

# YAZAKI EMEA

## BUSINESS PARTNER CODE OF CONDUCT

2023

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## Business Partner Code of Conduct (“Code”)

*Effective as of June 2023*

### **Introduction**

YAZAKI – EMEA (“we”, the “Company” or “Yazaki”) is a group of companies owned by Yazaki Corporation located in Europe, Middle East and Africa. Being a worldwide leading manufacturer of wire harnesses and electronic car components, Yazaki’s ambition is to be a “corporation needed by society”, i.e., a trusted supplier of traditional and innovative automotive solutions, which will enable better mobility and connectivity while taking care of the society’s sustainability agenda and welfare. We are committed to conducting our business activities in full compliance with applicable laws, respecting human rights, including employees’ rights, protecting the environment, enabling fair competition and fighting against corruption. In addition to those internationally recognized principles, our corporate values speak for respect, trust and mutual support. We can achieve that ambition by maintaining a network of business partners which share the same values and adhere to the same standards.

This Code sets out the expectations and minimum requirements that our business partners (“Business Partners”) are to observe so as to eligibly supply and maintain successful cooperation with Yazaki. We expect them to ensure that these expectations and requirements are communicated to their employees, directors and officers, and to their direct suppliers, and that those suppliers appropriately pass on these expectations and minimum requirements along the supply chain.

### **1. Responsible business practices**

Yazaki expects and its Business Partners agree to act ethically and in compliance with all applicable laws and regulations, and to obtain their competitive edge only by superior products, technology, reliability, and the quality of services.

#### **1.1. Fair competition and antitrust**

Yazaki respects fair competition and expects our Business Partners to comply with antitrust laws which protect and promote fair and free, undistorted, and effective competition. Our Business Partners do not participate in any anti-competitive arrangements or agreements with competitors, business partners or other third parties (e.g. exchange of competitively sensitive information, price fixing, allocation of markets or customers), and do not abuse their market power. They properly address all antitrust risks arising from their economic activities and their corporate set-up.

## 1.2. Anti-corruption and anti-bribery

Yazaki has a zero-tolerance rule regarding corruption, bribery and extortion. The Company takes action against any form of such practice. Our Business Partners do the same by adopting anti-bribery policies, educating employees and taking actions against any acts of corruption and bribery. In particular, Yazaki requires from its Business Partners to reject and prevent all forms of corruption, including what are known as facilitation payments (payments to speed up the performance of routine tasks by public officials, e.g. at customs clearance). The Business Partners must ensure that its affiliates, directors, officers, employees, agents and sub-contractors do not directly or indirectly grant, offer, promise, approve, give, accept, request or solicit bribes, kickbacks, facilitation payments, improper donations or other improper payments or benefits (including the provision of socially inadequate entertainment and hospitality), to or from customers, government officials or other third parties, in order to improperly influence any act or decision of such customers, government officials or other third parties, to obtain or retain business or secure any improper advantage.

Our Business Partners refrain from offering or granting unreasonable and inappropriate benefits (including goods, services, invitations to non-work related cultural or sports events, recreational trips, private sales opportunities) to employees, directors or officers of Yazaki to facilitate the Business Partner's business with Yazaki. This does not apply to reasonable and socially adequate hospitality and product-related events in the usual course of business. Irrespective of the type of gifts and hospitality, the Business Partners must exclude any undue personal advantage and avoid any semblance of bribery, corruption or any other undue influence.

## 1.3. Avoiding conflicts of interest

Our Business Partners make decisions solely based on objective criteria and disclose to Yazaki any situation that might appear as a conflict of interest. Our Business Partners must inform Yazaki if, to the best of their knowledge, an employee, director, officer or an agent of Yazaki may have an interest of any kind in the Business Partner's business or any kind of economic ties with the Business Partner.

## 1.4. Anti-money laundering and prohibition of terrorism financing

Our Business Partners ensure compliance with all applicable laws and regulations against money laundering and terrorism financing. They make sure that they know their business partners, and report immediately to the competent authorities if there are facts which indicate that a case of money laundering has occurred.

## 1.5. Export controls and economic sanctions

Our Business Partners maintain and enforce policies, procedures and safeguards to ensure compliance with applicable customs regulations,

export/import restrictive measures, including economic sanctions. The Business Partners undertake:

- to comply with all applicable sanctions and export control laws and regulations
- not to use any funds or economic resources related to the business relationship (or parts of it) with Yazaki, or make them available, directly or indirectly to any sanctioned person
- not to otherwise engage, directly or indirectly, in any activity that would constitute a breach of, or cause Yazaki to be in violation, of any restrictive measures.

The Business Partners ensure that their subsidiaries and affiliates in which they hold a decisive interest, or in which any of their members of the supervisory board or the management board have a financial interest, act accordingly.

The Business Partners confirm that any items or goods being sold, exported, delivered or transferred within the business relationship with Yazaki are either not restricted under applicable sanctions or export control restrictive measures, or in case there are any restrictions, the respective Business Partner has obtained prior authorizations from any competent authority, in particular in the EU, UK and US, to export such items.

In case the circumstances outlined above shall change or the Business Partner has a reason to believe that such circumstances may change, the Business Partner must notify Yazaki in writing with immediate effect.

#### 1.6. Data protection and data security

Our Business Partners respect individuals' privacy and accordingly ensure the proper, confidential and responsible use and protection of personal data, in compliance with all applicable laws. They ensure that all personal data and other confidential information are appropriately collected, processed, secured, stored, and cannot be accessed without proper authorization.

#### 1.7. Intellectual property

Our Business Partners respect the legitimate intellectual property rights (including copyrights, software, designs, know-how, patents, and trademarks) of their business partners and other third parties.

Business Partners are expected to develop, implement, and maintain effective methods and processes to minimize the risk of introducing counterfeit parts or materials into the supply chain. Business Partners must immediately notify Yazaki of counterfeit products labelled or marketed as Yazaki products.

## 1.8. Product compliance and safety

Our Business Partners ensure the conformity and safety of their products with applicable laws and regulations.

## 1.9. Financial responsibility and accounting

Our Business Partners keep accurate records of their business expenditures and never conceal the true nature of an expense. Business Partners should perform their business dealings in a transparent manner and accurately reflect them in the companies' financial reports and filings. Business Partners should confirm an adequate financial reporting system control is in place.

## 2. Social responsibility and respect of human rights

For Yazaki, the social responsibility and especially the respect for internationally recognized human rights as included in the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the ILO Core Labor Standards, the principles of the UN Global Compact as well as the applicable supply chain legislation form the basis for all our business relationships.

### 2.1. Human rights

Our Business Partners respect these internationally recognized human rights, and actively protect those rights of individuals or groups, irrespective of their nationality, place of residence, sex, national or ethnic origin, color, religion, or any other status.

### 2.2. Prohibition of child labor and rights of young workers

Our Business Partners do not tolerate child labor within their own operations or within its direct suppliers. They ensure that they do not employ directly or indirectly persons under the applicable legal minimum working age. They also respect all regulations for the protection of employees under the age of 18.

### 2.3. Prohibition of modern slavery, forced labor and unethical recruiting

Our Business Partners do not tolerate the use of any kind of slavery, servitude, forced or compulsory labor or human trafficking.

Furthermore, our Business Partners do not mislead or defraud potential employees about the nature of work, ask employees to pay recruitment fees or inappropriate transportation fees, and/or confiscate, destroy, conceal, and/or deny access to employee passports and other identity documents issued by government and/or restrict the employees' freedom of movement or require employees to involuntarily use accommodation provided by the company for no operational reason.

#### 2.4. Working hours

Our Business Partners ensure that they comply with all applicable regulations on working hours including overtime, maximum hours, and rest periods, with a maximum of 48 hours per regular workweek with a rest period of at least 24 consecutive hours every seven days shall apply to prevent excessive physical and mental fatigue.

#### 2.5. Freedom of association and collective bargaining

Our Business Partners respect the rights of all employees to form and join trade unions and employee representations, and to engage in collective bargaining and strikes. This precludes any form of discrimination or retaliatory measures based on union activities. Even in case such rights are restricted or not provided at all by local law, our Business Partners ensure that the concerns of their employees are heard and considered without fear of intimidation, harassment or retaliation.

#### 2.6. Non-discrimination

Yazaki expects that its Business Partners respect the basic rights of employees and treat them fairly, promote diversity, equity and inclusion, and provide equal opportunities to all their employees, in particular, the payment of equal remuneration for work of equal value.

Our Business Partners ensure that their working environment is free from retaliation, discrimination, intimidation, harassment or any other improper conduct, for example based on ethnic decent, origin, nationality, religion, ideology, gender, sexual orientation, gender identity, age, disability, medical condition, race, color or their social background or any other characteristics.

#### 2.7. Health and safety

Our Business Partners provide sufficient processes, resources and standards to set up a management system assuring compliance with all applicable occupational health, safety, and fire safety legislation. They ensure that regular risk assessments, reporting and training of their employees are performed to prevent any accidents and occupational diseases from occurring, according to ISO 45001 or similar auditable standard.

#### 2.8. Wages and benefits

Our Business Partners pay at least an adequate living wage, which amounts to at least the minimum wage as laid down by the applicable law and, apart from that, is determined in accordance with the regulations of the place of employment that ensures an appropriate standard of living for their employees and their families.

## 2.9. Conflict minerals

Our Business Partners must ensure that they comply with all applicable supply chain due diligence obligations for the sourcing of raw materials, in particular conflict minerals (e.g., tin, tantalum, tungsten and gold, as provided in the Dodd-Frank Wall Street Reform Act, Sect. 1502, the Regulation (EU) 2017/821 and other similar legislations).

## 2.10. No forced eviction, respect of land, forest and water rights

Our Business Partners also comply with the prohibition of unlawful eviction and deprivation of land, forests and waters that serve as a person's livelihood during the whole production cycle.

## 2.11. Community engagement

Yazaki cooperates with Business Partners who respect the rights, the livelihoods, the cultures and traditions of local communities in each country where they operate. We encourage our Business Partners to engage with the local communities, to identify their needs and support economic development, and to further contribute towards sustainability and deliver positive social impact.

## 2.12. Vulnerable groups

Our Business Partners respect the rights of minorities, indigenous people, women, children, human right defenders and other vulnerable groups and strive to avoid any negative impact on them. In particular, our Business Partners comply with the principles of free, prior, and informed consent of indigenous peoples in its activities in connection with their land and its cultivation as well as other natural resources.

## 2.13. Use of private or public security forces

Our Business Partners ensure that the use of private or public security forces does not lead to violations of human rights, in particular to torture and cruel, inhuman, or degrading treatment, damages to life or limb or to the impairment of the freedom of association. The Business Partners ensure as well not to contribute directly or indirectly to supporting private or public security forces that unlawfully exercise control over mining sites, transportation routes and upstream stakeholders in the supply chain.

### 3. Your responsibility for the protection of the environment

Yazaki is committed to preserving the environment and its resources for current and future generations. Yazaki's goals and continuous progress are shared and communicated in the annual Sustainability Report published on [www.yazaki-europe.com](http://www.yazaki-europe.com)

#### 3.1. General expectations regarding environment

Our Business Partners set up a management system assuring compliance with existing legislation and Yazaki's requirements regarding the protection of the environment. They adopt effective environmental policies, establish adequate environmental objectives and targets to eliminate and/or minimize negative environmental impacts. Furthermore, they define, implement and monitor dedicated action plans, to educate their employees, and to make continuous efforts to reduce the impact of their footprint on the environment.

Our Business Partners support Yazaki's vision on sustainability throughout the supply chain by implementing a sustainable and efficient resource management system and contributing to circular economy, including:

- use of sustainable, recycled and renewable natural resources,
- reduction of waste production and increase of waste reuse and recycling,
- protection of air quality and minimization of air emissions,
- increasing energy efficiency and the use of renewable energy where available,
- reducing single use plastic,
- responsible chemical management including the administration of environmentally hazardous substances,
- avoiding any harmful soil change, water pollution, air pollution, harmful noise emission or excessive water consumption that significantly impairs the natural bases for the preservation and production of food, denies a person access to safe and clean drinking water, makes it difficult for a person to access sanitary facilities or destroys them or harms the health of a person.

#### 3.2. Environment product compliance

Our Business Partners comply with all applicable laws and regulations concerning hazardous materials, chemicals and substances that apply to the relevant market and/or the business location (e.g. the EU REACH Regulation, the Minamata Convention on Mercury, the Stockholm Convention on Persistent Organic Pollutants and the Basel Convention on the Control of Transboundary Movements of Hazardous Waste and their Disposal).



Our Business Partners provide products that are fully compliant with all applicable environmental product compliance legislation.

### 3.3. Carbon neutrality and GHG emissions reporting

Yazaki strives towards achieving carbon neutrality and requires its Business Partners to ensure that their business model and strategy are aligned with the objectives of the transition to a sustainable economy in line with the Paris Agreement and the objective of achieving climate neutrality and being available to disclose information regarding environmental impacts, including but not limited to decarbonization performance.

Our Business Partners provide information on request in relation to the overall energy consumption and carbon emissions (scope 1, 2 and 3, in accordance with GHG protocol).

### 3.4. Protection of biodiversity

Our Business Partners preserve the global environment and its resources. They protect natural ecosystems, especially key biodiversity areas impacted by their operations, and avoid illegal deforestation and adverse land use leading to reduction of soil quality in accordance with the applicable biodiversity regulations.

### 3.5. Animal welfare

Our Business Partners support animal welfare and promote ethical treatment of animals.

## 4. Your responsibility for the compliance with this Code

Yazaki considers compliance with the provisions of this Code as essential for any business relationship with its Business Partners. Therefore, our Business Partners support Yazaki and share this responsibility.

### 4.1. Continuous improvement

This Code provides for the expectations and minimum requirements which Business Partners must meet. Yazaki expects Business Partners to exceed those minimum standards, and to strive to meet the industry best practices. Yazaki recognizes that the latter is a dynamic process and encourages Business Partners to continually improve and adapt.

### 4.2. Passing on the requirements of this Code along the supply chain

Our Business Partners make their employees and business partners familiar with the requirements of this Code. Our Business Partners pass on these principles and the related obligations to their business partners as well.

#### 4.3. Monitoring

Our Business Partners establish and maintain processes that identify and eliminate risks arising from non-compliance with this Code.

#### 4.4. Disclosure of information and audit right

Business Partners record information regarding their business activities, working methods, health, safety, environmental practices and other matters named in this Code. At any point of its relationship with them, Yazaki may ask its Business Partners for confirmation and verification of compliance with this Code, insofar as the disclosure does not violate legal requirements.

If the Business Partners identify any potential violation of these obligations, they immediately inform Yazaki and initiate adequate mitigation measures within a reasonable time. If such measures cannot end the violation in the foreseeable future, the Business Partners agree to draw up and implement, jointly with Yazaki, a concept for ending or minimizing the violation without undue delay.

Yazaki reserves the right to audit the Business Partners' compliance with this Code in line with the applicable law, in an appropriate manner and at business hours as mutually agreed with the respective Business Partner.

#### 4.5. Consequences in case of non-compliance

In case of non-compliance with any expectation or requirement as set out in this Code, Yazaki reserves the right to take appropriate legal action, including to claim damages. The same applies if a Business Partner fails or refuses to implement measures for improving their sustainability performance. Without prejudice to any further rights and subject to applicable law, Yazaki reserves the right to terminate the business relationship in case of any material breach of this Code.

#### 4.6. Whistleblowing and grievance mechanism, protection against retaliation

Our Business Partners enable and encourage their employees and business partners to speak up in the event of non-compliance with the requirements of this Code.

Our Business Partners, their employees and any other third parties can send us such reports via email to [compliance@yazaki-europe.com](mailto:compliance@yazaki-europe.com) or by using our whistleblowing hotline which can be accessed at <https://yazaki-europe.ethix360.com>. All reports will be treated confidentially.

Our Business Partners prohibit and do not tolerate retaliation against any person who reported in good faith non-compliance with the requirements of this Code.

#### 4.7. Additional information and support

For further information and guidance on this Code, Business Partners can contact Yazaki's purchasing team via the supplier section on our homepage (<https://www.yazaki-europe.com/supplier>).

*We hereby confirm that we understand, share, respect and adhere to the provisions of this Code.*

Company Name \_\_\_\_\_

Address: \_\_\_\_\_

Date and Signature: \_\_\_\_\_

Function of Signee: \_\_\_\_\_

Document History	Revision	Date
<p>This document supersedes document EA-PU-xx-F-11 “Supplier Code of Conduct”.</p> <p>Major changes:</p> <ul style="list-style-type: none"> <li>- Complete re-drafting and title change</li> <li>- Update with the content from the standards SAQ 4.0 and 5.0</li> <li>- Considering the current development in the areas of sustainability</li> <li>- Inclusion of the supply chain management requirements, i.a. the OEMs’ requirement for passing on the supplier requirements along the whole supply chain</li> <li>- Introduction of extended audit rights and termination right</li> <li>- Inclusion of the signature requirement/field</li> </ul>	New	07-Jun-2023