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# Supplier Code of Conduct and Ethics

**Know it. Speak it. Live it.**

Carrying our values, with every step we take.

Magna International

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Our Supplier Code of Conduct and Ethics provides the framework for success in dealing with Magna, or with any sub-supplier you do business with when serving Magna.

It forms an integral part of our overall contractual relationship with you and it is important that you understand and abide by it.

## Driving Integrity In Business Dealings

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At Magna, we set high ethical standards for ourselves and our suppliers.

Magna's suppliers, consultants, independent contractors, agents, or any other third party engaged to carry out any action on our behalf ("suppliers") must always act with integrity by obeying the letter and spirit of laws, regulations, standards (together, "laws") and Magna policies that apply to them, wherever they do business. They should, in turn, also require that their own suppliers abide by the requirements of this Code.

The requirements of this Code are in addition to the requirements set out in any agreement or other set of terms and conditions that apply to your relationship with Magna.

While the laws that apply to our suppliers are numerous and vary by jurisdiction, some important principles that must be followed include:

### Antitrust and Competition Laws

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We compete vigorously while respecting free and fair competition. We expect the same of our suppliers.

Suppliers must comply with all applicable antitrust and competition laws and cannot engage in any act that improperly reduces competition. Examples of such prohibited acts include agreeing with competitors to fix prices, set discounts or terms of sale, limit production, divide markets, allocate customers, coordinate bidding activities, boycott customers and suppliers, fix employee compensation, or refrain from hiring each other's employees. In some jurisdictions, the mere exchange of sensitive commercial information is illegal.



[Read Magna's Antitrust and Competition Policy.](#)



Magna's suppliers must always act with integrity by obeying the letter and spirit of laws and Magna policies that apply to them, wherever they do business.

## Anti-Corruption and Anti-Bribery Laws

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Our suppliers must follow all applicable laws that prohibit the giving of anything of value to any person or entity to obtain an improper business advantage, as well as laws that require keeping accurate books and records.

Suppliers must follow anti-corruption and anti-bribery laws in all cases, and must be particularly cautious when interacting with government officials.

Regardless of the specific laws or established business practices of any particular jurisdiction in which we or our suppliers operate, Magna prohibits the making of "facilitation payments" or "grease payments" (i.e. payments involving small sums to low-level government officials to obtain routine services to which a person or company would otherwise be legally entitled. An example would be a payment to expedite a telephone or utilities connection).



[Read Magna's Bribery and Improper Payments Policy.](#)

## Gifts and Entertainment

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Any gift or entertainment offered to a Magna employee to induce or unduly influence a business decision (e.g. awarding business to the supplier, offering favourable terms) is strictly prohibited. If you wish to provide a Magna employee with a gift or entertainment, it must be reasonable, given only occasionally, and of modest value.

In turn, we prohibit Magna employees from soliciting gifts and entertainment from suppliers. If you are solicited by a Magna employee for a gift or entertainment, you should report it promptly (see "Reporting Concerns", below).





[Read Magna's Gifts and Entertainment Policy.](#)

## Sanctions and Export Control Laws

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We expect our suppliers to comply with all applicable export control laws, as well as laws that prohibit or restrict business relationships with sanctioned countries, entities, persons, or industry sectors.



[Read Magna's Sanctions and Trade Embargoes Policy.](#)



# Sourcing Materials from Areas of Conflict

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As a public company whose shares are listed on a United States stock exchange, we are required by U.S.

law to track and disclose our use of minerals such as gold, tin, tungsten, tantalum, or other extended minerals defined by the Responsible Minerals Initiative, originating in a number of designated countries.

When requested, our suppliers are required to provide data and reports using a defined reporting tool and structure, in the form we request, regarding their use of such minerals in their products. Furthermore, suppliers may be required to request similar information of their suppliers to establish the origin of such minerals, and to provide their findings to us.



- Suppliers should know the laws that apply to them and follow the letter and spirit of such laws
- Suppliers must not collude with competitors to limit competition
- Suppliers are strictly prohibited from offering bribes to government officials
- Suppliers must not violate sanctions and export control laws
- Suppliers must cooperate with Magna in identifying the source of certain minerals used

# Driving Integrity Within The Workplace

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Fairness, inclusivity, safety and sustainability are values we hold dear at Magna and which we strive to achieve in our operations. We expect the same of our suppliers.

# Respect for Ethical Labour Standards and Human Rights

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Magna is committed to complying with all applicable labour, employment, and human rights laws, and we demand the same commitment from our suppliers.

Magna is committed to the ethical treatment of all workers, and we adhere to labour and employment standards that are consistent with the Fundamental Conventions of the International Labour Organization (ILO) and the United Nations (UN) Universal Declaration of Human Rights. We require all suppliers to have comparable standards in place that recognize the inherent dignity and respect for all workers.

 [Read Magna's Global Labour Standards.](#)

### **Commitment to Fair Working Conditions**

Our suppliers must follow applicable laws on employment standards, including (without limitation) minimum wages, benefits, overtime, working hours, break times and time-off, vacation time, and legally required leaves of absence. Suppliers are required to provide safe and humane working conditions that provide workers with appropriate work-life balance.

### **Prohibition on Use of Forced and Child Labour**

Our suppliers are never permitted to use forced or compulsory labour. All employment must be voluntary and freely chosen, without resort to forms of modern slavery, restrictions on movement or personal liberty, or forms of debt bondage. Suppliers are also prohibited from using underage labour, as defined by applicable laws and ILO guidelines, except where young workers are employed as part of a government-approved and consensual training or apprenticeship program that clearly benefits the educational development of participants.

### **Freedom of Association**

Suppliers should also respect employee freedom of association and/or the right not to associate, recognizing that all workers have a right to exercise personal choice with respect to the issue of association and assembly, including whether they wish to affiliate with unions or works councils, consistent with local laws.

### **Harassment and Discrimination**



Magna’s policies are consistent with the requirements of applicable human rights laws. We expect suppliers to prohibit all forms of harassment and discrimination contrary to legally protected personal characteristics, and to develop robust training, complaint and investigative procedures to proactively address and remedy these issues.

**Fair and Non-Discriminatory Compensation**

Similarly, we expect suppliers to providing employees with a reasonable standard of living that meets or exceeds applicable minimum wage laws, capable of fulfilling basic life needs, while using fair compensation practices that ensure non-discriminatory treatment of all employees. Compensation programs should be based upon objective and competitive criteria, without regard to personal characteristics protected by law.

**Responsible Use of Security Forces**

Magna utilizes security-related services for the purposes of protecting its people and property. We recognize and adhere to applicable ILO standards and global supply chain laws in the responsible use of security related personnel in a manner that respects, promotes and protects the safety and personal rights of workers. We require our suppliers to establish comparable protocols to protect the inherent rights of workers within the supply chain.



**Magna is committed to complying with all applicable human rights laws, and we demand the same commitment from our suppliers.**

**Diversity and Inclusion**

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With facilities and operations worldwide, Magna engages with a wide variety of people and cultures, and we recognize that as a competitive advantage for our business. That is why we expect our suppliers to prohibit workplace harassment and discrimination based on age, sex, race, ethnicity, colour, physical features, nationality or national origin, language difference, religion, sexual orientation or gender identity, family or marital status, physical, mental, or developmental ability, socioeconomic status, or any other personal characteristic protected by law.

We believe greater supplier diversity helps promote a wider range of perspectives, driving more solutions and greater success for our entire organization. Magna encourages all suppliers to join in advancing diversity and inclusion. In support of this effort, suppliers will be required to share requested information



relevant to their diversity and inclusion programs, initiatives, and achievements. Collection of such information will be done directly by Magna or by a third party acting on our behalf. Suppliers are also required to respond to any survey or audit on this topic.



- Suppliers must respect the rights of their employees. In particular, they must avoid the use of forced and child labour.
- Suppliers must establish fair and non-discriminatory working conditions consistent with applicable employment standards laws.
- Suppliers are expected to prohibit workplace harassment as well as improper discrimination while providing compliant procedures designed to remedy these issues.
- Suppliers must maintain a safe and healthy workplace for their employees.

## Health and Safety

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Our suppliers are required to comply with all applicable health and safety laws. This includes the duty to maintain a safe and healthy workplace with access to personal protective equipment for employees and to have a procedure for dealing with injuries that require medical treatment. Magna encourages suppliers to achieve certification to ISO 45001 occupational health & safety standards, or any successor standard.



## Environmental Responsibility

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We are committed to environmental responsibility. We expect our suppliers to meet or exceed applicable environmental laws and regulations, and to be committed to minimizing the impact of their operations on the environment.

Suppliers should regularly evaluate and monitor the environmental impact of their business activities, manage and reduce the use of resources (including energy and water), minimize waste and emissions, recycle materials at every stage of the product life cycle, and reduce environmental impact through design and innovation.



We encourage certification to the ISO 14001 environmental standard and the ISO 50001 energy management standard (or any successor standards). Substances that are expected to be present in materials from our suppliers are required to be compliant with all chemical requirements i.e., REACH (Registration, Evaluation, Authorization and Restriction of

Chemicals) and TSCA (Toxic Substances Control Act).



[Read Magna's Health, Safety and Environmental Policy.](#)

## Sustainability & Decarbonization

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Magna seeks to ensure a sustainable future by aspiring to develop a low carbon supply chain, and increasing transparency and social responsibility in our supply chain. Magna's suppliers are expected to participate in this endeavor and aid in improving visibility and due diligence throughout all levels of the supply chain.

This participation is to be aligned with Magna's priorities and activities in areas including, but not limited to: decarbonization and energy conservation, waste minimization, minimizing water consumption and water quality degradation, land protection and forest preservation, species management and biodiversity, respect for indigenous rights, and prohibition of forced seizure of/unlawful eviction from land.

Magna encourages all suppliers to participate in reducing their carbon footprint. To support this initiative, suppliers will be required to share requested data relevant to their carbon emissions as well as those of their supply chain. This data will be collected directly by Magna or by a third party acting on our behalf. Suppliers must also respond to any survey or audit on this topic.

Suppliers are also expected to establish a glide path for decarbonization and share their goals and overall strategy with Magna. These programs and roadmaps ensure we are

collectively progressing towards our goals, reducing associated risks, and meeting stakeholder requirements.

## Driving Integrity Through Our Actions

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Our employees are required to demonstrate their integrity each day through their actions. They are also required to speak up if they become aware of a situation in which someone may have failed to live up to our ethical standards. Our suppliers are required to do the same if they learn of a violation of this Code.

### Conflicts of Interest

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To ensure that relationships with our business partners are based on integrity and sound business judgment, we require our employees to promptly disclose conflicts of interest. Similarly, we expect any supplier to inform us promptly if it has a family or other close personal relationship with the Magna employee making or influencing a business decision that may benefit the supplier.



[Read Magna's Conflicts of Interest Policy.](#)

### Protection of Magna Information and Intellectual Property

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As a supplier, Magna or its business partners (including Magna's customers) may provide or give you access to intellectual property, confidential, or personal information ("Information").

Suppliers must keep confidential and not disclose to any person (including other Magna personnel), company or organization Information belonging to Magna or Magna's customers, employees or business partners, except where: there is a legitimate "need to know" in connection with a proper business purpose, and appropriate confidentiality agreements are in place prior to disclosure. Further, our suppliers, their employees, and their own suppliers, must handle and process Information in accordance with applicable laws and contractual agreements with Magna.

You acknowledge the need to maintain and enforce appropriate safety and physical security procedures regarding the access and maintenance of such Information, ensuring they:

- are at least equal to industry standards for such types of Information; and

- provide reasonably appropriate technical and organizational safeguards against accidental or unlawful destruction, loss, alteration, or unauthorized disclosure or access to Information.

Additionally, you must never sell such information, never disclose it without Magna's consent, use Information solely for providing products and/or services to Magna, and promptly return or destroy Information at the end of our relationship (or when it is no longer needed), For more details, refer to the Terms and Conditions of your agreement with Magna, and to any non-disclosure agreement you may have signed.

If you become aware that confidential or personal information of Magna, its employees, or business partners (including its customers) has been disclosed - or that Magna's intellectual property rights have been violated - you must notify your primary Magna point of contact immediately.

## Driving Integrity With Good Communication

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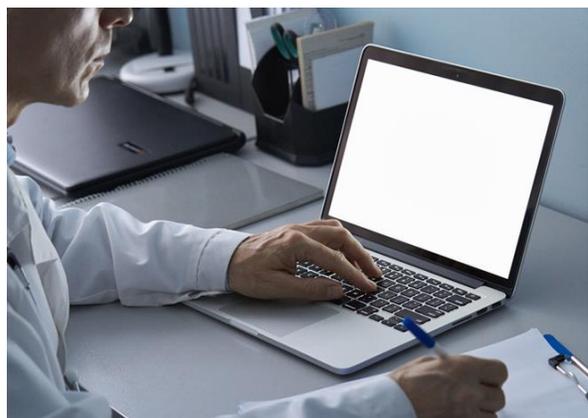
As a supplier to Magna, we ask that you uphold the values of honesty and integrity embedded in this Code. In particular, we note that violating certain elements of this Code is a violation of the law in the jurisdictions in which we operate. Magna does not tolerate any violations of the law by its suppliers.

## Reporting Concerns and Non-Retaliation

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We require you to take steps and ensure your employees understand this Code and comply with its requirements. We expect our suppliers, and their employees, to speak up promptly in the event that they learn of a violation of the law or this Code (while working for Magna), either by the supplier itself or by Magna employees.

You can always make the report to the Magna employee who is your primary contact, a member of [Magna's Compliance team](#), or by using Magna's reporting line, accessible at [magnahotline.com](https://magnahotline.com). Reports to the Hotline can be made anonymously (where legally permitted).



Depending on the circumstances, Magna may take a range of actions to remediate a failure by a supplier to comply with this Code, for example by suspending business with

the supplier until corrective measures have been implemented or by terminating the relationship with the supplier.

## Requests from Supplier Risk Management

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From time to time, you may be asked (by way of survey, audit or review) for information about your business operations (e.g. information about company management, supply chain, working conditions and human rights, responsible sourcing of raw materials, financial results, cybersecurity, etc.) from Magna's Supplier Risk Management team (or a third party acting on their behalf). We require you to respond promptly and fully to such requests. Your responses may result in the need for you to implement a corrective action plan to be completed within a reasonable time period set by Magna.



## Conflict with Other Requirements

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In the event that any requirement in this document conflicts with the requirements of the Magna Global Supply Chain Requirements or any other requirements of Magna suppliers (e.g. under any agreement in place between you and Magna), the requirements of this document shall prevail.



- Employees of suppliers must be familiar with this Code and comply with its terms.
- Suppliers must speak up if they learn of a violation of this Code or the law.
- Suppliers are prohibited from retaliating against any employee who raises a good-faith compliance concern.

## Support from Legal Compliance Experts

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If you have any questions about the requirements of this Supplier Code of Conduct and Ethics, you should contact your primary contact at Magna. You may also direct your questions to [Magna's Ethics and Legal Compliance department](#).

# Forward. For all.

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Approved by: Magna Compliance Council

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