

# **METHODE SUPPLIER CODE OF CONDUCT**

## **1. OVERVIEW**

Methode Electronics and our subsidiaries, collectively “Methode Electronics” or “Methode” are committed to high standards of legal and ethical business practices, and we expect the same of our suppliers. To ensure that our suppliers conduct business with a high degree of integrity and in a responsible manner, each of Methode Electronics’ suppliers and their representatives, employees, agents, suppliers, and subcontractors, collectively each a “Supplier,” are expected to adhere to this *Supplier Code of Conduct*, the “Code”. Suppliers are to conduct all necessary inquiries to confirm compliance with this Code and remediate any issues in a prompt and responsible manner. Suppliers are to be open and communicative with Methode Electronics at all times about the subjects covered by this Code.

## **2. RESPONSIBLE BUSINESS PRACTICES**

### **2.1 Compliance with Law**

Compliance with the law is the foundation of our ethical standards. Supplier shall comply with all applicable national, state, provincial and local laws, ordinances, rules, and regulations, including those relating to the manufacture, labeling, transportation, importation, exportation, licensing, approval or certification of goods or services, environmental matters, data protection and privacy, intellectual property, wages, hours and conditions of employment, subcontractor selection, anti- discrimination, occupational health/safety and motor vehicle safety.

### **2.2 Fair Dealing**

Methode Electronics is committed to fair and honest business dealings. Supplier shall not take any unfair advantage through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other illegal trade practice. Supplier shall not engage in price fixing, bid rigging, allocation of markets or customers, or similar illegal anti-competitive activities. Conflicts of interest are to be avoided.

### **2.3 Anti-Corruption/Anti-Bribery**

Supplier shall comply with all applicable anti-corruption laws, including, without limitation, the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act, and neither it nor any of its subcontractors, vendors, agents, distributors or other associated third parties shall engage in any form of commercial bribery, or directly or indirectly provide or offer to provide anything of value to or for the benefit of any official or employee of a governmental authority or of any government-owned, government-controlled or government-affiliated entity to obtain or retain any contract, business opportunity or other business benefit, or to influence any act or decision of that person in his/her official capacity.

Supplier shall conduct business without engaging in corrupt practices such as bribery, kickbacks, extortion, embezzlement, false invoicing or other corrupt practices. Supplier shall not directly or indirectly influence or seek to influence objective and just business practices by giving, asking for or accepting any money, goods, services or other things of value. Supplier shall be committed to conducting all business based on the principle of “fair dealing” and shall establish and maintain systems and processes to ensure that neither it nor its directors, employees, agents, distributors or representatives accept or pay any kickbacks, bribes or other corrupt payments or receive any improper commissions or personal benefits. Supplier shall maintain transparency and accuracy in all recordkeeping.

### **2.4 Disclosure of Information**

Suppliers shall accurately disclose information regarding their labor, health and safety, environmental practices, business activities, structure, financial situation, and performance in accordance with applicable regulations. All of supplier business dealings will be transparently performed and accurately reflected on the supplier's business books and records. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

## **2.5 Confidential Information**

Suppliers are to take reasonable steps to maintain the confidentiality of all proprietary and nonpublic information entrusted to it by or on behalf of Methode. Supplier shall protect our confidential information against misuse or unauthorized disclosure with at least the same degree of care it uses to protect its own confidential information, and in any event a reasonable degree of care. Supplier shall not use any of our confidential, proprietary or nonpublic information for its own benefit or to our detriment.

## **2.6 Ethical Behavior**

Suppliers shall avoid conflicts of interest and operate honestly and ethically throughout the supply chain and in accordance with applicable law, including those laws pertaining to anti-competitive business practices, respect for and protection of intellectual property, company and personal data, and export controls and economic sanctions. Suppliers shall require that their employees avoid and disclose situations where their financial or other interests conflict with job responsibilities, or situations giving any appearance of impropriety.

## **3. ENVIRONMENTAL RESPONSIBILITY**

Suppliers will follow applicable local, national, and international environmental laws. Suppliers will obtain and keep current all required environmental permits, approvals, and registrations, follow their operational and reporting requirements.

Methode expects the supplier to refrain from harmful changes to the soil, water and air pollution, harmful noise emissions, and excessive water consumption, prevent people from accessing safe drinking water, impair or inhibit access to sanitary facilities, or be harmful to health. Methode also requires that the supplier make continuous efforts to reduce or mitigate their environmental pollution and risks and improve environmental protection within their own sphere of influence on an ongoing basis. The use of resources (in particular energy, water, raw materials and/or (primary) materials) and the environmental impacts (in particular emissions, pollutants, waste) are to be consistently minimized.

### **3.1 Decarbonization & GHG Emissions**

The supplier shall implement measures to reduce its direct and indirect CO<sup>2</sup> emissions (including in its upstream value chain). This includes, for example, the use of green electricity and the use of secondary materials or biomaterials. Suppliers shall continually strive to reduce greenhouse gas emissions and should track Scope 1, 2, and 3 greenhouse gas emissions. Upon request, suppliers will share Scope 1, 2, and 3 greenhouse gas emissions data with Methode, and/or publish that data through a mutually agreed upon third-party. Suppliers should establish time-bound emission reduction goals and strive to use science-based target methodology.

### **3.2 Resource Conservation**

Methode expects its suppliers to minimize waste generation and to ensure responsible handling of resources such as water, energy, resources, and materials. Methode also expects suppliers to qualify their own n-tier supply chains with regard to the provision of secured secondary raw material sources, and to evaluate that secondary raw materials are used to the greatest extent possible.

Methode expects our suppliers to be proactive in promoting energy and water conservation, eliminating or reducing waste and hazardous air emissions, and recycling or reusing materials as appropriate. All packaging and shipping materials and methods shall be environmentally responsible.

As part of their resource conservation efforts, suppliers should effectively reuse and recycle water and prevent unpermitted discharges and to mitigate the potential impacts of such discharges.

### **3.3 Biodiversity/Land Rights**

Suppliers shall respect the communities in which they are based and serve. Suppliers shall respect the land rights of individuals, indigenous people, and local communities in accordance with local laws, the ILO Indigenous and Tribal Peoples Convention (No. 169), and the United Nations Declaration on the Rights of Indigenous People.

As part of their land right responsibilities, we expect our suppliers to protect natural ecosystems and key biodiversity areas and to not contribute to the changing, deforestation, or damage of natural woodland and other natural ecosystems in accordance with international biodiversity regulations, including the IUCN Resolutions and Recommendations on biodiversity.

### **3.4 Hazardous Materials**

Supplier shall manage, handle, store and transport all hazardous chemicals and substances in a safe and legal manner. Suppliers will look for ways to reduce the use of hazardous materials and substances of concern within products and their manufacturing processes. Furthermore, all other laws and specifications concerning hazardous materials, chemicals, and substances that apply to the business location and/or the market in question (e.g. European Regulation (EC) No. 1907/2006 (REACH)) are to be complied with.

Upon request, the supplier shall provide Methode with information on the use of materials in production and operations that are subject to restrictions arising from national and international law, as well as providing written procedures on how these substances are handled.

## **4. SOCIAL RESPONSIBILITY**

Supplier shall strive to maintain at all times the dignity and human respect of its employees. Appropriate means for employees to report concerns without reprisal shall be provided.

### **4.1 Right to Freely Chosen Employment**

Suppliers and their employment agencies shall not use slave, forced prisoner, bonded, indentured, or any other form of forced or involuntary labor. Suppliers will also not engage, directly or indirectly, in human trafficking. Employees must be free to terminate their employment without penalty.

Suppliers shall not require workers to pay Suppliers' agents' or sub-agents' recruitment fees or other related fees for their employment. Suppliers will provide full reimbursement to job seekers and workers if they have been required to pay any such fees or related costs. If necessary for a Supplier to use a labor broker, the Supplier will only use brokers that employ ethical recruitment practices, comply with applicable laws, and do not withhold identity documents.

### **4.2 Wages and Benefits**

Suppliers and their employment agencies shall pay wages and provide benefits and compensation to workers that comply with all applicable wage laws and regulations, including those relating to minimum wages, overtime hours, medical leave, and legally mandated benefits, and in line with Article 7 of the International Covenant on Economic, Social and Cultural Rights. Suppliers shall refrain from making any deductions from wages as a disciplinary measure or imposing any financial burdens on workers related to recruitment costs unless these are in accordance with the local law. For each pay period, Suppliers will provide workers with a timely and understandable written wage statement that includes sufficient information to verify accurate compensation for work performed. Workers must be paid directly, in a timely fashion, and in recognized currency. Suppliers will keep records of worker hours and wage documentation in accordance with local law.

### **4.3 Right to Freedom of Movement**

Suppliers and their employment agencies shall not impose restrictions on entering or exiting company-provided facilities including, if applicable, workers' dormitories or living quarters, except when lawful and necessary for safety or security purposes. Suppliers will refrain from restricting workers' movement through the retention of bank payment cards or similar arrangements for accessing wages. Suppliers will also refrain from requiring workers to use company-provided accommodation. Suppliers and their employment

agencies, will not destroy, withhold, or conceal identity or immigration documents, such as government-issued identification, passports, or work permits.

#### **4.4 Right to Freedom of Association**

Suppliers shall comply with and respect all applicable laws and ILO core conventions related to the rights of workers to form and join trade unions of their own choosing, to bargain collectively, to engage in peaceful assembly, as well as respect the right of workers to refrain from such activities. Suppliers shall avoid any form of threats, intimidation, physical or legal attacks against stakeholders, including union members and union representatives, exercising their legal rights to freedom of expression, association, and peaceful assembly.

The supplier shall not use security forces, whether public or private, to interfere with freedom of association.

#### **4.5 Non-Discrimination/non-Harassment/ EQUAL OPPORTUNITY**

Suppliers are encouraged to develop and promote diversity, equity, and inclusion (DEI) where everyone is valued and celebrated, and able to contribute fully. Suppliers should encourage DEI in all levels of their workforce and leadership, as well in their supply chain.

Methode is an equal opportunity employer and federal contractor or subcontractor. Consequently, the parties agree that, as applicable under U.S. law, they will abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a) and 41 CFR 60- 741.5(a) and that these laws are incorporated herein by reference. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. The parties also agree that, as applicable under U.S. law, they will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws.

#### **4.6 Prohibition on Child Labor**

Suppliers and their employment agencies shall not use child labor. Suppliers must have or implement an appropriate mechanism to verify that the age of workers and workers recruited comply with the ILO Minimum Age Convention (No. 138) and be able to provide substantiation of this verification promptly upon request. If child labor is discovered in its supply chain, suppliers will cease employment of the child/children and take reasonable measures to enroll the child/children in a remediation/education program.

Suppliers shall not use workers under the age of 18 (“young workers”) to perform work that is likely to jeopardize their health or safety. If young workers are found to be involved in work that is likely to jeopardize their health or safety, suppliers will take reasonable measures to immediately remove the young workers from the situation and provide alternative work that is age appropriate.

#### **4.7 Occupational Safety**

Suppliers shall at all times maintain safe and healthy work environments for their employees and representatives. Violence and threatening behavior are not to be tolerated. Suppliers are expected to provide working environments that support accident prevention and minimize exposure to risks. Suppliers are expected to comply with all applicable safety and health laws and regulations in the countries in which they operate.

Suppliers shall have procedures and systems to prevent, investigate, identify the root cause, manage, track, and report occupational injury and illness, including provisions to encourage worker reporting, provide necessary medical treatment, and facilitate the return of workers to work.

Suppliers shall identify potential emergency situations and events and minimize their impact by implementing emergency plans and response procedures, including emergency reporting, employee notification and evacuation procedures, worker training, and drills.

## **5. RESPONSIBLE SOURCING:**

### **5.1 Conflict Minerals**

Methode Electronics fully supports the goals and objectives of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”), which aims to reduce violent conflict in the Democratic Republic of the Congo (the “DRC”) and adjoining countries by providing transparency regarding the use of certain minerals that may finance or benefit armed groups in the region. These minerals include columbite-tantalite (coltan) (i.e., tantalum), cassiterite (i.e., tin), gold, wolframite (i.e., tungsten) or their derivatives and could expand to include other minerals or their derivatives, as determined by the U.S. Secretary of State. To support compliance, Supplier shall exercise due diligence on its supply chain as contemplated by the Act and, as appropriate, mitigate the use of conflict minerals in support of violent conflict and human rights abuses in the DRC and surrounding areas. Supplier shall make available to Methode Electronics at regular intervals, as requested by Methode Electronics, the results of Supplier’s supply chain evaluations in format acceptable to us, and shall have in place appropriate policies to monitor its supply chain and support our compliance with the Act.

Suppliers shall implement a policy committing to the responsible sourcing of all minerals and materials in line with Methode’s Conflict Minerals Policy and Human Trafficking and Forced Labor Policy. These policies require conducting due diligence in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, including its current supplements on tin, tantalum, tungsten and gold (3TG). Suppliers shall disclose to Methode, as necessary, updated smelter/refiner information for any 3TG mineral used in the production of its parts, materials, components, and products. Suppliers shall also engage with sub-tier suppliers to conduct due diligence by providing reporting templates or other information upon request.

### **5.2 Animal Welfare**

Methode expects relevant suppliers that process animal products to implement standards and best-practice methods to comply with animal welfare along the entire supply chain. We also expect our suppliers to give preference to alternative methods that do not involve animal testing, except where required by law. In any case, the supplier shall follow the national and international rules regarding animal protection and animal testing (e.g., EU Directive 2010/63).

### **5.3 Use of Original Parts**

As required in our then current *Methode Electronics Supplier Requirements Manual*, the supplier shall have processes and systems in place to prevent delivery of non-conforming products to Methode, including assurances that counterfeit parts are not used.

## **6. IMPLEMENTING THIS CODE OF CONDUCT**

Suppliers shall align their business and procurement activities with these principles and address them appropriately along its supply chain. We expect that the supplier has established or is implementing a due diligence process with appropriate measures to ensure that its suppliers and subcontractors, in turn, also comply with the principles set out in this document.

### **6.1 Grievance Mechanism and Non-Retaliation**

Suppliers are to alert Methode to any violations of this *Supplier Code of Conduct*. Methode has contracted with an independent third party that specializes in Help Line Reporting to manage the reporting via a toll-free number and web reporting tool. This Help Line has multi-lingual representatives, and is available 24 hours a day, seven days a week. The toll-free U.S. number is: 1-800-461-9330, the International collect call / reverse charges number is: 1-720-514-4400, and the secure web portal is: [www.convercent.com/report](http://www.convercent.com/report). All incident reports are directed to the Corporate Office for investigation and corrective action if needed. We encourage Suppliers to provide their name with any report, but reports can also be filed anonymously if desired. If a Supplier reports a concern or violation, it is encouraged to provide accurate and complete information to permit a thorough investigation or response.

## 6.2 Addressing Impacts

Suppliers are to be expected to audit and confirm its compliance with this Code, and promptly remediate any noncompliance. We reserve the right to independently audit or investigate Supplier from time to time in appropriate circumstances to verify compliance, and Supplier shall cooperate in all reasonable respects with respect to any such audits or investigations. Further, upon reasonable request, Supplier shall certify to us whether it is in compliance with the terms and conditions of this Code, and if not, describe the actions it is taking to remediate any issues. We reserve the right at all times and in appropriate circumstances to terminate any Supplier that does not operate in a legal, ethical or responsible manner.

## 6.3 Contact Information

For any questions or comments concerning the Methode Supplier Code of Conduct, please contact your buyer.

## 6.4 Key Policies

This Supplier Code of Conduct draws upon Methode policies or programs, as well as certain internationally recognized principles.

### 6.4.1 Methode Policies

- Anti-Corruption Policy
- Code of Conduct
- Conflict Minerals Policy
- Data Privacy Policy
- Diversity & Inclusion Statement
- EHS&S Policy
- Export Management and Compliance Policy
- Human Trafficking and Forced Labor Policy
- Insider Trading Policy
- Privacy Statement
- Supplier Code of Conduct
- Supplier Quality Requirements

### 6.4.2 Internationally Recognized Principles:

- Universal Declaration of Human Rights
- International Covenant on Economic, Social and Cultural Rights
- UN Guiding Principles on Business and Human Rights
- UN Declaration on Rights of Indigenous Peoples
- UN Convention on the Elimination of all Forms of Discrimination against Women
- UN Convention on the Rights of the Child
- UN International Convention on the Elimination of All Forms of Racial Discrimination
- UN Convention on the Rights of Persons with Disabilities
- ILO Declaration on Fundamental Principles and Rights at Work
- ILO Indigenous and Tribal Populations Convention (No. 107)
- ILO Indigenous and Tribal Peoples Convention (No. 169)
- OECD Guidelines for Multinational Enterprises
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
- Automotive Industry Guiding Principles

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