

The following constitutes the statutory statement on CSR, cf. §99a, for AX V Nissens ApS as well as K. Nissen International A/S and Nissens Automotive A/S.

## Business model & Nissens' approach to sustainability

Being a global industrial and distribution company, Nissens is committed to offering a contribution to limiting the Group's environmental and climate footprint, just as it is the Group's obligation to consider the health and safety standards applicable for our employees.

Nissens remains a committed member of UN Global Compact, and we maintain our focus on our ESG agenda, our social responsibility and environmental sustainability by exploring and implementing initiatives within the areas of energy, environment, work environment and company governance.

Nissens is specialized in the production and supply of products within engine cooling, climate systems and engine efficiency. As a leading company in the automotive aftermarket, Nissens has a broad product portfolio coverage, covering above 95% of the European car parc including, inter alia, radiators, condensers, compressors, intercoolers, turbos and EGR valves. The product range covers products from the common to the more special parts.

## Human rights

Nissens is committed to supporting and respecting the internationally proclaimed human rights.

Area	Risk	Actions in 2022/2023	Results in 2022/2023
Code of Conduct	Adverse human rights, negative environmental impact, and corruption issues in own organizations and external supply chain.	We specify our expectations to our employees across Nissens' global organization and to our suppliers, e.g. via our company policies, employee handbooks as well as in our Code of Conduct.	All of Nissens' employees are made acquainted with the Code of Conduct, and our suppliers receive our Code of Conduct as an integrated element in the formalization of our business interaction.
Data privacy	Not handling personal and sensitive personal data and information in compliance with legal regulations and internal guidelines.	The actions are to maintain and monitor Nissens' level of compliance. To analyze development within the area, and how Nissens' IT systems can further support and enhance Nissens' levels of compliance. Following the divestment of Nissens Cooling Solutions, Nissens has conducted a separate set of initiatives with the aim of ensuring that no personal data related to Nissens Cooling Solutions exists in Nissens.	The clean-up in employee data has been conducted across databases and systems.  100% compliance on signatures on Data Privacy Policy from Top Three tier levels of managers.

**Within the area of human rights, we will going forward ensure committed management compliance with our human rights-related policies via formalized signatures.**

## Social & Labour Conditions

The experience, competence and well-being of Nissens' employees are vital elements in our ability to develop our business and succeed with our strategic plans and objectives. Across Nissens, there is a commitment to supporting a safe and healthy work environment and focusing on securing risk management in relation to work-related accidents and injuries.

Area	Risk	Actions in 2022/2023	Results in 2022/2023
Employee safety, health and well-being	Employees getting injured at work.	Our health and safety focus is supported by regular, ongoing measurement and follow-up on our safety procedures and KPIs.	In 2022/2023, Nissens increased the LTIR (Lost Time Injury Rate) on blue-collar employees in Slovakia and Denmark to combined 2.7. LTIR is defined as: Absence Rate due to injuries per 200,000 working hours.
	Sickness absence impacting negatively on daily operations and planned outputs.	We measure and follow up on our sickness absence on both blue-collar and white-collar employees on a monthly basis and take necessary actions to support our employees during illness and upon return to work. We also focus on limiting and preventing absence due to sickness.	The weighted average for our short-term sickness absence rate for blue-collar and white-collar employees measured across all Nissens' sites in FY2022/2023 is: 2.2%. The absence rate represents a significant reduction from prior fiscal period. The development is attributable to reduction in the general Covid-19 impact.
Diversity in other managerial positions	Risk of discriminating based on gender, race, religion, ethnicity when hiring new employees.	In our policy on gender and cultural diversity, we have defined a target of a minimum share of female managers on all management levels.	In FY2022/2023, the female representation in Nissens' Management Team is 29%.
Gender distribution at BoD and Management	The Nissens Board of Directors consists of seven members, of which all are male members. It is outlined in Nissens' policy on gender and cultural diversity that Nissens work to ensure that regardless of gender, race, and religion, all employees must be treated equally, in order to ensure that everyone has equal opportunities for employment. We have a wish to increase the representation of women in our Top Three management levels and in our Board of Directors, and we therefore strive to have at least one of each gender among the final candidates for open positions.		

**In future, within the area of social and labour conditions, we will intensify our focus and follow-up on our performance within retention of employees, sickness absence and injury stats on an international level.**

## Climate

Nissens strives to minimize the risk of having an unnecessary detrimental impact on the climate through the optimization of our energy consumption and a reduction of the Group's CO<sub>2</sub> emissions. The Group's ambition and approach are outlined in our policies on energy and environment, which apply to all of Nissens' locations and define the guidelines and ambitions within environment and climate in Nissens' global sites.

Area	Risk	Actions in 2022/2023	Results in 2022/2023
Energy consumption	Limitation of energy consumption impact.	Energy consumption closely follows the level of activity in our production sites and in our warehouses. New energy sources, such as conversion from natural gas to district heating for specific and relevant sites, are being assessed.	The room temperature in our production has been reduced and district heating control has been adjusted in order to enhance return temperatures.
CO <sub>2</sub> emissions – scope 1 and scope 2	Limitation of climate impact through business focus and optimizations.	In FY2022/2023, we have continued our focus on sustainability with the aim of creating clarity on our main scope 1 and scope 2 emission drivers. A central element in the work with limiting climate impact is the preparation of a CO <sub>2</sub> baseline that maps Nissens' CO <sub>2</sub> emissions across scope 1, scope 2 and scope 3.	The first version of Nissens' CO <sub>2</sub> baseline was published in 2022. Nissens was registered with globally recognized EcoVadis following a sustainability assessment and received a bronze rating in 2023 for its ESG efforts. The assessment is planned to be renewed in 2024.
CO <sub>2</sub> emissions – scope 3	Management of climate impact through business model structure and climate initiatives.	In FY2022/2023, we have elaborated on our suppliers' strategies and opportunities in preparations for setting ambitions for scope 3 reductions.	We have started collection of sustainability targets and strategies from suppliers and initiated follow-up of their implementation.

## Environment

Nissens strives to minimize the environmental footprint of our production through a continuous focus on resource optimization throughout the Group's production facilities. The environmental management system is certified according to ISO14001 standards, and the Group is working in a structured manner with our environmental awareness and sustainability for years.

Area	Risk	Actions in 2022/2023	Results in 2022/2023
Chemical Management	Non-compliance with chemical management guidelines.	We continuously work with enhancing the management of chemicals.	Nissens' mapping and improvement in chemical management has reduced the number of chemicals from 561 to 114 different chemicals during 2022/23. In addition, a risk analysis of all 114 chemicals have been made and introduced to Operations.
Emissions	Detrimental effects of emissions from our inhouse production activities.	Focus on installations of measures contributing to reducing our emissions from our production activities in Slovakia.	In 2022/2023, Nissens meets compliance obligations for noise emission in declaration BEK nr. 1477 af 12/12/2017. As a supplement to Nissens' own internal verification, a third party has validated that Nissens meets the requirements.

**Next year, within the areas of environment and climate, we are going to introduce a long-term ambition for enhancing our CO<sub>2</sub> footprint based on an elaborate CO<sub>2</sub> baseline covering our emissions within scope 1, scope 2 and scope 3.**

## Anti-corruption

Nissens is committed to upholding a high degree of business ethics in all the markets in which the Group operates, and Nissens works against corruption in all of its forms. The Group's expectations regarding anti-corruption are specified in Nissens' Code of Conduct, which all employees and suppliers must comply with, and a whistleblowing scheme is implemented to secure easy access to incident reporting.

Area	Risk	Actions in 2022/2023	Results 2022/2023
Corruption	Employees engaging in activities of corruption	Our Code of Conduct is distributed to our employees during their onboarding in the company, and which all relevant colleagues will sign as an act of commitment, just as our relevant suppliers receive the Code of Conduct upon formalization of co-operation.	We have not identified any non-compliance or breaches with our Code of Conduct in the reporting year.
Whistleblowing	Serious breaches or non-compliances with internal procedures, ethics and legislation not being conveyed or made transparent.	The previously established whistleblower scheme has been reviewed and maintained during the year. All new employees are made acquainted with the whistleblower access.	We have received no reporting via our official whistleblower line during 2022/2023.

**We will pursue our aim for limiting any kind of corruption and bribery via our established whistleblower scheme and supported by internal control measures.**