



Code of Conduct Business Partner

Edition 2025



ZF Foxconn
Chassis Modules

Contents

- 03 Foreword
 - 04 Introduction
-

Our Focus

- 06 Assessing Business Partners:
Audit Rights, Taxes, Accounting
and Financial Reporting
 - 07 Standing Up for Free and
Fair Market Behavior
 - 07 Facilitating Ethical Behavior:
Combating Bribery and Corruption,
Money Laundering, Conflicts of
Interest
 - 08 Following Rules: Product Compliance,
Export Controls and Sanctions
 - 09 Concentrating on Security and Privacy:
Handling of Information Security,
Data Privacy, IT Security, Physical and
Personnel Security, Intellectual Property
-

Our Driving Force

- 12 Preserving the Planet and Protecting
Others: Sustainability
- 16 We are Here to Support:
Further Assistance and Support



Dear Valued Business Partner,

at ZF Foxconn Chassis Modules Group (ZFFCN), it is our highest priority to conduct all our business activities in compliance with applicable laws, while adhering to national and international standards for sustainability, environmental protection, ethical business practices and human rights. We live, review and promote this guiding attitude not only in our internal activities, but also demand this maxim from all our business partners.

Marked as non-discussable guidelines, the following ZFFCN Business Partner Code of Conduct outlines the core principles that constitute the minimum standards for everyone intending to conduct business with ZFFCN. These indispensable obligations form our foundation for establishing and expanding our business relationships.

Osnabrueck, March 2025



Handwritten signature of Eike Dorff in black ink.

Eike Dorff
Chief Executive Officer

Handwritten signature of Urs Rienhoff in black ink.

Urs Rienhoff
Chief Financial Officer

Handwritten signature of Andreas Seifert in black ink.

Andreas Seifert
Head of Purchasing & Supplier
Quality Engineering





Introduction

ZFFCN has initiated the Business Partner Code of Conduct as the foundational standard for any business partner engaging with any entity within or affiliated with ZFFCN. These principles align with national and international laws, the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises and the conventions of the International Labor Organization.

Any individual or entity that supplies goods or services to ZFFCN, or purchases ZFFCN's products or services, is considered a valued business partner. This encompasses but is not restricted to costumers, suppliers, representatives, consultants, commercial agents, intermediaries, or other providers of goods and services.

ZFFCN retains the right to suspend or terminate any business relationship with a partner, who does not adhere to these principles or applicable laws, thereby making it unacceptably for ZFFCN to proceed the relationship. Only by observing these principles, we are able to ensure a business relationship built on a sustainable approach, ethical behavior, respect for human rights and compliance regarding all relevant laws and conventions.

All ZFFCN Business Partners must:

- Conduct business with integrity, adhere to all applicable laws, and uphold the core values, principles and requirements outlined in this Business Partner Code of Conduct.
- Ensure that these principles mentioned are put into practice constantly throughout the business partner's supply chain.



Our Focus

01

Assessing Business Partners: Audit Rights, Taxes, Accounting and Financial Reporting

At ZFFCN, we effectively manage the integrity of our business partners. We require our business partners to provide us with crucial information including details on beneficial owners, shareholders and ownership structures, as well as information on directors, managers and compliance-related issues concerning the company, its subsidiaries, directors, or managers. Failure to provide this information may lead to the termination of the business relationship or ZFFCN may decide not to enter into a business relationship at all.

ZFFCN also reserves the right to request that a business partner provides adequate information regarding their Compliance Management System and the nature of any breach for evaluation purposes. To continue the business relationship with ZFFCN, specific measures may be required to mitigate the impact of such violations on the business relationship.

We strongly believe that transparency and ethical behavior are key components of a successful business relationship and encourage all our partners to adopt similar principles.

Audit Rights

ZFFCN reserves the right to perform audits on our business partners to confirm their adherence to this Business Partner Code of Conduct and all relevant laws and regulations. Any such audit will be performed in compliance with the applicable laws and regulations, especially those referring to data protection.

We expect our business partners to cooperate with these audits by allowing reasonable access to facilities, records and personnel. Additionally, ZFFCN may request that business partners provide evidence of their compliance with this Business Partner Code of Conduct and furnish supporting documentation upon our request. Failure to comply with these requirements may result in the termination of the business relationship.

Taxes, Accounting and Financial Reporting

ZFFCN is committed to upholding the highest standards of ethics and integrity in all aspects of our business, including but not limited to taxes, accounting and financial reporting. We ensure compliance with tax regulations as well as open and transparent communication with tax authorities. We believe in maintaining accurate records and providing timely and transparent financial information. ZFFCN expects all business partners

to share in this commitment and comply with all applicable laws and regulations related to taxes, accounting and financial reporting.



Standing Up for Free and Fair Market Behavior

Antitrust and Competition

ZFFCN champions the principles of fair and free competition as a fundamental component of the market economy. Thus, business partners must ensure they adhere to applicable antitrust and competition laws in all aspects of their business activities.

ZFFCN expects all its business partners to refrain from engaging in any activity that is intended towards or results in the hindrance, restriction, or distortion of free and fair competition.

Specifically, ZFFCN does not tolerate:

- Anti-competitive contracts, agreements, or collusion with current or potential competitors, including but not limited to agreements that result in fixing prices or premiums, limiting the type, quantity or quality of products or services delivered, bid rigging, allocation of customers or subdividing markets;
- Abuse of a leading position in a certain market;
- Vertical restraints or contracts (with suppliers or customers) that set out to, or actually manage to, prevent or restrict free and fair competition in violation of applicable laws.

Facilitating Ethical Behavior: Combating Bribery and Corruption, Money Laundering, Conflicts of Interest

Combating Bribery and Corruption

ZFFCN has a zero-tolerance policy towards any form of corruption, bribery or any business practices that could create the impression of improper manipulation or influence. This requirement applies irrespective of any apparent regional customs.

While conducting business activities, ZFFCN business partners must prohibit, directly or indirectly, accepting, offering or granting tangible or intangible benefits (in the form of gifts, invitations or other gratuities) to or from ZFFCN, public officials or third parties. These benefits should not be designed to dishonestly influence business procedures, accelerate or carry out an official act (facilitation payments), or create the impression of doing so. Especially in dealings with public officials and authorities, business partners are expected to ensure that their employees follow the law and act with integrity.

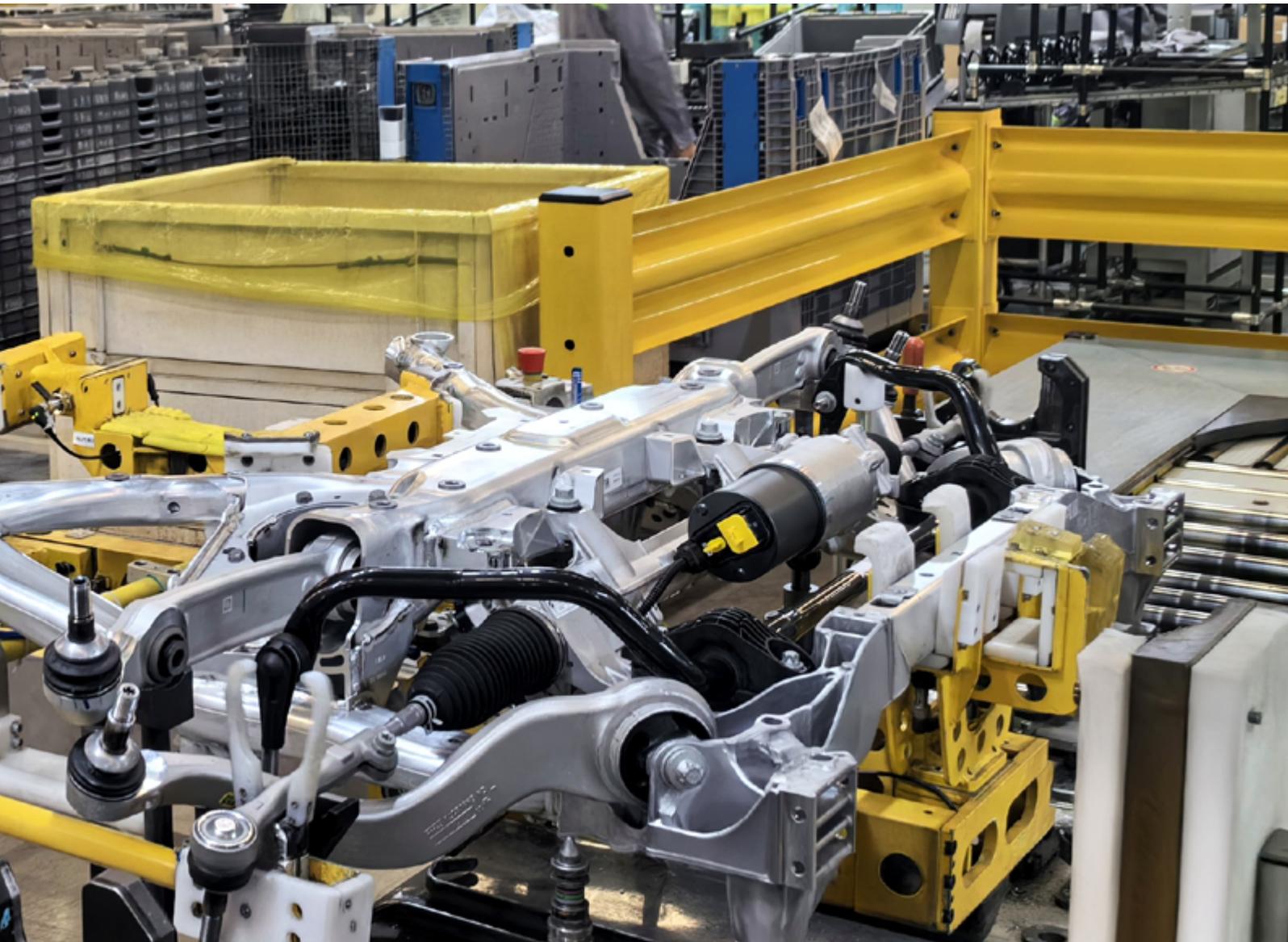
To document and assure that improper payments are not being provided or received, ZFFCN business partners should implement monitoring, record-keeping, and enforcement procedures to comply with applicable anti-corruption laws.

Money Laundering

Money laundering is the process of placing assets from illegal sources or illegal business activities (e.g., drug trafficking, theft, tax evasion, corruption, etc.) into the legal, financial, or economic cycle for the purpose of concealing or disguising the illicit origin of the assets. ZFFCN strives to combat money laundering and expects business partners to do the same by adopting adequate measures to ensure compliance with applicable national and international standards and laws.

Conflicts of Interest

A conflict of interest arises when a corporation's or individual's personal interests interfere with professional obligations and responsibilities. It is essential that ZFFCN business partners maintain a high level of integrity and avoid any situation that could create a conflict of interest. Potential conflicts of interest involving the ZFFCN supply chain must be disclosed to ZFFCN by business partners so that the parties can work together to mitigate any potential harm to the business relationship and ensure confidence in the relationship's integrity.



Following Rules: Product Compliance, Export Controls and Sanctions

Product Compliance

ZFFCN holds itself to high standards of legal and ethical conduct and is committed to making high quality products that promote safety and comply with applicable laws, regulations and standards. ZFFCN holds its business partners to the same high standards and expects them to also deliver fully compliant products of the same high level of quality and safety.

ZFFCN does not tolerate any illegal or unethical conduct by its business partners with respect to the sourcing, manufacturing, sale and distribution of their products.

Export Controls and Sanctions

Without exception, ZFFCN business partners must strictly follow applicable trade regulations and adhere to the rules and regulations governing import and export controls, as well as any applicable sanctions and embargoes.

Concentrating on Security and Privacy: Handling of Information Security, Data Privacy, IT Security, Physical and Personnel Security, Intellectual Property

Handling of Information Security and Data Privacy

When conducting business with ZFFCN, business partners must ensure that sensitive business, technical and financial information, personal data, know-how and trade secrets are appropriately handled and protected with regards to confidentiality, availability and integrity and not disseminated without the appropriate authorization and in accordance with applicable legal requirements. Additionally, ZFFCN business partners may be required to prove a mature Information Security Management System according to TISAX (alternatively ISO 27017, 27018, etc.) and must protect personal data rights to privacy, in conformance with the applicable law in all business processes, to avoid data breaches and cyber security attacks.

Protection of personal data is important to ZFFCN, therefore all personal information is handled in line with the applicable legal guidelines on the protection of personal information, data security and regulations.

IT Security

The importance of IT security cannot be overstated in today's business environment, where sensitive data is increasingly vulnerable to cyber threats.

ZFFCN has implemented strong security measures and policies to protect sensitive information and systems. We expect our business partners to have up-to-date and effective security policies and procedures in place that comply with all relevant laws and regulations related to IT security, including data privacy laws, cybersecurity regulations and industry-specific regulations.

Business partners must also have an incident response plan in place to address security breaches and a business continuity and disaster recovery plan to ensure IT systems and data can be recovered in the event of a disruptive event.



Additionally, ZFFCN requires that its business partners provide regular security awareness training to employees and establish a vendor management program to assess security risks posed by third-party vendors and suppliers, and grant ZFFCN audit rights regarding these areas.

It is also necessary for business partners to ensure ZFFCN's sovereignty of its data and information and establish a close information flow between corporate IT Security departments and their organizations on both sides, including the provisioning of standard and emergency contacts. By adhering to these expectations, ZFFCN and its business partners can maintain a secure and productive relationship.

Physical and Personnel Security

At ZFFCN, physical and personnel security are top priorities. We expect business partners to uphold the following principles and comply with the physical security measures outlined below:

- Access Control: only authorized personnel have access to security-sensitive facilities and defined security areas;
- Asset Protection: adequate measures are taken to safeguard physical assets from theft and damage;
- Employee Protection: adequate measures are taken to protect employees at risk e.g. during business trips, international assignments, or being subject to individual threats (Duty of Care);
- Personnel Security: awareness about security sensitive functions and implementation of proper precautions, e.g. background checks;
- Incident and Emergency Response and Crisis Management: employees are prepared to respond to irregular and critical events to protect people and assets;
- Incident Reporting: prompt reporting of security incidents affecting ZFFCN interests to security.zffcn@zffcn.com is expected.

By prioritizing physical and personnel security, we can create a culture of safety and trust that benefits everyone involved in our business relationships.



Intellectual Property

Intellectual Property ("IP") is a crucial aspect of our business operations and we take it seriously. We recognize the importance of respecting the IP rights of others and we expect our business partners to do the same. As such, we require that our business partners refrain from using or reproducing copyrighted materials, design patents, trademarks, patents, trade secrets, or any other proprietary information or rights of ZFFCN or others without proper authorization.

We also encourage our partners to work with us to protect and enforce our IP rights and identify and share with us any new IP created during our collaboration activities or related to ZFFCN products.

By adhering to these guidelines, we can cultivate an environment of innovation and safeguard the valuable IP that is essential to driving our business forward.

Our Driving Force

02



Preserving the Planet and Protecting Others: Sustainability

ZFFCN has pledged to uphold globally recognized human rights, such as the principles outlined by the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. We prioritize the rights defined in the International Bill of Human Rights and the fundamental labor standards of the International Labour Organization (ILO). ZFFCN clearly expects its business partners to observe and comply with the principles outlined by the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, all applicable compliance laws and regulations, as well as the core values and principles as defined in this Business Partner Code of Conduct.

Prohibition of Child Labor

ZFFCN does not tolerate any form of child labor and requires business partners to do the same. Business partners must ensure that only individuals above the minimum employment age of at least 15 years are employed in accordance with the ILO Convention No. 138¹. They must also comply with the ban on the worst forms of child labor in line with the ILO Convention No. 182² and extend these requirements to their value chain.

Prohibition of Forced Labor and Modern Slavery

ZFFCN prohibits any form of forced or compulsory labor, including debt bondage, human trafficking, and any other form of modern slavery in line with the ILO Convention No. 29³. Business partners must ensure that employees are free to choose their employment type and to terminate employment in accordance with statutory provisions and to receive payment owed. No indentured servitude or financial burden may be imposed upon employees.

Freedom of Association and Right to Collective Bargaining

ZFFCN respects and upholds its employees' freedom of association as defined in the ILO Convention No. 87⁴ and recognizes their right to collective bargaining in accordance with the ILO Convention No. 98⁵. ZFFCN expects all business partners to

follow the same standards and ensure that employees can form or join employee representative bodies without fear of discrimination or retaliation.

Equality and Prohibition of Discrimination

ZFFCN does not tolerate any form of discrimination on the grounds of race, sex, religion, age, national origin, pregnancy, disability, sexual orientation, political and trade union engagement and other characteristics protected by applicable law.

ZFFCN also expects business partners to prohibit discrimination on such grounds and to provide equal opportunities in employment and equal pay for equal work. In addition, ZFFCN requires AI technology to be used and developed with unbiased data with regards to human responsibility.

Right to Health and Safety at Work

ZFFCN prioritizes the physical integrity and health of employees and others affected by ZFFCN's business activities. ZFFCN expects business partners to comply with national and international laws for occupational health and safety, and to have appropriate management systems in place. Business partners must provide a safe work-place, necessary equipment, protective gear, and minimize psychological stress to prevent mental disorders.

Fair Working Conditions (Remuneration and Working Hours)

ZFFCN respects the right to an appropriate wage. Business partners of ZFFCN are therefore obliged to pay the minimum wage under the applicable law. Furthermore, ZFFCN expects its business partners to pay a reasonable wage that enables employees to at least secure their livelihood. All statutory social benefits must be paid in full and in good time. Business partners may only hire employees for whom they have obtained any required work permits. ZFFCN also expects all business partners to comply with legal working hour provisions and overtime compensation.

¹ Convention C138 – Minimum Age Convention, 1973 (No. 138) (ilo.org)

² Convention C182 – Worst Forms of Child Labour Convention, 1999 (No. 182) (ilo.org)

³ Convention C029 – Forced Labour Convention, 1930 (No. 29) (ilo.org)

⁴ Convention C087 – Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) (ilo.org)

⁵ Convention C098 – Right to Organise and Collective Bargaining Convention, 1949 (No. 98) (ilo.org)



Rights of Indigenous Peoples and Local Communities

ZFFCN respects the rights of indigenous peoples and local communities that might be affected by ZFFCN's business activities. ZFFCN considers the impact of its operations on the health and livelihood of the local communities which specifically includes the prohibition of unlawful eviction and deprivation of land, forests and waters as well as the destruction of cultural sites. Business partners must also respect these principles and shall obtain free, prior and informed consent (FPIC) from local communities to developments on the land they live on as defined by the UN Declaration on Rights of Indigenous Peoples and the ILO Convention No. 169⁶.

Assignment of Private or Public Security Forces

When using private or public security forces to protect the safety of people, facilities and legitimate interests in connection with ZFFCN's business activities, ZFFCN also respects compliance with internationally recognized human rights and expects this from its business partners.

Handling Conflict Minerals and Critical Raw Materials

Regarding conflict minerals (tin, tungsten, tantalum and gold) and other critical raw materials⁷ from conflict and high-risk areas (so-called "CAHRAs") such as the Democratic Republic of Congo (DRC), business partners of ZFFCN must implement special due diligence processes in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas⁸.

Furthermore, ZFFCN expects business partners to provide complete and truthful information on its value chains for these processes upon request, including business partners who use the Conflict Minerals Reporting Template to demonstrate that they exclusively use smelters and refineries within their value chain that meet the requirements of the Responsible Minerals Assurance Process (RMAP) of the Responsible Minerals Initiative (RMI).

⁶ C169 – Indigenous and Tribal Peoples Convention, 1989 (No. 169) (ilo.org)

⁷ According to definition https://drivesustainability.org/wp-content/uploads/2018/07/Material-Change_VF.pdf (drivesustainability.org)

⁸ <https://www.oecd.org/daf/inv/mne/OECD-Due-Diligence-Guidance-Minerals-Edition3.pdf>

Circular Economy

ZFFCN is aware of the risk to humankind and nature which are linked to material handling and use. Therefore, ZFFCN wants to contribute to decouple economic growth from raw material extraction by prioritizing sustainable materials, optimize resource use, eliminate waste and rethink value creation.

ZFFCN expects business partners to reduce material input, use recycled/renewable materials, contribute to closed material and product cycles and promote circularity within their value chain.

Environmental Management

ZFFCN is committed to the responsibility of companies towards the environment and supports the transition to a climate-neutral and sustainability-oriented economy and is committed to the Paris Agreement. ZFFCN has laid down its principles for environmental protection in its own EHS Policy.

ZFFCN expects business partners to comply with applicable national energy and environmental laws and to create the best possible transparency regarding their own emissions and upstream emissions.

Furthermore, business partners are expected to take effective measures to reduce their direct and indirect CO₂ emissions and to continuously work on improvements in this regard. The use of renewable energies and alternative energy sources must be further promoted and preferred. The consumption of raw materials must be reduced to a minimum in every business activity, particularly when using energy and water resources, attention must be paid to their sustainable use.

Any emissions resulting in deterioration of air quality shall be reduced to a minimum. Business partners of ZFFCN are required to continuously monitor environmental impacts.

The use of sustainable materials must be continuously expanded. The release of substances that pose a danger to humans and the environment must be avoided at all costs.

According to ZFFCN's Quality Directive SQM 24, business partners of environmentally relevant industries are obliged to introduce and operate a recognized and certified environmental management system and to prove this to ZFFCN by submitting a corresponding certificate.

Waste and Hazardous Substances

ZFFCN is aware of the hazards to humans and the environment resulting from the disposal of waste in general and from the disposal of hazardous substances.

ZFFCN expects business partners to reduce the generation of waste to a minimum. Recyclables must always be separated and in the best case reused or recycled. Hazardous substances, chemicals and substances must be labeled, and their safe handling, movement, storage and reuse must be ensured.

ZFFCN expects its business partners to comply with the Minamata Convention on Mercury dated October 10, 2013, the Stockholm Convention on Persistent Organic Pollutants dated May 23, 2001, and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal dated March 22, 1989.

Biodiversity

ZFFCN's activities and that of its value chain depend on biodiversity and have an impact on it. Therefore, ZFFCN endorses the draft of the Kunming-Montreal Global Biodiversity Framework (GBF) adopted at the 2022 United Nations Biodiversity Conference in Montreal (COP15).

ZFFCN complies with the legal requirements regarding the protection of biodiversity and expects the same from its business partners. ZFFCN welcomes the objectives of the EU Biodiversity Strategy.

ZFFCN expects business partners to analyze the interrelation between their dependencies and impacts on nature and set an adequate level of ambition for their business to support the targets of the Kunming-Montreal Global Biodiversity Framework (GBF) and not contribute to deforestation or the degradation of natural forests and include the preservation of ecosystems or species protection.

Business partners should protect ecosystems, especially key biodiversity areas, impacted by their operations, avoid illegal deforestation and minimize land-use, fresh-water-use, and sea-water-use in accordance with international biodiversity regulations, including the IUCN Resolutions and Recommendations on Biodiversity.



Where appropriate, business partners should monitor and control their impact on soil quality to prevent soil erosion, nutrient degradation, subsidence and contamination.

Implementation of the Requirements Regarding Sustainability

To ensure compliance with the human rights and environmental standards set out in this Business Partner Code of Conduct in their own business area and along their value chain, business partners must implement suitable and appropriate processes and measures.

Moreover, business partners must complete self-assessment questionnaires truthfully and cooperate with audits in accordance with the audit program of the Responsible Supply Chain Initiative (RSCI) and on-site inspections conducted by ZFFCN or third parties commissioned by ZFFCN.

Business partners must also promptly provide ZFFCN or its authorized representatives with information and documents required to verify compliance with this Business Partner Code of Conduct, due to legal requirements or governmental orders. Business partners should allow interviews with responsible employees and should allow their employees to participate in training courses on human rights and environmental standards conducted by ZFFCN or third parties commissioned by ZFFCN.

If business partners become aware of any circumstances indicating a risk or a violation of the human rights and environmental standards outlined in this Business Partner Code of Conduct in their own business area or that of their suppliers, they must take immediate measures to eliminate, prevent or minimize such risks or violations and, if necessary, develop a remedial concept.

Business partners must inform ZFFCN about such violations in their own business area or with their suppliers and investigations initiated by authorities, as well as measures taken, or remedial concepts developed and implemented, provided that these violations could be in any connection with the contractual

relationship or could have negative effects on the reputation of the customer.

If the affected business partner cannot or will not be able to end the violation of the human rights and/or environmental standards defined in this Business Partner Code of Conduct in the foreseeable future, ZFFCN will jointly develop and implement a remedial concept with the business partner. The business partner will support ZFFCN to the best of its ability.

If ZFFCN becomes aware of a violation of the human rights and/or environmental standards defined in this Business Partner Code of Conduct in their own business area of a business partner or in its value chain by notification of a business partner or in any other way, the business partner concerned is obliged to cooperate in a complete determination of the facts.

When requesting information, ZFFCN considers the legitimate confidentiality interests of its business partners as well as applicable legal requirements (in particular with regard to information security, data privacy and antitrust law).

ZFFCN may draw legal consequences for violations of the human rights and environmental standards defined in the Business Partner Code of Conduct. This also applies if business partners do not cooperate appropriately or fail to take necessary or agreed measures. In these cases, ZFFCN reserves the right to temporarily suspend the business relationship insofar as this is appropriate and appears to be necessary for the implementation of this Business Partner Code of Conduct and is made with appropriate notice. As a further escalation level, ZFFCN sets the business partner to "New Business on Hold", i.e. this business partner is excluded from new awards.

ZFFCN reserves the right to terminate any business relationship for cause with a business partner who fails to comply with the human rights and/or environmental standards defined in this Business Partner Code of Conduct and thus makes it unreasonable for ZFFCN to continue the relationship. ZFFCN will render notice to that business partner in advance of any termination for cause and, if feasible, allow for a remedy period.



We are Here to Support: Further Assistance and Support

ZFFCN Trustline

ZFFCN expects its business partners to report any potential criminal offenses or legal or ethical violations that might have an impact on ZFFCN. Reports can be submitted anonymously using ZFFCN Trustline in writing or via voice mail available on the ZFFCN Trustline website: zffcn.meldestelle.compliance-center.eu

ZFFCN business partners must also have appropriate systems and controls in place to ensure that unethical and illegal business practices can be reported within their own company. ZFFCN does not tolerate retaliation against persons who submit reports of potential violations in good faith and expects the same of its business partners.

Cooperating with ZFFCN

Trust and cooperation are the basis of the relationship between ZFFCN and its business partners. Therefore, ZFFCN has specific processes in place to ensure that its business partners uphold the core values laid out in this Business Partner Code of Conduct.

In particular, ZFFCN has implemented the Business Partner Integrity Management to help identify and mitigate potential compliance and ethical risks. In this regard, ZFFCN conducts business partner checks and may request its business partners to support these efforts appropriately and reasonably by providing specific information.



Contact

Business partners are welcome to contact ZFFCN's Legal & Compliance Department directly if they have questions about this Business Partner Code of Conduct and its implementation.

Legal & Compliance

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