

Policy Statement
of
Joyson Safety Systems
on the German Supply Chain Due Diligence Act
(Lieferkettensorgfaltspflichtengesetz)

I. Building a Sustainable Mobility Safety Future

1. About Joyson Safety Systems

Joyson Safety Systems is a global leader in mobility safety. We are responsible for designing and manufacturing some of the world's most advanced mobility safety components, systems and technology. Joyson Safety Systems employs about 43,000 employees at 62 locations in 25 countries generating annual sales exceeding USD 5 billion.

2. Our Commitment to Respecting Human Rights and Related Environmental Standards

At Joyson Safety Systems, we are committed to building a more sustainable mobility safety future. We recognize our environmental and societal responsibilities, including our responsibility to respect human rights and related environmental standards. For us, respecting human rights and related environmental standards is key to long-term economic success and is considered an integral part of how we do business. To this end, we align our business activities with the following international standards on responsible business conduct:

- United Nations (“**UN**”) International Bill of Rights;
- UN Guiding Principles on Business and Human Rights;
- International Labor Organization (“**ILO**”) Declaration on Fundamental Principles and Rights at Work, ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy (MNE Declaration) and ILO Convention 169;
- Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises; and
- Ten Principles of the UN Global Compact.

3. Acting on our Commitment

Our [Code of Ethics and Business Conduct](#) (the “**Code**”), which is supplemented by our Human Rights and Working Conditions Policy, reiterates our commitment and requires all of our employees globally to uphold and respect human rights and related environmental standards whenever and wherever we do business.

Joyson Safety Systems chooses to conduct business with suppliers who share our core values and sense of corporate social responsibility. As set forth in our [Supplier Code of Conduct](#) (“**Supplier Code**”), we expect and require all of our suppliers to comply with applicable laws and regulations, to respect human rights and related environmental standards, and do business ethically. We also require our direct suppliers to communicate the content of our Supplier Code to their suppliers and to ensure their compliance with its requirements.

In furtherance thereof, we have incorporated human rights and environment related due diligence and reporting requirements into Joyson Safety Systems’ existing management systems, including those

relating to risk management, occupational health and safety, retention of employees and contractors, environmental protection, supply chain management, and facility management. Our well-established compliance management system provides protected reporting and complaint channels and procedures for the response to any identified potential or actual human rights and related environmental risks or impacts, as well as a risk management process also covering human rights and related environmental risks.

4. About this Policy Statement

This Policy Statement on the German Supply Chain Due Diligence Act (“**SCDDA**”) describes our actions to respect human rights and related environmental standards within our business operations and along our supply chain. The terminology used in this Policy Statement is intended to align with the defined terms used within the SCDDA.

II. Implementation of our Human Rights and Environmental Strategy

1. Managing Risks related to Human Rights and Related Environmental Standards

As a global manufacturing company with complex global supply chains, we recognize that our suppliers and our business partners’ operations may impact the situation of human beings and the environment in many ways, which may give rise to human rights and environmental risks.

To identify, assess and appropriately address any such risks, at Joyson Safety Systems, we have taken steps to understand and analyze where our operations may have a negative impact on human rights and related environmental standards. To this end, and as required by the SCDDA, Joyson Safety Systems conducts on an ongoing basis due diligence assessing the potential and actual impact of our business taking into account among others, the kind, scope and location of our business operations, our products (including components and raw materials used to manufacture those products), our supplier base as well as findings from compliance and audit reports.

The assessment of human rights and environmental risks is integrated into Joyson Safety Systems’ business processes and not only covers Joyson Safety Systems’ own business operations, but also its suppliers starting at their onboarding and continuously thereafter. The risk assessment follows our standard compliance risk assessment procedures, which govern the identification, analysis, evaluation (including prioritization) and treatment of risks. With respect to human rights and environmental risks, we analyze whether and to what extent individuals or groups of individuals or the environment may be harmed by Joyson Safety Systems’ business operations and/or through its business relationships with suppliers, irrespective of whether such risks have an adverse impact on Joyson Safety Systems.

Joyson Safety Systems uses a risk-based approach and focuses on those locations where human rights and environmental risks are most likely to arise. We follow a two-step approach:

- a) *Abstract risk analysis* of those countries in which Joyson Safety Systems operates based on publicly available data concerning human rights and environmental risks. Based on the risk profile for each country, Joyson Safety Systems identifies the most relevant risks that might arise from its operations and supplier relationships in those countries.
- b) *Specific risk analysis* is then undertaken, prioritizing the countries, operations and processes having the highest risk profile.

Based on the results of the analysis, Joyson Safety Systems then conducts a gap analysis to determine whether and how identified risks need to be mitigated.

The risk assessment will be performed annually or when necessary on an ad-hoc basis. The outcome of the risk analysis will be communicated to the relevant management bodies of Joyson Safety Systems and other relevant stakeholders on a regular and ad-hoc basis.

The responsible body for establishing and monitoring human rights obligations is the Global Sustainability Office.

2. Human Rights and Related Environmental Risks within Our Sphere of Influence

While we strive to prevent causing or contributing to adverse human rights and environmental impacts in our own operations and through our business relationships, we have identified certain human rights and related environmental risks that may be relevant to our operations and/or our supply chain:

- Child labor;
- Forced labor and all forms of (modern) slavery;
- Risks associated with the procurement of conflict minerals;
- Occupational safety and work-related health hazards;
- Restrictions on freedom of association and the right to collective bargaining;
- Any form of discrimination;
- Unfair working conditions;
- Risks to data protection and privacy;
- Damage to health, shelter or the economic/natural resources needed for subsistence, e.g. due to water, soil or air pollution and deforestation;
- Restrictions on land rights; and
- Corruption and bribery.

We believe that in particular our own employees, the employees of our business partners (suppliers and customers) and individuals related to our global supply chain including, e.g., members of local communities in which we or our suppliers operate, may be impacted.

For instance, our own operations may pose certain risks that primarily relate to the safety and health of our employees and the environment. Protecting the health and safety of individuals as well as caring for the environment is a top priority for us. We also recognize that we are facing certain human rights risks, including maintaining international labor and social standards, especially in higher-risk countries. Against this background, we have promulgated company policies, including our Code as well as our Human Right and Working Conditions Policy, and implemented processes to identify and manage any such risks appropriately.

As we work with many business partners around the globe, including direct and indirect suppliers, risks may also exist in our supply chain. In certain high-risk countries, we recognized that risks of corrupt practices, improper labor practices, and deforestation may exist in our supply chain. Therefore, when selecting suppliers, we do not only assess their ability to meet their contractual obligations and to satisfy our and our customers' business and technical needs and requirements. We must also equally be satisfied of their commitment to compliance with applicable laws safeguarding human rights and related environmental standards and conducting themselves in a manner consistent with our Code and Supplier Code. We also expect our business partners to have processes in place to prevent, mitigate, and – when relevant – remediate human rights violations. We further conduct risk-based periodic due diligence to identify, prevent, and where necessary remediate potential adverse human rights and related environmental impacts. To this end, we utilize various tools to assess supplier risk, including self-assessment questionnaires and third-party screening platforms. Responsible for conducting the supplier risk management is our Purchasing Department, which is overseen by the Global Sustainability Office.

3. Remedial Action

If we become aware of actual or potential violations of our Code, the Supplier Code, the Human Rights and Working Conditions Policy or other company policies or procedures, laws or regulations, we will take immediate action to investigate and correct any such identified issues. Should we cause or contribute to actual human rights violations through our business, we are committed to implementing effective remedial measures. Where needed, remedial action shall ensure that any non-compliant conduct ends and recurrence is prevented. If issues are identified at suppliers of Joyson Safety Systems, we will take necessary action to mitigate any impacts including ensuring that the relevant supplier takes, and reports about, necessary remedial action without undue delay. If a supplier evidently fails to fulfill any of the principles or requirements set out in the Supplier Code or refuses to pursue and implement measures for improving its sustainability performance, after having been given a reasonable period of time to remedy any such failure, Joyson Safety Systems may take appropriate action including up to termination of the supply relationship.

4. Complaint Proceedings

We encourage and expect our employees, suppliers, and other stakeholders to report any suspected breaches of our Code or the Supplier Code, including any suspected violations of human rights and related environmental standards and laws and regulations, where Joyson Safety Systems or any of its representatives or any of our suppliers are believed to be involved. Grievances can be reported through internal and publicly available grievance channels described in our Code, the Supplier Code, and the Compliance Channels Reporting Policy, including but not limited to the Joyson Safety Systems Compliance Hotline (go to <https://jss-speakup.com>). Reports can be filed by employees, business partners and any other third parties. Concerns may be raised anonymously wherever permitted by local law. Our Compliance Department is responsible for processing these reports. Notably, any actual or potential violations within our supply chain can be reported through these reporting channels.

We prohibit all forms of retaliation against people who report concerns in good faith. Where a reporter identifies themselves, every effort will be made to keep their identity strictly confidential within the company. We respond to complaints in a timely manner, and any report received through the reporting channels will be reviewed, analyzed, and investigated and acted upon where appropriate.

5. Reporting

Our commitment to respect human rights and the environment is monitored by the Global Sustainability Office and overseen by the Board of Directors and the Global Sustainability Committee.

The Global Sustainability Office reports regularly and on a case-by-case basis to the relevant management bodies on compliance with human rights, environmental and other obligations under our Code, company policies and procedures as well as under applicable laws and regulations.

The annual reports of Joyson Safety Systems pursuant to § 10 SCDDA will be published on Joyson Safety Systems' global website.

6. Periodic Review and Evaluation

The effectiveness of the strategy and due diligence procedures is reviewed at least once a year and on an ad hoc basis to identify, prevent, eliminate, or mitigate any adverse human rights or environmental impacts. Likewise, this Policy Statement is continuously reviewed and revised as necessary.



Aschaffenburg, 30 April 2024

Joyson Safety Systems Germany GmbH
The Managing Directors