

Supplier Code of Conduct

I. Preface

We at JOYSONQUIN Automotive Systems Germany GmbH and all our affiliates (in the sense of sec. 15 et seq. German Stock Corporation Act (AktG)) („JOYSONQUIN“, “we” or “us”) are highly committed to legal compliance, business ethics as well as our social and corporate responsibility. In particular human rights and environmental protection, product safety, the protection of rights of employees and their representatives, fair competition and prevention of corruption are core values for us.

Therefore, we only work with suppliers who are committed to the same principles. Furthermore, we expect our suppliers to apply and promote these principles in their own supply chains.

II. Scope of application

This Supplier Code of Conduct applies to all suppliers of JOYSONQUIN and is part of the contractual relationship between us and all our suppliers.

When providing deliveries and services to a JOYSONQUIN company, the supplier undertakes to comply with this Supplier Code of Conduct, even to the extent that it goes beyond requirements of applicable law. Moreover, the supplier shall endeavor to demand compliance with principles at least equivalent as those set out in this Supplier Code of Conduct also from its other contractual partners within the downstream supply chain.

III. Basic Principles

Our basic principles (“**Basic Principles**”) are the following:

1. Fundamental Principles

- **Compliance with laws:** Next to compliance with all contractual conditions agreed with JOYSONQUIN including this Supplier Code of Conduct, the supplier undertakes to fully comply with all applicable laws and regulations. This Supplier Code of Conduct takes precedence over applicable laws and regulations, further contractual obligations of supplier, or national or international standards or self-given standards by supplier, unless they contain regulations which are more stringent than supplier’s obligations set out in this Supplier Code of Conduct. If a local custom conflicts with a provision of this Supplier Code of Conduct, this Supplier Code of Conduct must be followed.
- **Financial responsibility/reporting:** We expect our suppliers to observe the principles of proper accounting and (if applicable) financial reporting at all times.

2. Cooperation / Anti-corruption

We expect our suppliers to abide by laws and regulations prohibiting unfair competition. Supplier and its employees insofar in particular adhere to the following further basic principles within their operating practices:

- **Integrity and conflict of interest:** The highest standards of integrity must be applied to all business activities. Decisions are made exclusively on the basis of factual criteria and are not influenced by personal interests and relationships.
- **Anti-Corruption and Bribery:** No form of corruption or bribery shall be tolerated or engaged in, neither directly nor indirectly, even if this means that a business or transaction will not be concluded. It will not be granted, offered or promised anything of value to a governmental official or any counterpart in the private sector with the aim of influencing or obtaining a preferential treatment or other improper advantage. This also includes to refrain from giving or accepting facilitation payments.
- **Fair competition:** Supplier and its employees will act in compliance with national and international competition and antitrust laws.
- **Anti-Money Laundering:** Money Laundering or terrorism financing shall not be facilitated, neither directly, nor indirectly.
- **Export control and customs:** All applicable national and international export control and customs regulations shall be complied with in all deliveries, services and payments.
- **Data privacy and intellectual property:** All personal data shall be collected in accordance with applicable data protection regulations, only be processed and used in a lawful, transparent and secure manner and its effective protection and use only for legitimate purposes ensured. Intellectual Property of JOYSONQUIN as well as third parties will be respected; in particular, no counterfeits shall be produced and/or delivered.
- **Responsible Mineral Sourcing:** No products shall be knowingly supplied, that contain raw materials that contribute to human rights abuses, bribery, corruption, the financing of armed groups or ethical violations, or that negatively impact the environment or comparable negative effects.
- **Non-disclosure of information:** Information provided by JOYSONQUIN, be it information about JOYSONQUIN and/or JOYSONQUIN's business partners, will be kept strictly confidential and protected against access by third parties, misuse, loss, destruction and manipulation. This has to be ensured also by our suppliers for their supply chain.

IV. Treatment of employees

Supplier will further adhere to respectively valid labor laws and regulations and create a good working environment, observing in particular the following principles:

- **Working times:** Respectively applicable local laws regarding working times shall be complied with.
- **Ethical Recruitment:** The supplier shall ensure transparency of the application and recruitment process and the equal treatment of all applicants and employees and insofar provide a fair framework.

- **Use of private or public security forces:** It shall be refrained from the commissioning or use of security forces, if, in the course of their use, persons are treated or injured in an inhuman or degrading manner, or injured, or if the freedom of association is impaired hereby.

V. Sustainability and Environment

A sustainable purchasing strategy is becoming increasingly important, not only because our customers make their procurement decisions based on aspects of environmental protection and social responsibility. We at JOY-SONQUIN have made it our mission to meet the needs of the present without compromising the ability of future generations to meet their own needs and we expect our suppliers to do the same by obeying the following principles:

- **Land, forest and water rights and eviction:** supplier shall not, in breach of legitimate rights, deprive any person of land, forests or waters, the use of which secures the livelihoods of persons.
- **Sustainable resource management:** our suppliers have a duty to contribute to the careful use of energy, water and fuels, in particular by using natural resources responsibly.
- **Greenhouse gas emissions:** Before their release, greenhouse gas emission from the operating processes shall be typified, monitored and – if necessary – respectively treated. Supplier is required to find economic solutions to reduce any emissions.
- **Energy efficiency and renewable energies:** Also energy consumption shall be monitored, documented and economic solutions to be found in order to improve energy efficiency and minimize energy consumption. In this context, the use of renewable energies shall be promoted and expanded.
- **Decarbonization:** In order to reduce CO2 emissions, we expect our suppliers to minimize the use of fossil fuels in their operating procedures including transport and buildings, but to rather use low-carbon energy.
- **Responsible management of chemicals:** chemicals or other materials that pose a hazard when released into the environment shall be identified and handled, transported, stored, used, recycled or reused and disposed in a way that safety is ensured.
- **Waste prevention, reuse and recycling:** The supplier maintains a system in order to identify, reduce and responsibly recycle, dispose of or reuse waste.
- **Animal protection:** Supplier shall comply with all applicable laws and regulations regarding animal welfare and protection.

The corresponding qualified certifications are expected for the purpose of verification.

VI. Whistleblowing

We follow local whistle-blower law and expect the same from the Supplier.

VII. Expectations with regard to human rights and environmental concerns

We make the consideration of the expectations listed below ("**Expectations**") a prerequisite for entering into and continuation of all our business relationships. These Expectations are as follows:

- **Child Labor:** Individuals below the minimum age permitted by local law must not be employed. In case that such local laws and the core ILO standards regarding child labour including ILO Convention 138 are in conflict, it shall be operated in accordance with ILO Convention 138. According to ILO Convention 138 the minimum employment age for employment should not be less than the compulsory schooling age of the country in which the individual is employed but in any case, not less than 15 years. However, in those countries subject to the developing country exception of the ILO Convention 138, no workers under the age of 14 shall be employed.
- **Forced labor:** Use of any forms of slavery, human trafficking, servitude, forced or compulsory labor shall be strictly prohibited.
- **Occupational Health and safety:** The occupational health and safety obligations applicable under the law of the place of employment shall be complied with, thus preventing the risk of accidents at work and/or work-related health hazards.
- **Freedom of association:** The right of free association of employees shall be recognized as far as legally possible. Formation, joining, and membership in a union shall not be used as grounds for unjustified discrimination or retaliation.
- **Diversity, equal treatment and inclusion:** All people shall be treated equally. Unless this is justified by the requirements of the employment, equal opportunities and treatment of employees shall be promoted in particular irrespective of skin color, race, social background, nationality, disabilities, political opinion, religion or belief, sex or age.
- **Minimum wage:** Fair remuneration shall be provided, in particular the applicable national statutory minimum wage shall be guaranteed.
- **Environmental protection:** Any kind of environmental damage should be avoided. This includes counteracting harmful soil changes, water and air pollution, harmful noise emissions and excessive water consumption. The supplier shall only supply organic materials (e.g. wood, leather) that are not associated with negative impacts on biodiversity.

We expressly reserve the right to adjust these Expectations at any time. The supplier undertakes to comply with the Expectations listed above as well as such further Expectations as they may be defined by us based on a risk analysis and hereafter respectively notified to the supplier immediately in writing.

VIII. Control-mechanisms and sanctions

1. Management and control systems

We expect the supplier to maintain a management system in order to achieve continuous improvements and to ensure compliance with applicable laws and this Supplier Code of Conduct. To this end, we in particular expect our suppliers to conduct appropriate trainings of their employees in order to familiarize these with the Expectations and Basic Principles set out in this Supplier Code of Conduct.

Further, we expect our suppliers to maintain or – if not yet present – implement a procedure for identifying and controlling risks to or a violation of the Expectations and/or the basic principles set out above associated with the operational process.

2. Questionnaire / Audit

We may verify supplier's compliance with the Expectations as well as its further commitments and obligations set out in this Supplier Code of Conduct through appropriate control-measures, which may include a self-assessment questionnaire.

The supplier shall, at our request, enable us to verify at the supplier's premises compliance with this Supplier Code of Conduct, in particular as to whether the Expectations and Basic Principles outlined above are being addressed appropriately. We shall also have the right to commission a third party, which is bound to confidentiality by profession and acceptable to supplier, to do so. To this end, the supplier shall grant us or such third party access to its premises as well as all documentation and information necessary for this purpose during normal business hours with reasonable advance notice, to the extent permitted by law. The supplier may deny access in particular if the provision of documents and information would contravene the protection of trade and business secrets or violate statutory provisions. Moreover, we shall take care that the supplier's business is disturbed as little as possible by such (own or third party) activity at supplier's premises. All other rights remain reserved.

3. Remedial action

If during the business relationship we or the supplier discover a violation of the Expectations or the Basic Principles set out above that the supplier has causally caused and that has already occurred or is imminent in the business of the supplier ("**Violation**"), the supplier shall, without undue delay, take appropriate remedial action to prevent, end or minimize the extent of this Violation. This also applies if such Violation is identified at a supplier's contractual partner.

If the Violation is such that the supplier cannot end it in the foreseeable future, supplier must draw up and implement a concept for ending or minimizing the Violation without undue delay. The concept must contain a concrete timetable, within which supplier is obliged to implement the developed concept ("**Remedial Concept**").

In the event that the Violation is of a serious nature, we reserve the right to suspend the business relationship until the Violation has ended. For the duration of such temporary suspension of the business relationship, the corresponding contractual obligations of us and the supplier shall also be suspended. We will inform the supplier in writing about the start and end of the suspension. For the avoidance of doubts; even if we suspend the business

relationship in accordance with this section VIII. 3, the supplier remains liable for the consequences of the Violation, including possible damages and expenses resulting from suspension due to the Violation.

4. Right to extraordinary termination

If we or the supplier identify a very serious Violation causally caused by the supplier, we are entitled to unilaterally terminate the business relationship without notice if the supplier fails to remedy the situation within the timetable set in the Remedial Concept and no other remedy can be found despite joint efforts. In this case, We will remunerate services rendered by the supplier as agreed upon up to the time of termination.

IX. Applicable Law and Jurisdiction

This Supplier code of Conduct shall be governed by the laws of the Federal Republic of Germany. To the extent permitted by law, the exclusive place of jurisdiction for all disputes arising from and in connection with this Supplier Code of Conduct shall be the registered office of JOYSONQUIN Automotive Systems Germany GmbH.

X. Declaration of Supplier

By signing this Supplier Code of Conduct, supplier **agrees** to be bound by this Supplier Code of Conduct and **declares**, in addition to any other contractual agreements with JOYSONQUIN, to comply with and except the Expectations, Basic Principles and control-mechanisms and sanctions as set out herein.