



TABLE OF CONTENTS

President's Statement	
Randy Breaux	4
About This Report	6
Forward-Looking Statements	7
Motion By The Numbers	
Our Business	8
Our Values	8
Vision Statement	8
Our Solutions	8
Our Approach To Sustainability	
Environmental, Social & Governance	9
Environmental	
Sustaining Our World For Future Generations	9
Improving Environmental Performance	10
Tracking and Reducing Our GHG Emissions	11
Fostering A Sustainable Value Chain	12
Supporting Our Customers' Energy Efficiency	12



Social

	Caring For Our People	13
	Diversity, Equity & Inclusion	14
	DEI By The Numbers	15
	DEI Roadmap	16
	Learning And Development	19
	Sustaining Health and Safety	20
	Team Well-Being	21
	Supporting Our Community	22
Gover	rnance	
	Program Oversight and Administration	24
	GPC Board Snapshot	25
	Ethical Business Practices	26

27



Risk Management



President's Statement RANDY BREAUX

Our goal is to operate sustainably, which means considering a long-term view of our business and critical environmental, social and governance (ESG) issues. Our 2023 Sustainability Report provides an update as we continue to expand our program.

The following highlights some areas of progress from the past year:

Business: In early 2022, Motion completed its largest acquisition to date—Kaman Distribution Group (KDG). The \$1.3 billion investment expanded our capabilities in fluid power and automation intelligence, and now our forces are even stronger with KDG's talented and experienced teammates. The broader offering and expertise are above and beyond what customers would have received from either company operating separately. In addition, the progress made from restructuring and automating our distribution points continues to improve our speed to market. These strategies positioned us to continue delivering on our vision to be the preferred industrial solutions provider for our customers.

Environmental: We continue to align our operations and footprint for the best customer service while measuring environmental impacts and strategizing on improvements. During 2021, we established baseline performance measurements. We leverage the current report to track these impacts and are beginning to set internal goals for mitigation—an example is our customer-centric fulfillment center in Lakeland, Florida, which has provided many benefits including broader inventories, quicker response to customers and emission reductions. The Charlotte fulfillment center opening in Q1 2023 will give us the opportunity to continue implementing these changes.

Social: Talent acquisition, employee engagement and retention, and inclusion remain priorities for Motion. Many of the KDG teammates have been promoted to key leadership roles within Motion. In addition, continued structural implementations related to DEI efforts include agreements to expand Veteran and diverse talent.

We know that building a diverse and inclusive team where everyone feels valued and heard is critical to our success. Our parent company, Genuine Parts Company (GPC), has launched business resource groups that empower employees to come together with others who share their interests and experiences while enhancing and developing their leadership skills and networks. Motion will promote, expand and participate in these BRGs to continue to enhance collaboration and an inclusive environment for all our employees.

Governance: Accountability at all company levels is provided through our values and structure. Motion's values include being ethical, fair, inclusive and invested. Our GPC leadership and board oversee all strategic decisions of the organization. Our leadership teams ensure that personnel at all levels are accountable and act in accordance with our values throughout the organization. We support this messaging and training with enterprise risk management, internal and external audit of key procedures, ISO 9001 certification and the transparency and communication of our ESG program, including our Sustainability Report. Creating transparent communications on our progress and setting goals for our operations are vital steps to success.

I'm pleased with the progress made since last year. We've added to our business capabilities, expanded our robust team and invested our time and money in operations that increased service—all while promoting environmental responsibility—but there is more work to do. We will continue improving and expanding in these areas as we continually earn our place as the premier industrial solutions provider to our customers. Thank you to our Motion teammates, partners and suppliers, who work daily to exceed our customers' expectations and strengthen our communities, while making the world a better place.

RANDY BREAUX

President of Motion

ABOUT THIS REPORT

This 2023 Sustainability Report outlines environmental, social and governance (ESG) metrics for the fiscal year 2022 (January 1, 2022, to December 31, 2022, unless otherwise noted). In addition, Motion is a wholly owned subsidiary of Genuine Parts Company (GPC) and as such, some parts may be included in GPC's 2023 Sustainability Report

We are publishing the 2023 Sustainability Report in June, as noted in last year's first-ever independent report. In 2022, Motion reported the material information available up to the report date of publication. Because of that, some metrics in the present report may overlap with the previous report. Moving forward, we will report annually in June and include information and data limited to the fiscal year to improve transparency, measurement and tracking of our sustainability journey progress.

We are proud to showcase Motion's commitment to making the value chain more sustainable. In accordance with best practices, the material topics presented here have been assessed through a third party and validated internally to inform our stakeholders' interests. Additionally, this report includes certain Global Reporting Initiative (GRI) metrics, which we intend to expand for future reporting.

To keep updated and learn more about Motion's ESG initiatives, we invite you to visit our dedicated website: <u>motionesg.com</u>

FORWARD-LOOKING STATEMENTS

Some statements in this report, as well as other materials we file through our parent company, GPC, with the Securities and Exchange Commission (SEC), release to the public, or make available on our website, constitute forward-looking statements that are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements in the future tense and all statements accompanied by words such as "expect," "likely," "outlook," "forecast," "preliminary," "would," "could," "should," "position," "will," "project," "intend," "plan," "on track," "anticipate," "to come," "may," "possible," "assume," or similar expressions are intended to identify such forwardlooking statements. These forward-looking statements include our view of business and economic trends for the remainder of the year, and our expectations regarding our ability to capitalize on these business and economic trends and to execute our strategic priorities. Senior officers may also make verbal statements to analysts, investors, the media and others that are forward-looking. We caution you that all forward-looking statements involve risks and uncertainties, and while we believe that our expectations for the future are reasonable in view of currently available information, you are cautioned not to place undue reliance on our forward-looking statements. Actual results or events may differ materially from those indicated as a result of various important factors. Such factors may include, among other things, changes in general economic conditions, including unemployment, inflation (including the impact of tariffs) or deflation, financial institution disruptions and geopolitical conflicts such as the conflict between Russia and Ukraine; volatility in oil prices; significant cost increases, such as rising fuel and freight expenses; public health emergencies such as the COVID-19 pandemic, including the effects on the financial health of our business partners and customers, on supply chains and our suppliers, on metrics that affect our business and on access to capital and liquidity provided by the financial and capital markets; our ability to maintain compliance with our debt covenants; our ability to successfully integrate acquired businesses into our operations and to realize the anticipated synergies and benefits; our ability to successfully implement our business initiatives; slowing demand for our products: the ability to maintain favorable supplier arrangements and relationships: changes in national and international legislation or government regulations or policies, including changes to import tariffs, environmental and social policy, infrastructure programs and privacy legislation, and their impact to us, our suppliers and customers; changes in tax policies; volatile exchange rates; our ability to successfully attract and retain employees in the current labor market; uncertain credit markets and other macroeconomic conditions; competitive product, service and pricing pressures; failure or weakness in our disclosure controls and procedures and internal controls over financial reporting, including as a result of the work from home environment; the uncertainties and costs of litigation; disruptions caused by a failure or breach of our information systems, as well as other risks and uncertainties discussed in The GPC 2022 Annual Report on Form 10-K and from time to time in our subsequent filings with the SEC. Forward-looking statements speak only as of the date they are made, and we undertake no duty to update any forward-looking statements except as required by law. You are advised, however, to review any further disclosures we make on related subjects in our subsequent Forms 10-K, 10-Q, 8-K and other reports filed with the SEC.

MOTION BY THE NUMBERS

OUR BUSINESS









Over the past 77 years, Motion has grown, both organically and through strategic acquisitions, to become the trusted industrial distributor it is today. Since 1946, we have been building teams of experts in every market we serve who know what it takes to battle the most complex industry challenges. It is because of our customers and supplier partnerships that Motion has been able to grow from one location to over 800 locations across 8 countries. In 2022, Motion completed the acquisition of KDG, and, despite the uncertainty and effects of the COVID-19 pandemic and other global geopolitical conflicts, we thrived and delivered outstanding performance.

OUR VALUES





Ethical



Inclusive



Invested

VISION STATEMENT

Continually earn our place as the premier industrial solutions company by:

- Providing the preferred customer experience
- Energizing our talent
- Delivering stakeholder value

OUR SOLUTIONS











OUR APPROACH TO SUSTAINABILITY

ENVIRONMENTAL, SOCIAL & GOVERNANCE



Environmental

At Motion, we understand that caring for the world where we live now and for future generations is vital. **We are commited to:**

- Improving our environmental performance
- Fostering a sustainable value chain
- Supporting our customers' energy efficiency



Social

People are at the very core of Motion's culture and strategy.

Our efforts concentrate on:

- · Diversity, Equity & Inclusion
- · Learning & Development
- Sustaining health and safety
- Supporting our communuty



Governance

We recognize that strong governance is the key to sustainability. **As such, we** heavily rely on:

- · Governance structure
- · Ethical business practices
- · Risk management

ENVIRONMENTAL

SUSTAINING OUR WORLD FOR FUTURE GENERATIONS

At Motion, we understand that caring for the world where we live and serve is vital as well as caring for future generations. We are invested in our mission of improving our environmental performance and making the value chain more sustainable. This report outlines key results and actions taken in 2022 and that we aim to continue developing as we evolve in our environmental sustainability journey.



IMPROVING ENVIRONMENTAL PERFORMANCE



Adopting Renewable Energy Sources

- Replacing gas-powered fork trucks with electric models
- Studying the adoption of EV fleet



Reducing Energy Consumption

 Retrofitting or designing new locations with LED lighting and building management systems



Reducing Waste and Increasing Recycling

 Expanding the reach of our program to provide training and model best practices

Based on 1,085.30 tons of recycled material in 2022, our corporate recycling program has had an annual positive impact equivalent to the reduction of:



663
Households'
electricity use



16,388 MBTUs Net energy eduction (milli

Net energy reduction (million British thermal units)



Carbon sequestered by **4,037 Acres**

of US forests



3,408 Metric Tons

of GHG emissions reduction



7,890
Barrels
of oil consumed



383,469 Gallons of gasoline consumed



734
Gasoline-powered passenger vehicles driven



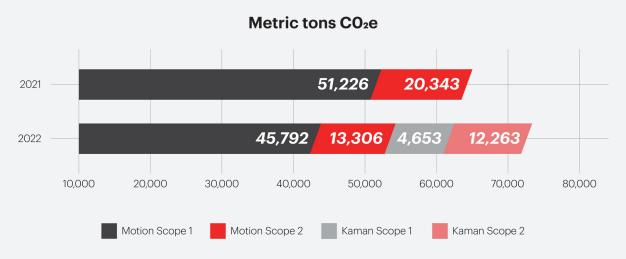
TRACKING AND REDUCING OUR GHG EMISSIONS

Motion created and shared baseline GHG emissions last year in our inaugural Sustainability Report. At that time, we reported Scope 1 emissions totaling 51,226 ton CO₂e and Scope 2 emissions totaling 20,343 ton CO₂e. On January 3, 2022, Motion completed the acquisition of KDG. With this acquisition, we added approximately 200 additional facilities and 1,700 employees to the Motion team.

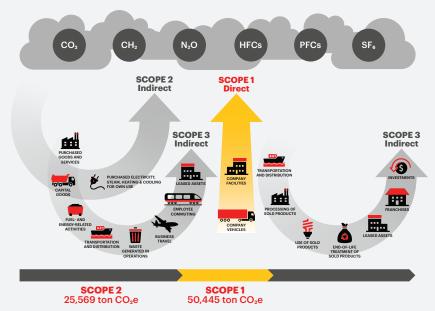
As demonstrated by our graph below, Motion is proud to report a reduction of emissions relevant to our baseline of over 12,000 ton CO₂e across Scope 1 and 2. However, due to our acquisitions, our total emissions increased by 4,445 ton CO₂e.

Motion's achievement of emissions reductions can be attributed to several factors, including:

- Managing our operational footprint and maximizing our customer-centric fullfillment center model.
- Modernizing our facilities: retrofitting or designing new locations with LED lighting and other energy efficient materials.
- Replacing gas-powered fork trucks with electric where possible.



As we continue to evolve on our carbon journey, we will continue to monitor, measure and report on our emissions progress. Further, we intend to develop a more structured climate program that will include opportunities for collaborative projects with customers and suppliers. It will allow for the sharing of best practices with the goal of doing our part to reduce CO₂ emissions and make the value chain more sustainable.



FOSTERING A SUSTAINABLE VALUE CHAIN

As Motion is invested in fostering a more sustainable value chain, we have directed efforts toward upstream and downstream stakeholders.

- We are developing a comprehensive supplier program that primarily aims to enhance supplier sustainability.
- We are partnering with suppliers and investing in offering eco-friendly solutions to our customers.

SUPPORTING OUR CUSTOMERS' ENERGY EFFICIENCY

Motion's Energy Services Team conducted 69 energy audits for our customers in 2022, which resulted in:

- 124MM kWh reduced
- > 93MM lbs. or 42K metric tons of CO₂ reduced
- \$5.1M energy savings from reductions
- \$6.3M total cost savings realized





SOCIAL

CARING FOR OUR PEOPLE

A culture invested in people is the key to Motion's success. As an international industrial solutions provider, Motion relies on its talented and diverse workforce paired with innovative services and Tier 1 products to serve our customers all over the world. Moreover, we recognize Motion as part of society with responsibilities and resources to positively impact the society that surrounds us.

GPC conducts an annual Employee Engagement Survey across all business units. Motion's teams had a 77% participation rate in the overall survey and the results unique to our business group are here.

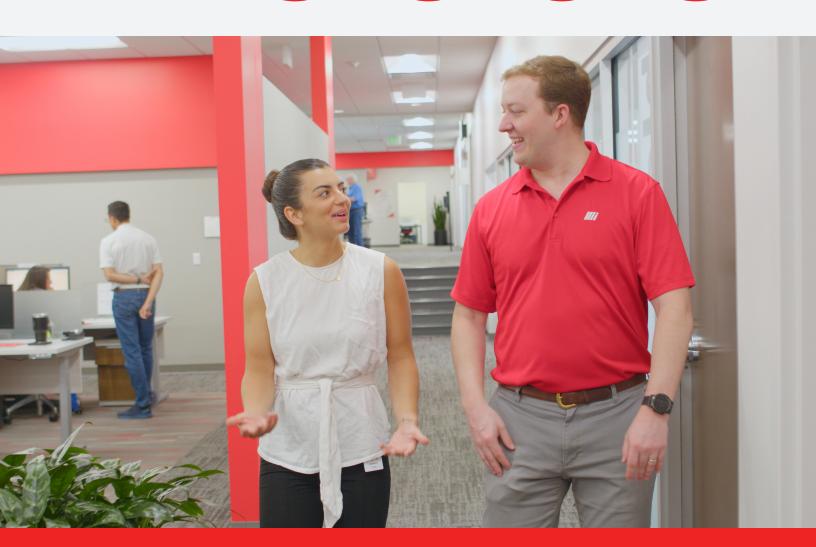
Satisfied Employees — Motion Satisfaction Score 87%

The satisfaction score is based off the following metrics:

90% I'm proud to work for Motion

87% Motion is a good place to work 86%
My work gives me a feeling of personal accomplishment

77% Motion employee participation rate



DIVERSITY, EQUITY & INCLUSION

Our Vision

Getting and keeping the right people in the right jobs while creating opportunities in an inclusive environment for women and diverse employees to thrive and succeed.

Our Commitment

Motion is committed to diversity, equity and inclusion (DEI) throughout all levels of the organization. Our teammates around the world reflect the communities and cultures we serve. To advance our commitment to DEI, in 2021, the office of DEI and Employment Engagement was established to increase diversity by advancing our existing teammates as well as recruiting external talent and hiring and retaining qualified women and diverse candidates.

In addition, our efforts to intentionally bring our diverse workforce together and to support organizations focused on advancing racial equality and helping diverse and underserved communities worldwide, led us to launch a series of employee appreciation, engagement and charitable giving activities.

During our 2022 Juneteenth celebration, Motion invited employees on an interactive scavenger hunt within our corporate offices, where each clue allowed participants to learn more about the history of Juneteenth and its significance.



DEI BY THE NUMBERS





*Self-Identified - US Only

2022 Highlights

- We established a Mentorship Program for employees including women and people of color in mid-level management and beyond.
- We surveyed employees to determine their connection to Historically Black Colleges and Universities (HBCUs) and other colleges/universities, in order to identify recruiting champions at Motion locations around the US.
- We built partnerships with HBCUs that offer degrees applicable to our business.
- We continued to provide unconscious bias training at every level of leadership.

DEI ROADMAP

Job Postings

In addition to changing our approach to in-person recruiting events, we have also expanded our online presence. We are actively recruiting via Handshake Premium. This will allow us to run targeted recruiting campaigns and host career events attracting new talent.

Campus Recruiting

Today, we attend 20+ recruiting events annually at various colleges. As part of our roadmap initiatives, we have partnered with Historically Black Colleges and Universities to become more involved with these institutions; we'll attend campus recruiting events and have also paired with them to share our story and case studies in the classroom. By driving awareness of our organization with these candidates, we will move toward our diversity goals.

Military Recruiting

Motion has now signed an agreement with Bradley-Morris, one of the largest military recruiting firms in the US, in order to improve our recruiting of veterans and military families. The program gives us access to over 100 specialized recruiting events across the US, providing over 1 million veterans and veteran family members access to our open positions.

Motion recognizes the valuable experience and talent military members and veterans gained during service to our great nation. We are actively pursuing these individuals to be part of our team because we know these individuals can contribute leadership and know-how to solve tough problems in today's world. We want veterans and military members to be part of our team because we deeply appreciate their service. Motion is always looking to add strong leaders and talented individuals to our growing team! Today, Motion has approximately 300 military veterans from all branches of service, working across the US in various roles within the company. If you are interested in joining the Motion team, please visit the Careers Page on our website to learn more.



LEARNING AND DEVELOPMENT

Diverse Talent Development

In 2022, Motion started a partnership with McKinsey's Management Accelerator Program as part of our efforts to develop and retain top diverse talent. It is designed for high-performing people of color who are early-to-mid career managers and aspire to develop as leaders. The program focuses on capabilities while developing cross-functional knowledge needed to lead a successful business and teams.

Learning and Development Center

As the world is ever-changing, Motion believes it is vital to continuously develop our team and capabilities. In 2022, we began to move forward with a project to invest over \$4 million in our new Learning and Development Center. This will be designed as a world-class training facility at Motion's headquarters. We aim to energize our people by delivering the knowledge and skills our customers deserve as we earn our place as the preferred solutions provider.

TALENT SPOTLIGHT



"It was a great experience to participate in the McKinsey Management Accelerator Program.

In addition to learning or refreshing my fundamentals of business, I am now enjoying being part of a network of professionals from my company and affiliations from all over the world. As a relatively new Manager, I was able to reach out to other Managers going through my situation and gain valuable techniques and practices that help me to lead my team every day on a professional level and a personal level.

I am thankful to be part of a company that invests in its employees' talent and professional development."

Angelique Lagat, Senior Manager - Branch Operations Support

2022 Training Highlights

In addition, we provide both virtual training through our Exceed learning platform and in-person training to our employees, customers and suppliers. In 2022, we provided:

- 267,165 online course completions
- 50,000+ hours of Health & Safety training
- 1,631 employees received hands-on instruction
- 411 customers received hands-on training

SUSTAINING HEALTH AND SAFETY

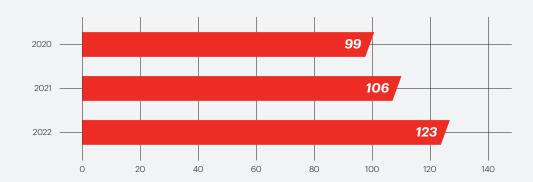
Motion is committed to providing a safe work environment. As such, we provide monthly health and safety general and role-specific training and assessments. Our environmental, health and safety (EHS) professionals work diligently to keep our teammates safe by administering the required training and overseeing the programs that keep our operations running safely and sustainably.

Our EHS program brings the topic into all areas of our business operations. By making safety top of mind, we ensure that all teammates know our proper procedures to keep our teams safe. The EHS team is also responsible for applying applicable federal, state and local regulations and for considering proposed legislation from the Occupational Health and Safety Administration, the U.S. Environmental Protection Agency and the U.S. Department of Transportation.

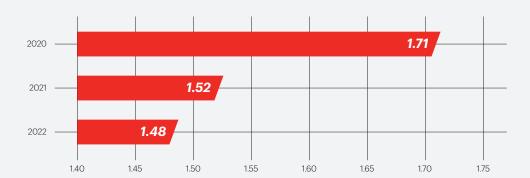
In 2022, although the Total Injuries slightly rose due to the addition of about 2,000 employees from the KDG acquisition, the Total Recordable Injuries Rate (TRIR) decreased. In other words, while injuries increased relevant to the employee increase, the frequency of those accidents decreased—a testament to the effectiveness of our robust Health and Safety Program.

Over 50,140 hours of training on Health and Safety completed in 2022

Total Injuries



Total
Recordable
Injuries Rate



TEAM WELL-BEING

Motion is committed to the safety and well-being of all our teammates. As part of that commitment, we provide these valued teammates with various benefits including a comprehensive well-being package designed to meet the physical needs, mental health needs and financial goals of our employees. We accomplish this by providing options for individual and family health care coverage, resources for mental health and investment opportunities through 401(k) programs, stock programs and other resources.

In addition, we provide extensive training for job-related duties, safety and leadership development. As a member of GPC, we are also proud to offer tuition reimbursement plans and scholarship opportunities for the children of our employees—ensuring that generations have access to advanced education opportunities. During 2022, we provided 10 scholarships totaling \$25,000 of investment in future generations.

SCHOLARSHIP AWARDS HIGHLIGHT

Investing in the Future Talents

Kameo Monk is one of Motion's Scholarship Award winners. She is the daughter of Trevor Monk, Machinist (AB59). She is heading into her second year at the University of Alberta where she is studying Environmental & Conservation Sciences while working towards her designation as a Professional Biologist. Kameo has been involved with and spent many hours volunteering in a community green space program, which entails figuring out better ways to better utilize green spaces in parks and schools for today's youth.

She also enjoys hiking, camping with friends and family, fishing, spending time at the lake, sitting around a campfire and spoiling her two cats, Noodle and Mona.



SUPPORTING OUR COMMUNITY

At Motion, we believe that supporting our community is an essential part of making the value chain more sustainable. To do so, we have concentrated our efforts on two pillars: philanthropic giving and supplier diversity.



Philanthropy

Motion by itself supports over 100 individual charities and has partnered with key associations and initiatives that promote a series of crucial causes. In addition to that, we are proud to share that, with Motion's support, our team is committed to serving the community through volunteering with several causes.



Our Denver, CO team volunteered with St. Jude Research Hospital in a fundraising event that raised \$5,000.













Supplier Diversity

In addition to our efforts to intentionally bring a diverse workforce together, we believe that a diverse supplier base enables the sustainable development of our community. Motion has long invested in supplier diversity and is now structuring a robust Supplier Diversity program to increase transparency, traceability, measurement and reporting.



Identification

- Review existing supplier base to document Diverse Supplier status.
- Engage with key Diverse Supplier Councils to identify new Diverse Supplier opportunities.
- Partner with Sales to develop strategy and implementation with measurable results.



Utilization

In 2022, Motion spent approximately:

- \$377 million with over 6,000 small businesses
 - \$95 million with:
 - Minority-owned
 - Women-owned
 - · Veteran-owned
 - Other diverse business types



Reporting

- Provide sourcing assistance and supplier capabilities.
- Engage in customers' diverse supplier requirements.
- Report and analyze diverse vendor spend reporting.

DIVERSE SUPPLIER SPOTLIGHT

Filtration Manufacturing (Pam Lambert, Owner)

Filtration Manufacturing is a certified Woman-Owned Small Business (WOSB) and certified Women's Business Enterprise (WBE) based in Andalusia, AL, and we have partnered with Motion for over 25 years. Motion's customers actively seek to support diverse businesses like ours, creating significant growth potential. As we are a woman-owned manufacturer, Motion has opened doors to many networking and collaboration opportunities. This has allowed us to build relationships with key stakeholders, leading to strategic partnerships. Filtration Manufacturing's business has grown by 45% over the past five years, largely due to our focus on diverse business development.



GOVERNANCE

PROGRAM OVERSIGHT AND ADMINISTRATION

Motion recognizes the key to a successful sustainability program is determined by the strength of the governance that embodies it.

Under the leadership of GPC, our governance programs are tightly integrated and reflective of strategy and planning, including corporate risk management. In addition, Motion is also working on key projects to better govern and report on material items to our customers, such as Value Chain Management. We are implementing a new initiative that will allow greater transparency into our value chain and provide reportable metrics on human rights, ethics, sustainable sourcing and environmental responsibility.

Governance Board and Engagement

Motion follows the lead set by the diverse board of its parent company, GPC. The talented Motion leadership team then implements the strategy and participates in quarterly board reviews and feedback on continued operational improvements. We are proud to have a governing body with cumulative 350+ years of experience in various industries.



GPC BOARD SNAPSHOT



Female

4 out of 14 directors are women



Diverse

7 out of 14 directors are diverse by gender, nationality and race



Independent

12 out of 14 directors are independent

64

Years Average Age

3 directors are in their 50s7 directors are in their 60s

4 directors are in their 70s

9

Years Average Board Tenure

4, 0-5 years

5, 6-10 years

5, 11+ years

Governance for ESG

For us, ESG is more than a compliance or risk mitigation tool; it's our way of doing business. Embedding sustainability into our organization requires a different mindset and management approach to make sure we can respond quickly and proactively to environmental, social and market drivers. Throughout our history, we have engaged in corporate responsibility and environmental stewardship.

In 2022, Motion had two important milestones in governance for sustainability. First, we launched our very first Sustainability Report to increase transparency and better track and measure progress on our environmental, social and governance metrics. Second, Motion established the office of Vice President of ESG, which reports to Joe Limbaugh, Chief Operations Officer. This structure allows for the top-down review and integration of ESG throughout our operations. As such, the team works closely with other internal and external stakeholders in order to embed sustainability in both our strategy and everyday activities. We are excited to continue evolving in our sustainability journey.

ETHICAL BUSINESS PRACTICES

At GPC and Motion, what we stand for never changes and our unwavering focus on our vision is core to our success. We have fostered a culture that prioritizes ethical behavior and we have set the bar high because we aren't satisfied with merely complying with laws and regulations.

Our extensive Code of Conduct applies to all full-time and part-time teammates across all global operations and extends to people working on our behalf, including consultants, agents, vendors, suppliers, distributors and business partners. Employees are trained annually on our Code of Conduct, ensuring we communicate often on our high standards of ethical behavior throughout the organization.

In 2019, GPC updated our Code of Conduct to better align with our sustainability strategy and goals. Maintained by GPC's internal Compliance team with oversight from the board, the Code covers the following areas:

Our Code



- Understand Your Responsibilities
- · Make Good Decisions
- · Speak Up
- · Non-retaliation Policy

Our Company



- Audits and Government Investigations
- Protecting Confidential Information
- Insider Trading
- Company Property
- Records Management

Our Customers



- Anti-corruption and Anti-bribery
- Anti-money Laundering
- · Conflicts of Interest
- Competition and Anti-trust
- Gifts and Entertainment
- Import, Export and Trade Compliance
- Product and Service Quality and Safety

Our Community



- Environmental Protections
- Human Rights and Social Responsibility
- Charitable and Volunteer Activities
- Political Activities and Contributions
- Public and Media Relations
- Marketing and Advertising
- Social Media

Information Technology

Motion is committed to doing everything possible to keep our data and our partners' data safe. Following current best practices, our data security standards and the cybersecurity program provide a framework for the responsible collection, storage, transfer, use and destruction of data.

Motion follows the ISO 27001/2 Cybersecurity Framework and utilizes the National Institute of Standards and Technology (NIST) controls. In addition, in support of our Department of Defense (DOD) customer base, Motion continues to make progress on the Cybersecurity Maturity Model Certification (CMMC) and is awaiting the finalization of the program details to complete the certification progress.

Ethics

Motion requires all teammates to complete ethics training, both as part of the onboarding process and annually throughout their time with the company. Leaders and managers are responsible for reinforcing the Code of Conduct throughout our business units and at all levels of the organization. At Motion, we strive to work with integrity and honesty in all situations. We have institutionalized this to the level that working ethically is one of our four core values. Integrity is the foundation of trust upon which our reputation is built.

To that end, we provide an ethics hotline for reporting concerns, such as:

- Theft, fraud, or any other form of dishonesty
- Harassment or discrimination
- Accounting of financial irregularities
- Violation of laws, regulations, policies or procedures
- Violence or threatening behavior
- · Substance abuse

The system is neutral, administered by a third party and available 24/7/365 via phone or online. In addition, we have a zero-tolerance policy against any nature of retaliation for whistleblowing.

Ensuring Product and Service Quality and Safety

Providing quality and safety for our customers is fundamental to Motion. As such, Motion is ISO 9001:2015 certified. This ensures that Motion operates with efficient, structured policies and procedures to provide the highest-quality service while continuously refining and improving our operations. Furthermore, Motion provides extensive Hazardous Material Shipping training to our employees. This ensures each shipment is created in compliance with regulation and with the safety of our employees, partners and customers in mind. And, most recently, Motion has created a dedicated team to address customer product compliance requests.

RISK MANAGEMENT

Motion monitors risk and conducts an annual risk assessment to our business as part of the complete GPC Enterprise Risk Management (ERM) Assessment. Within GPC's Risk Management program, Motion is responsible for analyzing and reporting on key risks to the business. During this evaluation, all key functional areas conduct extensive risk assessments and provide mitigation measures. Areas include Finance, Human Resources, Information Technology, Operations and Legal.

Assessment

Motion participates in annual risk assessment of key areas of risk annually

Review

These findings are reported to GPC as part of the overall Global Enterprise Risk Management process

Governance

Through this process,
GPC is able to evaluate
and mitigate risks to the
enterprise and report key
findings to our board of
directors



#1108453453 / 09/2023 © 2023 Motion Industries, Inc.