

# 2022 SUSTAINABILITY REPORT

Reporting Period: January 1, 2022 to December 31, 2022

**HENNIGES**  
AUTOMOTIVE

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# OUR VISION

To become the global leader of  
highly engineered sealing  
systems for the transportation  
industry that delivers  
exceptional shareholder value

**HENNIGES**  
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## ABOUT THIS REPORT

This is Henniges Automotive's second annual Corporate Sustainability Report. We have prepared and are presenting our information to initiate and document our material topics and strategy framework with intent for year over year improvement in all sustainability metrics.

We do not currently seek third-party assurance of our reported data but utilize current internal audit processes to review our report and assess our processes and results to determine that our controls operate sufficiently to identify errors or omissions.

The global COVID-19 pandemic continued to affect our operations globally here at Henniges Automotive in 2022 as well as other supply chain challenges. Due to these impacts, certain performance metrics do not reflect normal operations.





## Larry Williams

### Letter from the CEO

#### Henniges Automotive Welcome and Commitment to Sustainability

It is my pleasure to present Henniges Automotive's second annual Corporate Sustainability Report. We will share key facts about our company and the progress, achievements, and commitments we have made to our people, our world, and our business.

In addition to weathering a third year of the global pandemic, 2022 provided many other challenges. Political uncertainty, regional conflicts, inflation and supply chain disruptions were frequent throughout the year. We continued to ensure that the well-being and safety of our team members remained our top priority while continuing to advance our position as the leading sealing company in both traditional ICE vehicles as well as NEVs.

Our commitment to sustainability is evident everyday as we use HPS (Henniges Production System) concepts in everything we do. We try to understand our total value chain in terms of product – light weighting solutions such as use of Eco Carrier and Micro Dense. Our most important asset – our people – work in teams to analyze processes to reduce waste at each stage. A great example is the use of Thermal blankets to conserve energy and our ability to work with our customers to improve environmental impact by designing packaging that reduces “shipping air”.

We work everyday to build sustainability into our culture. We are continuing to look at ways to reduce energy and water consumption to minimize our environmental footprint, including exploring alternative energy sources such as wind and solar power.

We believe these commitments will further our success as a company while transforming our business for the better. We have over 9,000 valued team members globally that are dedicated to supporting our business and the communities in which we operate.

We are proud of what we accomplished in 2022 and we look forward to all that we will do in the coming year to increase sustainability while delivering maximum value to our customers and shareholders.

# HIGHLIGHTS FROM 2022



## HEALTH, SAFETY AND ENVIRONMENTAL

Health, Safety, and Environmental - We continue to improve our safety record year over year. Our Beijing, Changchun, Chengdu, Global Headquarters, Guiyang, Mlada Boleslav, and Torreon locations had zero recordable incidents in 2022.



## SUSTAINABILITY

We earned a Bronze medal from Ecovadis for our Sustainability efforts.



## CHINA JOINT VENTURE

We completed a joint venture with Hong Yang. This successful integration of Hong Yang into Henniges included culture enhancements and operational improvement that included the introduction of HPS (Henniges Production Systems).



## MANUFACTURING RATIONALIZATION

We consolidated our footprint across the globe, reducing or consolidating facilities under budget and with no customer disruptions.



## DIVERSITY, EQUITY AND INCLUSION

We are proud of the progress we continue to make on our Diversity, Equity and Inclusion journey. We launched our Global Inclusion Council in 2020 with a focus to operationalize Inclusion, which began with the development of our Inclusion statement:

**WE ARE A VALUED SUPPLIER IN THE GLOBAL AUTOMOTIVE INDUSTRY AND STRIVE TO PROVIDE AN OPEN AND WELCOMING ENVIRONMENT FOR EVERYONE.**

**WE STAND FOR FAIRNESS, EQUALITY AND INCLUSION WHERE ALL OF OUR VOICES ARE HEARD.**

**WE BRING EXCEPTIONAL PEOPLE TOGETHER TO BE A PART OF THIS VISION.**

In 2022, we increased our reach and now have active Regional Inclusion Councils in our Americas, Europe and China regions to support our Global Inclusion Council.



## AUTOMATION

We implemented more than 16 major automation projects that resulted in significant annual savings. These projects have also assisted in reducing our number of injuries – further protecting our people as well as providing relief to labor challenges in all regions. We continue to invest in our people through our Automation Academy which is accelerating key technical skill sets.



## CUSTOMER SUCCESS

We secured key business awards from our customers – advancing our long term plans and commitments to our customers which included 23 NEV awards.



## RAW MATERIAL COST IMPROVEMENTS

We Implemented material substitutions and engineering changes in addition to significant negotiations and rebates from our suppliers.



## LEARNING

We continue to invest in training for all our team members. Our teams across the globe logged more than 796,850 hours in 2022. We focused on achieving our annual goal of 10 hours per hourly team member and 20 hour per salaried team member. Key learning areas were in Front Line Supervisor training, Zodiac Finance training, DEI/Culture training, and technical training in Extrusion, Mold, and Automation.

We will continue our focus on corporate sustainability, environmental protection, social justice and equity, and economic development. In 2018, we launched 1Henniges, a program that highlights the strength of our organization as ONE company. The 1Henniges program highlights great achievements, encouraging empowerment, accountability and teamwork fulfilling our vision of being a global leader in our industry. We will continue to work as 1Henniges with operational excellence across the board – which will help us drive profitable growth through 2022 and beyond.

# OUR COMPANY

## OVERVIEW

We provide automotive original equipment manufacturers (OEMs) with sealing systems for doors, windows, trunks, lift gates, sunroofs and hoods. We sell to most Automotive OEM customers and operate facilities in North America, Europe and Asia.

## HOW WE OPERATE

It all starts with our Vision, Mission, Culture and Values to be 1Henniges

### VISION

To become the global leader of highly engineered sealing systems for the transportation industry that delivers exceptional shareholder value

### MISSION

Through teamwork, talent, and leadership our customer-focused organization will implement sustainable solutions that:

- Develop, retain, and attract exceptional people
- Drive manufacturing excellence across our global footprint
- Diversify and broaden our customer base
- Standardize and optimize our global processes
- Create innovative processes and products

### CULTURE

Foster an inclusive environment where team members contribute to the success of our company by:

- Contributing to the safety and well-being of one another, society, and the environment
- Embracing diversity, equity, and inclusion where all voices are heard
- Operating with a sense of urgency and a positive attitude in everything we do
- Managing by fact with strong team member collaboration, commitment, and accountability
- Creating an open and learning environment that drives quality and continuous improvement
- Conducting business with impeccable ethics, honesty, and integrity



# HENNIGES VALUES



## Safety

We ensure all team members have a safe environment to work in so they are in the same or better condition when they leave that they were when they arrived.



## Agile & Responsive

We deliver on our promises, own our actions and make it happen. We consistently deliver on targets and plans. We encourage creative solutions to problems. We are continually looking for new ideas to improve all we do.



## Trust & Transparency

We provide an environment where we can be open with one another. We are not afraid to make a mistake so we can learn, improve and grow.



## Integrity

We do what is right without compromise. We are honest and straight forward with each other. We operate within the letter and spirit of the law.



## Inclusion

We bring diverse individuals and ideas together. We believe in all points of view from all points of the compass. We believe that proactively seeking alternative points of view enhances the results of our decision-making processes.



## Teamwork & Respect

We respect our people and customers and treat them as we would want to be treated. We build strong relationships and work together. We support and value our team members in an honest way. We celebrate our success.

## CULTURE SURVEY

Here at Henniges, we know our people are our most important asset. For each of us to be our best, we must foster an environment that lives up to our words that describe our values.

Since 2018, we have measured how well we are doing in living our values and creating the work environment for which we strive.

All team members are invited to participate in a culture survey that measures our progress. We completed the 2022 cycle in October with a 84% participation rate.

	PARTICIPATION	
	Salary	Hourly
2018	94%	55%
2020	95%	84%
2022	84%	

# OUR COMPANY RECOGNITION

At Henniges Automotive, we are driven by providing our customers with top quality automotive sealing solutions. We take pride in delivering customer satisfaction and we strive to be the best in our industry. We are proud of our successes and the recognition we have received from our customers demonstrating our commitment to excellence.

## China Awards:

- 2022 SAIC GM Outstanding Development Award\_TL-SAIC awarded Tieling plant on Outstanding development in 2022.
- 2022 Technology Innovation Award\_HQ-SAIC-GM awarded Henniges China on Best Technology award.
- Top ten enterprises with Significant Tax Progress by Tieling People's government- Tieling plant awarded by local government on their Tax performance.



## North America Awards:



GOMEZ PALACIO I



NEW HAVEN



FREDERICK

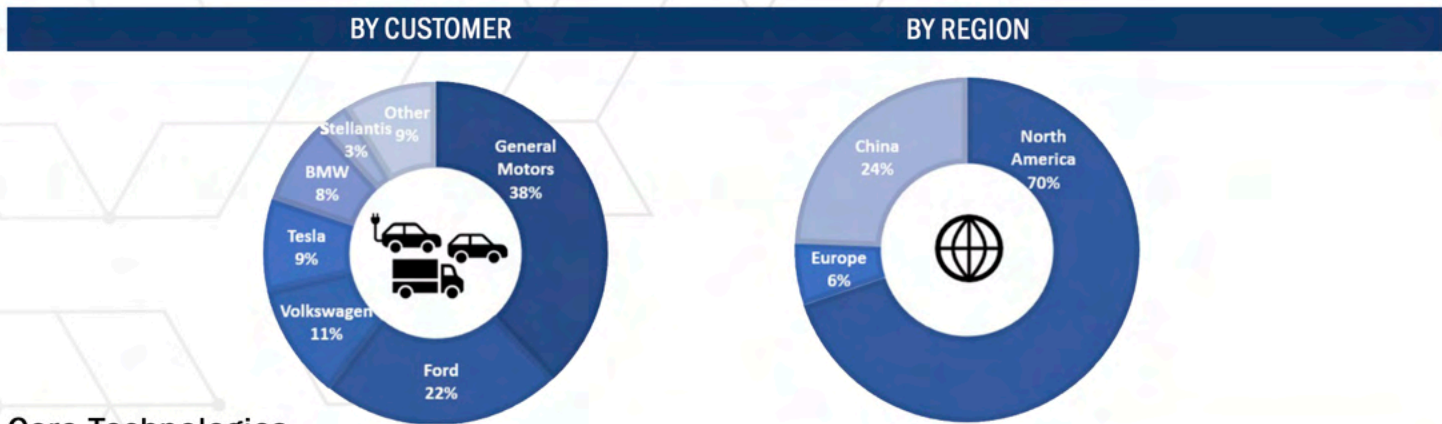
# HENNIGES AT A GLANCE



## Markets

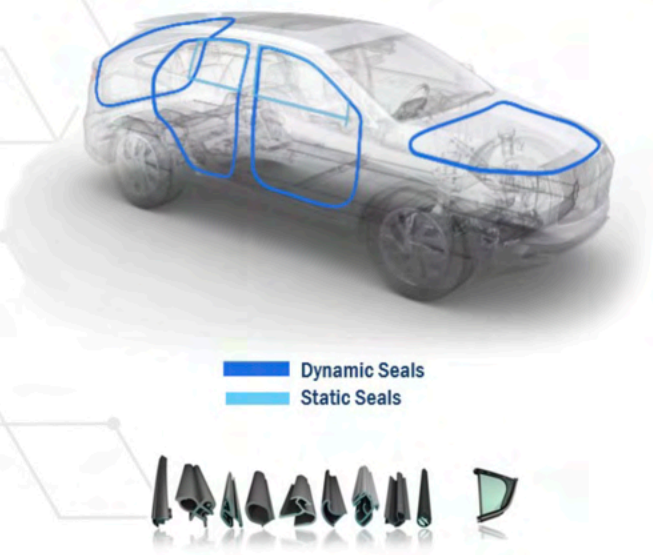
Henniges Automotive has evolved into a global leader in vehicle sealing products. Henniges maintains operations in the United States, Canada, Mexico, Czech Republic, Poland, and in China where we are driving significant growth. Auburn Hills, MI, USA is the location of our global headquarters, and we also hold regional headquarters in Beijing, China and Mlada Boleslav in the Czech Republic

# Global Sales



# Core Technologies

## PRODUCT PORTFOLIO



### Dynamic Seals:

- Flexible weatherseals between the body access openings and their closure counterpart (such as doors and liftgates) that seal air, water, dust and noise. Also contribute to a smooth aerodynamic profile.
- Obstacle Detection Sensors (ODS) - Second safety system that enable safe closure operations of power system (such as power liftgates and power sliding doors)

### Static Seals:

- Glass Runs - Flexible seal products that guide the door window glass and seal the vehicle interior around the upper glass opening from the outside environment.
- Outer Belts - Part of the glass sealing system across the lower horizontal position of the door glass
- Glass encapsulation - Sealing modules for fixed side windows

Henniges leverages a wide range of technologies to meet full-service commitments to our customers globally in the fields of design, testing, prototype, and manufacturing capabilities on a global scale.

## DESIGN

<ul style="list-style-type: none"> <li>• Over forty designers with over 270 years of combined sealing industry experience</li> <li>• Offshore support enabling 'around the clock' support between NA, EU, and Asia</li> <li>• Detail component and environment layout drawing</li> <li>• 2D section development</li> <li>• 3D surface development</li> <li>• Design variation analysis</li> <li>• Mass calculation</li> <li>• Vehicle architectural development</li> <li>• Computer-Aided Engineering</li> </ul>	<p><b>Polyflow Capabilities:</b></p> <ul style="list-style-type: none"> <li>• CAE tool to simulate polymer flow in the die</li> <li>• Evaluate velocity profile at die exit (Die Balance)</li> <li>• Study pressure distribution throughout die</li> <li>• Identify stagnant flow areas ("Dead Spots")</li> <li>• Accelerate development timing of extrusion industrialization</li> </ul>	<p><b>Moldex3D:</b></p> <ul style="list-style-type: none"> <li>• Mold filling simulation to understand gate size, location and processing parameters' influence on pressure, temperature, and velocity</li> <li>• 2D analysis: installation &amp; retention force, sealing force, closing energy, compression set and dynamic response</li> <li>• 3D analysis: molded details and cornering</li> </ul>
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## TESTING

### Virtual Validation Tools:

- FEA/Simulation
- MSC/MARC
- Altair Hypermesh
- ANSYS/Polyflow
- Moldex 3D

### Component Level Testing:

- Material Component Physical Property Testing
- Compression Set, Insertion /Extraction, CLD
- Xenon Arc Weatherometer
- Aging and Chemical Resistance
- Coating Analysis (thickness/Cure)
- Flock Analysis (density, Adhesion)
- Corrosion, Flammability and Ozone

### System Level Testing:

- Rapid Cycle Glass Durability
- Glass Drag
- Thermal Shock
- System Level Environmental Testing
- System Level Freeze Testing

### Vehicle Level Testing:

- Door Slam Durability
- Vehicle Level Environmental Testing
- Vehicle Level Freeze Testing
- Vehicle Level Noise Evaluation

### In House Testing Services:

- Drive-in environmental chamber
- On-Road Noise Evaluation
- Water Test Booth
- Walk-in environmental chamber
- Rapid Glass Cycler - Full life test (25,000 cycles) in 4 days



## PROTOTYPE

### Rapid Prototyping- 3D Printer Technology

Henniges has widely proliferated the use of 3D printer technologies not only in our technical centers but across our manufacturing locations. New applications for 3D print technology are continuously being discovered and Henniges has repeatedly expanded printer capacity to support the high workflow of needs in the organization. We use Polyjet technology that has flexibility to handle a wide range of materials completely representative of our production products.

Fixtures/ Gages/ Guides, MROs, Metal Printing for tooling

## MANUFACTURING CAPABILITIES

### Process Expertise:

- In-house Rubber Compound Mixing
- EPDM/PP/TPV Extrusion
- EPDM/TPV/Plastic Molding
- Variable Extrusion
- Online and offline coating
- In-house Tooling Development Extrusion/Molds/Notching
- Multi-stage Notching and cut to length
- Inline Extrusion finishing and packing
- Inline & Robotic taping and adhesive application
- Polyurethane Glass encapsulation
- Injection molding expertise (single and multi-shot products)

### Industry 4.0; Robotics and Automation:

- Material Handling Robotics
- Paint Robotics
- Robotics and Paint Simulation
- Networked Equipment with Real-Time Monitoring
- Live Process Dashboards using IIOT
- Vision System Quality Systems

### Production Quality Capabilities:

- In-line laser sensing of extrusion profile tolerances
- In-line surface quality sensing
- In-line Adhesive presence sensing
- Rubber Compound testing
- CLD, insertion/extraction
- Flock adhesion and density
- Coating Film Thickness
- Drag Force



OUR COMMITMENT TO  
**HEALTH,  
SAFETY AND  
ENVIRONMENTAL**

Think Safe. Be Safe. Stay Safe.

Safety at Henniges Automotive is not just a catch phrase, it is part of our culture and priority. Our safety culture starts from the top down and includes all our employees, contractors and visitors that walk through our doors. We strive to not only meet country and local laws and regulations, but to go above and beyond compliance in all regions. We expect everyone to go home in just as good, if not better, condition than when they arrived. This heightened safety awareness has shown year over year company-wide reductions in recordable injuries the past 4 years.

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# HEALTH, SAFETY & ENVIRONMENTAL POLICY STATEMENT

Henniges Automotive is committed to protecting the health, safety, and environmental aspects of our employees, customers, contractors, and the communities in which we conduct business. As globally responsible corporate citizens, we are committed to exceeding the sustainability requirements of our stakeholders which includes complying with all applicable governmental regulations, and to conduct our business with impeccable ethics, honesty and integrity. We will incorporate our HSE policies with continuous improvement to our operations, procedures, and processes to enhance our overall environmental and safety performance.



First aid brigade at Gomez Palacio 2, MX

Henniges Automotive is committed to:

- Ensuring a safe work environment for all of our employees.
- Operate in an efficient and conscientious manner to minimize impact on the environment and to protect the health and safety of our employees and our community.
- Value our natural resources by minimizing waste, conserving energy and recycling when possible.
- Comply with all applicable environmental, Health & Safety regulations and any other relevant laws.
- Continuously improve our HSE program by measuring our performance to ensure we reach our objectives and targeted goals.
- Encourage and promote active employee participation in all our HSE programs and sites.

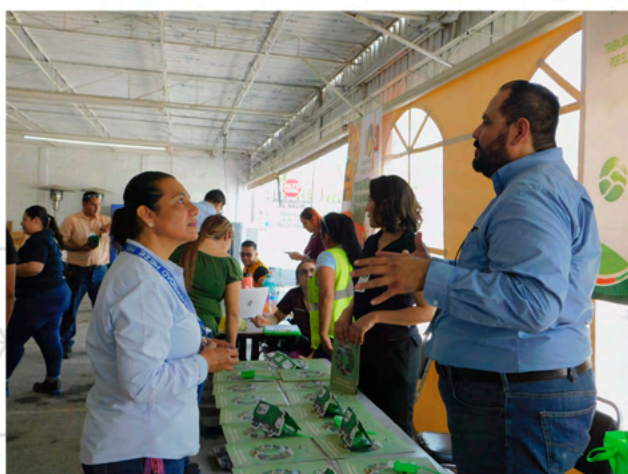


First aid brigade at Guadalajara, MX



All our manufacturing facilities are ISO-14001 certified and 41% of our manufacturing facilities are ISO-45001 certified with plans for all sites to become certified soon.

We introduced our Behavioral Based Safety Observation program in 2017. The goal of the Henniges Behavior Based Safety Observation program is to recognize and identify hazards in the workplace, reducing and eliminating risk of injury to all our employees. This program has been instrumental in the reduction of injuries so that our IR and DART metrics have improved year over year. Through continuous improvement efforts we have not only operationalized this process but automated it. What started with paper observation cards is now done through an app on phones and computers. We continue to increase our goals each year pushing our plants to increase observations and look at new areas.



Safety, health and environmental fair at our Mexico plants



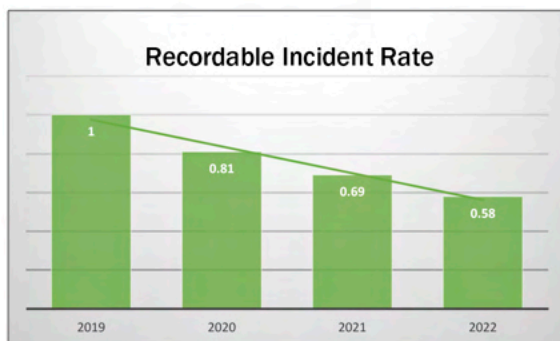
Respirator Training at Burlington



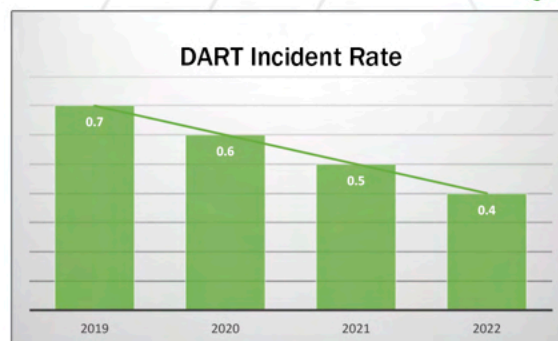
Fire drills in Shanghai



Vaccination campaign in Guadalajara, MX



Global Recordable Incident Rate for 2019=1.0, 2020=0.81, 2021=0.69, 2022=0.58



Global DART Rate for 2019=0.7, 2020=0.60, 2021=0.5, 2022=0.4

## COMMITMENT TO SAFETY

In 2022, we logged 153,678 hours globally for Health and Safety training and we expect each site to improve on these health and safety learning hours each year. The following sites have been awarded the following recognitions for their commitment to Safety:

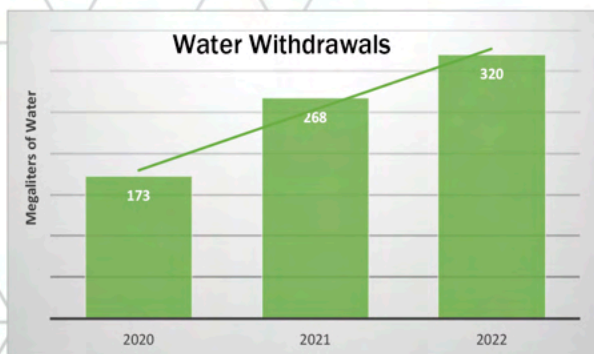


Guadalajara - Safety protocols award due to the COVID-19 pandemic. These safety protocols continued throughout 2021 and into 2022



20th Consecutive Year North Carolina Department of Labor Safety Award.

## ENVIRONMENTAL PLEDGE



We are committed to working in the best way to protect our world. Our plans include working in ways to save energy and reduce greenhouse gas emissions as well as focusing on operational waste and global water consumption.

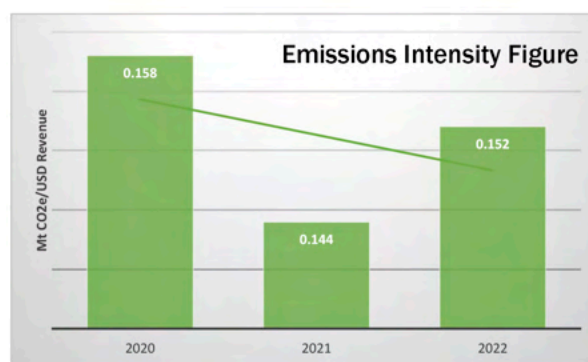
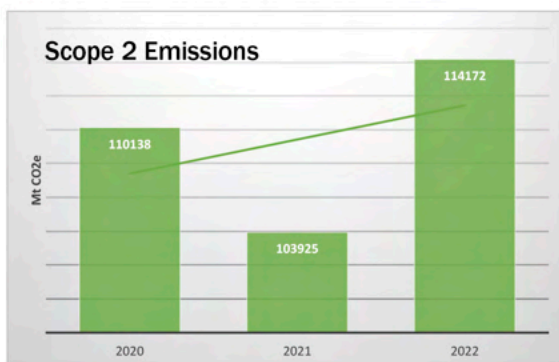
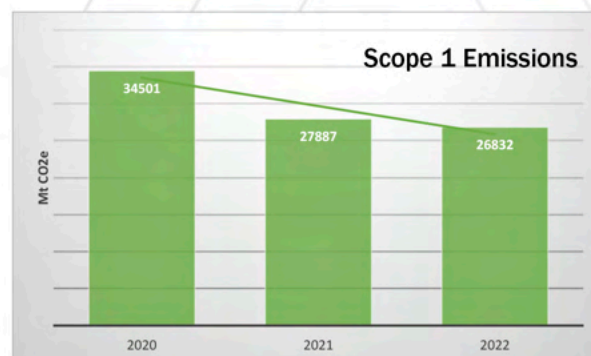
Water withdrawals in 2022 have increased due to a production rebound from COVID-19 in 2020 and the chip shortage in 2021. One of our major initiatives is to focus on waste elimination projects, which include wastewater reductions.





## GLOBAL EMISSIONS SUMMARY

Despite the rebound in 2022 from the COVID-19 pandemic as well as the chip shortage, we have continued to decrease our Scope 1 emissions. While our Scope 2 emissions have increased since 2020, we remain focused on projects to continue positive movement toward reducing greenhouse gas emissions. Emissions Intensity is a measure of our Scope 1 and 2 emissions per company USD revenue. This figure is continuing an overall downward trend.



In 2022, Henniges Automotive signed the General Motors (GM) Environmental, Social and Governance (ESG) Partnership Pledge to commit to carbon neutrality for our scope 1 and scope 2 emissions by 2035 or earlier. By signing this pledge, we are demonstrating our commitment to a better future.

## ENVIRONMENTAL SPOTLIGHT

Trees help clean the air we breathe, filter the water we drink, and provide habitat to 80% of the world's terrestrial biodiversity. Forests also absorb excessive carbon from the atmosphere. By supporting reforestation, we're creating a healthier planet for years to come. Fifty trees were donated for planting to the non-profit organization, One Tree Planted.



Several of our Mexico facilities participated in reforestation efforts by planting trees during World Environment Day.



Guiyang factory launched a “Beautify Factory Area” theme day to clean the surrounding area around the facility. More than 60 employees participated in the event. The event involved cleaning the area around the fishpond, sowing flower seeds, enhancing the image of the factory, and creating a clean working environment.



On World Environment Day, we raise awareness about knowing our plant and animal environment in the region, Gomez Palacio 2 plant.



Outdoor activities with the family at our Prudnik plant.



## SUSTAINABLE MATERIAL DEVELOPMENT

Material composition of our product portfolio has a significant contribution to the product carbon footprint impact. In the endeavor to reduce greenhouse gas emissions, Henniges is developing a sustainable material portfolio.

This will be accomplished by:



## USAGE AND END-OF-LIFE IMPACT

While material selection and product design have an initial impact on product carbon footprint, another component that Henniges contributes to is during vehicle usage and at end of life.

Henniges is actively developing product designs to result in a fully recyclable part at end of life. This enables circular economy initiatives to reduce waste from a closed loop production. Additionally, we are increasing efforts to produce the lightest parts possible while meeting all engineering requirements. Lightweight parts reduce downstream emissions impacts and promotes better mpg or range/charge performance of vehicles.





# SUPPLY CHAIN

## ENSURING CONSISTENT HIGH STANDARDS ACROSS OUR SUPPLY CHAIN

We value our relationships with our supply base. It is critical that both Henniges and our supply base maintain high standards in every way. Our supplier agreements will be with companies that have a verifiable record and commitment to integrity and sustainability. We believe in an environment where our suppliers compete fairly on the quality of their products and services.

Our Supplier Code of Conduct requires compliance with all applicable laws and regulations, including those relating to environmental matters, wages, working hours, conditions of employment, discrimination and health and safety. We require our suppliers to attest that anything purchased by Henniges will not be produced by child or forced labor either by the supplier or its suppliers.

## HENNIGES SUPPLIER CODE OF CONDUCT

We work to hold our direct suppliers to the same standards and sustainability principles with respect to their operations. Henniges issues terms and conditions to all of our suppliers that include compliance with all applicable laws and regulations, including those relating to environmental matters, wages, working hours, conditions of employment, discrimination and health and safety.

# OUR GOVERNANCE AT HENNIGES

## BUSINESS ETHICS & INTEGRITY

At Henniges, a positive work environment and ethical culture provide the foundation to maintain our steadfast commitment to being a trustworthy business. While all our values guide us, our Integrity core value drives us to consistently engage in honest, ethical, and responsible business practices. By adopting and adhering to ethical standards, focusing on the management of business risks, and complying with all relevant laws and regulations, we will continue to promote ethical practices across our business.

## OUR PRIORITIES

Maintaining a world-class reputation for honest, ethical, and responsible business practices is our priority. We believe the conduct of our employees is the foundation for earning and sustaining this reputation. Accordingly, we have identified goals to ensure our employees understand how to apply our values in everyday business activities, know where to turn for support or report concerns and are confident in the investigation and resolution process.

## OUR APPROACH

Our Integrity core value is at the foundation of everything we do and influences our ethics and compliance program. We maintain an effective ethics and compliance program, including robust ethics reporting resources, training and education initiatives, and risk assessment, mitigation, and monitoring initiatives. Our integrated approach to risk management combines processes related to ethics and compliance, enterprise risk management and sustainability to detect, prevent and mitigate risks. We maintain an ethics and compliance program that reflects well-established elements of an effective program.

# INTEGRITY DRIVES US

## OUR CODE OF CONDUCT

Our Code of Conduct provides guidance about our Company's policies and is designed to help all stakeholders recognize and address ethical issues, enabling us to maintain our culture of integrity and accountability. Everyone who works at Henniges is responsible for understanding and following our Code, which is available in all languages in which we conduct business and is posted on internal and externally facing websites and our global employee communications application. Our salaried workforce is required to complete annual training through our online learning management system and certify that they have read and understood our Code. We expect all employees and covered individuals to understand our Code, ask questions when more guidance is needed and speak up when something does not seem right.

We take integrity seriously. Behavior that falls below the standards set forth in our Code may result in disciplinary action, up to and including termination of employment. These situations include:



We also expect our suppliers to comply with our Supplier Code of Conduct, which outlines our expectations for conducting ethical business practices and compliance with our policies and the law.

# REPORTING CONCERNS & SEEKING GUIDANCE

We expect all stakeholders, including our employees, suppliers, and customers to speak up, both to ask questions and raise concerns. Our goal is that ethical misconduct never happens at Henniges, but if it does, we need to be informed so we can work to resolve it. We depend on all our team members to recognize misconduct and expect them to report it to one of the ethics reporting resources. It is our belief that the sooner we learn about Code violations, the sooner we can end the behavior and work to resolve any issues.

Our ethics reporting resources are available to respond to questions and concerns. These include:

- Supervisors.
- Representatives of the human resources team.
- Members of the legal department.
- Members of the Compliance Committee.

The Compliance Committee is comprised of a team of corporate officers and representatives from the company who review the company's operational compliance with applicable legal requirements and sound ethical standards. This committee also regularly reviews data from our ethics reporting resources to identify opportunities to improve our compliance training and communications.

## ALTERNATIVE REPORTING METHODS

We are committed to maintaining an environment where open, honest communications are the expectation, not the exception. We want all stakeholders to feel comfortable approaching our supervisors or management team with questions and concerns. However, we also understand that there may be situations in which our stakeholders may prefer another reporting option. For this reason, we established multiple methods to report any issues. These methods include:

- Complaint Form maintained on the intra company website, Hennisphere.
- Mail directly to the Internal Audit department.
- E-mail directly to the HR.Violations inbox monitored by Corporate HR and Internal Audit.
- Anonymous reporting through an external surveymonkey.com website that will notify Corporate HR and Internal Audit.

Each report is reviewed by the Compliance Committee and assigned to an independent investigator. The outcome of each investigation, and remediation plan for those reports where concerns were substantiated, are reviewed by the Compliance Committee prior to closure of the matter. Matters involving integrity, accounting, financial, legal, or regulatory matters are escalated at intake based upon criteria set forth by the Compliance Committee. Additionally, the Board of Directors receive periodic updates of ethics reporting statistics as well as review of all significant matters.

# ETHICS & COMPLIANCE TRAINING

As part of our efforts to ensure employees understand how to comply with our Code, we expect all salaried employees at Henniges Automotive to complete compliance training annually certifying that they understand and will comply with our Code. Courses are assigned online through a learning management system that enables us to track and deliver training consistently across our worldwide operations. Our training curriculum addresses topics such as: our Code; conflicts of interest; respect in the workplace; and compliance with global anti-bribery, anti-corruption and competition laws.

In addition to our mandatory online and live training sessions, we work to share ethics and compliance information across the enterprise. We make ethics and compliance resources readily available both on our corporate intranet and external website.

## CYBER SECURITY

Henniges continues to prioritize cyber security to ensure system control and decreased risk in critical areas. To allow us to achieve a level of protection we are satisfied with, our IT Department has put the following initiatives in place:

- Vulnerability Management – Risk Based Management Tool. Daily Scanning of Henniges devices that provides visibility to vulnerabilities in hardware and software, with mitigation recommendations.
- BitSight – Daily Scanning that analyses security risks from an external view of Hennies Network
- Microsoft Advanced Threat Protection – Preventative and Post Detection investigative response feature
- Windows Defender AntiVirus
- Malware Endpoint Protection – Zero Day exploit protection, ransomware, protection, protection form malicious downloads.
- DUO MultiFactor Identification – Multilevel identification of user identity at login
- Zscaler Internet Secure Gateway – Web filtering, blocking, usage reporting.
- SilverPeaks Network Access Control – Network access Security, Network Segmentation
- Microsoft Online Threat Protection – Email Filtering to mitigate Malware and virus infiltration, imbedded URL links
- Abnormal Email Filtering – Additional email filtering for phishing activities, ransomware
- Annual Network Penetration Testing – Simulated cyber-attack to expose potential vulnerabilities.
- Simulated Phishing Exercises
- ZeroFox – Domain Monitoring, Branding Protection

Implementing these initiatives has allowed Henniges to significantly increase our security efforts, but also our ability to better identify, detect, respond, and recover. In addition to all the initiatives put in place by our IT Department, we have also put increased effort in educating our employees. We have done this through annual cyber awareness training that educates our employees on what a potential attack might look like and how best to prevent it.

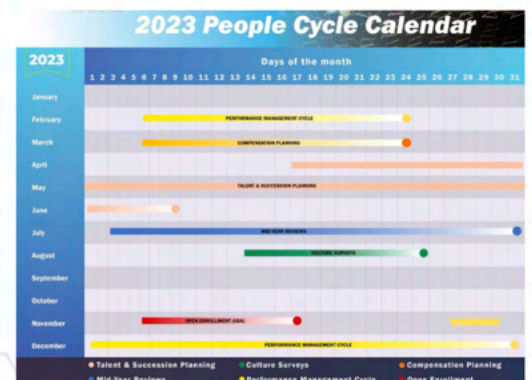


# TALENT DEVELOPMENT & PERFORMANCE MANAGEMENT

We develop, attract, and retain exceptional people by identifying top talent and prioritizing employee development. Providing employees with the tools necessary to be successful in their positions while providing the support and development needed to reach their full potential at Henniges is critical to the success of our business. Our Talent Development and Performance Management system provides employees with frequent feedback and opportunities to grow their institutional knowledge and industry skills. Our focus on people development is critical during challenging times where business needs are continually shifting. Placing an emphasis on developing our people is vital to our employee engagement and talent retention strategy. We offer several internal and external development opportunities both in technical development and leadership development, including extrusion, mold, and automation academy training, as well as a front-line supervisor and senior leadership training series on a variety of relevant topics.



Our Talent Management strategy also relies on successful talent identification and succession planning to ensure continued business success for years to come. We use performance management tools to help us identify, recognize, and develop high potential and high performing employees. In addition to succession planning for all senior leadership positions, we prioritize succession planning for our Global Leadership Team (GLT). We identify ideal experiences, critical leadership capabilities and key rotations needed to prepare each GLT candidate for these important leadership roles.



# EARLY CAREER PROGRAMS

We offer several programs designed to appeal to students and potential talent that are in the early stages of their career: Internship opportunities provide exposure to the organization and potential careers; Co-op opportunities with select technology centers allow potential talent to gain manufacturing knowledge and skills while maintaining a full-time job; partnerships with local high schools and universities to offer job shadow opportunities in a variety of fields.





# OUR COMMUNITY ENGAGEMENT

**HENNIGES**  
AUTOMOTIVE

# COMMUNITY ENGAGEMENT

Henniges Automotive takes pride in giving back to our communities. We strive to become community partners by being actively involved through local organizations that are committed to the success of the communities we operate in. Through our strong community presence and as a leader in automotive manufacturing, we are better able to attract and retain top talent in our industry.

Henniges Automotive understands that community involvement goes beyond financial contributions. We strive to be an active contributor to the many local events and community service projects that take place at all of our locations across the globe. Our plants enjoy giving back to their communities through numerous activities, including food bank donations, school supply fundraisers, community wide clean up events, holiday events, community speaking engagements and many more. We are proud of the partnerships we have formed within all our communities and the commitment Henniges has demonstrated through various community service projects and financial contributions.



## Financial Contributions

Donation Dollars Spent Since January 2022

America's	123,241
China	11,500
Europe	3,183





BJHQ Tree Planting



Childrens Day Mexico



Department of Human Services and Salvation Army Angel Tree Donations from Oklahoma and North Carolina



Celebrating the environment with our children.



As an act of solidarity and social engagement, Henniges Comarca Plants, GP1, GP2 and Torreon, got together to provide candies, toys and gifts for children who live at the Padre Manuelitos Shelter at Torreon.



Henniges Frederick donated over 900 pounds of food to the local food bank during the holiday season.

## VOLUNTEER SERVICE



Habitat for Humanity of Oakland County - Rock the Block

We are pleased to offer a volunteer time off program throughout Henniges Automotive. This program allows team members to volunteer up to 8 hours per calendar year with full pay. The purpose of this program is to support volunteer activities that enhance and serve the communities in which we live and work. This creates community engagement opportunities for Henniges Automotive team members that are meaningful, purposeful and helps those in need. These experiences also enrich and inspire the lives of our valued team members. Henniges team members are passionate about their communities and are committed to giving back through acts of service.



Henniges hosts Engineering students from local University.



Working with local communities in Taicang to care for Children and Youth and Caring for Elderly



Running for a Cause

# COMMUNITY INVOLVEMENT

Henniges Automotive understands that not all community engagement involves financial contributions or volunteer service. We embrace that all our facilities are a vital part of the community they operate in, and we strive to be an active contributor to the community events that take place throughout the year. Our plants across the globe take pride in being an active part of the community through numerous activities, including speaking engagements, holiday events, partnering with our local schools and Chamber of Commerce, hosting events, and much more.



All Beijing Office Staff conducted a Green Cycling event



BJHQ organized a walk competition to enjoy low-carbon life



Job Shadow Program allowing High School Seniors to find a career.



Childrens Day Mexico



Reforestation Torreon



At the Mexico plant they attended the save heroes facilities to learn about and help the foundation

# GLOBAL LOCATIONS



## UNITED STATES

- Global Headquarters - Auburn Hills, Michigan
- Keokuk, Iowa
- New Haven, Missouri
- Reidsville, North Carolina
- Frederick, Oklahoma



## CHINA

- Beijing
- Chengdu
- Guiyang
- Shanghai
- Taicang
- Tieling



## CANADA

- Burlington, Ontario



## CZECH REPUBLIC

- Hranice
- Mlada Boleslav



## MEXICO

- Gomes Palacio I
- Gomez Palacio II
- Guadalajara
- Torreon



## POLAND

- Prudnik

General Information: Xileh Holding, Inc. was incorporated in the United States of America on April 24, 2015 as a Delaware incorporated entity. The address of Henniges Automotive's registered office is 251 Little Falls Drive, Wilmington, Delaware 19808 and its principal place of business is 2750 High Meadow Circle, Auburn Hills, Michigan 48326. Xileh Holding, Inc. is an investment holding company. Xileh Holding, Inc. and its subsidiaries (collectively Henniges Automotive) are engaged in the design and manufacture of vehicle sealing systems for doors, windows, trunks, lift gates, sunroofs and hoods primarily for sale to companies in the North American, European and Asian automotive industry. Henniges Automotive has primary operations in the United States of America, Mexico, Canada, Czech Republic, Poland, and China. Henniges Automotive's common stock is 100% owned by AVIC Hande (Beijing) Investment Holding Co. Ltd. (AVIC Hande), a Chinese limited liability company. Henniges Automotive's directors regard Aviation Industry Corporation of China (AVIC), a company established in China, as being the ultimate holding company of Henniges Automotive.