

Fair Competition Policy

1. Policy Summary

Fair competition or “Antitrust” laws are laws that regulate the conduct of businesses or individuals in the marketplace for the benefit of consumers. Most jurisdictions in which Aptiv does business have similar laws, though the procedure and practice may differ. At Aptiv, we strive to outperform our competition fairly and honestly based on quality, service, price, technology and other factors (“**QSPT**”), within the bounds of all these laws. We obtain competitive advantages through the superior performance of our products and our people, and never through unethical or illegal business practices. In order to protect yourself and our Company, you need to know your responsibilities under the antitrust and fair competition laws. It is the individual obligation of all Aptiv personnel to comply with this Policy as well as any specific direction given to you by the Company’s Legal Staff.

2. Why Do We Have this Policy?

We want to compete fairly and do what is right. In addition, the consequences of violating the antitrust laws can be grave. Employees and others acting on the Company’s behalf, who participate in such activities, may be subject to fines and prison terms. The Company itself could face restrictions on future conduct, fines, large damage awards, and significant loss of reputation and business. The defense of an antitrust claim typically also entails high costs in time, money and effort. For these reasons, we take great care to ensure compliance with the antitrust laws.

The goals of this Policy are to help you:

- Understand the basic rules of competition law
- Recognize the types of situations where competition law issues could arise
- Avoid all conduct which could violate, or could give the impression of having violated, any competition law
- Sensitize you about when to ask for legal advice

This Policy provides basic guidance on how to conduct yourself in scenarios that are common to our business. It is not intended to be an in-depth analysis of the antitrust laws or a substitute for legal advice for particular circumstances.

This Policy applies to all employees at Aptiv.

Contact the Aptiv DRIVE Line at <http://driveline.aptiv.com/> to report an issue online or by phone

3. What are the Key Principles of this Policy?

A. Act and Compete Independently and Carefully

The premise of the fair competition and antitrust laws is that certain agreements and practices between competitors may damage competition, and are therefore declared to be illegal. Failure to comply may have serious consequences for the Company and for the individuals involved.

Question and Answer

Q: When dealing with competitors, do we really need an “agreement” for any communication to be illegal?

A: Not necessarily. An agreement for antitrust purposes does not have to be formal and it seldom requires a written form. An antitrust investigator would look at the intentions of the parties and all surrounding evidence to determine if competitors reached a common understanding. An agreement can be inferred from facts and circumstances which would suggest any form of “understanding” between parties. A wink, nod or handshake – even mere evidence of a meeting or telephone conversation followed by parallel or substantially equivalent conduct - could be enough. In certain jurisdictions, even the mere exchange of competitively sensitive information can be illegal, unrelated to any “agreement”. Thus, you need to be very careful in how you conduct yourself with competitors, in what you say, write, and do.

Many Competitive Activities Are Not Allowed

Competitor activities to be avoided include:

- **Do Not** reach any agreement directly or indirectly affecting any element of price or other terms of sale, including price increases, minimum pricing, pricing plans or policies, marketing plans, discounts, commissions, payment terms, etc. Consult the Legal Staff if you have questions about what constitutes a price-related agreement.
- **Do Not** discuss or exchange information related to the above matters, or exchange confidential information.
- **Do Not** provide to, or accept from, a competitor, a price list, price information, or information from which prices can be computed.
- **Do Not** engage in bid rigging and/or collusive bidding.
- **Do Not** agree to allocate or divide sales, whether by territories, products, customers or on any other basis.
- **Do Not** agree to set or limit production, supply and/or technical development levels for any product or service.
- **Do Not** agree to boycott or take “group” action against (i.e., “blackball”) a particular customer or supplier, or any group of customers or suppliers.
- **Do Not** think that it is acceptable to reach a prohibited agreement affecting a country, because you are located outside of such country. Antitrust laws may allow you to be

extradited and to be prosecuted in the affected country, and may also affect Aptiv in such country.

Should a prohibited area or topic come up during a discussion or meeting, you should excuse yourself from the discussion immediately; do **not** simply remain silent. You should also inform your supervisor, the Legal Staff or your Human Resources representative if you have been involved in or become aware of such discussions.

Certain Competitive Activities are Permissible

By the same token, activities that we do independently are acceptable. For example YOU MAY:

- Compete vigorously on QSPT.
- Use publicly-available information to research our competitors.
- Refuse to do business with another company, so long as the decision is based on Aptiv's independent judgment, without consultation with competitors. Because such refusals frequently lead to litigation, maintain a written record setting forth the poor credit or other legitimate business reasons for an independent decision to terminate or refuse to sell to any distributor or other customer.
- Accept information concerning competitors' pricing activities, including published price lists, from our customers, but customers should not be used as a conduit for exchanging price information (you should note the date and source of all competitor price information obtained on the face of such material so that it is clear that it was not obtained from the competitor).
- Where a competitor is a customer or supplier to Aptiv, you may agree upon prices charged by or to the Company on the products to be sold to or purchased from that competitor, provided that price information is limited to such sale or purchase, and such purchase or sale is legitimate and not a pretext for exchanging information.

B. Communicate Carefully with Competitors

- (i) **General Rule.** Certain contact with our competitors is legitimate and permissible, but all contact with competitors carries a certain amount of antitrust risk and must be undertaken carefully.

You must get approval from your manager or the Legal Staff before:

- Engaging in joint research, benchmarking, or information exchanges with competitors
- Negotiating on mergers, acquisitions, or joint ventures
- Participating in a trade association event

- (ii) **Trade Associations, Professional Societies.** A likely point of direct contact with competitors is trade association events. These events can be very beneficial to our business, but because our competitors attend these events, the likelihood that a discussion may occur that infringes the law is greater. Many trade/professional

associations have their own antitrust counsel present at meetings to establish and enforce guidelines to ensure that activities take place in a legally permissible manner. If you participate in these organizations, make sure to keep a record of any subjects discussed with competitors, and more particularly, if you believe that a meeting's discussions are violating competition laws, you should (1) explicitly refuse to talk about such matters, and (2) leave the room – do **NOT** just stay silent.

The following lists several types of activities that may be impermissible in connection with trade associations.

- **Product Standardization.** An agreement among competitors to set standards can be permissible as procompetitive, but an agreement to standardize products may be illegal if lacking a procompetitive justification or if a competitor's technology is unreasonably excluded from meeting the standard.
 - **Government Action.** Communications with governmental branches or agencies to influence government actions is generally exempt from antitrust scrutiny.
 - **Information Exchanges.** Exchanges of confidential, competitively-sensitive information, directly or indirectly, with a competitor that facilitate tacit collusion in concentrated markets (i.e., markets with few suppliers competing for customers' business), may be illegal even if no price or output agreement is reached, and should therefore only be undertaken with advice of the Legal Staff. In certain jurisdictions, every exchange of competitively sensitive information between competitors may violate antitrust laws, even without any intent to collude.
 - **Benchmarking.** Independent efforts to benchmark competitors to increase efficiency are generally lawful. But information exchanges with competitors of competitively sensitive information, and/or information exchanges outside of the scope of a trade association supported by antitrust counsel, even if aimed at benchmarking, should be reviewed by the Legal Staff. Keep appropriate records of all benchmarking discussions.
 - **Membership.** Establishment of membership qualifications for entry into a professional association may be illegal if they unreasonably exclude competitors; and
 - **Credit** activities and services regarding common customers may be impermissible if competitors appear to be acting jointly in refusing to sell to such customer(s).
- (iii) **Non-verbal Communications.** Competition law violations do not always arise from in-person meetings. Competitors sometimes communicate electronically, via formats such as e-mail, blogs, text message, or social media. When drafting exchanges with a competitor, pay careful attention to your tone and the language you choose to avoid any communication from being misconstrued.

Written communications should:

- Always tell the truth about the Company's or its competitors' products
- Be accurate and clear
- Provide context for any observations you make
- Not paraphrase legal advice, use legal language, or draw legal conclusions
- Avoid exaggeration, harsh criticism, slang expressions, or inappropriate humor
- Avoid ambiguous and misleading language
- Avoid using phrases or words such as "informal understanding", "crushing the competition", "dominant" or "forcing the competition out"
- Avoid language that could suggest guilt or improper behavior, such as "destroy after reading"
- Not disparage our competitors' products or services

Keep in mind that any communication you send may be brought to light and minutely examined in a legal proceeding, so before hitting the "send" button you should be comfortable that your message could be displayed in the front page of a national newspaper and not cause you or the Company any concern. If in doubt, consult the Legal Staff or your manager.

Question and Answer

Q: What is a *per se* violation?

A: *Per se* violations are those that are considered so harmful to competition that it is not necessary to examine them in detail in order to determine whether or not they were reasonable. Price fixing among competitors, for example, is called a *per se* violation because the courts consider it an automatic violation, and condemn it almost automatically.

Q: What types of actions are considered *per se* violations of competition laws?

A: Bid rigging, market allocation, group boycotts, production agreements, and price fixing among competitors are some actions that would be considered to be *per se* violations.

C. Use Caution When Dealing with Customers and Suppliers

As discussed in this Policy, agreements with competitors carry a high risk of being illegal under the antitrust laws. But agreements with customers and suppliers regarding terms of sale or resale may also be found to be anti-competitive or illegal, especially if they deal with pricing, discounting, or unfair treatment of those who do business with us. Thus, use caution when dealing with customers and suppliers and keep in mind these do's and don'ts.

When dealing with customers and suppliers **YOU MAY:**

- Actively promote our products
- Treat all customers and suppliers fairly
- Recommend resale prices
- Be accurate and truthful in all dealings with customers without misrepresenting the quality, prices, features, or availability of our products and services

BUT YOU MAY NOT:

- Impose resale prices on our customers, including threatening retaliation if a customer does not follow recommended prices, and you **may not** agree to resale prices with any supplier.
- Fix the price at or above which your customer can sell.
- Require a customer to buy a product as a condition to your selling to this customer another product.
- Dishonestly represent the products or services of a competitor.
- Induce customers to break contracts with competitors unlawfully.
- Terminate or refuse to deal with a prospective customer without consulting the Legal Staff, for products in which Aptiv has a dominant market share (check with the Legal Staff if you are unsure as to whether our market share is dominant).
- Terminate a distributor or reseller in response to complaints from other distributors or resellers about low prices.
- With respect to products sold for “resale” in the United States or any of its territories in substantially the same form as sold by Aptiv (i.e., not when sold to an OEM for assembly in a new vehicle), do not offer prices or other terms to a customer that are more favorable than those offered to the customer’s competitors for the same product, except when necessary to meet competition, without consulting with the Legal Staff.
- Terminate or refuse to sell to an existing customer without documenting the poor credit or other legitimate business reasons for such decision.
- Choose suppliers and award business on any basis other than QSPT and a supplier’s financial ability to perform.

D. New Distribution or Supply Agreements

Use only forms of distribution or supply agreements that do not differ in any significant respect from those previously approved unless you consult with the Legal Staff. Requirements or output contracts, or exclusive dealing arrangements that require a customer to buy all or a substantial portion of its requirements from Aptiv or vice versa, should be entered only after consulting with the Legal Staff.

E. M&A, Joint Venture Activities

M&A activities always require a competition review to determine if filings are required by any competition authorities, if waiting periods apply, if approval is required before consummation,

as well as to review whether substantive issues may prevent completion of the transaction in any country. Competition approvals add significantly to a deal's timing, and the length of time depends on local law, the complexity of the deal and other factors. To avoid surprises that could harm a M&A deal, a competition analysis should occur at an early stage in the deal.

Keep in mind that Aptiv and its majority owned subsidiaries are considered a single entity for antitrust purposes. However, antitrust concerns can arise in connection with Aptiv's 50:50 or minority owned joint ventures, or non-equity collaborations with competitors (e.g., R&D collaborations, and teaming agreements). Transactions that combine competitors and increase market concentration in particular products or that combine suppliers of products and inputs into those products pose an antitrust risk and should be reviewed in advance by the Legal Staff.

F. Group Purchasing Agreements

Participation in group purchasing organizations can lead to lower prices and is often legal. Participation in group purchasing organizations, however may be impermissible if the combined purchasers are deemed to have the power to control market prices of the purchased goods, if coordination among the purchasers may lead to collusion in the purchasers' output, or if competitors are excluded. If in doubt, consult the Legal Staff.

Question and Answer

Q: I don't have any control over the prices at Aptiv, so why does it matter if I discuss this information with our competitors?

A: Even if you personally don't have the power to set or control prices for Aptiv, you should still be careful in any discussions. The person you are talking to might have input into his or her company's prices. Also, the "coincidence" of a price discussion with a competitor followed by a decision to raise prices could cause concerns for both you and Aptiv. Pricing information is always considered competitively sensitive – exchange of pricing information can therefore be held illegal in certain jurisdictions, irrespective of the anticompetitive impact.

G. Be Careful When a Supplier, Customer or Joint Venture Partner Is Also a Competitor

If a supplier, customer or joint venture partner is also a competitor of Aptiv, be aware of possible competition law risk. Limit any communication about prices to those actually required of prospective buyer-seller transactions, and exercise caution in other discussions. It's important to maintain good working relationships, but you must avoid communications or understandings related to competition between companies. Both parties must be careful not to share information such as pricing strategy or margins that could cause us to collude, or appear to be colluding, with each other.

A few things to keep in mind:

- Be careful about revealing any information about Aptiv's business plans with business partners who are competitors. Be alert to explicitly refuse to receive any information from the other party that might be confidential. You do not want Aptiv's business partners to claim you misused their confidential information.
- When possible, sales representatives should not talk about prices to suppliers who are also competing companies.
- In some cases it may be necessary for you to work with competitors - for example, when drafting a joint bid where neither company can meet the bidding requirement alone, or when engaging in standard-setting or joint lobbying activities. In such cases, begin your discussions by setting ground rules that will avoid antitrust problems in the discussions. The Legal Staff can help you set up those ground rules.

Question and Answer

Q: Many of my customers are dealers who resell Aptiv's products to consumers. Can I set minimum resale prices for those products to avoid price wars and help maintain the quality image of the products?

A: You typically can "recommend" resale prices, but agreements between customers and suppliers that set minimum resale prices may or may not be legal, depending on local law and the particular circumstances. Because of the serious consequences that would result if it appeared as though you were attempting to fix prices, you should consult a member of the Legal Staff before entering into such an agreement.

H. Government Inquiries

Government officials may appear at our offices with a search warrant or conduct a "Dawn Raid", announced or unannounced, if they believe we hold evidence of an antitrust violation. Simultaneous investigations at various companies or locations can take place. Never be obstructive or hostile to the investigators. Please immediately call the Legal Staff and ask the investigators politely to wait for the arrival of the lawyers to discuss the procedure of the search. If the investigator refuses to wait for counsel to appear, allow them to proceed but call counsel immediately and communicate the urgency. **NEVER** destroy any potentially relevant documents or computer files. Consult with the Legal Staff as to what materials may be potentially relevant.

If you receive other requests for information relating to customers, suppliers or competitors from any governmental branch, agency or department, please contact the Legal Staff before providing any information.

I. Supervisors Have Special Responsibilities

Employees in a management position are personally accountable not only for their own conduct but also for the conduct of their subordinates. No employee of the Company has the authority to direct, participate in, approve or tolerate any violation of the antitrust laws by anyone. In case of doubt as to whether a contemplated course of action generates antitrust exposure, it is the employee's responsibility to consult with the Legal Staff before acting. Conduct contrary to this Policy may generate disciplinary action up to and including termination.

J. Intellectual Property

The Company's patents, trademarks and trade secrets are among its most valuable assets. Certain procurement, licensing, cross licensing or other transfers of intellectual property rights may increase antitrust risks if they are determined to reduce competition. Please consider the recommendations set forth in item B above in connection with any intellectual property agreements.

K. International Issues

The above considerations regarding antitrust risk, and the conduct that Aptiv expects from its employees regarding antitrust issues, apply worldwide. Most countries in the world have similar antitrust laws that are designed to promote fair competition. The Legal Staff will be able to answer detailed questions regarding the antitrust laws of the countries in which we do business, and Aptiv employees should consult with the Legal Staff before undertaking activities that place Aptiv in a zone of antitrust liability exposure.

L. Report All Suspected Violations

Violations of competition laws are often serious crimes. It is therefore extremely important to follow this Policy and reach out for help if you are uncertain as to whether your actions could get you or Aptiv into trouble.

The Company may have an obligation to report violations or may receive favorable treatment if it does. Therefore, if you suspect that anyone has violated this Policy, you should speak to a member of the Legal or Human Resources Staff. You may also contact the Aptiv DRIVE Line.