

Child and Forced Labor Compliance Report, Bill S-211, financial year ending April 30th, 2024.

It is with great pride and a deep sense of responsibility that Wells Vehicle Electronics, Business Number: 851443127RM0001, presents this submission as a single report detailing our commitment and efforts to prevent forced and child labor within our supply chain. At Wells Vehicle Electronics, we recognize the gravity of the global challenge posed by forced and child labor and its impact on human rights. Our commitment to ethical business practices extends beyond mere compliance—it is a cornerstone of our identity.

We believe that true innovation lies not only in the products we create but also in the solutions we devise to ensure the well-being and fair treatment of all our associates and business partners. Guided by our mission to create innovative win-win solutions for all, we have embarked on a journey to safeguard human rights across our supply chain while fostering mutually beneficial relationships.

In alignment with our vision to be a dominant global solution provider with a broad selection of trusted products and world-class customer service, we have implemented comprehensive measures to identify, assess, and mitigate the risk of forced and child labor. By embracing transparency, accountability, and collaboration, we aim to set a standard for responsible business conduct that exceeds mere compliance with regulations.

Our commitment to eradicating forced labor is not just a corporate obligation but a moral imperative that we embrace wholeheartedly. As you delve into the pages of this report, we invite you to join us on this journey of continuous improvement and ethical leadership. Together, we can create a supply chain ecosystem that stands as a beacon of fairness, dignity, and respect for all. Thank you for your interest in our commitment to preventing forced labor, and we look forward to your engagement and support in this critical endeavor.

For more than 120 years, Wells has specialized in premium vehicle and engine management electronics for industry-leading OEMs and motor-vehicle brands.

Today, Wells is more than a premier global manufacturer of vehicle electronics; it is also one of the most respected brands in the motor vehicle aftermarket, the tens of thousands of precision engineered components available through an extensive work of replacement parts distributors or retail locations.



Wells initiated a supplier program aimed at cultivating an environment of ongoing enhancement and mutual respect among our employees and suppliers. Central to the success of this initiative was the imperative to enlist and retain suppliers who resonate with our core values and commitments.

The completion of Wells' Supplier Assessment Survey, coupled with the capacity for on-site assessment audits of suppliers' facilities, is instrumental in determining a viable supplier engagement.

As an approved supplier of Wells, as it pertains to Forced and Child Labor, they must acknowledge and comply with the Wells Vehicle Electronics Statement on Child and Forced Labor. This is a mandatory required document. It is directed to all production suppliers, both foreign and domestic, full-time and part-time; it is maintained in our corporate system and is continually reviewed with our Supplier Assessment Surveys.

The Wells Vehicle Electronics Statement on Child and Forced Labor is not simply a vendor statement to acknowledge. It provides a full understanding of our values and expectations with an educational insight into definitions on Forced Labor and Child Labor. The vendors supply chain requirement to ensure they are also managing their partners as it relates to Forced Labor and Child Labor. As the vendor completes the statement, they must provide not only a signature with the certification statement but also, an initial on each page to ensure its acknowledgment.

Wells, prior to 2023 also incorporated within our General Terms & Conditions of Purchase a disclosure statement pursuant to California Transparency in Supply Chains Act.

Wells Vehicle Electronics supports the right of all individuals to be free from slavery in the workplace. Wells Vehicle Electronics abhors the practice of human trafficking and slavery and applauds efforts being made globally to eliminate this practice. Wells Vehicle Electronics includes in its contracts with suppliers a requirement that they comply with all laws applicable to the business being transacted.

By signing a purchase order or contract, the supplier certifies that it conducts business pursuant to laws related including, but not limited to, laws that prohibit slavery and human trafficking. A supplier's failure to honor its independent legal and contractual

commitment to Wells Vehicle Electronics is a violation of law and breach of the contract. Wells Vehicle Electronics sources its raw materials and other inputs with reputable companies with high standards. As such, Wells Vehicle Electronics does not believe that additional verification or independent audit is necessary to continue to deliver our customers a quality product manufactured with integrity.

In addition to the supplier programs that are to be adhered to, Wells developed a Whistleblower System, representing compliance with statutory, social, and company-internal rules as part of a positive and open company culture. It is a simplified tool for internal parties to report awareness of damaging behavior or risks which endanger the company.

We treat our clients, business partners and employees with respect and maintain constructive business relationships. Violations of our principles, such as breaches of health and safety, data misuse, harassment, or violation of national or international laws, as well as violations of internal guidelines are not tolerated.

"By reporting damaging behavior through this provided whistle blowing system, you are contributing to the protection of our shared values."

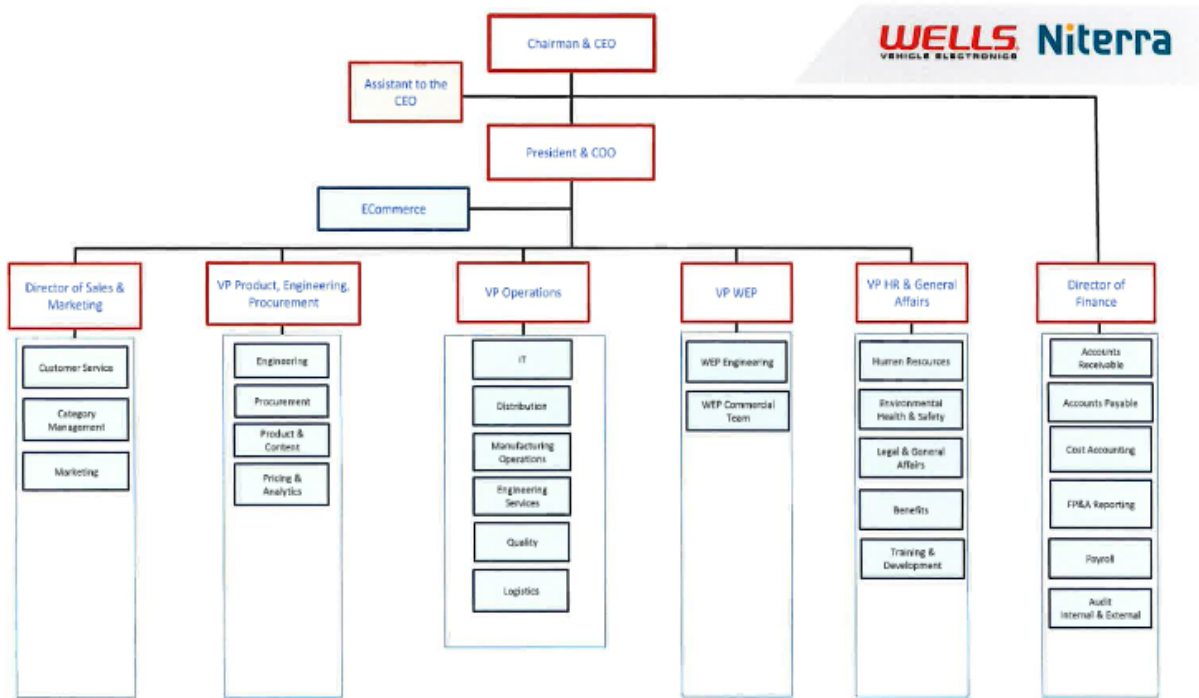
The system ensures that each report about violations or breaches of standards and values is secure and anonymous. All data and information submitted, especially the identity of the whistleblower, will be treated in strict confidence and is protected by the system.

Using this system, we live up to our responsibilities and reinforce our trustworthiness to our customers, business partners and employees. We show our commitment by adhering to our principles, relevant regulations, and legislation.

Our Fond du Lac headquarters is home to our corporate offices and primary production facility where we engineer top-quality products using leading-edge manufacturing technologies. Shipments from this location support the automotive industry in North America, South America, Europe, Asia, and Australia.

Procurement involves the process of acquiring goods, services, or works from an external source. It encompasses activities such as identifying needs, sourcing suppliers, negotiating contracts, purchasing, and managing supplier relationships. Choosing the right suppliers is critical for the success of the supply chain. Factors such as quality, cost, reliability, location, and ethical considerations are taken into account when selecting suppliers.

Our supply chain management/procurement plays a fundamental role in our operations. We strive to secure long-term relationships with all levels of suppliers that support our products. With supplier relationships worldwide at every stage of the marketplace we strengthen our supplier program initiatives at all levels of business with confidence.



Wells oversees every aspect, from sourcing materials to delivery of the final product, ensuring a seamless and efficient process from start to finish. The responsibility for ensuring the implementation and compliance with the principles on a global basis by Well’s suppliers and contractor/suppliers. In tandem with its worldwide subsidiaries, affiliates, joint ventures, or other associate entities will not allow the use of Child or Forced Labor in any level of its operations. This also extends to the use of any factory or subcontractors who make or assemble any product on behalf of Wells. Procurement and supply chain activities among many is to ensure Well’s will not purchase, rent, lease, borrow or otherwise utilize any products, goods, services, or raw materials anywhere in the world made or supplied to our business who knowingly uses any degree of forced or involuntary Labor.

We have four owned and operated facilities in North America: Centerville, IA: 195 employees; Fond du Lac, WI: 238 employees; McAllen/Mission, TX: 10 employees; and Reynosa, MX: 477 employees.

To complement our business ethics, we implemented a comprehensive training program to engage multiple learning avenues with in-house materials. In developing training content specifically tailored to our organization’s specific policies, procedures, and workflows.

With a user-friendly Learning Management System (LMS) we have simplified the learning experience. The LMS maintains an expansive library that holds over 36,000 courses on a variety of specialized subjects. The LMS provides notifications to all our associates of assigned training and learning that will track and maintain electronic records once completed.

In 2023 the business was awarded Silver Medal, which is presented to the top 25% of all companies evaluated by Eco Vadis. Eco Vadis is an international assessment organization. Specifically, the evaluation is based on a company's policies, measures, and performance in the four areas: Environmental, Labor and Human Rights, Ethics and Sustainable Procurement.

To show that Wells is not only concerned about the big picture, we also support our local community and throughout the year, Wells engaged in various community support activities. In January, employees contribute to United Way. February focuses on collecting personal hygiene items, food, and clothes for a warming shelter. In June, Wells sponsors Walleye Weekend, with employees volunteering for the Walk/Run races. July features sponsorship of the FDL County Fair and the Demolition Derby. In August, employees donate and help distribute school supplies to local children for Back to School FDL. September involves sponsoring and volunteering at The Ledge Games, which raises scholarship funds for students entering engineering, manufacturing, and technology fields. Finally, in November, employees participate in Toys for Tots by donating new toys to local children.

At Wells Vehicle Electronics, we remain steadfast in our commitment to ethical sourcing and supply chain integrity. Through rigorous monitoring, supplier engagement, and continuous improvement initiatives, we have implemented robust measures to prevent the scourge of forced labor from infiltrating our supply chain. As detailed in this report, our efforts encompass comprehensive supplier vetting processes, ongoing audits, and partnerships with credible third-party organizations to ensure compliance with internationally recognized labor standards.

Aligned with our mission to create innovative, win-win solutions for all our associates and business partners in vehicle electronics, we strive to lead as a dominant global provider, offering a broad selection of trusted products complemented by world-class customer service. This vision empowers us to elevate our operational and ethical standards continually.

Furthermore, we recognize the importance of transparency and accountability, which is why we are dedicated to openly sharing our progress and challenges in combating forced labor. While we are proud of the strides we have made, we acknowledge that eradicating forced labor requires sustained vigilance and collaboration across industries and borders. We remain committed to this cause and will continue to work tirelessly to uphold the dignity and rights of all workers throughout our supply chain, ensuring that our practices reflect our values and contribute positively to the global community.

In accordance with the requirements of the Act, and in particular Section 11 thereof, I attest that I have reviewed the information contained in the report of the entity or entities listed above. Based on my knowledge, having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the report year listed above.

Full Name: Patrick J. Sommerfeld

Title: President and Chief Operations Officer

Date: 5/21/2024

Signature:  _____

"I have the authority to bind Wells Vehicle Electronics."