compliance and protection of human rights in our company. Monitoring and enforcement of various legal requirements and the company-wide compliance principles is currently being implemented globally by compliance officers at various company locations. In their capacity, they implement monitoring measures to prevent any compliance-relevant breaches. If suspected cases or violations of the compliance principles are identifiable, they support the employees at Formel D in the solution process. The contact details of the Chief Compliance Officer and the various compliance officers are available on the intranet for all employees.

Furthermore, our onboarding and training concept is focused on raising awareness of human rights. Every new employee of the Formel D Group takes part in our New Employee Onboarding (NEO I) program within the first few weeks. As part of this induction program, our employees not only learn about the company philosophy, but they will also be trained on the content of our [guidelines](#) and [compliance principles](#). All compliance principles (CoC, CoC for suppliers, anti-corruption policy, anti-trust guideline) are continuously evaluated, expanded, and updated.

HUMAN RIGHTS. DETERMINATION OF THE RESULTS.

Formel D provides its services mainly in Europe, where the risks of human rights violations in the context of our business processes are considered relatively low. In the 2019–2021 reporting period, Formel D did not report any cases of human rights violations. There are also no known human rights violations by our partners and suppliers.

Compliance with human rights is reviewed annually through various internal audits at all sites of the Formel D Group. The results show with these principles of respect for human rights are being complied with. If required or suspected, our compliance officers carry out additional compliance audits.

Formel D reserves the right to use one of the following methods to check if, and to what extent, our suppliers are complying with sustainability standards.

- **Self-assessment:**

We reserve the right to ask our suppliers to complete a questionnaire on compliance with human rights, labor standards, environmental protection, and anti-corruption regulations.

- **Third party rating:**

We reserve the right to ask third parties (such as data providers) for desktop information regarding handling and compliance with our standards.

- **Certificates:**

We reserve the right to ask our suppliers for a certificate or statement confirming compliance with our sustainability principles.

- **On-site audits:**

We or a third party commissioned by us may ask our suppliers for permission to demonstrate compliance with the above-mentioned standards on-site.

In case of a violation of human rights principles, the management of the Formel D Group will be notified immediately. In addition, a monthly compliance report is prepared for the Executive Board, which outlines, among other things, violations of our compliance principles and measures to improve the compliance system.



FORMEL D. THE DRIVING FORCE.

LABOR STANDARDS

- Principle 3 Businesses should uphold freedom of association and effective recognition of the right to collective bargaining.
- Principle 4 Businesses should advocate elimination of all forms of forced labor.
- Principle 5 Enterprises should fight for the abolition of child labor.
- Principle 6 Businesses should fight for elimination of discrimination during hiring processes and in the workplace.

LABOR STANDARDS. EVALUATION, STRATEGY AND GOALS.

UNSERE WERTE.
OUR VALUES.



➤ Our values were redefined in a workshop with Formel D employees from all areas.

The Formel D Group recognizes the four principles for compliance with labor standards. Among other things, our applicable labor standards are documented in the [Code of Conduct](#) and in our **Corporate Behavior** guiding principles. Formel D has developed a corporate culture based on openness, honesty, fairness, and a willingness to accept responsibility.

The corporate guiding principles ("Our Values") define clear rules of conduct for dealing with coworkers, supervisors, and customers with integrity and enable employees to identify with the company and present a uniform image to the outside world. The corporate guiding principles focus on responsible interaction with one another, but also contribute to identification with the company and respectful interaction among coworkers.

Child labor and any other exploitation of children are not tolerated by Formel D. The minimum age for admission to employment may not be below the age at which compulsory education ends and under no circumstances may it be less than 15 years old.

Formel D rejects all forms of forced labor. No employee or committee may be forced to work, directly or indirectly, by force and/or intimidation. Employees must only be employed if they volunteer for employment. Furthermore, we recognize freedom of association and the right to collective bargaining.

The Formel D Group always strives to ensure a safe and healthy working environment. Strict adherence to safety rules and practices is an indispensable prerequisite for our entrepreneurial activity. Our employees and organs are obligated to report violations of these principles to the responsible authorities in the company without delay. Any abuses must be remedied immediately.

We expect our suppliers to support the protection of the principles of our labor standards and to observe the minimum wage and working hours standards. Furthermore, we demand rejection of forced labor, child labor and discrimination in the workplace as well as respect of the right to organize and the right to collective bargaining.

LABOR STANDARDS. IMPLEMENTATION.

There is great potential in the diversity of people. That is why Formel D employs people and institutions of different origins and experience out of conviction. Currently, approximately 10,500 people from 45 nations work for the corporate group. All organs and employees are called upon to create an atmosphere of respectful togetherness and to resolutely oppose discrimination based on race, ethnicity, gender, religion or belief, disability, age, or sexual identity.

Violations of our labor standards, such as discriminatory statements or behavior, bullying or harassment, can directly affect our employees' personal rights. That is why we cooperate with **NAVEX**, a fully independent organization with objective personnel that has been trained to be sensitive to these types of scenarios. Our employees can make confidential calls, use an external online portal, or send an email to NAVEX. This ensures that the message is neither traced nor recorded. The information to NAVEX will be automatically forwarded (upon request also anonymously) to a compliance committee and the Chief Compliance Officer. In some cases, the HR management may also be involved. It will investigate the matter without compromising our employees in any way. After submitting a report, the employee receives a unique code number from NAVEX, which can be used to track the status of the report or, if required, also provide additional information. The contact details of NAVEX and our Chief Compliance Officer are available to all employees on our intranet site. Among other things, Formel D has appointed a Chief Compliance Officer to monitor compliance with labor standards and other compliance officers in each subsidiary.

The managing directors of Formel D and the Chief Compliance Officer regularly have their compliance with the principles of labor standards assessed through general audits and, if necessary, through special audits. Violations of the Code of Conduct will never be tolerated and may lead to disciplinary actions depending on the severity of the violation.

As part of the first of two New Employee Onboarding events (NEO I), all new employees are being trained on the principles of compliance with labor standards at Formel D since July 2019. All compliance documents are evaluated annually and updated and expanded as needed. We are also offering the NEO II program series to our executives to convey specific information about our compliance principles.

Moreover, occupational safety and health is a top priority for Formel D. Since 2016, we have been operating an internal occupational health and safety management system that is frequently checked through internal audits. The number of necessary audits per year results from the risk classification of the respective site. This ensures that we properly assess compliance with standards and effectiveness of our management system. It also monitors proper execution of defined processes and transfers best practices between the various Formel D Group locations.

Since 2018, we have expanded this management system to meet **DIN ISO 45001:2018** requirements and further optimized occupational health and safety aspects. The system meets the latest requirements for a safe, healthy work environment. Moreover, we are continuously including additional national subsidiaries in the matrix certification. Standards are gradually supplemented and expanded.

To implement effective **occupational safety management**, Formel D provides internal health and safety managers, who are coordinated by the Chief Health and Safety Officer. Nationally responsible health and safety managers are responsible for conducting workplace inspections, assessing hazards, assisting with the handling of hazardous substances, providing operating instructions, and coordinating company physicians. The Chief Health & Safety Officer is responsible for the upkeep and improvement of occupational health and safety standards in the Group and, among other things, reports all registered work accidents to the management of the Formel D Group. This report includes a description of the course of the accident, shows measures to counteract recurrence and defines lessons learned. Management of a defined fire protection assistant and first responder structure at all Formel D locations worldwide completes occupational safety management.

Since **employee health** is a top priority at Formel D, the Group regularly holds healthcare days at various locations. In collaboration with several health insurance companies, participants receive, among other things, exercise tips, a health check for their back and abdominal muscles, health tips for their daily work routine, and foot measurements to determine the correct size for safety shoes.

Due to the coronavirus pandemic, Formel D was unable to offer on-site health days in 2020 and 2021. Instead, employees were frequently provided with health promotion and daily living opportunities via digital newsletter, which also included additional links to offerings from collaboration partners. In collaboration with various health insurance providers, employees were given the opportunity to take part in digital prevention courses on topics including back health, motivation, stress management, and relaxation. The provider Qualitrain gives employees the opportunity to take advantage of more than 4,000 sports, fitness, and wellness offers throughout Germany.

In winter 2020/2021, Formel D organized flu vaccination for its employees for the first time in collaboration with its health protection partner. The offer was embraced by numerous Formel D employees and will be continued in the coming years. Furthermore, Formel D assisted its employees in finding a coronavirus vaccination appointment if needed.



LABOR STANDARDS. DETERMINATION OF THE RESULTS.

CORONAVIRUS PANDEMIC | HEALTH PROTECTION MEASURES

Right from the start of the coronavirus pandemic in 2020, Formel D immediately put numerous health protection measures in place for its employees, coordinated by a corporate coronavirus task force. These measures included setting up split shift operations and, where the activity allowed, working from home offices. Masks were provided for employees and were also produced by Formel D inhouse at the beginning of the pandemic. Hygiene stations were set up in the subsidiaries, rapid tests were made available to employees, and hygiene instructions and corresponding guidance were made transparently available to employees at all times through a variety of digital and non-digital channels. Intra-company travel was banned or restricted and meetings were moved to digital channels. Moreover, management regularly provided all employees with important updates via internal videos.

In reporting period 2019–2021, Formel D did not report any violations of the principles of labor standards. There were also no known cases of disregard of the labor standards by our partners and suppliers.

In the event of a violation of the principles of labor standards, we notify the management of the Formel D Group immediately. Furthermore, successful externally and internally completed **quality and work safety audits confirm compliance** with the principles of compliance with labor standards in our company.





ENVIRONMENTAL PROTECTION AND SOCIAL RESPONSIBILITY

- Principle 7** Businesses should take precautionary approach when dealing with environmental problems.
- Principle 8** Businesses should take initiatives to create a greater sense of environmental responsibility.
- Principle 9** Businesses should promote the development and distribution of environmentally friendly technologies.

ENVIRONMENTAL PROTECTION. EVALUATION, STRATEGY AND GOALS.

Formel D is aware of the environmental impact of its business activities and is committed to protecting soil, water, air, biodiversity, and cultural assets. That is why the principles of environmental protection are also part of our [Code of Conduct](#) and our corporate policy.

Our corporate policy is a binding working basis for all employees and provides the framework of our integrated management system for the topics of quality, environmental protection, occupational safety, and information security (IMS). All managers and employees are responsible for complying with the applicable Formel D Group rules and procedures in their respective work environment as well as with national and international regulations, rules, laws, and all other agreements.

All corporate bodies and employees must prevent the occurrence of harmful environmental effects in the performance of their tasks by avoiding and reducing measures in line with sustainable management and to handle natural resources with care. Our concept of environmental protection flows into all areas and permeates all levels in our day-to-day work and ensures that environmental risks are kept to a minimum.

We strive to promote and constantly improve our environmental management system in all areas. In our business transactions, we combine economic success, social responsibility, and environmental protection, and enable our clients to meet the current and future needs of society.

The requirements for environmental protection for service providers are defined in the [Supplier Code of Conduct](#) of the Formel D Group. They follow the precautionary approach with regard to environmental issues and take initiatives to promote greater environmental responsibility and the development and distribution of environmentally friendly technologies. We expect our suppliers to ensure optimum environmental protection at all stages of production. This includes a proactive approach to avoiding or minimizing the consequences of accidents that may adversely affect the environment. Moreover, our suppliers typecast and monitor general emissions from operations (air and noise emissions), greenhouse gas emissions and production waste water prior to their release and treat them as needed to maintain optimal air and water quality. Of particular importance is the application and further development of energy- and water-saving technologies, characterized by the use of strategies for emission reduction, reuse, reprocessing, waste prevention, and the optimal use of natural resources.

The adoption of our supplier code is designed to ensure that all products manufactured along the supply chain meet the environmental standards of their respective market segment. This includes all substances and materials used in production. Chemicals and other substances that become hazardous if released into the environment must be identified. A hazardous substance management has been set up so that they can be safely handled, transported, stored, reprocessed or reused, and disposed of using suitable procedures.

▶ Since 2020, Formel D has been supporting the Tropical Forest Foundation OroVerde in projects in Guatemala. In addition to the protection and regeneration of forest land, it also includes the construction of water supplies and the improvement of water quality.

FORMEL D. THE DRIVING FORCE.



ENVIRONMENTAL PROTECTION. IMPLEMENTATION.

Environmental protection is an important part of all our process steps. As part of our NEO I and NEO II induction programs, we promote a better understanding of the environment among our managers and employees in order to create the prerequisites for practical implementation of environmental management.

Our environmental impact is limited to the areas of our workshops, offices and mobility. We promote and demand resource-saving consumption throughout the company in order to sustainably secure the positive development of the group. By using the best available technology and our organized processes we want to avoid malfunctions and accidents.

Formel D avoids the use of print products, for example for invoicing. Thanks to electronic invoicing, we have been saving time, money and resources since 2018. In addition, we are responding to the requirements of our customers. Another example of the implementation of environmental protection principles is the customer magazine of the Formel D Group. It is certified with the FSC seal and confirms that the paper used for it was sourced from responsible sources. In addition, all of our corporate and product brochures have been digitized since the beginning of 2018. Through our digitalization efforts, brochure printing has decreased by 90 % in the time since 2016 until the beginning of 2020.

For our successful digitalization efforts, we have received the "Digital Champion" award by the business magazine "Focus Money" three years in a row in 2019, 2020, and 2021.

With careful waste separation, economical use of energy and eco-friendly operating equipment at all sites, we actively contribute to the sustainable use of resources. For example, our operating equipment includes a solar system for the production of renewable energy in addition to the establishment of a modern, resource-saving wash system. With a total annual output of 20,000 kWh, the system on the roof of our former headquarters in Troisdorf achieved four times as much energy as is attributed to the consumption of an average four-person household until the move to Cologne at the end of 2020. (Source: Survey of the NRW Energy Agency).

At our site in Immendingen, which opened in 2020, we also attach great importance to energy efficiency and sustainability in our energy supply. The site is heated by a pellet heating system and is thus based on renewable energy sources. The

administration building is also classified as a "KfW-Effizienzhaus 55" (energy-efficient building), which means that we only use the most modern technologies for energy requirements in Immendingen. We also strive to minimize the environmental footprint of our business mobility.

First and foremost, we complete our business trips using public transportation or our company car fleet, which now includes five electric vehicles. We are also planning to purchase work bikes for Formel D employees. The selection of suitable means of transportation for business travel is not only based on the consideration of costs and time, but we also consider the lowest possible environmental impact.

If their job and operational requirements allow it, Formel D enables its employees to work from home at times. This measure ensures more flexible working arrangements for employees, but also makes an important contribution to lowering CO₂ emissions by reducing commuting to the workplace.

As part of its eco-friendly activities, Formel D actively supported a project by the internationally active tropical forest foundation OroVerde in Guatemala until the end of 2020. This was our contribution to protect the world's most biodiverse and most endangered ecosystems. We promoted the reforestation of former rainforest areas by using the 10 or 25 year anniversary of our employees as an opportunity to plant trees according to the jubilee number. More than 2,000 trees have been planted this way. As a result, a new rainforest will emerge in just a few years. Moreover, in a joint effort with the foundation and a local environmental organization, we built a stable water supply, trained local people, and raised awareness for the significance of protecting the important tropical forests.

As we want to remain involved in this area in the future, we are currently holding talks with potential partners and are confident that we will be able to launch a new collaboration in the near future.

As a global service provider, we pay close attention to the requirements of environmental protection and ecological sustainability in the continuous optimization of our processes. Our environmental management system is certified according to **DIN ISO 14001:2015** at four German locations: Cologne, RMC Kassel, VCC Ahlhorn, and Immendingen. We have designed the standardized management processes so that they can be implemented in every other Formel D location. This certi-

fication is planned for 2022 in France and Spain, for example. We consider it our responsibility to contribute to sustainable climate and resource conservation. In order to check the environmental protection requirements even more rigorously, we frequently audit compliance with energy regulations at all our German locations.

We are contributing to a reduction in energy consumption and CO₂ emissions with a wide range of measures – starting with appropriate lighting and behavioral concepts for employees including corresponding training to the implementation of energy audits. Additional concepts are currently being planned. In an effort to reduce emissions, we are focusing on alternative propulsion technology and transport means, among other things; work-related flights are only granted if there is no alternative.

In 2022, we will develop and introduce a concept for CO₂ reduction based on the Greenhouse Gas Protocol Policy (GHG Protocol Policy).



ENVIRONMENTAL PROTECTION. DETERMINATION OF THE RESULTS.

With frequent auditing by internal and external auditors, we can prove that we successfully implement occupational safety, health and environmental protection worldwide.

To ensure sustainable environmental development, environmental targets are defined for selected sites, which are audited and updated annually. Currently, we are determining the measured values of the presented key figures. Accordingly, we keep a constant eye on specific KPIs, including energy-saving measures, water and wastewater consumption, and emissions protection.

SUBSIDIARY IMMENDINGEN | GERMANY

ENVIRONMENTAL GOALS	KEY FIGURES	MEASURES
Expand improvement of e-charging infrastructure at the site by the end of 2022	Number of charging locations at the site	Construction and installation of new charging points at the site
Reduce specific paper consumption at the site by 3 % by the end of 2022 relative to the specific paper consumption of a comparable site.	Printer paper per test vehicle or employee (site-dependent)	Digitalization of workflows and processes, e.g.: <ul style="list-style-type: none"> Equipping test drivers with Formel D tablets
Improve communication and awareness of environmental management	Number of environmentally relevant contributions per year	Creation of 4 environmentally relevant contributions and publication via internal sources and media
Raise employee awareness at the site on the topic of economical use of energy (electricity, heating energy, fuels) and on possible energy efficiency measures through training/instruction by the end of 2025	Number of training courses and safety instructions	Implementation of at least 2 safety instructions per year for employees by the site's environmental officer on topics such as: <ul style="list-style-type: none"> Economical use of electricity Correct heating and ventilation Identification and reporting of energy efficiency potentials, etc.
Reduction of CO ₂ emissions for electricity consumption to zero by the end of 2022	0 % CO ₂ emissions from electricity consumption	Conversion of electricity procurement to electricity from renewable energy sources (100 %)
Increase e-mobility at the site by converting pool vehicles from combustion engines to electric drives by the end of 2022	Number of e-pool vehicles	Replace existing pool vehicles (combustion engines) with e-pool vehicles

SOCIAL RESPONSIBILITY. EVALUATION, STRATEGY AND GOALS.

We assume responsibility and actively shape the future through the targeted support of social and sustainable projects as well as the promotion and development of our employees.

Corporate Social Responsibility (CSR) with a focus on environmental protection and social responsibility is integrated in our corporate structure as a fixed position and as a task area. Every year, a large number of projects are initiated, coordinated and implemented in this area.

In addition to long-term partnerships, new projects on current topics are added every year. All projects/partners are periodically checked for their seriousness/sustainability. As an internationally operating company, the relevant plans of our subsidiaries are also reviewed worldwide every year in order to be able to support them actively when needed or, if necessary, to question aimless projects and guide them toward a social commitment appropriate for Formel D.

Topics involving employee events, employee development, onboarding of new employees as well as the relaunch of values are supervised by our Human Resource Management.

FORMEL D GUIDELINES | VALUES

Formel D guiding principles have been defined since 1998. As the number of employees has grown considerably since then, we have meanwhile adjusted the values to the current framework conditions together with employees from different nations and hierarchy levels. In the process, it became clear that our core values have remained the same despite the strong growth. This reinforces our belief that only values that are developed by employees and are practiced on a daily basis are also sustainable.

Our values are the guidelines for our daily work! In an increasingly dynamic, unpredictable and contradictory world, our company values are becoming increasingly important and serve as a guide to our choices and behavior.

In April 2019, the new values were communicated globally and supported by posters, brochures, a video message from our top management as well as a PowerPoint presentation with key questions in the local language for training purposes. All this is available at any time for all employees on the Formel D intranet. Each supervisor is required to discuss the new values in detail with his employees and to have them actively incorporated into their daily work.

In addition, the new values are regularly presented to new employees as part of our NEO I and NEO II induction program and integrated into our leadership training "Leadership Essentials".



➤ Quality



➤ Entrepreneurial mindset



➤ Future



➤ Global proximity



➤ Responsibility

Excerpt from our canon of values:

- We trust our employees and give them responsibility.
- We prepare our employees for future tasks.
- We share ideas and know-how worldwide.
- We think globally, but pay attention to regional and cultural peculiarities.
- We offer career prospects all over the world.
- We stand for diversity.
- We take responsibility for others.
- We act responsibly and value-oriented.
- We treat others with appreciation and respect and help each other.
- We address problems and find solutions together.
- We are socially engaged and take ecological responsibility.
- Together, we are Formel D!

EMPLOYEES

Appreciation, tolerance, and mutually respectful interaction are fundamental to a company that has more than 90 subsidiaries worldwide in 22 countries and works with approximately 10,500 people from 45 nations in intercultural teams.

The cultural diversity and diverse linguistic and social backgrounds promote our innovative strength and make the company fast, resourceful, flexible, and therefore sustainable.

EMPLOYEE DEVELOPMENT AND PROMOTION

Internal employee development and demand-oriented training for our employees are important components of Formel D's success strategy.

In our QM system, which meets the requirements of the **DIN EN ISO 9001:2015** standard, the continuous qualification of employees is manifested as a goal. Orientation of the training measures in the individual fields of development plays an important role:

- Training Demand Analysis/yearly
- Succession Planning Process | Potential Assessments
- Formel D values and competences
- Onboarding

EMPLOYEE EVENTS

With sports, we strengthen communication, convey values, and promote solidarity as well as international exchange. These objectives and of course a lot of fun, such as the soccer tournament and the company runs, are the focus of employee events.

The soccer tournament is centrally organized and financed and is a wonderful opportunity for employees from different sites (across Europe) to exchange ideas and strengthen cooperation beyond the professional context.

Interested employees get the necessary support to organize the company runs and receive matching, personalized Formel D running shirts. The team spirit of the employees is a valuable asset for Formel D. For this reason, events like these are particularly encouraged. Decentralized events, such as summer and Christmas celebrations, etc., strengthen the community and show appreciation to our employees.

Due to the coronavirus pandemic, many of the employee events in 2020 could not take place in the planned format – and this trend continued in 2021. In order to still boost the community spirit among employees, the corporate group offers alternative events digitally. For example, Formel D teams all over the world were able to participate in an online escape room challenge.

Furthermore, an online betting game on the occasion of the 2021 European Championship was very well received – even by non-European colleagues in other parts of the world. Several hundred participants competed against each other, but also used this event to exchange information on the current course of the tournament via the integrated chat function in the betting game. As soon as the coronavirus situation allows it, Formel D will hold the events listed in the previous paragraph in the familiar formats again.

SOCIAL RESPONSIBILITY. IMPLEMENTATION.

FORMEL D GUIDELINES | VALUES

Identification with the company is achieved, among other things, by the newly revised Formel D value canon. Since company values are only filled with life when as many employees as possible share these principles, it was particularly important for Formel D to involve numerous employees from various positions, areas and regions in the development. The updating was initiated because much has changed since the last revision of Formel D values, such as employee headcount, growth and globality, as well as in the industry and throughout the working world.



EMPLOYEE DEVELOPMENT AND PROMOTION

The annual performance reviews include the joint identification of personal development areas. Agreed training courses are documented in the training plan in order to develop, motivate, and retain employees for the long term. In addition, internal career opportunities are a valuable tool for employee loyalty and potential development. Employees can browse the internal job portal without obligation to look for new challenges or interesting activities within the Formel D Group.

Since 2021, Formel D has been separating the employee performance review from the compensation review in all parts of the world in order to ensure a uniform, fair, and transparent procedure in all national subsidiaries. With the introduction of the compensation review process, the Group is reinforcing the equal treatment principle and linking salary reviews to globally uniform review criteria.

FORMEL D. THE DRIVING FORCE.

Generally, our **training** and **digital learning formats** are available to all Formel D employees worldwide on the intranet and can be used after consultation with supervisors.

Excerpt from our development programs and courses

- Leadership Development Program | Virtual and in person
- Global Program PMQ | PM Qualification Program
- Training courses (around 150 training sessions in Germany alone with around 1,000 participants in 2019 and 2020)
- Formel D Training Academy
- "Train the Trainer" | International
- New Employee Onboarding Program | NEO I and NEO II

NEW TALENT DEVELOPMENT

Moreover, the promotion of young talent is important to us. Formel D trains apprentices in the fields of automotive mechatronics, merchant for office management, and IT specialist for system integration. An additional training program for industrial clerks is planned for 2021. With regard to dual degree programs, Formel D collaborates with various higher education institutions such as the FOM, the EUFH, the FHDW, and IUBH Munich.

Our HR Development department is working in coordination with the various regions to roll out and expand the additional training topics and is actively promoting young talent internationally.

COMPANY PENSION PLAN

Formel D is aware of its social responsibility and supports its employees in their retirement provision with financial subsidy.

EMPLOYER ATTRACTIVENESS,

Several awards highlight the positive status of Formel D as an employer. In 2019 and 2020, Formel D was distinguished two years in a row by Capital business magazine as one of the best training companies in Germany. The Group has ranked among the top companies in the two categories of training and cooperative education programs. This analysis was based on responses to a detailed questionnaire with over 90 questions.

In a population survey of "Germany's best employers" conducted by the high-circulation national daily newspaper "Die Welt", Formel D also achieved a result that was well above average and placed very high in the ranking of Germany's most attractive employers.

STAR CARE E. V.

We particularly care about the well-being of sick and disadvantaged children as well as children with social emergencies. As part of a partnership with the non-profit organization Star Care e. V., Formel D continued to support local social projects throughout Germany in 2019 and 2020, just like in previous years. With a lot of passion, dedication, and fast unbureaucratic help, members and partners promote, among other things, medical facilities, institutions for the disabled and children's homes.

Founded in 1999 as a non-profit association in Stuttgart, the network now has 25 members who are personally and voluntarily engaged. Around 30 partner companies, private individuals, and external friends are committed to the association. The proceeds from Star Care campaigns, events and donations will benefit vulnerable children. In June 2019, we supported the STAR CARE Charity Golf Cup in Stuttgart, whose donations benefitted the state school sports festival for the blind and visually impaired in Baden-Württemberg and Bavaria.

We were also a partner of the golf tournament in the summer of 2020. This time, the donations supported another education project for training pedagogical specialists in the field of children's and youth work.

www.starcare.de

BLOOD DONATION DAY

In 2019, Formel D held its first blood donation day in collaboration with the German Red Cross at the former Troisdorf headquarters, in which 42 employees took part. Further blood donation days – at different locations – are being planned, but could not be implemented so far due to the coronavirus pandemic.



DONATION CAMPAIGN OF OLD LAPTOPS TO HEY, ALTER E. V.

Almost all schoolchildren in Germany have already been confronted with homeschooling throughout the coronavirus pandemic. Beyond that, teaching is expected to become increasingly digitalized in the future. In order to prepare for professional careers, skilled handling of hardware and software is now often a prerequisite. In response to this development, the "Hey, Alter!" initiative wants to help children and young people who do not have their own computer, so they can have more equal opportunities. Formel D supports the idea and – after replacing the hard drive – donates all currently available, depreciated laptops to the initiative. In addition, Formel D employees also have the opportunity to donate old laptops or tablets to the "Hey, Alter!" initiative.



BOBBY CAR DONATION TO DAYCARE CENTERS

As in 2018, Formel D is planning to donate bobby cars to various daycare centers across Germany at the end of 2021, with the goal of putting a smile back on the faces of little "young drivers".



ECOVADIS

Formel D has been certified by EcoVadis for its active commitment to Corporate Social Responsibility. The award from the independent certification body underlines both the transparency that Formel D maintains with their international business partners, and their special dedication to more sustainability and social responsibility throughout the entire supply chain. Since 2007, EcoVadis has been assessing companies using 21 CSR issues which are grouped into four themes: Environment, Social Affairs, Ethics, and Sustainable Procurement.

The method of evaluation used by the rating agency is based on international CSR standards such as the Global Reporting Initiative, the United Nations Global Compact, as well as ISO 26000, and it takes into account 198 purchasing categories as well as 155 countries. Formel D was convincing in the rating with an overall result above average for the industry, particularly in the Social area which includes labor and human rights.

www.ecovadis.com



SOCIAL RESPONSIBILITY. DETERMINATION OF THE RESULTS.

As a result of the careful selection of our partners, foundations, etc., there were no known cases of misuse of our donation funds in the reporting period 2019–2021.

If it should ever be the case that funds are not used for the agreed purpose, the organization is discredited for various reasons, or projects or events do not serve the set social objectives, we will stop any cooperation immediately or suspend the current project or the current event and take care of an adequate replacement in the short term.

EMPLOYEE DEVELOPMENT AND PROMOTION

- Tracking of onboarding and performance review process through annual measurement of implementation
- Qualitative measurements/internal and external audits
- Employee performance reviews/performance management
- Training effectiveness is measured using both knowledge and practical tests.

Since 2021, we have been managing all these processes digitally via our talent management tool.

EMPLOYEE EVENTS

- Active collection of employee/participant feedback.

SOCIAL PROJECTS

- Reporting and feedback of project partners
- Online tracking of projects and project partners
- Regular, active review of projects and project partners

PROCESS FOR ANALYSIS AND PLANNING OF EMPLOYEE DEVELOPMENT

PERFORMANCE – RETENTION – EFFICENCY – SATISFACTION – LEADERSHIP SKILLS & CULTURE

ANALYSIS	PLANNING	MEASURES & PROGRAMS	ANALYSIS
FD values & competencies	Onboarding plan	Onboarding program	Effectiveness assessment
Qualification matrix	Qualification plan	(Virtual) Leadership trainings	Tests
Selected job profiles	Employee appraisal	(Virtual) PMQ program	Evaluation sheets
Employee appraisals career conversations	Annual training demand analysis	Other (virtual) trainings	Onboarding plan tracking
Onboarding	Success planning process	(Virtual) Fireside evenings	Employee appraisal tracking
Online (potential) assessments		Coachings	Tracking qualification plans
Management appraisals process		On the job training	
Succession planning process		International assignments	
		Job enrichment promotions	



FORMEL D. THE DRIVING FORCE.

FIGHT AGAINST CORRUPTION

Principle 10 Businesses should oppose all forms of corruption, including extortion and bribery.

FIGHT AGAINST CORRUPTION. EVALUATION, STRATEGY AND GOALS.

Formel D has a zero tolerance policy in regard to corrupt and other unlawful behaviour. We expect our managers, employees and business partners to refrain from corrupt behavior in every country.

This is also documented in our [Code of Conduct](#) and in our antitrust regulations. Any appearance of bribery or corruption must be avoided. The [Anti-Corruption Policy](#) defines specific conduct.

We expect our employees and corporate bodies to refrain from using any corrupt or other unlawful practices. All Formel D officers and employees are instructed not to provide personal benefits (gifts, entertainment, etc.) to domestic or foreign public officials, employees or agents of other companies, even if the benefits are of little personal value. There is a general ban on active and passive bribery. Furthermore, we prohibit unauthorized payments to employees or agents of other companies, either directly or indirectly, in order to be unfairly favored in business dealings. No personal benefits in connection with official duties may be demanded or accepted.

Gifts, entertainment, and other personal benefits can only be provided to employees or agents of other companies if the total value and the particular circumstances do not give the impression that the recipient is expected to behave in a certain way because of the benefit. In this case, the specific circumstances of the individual case are important, which are supposed to assess the social appropriateness or even necessity of granting the benefit, the value of the benefit, the frequency at which benefits are awarded to the recipient and the position of the recipient within our company.

Gifts, entertainment, and other personal benefits must never be secretly granted and must always be sent to the recipient's official business address. Transparency is important! In no case may our employees give away cash or cash equivalents. Before an invitation is issued or a gift is presented, it must be ensured that the recipient can legitimately accept the benefit.

In dealing with all service providers of Formel D, it should be noted that a written agreement to prevent corruption should be signed off by the service provider. This agreement must specify the services to be provided by the service provider and the remuneration to be paid in detail and in precise language. This also means that at the time of signing the agreement, the compensation to be received by the service provider must be accurately documented in numbers and percentages in the agreement. The subsequent cooperation between Formel D and the service provider must also be documented in writing.

Because sustainable development in our supply chain is important to us, we have integrated our anti-corruption regulations in the [Formel D Group Supplier Code of Conduct](#). It stipulates that our suppliers must comply with all applicable national and international rules of antitrust law and trade controls. Furthermore, we expect them to counter corruption and bribery, thereby ensuring that personal relationships do not affect business. Our suppliers must abstain from any form of money laundering activity.

We also have Codes of Conduct for our customers. They were confirmed by our Chief Compliance Officer. They must be taken into account and adhered to by all employees in projects with the respective customers.

FIGHT AGAINST CORRUPTION. IMPLEMENTATION.

Formel D does not make any unjustified payments to corporate bodies, employees and representatives of other companies, either directly or through service providers.

Since corrupt behavior can lead to severe sanctions for the individuals involved and for Formel D, we monitor compliance with laws and internal regulations as part of compliance management.

Formel D has **introduced a compliance program**, which among other things is expected to help avoid violations of our anti-corruption regulations. The compliance program also includes the anti-corruption guidelines, which every employee has received with his employment contract and must acknowledge and observe.

In order to facilitate the implementation of our compliance rules in everyday work life for our employees and to provide practical examples, we have been providing training documentation since 2015. This training format teaches the fundamentals of anti-corruption measures and describes typical situations in which conflicts in everyday work life could lead to compliance issues. This tool is available in German as well as in English for all Formel D locations. In addition, new executives undergo training on compliance guidelines at Formel D as part of NEO II training.

In order to protect Formel D and its employees as well as corporate bodies from these disadvantages, the avoidance of actually corrupt behavior alone is not enough. Even just the appearance of possible corrupt behavior should be avoided at all cost. In order to avoid the suspicion of corruption and the associated consequences, the regulations of our [Anti-Corruption Policy](#) must be observed.

For the organization, Formel D has appointed a Chief Compliance Officer as well as a Compliance Officer in each country or region. Furthermore, there is also a global compliance team that supports the Chief Compliance Officer.

In cases of doubt or suspicion of corrupt behavior, the employee must contact one of the two contact persons. Moreover, Formel D has introduced value limits and approval requirements, which require the approval of the responsible Chief Compliance Officer or Compliance Officer. Gifts, invitations to events, or other benefits up to a value of EUR 30,- do not require approval. If the value exceeds EUR 30,- prior approval of the Chief Compliance Officer or the Compliance Officer is required. Invitations to business lunches up to an amount of EUR 50,- are approval-free. Amounts above EUR 50 require the permission of the Chief Compliance Officer or the Compliance Officer. The granting of a gift and the name of the recipient must be reported to our Compliance Officer. The compliance officers keep a list of the gifts and recipients within their area of responsibility. The responsible compliance officer must document the granting or refusal of an approval with the name of the requesting person and the request.

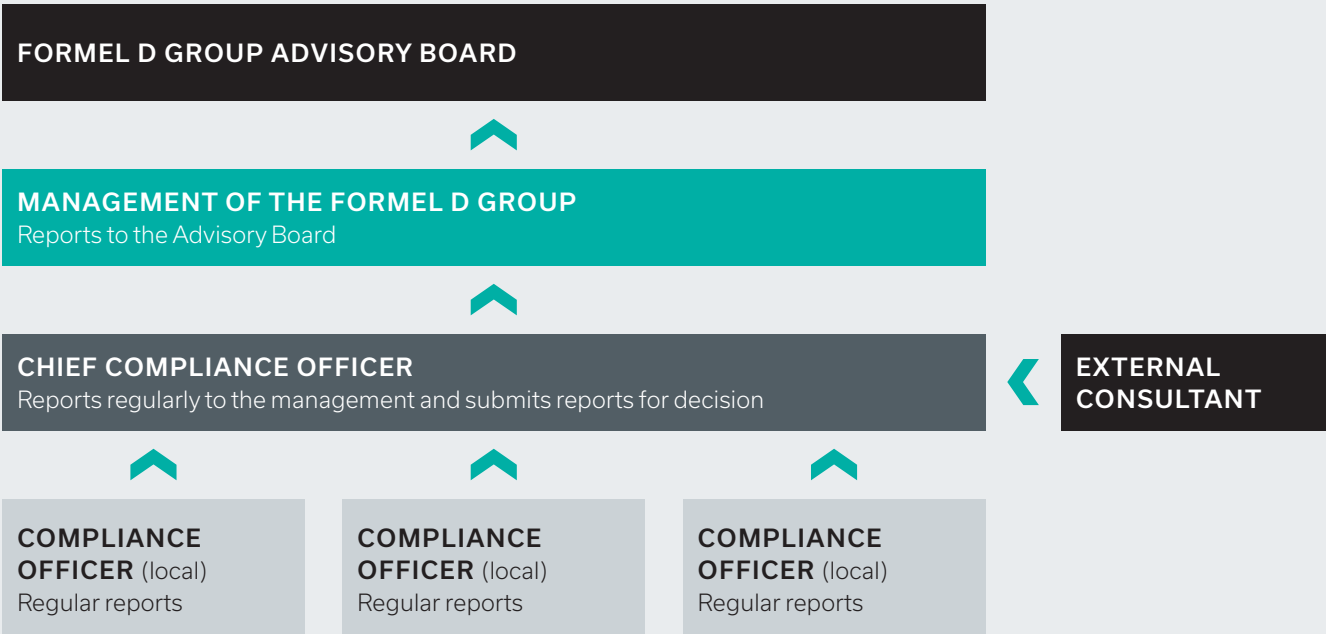
FIGHT AGAINST CORRUPTION. DETERMINATION OF THE RESULTS.

The corporate bodies of Formel D are responsible for the fulfillment of all regulations of the [Anti-Corruption Policy](#) within their company. Compliance with the guideline will be reviewed, both through a general review and, if necessary, through special audits. However, these measures do not exempt Formel D employees and organs from their duties under this guideline.

Violations of anti-corruption principles, including participation in concealing violations, can have work-related consequences. That is why Formel D expects the organs and employees to report violations.

The central control and reporting of the compliance principles are clearly regulated at Formel D. Individual incidents are independently and directly reported to the management so that they can take appropriate action.

COMPLIANCE MANAGEMENT | REPORTING



ANNEX.

CODE OF CONDUCT.

CODE OF CONDUCT OF THE FORMEL D GROUP.

REVISION: 9 | LAST UPDATED: 14.02.2022

FOREWORD

Dear Employees,

The success of Formel D GmbH and its affiliated companies within the meaning of §§ 15 ff. of the German Stock Corporation Act (hereinafter referred to as "Formel D" or "Formel D Group") depends largely on the integrity of its executive bodies, in particular the managing directors, members of the Advisory Board, and shareholders (hereinafter referred to as "organs", "corporate bodies", or "committees") and the employees¹ of Formel D. After all, integrity is the prerequisite for the reputation and economic success of a globally active company. An essential element of integrity is proper conduct in everyday business operations and day-to-day business. As an international company, Formel D must comply with numerous legal regulations domestically and abroad. Violations of such regulations must be avoided at all costs. Even presumably minor legal violations of organs and employees can significantly affect the reputation of Formel D and damage Formel D enormously – even financially. In addition, violations of the law can also have serious personal consequences for you as an organ or employee of Formel D.

We therefore expect you, the corporate bodies and employees of Formel D, to fully comply with and implement the Code of Conduct in your daily practice.

If you have additional questions about this Code of Conduct, the local compliance officer as well as the Chief Compliance Officer are your primary point of contact.

1. OBSERVANCE OF APPLICABLE LAW AND OTHER STATUTORY REGULATIONS

All Formel D organs and employees are obligated to comply with the laws and other relevant regulations of the countries in which they operate. We expect the same from our business partners. If statutory provisions or other regulations in a country in which Formel D operates differ from the provisions of this Code of Conduct, the stricter provisions must always be observed and applied.

2. CONFLICTS OF INTEREST

Formel D expects loyalty to the company from its corporate bodies and employees. You are therefore obligated to avoid situations in which your personal and financial interests create a conflict situation with the interests of Formel D. You are particularly prohibited from participating in companies of competitors, suppliers or customers or entering into business relationships with them in the private sphere, if the nature and scope of an ownership share may in any way influence any activity in the course of the activity at Formel D. Such an ownership share primarily refers to any economic engagement with competitors, suppliers, or customers. Furthermore, this includes all cases of non-negligible employment, such as the assumption of mandates, commencement of advisory relationships/contracts, or comparable orders. Similarly, Formel D organs or employees are not allowed to enter into any business relationships – either direct or indirect – with Formel D employees or their relatives.

3. CORRUPTION

As an organ or employee of Formel D, you must not grant any personal benefits (gifts, entertainment, etc.) to domestic or foreign public officials, even if the benefits are of little personal value. As a Formel D organ or employee, you are prohibited from offering or granting any personal advantages to any corporate body or employee of another company or any other third party in connection with official duties; you must also never demand or accept personal benefits from these persons in connection with official activities.

All organs and employees of Formel D are obligated to avoid any appearance of bribery or corruption.

Details and specific behavioral instructions can be found in the "Anti-Corruption" guideline, which is posted on the Formel D intranet in its currently applicable version as amended from time to time.

4. CONDUCT IN THE COMPETITIVE MARKET

It is in line with Formel D's policy to promote and ensure undistorted competition.

Formel D rejects any form of anticompetitive practice. In particular, all organs and employees of Formel D must avoid inadmissible agreements such as price fixing, market share agreements, regional market divisions, and resale price maintenance. Moreover, all organs and employees of Formel D must avoid exchanging confidential or competitive content during all contacts with competitors. Violations of competition regulations must be avoided without exception.

Details and specific instructions on conduct can be found in the "Antitrust Law" guideline, which is posted on the Formel D intranet in its currently applicable version as amended from time to time.

5. INTERNATIONAL TRADE

Formel D is aware of its responsibility in international trade. The legal provisions governing Formel D's products and services in international trade are binding. In particular, Formel D complies with all regulations concerning export control, such as the prohibition on economic contact with persons and states listed in embargo regulations. The organs and employees of Formel D are obligated to comply with the aforementioned legal provisions in international trade.

6. HANDLING OF INTERNAL KNOWLEDGE, CONFIDENTIALITY

As corporate bodies and employees of Formel D you are obligated to ensure fast and smooth exchange of information within the company. Knowledge relevant to the activity must not be withheld, falsified, or selectively passed on without proper justification. Information must be passed on correctly and completely to other business areas, unless priority interests (e.g. confidentiality agreements) exist in exceptional cases.

Company and trade secrets (e.g. technical data, company-related sound, image, and video recordings, financial data, operating data, customer information) must be treated confidentially by the organs and employees of Formel D. This also applies to other information whose confidentiality is im-

portant to Formel D and in which contractual partners or customers have a legitimate interest. Such information may only be used for legitimate purposes in the interest of Formel D and may not be disclosed to outside third parties without permission. This obligation supersedes any individual contractual confidentiality agreements. It also continues after termination of the service or employment relationship.

7. DATA PROTECTION

As organs and employees, you must adhere to the applicable legal and operational principles for protecting the personal data of employees, customers, and investors. For the protection of personal data, necessary care must be exercised in the context of the assigned task. It must be taken into account that the collection, storage, processing and other use of personal data may only take place on the legal basis, or with the consent of the data subject. Any identified defects must be reported to the supervisor or the responsible data protection officer immediately.

8. DOCUMENTATION OF BUSINESS TRANSACTIONS

All business transactions must be completely and comprehensively documented by the Formel D organs and employees in accordance with the statutory provisions and regulations and processes applicable to Formel D.

9. HANDLING OF COMPANY PROPERTY AND ASSETS

As Formel D organs and employees, you have a duty to handle the property and assets of the Formel D in an appropriate, economical, and responsible manner. The material and intangible assets of Formel D may only be used for operational purposes, unless otherwise provided for in individual cases or due to general operational regulations. No corporate body or employee may privately use the Company's assets and services for personal use.

10. RESPECT FOR HUMAN RIGHTS

Formel D respects the dignity of the people and is committed to the respect and protection of human rights. As Formel D organs and employees, you are obligated to ensure compliance with these generally valid rights. This does not only apply to cooperation within the company, but of course also to behavior towards business partners.

Child labor and any other exploitation of children and adolescents are not tolerated by Formel D. The minimum age for admission to employment must not be less than the age

at which compulsory education ends, and in no case less than 15 years. This obligation must be observed by the organs and employees of Formel D.

Formel D rejects any form of forced labor. No Formel D organ or employee may be forced to work, directly or indirectly, by force and/or intimidation. Employees must only be employed if they volunteer for employment. The organs and employees of Formel D are obligated to prevent any form of forced labor.

11. RESPECTFUL COOPERATION AND PROHIBITION OF DISCRIMINATION

There is great potential in the diversity of the employees. That is why Formel D employs people and institutions of different origins and experience out of conviction. All Formel D organs and employees are obligated to create an atmosphere of respectful togetherness and to prevent any discrimination, particularly based on race or ethnic origin, gender, religion or belief, disability, age, or sexual identity. Furthermore, they must report these types of incidences immediately to the relevant departments within the company. Any form of discrimination by or on behalf of organs and employees of Formel D is strictly prohibited.

12. RELATIONSHIPS AT WORK

The purpose of this section is to provide guidance to Formel D's organs and employees in areas where personal relationships overlap with employment relationships, and to ensure that no inappropriate actions, bias, abuse of authority, or conflicts of interest arise. Organs and employees of Formel D should react sensitively to actual or perceived conflicts that could arise from personal relationships with other Formel D employees. If personal relationships between employees of Formel D exist or develop, it should be reported confidentially to the respective superior.

If Formel D organs or employees are in a management position over the employee with whom a personal relationship exists, they should avoid being involved in the recruitment, selection, appraisal, promotion, remuneration, or other management-related processes/measures relating to that employee or in which that employee is involved. Formel D organs and employees should consider changing the reporting relationship as soon as possible if a personal relationship with Formel D employees exists or develops. In addition, they should avoid working with a Formel D employee

in circumstances where a conflict of interest, a breach of confidentiality, or an unfair advantage resulting from the overlap of the personal and professional relationship could be assumed.

Formel D has the right to take appropriate measures to remedy any situation wherein it is reasonable for Formel D to assume that a personal relationship between Formel D employees could have an adverse effect on the company. The same applies to a situation that potentially poses an identifiable risk to the business or if there are other adverse effects or threats of such effects to the business. In particular, the remedy may involve the transfer of one of the employees to another department; or, if this is not possible, either party may be requested to terminate the employment relationship with Formel D.

13. SAFETY AND HEALTH

All corporate bodies and employees must ensure a safe and healthy work environment. Strict compliance with safety regulations and practices is an essential requirement for our business activities. All Formel D organs and employees are required to report violations of these principles immediately to the appropriate authorities in the company. Any abuses must be remedied immediately.

14. ENVIRONMENTAL PROTECTION AND SUSTAINABILITY

Formel D is aware of the environmental impact of its business activities and is committed to protecting soil, water, air, biodiversity, and cultural assets. All organs and employees must prevent the occurrence of harmful environmental effects in the performance of their tasks by avoiding and reducing measures in line with sustainable management and to handle natural resources with care.

As a future-oriented, global company, we attach particular importance to a resource-efficient approach throughout the entire work process. We align our daily activities based on our in-house sustainability principle, which includes social and ecological commitment as well as sustainability.

15. SOCIAL NETWORK AND MEDIA

Formel D's organs and employees are responsible for what they do and publish on social networks and media. This responsibility must be consciously handled in everyone's own interest and in the interest of Formel D.

When Formel D organs and employees express their opinion on social networks and media outside of a work assignment, they must always make it clear that they are expressing their personal opinion and not speaking for Formel D. Therefore, in such cases the wording "I" should be used instead of "we".

If private comments are made on a topic related to work or the employer, it should be clearly disclosed that you are employed by Formel D, e.g. by including a disclaimer. This applies especially to answers in forums or blog comments.

If posts are made on behalf of the company, this must also be indicated, e.g. by including a corresponding signature: "First name Last name, Formel D".

If Formel D organs and employees use social networks and media, all contractual obligations concluded on the basis of their employment with Formel D are fully applicable. In particular, confidential information may not be disclosed to third parties by Formel D organs and employees. Data protection must always be respected. Defamatory, insulting, or otherwise unlawful content may not be published. Content without corresponding copyright references may not be published on the internet, copyrights of third parties must be observed, and the right of third-party persons to their own likeness may not be violated. Moreover, competitors or their products as well as Formel D and its employees must never be directly or indirectly discredited by contributions on social networks and other media.

16. PROHIBITION OF MONEY LAUNDERING AND TERRORIST FINANCING

In most countries of the world there are laws against money laundering and terrorist financing. We encourage all Formel D Group organs and employees not to engage in any activities that may violate domestic or foreign regulations on money laundering or terrorist financing.

It is our goal to only maintain business relationships with reputable partners whose business activities are in compliance with the law. Therefore, we always meticulously verify the identity of our business partners. We immediately allocate incoming payments to the corresponding services and post them. We ensure transparent and open payment flows.

If suspicious behavior is observed by business partners, it must be reported immediately to the Chief Compliance Officer.

17. INTERNAL COMPLIANCE ORGANIZATION

Among other things, Formel D has appointed a Chief Compliance Officer to monitor compliance with the principles laid down in this Code of Conduct as well as other local compliance officers in the individual subsidiaries who report to the Chief Compliance Officer.

The contact details of the Chief Compliance Officer and the local compliance officers are displayed on the intranet under the "Compliance" heading.

Any notice of violation of this Code of Conduct or any of the guidelines referred to herein as well as any other information or suggestions about this Code of Conduct or other compliance issues may be disclosed to the Chief Compliance Officer or to a local compliance officer.

18. COMPLIANCE WITH AND IMPLEMENTATION OF THE CODE OF CONDUCT

The organs and other executives of Formel D have a special responsibility for compliance with and implementation of this Code of Conduct and are required to convey the meaning and content of this Code of Conduct to the Formel D employees. They must also lead by example and assist in its implementation and observance.

The Formel D organs and other executives are responsible for ensuring that the Code of Conduct is followed by all Formel D employees. Therefore, they monitor their compliance.

The Managing Director of Formel D and the Chief Compliance Officer regularly have their compliance with the principles of labor standards assessed through general audits and, if necessary, through special audits.

Violations of the Code of Conduct by Formel D organs and employees will never be tolerated and may lead to disciplinary actions depending on the severity of the violation.

By signing below, the signatories undertake to comply with and implement the aforementioned provisions of this Code of Conduct and to report any violation immediately to the relevant competent authority in the company (in case of doubt, the Chief Compliance Officer).

ANNEX.

SUPPLIER CODE OF CONDUCT.

CODE OF CONDUCT FOR SUPPLIERS OF FORMEL D GROUP.

REVISION: 5 | LAST UPDATED: 18.11.2021

FOREWORD

For the selection of our suppliers and for assessing new and existing supply relationships, Formel D considers economic criteria as well as environmental protection, compliance with human rights, labor, and social standards as well as anti-discrimination and anti-corruption requirements. In our business transactions, we combine economic success, social responsibility, and environmental protection, and enable our clients to meet the current and future needs of society.

We combine our strengths with the expertise of our suppliers, taking advantage of all opportunities that facilitate sustainable development for us. It also means that we expect our suppliers and their vendors and suppliers to fully comply with all applicable laws and to comply with internationally recognized environmental, social and corporate governance standards.

As a supplier, we especially expect you to apply and support the following standards. They are based on the ten principles of the United Nations Global Compact Initiative.

1. ENVIRONMENT

- You proceed according to the precautionary principle with regard to environmental problems. You are taking initiatives to promote greater environmental responsibility and the development and diffusion of environmentally friendly technologies.
- They guarantee optimal environmental protection in all phases of production. This includes a proactive approach to avoiding or minimizing the consequences of accidents that may adversely affect the environment.
- You typecast and monitor the general emissions from the operations (air and noise emissions) as well as greenhouse gas emissions and production effluents before they are released, and treat them as needed to maintain optimum air and water quality.
Of particular importance is the application and further development of energy- and water-saving technologies, characterized by the use of strategies for emission reduction, reuse, reprocessing, waste prevention, and the optimal use of natural resources.
- You ensure that all products manufactured along the supply chain meet the environmental standards of their respective market segment. This includes all substances and materials used in production. Chemicals and other substances that become hazardous if released into the environment must be identified. A hazardous substance management has been set up so that they can be safely handled, transported, stored, reprocessed or reused, and disposed of using suitable procedures.
- You consider sustainability criteria in the continuous improvement of your environmental principles and promote the preservation of our ecosystem.

2. SAFETY AND HEALTH

- You ensure the safety and health of your employees and promote a safe and healthy work environment.
- You strictly comply with applicable labor laws, apply all safety ordinances, guidelines, regulations, and practices, and monitor the implementation of their contents.
- You take preventive measures to ensure occupational safety and promote accident prevention.
- You create an ergonomic work environment and provide preventive checkups to minimize health risks for employees.
- You conduct frequent safety instructions and training sessions about occupational safety; you also document them and monitor proper implementation of the content.

- You operate a systematic and traceable management system for occupational safety and health and guarantee safe and responsible protection of your employees.

3. COMPANY

- You support the protection of internationally proclaimed human rights. This includes minimum wage and working hours.
- You fight against forced labor, child labor and discrimination in the workplace.
- You support the right to organize and the right to collective bargaining.

4. GOVERNANCE

- You comply with all applicable national and international rules of antitrust and trade control.
- You fight against corruption and bribery and ensure that personal relationships do not affect business.
- You avoid any form of money laundering activity.
- You promote the maintenance of an open, transparent, and compliant corporate culture through the use of a whistleblower system. Using this system, you facilitate secure and anonymous communication and ensure whistleblower protection.

5. DATA PROTECTION

- You comply with the relevant statutory and company principles for the protection of personal and potentially sensitive data of your employees, customers, and investors.
- You must exercise due care to protect personal and potentially sensitive data in the context of the assigned task.
- You must take into account that the collection, storage, processing, and other use of personal and potentially sensitive data may only take place on the relevant legal basis or with the consent of the data subject.

4. TRUST

Our relationships with you are based on mutual trust and respect. You can also demonstrate your commitment to the above principles through your own Code of Conduct or through your own corporate policy that incorporates these standards.

However, Formel D reserves the right to use any of the following methods to review your compliance with these standards and to take further action if there is cause for concern:

- **Self-assessment:**

We reserve the right to ask you to complete a questionnaire regarding compliance with the above standards.

- **Third party rating:**

We reserve the right to ask third parties (such as data providers) for desktop information regarding handling and compliance with the above referenced standards.

- **Certificates/statements:**

We reserve the right to ask you for a certificate or statement confirming compliance with the above referenced standards.

- **On-site audits:**

We or a third party commissioned by us may ask you for permission to demonstrate compliance with the above-mentioned standards locally.

It is important to us to ensure the principles of sustainable development in our supply chain. You are part of this supply chain – Formel D is counting on you!

ANNEX.

CODE OF ANTI-CORRUPTION POLICY.

ANTI-CORRUPTION POLICY OF THE FORMEL D GROUP.

REVISION: 7 | LAST UPDATED: JUNE 21, 2019

1. INTRODUCTION

We, the Formel D GmbH and its subsidiaries (collectively "Formel D"), observe the laws of all countries in which we operate. We reject corruption and other unlawful behavior and we do not tolerate such behavior. We expect that you, the corporate bodies and employees of Formel D, do not tolerate any kind of corrupt or other unlawful practices. We expect the same from our business partners.

2. POSSIBLE CONSEQUENCES OF CORRUPT CONDUCT

Active corruption (bribery, granting of benefits) and passive corruption (bribery, acceptance of benefits) are serious crimes. Corrupt behavior can lead to serious sanctions and other serious consequences for the persons involved and for Formel D. Authorities are investigating corruption cases with increasing intensity. The risks of discovery and punishment are high.

In order to protect Formel D and its employees and corporate bodies from these consequences, the avoidance of actually corrupt behavior alone is not enough. Even just the appearance of possible corrupt behavior should be avoided at all cost. In order to avoid the suspicion of corruption and the associated consequences, the provisions of this guideline must be carefully observed.

3. GUIDELINES FOR PREVENTING PASSIVE CORRUPTION

As corporate bodies and employees of Formel D, you may only accept personal benefits (e.g. invitations to restaurants or to events, gifts, personal discounts or other benefits) from present or potential business partners for yourself or for persons close to you (e.g. spouse or life partner, relatives, friends), if it does not give the impression that you are expecting something in return. This applies even if you do not intend to change your behavior towards a business partner, i.e. if the benefit has no influence on your behavior.

For your own protection, Formel D has introduced the following value limits and approval requirements:

Addressee

- Corporate bodies and employees of the Formel D Group

Gifts, invitations to events and other benefits

- Up to EUR 30,- without permission
- Above EUR 30,- only with prior written approval by the responsible compliance officer or Chief Compliance Officer

Invitations to business lunches/dinners

- Up to EUR 50,- without permission
- Above EUR 50,- only with prior written approval by the responsible compliance officer or Chief Compliance Officer

The responsible compliance officer must document the granting or refusal of an approval (see above) with the name of the requesting person and the request.

In addition, always observe the following:

- Benefits should never be secretly accepted.
- You may not accept gifts or other benefits sent to your home address or to persons close to you.
- Cash or cash equivalents (e.g. vouchers) may not be accepted in any case.
- Invitations to events, or business dinners in potentially image-damaging or even dubious facilities may not be accepted.
- If you purchase goods or services from suppliers, customers or other business partners for personal use, you must pay the market price and document the payment.
- If it is unclear whether a benefit may be accepted, the responsible compliance officer must be consulted prior to acceptance.

4. CONDUCT IN THE COMPETITIVE MARKET

4.1. INVITATIONS, GIFTS AND OTHER BENEFITS; VALUE LIMITS

The offering, promise or granting of personal benefits (e.g. invitations to restaurants or events, gifts, personal discounts or benefits) to employees or representatives of other companies or to persons close to them (e.g. spouses, life partners, relatives, friends) is only permitted if the total value of the benefit and the specific circumstances of the individual case do not provide the impression that the recipient of the benefit is expecting certain behavior in return.

Whether this is the case depends on the specific circumstances of the case, in particular on the following factors:

- Value of the benefit
- Frequency in which benefits are granted
- Position of the recipient within his company
- Social appropriateness or even necessity of granting the benefit (e.g. giving a bouquet of flowers when invited).

In addition, always observe the following:

- Benefits should never be secretly given.
- Invitations, gifts or other benefits should always be sent to the recipient's official business address, not the home address.
- Cash or cash equivalents (e.g. vouchers) may not be accepted in any case.
- Invitations for events or business lunches/dinners should never include potentially image damaging or even dubious facilities.
- Some countries and companies completely prohibit corporate bodies and employees from accepting invitations or gifts. Other countries and companies provide value limits for benefits that may be accepted by corporate bodies and employees. Before an invitation or a gift is presented, it must be ensured that the recipient can legitimately accept the benefit.
- The granting of a gift and the name of the recipient must be reported to the responsible compliance officer. The compliance officers keep a list of the gifts and recipients within their area of responsibility.
- If it is unclear whether a benefit may be granted, the responsible compliance officer must be consulted prior to presenting it.

4.2. STRICTER RULES FOR CONTACTS WITH PUBLIC OFFICIALS

The anticorruption law of many countries contains strict rules regarding domestic and foreign officials (civil servants, elected officials, soldiers or other public office holders). In some countries, for example in Germany, granting personal benefits is prohibited, even if the benefits are of little value and would be acceptable if granted to employees or corporate bodies of a company. With that in mind, Formel D and its corporate bodies and staff do not give personal benefits to domestic and foreign public officials, even if the benefits are of little value.

4.3. NO FACILITATION PAYMENTS

Payments to public officials at the transactional level, which are designed to speed up the performance of official acts that are legally entitled, are common in some countries. These so-called "facilitation payments" are unlawful in most cases and countries – including in Germany. Formel D and its corporate bodies and employees therefore never make any facilitation payments.

4.4. RELATIONS WITH SERVICE PROVIDERS

The following rules must always be observed when dealing with service providers:

Before a service provider acts for, or on behalf of, Formel D, a written agreement with the service provider must be signed. This agreement must specify the services to be provided by the service provider and the remuneration to be paid in detail and in precise language. This also means that at the time of signing the agreement, the compensation that the service provider is supposed to receive must be accurately documented in the agreement in numbers or percent (such as a commission on a purchase price).

The following collaboration between Formel D and the service provider must also be documented in writing:

Significant documents showing the activities of the service provider (e.g. activity reports of a sales agent about his customer visits, etc.) must be available. Please note in this context that it is inadequate to only submit invoices of the service provider without further evidence of the actual provision of his services.

4.5. PAYMENTS BY FORMEL D

Formel D does not make any unjustified payments to corporate bodies, employees or representatives of other companies, either directly or through service providers. Even if such payments are common in some countries, they are considered unlawful and unacceptable to Formel D.

All payments to customers (and their officers and employees) must be documented in such a way that, in the event of an administrative inquiry, Formel D can demonstrate that the payments met the conditions set out in **Annex 1** and that they were legitimate payments to customers and not kick-backs (this includes payments, loans and other benefits that are granted, directly or indirectly, by an employee or intermediary for the purpose of obtaining or remunerating an improper benefit in the course of a business or contractual relationship).

5. DONATIONS

Donations to political parties or their officials are prohibited. Other donations (e.g. to support science and research, arts, culture and sports, or social and charitable work) must always be approved in advance by the Chief Compliance Officer.

Each donation must be recorded in such a way that the recipient and the intended use are clearly identifiable.

6. COMPLIANCE WITH STRICTER RULES

It is possible that the laws of individual countries provide stricter rules for preventing corruption than this guideline. In such cases, always follow these stricter rules. Conversely, if the rules of this guideline are stricter than the applicable law, this guideline should be followed.

7. ACCOUNTABILITY AND MONITORING

The corporate bodies of Formel D are responsible for complying with all the provisions of this guideline within their company. Compliance with this guideline will be reviewed, both through general reviews and, if necessary, through special audits. However, these measures do not exempt Formel D employees and corporate bodies from their duties under this policy.

8. CONSEQUENCES OF VIOLATIONS OF THIS GUIDELINE

Violations of this policy, including participation in concealing violations, can have work-related consequences. This also applies to violations of the documentation requirements according to **Annex 1** of this guideline.

Formel D expects that from its corporate bodies and employees that they report violations and take this information into account in favor of the reporters, even if they were involved in infringements.

9. QUESTIONS AND DOUBTS

If you have questions that are not addressed by this guideline, or if you are unsure about what to do, contact your local compliance officer or the Chief Compliance Officer.

ANNEX.

CODE OF CARTEL LAW.

CARTEL RIGHTS POLICY OF THE FORMEL D GROUP.

REVISION: 6 | LAST UPDATED: DECEMBER 18, 2017

1. OBJECTIVE

The present guideline is intended to ensure compliance with German and EU antitrust laws at Formel D GmbH and its subsidiaries ("Formel D"), provided that their business activities can have an impact within the territory of the Federal Republic of Germany or the other European Union. Its main function is to prevent violations of antitrust rules by establishing binding guidelines.

This guideline does not exempt from the obligation to observe antitrust regulations of other jurisdictions, if they are applicable.

2. PREVENTING ANTITRUST VIOLATIONS AT FORMEL D

Violations of antitrust prohibitions can have serious consequences, which can harm the company as well as individually affect the persons involved.

Among other things, violations of antitrust prohibitions may lead

- to the invalidity of contractual provisions,
- obligate to pay damages, lead to
- house searches, confiscation, and interrogations as well as fines and injunction notices by the antitrust authorities,
- justify personal liability of the persons involved as well as labor law consequences up to termination without notice,
- and in the case of bidder agreements for tenders even criminal liability.

2.1. AWARENESS AND COMPLIANCE BY ALL EMPLOYEES

The most important element of prevention is awareness by all employees about the fundamental requirements of antitrust law and their observance in day-to-day operations.

2.2. THE COMPLIANCE OFFICER

The compliance officer of Formel D plays a central role in the prevention of antitrust violations. In all cases of doubt and suspicion, the compliance officer must always be notified. **The contact details of the compliance officer can be found on the intranet under Compliance/Compliance Reporting.**

2.3. ACTION IN CASE OF DOUBT

The present guideline gives an overview of the most important prohibitions in dealing with competitors, customers and suppliers and limits of antitrust clauses. Nonetheless, in day-to-day practice, situations will emerge in which an adequate assessment of admissibility under antitrust law is not possible without expert support.

If any doubt arises, it is imperative to consult the compliance officer prior to any action. He will tell you how to proceed. However, the ultimate decision-making power as to whether and which **measures should be taken in dubious cases under antitrust law** lies with the management of Formel D GmbH.

2.4. CONSEQUENCES OF VIOLATIONS OF THIS GUIDELINE

Violations of this policy, including participation in concealing violations, can have work-related consequences.

Formel D expects you to report violations and takes that information into account for the benefit of the whistleblowers, even if they were involved in the violations.

3. ANTITRUST REQUIREMENTS

German and EU antitrust law is governed by the Act Against Restraints of Competition ("GWB") and EU law (in particular Articles 101 and 102 of the Treaty on the Functioning of the European Union["TFEU"]). According

- to this act, anticompetitive agreements or coordinated measures between companies are generally not permitted ("**Prohibition of Restrictive Agreements**"), Art. 101 TFEU, § 1 GWB;
- no market-dominating or **powerful companies** can pursue unilateral abuse or obstruction strategies against suppliers, customers or competitors; Art. 102 TFEU, §§ 19, 20 GWB,
- the **boycott prohibition** of § 21 (1) GWB must be observed.

3.1. THE PROHIBITION OF ANTICOMPETITIVE AGREEMENTS

The prohibition of anticompetitive agreements forbids agreements between companies, resolutions of company associations and concerted practices which aim to prevent, restrict or distort of competition.

The term 'agreement' is to be understood in its broader meaning and does not require a legally binding agreement. Informal or implied agreements are also included. "Concerted practices" are any form of unspoken but deliberate coordination of competitive practices; by contrast, autonomous reaction to measures taken by competitors is allowed.

3.1.1. REQUIREMENTS FOR DEALING WITH COMPETITORS

The most stringent requirements of antitrust law are the way in which a company interacts with its competitors, with a distinction being made between the strictly prohibited "hardcore" cartels and the other agreements between competitors.

3.1.2. HARDCORE CARTELS

Hardcore cartels are frequently punished with heavy fines. The "leniency program", which allows a member of the cartel who contributes to the exposure of the infringement to go unpunished, also entails a high detection risk for all other cartel members.

Participation in hardcore cartels is strictly prohibited in any form!

The forbidden hardcore cartels between competitors include, in particular,

- **price fixing** and any type of collusion on directly price-relevant terms, arrangements to stabilize the price level or favoring individual companies in tenders, agreements on maximum and minimum prices, on price components, cost calculation schemes, the extent of discounts or on the timing of price changes,
- **Market segmentation** such as the allocation of certain areas or customers or the determination of certain (sales) quotas or production capacities,
- **agreements on conditions that are not directly price-related**, e.g. on the scope of warranties and guarantees, granted payment terms, etc.; however, the alignment of conditions may allow the customer a better comparison of price and performance, and thus may be permissible; if and when these conditions are met in individual cases, it must be carefully checked in each individual case,

- **Exchange of information** when the exchange promotes coordination, even unspoken, regarding prices, customers, quotas, conditions, etc., especially when individual competitors tell each other their prices, discounts, costs, terms, production quotas or customers.

Therefore, special care must be taken at meetings involving two or more competitors (such as association meetings, customer events, trade fairs). If inadmissible arrangements are made or information is exchanged in such a meeting, there is a risk for anyone present, even passively, to be charged for the offense against the cartel prohibition. To avoid this, you must immediately protest as a participant, record your protest and, if the violation continues, leave the meeting. Afterwards, you must inform the compliance officer about the incident. It is not enough for you to simply remain silent and listen to the conversation without active participation.

3.1.3. OTHER COLLUSION BETWEEN COMPETITORS

In addition to the hardcore cartels, any other collaboration of competitors in individual cases may be inadmissible. This concerns any cooperation in the area

- Research and Development
- License agreements
- Production
- Purchasing
- Distribution
- Defining norms and standards
- for the commissioning of competitors as subcontractors.

Such agreements, if made between competitors, may only be entered into after prior involvement of the compliance officer.

3.1.4. REQUIREMENTS IN DEALING WITH CUSTOMERS OR SUPPLIERS

In contracts with customers or suppliers, the following agreements may be particularly critical under antitrust law:

- **Price commitments** where the supplying contractor prescribes to its buyer the resale prices for the contract products or exerts pressure or incentives for certain resale prices, which is a particularly critical and potentially finable practice,
- **Prohibition of resale** whereby the supplying contracting party prohibits its buyer from reselling the contractual products wholly or in certain respects (in particular to certain countries or to certain customer groups); this is a particularly critical and potentially felonious conduct,
- **Most-favored-nation clauses** where a customer contractually obligates his supplier to always grant him the favorable terms and conditions that he then grants to other customers,
- **Exclusive arrangements**, such as **non-competition clauses** (i.e. the customer may obtain all or most of his (80 %) demand for the contract products from the supplying contractor only), or **exclusive supply obligations** (i.e. the supplying contract partner may only deliver to one customer); this includes "de facto" exclusive arrangements, such as the customer's obligation to purchase certain quantities.
- Exclusive arrangements or rights restrictions in **license agreements or R&D contracts**.

This also includes possible deviations of such behavior.

All such agreements may only be concluded after the prior involvement of the compliance officer.

3.1.5. SALES ORGANIZATION

The antitrust law places further demands on the organization of a sales structure. They are not presented here; individual legal advice should be requested for them.

3.2. THE PROHIBITION OF ABUSE OF A MARKET-DOMINATING POSITION

The prohibition of abuse of a market-dominating position

- applies only to companies that hold a dominant position or
- a strong market presence.

A company is **market-dominating** if it is not exposed to any or insignificant competition or whose market position is so superior that its room for maneuver cannot be sufficiently controlled by the competition. An indication of a market-dominating position is, in particular, a high market share as a supplier or buyer in the relevant market. A (refutable) presumption of market dominance exists with a market share of 40 %. Even a group of companies (two or more) may have a joint market-dominating position (so-called oligopoly).

A company is considered to have a **strong market presence**, if small or medium-sized enterprises depend on it as suppliers or customers in such a way that adequate and reasonable opportunities for evasion do not exist.

Market-dominating/market-strong companies are **prohibited from exploiting the other side of the market** (customers or suppliers) as well as **from obstructing competitors** (also indirectly, for example, through long-term customer exclusivity). In particular, the prohibited practices on the part of the dominant/strong market supplier include:

- Non-compete agreements to induce the customer to procure all or most of his needs for the contract products from the supplier.
- Rebate systems with which the supplier binds its customers through price incentives, in particular through loyalty discounts.
- Discrimination wherein the supplier requires different prices or terms from similar customers under the same conditions.
- Refusal to supply, wherein the supplier does not supply individual buyers even though they are actually the type of companies normally supplied,
- Coupling, wherein the supplier only sells the products for which he dominates the market in as a package deal with other products although he could sell both products separately,
- Dumping prices, wherein the supplier sells below the cost price to drive out competitors.

You should not try to figure out the answer to the question of whether and in which markets Formel D is dominant. Therefore, you should avoid any of the behaviors that are forbidden to market dominators without first consulting the compliance officer. He will then check to see which steps are required.

3.3. BOYCOTT PROHIBITION

The boycott prohibition forbids one company from asking another company not to buy from a third party or not to supply a third party to unduly affect that third party.

Example:

If a specialist retailer association asks a manufacturer to stop delivering to non-specialist retailers in the future (delivery block) or if they ask their members not to buy from a certain manufacturer (supply block), they are boycotting.

Such practices should only be exercised after prior involvement of the compliance officer; in case of doubt they must be avoided.

ANNEX.

SUSTAINABILITY POLICY FOR SOCIAL RESPONSIBILITY.

The **Sustainability Policy** is the basis for Formel D Group's claims regarding economic, ecological, and social responsibility. The specific objective of this guideline is to create a common responsible and sustainable foundation with our customers, employees, and suppliers.

1. OCCUPATIONAL AND HEALTH PROTECTION

Occupational health and safety in the workplace must be guaranteed at least within the framework of national regulations. In addition, continuous development to improve working conditions must be ensured.

2. WAGES AND SOCIAL BENEFITS, WORKING HOURS

Remuneration and social benefits must comply with the basic principles regarding minimum wages, overtime, and legally required social benefits. Working hours must at least comply with applicable laws.

3. FREEDOM OF ASSOCIATION AND ASSEMBLY

Employees must be able to communicate openly and with respect and mutual trust within the company as well as with management regarding working conditions without fear of disadvantage. All employees have the right to associate, to join an employee organization, and to appoint and be elected as a representative.

4. FREE CHOICE OF EMPLOYMENT

The free choice of employment must be respected. Any kind of forced labor or human trafficking must not be tolerated. All work performance must be voluntary, and workers may terminate employment at any time.

5. PROHIBITION OF CHILD LABOR

Formel D Group condemns child labor and complies with laws and regulations regarding minimum age for admission to employment and work.

All customers and suppliers are required to comply with these regulations as well.

6. PROHIBITION OF DISCRIMINATION

Active and passive forms of discrimination against employees in any form are prohibited.

7. ENVIRONMENTAL PROTECTION AND ENERGY MANAGEMENT

The Formel D Group tries to keep the burden on the environment as low as possible by using natural resources carefully and sparingly so that residual materials and waste are minimized. In doing so, the company observes all existing environmental laws and regulations and expects the same from all employees and business partners.

ANNEX. MEETING RULES.



MEETING RULES



ICH BEREITE MICH VOR,
damit ich konstruktiv mitarbeiten kann.

I PREPARE MYSELF,
so I can make a constructive contribution.



ICH KOMME UND BEGINNE PÜNKTLICH,
damit ich niemanden warten lasse.

I ARRIVE AND START ON TIME,
so I don't keep anyone waiting.



ICH WÄHLE EINEN LEITSATZ FÜR
DIE LEITSATZRUNDE,
um über meine aktuellen Themen zu informieren.

I CHOOSE ONE OF OUR GUIDING PRINCIPLES
FOR THE GUIDING PRINCIPLE "ROUND",
to inform the others about my current issues.



ICH ARBEITE AKTIV MIT,
damit jeder seinen Teil
zur Zielerreichung beiträgt.

I ACTIVELY TAKE PART,
to ensure that everyone helps
to achieve our goal.



ICH FASSE MICH KURZ UND
BLEIBE BEIM THEMA,
damit alle zu Wort kommen und Entscheidungen
zügig getroffen werden.

I SPEAK CONCISELY AND
STICK TO THE TOPIC,
so everyone has a chance to speak
and decisions can be made quickly.



ICH RESPEKTIERE DIE MEINUNG ANDERER,
damit das bestmögliche Ergebnis erzielt wird.

I RESPECT THE OPINIONS OF OTHERS,
to ensure the best possible result is achieved.



ICH LASSE ANDERE AUSREDEN,
damit jeder Beitrag volle
Beachtung bekommt.

I LET OTHERS FINISH SPEAKING,
so each contribution gets the attention
it deserves.



ICH ÄUSSERE
INHALTICHE BEDENKEN,
denn Schweigen bedeutet Zustimmung.

I EXPRESS MY DOUBTS ON THE
CONTENT BEING DISCUSSED,
because silence means consent.



ICH NUTZE MOBILE GERÄTE NUR
NACH ABSPRACHE,
damit jeder konzentriert und effizient arbeiten kann.

I CHECK WITH THE OTHERS BEFORE
USING MOBILE DEVICES,
so everyone can concentrate and work efficiently.

FORMEL D.
GLOBAL PARTNER FOR
VEHICLE, PARTS AND
SERVICE READINESS.



FORMEL D

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