

# Code of Conduct **MDS** | **AUTORIV**<sup>®</sup> Fasteners + Assembly Systems

DOK-001(eng)-03 Status: January/24/2024

We, the company MDS Maschinen- und Werkzeugbau GmbH & Co. KG (hereinafter MDS), believe in social commitment, environmental awareness and fair cooperation. Our goal is to sustainably reconcile economic, ecological and social responsibility.

We regard ourselves as equal partners in our business relationships. Our cooperation with our business partners is based on partnership and mutual respect.

The basic requirements of MDS for its employees, its service providers and suppliers and their subcontractors (hereinafter also referred to as "business partners") are regulated in this Code of Conduct. The service providers and suppliers of MDS are encouraged to align their actions to the principles of this Code of Conduct.

The following requirements are essentially based on international standards, such as the Universal Declaration of Human Rights, the UN Convention on the Rights of the Child and applicable ILO ("International Labour Organisation") conventions and the legislation of the respective country.

## **1. Legal compliance**

MDS requires all business partners to comply with all applicable legal requirements. If a requirement of MDS violates the legal provisions of the respective country, the business partner must inform MDS of this.

## **2. Human rights**

To achieve compliance regarding human rights, relevant international human rights laws, including the UN instruments, must be observed. The rights of individuals or groups that are particularly prone to discrimination or violation of their human rights must always be respected. These include for example indigenous peoples, women, people with disabilities, national, ethnic, religious, linguistic or other minorities.

## **3. Land, forest and water rights and evictions**

Land, forest and water rights must always be respected and are never to be violated. For example overexploitation and deforestation must be avoided and prevented. Evictions must not be planned or carried out under any circumstances.

#### **4. Child labour / young employees (ILO Conventions 138 and 182 and UN Convention on the Rights of the Child)**

No persons may be employed who are younger than the legally required minimum working age of the respective country. Our business partners are obliged to take the necessary measures to prevent the employment of persons below the legal minimum age.

National laws for the protection of children and young people in employment must be complied with. The exceptions of the ILO apply. Children shall be protected from economic exploitation, the performance of work that is hazardous, that may interfere with the child's education, and that may endanger the child's health or physical, mental, spiritual, moral or social development.

#### **5. Discrimination, ethical recruiting, inclusion**

Any discrimination in employment and occupation is prohibited. In particular, any distinction, exclusion or preference, on the basis of race, colour, sex, age, creed, political opinion or other personal characteristics is prohibited. All employees must at all times be treated equally. This also applies to the inclusion of employees with disabilities to ensure that all employees are able to participate in daily life and work equally and without barriers.

#### **6. Employee rights and freedom of assembly and association**

All forms of forced labour and modern slavery (i.e. slavery, servitude and forced or coerced labour and human trafficking) are not to be tolerated. No worker shall be directly or indirectly coerced into employment by force and/or intimidation. All workers shall be treated with dignity and respect. No worker shall be subjected to verbal, psychological, sexual and/or physical violence, coercion or harassment. Working hours, including overtime, shall comply with applicable law, industry standards or relevant ILO conventions. Overtime shall be paid separately in accordance with national law.

All workers shall have the right of peaceful assembly and association at all levels, including, in particular, political, trade union and civic association, which includes the right of any person to form and join trade unions for the protection of his or her interests. This includes collective bargaining as a process of negotiation between employers and a group of workers to reach an agreement regulating working conditions.

## 7. Security personnel

The commissioning or use of security personnel must be refrained from if the use of said security forces results in inhuman or degrading treatment or injury of persons or if it interferes with the freedom of association.

## 8. Compensation

Business partners are required to guarantee that wages paid to employees equal or exceed the respective legal minimum wage. In absence of legal minimum wages, the business partner is to ensure that the wages paid shall be sufficient to cover an employee's basic needs, taking into account individually occurring circumstances.

## 9. Health & safety

Business partners shall ensure a safe and healthy working environment. Business partners shall take necessary measures to prevent accidents and damage to health that may arise in connection with the activity. To this end, business partners shall put in place systems to detect and prevent or respond to any potential risk to the health and safety of its employees. This includes emergency preparedness, accident and incident management and fire prevention. They must also ensure that workers are regularly informed and trained on applicable health and safety standards and safety measures.

## 10. Environmental protection

The protection of nature and the environment is an integral component of MDS business practice. The business partners must comply with the applicable environmental laws. They are also required to work continuously on the avoidance and reduction of environmental pollution. Applicable procedures and standards for waste management and reduction, handling and disposal of chemicals and other hazardous substances as well as for emissions and waste water treatment, water quality and water consumption shall be complied with. The business partners pursue the goal of reducing greenhouse gas emissions as far as possible and minimising the carbon footprint through energy efficiency.

## 11. Corruption, extortion and bribery

MDS tolerates no form of extortion, bribery or corruption. All business partners as well as their employees are to conduct so as to avoid any personal dependency, obligation or influence. In particular, all employees and business partners are expected to behave in a professional manner guided by fairness and full compliance with applicable national and international regulations.

Where gifts are presented in adherence to a country's individual customs or etiquette, care is to be taken to ensure that such gifts do not give rise to obligatory dependencies and that applicable national laws and regulations are observed.

## 12. Intellectual property and plagiarism

MDS respects the intellectual property of third parties and expects the same from its business partners. This includes patents, registered designs and works protected by copyright. Intellectual property of third parties may only be used if the corresponding rights of use have been obtained. In addition, any plagiarism detected is removed from circulation and reported to the appropriate authorities. Theft of intellectual property is strictly prohibited.

## 13. Conflicts of interest

MDS expects its employees to make business decisions solely in the best interests of the company. Conflicts of interest in private matters or other economic or other activities, including those of relatives or otherwise close persons or organisations, should be avoided from the outset. Existing or potential conflicts of interest must be reported to the supervisor and the human resources department as early as possible, unless local law requires otherwise.

## 14. Financial responsibility (accurate record)

All significant business processes of MDS shall be properly documented and relevant financial information recorded to faithfully reflect business operations. All financial books, records and accounts must accurately reflect transactions and events and comply with legal requirements and rules of generally accepted accounting principles.

## 15. Fair competition and antitrust law

National as well as international regulations govern how MDS may sell products and technologies or enter into contact with competitors. These regulations are binding on business partners. Every employee is obliged to comply with them.

The business partners respect fair competition. Therefore, business partners shall comply with applicable laws that protect and promote competition, in particular applicable antitrust laws and other laws regulating competition.

## 16. Export controls and economic sanctions

As an internationally active company, MDS imports and exports worldwide. MDS complies with and supports all internationally recognised existing economic and trade sanctions as well as embargoes against certain countries, companies and persons regarding the import and export of affected trade goods and expects the same from its business partners.

## 17. Data protection, confidentiality and protection of third party rights

The business partners commit their employees to secure and preserve company and/or business secrets of MDS and its business partners. Company and/or business secrets may not be disclosed without authorisation or made accessible in any other way, unless explicit authorisation has been granted for this or it is publicly accessible information. Employees shall maintain strict confidentiality with respect to all trade and business secrets both during the term of employment and after its termination. The guidelines for the use of, access to and security of software, information technology, e-mail and inter-/intranet shall be observed.

All provisions of data protection according to DSGVO and BDSG as well as the company's internal regulations must be observed. Personal data may only be collected, processed or used insofar as this is necessary for defined, clear and lawful purposes. A high standard of data quality and technical protection against unauthorised access must be ensured. The use of data must be transparent for the data subjects, and their rights to information and correction and, if applicable, to objection, blocking and deletion must be safeguarded.

Patents, inventions and other know-how form the basis for the success and future of MDS. Employees must not disclose trade secrets and new findings to third parties and must protect official documents and data carriers from access by unauthorised persons.

Every employee must accept effective property rights of third parties and their unauthorised use must be avoided. No employee may obtain or use secrets of a third party without authorisation.

## 18. Code of conduct monitoring

At the request of MDS, business partners are obliged to have their work and production sites undergo social audits regarding adherence to this code of conduct. Direct business partners agree that, whenever the need arises, MDS or any third party authorized by MDS may conduct a review of the business partner's compliance with the principles stated in this code of conduct at the direct business partner's premises or the premises of other suppliers working on the business partner's behalf. In the case of non-compliance being discovered, business partners are obliged to take immediate remedial action. Compliance with the principles of the code of conduct is included in the supplier evaluation.

## 19. Procedure for complaints

Complaints or information on violations of this code of conduct may be reported on the MDS whistleblowing portal at any time.

Individuals filing a complaint are asked only to report and provide complaints and information they believe in good faith to be true.

To ensure that the individuals filing complaints will not be subject to reprisals or disciplinary action of any kind, the whistleblowing portal is maintained and administrated by an external data security and privacy officer, namely Ms Regina Stoiber. All communication through the whistleblowing portal is end-to-end encrypted. This way the anonymity of the individual can be ensured at any time.

MDS commits itself to refrain from retaliation against complainants and to refrain from causing any disadvantages for complainants.

Internal contact person for the whistleblowing portal at MDS is Mr Andreas Bergner.

Internal contact person:

Andreas Bergner

Tel. +49(0)941/6042-520

Mail: andreas.bergner@mds-r.de

Whistleblowing-Portal:

<http://mds.whistleblowing-portal.de>

  
CEO