



LETTER OF CONTINUED COMMITMENT

October 28, 2021

To Our Stakeholders

Dear Mr. Secretary General:

I am pleased to confirm that Wheel Pros LLC., reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption. This statement expresses our intent to advance and implement those principles. We are committed to making these principles part of our culture, strategy and in day-to-day operation. We also engage in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals.

As an active member, we recognize that a key requirement for participation in the UN Global Compact is the annual submission of a yearly Communication of Progress (COP) describing our company's efforts to implement the Ten Principles. We support public accountability and transparency, and therefore describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We commit to sharing this information with the general public and our stakeholders using our primary channels of communication.

Sincerely yours,

Mr. Randall E. White
Chief Executive Officer

Mission Statement

Wheel Pros will be a leading designer, manufacturer, marketer, and distributor of branded aftermarket wheels, performance tires, and accessories. In doing so, Wheel Pros will meet customer expectations of highest quality, innovative designs, and exceptional experience.

Strategy

Wheel Pros LLC. has been committed to creating value for its stakeholders since joining the Global Compact in 2018. We have placed sustainable development in our business strategy. We are committed to maintaining a safe and healthy working environment through employee consultation and participation in the creation, establishment, and evaluation of our Environmental, Health, and Safety Management Systems. Our management team will provide all necessary safeguards, programs, and equipment required to reduce the potential for accidents and injuries, and work towards eliminating hazards and reducing health and safety risks. We are excited to have published our Environmental, Social, Governance efforts on our website, which can be viewed at <https://www.wheelpros.com/esg>. Below are examples in the principles our company has taken through our Assessments, Policies, Goals, Implementation, and Measurement of Outcomes in the year we have been Active member of the United Nations Global Compact

Human Rights

Wheel Pros, LLC continues its commitment to strategies and policies in the area of human rights through its Human Resources and Legal/Compliance departments.

- I. **Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and
 - a. We expect all employees, business partners, and any party linked to our operations, to respect human rights as described in the UN Global Compact Principles.
 - b. We have written policies to protect workers from workplace harassment; including physical, verbal, or sexual, abuse or threats. These require signatures by all employees. We have continued building on our reporting system for employees to make it easier to come forth with any potential issues. This is communicated to all employees. Non-compliance with the policies and procedures may be subject to disciplinary actions including termination of employment.
 - c. We have implemented more targeted mandatory trainings for management and employees in areas of human rights including video “testing.”

- i. The testing requires every employee to watch and listen to scenarios regarding the areas of Human Rights. They must pass multiple-choice tests before they can move on to the next scenarios.
 - ii. Human Resources is able to monitor whether the employee has completed the required tests. Because of this we can be assured that every employee has watched and completed the tests before they are permitted to work in our facilities.
 - d. To measure the progress of our anti-discrimination policies, we track diversity internally. We use this data to pursue continual growth in our diversity and inclusion practices.
- II. **Principle 2:** make sure that they are not complicit in human rights abuses.
- a. Wheel Pros uses effective management systems to integrate the human rights principles by:
 - i. We complete regular reviews to ensure that we and our manufactures adhere to all applicable laws and regulations, as well as our internal standards. This includes adopting human rights standards in all supply partner agreements. If a supply partner wants to work with Wheel Pros, they need to abide by the signed agreement, or the agreement can be terminated.
 - ii. We require our Vendors to join the Global Compact or have written policies in place that adhere to these principles. Since it is part of the agreements, we have the option of termination of the relationship if they do not comply.

Labor

Employment practices for both employees and contractors are of high importance to Wheel Pros. We are committed to providing equal opportunities for all employees and consistently work on strengthening a culture of mutual respect, trust, and openness.

- I. **Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
 - a. We do not deter employees from collective bargaining. However, we have fostered a work environment that encourages employees to bring concerns to management and issues are addressed expeditiously, in hopes that we can address any employee concerns before collective bargaining becomes necessary.
- II. **Principle 4:** the elimination of all forms of forced and compulsory labor; and
Principle 5: the effective abolition of child labor; and

- a. Our manufacturing agreements contain a section requiring our manufacturers to not use, and specifically prohibits, forced, trafficked, and child labor as well as other Global Compact principles in this area.
- b. Our Anti-Human trafficking policy follows California state regulations to ensure that we have eliminated risk of slavery and human trafficking in all facilities.

III. **Principle 6:** the elimination of discrimination in respect of employment and occupation.

- a. Wheel Pros is committed to increasing its hiring of women and culturally diverse employees and are tracking these rates internally.
- b. We have policies and practices that each employee must sign.
- c. We have increased employee training and zero tolerance for cultural, discrimination and sexual harassment and any form of discrimination. We use a web-based presentation that is monitored so that no page is skipped, nor is it skipped all together, and requires a signature at the end.
- d. We are an equal opportunity employer that does not discriminate based on sex, race, disability, age, sexual orientation, gender reassignment, religion or belief, marital status or pregnancy and maternity. We use a web-based presentation that is monitored so that no page is skipped, nor is it skipped all together, and requires a signature at the end.
- e. We have ongoing training and have a reporting system in place for whistleblowing, anti-bullying and anti-harassment policies and procedures in recruitment and procurement processes.
- f. We use an easier internal reporting system designed to ensure anyone can report what they see and hear at any time.

IV. Other

- a. We anticipate ISO 45001 certification by the end of 2021. We have created an Occupational Health and Safety Management System that includes all employee health and safety procedures. We educate our employees on the policies and procedures that we have in place to keep them healthy and safe while working.
- b. The mental health and well-being of our employees is just as important to us as their physical health. We are continually working on our policies to support our employees' mental health and wellness through the ISO 45003 standard.
- c. We have implemented a heat stress policy to keep our employees safe in our facilities during the hottest times of the year, which has become especially important due to

climate change. We use heat index tracking to determine the safest working conditions for our employees and implement procedures to help prevent heat stress.

- d. We provide education to our employees on their role in their own health and safety through training and encourage them to provide input through suggestion boxes, written forms, and an email inbox. We value our employees and their opinions, and we ensure that employee suggestions are taken seriously and handled by the necessary parties. We encourage our employees to take initiative to protect themselves both at work and at home.
- e. We are also committed to helping support local education through support of local universities through scholarships, internships, and apprenticeships to help students in their pursuit of college or practical education. Our South Carolina Wheel Pros and American Force facilities have been registered as Employer Sponsors through Apprenticeship Carolina in the SC Technical College System as part of the National Apprenticeship System in accordance with the basic standards of apprenticeship established by the Secretary of Labor through The United States Department of Labor.
- f. Wheel Pros ensures that its own workers are provided safe, suitable, and sanitary work facilities. We have all Federal and state labor laws incorporated into our employment practices.
- g. We continue to improve the efficiency and productivity of our workforce through continuous monitoring and improvements of processes, systems, and work organization.
- h. Our response to the Coronavirus pandemic has been proactive as we have stayed on top of changes as they come and handled issues quickly. Our response program has been admired and adopted by multiple other companies due to the effectiveness of our program. We have followed all local and national guidelines, including mask mandates and suggestions, enforcing social distancing, providing testing, and our vaccine incentive program. We are proud of the effectiveness of our program as seen by the minimal effect the Covid-19 pandemic has had on our company.
- i. To improve our employees' work and living environments, we sponsor activities and community work in which we can personally thank our employees for the work they do. As part of our Thank You Campaign, we host employee appreciation events in which a corporate representative from top management visits one of our facilities to show our appreciation. We have sponsored events like a Thanksgiving celebration in our Auburn, AL Manufacturing facility and an In and Out food truck event for all three shifts in Buena

Park, CA. We believe employee appreciation is essential to running a business and we want to personally thank all of our Wheel Pros' employees. Our goal is to host one of these events at all our facilities within the next year to thank each of our 1,600+ employees.

Environment

Wheel Pros, LLC., continues its commitment to protect the environment as much as possible. We have taken the following actions:

II. Principle 7: Businesses should support a precautionary approach to environmental challenges;

- a. We are committing to avoiding the risk of environmental damage via regular maintenance and updates of production processes and equipment. We are continually researching ways to improve the sustainability of our maintenance and processes.
- b. We anticipate ISO 14001 certification by December of 2021. We have created an Environmental Management System that includes all environmental procedures, including our formal Environmental, Health, and Safety policy. In this policy, we show our commitments to remaining proactive in the protection of the environment.
- c. We have regular requirements that our manufacturers have an active ISO 14001 and ISO 9001 in place, which is included in our Supply Partner agreements.
- d. We have implemented automated safety and environmental processes at all our production sites to ensure compliance with applicable legal and regulatory requirements.
- e. We provide ongoing education to our employees on their role in protecting the environment through training and encourage them to provide input through suggestion boxes, written forms, and an email inbox. We value our employees and their opinions and we ensure that employee suggestions are taken seriously and handled by the necessary parties. We encourage our employees to take initiative to protect their work environment and the environment as a whole.
- f. Wheel Pros will calculate our carbon footprint, including the carbon footprint of our products, by the end of the 2021. By calculating our annual carbon footprint, we will be able to track our progress as we make improvements to our processes and products.

III. Principle 8: undertake initiatives to promote greater environmental responsibility; and

- a. Wastewater and Waste Treatment – We continue to develop our wastewater program to prevent water pollution and reduce water consumption.

- i. To prevent water pollution at our facilities, we routinely monitor our sludge traps and storm drains to help prevent hazardous materials from being released into the water supply. We use absorbent pads to contain and collect any coolant or oil spills in the facilities, which helps ensure no harmful materials leech into our storm drains. These absorbent pads are then hauled off and cleaned so that they can be reused in our facility, which contributes to our recycling and waste reduction programs.
 - ii. We have implemented plans and responses to handle emergency spills. Each required facility will follow a Spill Prevention Control and Countermeasures Plan and a Storm Water Pollution Prevention Plan in accordance with their state regulations. These plans ensure that the environment will be safe from all potentially harmful materials in case of an emergency.
 - iii. Wheel Pros has revolutionized the coolant recycling process. In our Machining departments, we recycle coolant through an oil-water separator and are then able to put it back into our machines for further use. Once the liquids have reached their end-of-life stage, we have had success in other plants using an evaporator system to reduce the haul away drastically.
 - iv. In the past few years, we have installed automatic watering systems in all of our production facilities. The watering system will automatically turn off to keep battery acid from spilling and going into the ground or water. Because of these environmental efforts, we have reduced our hauls of wastewater from 4,500 gallons per week to less than 300 gallons per week.
- b. Recycling - We have increased our recycling efforts to divert waste away from landfills as much as possible.
 - i. We have revolutionized the coolant recycling process in our manufacturing facilities. In our Machining departments, we recycle coolant through an oil-water separator and are then able to put it back into our machines for further use. Once the liquids have reached their end-of-life stage, we have had success in other plants using an evaporator system to reduce the haul away drastically.
 - ii. As a leading manufacturer of aluminum wheels, we are committed to eliminating aluminum waste. All scrap metal is cleaned of coolant and other contaminants, melted down, and recycled into new wheels. The scrap metal that cannot be recycled internally is hauled off for external recycling.

- iii. Our cardboard recycling program in our York, SC Manufacturing facility has reduced our landfill usage by over 65% and generated a revenue stream to offset the costs of infrastructure investment. Our recycling program in Buena Park, CA has also created a revenue stream while diverting cardboard, aluminum, and steel away from the landfill. Our commitment to increasing recycling efforts has proven to not only decrease our impact on the environment, but also to increase profit margins.
- iv. We have committed to sourcing our cardboard boxes and apparel from companies that use at least 65% recycled materials.
- v. The ceramic lead used in our processes is now being recycled into highway barriers. In 2019 and 2020, we recycled 107.03 tons of MHT polishing compound.
- c. Carbon Footprint Calculation - We are currently working on calculating our company-wide carbon footprint, which includes the carbon footprint of our products. By calculating our products' carbon footprint annually, we will be able to track our progress as we make changes.
- d. Wheel Pros also supports charitable giving and protection of endangered species through Black Rhino's partnership with Save the Rhino International. Black Rhino, one of Wheel Pros' 40+ brands, has committed to donating five (5) South African Rand from the sale of each wheel to help protect black and white rhinos in South Africa. This results in thousands of dollars in donations quarterly.
- e. In order to be good stewards to the communities around our facilities, we limit the speeds and times of day that our trucks are allowed to transport our materials and products.

IV. Principle 9: encourage the development and diffusion of environmentally friendly technologies.

- a. We use ENERGY STAR Certified appliances where possible to reduce energy consumption and operational costs.
- b. We have increased processes that result in a reduction of paper use, such as converting to digital files instead of paper files where applicable.
- c. We are using more electric forklifts and pickers in all our warehouses. In our Dallas logistics warehouse, all stand-up forklifts are now electric. In our Sales and Distribution centers we have almost all electric order pickers. The use of electric forklifts increases battery life, reduces fuel consumption, and eliminates harmful emissions. We have also limited the speeds of all of our powered industrial trucks to six (6) miles per hours or

slower, which helps to limit propane emissions until we are able to implement all electric equipment. As an extra incentive, we receive rebates from our commitments to switch to electric forklifts through our Clean Skies Agreement with Beyond Energy. The goal of this program is to reduce the amount of propane used, while generating a revenue stream to offset the costs of infrastructure investment.

- d. We use automatic watering systems in some of our production facilities, which automatically turn off to keep battery acid from spilling and going into the ground.

Anti-Corruption

Wheel Pros, LLC., is committed to the fight against anti-corruption. We abide by laws and set an example on how to conduct business in an ethical way. We have specific policies and procedures against fraud to ensure transparency and compliance.

- I. **Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.
 - a. We released a formal Wheel Pros Anti-Corruption Laws Compliance Policy that all employees must sign saying that they have received, read, and fully understood the policy. This policy includes our principles prohibiting bribery, facilitation payments, and other improper payments in the conduct of its business operations and the responsibilities of Covered Persons to implement this Policy. We encourage all employees to report any conduct that may violate this Policy, including potential unethical or illegal activity, directly to their manager or the General Counsel.
 - b. We released a formal Wheel Pros Economic Sanctions and Anti-Money Laundering Laws Compliance Policy that all employees must sign saying that they have received, read, and fully understood the policy. This policy provides an overview of our corporate policy regarding Sanctions and Anti-Money Laundering Laws, procedures we have adopted to ensure compliance with this Policy, and potential penalties for violation of this Policy. We encourage all employees to report any suspected violation of this Policy, to the General Counsel.
 - c. Our high standards of ethical behavior for our employees can be seen in our Employee Handbook. An important part of our Handbook is Wheel Pros' commitment to comply and its expectation that employees will comply with the laws and rules of the countries in which we operate. Employees must certify their understanding of the code and their commitment to abide by it.

- d. We have added more about these anti-corruption principles into our training manual and treat these principles as an integral part of business and strategy of day-to-day operations.
- e. We have added specific training in this area to our international sales associates in order to recognize anti-corruption in foreign companies including our own manufacturers and distributors.
- f. We require all our manufacturers and supply partners to apply to these principles of the Global Compact through our Supplier Code of Business Conduct, which addresses Conflicts of Interest, Compliance with Laws, Protective Information, Bribery, and Business and Financial Records.

General

Our logistics warehouses have been ISO 9001 Certified, which means we have met all necessary requirements in our Quality Management System. This system ensures that we meet customer and other stakeholder needs within statutory and regulatory requirements related to our products. We are audited to ensure compliance to these standards annually.