



Forced Labour and Child Labour Report for FORVIA

This report is made in compliance with Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") by Faurecia Emissions Control Technologies Canada LTD. ("FECT Canada") for the calendar year ended December 31, 2023. FECT Canada's board of directors, as the principal governing body, approved the report pursuant to section 11(5) of the Act on May 20, 2024. FECT Canada is part of FORVIA group ("FORVIA" or "We") and has locally incorporated global standards issued by the parent company FORVIA.

Who We Are: Activities and Structure

FORVIA is the seventh-largest global automotive supplier. We employ more than 150,000 people across the world to achieve our mission of pioneering technology for mobility experiences that matter to people. With expansive operations, we understand the importance of protecting human rights and the environment within our activities and as such, hold ourselves and our suppliers to high ethical standards.

FORVIA was created in 2022 when Faurecia and HELLA, two automotive technology leaders, came together to share their performance-driven goals and a vision for a sustainable future. We are a leader in sustainable automotive technology. We offer innovative technologies in electronics, clean mobility, lighting, interiors, seating, and lifecycle solutions within the automotive industry. FECT Canada specifically offers an array of vehicle emissions control technologies for original equipment manufacturer customers.

Our Supply Chains

FORVIA maintains a complex, global supply chain to offer our worldclass automotive solutions. For example, FECT Canada's regularly sourced components from Canada, United States, and/or Mexico, but such components may have been manufactured with raw materials sourced from the Asia-Pacific region. As an international company, FORVIA understands that our business activities impact people and the environment globally, and the inherent risks of forced labour and child labour in global supply chains. We have thus implemented responsible sourcing and supply chain policies to mitigate such risks, including monitoring our suppliers through supply chain mapping.

FORVIA has carefully tracked our upstream value chain from suppliers of suppliers, who are responsible for raw material extraction, to our direct suppliers who produce materials for our automotive equipment production including metals, plastics, chemicals, tools, and equipment, and other materials.

Prior to becoming one of FORVIA's "direct" suppliers, suppliers must undergo an in-depth assessment that focuses on their ethical, social, and environmental practices. We prohibit the use of child labour and forced labour from our suppliers and require that they hold their suppliers to the same standard. To monitor supplier compliance with our policies, FORVIA engages regular supplier audits.



How We Work to Ensure Our Supply Chains Are Free of Forced Labour and Child Labour

FORVIA is deeply committed to maintaining sustainable operations. Acting sustainably and responsibly is a priority, including by protecting the environment and human rights. To realize our business goals, we have implemented policies and procedures at the FORVIA level that apply across our group. We also have specific policies at each of the Faurecia and HELLA levels supplement the FORVIA policies and to apply to each entity's respective customers. This allows us not only to monitor the implementation of and compliance with our policies, but also to effectively provide training and conduct audits. We expect that all policies will merge under FORVIA in the future.

In addition, FORVIA maintains methods to mitigate procurement risk. We engage in a supplier entry process that involves general risk and CSR assessments, supplier qualification, corrective action plans for higher-risk suppliers, and risk analysis of materials our suppliers use. Our risk mapping is overseen by the Risk Committee on a quarterly basis and includes considerations of key suppliers' risk management.

1. Our Policies and Due Diligence Processes

We understand that to effectively fight forced labour and child labour in supply chains, company policies must extend outside our internal activities to our suppliers and their suppliers. For this reason, FORVIA engages in open and regular dialogue with suppliers and has established a Duty of Care plan to, among other goals, identify risks and prevent serious violations of human rights resulting from our activities or those of its subcontractors and suppliers. FORVIA also has maintains General Purchasing Terms and Conditions ("**General Terms**") to govern our relationships with our suppliers.

The General Terms specifically prohibit both suppliers and their suppliers from using child labour and forced labour and requires that they comply with United Nations and ILO standards to eliminate forced, compulsory, and child labour. The General Terms also obligate suppliers to comply with all applicable laws, rules, regulations, and international covenants, including those pertaining to labour, conflict minerals, environment, and health and safety, and provide FORVIA the right to inspect supplier sites and products. FORVIA may also require that suppliers complete a Corporate Social Responsibility Assessment.

The General Terms require suppliers to uphold ethical business practices with respect to ethics, social acceptability, and environmental sustainability. FORVIA's ethical standards are further shared through the Faurecia's Code of Ethics and Code of Conduct for suppliers of Faurecia entities, and the HELLA Code of Conduct and HELLA Human Rights Policy for suppliers of HELLA entities. All codes uphold FORVIA's general approach to human rights and sustainability and require our separate entities to closely monitor the activities of their own suppliers with a duty to report any potential violations.



a. Faurecia's Code of Ethics and Code of Conduct

The Faurecia Group in 2004 signed the United Nations Global Compact, undertaking to respect and promote through its business practices international values and principles relating to human rights, labour standards, and the environment. Faurecia's Code of Ethics supports this undertaking and applies to both internal and external relationships. Each new Faurecia employee receives a copy of the Code of Ethics, and all are required to adhere to the Code of Ethics.

The Code of Ethics supports five main areas of development:

- **Respect for fundamental human rights:** All employees must respect the laws and regulations in the country in which they operate. The Code of Ethics specifically prohibits child labour and undertakes to eliminate all forms of forced and compulsory labour. Faurecia entities ensure that their suppliers and partners adopt the same provisions.
- **Development of economic and social dialogue:** We have adopted a forward-looking approach to our activities to limit social impact, which includes treating employees in a just and equitable manner.
- **Development of skills:** The Faurecia Group has undertaken to promote professional training, particularly for young people. We make every effort to provide all employees necessary training to enable them to carry out their activities effectively and responsibly.
- **Ethics and rules of business conduct:** We hold ourselves to a stringent ethical standard regarding conflicts of interest, competition laws, personal privacy, group funds, and other business ethics concerns.
- **Reporting infringements to the Code of Ethics:** Any Faurecia Group employee who becomes aware of an infringement of the rules must report such infringement, either through our internal reporting procedure or for serious violations of the law, our third-party, online reporting process. We have a zero-retaliation policy for good faith reports and the reporter's identity will remain confidential.

Faurecia, under FORVIA, also maintains a Code of Conduct for Sourcing and Supply Chain ("**Supply Chain Code of Conduct**"). The Supply Chain Code of Conduct governs Faurecia's relationships with suppliers, and obligates compliance with social, environmental, and fair business principles. Faurecia reserves the right to carry out supplier audits, internally or using a third party, at any time to verify conformity with Faurecia's requirements.



Under the Supply Chain Code of Conduct, suppliers must commit to:

- **Compliance with law and local practices:** Suppliers and their contractors must comply with the laws in all the countries in which they operate and sell.
- **Responsible Supply Chain Management:** Suppliers must prevent any contravention of human rights and prevent environmental impacts connected to their own activities or those that may be linked to their operations or business relationships. Suppliers are required to cascade these principles to their own supply chain.
- **Labour and social:** Suppliers are prohibited from using child labour and forced or compulsory labour. Suppliers are required to ensure all workers understand their rights pertaining to wage payment, overtime, identity document retention, etc. Where suppliers use third party recruiters, they will pay particular attention to ensure these principles are upheld.
- **Environment:** Suppliers must comply with all environmental laws and regulations and implement measures to mitigate their impact on the environment.
- **Reporting infringements:** Suppliers may confidentially report serious violations relating to violations of fundamental human rights, environmental protection, corruption, or other serious crimes that may threaten or harm public interest using Faurecia's Whistleblowing Line at www.Faurecia.ethicspoint.com.

b. HELLA Code of Conduct, Supplier Code of Conduct, and Human Rights Policy

HELLA's Code of Conduct obligates all employees to act lawfully and with integrity, including by complying with all applicable laws and regulations and by adhering to ethical business practices. The Code of Conduct includes specific labour and social principles that require HELLA employees to treat other employees, business partners, and third parties with dignity and respect, including through observing internationally recognized human rights standards. The Code of Conduct specifically prohibits all forms of child labour and forced labour, including slavery and human trafficking. The HELLA Code of Conduct also prioritizes employee health and safety and environmental protection.

All HELLA employees must comply with the Code of Conduct. HELLA management is responsible for compliance with the Code and must take all necessary steps to ensure that their employees are aware of the principles contained in the Code of Conduct. Employees have an obligation to report breaches of the Code, first to the direct supervisor, and subsequently to the managing director, plant manager, or another member of the HELLA management team. Where a breach is suspected, it may also be reported directly to the Compliance Office. Where direct reporting is not possible, we use tellUS!, an internet-based portal for both anonymous and named reports. Breaches of the Code of Conduct may result in disciplinary measures, including termination, criminal prosecution, or claims for damages.



Additionally, HELLA's Code of Conduct for Suppliers and Service Providers ("**HELLA's Supplier Code of Conduct**"), based on the principles of the UN Global Compact, standards set by the ILO, and the code of conduct of the electronics industry (EICC), ensures that our products are produced within a supply chain that complies with international standards. We use HELLA's Supplier Code of Conduct as a method to select and evaluate suppliers and reserve the right to potentially terminate business relationships if the principles within the Code are not followed. We expect that our partners and suppliers will ensure their own suppliers and service providers will adhere to HELLA's Supplier Code of Conduct.

HELLA's Supplier Code of Conduct prescribes standards relating to:

- **Working Conditions:** HELLA partners must safeguard its employees' human rights. Forced labour, slave labour, child labour, or any form of comparable labour are strictly prohibited.
- **Business Ethics:** All HELLA partners and their representatives must uphold high ethical standards and govern their business interactions by high standards of integrity, including by complying with all applicable national laws and other regulations.

Finally, HELLA's Human Rights Policy seeks to prevent human rights and environmental violations throughout HELLA's operations. We strive to work with suppliers who respect and uphold human rights. Our Human Rights Policy thus applies to all HELLA employees, business partners, and suppliers.

The Human Rights Policy is widely communicated to employees and is communicated to suppliers through our purchasing contractual terms. Under the Human Rights Policy, there is an explicit obligation to respect human rights and the environment. Part of this obligation includes a prohibition against child labour and all forms of forced or compulsory labour.

The due diligence approach under HELLA's Human Rights Policy involves reporting mechanisms within HELLA's internal operations, and within our supply chain. Within HELLA's operations, we analyze human rights and environmental risks yearly, or on an ad hoc basis where the risk situation is changing rapidly. We implement preventative measures where risks are identified. If violations are discovered, HELLA implements remedial action to prevent, end, or minimize the violation shall be taken without delay. The effectiveness of the remedial actions is reviewed annually or on an ad hoc basis. We also review our suppliers' compliance with human rights and environmental obligations through supplier self-assessments, on-site visits, and audits. If violations are discovered, remedial actions must be taken. If suppliers fail to take remedial actions within a reasonable amount of time, HELLA reserves the right to restrict our business relationships with said suppliers.

2. Employee Training on Forced Labour and Child Labour

Our Compliance department, alongside the Human Resources, Internal Audit, and Control teams, ensure that all identified employees receive proper training in internal rules. FORVIA does not currently offer training specific to forced labour and child labour, however as of 2023, FORVIA had trained 97% of targeted employees on the Code of Ethics, which includes provisions relating to forced labour and child labour. We intend that by 2025, 100% of targeted employees will be trained in the Code of Ethics.

All FORVIA employees, including part-time employees, interns, consultants, etc., are trained in courses tailored to FORVIA's risk profile. Our online training courses include modules on ethics and the internal whistleblowing procedure.

3. How We Monitor Ourselves and Our Suppliers


We engage in regular on-site supplier audits. Under FORVIA's General Terms, if a supplier audit reveals that a supplier is not complying with the agreed upon standards, the supplier must promptly take all measures identified in the audit to remedy the situation. In addition, if FORVIA determines that a supplier has breached its obligations to comply with any Code of Ethics or related policies, FORVIA retains the right to immediately terminate, in whole or in part, any purchase order.

How We Have Addressed Reported Risks or Use of Forced Labour or Child Labour in our Supply Chains

As of December 31, 2023, FORVIA has not encountered situations of forced labour or child labour in our supply chains. We therefore have not had to remediate such situations.

Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above. I have the authority to bind FECT Canada.

DocuSigned by:

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Ann Ross

Member of the Board of Directors
FECT Canada