ACTRONICS

Corporate Governance Code - ACTRONICS

Introduction

ACTRONICS BV, based in Almelo, is a leading company in the remanufacturing of electronic automotive components. With a strong focus on innovation and quality, ACTRONICS operates internationally and has a diverse organization with 150 employees across multiple departments. This Corporate Governance Code has been developed to ensure transparent and efficient business operations and to meet the high standards we set for ourselves.

1.Governance structure

1.1 Executive board
- *Composition:* The executive board consists of the CEO, who is a major shareholder, and the Commercial Director. They are responsible for the day-to-day management of the company.
- *Responsibilities:*
    - Formulating and implementing the strategic vision and goals
    - Overseeing the company's operational and financial activities
    - Ensuring compliance with laws, regulations, and ethical standards
    - Promoting a culture of integrity and transparency

1.2 Management Team
- *Composition*: The management team comprises the heads of various departments, including Remanufacturing, R&D, ICT, Customer Service, Human Resources, and Financial Control.
- *Responsibilities:*
    - Supporting and advising the executive board in daily management
    - Implementing strategic decisions at the departmental level
    - Ensuring operational efficiency within their respective departments
    - Promoting collaboration and communication between departments

2. Ethical policy and compliance

2.1 Code of conduct
- *Aim:* Ensure ethical business practices and integrity among all employees.
- *Content:*
    - Respect for human rights and working conditions
    - Zero-tolerance policy towards corruption, fraud, bribery, discrimination, and harassment
    - Transparency in all business transactions and communications
    - Responsibility towards customers, suppliers, and other stakeholders

2.2 Compliance
- *Compliance Officer:* A Compliance Officer is appointed to ensure adherence to laws, regulations, and internal guidelines.
- *Training and education***:** Regular training and education for employees on ethical issues and compliance with the Code of Conduct.

3. Risk management and internal control

3.1 Risk management system
- *Aim:* Identify, evaluate, and manage risks that may affect business operations.
- *Implementation:*
    - Regular risk assessments and evaluations
    - Development of risk management strategies and plans
    - Monitoring and reporting risks to the executive board and management team

3.2 Internal control mechanisms
- *Aim:* Ensure the reliability of financial reporting and operational processes.
- *Implementation:*
    - Conducting internal audits and periodic reviews
    - Reporting findings to the executive board and advising the management team
    - Taking corrective actions based on audit findings

4. Transparency and communication

4.1 External communications
- *Aim:* Provide accurate and timely information to customers and other stakeholders.
- *Implementation:*
    - Regular publication of company updates
    - Actively maintaining a transparent and open dialogue with stakeholders

4.2 Internal communications
- *Aim:* Promote open communication and employee engagement.
- *Implementation:*
    - Regular internal newsletters and updates
    - Open door policy for feedback and suggestions from employees
    - Regular team meetings and departmental gatherings

5. Sustainability and Corporate Social Responsibility (CSR)

5.1 Sustainability policy
- Aim: ACTRONICS aims to lead in sustainability within the sector by creating long-term value through sustainable and ethical practices, minimizing our ecological footprint, and contributing to a sustainable future.
- *Implementation:*
    - Sustainability committee: A dedicated advisory committee to oversee and integrate sustainability into strategic decisions
    - Reducing the ecological footprint through energy efficiency, waste reduction, emissions reduction, and promoting renewable energy sources
    - Implementing eco-friendly practices such as sustainable procurement, recycling programs, and carbon emission reduction
    - Regular reporting on sustainability goals and performance to management and employees
    - Regular evaluation and updating of the sustainability policy to meet changing stakeholder needs and regulatory expectations

5.2 Corporate Social Responsibility (CSR)
- *Aim***:** Make a positive contribution to society.
- *Implementation:*

- Supporting local communities and initiatives
- Encouraging employee volunteerism and community involvement
- Investing in projects that contribute to social development

Final provisions

This Corporate Governance Code is evaluated annually and adjusted as necessary to continue meeting the changing needs of ACTRONICS BV and the environment in which we operate. The executive board is responsible for the implementation and compliance with this code, with oversight and support from the advisory management team.