

CORPORATE **SOCIAL** **RESPONSIBILITY** CHARTER

CSR CHARTER



INDUSTRY-FOCUSED
SERVICE-MINDED







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WE ARE A FAMILY-OWNED AND COMMITTED COMPANY

MANAGEMENT AND ORGANIZATION

Since the beginning of 2017, the Group has formed a new management structure based upon three complementary bodies in order to become more flexible and responsive:

The Family Board is the governing body of the EFI Automotive Group, a family-owned, medium-sized business founded in 1936. It sets out strategic direction and takes structuring decisions for the Group and its organization. It must report to the Supervisory Board on its management.

The Supervisory Board has control over the management of the Family Board and advises on the strategic direction taken by the Group. It defends general interests and also ensures that shareholder interests are well respected and supported within the Group.

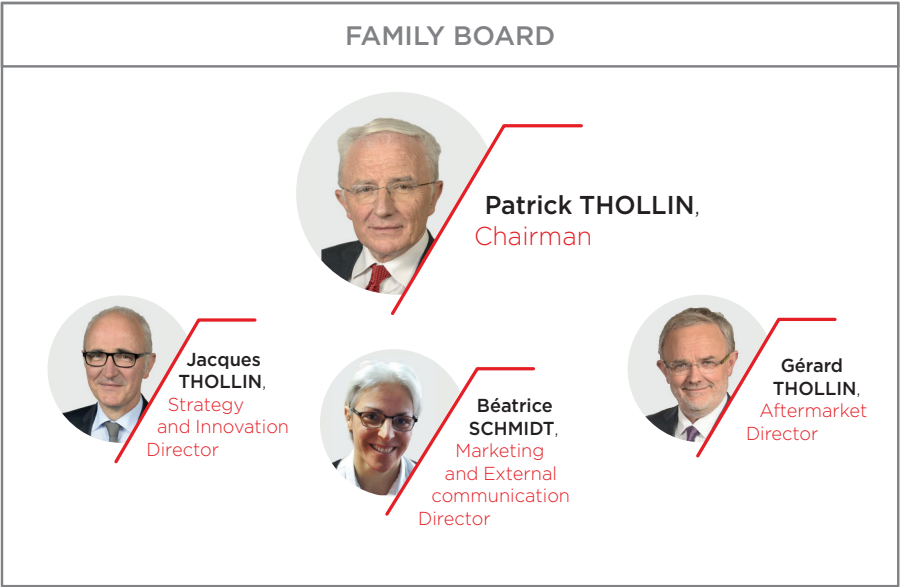
The COMEX is the Group's Executive Committee. It is responsible for strategic direction's implementation in the Group as set out by the Family Board. It controls the development of the Group and ensures smooth operation. It is also this committee that ensures good communication between the Family Board and the company (strategy and marketing, operational and aftermarket excellence), which shapes the Group enables visions and plans to be aligned.

The Management Committee, which brings together all Directors, meets every month to discuss the main challenges faced by the Group, shares decisions affecting the company and decides on implementation methods.

To ensure that the Group's various processes are correctly executed, management loops and routines are put in place. A summary is thus created each month and discussed at the Executive Committee meeting. The different business sections therefore have an opportunity to share and receive information **transparently and on a regular basis**. Arbitration decisions are taken by the Executive Committee to allow better alignment.

GROUP MANAGEMENT

SUPERVISORY BOARD	
Bernard THOLLIN, Chairman André BÉLARD	Didier SEPULCHRE DE CONDÉ Thierry FAUGERAS





EFI AUTOMOTIVE POLICY

OUR VISION

We are a responsible family-owned company, working in a global market. We are committed to running a sustainable industrial business associated with being highly service-minded for the benefit of a community which develops humanly and economically. We act with determination and ambition and are driven by our entrepreneurial passion. Thanks to our innovative mechatronic solutions and our electronic and electromagnetic systems, we help to make vehicles more economical, intelligent, comfortable and safe.

OUR MISSION

Industry-focused, service-minded

Our high-performance production tools and our research and technological development centres on several continents have made us a recognised player in the automotive industry for the past 80 years. We specialise in the design and manufacture of sensors, activators and actuators to improve the efficiency of power trains and transmissions. For these strategic areas of activity, we provide our customers and partners with a local service and innovative solutions adapted to their needs. Throughout the Group, we strive to be industry-focused and take a responsible and environmentally-friendly approach.

“Act with
determination
and ambition.
Convey our
entrepreneurial
passion.”

Jean Thollin, 1992

Aware of developments in the market as well as environmental and social changes, we are also diversifying into the fields of improving vehicle dynamics, comfort and driving safety. It is through the skills, creativity and involvement of our employees that we have become a preferred supplier for leading manufacturers and equipment suppliers. We are continuing to develop with this same spirit and to build together the business of tomorrow.

OUR VALUES



Entrepreneurial spirit

We are proud to be a part of the Efi Automotive Group. We work together to serve our customers to ensure the Group's long-term future and with our entrepreneurial passion, we are moving forwards to build our future together. Above all, we encourage interest in serving our community. This way, each employee enables the Group to benefit from their skills and experience and contributes to the development of the Group. We encourage initiatives aimed at improving our overall performance.

Sincerity

Internally, as with our suppliers and customers, we work within a relationship of communication, trust and with sincerity to find the most appropriate solutions quickly together. This enables us to form strong and lasting partnerships. We always aim to look at situations as objectively as possible. We go beyond a theoretical approach and work together in a spirit of mutual trust and openness.

Responsibility

At each level of the organisation, each employee acts responsibly in their role and contributes to the long-term development of the Group. We therefore encourage individuals to take responsibility and act according to the principle of subsidiarity (autonomy, duty to help and support). EFI Automotive is a responsible company and in, each of our locations, we comply with current standards, human rights and local legislation. We act in an ethical manner and with integrity, whilst respecting the environment.

Respect

EFI Automotive employees are one of the company's greatest resources. Together with our diversity of languages and cultures, we form a rich and varied community and whilst respecting our differences, we share a common goal. We wish to make our community stronger by supporting each employee through training and skill development. At each level of the business, we respect the work of our employees and listen carefully to their ideas and suggestions. We stand in solidarity and help each other by means of positive feedback or constructive criticism to strive for excellence together. Whilst we allow room for errors, we also expect each employee to recognize their mistakes, correct them in a responsible manner and accept them in order to progress, excel and thus enable the entire organization to progress.

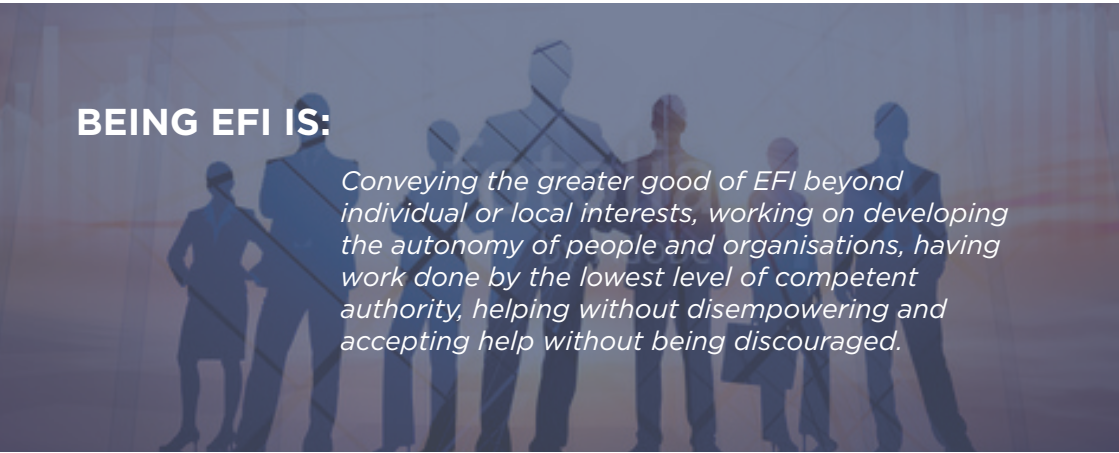
Agility / Flexibility

We work very closely with our customers. We listen carefully to their specific needs in order to provide them with reliable and innovative solutions as quickly as possible and at the best price. We are moving towards a decompartmentalised and fluid organisational structure which simplifies processes and accelerates decision-making. This gives us the flexibility necessary to adapt to a rapidly evolving market.

Focus

We work together to decide on the main Group objectives and retain a shared vision with regards to their effective implementation. Furthermore, we focus our efforts on creating value for customers and our community.

BEING EFI IS:



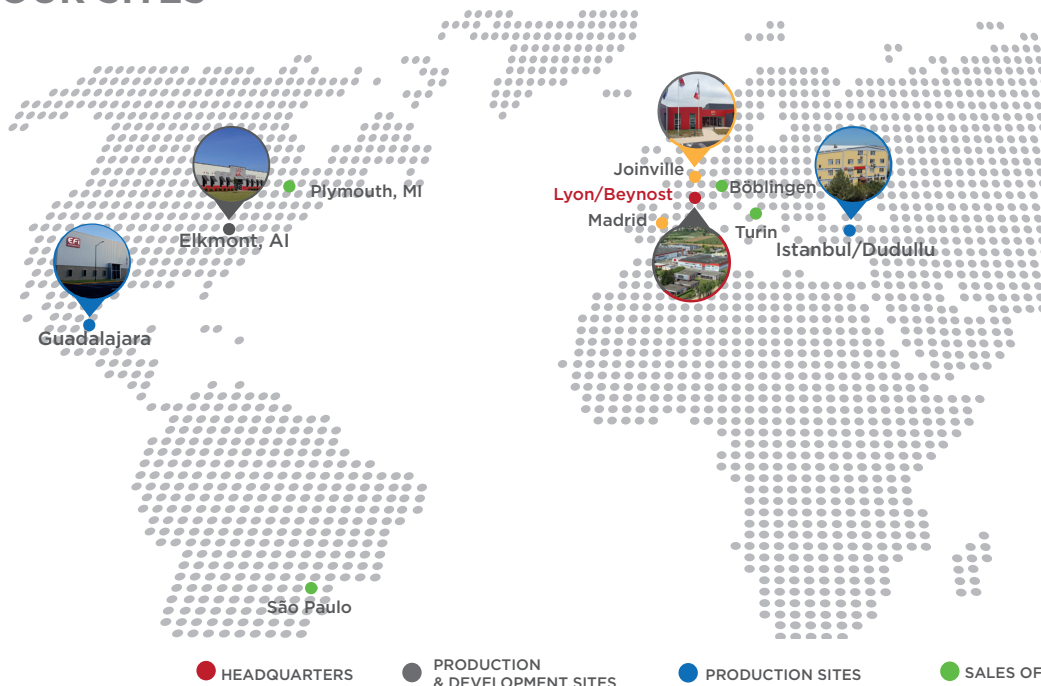
Conveying the greater good of EFI beyond individual or local interests, working on developing the autonomy of people and organisations, having work done by the lowest level of competent authority, helping without disempowering and accepting help without being discouraged.

With strong commitment, shareholders and the Family Board have reworked the company's vision and mission as well as the values of the Group in the hope of seeing them flourish and be applied by all employees. Consequently, at the start of 2017, **an ambitious program** covering several years was launched with a section on values and their practical application in the form of principles of action, known as the “**Being EFI**” project, and a managerial section, known as the “**Managing EFI**” project. As responsible stakeholders, employees of the Group act according to the **principle of subsidiarity**. They therefore take care not to do at a higher level what can be done more effectively at a lower level. This principle is thus reflected by three complementary sub-principles: autonomy, the duty to help and the duty to support.



A COMPANY IN A GLOBAL MARKET

OUR SITES



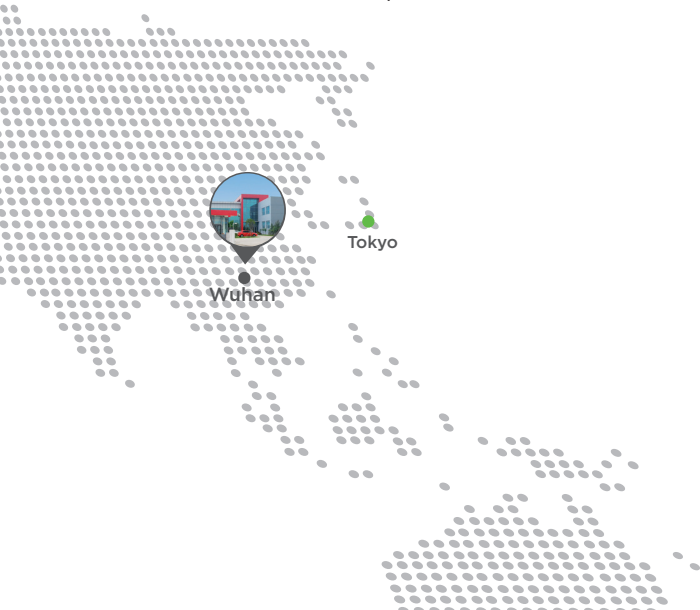
RESPECT OF HUMAN RIGHTS AND LABOUR STANDARDS



The Group's companies, along with their employees, undertake to comply with and **promote international law relating to human rights**, particularly in terms of the protection of fundamental human rights and rules of the International Labour Organization.

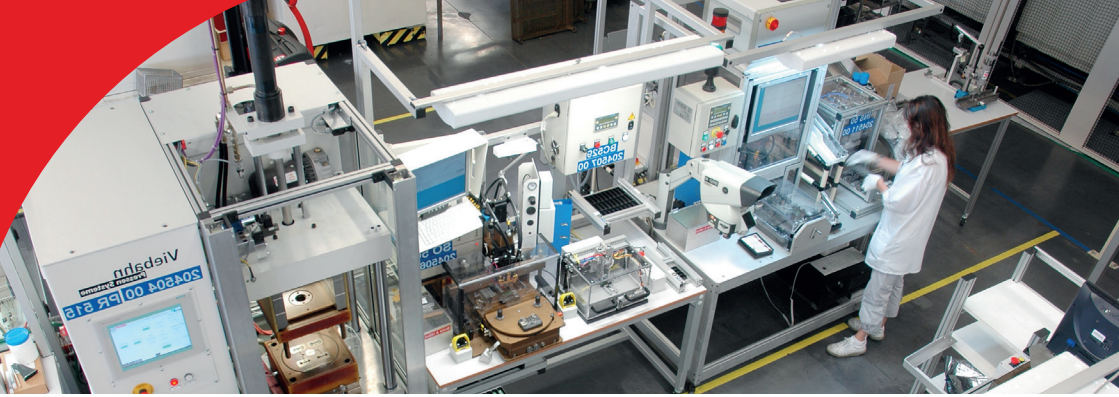
The Group's companies also ensure compliance with these rights and applicable laws in all their activities, all countries in which they operate and in all relations with their employees, supply chain, customers and populations of the countries where they are based. The Group's companies refrain from resorting to any form of forced, compulsory labour or child labour.

They also do everything possible to eliminate discrimination around employment. They respect freedom of association, recognise the right of collective negotiation and ensure an active social dialogue with staff representative authorities in relation to independence and trade union pluralism.



OFFICES

● AFTERMARKET



A SUSTAINABLE INDUSTRIAL BUSINESS

HEALTH AND SAFETY IN THE WORKPLACE

Health and safety forms part of the 10 strategic initiatives currently being implemented within the Group.

In close collaboration with health professionals, a recurring program has been in place for several years in order to develop approaches for **well-being in the workplace** and **prevention for the health of its employees**, such as preventing addictive behaviour, improving stress management, creating nutritional balance for employees working on night shifts, etc.

EFI Automotive regards each individual's health as something to be preserved for both personal development and that of the community of EFI colleagues.

EFI Automotive is proactive in preventing and managing risks relating to the health and safety of employees during business trips by offering a system which uses the services of a globally recognised organisation in the field, and an "EFI Passport" travel policy which is applicable to all sites and employees across the Group.

SAFETY / EXCELLENCE



Management is fully involved in an excellence-based approach with regards to safety, which is aimed at “0 Accidents”.

Consequently, processes have been set up to achieve the expected results through four parts:

- An organised network within the Group with points of contact identified in all subsidiaries to ensure employee safety
- Management and escalation loops at all levels right up to senior management
- The implementation of standards for cross-functionality in all Group subsidiaries
- Operational risk analyses to anticipate accidents and to guarantee and improve working conditions. Examples: audits on the safety of machinery and tools, as well as manual and mechanical handling and ergonomics, etc.



HEALTH AND SAFETY PROTECTION FOR CONSUMERS

We manufacture many products which consider the health of consumers, such as, for example, our activators which are intended to better regulate vehicle internal combustion engines and therefore reduce CO₂ emissions. Our products are also designed to make vehicles safer, and consumers as a result, such as our sensors for height detection which are installed on vehicle chassis.

QUALITY AND THE ENVIRONMENT

Respect for both people and the environment is a matter of major concern for us. With this in mind, we are committed to an approach which protects the environment by using the principles of precaution and continuous improvement across our activities, products and services. As we are keen to preserve biodiversity and natural habitats in the vicinity of our sites, we have implemented an approach for risk prevention to limit our impact on the environment. We are acting to prevent and reduce pollution, not only in the context of our activities, but also from the broader perspective of our products which, in the context of energy transition, play a part in improving the efficiency of vehicles and therefore reducing CO₂ emissions.



We are committed to the responsible management of natural resources and our raw materials and favour waste disposal, reduction, reuse and recycling. In order to ensure consistency across all our commitments, we ensure that we comply with regulations in force in the states where we operate and that we are not limited by the strict application of their requirements.



We are aware of the importance of protecting the environment and everyone's health, and together we are helping to build a sustainable future.

For example, all of our sites are ISO 14001 certified and provide environmental analyses for pollution prevention along with associated action plans. Similarly, we ensure that waste from production on all of our sites is recycled.





A RESPONSIBLE COMPANY

CONFIDENTIALITY



Each employee is required to help protect the knowledge and expertise of the company. They refrain from disclosing confidential information to which they have access (studies, research, projects, organisation and direction of the Group, etc.) to other members of staff who are not authorised to hold these details or to third parties.

USE OF INFORMATION AND COMMUNICATION SYSTEMS CHARTER



Each employee or external natural person who intends to use the information and communication system must help to ensure it is secure by complying with the charter which specifies their rights, duties and legal responsibilities.

FIGHT AGAINST CORRUPTION



EFI Automotive actively fights against corruption.

It has developed a system at Group level to fight against corruption, which involves in particular:

- A Compliance Guide which explains the rules to be respected in terms of fighting against corruption and complying with applicable laws on the subject to each employee.

- Compliance support at the following email address: compliance@efiautomotive.com giving each employee the opportunity to ask questions or send in alerts
- A Code of Conduct for the Group's suppliers including a section on fighting against corruption. Any supplier detecting any acts of corruption within EFI Automotive has an obligation to report this information to EFI Automotive Group compliance assistance so appropriate measures can be taken
- An internal control framework, a real turnkey tool which is shared with all Directors of the Group to enforce the Compliance Guide within each Management team and ensure it is complied with. This framework sets out a method to ensure activities and operations are controlled by explaining its organisation and key checkpoints
- Risk mapping, supplied regularly, to better identify and manage corruption risks

Mobilisation of employees facing a risk of corruption is supported by awareness campaigns carried out within the Group.

FAIR COMPETITION

With respect being one of its strongest values, EFI Automotive recognises that it does have competitors and works to implement fair competitive practices.

PROMOTING SOCIAL RESPONSIBILITY IN THE VALUE CHAIN

EFI Automotive promotes social responsibility amongst its suppliers in particular by asking them to commit to a CSR approach by signing a code of conduct.

RESPECT OF OWNERSHIP RIGHTS

EFI Automotive ensures that property rights are respected: For example, the ownership of its customer tools, the intellectual and industrial property rights of third parties and particularly of suppliers and customers.



A COMMUNITY WHICH DEVELOPS HUMANLY AND ECONOMICALLY

A TRUE ENTREPRENEURIAL SPIRIT



Thanks to shareholder initiative, in partnership with philosophy staff at the Catholic University of Lyon (UCLY), EFI Automotive deploys its system of **values and principles of action**, known as “**BEING EFI**”, within all of its entities to share the same understanding of values as well as an everyday approach adapted to cultural characteristics and key areas of local improvement. Thus, BEING EFI underpins the commitment of the teams always with the same

passion driven by a deeply rooted humanistic and patrimonial framework, according to their own cultural practices and benchmarks, to apply the **principle of subsidiarity** in its many forms. EFI Automotive also promotes social dialogue based on mutual listening and objective discussions which encourage questioning and factual clarification among employees.



The significant growth of the Group and its internationalisation are accompanied by cross-functional programs, which are used for structuring its international expansion through shared management activities, including the “**Managing EFI**” program and internal systematic and synchronised communication processes. As part of a company-wide agreement within EFI France to take pains to set up management tools for future skills required,

the EFI Group looks to the future in all of its entities so everyone can be in charge of their own professional path.



In the same vein, EFI France is one of the main member companies in the Alliance and Territories Association of the Rhône-Alpes-Auvergne region, bringing together the main companies in the region to develop skills in the area, both inside and between companies and to encourage co-development practices and the sharing of expertise.



In order to progress with regards to Human Resources, we must also be able to rely on objective measures. To do this, EFI has implemented a way of dealing with questions and listening to perceptions from the Group's employees with the implementation of an employee survey every two years, known as "EFIVoice", which compiles topics that are shared between the whole Group and questions on local issues.

The results of these surveys are then subject to local and global action plans, for which effectiveness is measured during the following "EFIVoice" survey.



AN ENGAGED COMMUNITY

Aware of their responsibility in the life of their local community, each of the EFI Automotive Group entities maintains relations in order to help with development. EFI employees are involved through active participation in professional, cultural and charitable associations.



“All on board” for children:

A group of EFC employees have formed a team to compete in the “Alabama Dragon Boat Race” raising funds for hospitals.

EFI Beynost also sponsors the “Swing Under The Stars” festival in Miribel.



A small contribution to help those who need it most:

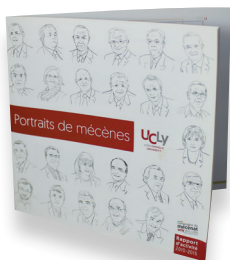
Clothing collection in China for disadvantaged families.



A helping hand for young people:

EFI offers its employees the opportunity to get involved in placement and socio-educational development activities.

As a member of the French Télémaque Association, EFI encourages the mentoring of talented young people from disadvantaged backgrounds by company employees to give them access to the most prestigious training.



*This resulted
in the creation
of a joint brochure:
The Patron Profile*

EFI commits to ambitious projects bringing young people a future and society, meaning. As a patron of the UCLY (Catholic University of Lyon), EFI directly participated in financing the “Passerelles” project, which was intended to convert the former Saint Paul of Lyon prison into a modern campus able to accommodate several thousands of students in the heart of Lyon.

In addition, through close links with the UCLY for over ten years, EFI has participated in running “think tanks” around religious diversity in business, humanist entrepreneurship and the influence of humanist thinking in the world of industry.

EFI Automotive Service also engages in sponsorship, such as the 4L Trophy Rally for the benefit of the most destitute children in Morocco, by providing them with school supplies.

EFI Sciences, the internal school for EFI Automotive training, capitalizes on and enriches the technical skills of its employees by guaranteeing high-quality training to achieve operational excellence.

As a genuine performance catalyst, we develop modules adapted to our business, organisation and the requirements of our customers.

More than just a school, EFI Sciences is the driving force behind the application of our strategy and our competitive development.





A SERVICE-MINDED CULTURE



EFI Automotive is also actively engaged in the **development of start-ups** via its industrial accelerator AXANDUS, which strives to help them as best it can, both technically and industrially, by giving them access to its technologies, particularly in the development of their product and mass production.

As a result, EFI Automotive helps to make start-ups stronger and more robust. EFI Automotive is also dedicated to providing access to its technologies via its industrial start-up accelerator “AXANDUS”.

Furthermore, EFI Automotive focuses on creating technologies by developing technological building blocks which are used by all its establishments throughout the world for developing the product portfolio. EFI Automotive is outward-looking and possesses a strong value: sincerity. This value enables the company to form solid partnerships with third parties, giving rise to new and innovative technologies.

Finally, EFI Automotive invests 7 to 8% of its turnover in R&D and industrial and real estate investments across all of its sites each year in order to support its customer projects and ensure their lasting success.



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