

# **Supplier Code of Conduct and Responsibility Standards**

## **“I-PEX Group”**

August 2020 New Version

### **I-PEX Inc.**

In recent years, the business environment has been drastically changing due to the globalization of the activities and the maturation of the information society.

On the other hand, when looking at the whole society, there is a growing interest in corporate efforts to create a sustainable society due to the growing occurrence of corporate scandals and the severe criticism regarding dishonest business activities.

In this kind of environment, companies are expected to fulfill their social and legal responsibilities as a member of the society, making them work actively on their Corporate Social Responsibility (CSR).

Regarding the supply chain management, the companies are not only required to promote the CSR in their activities but shall also consider the CSR of their suppliers.

I-PEX Group has implemented the "I-PEX Group Chart of Corporate Behavior" to gain the trust of all our stakeholders through fair and sincere corporate activities.

Considering the necessity of understanding our entire supply chain along with fulfilling our social responsibilities, we have established a "Supplier Code of Conduct and Responsibility Standards".

We look forward to your understanding and active cooperation.

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## ① [Labor and Human Rights]

We believe that a fair and ethical working environment shall be provided to all workers in our supply chain.

Workers must be treated with the utmost dignity and respect and the Supplier shall guarantee the highest standards of human rights.

Anti-Discrimination

Anti-Harassment and Abuse

Prevention of Involuntary Labor

Private Employment Agencies

Foreign Contract Workers Protections

Prevention of Underage Labor

Juvenile Worker Protections

Student Worker Protections

Working Hours Management

Wages, Benefits and Contracts

Freedom of Association and Collective Bargaining

Grievance System

## Supplier Code of Conduct Requirements

The Supplier shall not discriminate against any Worker based on age, disability, ethnicity, gender, marital status, national origin, political affiliation, race, religion, sexual orientation, gender identity, union membership or any other status protected by applicable national or local law, during hiring or any other employment practices. The Supplier shall not require pregnancy or medical tests, except where required by applicable laws and regulations or for workplace safety purpose and shall not improperly discriminate based on test results.

## Supplier Responsibility Standards

### 1. Policy and procedures

#### 1.1. Written policy and procedures

The Supplier shall have a written policy against Discrimination that complies with this standard, applicable laws and regulations, the Code and all other relevant applicable standards. The policy must clearly state that :

- Supplier shall not discriminate against any Worker based on race, colors, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin, marital status or gender identity during hiring or other employment practices such as applications for employment, promotions, rewards, access to training, job assignments, wages, benefits, discipline and termination, unless prohibited by law.
- The Supplier shall not require pregnancy or medical tests, except when required by applicable laws and regulations or for workplace safety purpose and shall not improperly discriminate based on test results.
- No Worker will be punished or retaliated against for reporting discriminatory practices.

The Supplier shall comply with its written policy and procedures at all times.

#### 1.2. Directly responsible individual(s)

The Supplier shall identify the responsible individual(s) to oversee and enforce the implementation of the anti-discrimination policy and procedures.

#### 1.3. Risk Management

The Supplier shall identify and comply with anti-discrimination requirements specified in the applicable laws and regulations and this Standard.

The Supplier shall identify, assess, minimize and eliminate discrimination.

## 2. Operational Practice

### 2.1. Anti-discrimination

Unless prohibited by law, the Supplier shall not discriminate against any Worker based on race, color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin, marital status, or gender identity in hiring and employment practices such as application for employment, promotions, rewards, access to training, job assignments, wages, benefits, discipline and termination.

Workers shall be provided with reasonable accommodation for religious practices.

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The Supplier shall ensure that there is no discrimination in compensation based on the characteristics listed above.

Recruitment and employment policies and practices, including job advertisements, job descriptions, and job performance/evaluation policies and practices, shall be free from any type of discriminatory bias.

## **2.2. Pregnancy and nursing mother anti-discrimination**

Supplier shall comply with all applicable laws and regulations regarding pregnancy and postnatal employment protections, benefits and pay.

The Supplier shall not (i) refuse to hire an applicant for a non-hazardous position or (ii) terminate a worker's employment solely based on the Worker's pregnancy or nursing status.

The Supplier shall not prohibit female Workers from becoming pregnant nor threaten female Workers with adverse employment consequences, including dismissal, loss of seniority or deduction of wages, in order to discourage them from becoming pregnant.

The Supplier shall take reasonable actions such as assigning non-hazardous tasks to the pregnant employees to protect the health and safety of the workers and their fetus.

## **2.3. Medical anti-discrimination**

The Supplier shall not, on the basis of a person's medical status, make any employment decisions that negatively affect the person's employment status unless such decision is dictated by the inherent requirements of the job or from workplace safety purpose.

The Supplier shall not discriminate against a worker in eligibility for another position based on the Worker's refusal to take a medical test where there is no required medical test for such position.

The Supplier shall make reasonable efforts to accommodate workers with chronic illnesses, which may include rearranging working time, providing special equipment, opportunities for rest breaks, time for medical appointments, flexible sick leaves, part-time work, and return-to-work arrangements.

## **2.4. Pregnancy and medical testing**

Supplier shall not require pregnancy tests or medical tests, including but not limited to hepatitis B or HIB, either as a condition for employment or as a requirement for continued employment.

Pre-employment and post-employment pregnancy tests or medical tests are allowed only if each of the following conditions are met :

- Applicable laws and regulations require the pregnancy test or the medical test is determined in writing by a qualified health professional to be required as a safety measure prior to working in a particular environment and the Worker is specifically assigned to work in that particular environment.
- The Worker provides affirmative written consent to the test.
- The original report of results is provided to and allowed to be retained by the Worker.

The Supplier shall identify by writing the jobs for which the applicable law or the workplace safety requires Workers to take a pregnancy test or medical test. Workers refusing to take the required test will not be eligible for those jobs.

The Supplier shall provide documentary evidence that any medical test or other test it required Workers to take is otherwise required by law or has been properly determined by a qualified health professional to be prudent for workplace safety.

The Supplier shall identify positions deemed Hazardous for pregnant Workers or Workers with a medical condition. At a minimum, these must be communicated to persons responsible for recruitment, allocation of tasks and to the Worker him/herself before starting work in that position.

### **3. Training and communication**

#### **3.1. Responsible Staff**

The Supplier shall provide comprehensive training to any person involved in activities that may be associated with discrimination risks.

#### **3.2. Workers, supervisors and managers**

The Supplier shall effectively communicate its anti-discrimination policy to all workers, supervisors and managers. This communication shall include information about hazardous jobs, workplace accommodations for non-hazardous conditions and voluntary medical testing. The communication or training shall be provided during the initial orientation period and reinforced via refresher training on a regular basis.

### **4. Documentation**

Confidentiality of all pregnancy and medical records shall be maintained in accordance with the applicable laws and regulations.

The Supplier shall retain documentation related to anti-discrimination.

All documentation shall be made available to the Client for review upon its request.

## Supplier Code of Conduct Requirements

The Supplier shall commit to a workplace free of harassment and abuse. The Supplier shall not threaten Workers with, or subject them to, harsh or inhumane treatment. Including but not limited to verbal abuse and harassment, psychological harassment, mental and physical coercion and sexual harassment.

## Supplier Responsibility Standards

### 1. Policy and procedures

#### 1.1. Written policy and procedures

The Supplier shall have a written policy against harassment and abuse that complies with this standard, applicable laws and regulations, the code and all other relevant applicable standards. The policy shall at a minimum include each of the following :

- A clear definition of what constitutes sexual harassment
- A statement prohibiting harassment and abuse consistent with this Standard and applicable laws and regulations.
- Description of methods for reporting internal grievances/complaints regarding harassment and abusive behavior
- Disciplinary rules and penalties against the harasser/abuser and against those who made false accusations
- A statement regarding the policy of non-retaliation for persons reporting cases of harassment in good faith.

The Supplier shall have written procedures and systems to implement its anti-harassment and abuse policy. The Supplier shall comply with its written policy at all times.

#### 1.2. Directly responsible individual(s)

The Supplier shall identify the responsible individual(s) to oversee and enforce the implementation of the anti-harassment and abuse policy and procedures.

#### 1.3. Risk management

The Supplier shall identify and comply with anti-harassment and abuse requirements specified in applicable laws and regulations and this Standard.

Supplier shall identify, assess and minimize risks related to anti-harassment and abuse.

## 2. Operational practices

The Supplier shall ensure that all Workers are treated with respect and dignity. No form of harassment or abuse shall be tolerated in the workplace, including but not limited to physical harassment, psychological harassment, sexual harassment or verbal harassment.

### 2.1. Workplace discipline

The Supplier shall have written disciplinary rules, procedures and practices that embody a system of progressive discipline.



The disciplinary system shall be applied in a fair and non-discriminatory manner and include a management review by an objective party senior to the manager who imposed the disciplinary action.

The Supplier shall have a system to discipline supervisors, managers or workers who engage in any physical abuse, sexual harassment or abuse, psychological harassment, verbal harassment or abuse, through measures such as compulsory counseling, warnings, demotions and terminations or any combination of the previous, regardless of whether such action was intended as a means to maintain labor discipline.

The Supplier shall not use monetary fines or penalties as a means to maintain labor discipline, including for poor performance or for violating the company rules, regulations or policies.

Access to food, water, toilets, medical care, health clinics and other basic necessities shall not be used as a reward or as a means to maintain labor discipline.

Workers shall be requested but not compelled to sign all written records of disciplinary action against them.

## **2.2. Security practices**

All security practices shall be gender appropriate and non-intrusive.

Search of bags and other personal items for the purpose of theft prevention is acceptable if the searches are applied equally for all employees regardless of position or other factors.

Body searches and physical pat-downs shall be conducted in the open, or as culturally accepted and shall be conducted by security personnel of the same gender of the person being searched.

The Supplier shall not impose unreasonable restrictions on movement within the workplace nor on entry or exit of company-provided facilities.

## **3. Training and communication**

### **3.1. Responsible staff**

The Supplier shall provide comprehensive training to all responsible staff on anti-harassment and abuse.

The training shall as a minimum include :

- All personnel that receive or process complaints regarding harassment and abuse shall be formally trained to address such complaint
- Security personnel shall receive training on harassment and abuse prevention and their roles and responsibilities

### **3.2. Workers, supervisors and managers**

The Supplier shall effectively communicate its anti-harassment and abuse policy to all workers, supervisors and managers in the workplace.

Training on harassment and abuse prevention shall be mandatory for all workers, supervisors and managers during the initial orientation period and reinforced via refresher training on a regular basis.

Disciplinary rules, procedures and practices shall be clearly communicated to all workers.

#### 4. Documentation

The Supplier shall retain any documentation related to anti-harassment, including but not limited to:

- Records of all disciplinary actions taken. Records of disciplinary action must be maintained in the worker's personnel file.
- Records of completed training.

The Supplier shall maintain and make available immediately to the Customer, upon its request, all documentation regarding allegations of harassment and abuse.

# Prevention of Involuntary Labor

## Supplier Code of Conduct requirements

The Supplier shall ensure that all work is voluntary. The Supplier shall not traffic persons or use any form of slave, forced, bonded, indentured or prison labor.

This includes the transportation, harboring, recruitment, transfer or receipt of persons by means of threat, force, coercion, abduction, fraud or payments to any person having control over another person for the purpose of exploitation.

The Supplier shall not withhold workers' original government-issued identification and travel documents. The Supplier shall ensure that workers' contracts clearly convey the conditions of employment in a language understood by the workers. The Supplier shall not impose unreasonable movement restrictions within the workplace or upon entering or exiting company-provided facilities.

Workers shall not be required to pay employers or their agents recruitment fees or other similar fees to obtain their employment. If it was found that a worker has paid such fees, it shall be repaid to the worker.

## Supplier Responsibility Standards

### 1. Policy and procedures

#### 1.1. Written policy and procedures

The Supplier shall have a written policy against involuntary labor that complies with the Code, this Standard and applicable laws and regulations.

The Supplier shall have written procedures and systems to implement its prevention of involuntary labor policy.

The Supplier shall comply with its written policy and procedures at all time.

#### 1.2. Directly responsible individual(s)

The Supplier shall identify the responsible individual(s) to oversee and enforce the implementation of prevention of involuntary labor policy and procedures.

#### 1.3. Risk management

The Supplier shall identify and comply with prevention of involuntary labor requirements specified in the applicable laws and regulations and this Standard.

The Supplier shall identify, assess and minimize the risks related to involuntary labor.

## 2. Operational practices

### 2.1. Identity Documents

Workers shall retain possession or control of all identity documents, such as passports, identity papers, travel documents and other personal legal documents.

The Supplier shall not require the workers to surrender their original identity documents, withhold their original identity documents or restricts workers' access to original identity documents for any reason.

The Supplier may obtain and retain copies of the workers' original identity documents.

## 2.2. Recruitment fees

Workers shall not be required to pay employers' or their agents' recruitment, application, recommendation, hiring, placement or processing fees of any kind for their employment. If workers have been found to have paid such fees, it shall be paid back to them.

## 2.3. Deposits

Deposits from workers are prohibited unless required by applicable laws and regulations. If a deposit is legally required, the Supplier shall ensure that an accurate receipt is provided for any deposits made by Workers and that such deposits shall be returned in full to the worker as expeditiously as practicable, but no later than one month after the worker's employment termination or reason for such deposit has ended, whichever is earlier.

## 2.4. Loans

Personal loans to workers or job seekers under circumstances where repayment terms could be construed as debt bondage or forced labor are prohibited.

## 2.5. Freedom of movement

All workers shall have the right to freely enter into and to terminate their employment.

The Supplier shall not confine or restrict workers' freedom of movement inside the place of production or Supplier-provided facilities, including access to drinking water and to the worker's dormitory room, except when necessary for the workers safety and when permitted by the applicable laws and regulations.

The Supplier shall not restrict the workers' access to bathrooms in terms of time or frequency or non-payment of wages during bathroom breaks.

## 2.6. Forced overtime

All overtime shall be voluntary. The Supplier shall ensure that all workers have the right to refuse to work overtime hours.

The Supplier shall not impose overtime where Workers are unable to leave the work premises. Under no conditions shall a Supplier impose punitive measures such as salary deductions, coercion of any kind, denial of future opportunities for overtime or disciplinary action against workers for refusing overtime.

## 2.7. Production quota

The Supplier shall not set production quotas or piecework rates at such level that Workers need to work beyond regular working hours (excluding overtime) to earn the legal minimum wage or the prevailing industry wage.

## 2.8. Bank Accounts

The Supplier shall not have direct control of, or access to, worker's bank accounts other than to make direct deposits of compensation.

## 3. Training and communication

### 3.1. Responsible staff

The Supplier shall provide comprehensive training to all staff responsible for the prevention of involuntary labor.

### **3.2. Workers, supervisors and managers**

The Supplier shall effectively communicate its prevention of involuntary labor policy to all workers, supervisors and managers during the initial orientation period and reinforced via refresher training on a regular basis.

### **4. Documentation**

The Supplier shall retain documentations related to the prevention of involuntary labor. All documentation shall be made available to the Customer for review upon request.

## Supplier Code of Conduct requirements

The Supplier shall ensure that the Private employment agencies it uses are compliant with the provisions of this Code and the law and regulations.

## Supplier Responsibility Standards

### 1. Policy and procedures

#### 1.1. Written Policy and Procedures

The Supplier shall have a written policy that addresses private employment agencies (PEA bellows) management requirements specified in the applicable laws and regulations and this Standard.

The Supplier shall have written procedures and systems to implement its PEA management policy.

The Supplier shall comply with its written policy and procedures at all times.

#### 1.2. Directly responsible individual(s)

The Supplier shall identify the responsible individual(s) to oversee and enforce the implementation of the PEA management policy and procedures.

#### 1.3. Risk management

The Supplier shall identify and comply with the PEA management requirements specified in the applicable laws and regulations and this Standard.

The Supplier shall identify, assess and minimize risks related to PEA management.

#### 1.4. Pre-selection due diligence

The Supplier shall conduct pre-selection due diligence to ensure PEA compliance with the applicable laws and regulations and the applicable requirements of the Code and related Supplier Responsibility Standards.

#### 1.5. Recruitment due diligence

The Supplier shall conduct due diligence, including but not limited to onboarding interviews with a sample of workers recruited or hired through PEA to ensure that workers were provided accurate details of the nature and place of work, living conditions, the term of the employment contract (if applicable), working hours, base wages for regular hours, rates for overtime and holidays wages and applicable deductions and benefits.

#### 1.6. Regular audits

The Supplier shall conduct regular audits of PEA from which it obtains workers to ensure compliance with the applicable law and regulations, the Code and related Supplier Responsibility Standards.

The Supplier shall audit the PEA to ensure that workers are provided with proper employment contracts and information on working hours, base wages for regular hours, rates for overtime and holiday wages, deductions and benefits including social insurance and living conditions where applicable.

### **1.7. PEA compliance**

The Supplier shall have a documented procedure in place to manage the violations of applicable laws and regulations and this Standards by a PEA.

This procedure shall define appropriate sanctions and establish a corrective action process pursuant to which the PEA's violation is remedied.

The Supplier shall terminate its relationship with any PEA that is unwilling to correct a violation.

## **2. Operational Practices**

### **2.1. Licenses**

The Supplier shall ensure that PEAs have valid and appropriate licenses, certifications and permits for all of their operations.

### **2.2. Identity documents**

PEA shall not require workers to surrender their original identity documents, withhold their original identity documents or restrict workers' access to original identity documents for any reason.

PEA may obtain and retain copies of workers' original identity documents.

### **2.3. Wage payment**

The Supplier shall establish a due diligence process to ensure that PEAs pay workers and provide legally required benefits accurately and on a timely basis.

### **2.4. Bank accounts**

PEAs shall not have direct control of, or access to, workers' bank accounts other than to make direct deposits of compensation.

### **2.5. Fees**

The Supplier shall implement a comprehensive management system to monitor the fee that workers are charged to obtain a job from a PEA.

### **2.6. Supplier contracts with PEAs**

The Supplier's contracts with PEAs shall comply with the applicable laws and regulations and the applicable terms of the Code and related Supplier Responsibility Standards.

### **2.7. PEAs contracts with workers**

PEAs' contracts with workers shall meet the same requirements as contracts signed directly between the Supplier and Workers. The Supplier shall obtain and verify the terms of the contracts between the PEA and workers prior to receiving the workers onsite.

## **3. Training and communication**

### **3.1. Responsible staff**

The Supplier shall provide comprehensive training to all staff responsible for PEA management.

### **3.2. Workers, supervisors and managers**

The Supplier shall effectively communicate its PEA management policy to all workers, supervisors and managers during the initial orientation period and reinforced via refresher training on a regular basis.

### **4. Documentation**

The Supplier shall retain documentation and records relating to PEA management, including but not limited to pre-selection due-diligence, business licenses and audit reports.

All documentation shall be made available to the Customer for review upon request.



## Supplier Code of Conduct requirements

The Supplier shall ensure that all work is voluntary. The Supplier shall not traffic persons or use any form of slave, forced, bonded, indentured or prison labor.

The Supplier shall ensure that workers' contracts clearly convey the conditions of employment in a language understood by the workers.

Workers shall not be required to pay employers' or their agents' recruitment fees or other similar fees to obtain their employment. If workers are found to have paid such fees, it should be repaid.

## Supplier Responsibility Standards

### 1. Policy and procedures

#### 1.1. Written policy and procedures

Supplier shall have a written policy that addresses foreign contract workers requirements specified in the applicable laws and regulations and this standard.

The Supplier shall have written procedures and systems to implement its foreign workers management policy.

The Supplier shall comply with its written policy and procedures at all times.

#### 1.2. Directly responsible individual(s)

The Supplier shall identify the responsible individual(s) to oversee and enforce the implementation of the foreign workers protections policy and procedures.

#### 1.3. Risk management

The Supplier shall identify and comply with foreign workers requirements specified in the applicable laws and regulations and this Standard in both the receiving and sending countries.

The Supplier shall identify, assess and minimize risks related to foreign workers management.

## 2. Operational practices

### 2.1. Legal work permits

The Supplier shall ensure that all foreign workers have legal work permits.

### 2.2. Signed employment contract

The Supplier shall ensure that all foreign workers who are hired to work in the Supplier's facility while living in another country receive, understand, sign a written employment contract in their own language and receive a copy of the employment contract prior to departing from the sending country.

In addition to the requirements specified in the wages, benefits and contracts Standard, contract for foreign workers shall additionally include the following terms :

- terms and conditions regarding possession of identity documents during the employment contract term
- estimates of the minimum and maximum net pay the foreign workers could expect to receive each month. The maximum net pay shall be based on a maximum of 60 hours of work per week.

### **2.3. Early termination of contract with reasonable notice**

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The Supplier shall not penalize the foreign workers for voluntarily terminating their employment contracts with reasonable notice as defined by local laws.

### **2.4. Early termination of contract without reasonable notice**

The Supplier shall not penalize the foreign workers for voluntarily terminating their employment contract early without reasonable notice by deduction of the due base or overtime wages. The Supplier may deduct the cost of such foreign workers' repatriation to the sending country up to the legal limit or 60% of the foreign worker's one-month net wage, whichever is the lower.

### **2.5. Fees, expenses and deposits**

The Supplier shall use its best efforts to ensure foreign workers are not charged any fees and expenses or deposits related to their employment in accordance with the Customer's definition of fees and expenses. The Supplier shall pay the costs of recruitment directly to the extent possible.

The Supplier shall implement a process to determine the specific amount of any fees and expenses paid by each individual foreign worker prior to commencement of work.

Fees and expenses related to the recruitment of foreign workers should be clearly stated in the contracts between the Private Employment Agencies and the Suppliers to ensure compliance with the zero fee policies.

The Supplier shall require private employment agencies to provide accurate receipts to each foreign worker detailing actual fees and expenses paid by the foreign workers before departure from the sending country.

The Supplier shall implement a non-reprisal policy that prohibits the punishment of and/or retaliation against foreign workers for any information provided during the job-seeking or employment process. This policy shall be communicated to all foreign workers during the interview process.

### **2.6. Repayment of the fees**

If the Supplier finds out that a foreign worker has paid fees and expenses related to his/her employment, the Supplier shall reimburse the fees and expenses to the worker within 30 days of the later of (i) the start of the foreign worker's employment with the Supplier or (ii) the date the Supplier discovers the fee payment(s).

### **2.7. Identity document storage**

The Supplier shall provide each foreign worker with individual secure storage for their identity documents, such as passports, identity papers, travel documents and other personal legal documents.

The storage shall be :

- freely and immediately accessible to foreign workers at any time
- accessible to foreign workers without assistance and there shall be no barriers to access
- lockable and secured against unauthorized access.

The Supplier shall not require workers to store their identity documents in the provided storage, the foreign workers shall choose to store them by their own will.

## **2.8. Pregnancy protections**

The Supplier shall take affirmative steps to protect the rights of foreign workers who become pregnant. In cases where the receiving country law requires that pregnant foreign workers return to their home county (or to the sending country) to give birth, the Supplier shall provide such protections to pregnant foreign workers as per the applicable laws and regulations.

## **2.9. Diplomatic access**

The Supplier shall not prevent any foreign workers from contacting his/her embassy.

## **2.10. Repatriation**

The Supplier shall be responsible for the payment of repatriation for each foreign workers in all circumstances including but not limited to the following :

- upon completion of the employment contract
- on termination of the contract due to employee illness or incapacity
- the foreign worker has been subject to harassment, abuse or other violation of his/her rights

The requirement does not apply when the foreign worker :

- is terminated for misconduct or illegality that result in repatriation as per the applicable laws and regulations
- obtains other employment within the country and leaving the country is not required per applicable laws and regulations
- terminates employment contract early without reasonable notice.

## **3. Training and communication**

### **3.1. Responsible staff**

The Supplier shall provide comprehensive training to all staff responsible for foreign workers management.

### **3.2. Foreign contract workers**

The Supplier shall establish system or process to ensure that the foreign worker agrees to the terms of their employment contracts, legal rights, recruitment fees and expenses, and other protections under the Code and related Standards prior to signing their employment contracts in the sending country.

### **3.3. Private employment agencies**

The Supplier shall effectively communicate its foreign workers protection policy to all private employment agencies involved in such management.

## **4. Documentation**

The Supplier shall retain documentation and records related to the management of foreign workers. All documentation shall be made available to the Customer for review upon request.

# Prevention of Underage Labor

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## Supplier Code of Conduct requirements

The Supplier shall employ only workers who are at least 15 years of age, or the applicable minimum legal age for employment, or the applicable age of completion of compulsory education, whichever is highest.

The Supplier may provide legitimate workplace apprenticeship programs for educational benefit that are consistent with Article 6 of ILO Minimum Age Convention No. 138 or light work consistent with Article 7 of ILO Minimum Age Convention No. 138.

## Supplier Responsibility Standards

### 1. Policy and procedures

#### 1.1 Written policy and procedures

The Supplier shall have a written policy that addresses the requirements specified in the applicable laws and regulations and this Standard.

The Supplier shall have written procedures and systems to implement its prevention of underage labor policy. The Supplier shall comply with its written policy and procedures at all times.

#### 1.2. Directly responsible individual(s)

The Supplier shall identify the responsible individual(s) to oversee and enforce the implementation of the prevention of underage labor policy and procedures.

#### 1.3. Risk management

The Supplier shall identify and comply with prevention of underage labor requirements specified in the applicable laws and regulations and this Standard.

The Supplier shall identify, assess and minimize risks related to underage labor.

#### 1.4. Age documentation and verification systems

The Supplier shall establish and implement appropriate age documentation and verification management systems to ensure that the underage workers are not working on site. The systems shall cover the Supplier's operations, private employment agencies and qualified educational programs.

The systems shall at a minimum include :

- Minimum requirements for age verification documentation for employment as required by applicable local law and regulations (that is, government-recognized photographic ID). When the law does not dictate the official documentation required, the Supplier must inspect and cross-reference at least one of the following to verify the validity : birth certificate, government-issued personal identification card, driver's license, voting registration card, official stamped copy of a school certificate, affidavit from local government representative, foreign national work permit.
- Robust age-verification measures, including at minimum :
  - Matching photographic ID to workers' faces
  - Verification through third-party resources where available, such as internet resources or local government offices.
  - Periodic visual inspection of facility for potential underage workers.

## **2. Operational practices**

The Supplier shall not employ any workers who are less than 15 years old, the legal minimum age for employment or the age for completing compulsory education in that country, whichever is highest.

## **3. Training and Communication**

### **3.1. Recruitment Staff**

The Supplier must provide comprehensive training to all recruitment staff including private employment agencies and qualified educational providers on appropriate age documentation and verification systems.

### **3.2. Workers, supervisors and managers**

The Supplier shall communicate the prevention of underage labor policy to all workers, supervisors and managers of the facility during the initial orientation period and via annual refresher training.

## **4. Documentation**

The Supplier shall retain documentation related to prevention of underage labor, including but not limited to :

- each worker's biographical and employment-related information, a copy of valid and appropriate age-verification and a means of visual identification
- records of completed training

All documentation shall be made available to the Customer for review upon its request.

# Juvenile worker protections

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## Supplier Code of Conduct requirements

The Supplier may employ juveniles who are older than the applicable legal minimum age but are younger than 18 years old, provided they do not perform work that might jeopardize their health, safety or morals, consistent with the ILO Minimum Age Convention No. 138. The Supplier shall not require juvenile workers to work overtime or perform nighttime work.

## Supplier Responsibility Standards

### 1. Policy and procedures

#### 1.1. Written policy and procedures

The Supplier shall have a written policy that addresses juvenile worker protections requirements specified in the applicable laws and regulations and this Standard.

The Supplier shall have written procedures and systems to implement its juvenile worker protections policy.

The Supplier shall comply with its written policy and procedures at all times.

#### 1.2. Directly responsible individual(s)

The Supplier shall identify the responsible individual(s) to oversee and enforce the implementation of the juvenile worker protections policy and procedures.

#### 1.3. Risk management

The Supplier shall identify and comply with juvenile worker protection requirements specified in the applicable laws and regulations and this standard.

The Supplier shall identify, assess and minimize risks related to juvenile workers.

#### 1.4. Tracking mechanisms

The Supplier shall introduce mechanisms that can track Juvenile workers to ensure compliance to this standard and to the applicable laws and regulations. The mechanisms shall include but not be limited to:

- identification of the job positions (including the creation of new job positions) that juvenile workers are allowed to perform or are prohibited from performing and incorporation of such restrictions into job descriptions
- tracking mechanisms to ensure that juvenile workers are not placed into restricted job positions
- working hours tracking mechanisms
- health exam tracking mechanism

### 2. Operation practices

#### 2.1. Working hours

The Supplier shall comply with all applicable laws and regulations governing working hours or regulating or limiting the nature, frequency and volume of work performed by juvenile workers under the age of 18. Juvenile workers shall not work overtime.

Juvenile worker shall not perform nighttime work.

## 2.2. Juvenile worker health and safety

To protect the health and safety of juvenile workers, the Supplier shall ensure that juvenile workers do not engage in hazardous work. The Supplier shall follow the applicable laws and regulations related to juvenile workers but, where the law is silent, juvenile workers shall not engage in work involving any of the following:

- exposure to hazardous environments, substances, agents or processes potentially damaging to their health, including but not limited to : environments/conditions likely to cause heat or cold stress or injury
  - noisy environments requiring ear protection
  - explosives or articles containing explosive components
  - any exposure to radioactive substances including radium, self-luminous compounds, thorium salts and ionizing radiation in excess of 0.5 rem per year as per the US Department of Labor Guidance
- operations in inherently dangerous locations, including :
  - underground
  - underwater
  - heights of 2 meters and more
  - hazardous confined spaces
- work with or near chemical processes above the applicable legal limits for juvenile workers. If no such legal limits or industry regulations exist, juvenile workers shall be exposed to no more than 50 percent of the applicable exposure limit for adults (for example, if the applicable adult standard limits exposure to 100ppm per 8 hours, the juvenile worker standard shall be 50ppm per 8 hours)
- operations involving the following equipment :
  - power-driven hoisting apparatus
  - any mobile power-driven apparatus without legal operator's license
  - stamping, cutting and laser equipment or any equipment with pinch points
- other hazards determined to be unsafe for juvenile workers by the Supplier's environment health and safety department or a qualified health professional.
- operations restricted by the applicable laws and regulations including but not limited to environmental and transportation-related restrictions.

## 3. Training and communication

### 3.1. Responsible staff

The Supplier shall provide comprehensive training to all staff responsible for the protection of Juvenile workers.

### 3.2. Workers. Supervisors and managers

The Supplier shall effectively communicate its juvenile worker protections policy to all workers, supervisors and managers during the initial orientation period and via refresher training on a regular basis.

## 4. Documentation

The Supplier shall retain documentation related to protection of juvenile workers.

All documentation shall be made available to the Customer for review upon its request.

# Student Worker Protections

Confidential C

## Supplier Code of Conduct requirements

The Supplier shall ensure proper management of student workers through proper maintenance of student record, rigorous due diligence of educational partners and protection of students' rights in accordance with the applicable laws and regulations. The Supplier shall provide appropriate support to all Student Workers.

## Supplier Responsibility Standards

### 1. Policy and procedures

#### 1.1. Written policy and procedures

The Supplier shall have a written policy that addresses student worker protection requirements specified in the applicable laws and regulations and this standard.

The Supplier shall have written procedures and systems to implement its student worker protections policy.

The Supplier shall comply with its written policy and procedures at all times.

#### 1.2. Directly responsible individual(s)

The Supplier shall identify the responsible individual(s) to oversee and enforce the implementation of the student worker protections policy and procedures. The designated staff shall be in addition to any onsite teacher(s) from the student worker's school(s).

#### 1.3. Risk management

The Supplier shall identify and comply with the student worker protection requirements specified in the applicable laws and regulations and this Standard.

The Supplier shall identify, assess and minimize risks related to student workers.

#### 1.4. Pre-selection and ongoing due diligence

The Supplier shall conduct pre-selection due diligence and ongoing audits of each school to ensure that it complies with the applicable laws and regulations, the Code and this Standard.

#### 1.5. School licenses

The Supplier shall ensure that schools have appropriate and current licenses, certifications and permits for all locations of operation.

#### 1.6. School compliance

The Supplier shall have documented procedures for corrective actions to address any violation of this Standard by a school and establish sanctions as appropriate, including termination of the relationship.

## 2. Operational practices

### 2.1. Use of private employment agencies

The Supplier shall not use private employment agencies in connection with the recruitment, hiring, arrangement, management or employment of student workers.



**2.2. Qualifications of student workers**

The Supplier shall ensure that the student worker is eligible for employment as a student worker under the applicable laws and regulations.

The Supplier shall ensure that the student worker is actively enrolled in a program of study at an educational institution.

**2.3. Voluntary employment**

The Supplier shall ensure that all work performed by a student worker is voluntary.

**2.4. Educational contribution**

For any education related student program, the Supplier shall ensure that the student worker's field of study is relevant to the Supplier's industry or work position.

**2.5. Student worker agreements**

The Supplier shall have a written agreement with the student worker. This agreement must adhere to the applicable laws and regulations.

When required by laws or regulation, the student worker's educational institution shall be a party to the agreement between the Supplier and the student worker.

**2.6. Signed student worker agreement**

The student worker shall sign this agreement prior to performing work at the Supplier's facility.

**2.7. Receipt of the student worker agreement**

The Supplier shall ensure that the student worker understands the agreement and receives a copy of it prior to performing work at the Supplier's facility.

**2.8. Student worker contract terms**

In addition to the requirements specified in the wages, benefits and contracts Standard, the agreement between the student worker and the Supplier, and if required by law the student worker's educational institution, shall additionally include the following terms :

- the name and address of the student worker's educational institution
- the name and address of the Supplier
- individual at the educational institution who is responsible for the student worker
- individual at the supplier who is responsible for the student worker
- insurance coverage
- education and training to be provided by the educational institution
- education and training to be provided by the Supplier

**2.9. Student worker program length**

The program length (total accumulated time of work at Supplier facility) shall not exceed the limit regulated by the applicable laws and regulations. In the absence of an applicable legal requirement, the maximum length is 1 year.

The program cannot be extended beyond the agreed end date as written in the original student worker agreement.

**2.10. Agreement termination**

The Supplier shall ensure that the student worker is free to terminate his or her agreement with reasonable notice.

The student worker shall not be required to pay any fee or fine or receive any other penalty for early termination of the student worker agreement with reasonable notice.

**2.11. Working hours**

Working hours shall not conflict with the student worker's educational institution attendance.

The Supplier shall adhere to restrictions on working hours as required by local laws and regulations.

**2.12. Wages**

The student worker shall receive at least the same wage rate as other entry-level workers performing equivalent or similar tasks. In the absence of equivalent or similar tasks, the wage rate of the student workers shall not be less than the local minimum wage.

All wages shall be paid directly to the student worker or to an account under the sole control of the student worker.

The Supplier shall not delay the payment of wages to the student worker.

In regions where the legal requirements differ from the above, the Supplier shall notify the Customer and exceptions may be granted.

**2.13. Deductions and fees**

The Supplier shall not deduct educational fees from the student worker's wages.

The Supplier shall not deduct placement fees from the student worker's wages.

**2.14. Insurance coverage**

The Supplier shall ensure that the student worker is insured against accident or liability.

The Supplier shall ensure that the student worker is fully covered by any other forms of insurance required by law or regulation.

**2.15. Student worker limit**

In no event, the student workers shall exceed 10% of the labor force supporting the production of the Customer products, packaging, parts, components, subassemblies and materials at any given facility.

**3. Training and communication****3.1. Responsible staff**

The Supplier shall provide comprehensive training to all staff responsible for student workers management.

**3.2. Educational institutions**

The Supplier shall effectively communicate its student workers management policy to all educational institutions involved in the student workers management.

### **3.3. Student workers**

The Supplier shall provide an orientation training specific to student workers.

### **4. Documentation**

The Supplier shall retain documentation related to the protection of student workers.

All documentation shall be made available to the Customer for review upon request.

# Working hours management

Confidential C

## Supplier Code of Conduct requirements

A workweek shall be restricted to 60 hours, including overtime, and workers shall have at least one day off every seven days except in emergencies or unusual situations. Regular workweeks shall not exceed 48 hours. The Supplier shall follow all applicable laws and regulations with respect to working hours and days of rest, and all overtime must be voluntary.

## Supplier responsibility standards

### 1. Policy and procedures

#### 1.1. Written policy and procedures

The Supplier shall have a written policy that addresses working hours requirements specified in the applicable laws and regulations and this Standard.

The Supplier shall have written procedures and systems to implement its working hours policy.

The Supplier shall comply with its written policy and procedures at all times.

#### 1.2. Directly responsible individual(s)

The Supplier shall identify the responsible individual(s) to oversee and enforce the implementation of the working hours policy and procedures.

#### 1.3. Risk management

The Supplier shall identify and comply with the working hours requirements specified in the applicable laws and regulations and this Standard.

The Supplier shall identify, assess and minimize risks related to working hours.

#### 1.4. Production planning

The Supplier shall plan production schedules to meet committed production capacity, committed lead-time and the 60 hours per workweek and one-day of rest per 7 days requirements.

#### 1.5. Official working hours record mechanism

The Supplier shall have an official working hours record system to track working hours and days of rest for each worker. The official working hours record system shall ensure that the facility has reliable systems in place to measure and record actual hours of work.

The Supplier shall ensure that records of working hours can clearly measure and record each workers' time in and out of the facility, in addition to actual hours worked.

#### 1.6. Excessive hours control mechanism

The official working hours records system shall be capable of identifying workers who are scheduled to exceed the 60-hours and day of rest requirements, as well as track the total work hours per week and days of rest for each worker.

The system shall provide summary reports and warnings to management prior to exceeding these requirements.

### **1.7. Dispute mechanism**

The Supplier shall ensure that workers have a mechanism to understand, dispute and correct the actual hours worked as recorded in the official working hours records.

## **2. Operational practice**

### **2.1. Weekly working hours**

Except in emergency or unusual situations, the Supplier shall limit the actual hours worked by each worker to no more than 60 hours per workweek.

### **2.2. Day of rest**

Except in emergency or unusual situations, workers shall have a day of rest at least once every 7 days. Days of work must be restricted to 6 consecutive days.

### **2.3. Ergonomic breaks**

Supplier shall compensate workers for breaks and include breaks as regular working hours as per all applicable laws and regulations.

### **2.4. Bathroom breaks**

Bathroom breaks shall contribute to working hours and shall be compensated.

### **2.5. Exceptions**

Workers may exceed the 60-hours workweek and/or the day of rest every 7 days requirements during emergency or unusual situations.

Supplier shall document that the emergency or unusual situation criteria has been met and make these documents available to the Customer immediately upon its request.

After the emergency or unusual situation ceases, the Supplier shall immediately return to compliance with the 60-hours and day of rest requirements. At the end of the emergency or unusual situation, the Supplier shall immediately provide workers with a day of rest if the day of rest requirement had not been met during the emergency or unusual situation.

### **2.6. Work activities**

The Supplier shall include the following activities in preparing official working hours records :

- time on the production line, regardless if the line is running (production time) or not (down time)
- mandatory meetings and trainings, including but not limited to orientation training, trainings on company policies and procedures, production planning meetings, assembly meetings and daily wrap-up meetings. All meetings must be arranged within the regular 8-hours shift.
- the Supplier shall not require workers to arrive prior to scheduled start of a shift, even by a few minutes to prepare for work, unless this time is counted as paid working time.
- mandatory administrative processes including the following, taking more than 15 minutes in total :
  - excessive waiting in line to punch out
  - excessive waiting in line to clear security into/out of the production line or facility
  - waiting for supervisor approval, for example, time card approval

- any other process managed by the Supplier that requires workers to be present at the factory or perform any production-related work regardless of location.

## **2.7. Workers notification**

When possible, the Supplier is encouraged to notify workers at least 12 hours prior to work cancellations or reschedules from planned shift schedules.

## **3. Training and communication**

### **3.1. Responsible staff**

The Supplier shall provide comprehensive training to all staff responsible for working hours management.

### **3.2. Workers, supervisors and managers**

The Supplier shall effectively communicate its working hours policy to all workers, supervisors and managers during the initial orientation period and via refresher training on a regular basis.

## **4. Documentation**

The Supplier shall retain documentation related to working hours.

All documentation shall be made available to the Customer for review upon request.

# Wages, Benefits and Contracts

Confidential C

## Supplier Code of Conduct Requirements

The Supplier shall pay at least the minimum wage and provide any benefits required by the law and/or contract. The Supplier shall compensate workers for overtime hours at the legal premium rate. The Supplier shall communicate pay structure and pay periods to all workers.

The Supplier shall meet all legal requirements relating to wages and benefits, pay accurate wages in a timely manner, and wage deductions shall not be used as a disciplinary measure.

All use of temporary and outsourced labor shall be within the limits of the local law.

## Supplier Responsibility Standards

### 1. Policy and procedures

#### 1.1. Written policy and procedures

Supplier shall have a written policy that addresses wages, benefits and contracts requirements specified in the applicable laws and regulations and this Standard.

The Supplier shall have written procedures and systems to implement its wages, benefits and contracts policy.

The Supplier shall comply with its written policy and procedures at all times.

#### 1.2. Directly responsible individual(s)

The Supplier shall identify the responsible individual(s) to oversee and enforce the implementation of the wages, benefits and contracts policy and procedures.

#### 1.3. Risk management

The Supplier shall identify and comply with wages, benefits and contracts requirements specified in applicable laws and regulations and this Standard.

The Supplier shall identify, assess and minimize risks related to wages, benefits and contracts.

## 2. Operational practice

### 2.1. Minimum pay

All workers shall be paid no less than the minimum wage for all regular hours as per applicable laws and regulations. A worker's base wage shall always be set at or above the minimum wage for the worker's classification.

The pay structure shall not require workers to work more than the legally mandated regular hours (whether calculated on an hourly, daily, weekly or monthly basis) in order to earn the base wage.

### 2.2. Overtime pay

All overtime hours shall be paid at the appropriate overtime rate applied to appropriate base wage as per applicable laws and regulations or the employment contract, whichever is higher, for the relevant worker's classification.

In countries where there are no legally established overtime rates as per applicable laws and regulations, the minimum overtime rate shall be 125% of the base wage.

**2.3. Benefits**

The Supplier shall provide mandatory benefits to the classification of workers as per applicable laws and regulations. Where permitted under law, the Supplier shall provide workers with paid and unpaid leave and public holidays.

**2.4. Working hours calculation for overtime**

For the purposes of pay and benefits, overtime hours calculation shall be based on the exact hours and minutes worked.

The Supplier is unable to calculate the exact minutes, overtime hours shall be rounded up to the nearest 15 minutes in the workers' favor as follows:

Time in minutes	:	$0 \leq x < 15$	$15 \leq x < 30$	$30 \leq x < 45$	$45 \leq x < 60$
Rounded allotment in minutes for overtime :		15	30	45	60

**2.5. Working hour calculations for tardiness**

For the purposes of pay and benefits, deductions for tardiness shall be based on the exact hours and minutes by which a worker is tardy.

If the Supplier is unable to calculate the exact minutes, deductions for tardiness shall be rounded down to the nearest 15 minutes in the workers' favor as follows:

Time in minutes	:	$0 \leq x < 15$	$15 \leq x < 30$	$30 \leq x < 45$	$45 \leq x < 60$
Rounded allotment in minutes for overtime :		0	15	30	45

**2.6. Waivers**

Waivers affecting working hours or worker wages and benefits, even those promulgated by local authorities or government agencies, will not be accepted (e.g. the "Comprehensive Working Hours System" in China).

**2.7. Deductions**

The Supplier or its agents shall not deduct earnings from workers' paychecks except where required by applicable laws and regulations, for example, taxes and social insurance, or when the Supplier or its agent is providing a service. If deductions are made as part of a service provided to workers, workers shall have the choice to opt out of such service.

Monetary penalties deducted from wages or reductions in mandatory benefits as disciplinary measures are prohibited.

**2.8. Deposits**

Deposits from workers are prohibited unless required by the applicable laws and regulations. If a deposit is legally required, the Supplier shall ensure that a receipt is provided for any deposit made by workers and that such deposits shall be returned in full to the worker as expeditiously as practicable, but no later than one month after the worker's employment termination or when the reason for such deposit has ended, whichever is earlier.



## 2.9. Charges

The Supplier shall not charge workers for anything required by the Supplier for the employee to effectively carry out their job duties, including but not limited to :

- required personal protective equipment
- uniforms, except for unreturned uniforms
- headset and replaceable foam pad covers.

Deposits shall not be charged upon the issue of such equipment. The Supplier may charge a prorated fee for unreturned items.

The Supplier must communicate these requirements when the times are supplied.

## 2.10. Payment

The Supplier shall be required to make monetary payments under all circumstances where workers have not been paid their due. This includes but is not limited to :

- underpayment : if the Supplier becomes aware of any underpayment, it shall repay the amount due to the workers
- exit payment : irrespective of the conditions under which the employment relationship has ended, all workers shall receive their wages due. The Supplier shall effectively communicate the resignation process to all workers at the start of the employment relationship and at the time of any material change in such process. The Supplier shall ensure that the resignation process is easily accessible to all workers, including those who do not provide reasonable notice of termination.

The Supplier shall not require payment of wages for workers who do not provide reasonable notice of termination unless when required by the applicable laws and regulations.

The Supplier shall provide to each worker a record of the final wages earned and an explanation for any deductions.

- deduction not specified by law : deductions made for deposits, fees, uniform charges, disciplinary fines, tools, background checks, etc.
- non-payment of statutory benefits such as overtime wages, annual leave and paid public holidays.

## 2.11. Pay Schedule

The Supplier shall pay workers within the deadline defined by the applicable laws and regulations. In the absence of such guidance, the Supplier shall pay the workers within 30 days of the end of the working period. Pay adjustments in the case of discrepancies in records must be paid on or before the next payday.

## 2.12. Signed contract

The workers shall sign a written employment contract prior to performing any work at a Supplier's facility. The Supplier shall ensure that the employment contract is written in a language that the worker understands.

This contract shall conform to the applicable laws and regulations and all relevant terms outlined in the Customer Code of Conduct and the Supplier Responsibility Standards.

The Supplier shall ensure that all workers receive and understand a copy of this contract, signed by the Supplier at the time of the worker's signature.

At a minimum, this contract shall contain :

- all employment terms required by the applicable laws and regulations
- worker's full name and date of birth
- worker's passport number, ID card or equivalent identification
- emergency contact information
- the nature of work and place where it will be performed
- living conditions
- costs (if any) for meals and accommodation
- descriptions and quantitative estimates of each line item to be deducted from wages
- the term of contract (if applicable)
- expected regular working hours, overtime hours, frequency of rest days and holidays
- base wages for regular hours
- clearly defined regular, overtime and holiday wage rates, including maximum allowable overtime hours
- deductions (if any)
- benefits
- all applicable bonuses and allowances
- date of eligibility for reimbursement of deposit (if any)
- contract termination/resignation procedures and terms
- terms and conditions for contract renewal
- no terms that deny a worker the right to organize or engage in collective bargaining

### **2.13. Revised and supplemental contracts**

The Supplier shall ensure that any revisions to employment contracts shall include all the terms outlined in this Standard and that any revisions or subsequent contracts guarantee terms at least as favorable to the worker as outlined in the original employment contract or as negotiated through collective bargaining.

### **2.14. Contract termination**

The Supplier shall ensure that the workers are free to terminate their employment contract with reasonable notice.

### **2.15. Probation period**

Where probationary or training employment is legally allowed, the Supplier shall ensure that the workers are paid at least the minimum wages. No workers shall work more than 3 months cumulatively in those employment categories.

## **3. Training and communication**

### **3.1. Responsible staff**

The Supplier shall provide comprehensive training to all staff responsible for wages, benefits and contract management.

### **3.2. Workers, supervisors and managers**

The Supplier shall effectively communicate its wages, benefits and contract policy to all workers, supervisors and managers during the initial orientation period and via refreshed training on a regular basis.

### **3.3. Communication of wages**

The Supplier shall ensure that each payment to a worker is accompanied by a clear statement communicating :

- the amount of regular hours and overtime hours worked
- the appropriate rate of pay for regular hours, overtime hours and holidays hours
- an account and definition of each deduction made
- an account and definition of each benefit payment made

### **4. Documentation**

The Supplier shall retain documentation related to wages, benefits and contracts.

The Supplier shall ensure that all legally required payroll documents, journals and reports are available, complete, accurate and up to date.

All documentation shall be made available to the Customer for review upon its request.

## Supplier Code of Conduct requirements

The Supplier shall freely allow workers' legal rights to associate with others, form and join (or refrain from joining) organizations of their choice and bargain collectively without interference, discrimination, retaliation or harassment.

## Supplier Responsibility Standards

### 1. Freedom of Association

#### 1.1. Policy and procedures

The Supplier shall have a written policy on freedom of association. In addition, the Supplier shall have procedures and systems to implement its freedom of association policy in a manner that satisfies the requirements of the applicable laws and regulations, the Customer's Supplier Code of Conduct and the Supplier Responsibility Standards.

The Supplier shall respect workers' legal rights to form or participate (or refrain from forming or participating) in organizations of their choosing, including but not limited to unions. Workers committees or other workers associations and bargain collectively without interference, discrimination, retaliation or harassment. The Supplier shall implement a grievance mechanism system for workers in addition to formal representation. When country law substantially restricts freedom of association, the Supplier shall allow alternative means for workers to individually and collectively engage with the Supplier, including processes for workers to express their grievances and to protect their rights regarding their working conditions and terms of employment.

#### 1.2. Neutrality

The Supplier is not required to take an active role in supporting the workers' efforts to associate or organize but the Supplier must ensure that the workers can exercise their right to organize in a climate free of violence, pressure, fear, intimidation and threats.

#### 1.3. Deductions

The Supplier shall not deduct union membership fees or any other union fees from the workers' wages without the express and written consent of individual workers, unless specified otherwise in freely negotiated and valid collective bargaining agreements.

## 2. Workers representation

Following the applicable laws and regulations, the Supplier shall not interfere with the formation or operations of workers organizations, including acts that are designed to establish or promote the domination, financing, or control of such organizations.

The Supplier shall not interfere with the right of workers to draw up their constitutions and rules, to freely select their representatives, to organize their administration and activities and to formulate their programs. Workers representatives shall have access to their members under conditions established by the applicable laws and regulations or mutual agreement between the Supplier and the workers Organizations. The workers representatives shall have the facilities necessary for the proper exercise of their functions. Workers are free to meet and discuss workplace issues in the factory during their breaks and before and after work.

### 3. Non-harassment and non-retaliation

No worker or prospective worker shall be subject to dismissal, discrimination, harassment, blacklisting, intimidation, retaliation or other employment decision for reason of :

- membership and/or participation in a union, worker association, or other freedom of association activities
- exercising legal right to form a union or participating in collective bargaining efforts
- organizing or participating in a legal strike or demonstration
- raising issues to management concerning compliance with a collective bargaining agreement or any other legal requirements.

The Supplier shall not threaten, use violence or the presence of police or military to intimidate employees or to prevent, disrupt or break up any activities that constitute a lawful and peaceful exercise of the right of freedom of association (including union meetings, organizing activities, assemblies and lawful strikes).

The Supplier shall not transfer, demote, promote, outsource or reassign workers as a means to discourage unionization or participation in workers-management communication activities.

The Supplier management shall not impede workers' right to peaceful organization by outsourcing work performed by union members. Shifting production from one site to another for the purpose of retaliating against workers who have formed or are attempting to form an union is prohibited by the Code and this Standard.

### 4. Collective bargaining agreements

When a collective bargaining agreement exists, the Supplier shall bargain in good faith. The Supplier shall honor, in good faith, the terms of any signed collective bargaining agreement for its duration.

When a collective bargaining agreement exists, workers covered by the agreement shall receive copies of the signed agreement.

When the right to freedom of association and collective bargaining is restricted under law, the Supplier shall not obstruct alternative legal means of workers to associate and bargain collectively.

### 5. Training and communication

The Supplier shall have a process to communicate the requirements with respect to this Standard to workers, supervisors and management.

The Supplier shall have documented processes to have a dialogue with workers about concerns and address collective actions by workers.

# Grievance System

## Supplier Code of Conduct requirements

The Supplier shall implement a system for the workers to report grievances and to facilitate communication between management and workers.

## Supplier Responsibility Standards

### 1. Policy and procedures

#### 1.1. Written policy and procedures

The Supplier shall have a written policy that addresses grievance system requirements specified in the applicable laws and regulations and this Standard.

The Supplier shall have written procedures and systems to implement its grievance system policy.

The Supplier shall comply with its written policy and procedures at all times.

#### 1.2. Directly responsible individual(s)

The Supplier shall identify the responsible individual(s) to oversee and enforce the implementation of the grievance system policy and procedures.

### 2. Non-harassment and non-retaliation

No worker or prospective worker shall be subject to dismissal, discrimination, harassment, blacklisting, intimidation, retaliation, or other employment decision for raising in good faith any issue, suggestion, complaint or grievance to a supervisor, management or participating in any way in the investigation or processing of one.

### 3. Grievance systems

#### 3.1. Grievance process

The Supplier shall implement effective and accessible grievance processes for all workers.

Grievance processes shall be documented and, at a minimum comprise :

- step-by-step processes by which complaints are reported, processed and investigated
- an appeal procedure by which any party that is not satisfied with the resolution may appeal the result of the investigation to a party not involved in the decision being appealed
- multiple channels for workers to raise concerns and provide input to management, including the ability, subject to applicable laws and regulations, to raise concerns confidentially and anonymously without fear of retaliation
- identification, development and implementation of plans to respond to broader/systematic issues raised by workers through the grievance process coupled with metrics-based evaluation of the effectiveness of improvements undertaken.

#### 3.2. Grievance tracking

The Supplier shall maintain a grievance record system including but not limited to :

- tracking the types and number of grievances
- channels through which a grievance was reported
- investigation reports including names and titles of persons involved in the investigation process

- associated resolutions and appeals
- improvements undertaken
- feedback provided to workers regarding resolutions
- time taken to resolve grievances
- worker satisfaction with resolutions
- efforts to make information about the grievance and its resolution available to all workers and their representatives in a manner consistent with the policy on confidentiality

### 3.3. Topical grievance handling

Grievance systems shall, as applicable, at a minimum include, but not be limited to, specific channels for resolving issues related to :

- anti-discrimination
- anti-harassment and abuse
- prevention of involuntary labor
- private employment agency management
- foreign contract workers protections
- prevention of underage labor
- juvenile worker protections
- student worker protections
- working hours
- wages, benefits and contracts
- freedom of association and collective bargaining
- occupational health and safety management
- incident management
- emergency preparedness and response
- dormitories and dining
- hazardous waste management
- wastewater management
- stormwater management
- air emissions management
- boundary noise management

## 4. Training and communication

The Supplier shall have a process to communicate the requirements with respect to this Standard to workers, supervisors and management.

The Supplier shall have documented processes by which to have a dialogue with workers about concerns, including the design and functioning of the grievance mechanism and specific grievances raised by workers.

## 5. Documentation

The Supplier shall retain documentation related to grievance management.

All documentation shall be made available to the Customer for review upon its request.

## Supplier Code of Conduct and Supplier Responsibility Standards

### ② 【Health and Safety】

We value the workers' health and safety and well-being. The Supplier shall provide and maintain a safe working environment and implement health and safety management practices in their operations. The workers have the right to refuse dangerous work and to report unhealthy working conditions.

Health and Safety permits

Occupational Health and Safety management

Emergency preparedness and response

Incident management

Working and living environment

Health and safety communication

Dormitories and dining

Combustible dust hazard management

### Health and Safety permits

#### Supplier Code of Conduct

The Supplier shall obtain, maintain and comply with the necessary health and safety permits or licenses.



## Supplier Code of Conduct requirement

The Supplier shall identify, evaluate and manage the occupational health and safety hazards through a prioritized process of hazard elimination, substitution, engineering controls, administrative controls and/or personal protective equipment.

The Supplier shall provide employees with appropriate occupational health and safety training in their primary language. Health and safety information shall be clearly posted in the Supplier's facility.

## Supplier Responsibility Standards

### 1. Regulatory permits

The Supplier shall obtain, retain and manage valid or current copies of all necessary occupational health and safety related permits, licenses, registrations and regulatory approvals as required by applicable regulatory requirements.

### 2. Occupational health and safety risk assessment

#### 2.1. Risk assessment

The Supplier shall establish a process to identify and document foreseeable occupational health and safety hazards. Foreseeable hazards include but are not limited to: physical, chemical and biological hazards. Sources or tools for hazard recognition include: process, diagram, material inventory, equipment list, task list, employee reporting, inspection findings, past incident record, etc.

Examples of risk assessment methods include but are not limited to :

- process hazard analysis
- job hazard analysis
- exposure assessment

Risk assessments shall be conducted by personnel with expertise in the selected methodology.

The Supplier shall conduct a risk evaluation of new or changed operations including new or changed equipment, workplace station, workplace location or processes before being put into production or service. The outcome of the risk evaluations shall include actionable risk control solutions for any identified risks.

Risks evaluations shall additionally specify non-production activities such as but not limited to : maintenance tasks, storage and transportation of hazardous substances, waste management and emergency response preparedness activities.

Risk assessment results shall be documented, and action items shall be followed-up through closure.

Risk assessment studies shall be periodically reviewed and revalidated. The period shall be at least annually or based on, for example, the nature of hazard, level of risk and operating experience, including environment, health and safety incidents and audits findings.

#### 2.2 Hierarchy of controls

The Supplier shall eliminate or mitigate occupational health and safety hazards identified in the workplace using the hierarchy of controls, prioritized in the following order :

- hazard elimination
- substitution
- engineering controls
- administrative controls
- personal protective equipment (PPE)

### **3. Machine guarding**

Machine guarding controls include but are not limited to detectors and alarms, interlock systems, machine guarding and automated systems.

#### **3.1. Detectors and alarms**

The Supplier shall procure, install and properly maintain automatic devices to detect the presence of hazardous substances in the workplace. Such detectors shall alert workers by means of sound, light or both.

Supplier shall maintain detector and alarm systems in good condition through :

- developing and implementing maintenance procedures, including maintenance frequency, inspection items, maintenance personnel and record-keeping.
- detector calibration by following equipment manufacturer's instruction for calibration frequency and calibrating vendor and local legal requirements.

#### **3.2. Interlock systems**

Interlock systems shall be installed in the work area to control equipment operations and guard against human error or misconduct and machine malfunction.

The Supplier shall maintain interlock systems in good condition.

#### **3.3. Machine guards**

The Supplier shall produce, install and properly maintain machine-guarding devices to guard against production equipment hazards in the workplace.

The Supplier shall maintain the guarding devices in good condition.

#### **3.4. Automated systems**

Installation of automated systems can be utilized in the work area to reduce the use of labor force as intrinsic safety considerations.

#### **3.5. Machine and equipment hazard communication**

All machines and equipment in the workplace shall have hazard warning signs stating the potential safety hazards that could cause injuries to operators.

The warning signs shall be in languages that workers understand.

### **4. Electrical safety**

The Supplier shall procure, install and properly maintain adequate devices to guard against electrical or electrostatic hazards.

The Supplier shall maintain electrical safety devices in good condition.

## 5. Lockout/tagout

lockout/tagout programs shall be followed during all work or maintenance requiring access to chemical delivery and recirculation lines and pumps (drained or un-drained), electrical systems, moving equipment and bypassing or defeat of guards and/or interlocks.

Barricades and warning signs shall be placed so as to prevent unauthorized access during maintenance and cleaning activities.

## 6. High risk tasks

Required procedures and practices for high risks shall apply to workers and contractors performing on-site work at a Supplier facility.

### 6.1. Confined spaces

Where the work involves maintenance or cleaning activity in a confined space, confined space entry procedures shall be set up and implemented and a work permitting process shall be implemented with special precautions where hazardous chemicals are used.

### 6.2. Hot work

Appropriate hot work procedures including permitting and fire watches shall be implemented as per local regulations for any areas containing hazardous chemicals.

### 6.3. Work at heights

Appropriate fall protection shall be worn and a work permitting process shall be implemented when working from heights in excess of 2 meters (6 feet).

## 7. Chemical management

### 7.1. Chemical identification and evaluation

The Supplier shall establish and implement a written program to track, review and approve the use of all hazardous chemicals and shall obtain internal environmental, health and safety (EHS) approvals for all new purchases of hazardous chemicals prior to use.

The Supplier shall ensure that its selection processes for all new hazardous chemicals include a thorough evaluation of non-hazardous alternatives.

The Supplier shall develop and maintain an up-to-date written chemical inventory detailing all hazardous chemicals introduced to the facility. The Supplier shall review the hazardous chemical inventory annually and update it to reflect process, formula, material and product changes.

Supplier shall develop and maintain an up-to-date written chemical inventory detailing all hazardous chemicals introduced to the facility. The Supplier shall review the hazardous chemicals introduced to the facility. The Supplier shall review the hazardous chemical inventory annually and update it to reflect process, formula, material and product changes.

The Supplier shall ensure that the hazardous chemical inventory includes but is not limited to :

- chemical identification (name, chemical abstract service (CAS) number)
- location where used and stored

- quantities of the hazardous chemical used
- maximum legally allowable storage limits (where applicable)

A chemical compatibility chart shall be developed for the hazardous chemicals used and stored on the site. The Supplier shall identify any prohibited or restricted chemical in accordance with the Customer's regulated substances specifications.

### 7.2. Hazardous chemicals handling

Hazardous chemicals shall be handled in accordance with the requirements of the international Fire Code (IFC) as published by the International Code Council, or applicable standards, laws and regulations.

The use or handling of hazardous chemicals shall not take place in any area where it may present an immediate danger to health or the environment due to spillage, fire or reactivity.

Hazardous chemicals transportation devices shall be equipped with a means to secure the containers of hazardous chemicals to the device and shall include secondary containment equal to the volume of the materials transported unless there is no possibility of spillage due to the packaging (sealed metal containers etc.)

### 7.3. Hazardous chemicals storage

Chemicals shall be stored in compatible containers that are not damaged and have no leakage. Regular inspections shall be conducted to review container integrity.

Chemicals shall not be stored where they can be affected by weather.

Chemical storage shall follow manufacturer's storage instructions.

Chemicals shall be segregated from incompatible chemicals in accordance with the Supplier's chemical compatibility matrix.

There shall be no stacking of hazardous chemical containers where there is a risk of spillage. In no case is the stacking of secured containers over three levels in height permitted. Metal drums containing liquid (55-gallon drums etc.) shall not be stacked unless each individual drum is secured to a stacking device (equipment or fixture specifically designed for drum stacking).

Hazardous chemical storage areas shall be equipped with, but not be limited to :

- appropriate ventilation
- appropriate fire prevention and control equipment
- temperature and humidity measurement and control devices
- detectors for any hazardous gases
- secondary containment
- dike to prevent spillage from exiting the storage area
- anti-static devices and explosion-proof electrical devices for flammable and combustible chemical warehousing
- appropriate personal protective equipment (PPE)
- emergency equipment, including safety shower, eyewash and spill kit

#### 7.4. Bulk/tank storage

The Supplier shall install secondary containment for underground storage tanks and perform tank integrity tests at least biennially to detect failures of the primary or secondary containment structures or leakage into the secondary containment system.

The Supplier shall have a system to detect leakage at an early stage by visual inspection, meter monitoring or other measures.

The Supplier shall conduct regular visual inspections for all secondary containment areas and above ground storage tanks (including tankage).

Hazardous chemicals shall be transported between work areas in the original shipping container except when transferred to smaller compatible containers for transport that are labeled appropriately. Workers are required to use an appropriate device when transporting large or multiple containers of hazardous chemicals.

A register of underground storage tanks and above ground storage tanks shall include the following information for each :

- construction date, type and material
- location, dimensions and capacity
- design pressure and operating temperature and pressure
- current status (e.g. in use, temporarily out of service, decommissioned)
- appurtenances (e.g. pumps, piping, valves, gauges, connections to other vessels, testing ports, instrumentation, controls)
- spill/leakage prevention systems
- spill/leakage detection systems
- inspection, maintenance and repair records

#### 7.5. Chemical hazard communication

The Supplier shall communicate the risks of hazardous chemicals and subsequent control mechanisms to mitigate those risks to workers. Control mechanisms include but are not limited to engineering, administrative and personal protective equipment (PPE). PPE signage shall be provided at workstations where PPE is required to be used during operations.

In areas using hazardous chemicals, the Supplier shall prepare and make accessible Material Safety Data Sheets (MSDS) or Safety Data Sheets (SDS) in the workers' primary language for the hazardous chemicals used in the facility

All chemical containers and chemical process tanks in the workplace shall be labeled as per the applicable laws and regulations and must contain label(s) stating the name of the chemical therein and any health, safety and/or environmental warnings provided in the MSDS or SDS. Codes and pictograms may be used but must comply with the Globally Harmonized System for Classification and Labeling of Chemicals and workers must know the meaning of the codes and pictograms.

The American National Fire Protection Association's (NFPA) Hazardous Identification System is recommended for labeling hazardous chemical containers.

All chemical-transporting pipelines in the workplace must have labels stating the name and flow direction of any hazardous chemicals being transported. Pipelines shall use the proper color schemes as per applicable standards and regulations. However, if there is no standard on this matter, the Supplier shall follow the "ANSI/ASME A13.1. Scheme for the Identification of Piping Systems".

## **8. Industrial Hygiene**

### **8.1. Monitoring/assessment**

The Supplier shall have qualified personnel, or an external organization conduct industrial hygiene monitoring/assessment in the workplace at least annually or as per applicable regulations.

If the monitoring results exceed the most stringent applicable occupational exposure limit, the Supplier shall take immediate actions to provide appropriate engineering controls or temporary PPE until there are three consecutive monitoring results below the occupational exposure limit, each at least one day apart.

When an existing production process is modified, a new production line introduced or new products being manufactured, the Supplier shall determine whether additional industrial hygiene monitoring is required by evaluating the <SDS/SDS of the hazardous chemicals used or any physical/biological occupation hazard elements associated with the modified or new process.

### **8.2. Ventilation**

Exhaust ventilation shall be installed in the work area to effectively collect and remove air emissions of hazardous chemicals. Exhaust ventilation systems shall be monitored to employ adequate air speeds and airflow rates, volumes and ventilations rates to ensure effective removal of the hazardous emissions.

Emission-collection devices shall be installed as close to the source of the emissions as possible to improve capture efficiencies. Ducts and pipes shall be made of materials that are compatible with their intended use, be maintained and inspected regularly. Incompatible chemicals shall not be vented in same exhaust system. Processes using toxic or flammable gases, vapors or combustible dusts shall be conducted in rooms or chambers that have negative pressure relative to occupied areas.

### **8.3. Water quality monitoring/assessment**

The Supplier shall have qualified personnel, or an external organization conduct water quality monitoring/assessment in the workplace at least annually or as per applicable regulations.

Drinking water samples from dispensers must be taken and analyzed at each building to ensure a full coverage of the entire facility.

Secondary water supply samples from holding tanks must be taken and analyzed from each individual tank present at the facility.

## **9. Medical surveillance**

The Supplier shall establish an occupational health surveillance system to identify workers who are routinely exposed to occupational hazards, the workstations, the length of time which they have worked at the stations, their pre-task, on-the-job, post-task and post-emergency medical surveillance records. The system shall meet the requirements as per local regulations.

Medical surveillance shall be conducted by a qualified clinic. Medical surveillance results shall be provided to the tested workers upon request.

For any workers routinely exposed to occupational hazards, supplier shall provide :

- pre-job medical surveillance to new workers before starting work
- on-the-job medical surveillance to workers at least once every two years
- post-job medical surveillance to workers who leave the position
- medical surveillance to workers before the Supplier closes business, merges with another organization or spins off
- medical surveillance to workers exposed to hazardous chemicals after emergency situations

If a worker has abnormal medical surveillance results related to exposures received at the Supplier's facility:

- worker shall be removed from the current job immediately and offered another position in the facility
- Supplier is prohibited from terminating the labor contract with the worker due to the medical surveillance results
- Supplier shall provide medical treatment to that worker
- Supplier shall provide re-examination to the worker
- Supplier shall cover the medical treatment, re-examination and rehabilitation cost for the worker

## **10. Personal protective equipment (PPE)**

Appropriate PPE shall be provided to all personnel at risk of exposure to occupational hazards within the worksite. PPE provided must be according to applicable regulations and/or based on recommendations in the MSDS/risk assessment results. All workers must be trained on the correct use of PPE.

The minimum PPE requirements for entering or working in any production area with pen surface tanks of chemicals are masks or respirators, safety shoes, long sleeves, chemical resistant gloves and a full face shield (if a full face shield is not accessible, safety goggles are required at minimum).

PPE shall be properly maintained, stored, inspected and replaced periodically based on the manufacturer's instructions.

## **11. Ergonomics**

The Supplier shall implement a documented process to identify, evaluate and control workplace ergonomic hazards. Ergonomic risk assessments shall include identification of jobs and tasks with potential ergonomic hazards. Inputs may include but are not limited to task observation, worker/supervisor feedback and worker surveys.

Ergonomic risk assessment shall be conducted on all new or modified production lines, equipment, tools and workstations prior to being put into production. Potential risk factors may include but shall not be limited to :

- impact on muscles and joints (such as fingers/hand/wrists, arms/shoulders, neck, back, legs, feet) including dynamic movements, static postures, force and twisting
- contact pressure (such as fingers, palms and forearms)

- vibration (such as arms, full body)
- control of operation speed
- repetition
- illumination
- lifting
- noise
- temperature
- work duration

The Supplier shall implement controls to reduce ergonomic hazards and shall document the process from implementation through elimination or reduction of the ergonomic hazard(s). These jobs and tasks shall be re-assessed prior to starting production with an ergonomic task analysis to ensure reduction or elimination of ergonomic hazards.

## 12. Combustible dust

Any dust used or created by on of the following processes shall be considered a potential combustible dust hazard:

- a process where a dry or wet dust collector is being used to collect dust
- any grinding, sanding, cutting, milling, routing or drilling process that creates dust
- any polishing or buffing process that creates dust
- any other process or manufacturing operation that generates or handles dust or media blasting or other powders.

## 13. Training and communication

The Suppliers shall implement an occupational health and safety training management system with a strategy and execution plan that meets the demands of regulatory requirements, industry standards and the Customer's standards. The occupational health and safety topics shall be based upon regulatory requirements and types of operations conducted.

The Supplier shall provide workers with appropriate workplace health and safety training in their primary language. Health and safety related information shall be clearly posted in the facility.

## 14. Documentation

The Supplier shall retain all documentation related to occupational health and safety management. The Supplier shall maintain written copies of all records for the following periods or as per applicable laws and regulations, whichever is more stringent:

- permits and regulatory approvals : current version and/or historic versions (when specified in regulatory requirements)
- hazardous chemical inventory records, UST/ASR records and current versions of MSDS/SDS
- historic hazardous chemical inventories, emergency response (chemical spill), drill records and spill/leakage incident investigation documents for 5 years
- all equipment, tank, tankage and area inspection and maintenance records for 5 years
- employee training records for the previous 5 years or such other period specified by applicable regulatory



requirements, whichever is longer

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- worker medical surveillance records : hazardous chemical medical surveillance records shall be maintained for 30 years plus the duration of the employment, or such other period specified by the applicable regulatory requirements whichever is longer

- written copied of all legally required training records

All documentation shall be made available to the Customer for review upon its request.

# Emergency preparedness and response

## Supplier Code of Conduct requirements

The Supplier shall identify and assess potential emergency situations. For each situation, the Supplier shall develop and implement emergency plans and response procedures that will minimize harm to life, environment and property.

## Supplier Responsibility Standards

### 1. Emergency planning

#### 1.1. Emergency scenario

The Supplier shall identify and evaluate the likelihood of different types of emergencies based on its production processes, chemical consumption, utility operation and local geographic, geologic and meteorological conditions. Emergency scenarios may include fire, explosion, flood, chemical spillage, power outage and natural disasters.

#### 1.2. Emergency response plan

Based on the potential emergency scenarios, the Supplier shall develop written emergency response plans to address foreseeable emergencies.

#### 1.3. Emergency procedure

The Supplier shall follow the procedures defined in its emergency response plan when an emergency situation occurs. The basic elements of an appropriate plan are as follows.

#### 1.4. Emergency response team

The Supplier shall organize and assign trained workers to form an emergency response team (ERT) at each facility that shall be available during all working shifts. The ERT shall have the obligation and authority to direct the Supplier's response to emergencies to ensure the protection of the workers health and safety, the environment and property.

#### 1.5. Communication

The Supplier shall have reliable and effective mechanisms of internal and external communication for notification of emergencies and subsequent evacuation of all persons in the facility. The communication mechanisms shall be audible throughout the entire facility. The Supplier shall also develop and maintain the capability to inform the surrounding community, the public, the authorities and appropriate government agencies in all emergency scenarios, such as release of toxins in the environment or chemical spillage.

#### 1.6. Evacuation and assembly

The Supplier shall immediately evacuate its facility in an emergency situation where the health and safety of the workers may be threatened. Evacuations shall be conducted under the guidance of designated trained personnel who shall direct workers to clearly marked safe assembly areas.

Workers shall not return to areas deemed unsafe until the emergency situation is resolved, and the facility is declared safe by the appropriate authorities and/or other trained and authorized personnel.

## 2. Emergency preparedness facility requirements

### 2.1. Aisles

Aisles between process and production lines shall be clearly marked, unobstructed and made from non-slippery material. Width of the aisles shall be maintained as per legal requirements.

### 2.2. Emergency exits and exit signs

The Supplier shall allocate sufficient emergency exits in buildings, according to the building size and number of occupants in compliance with all applicable laws and regulations and wise safety practices.

Emergency exit doors shall :

- not be blocked, obstructed or locked at any time when workers are present in the facility
- open outward
- be clearly indicated with an “emergency exit” sign in the local language
- be in good working order
- be in the closed position

Emergency exits and emergency signs shall be visible in the dark and during power outages, by appropriately installed self-illumination, battery power or back-up electricity from the facility.

### 2.3. Evacuation map

The Supplier shall post accurate, updated and correctly orientated evacuation maps in all process and production areas, meeting rooms, dining and living areas and other public areas. The evacuation map shall be clearly marked in the local language with viewer’s position and nearest exit routes.

### 2.4. Assembly area

The Supplier shall designate a clearly marked, unobstructed, open space for assembly of workers during emergency situations.

Evacuated workers must be able to safely assemble at a reasonable distance from emergency exits so as not to interfere with the safe evacuation of the buildings in the event of an emergency.

### 2.5. Elevator

The Supplier shall post signs in the local language on all elevators to prevent usage during emergencies unless the elevator is designed for firefighting or other emergency use.

### 2.6. Fire walls

openings in fire walls and fire barrier walls shall be protected by self-closing fire doors that have fire-resistance ratings equivalent to the wall design.

## 3. Emergency equipment

### 3.1. emergency lightning

The Supplier shall provide adequate and functional emergency lighting in stairs, aisles, corridors, ramps and passageways leading to exits and in other areas as required by the applicable laws and regulations.

Emergency lighting may be powered by either battery or a backup generator.

### **3.2. Firefighting equipment**

The Supplier shall install and properly maintain all legally mandated or recommended equipment such as fire alarms to detect and notify, monitor and suppress fires. All emergency equipment shall be maintained and tested at regular intervals and the Supplier shall maintain records of such testing, maintenance and proper working order.

Asbestos-containing fire-suppression materials, e.g. blankets, are prohibited.

### **3.3. Shutdown devices**

The Supplier shall install manual or automatic shutdown devices on any hazardous production equipment to avoid injury or damage in an emergency.

### **3.4. Chemical spillage equipment**

The Supplier shall install equipment to detect, notify the facility and respond in the event of a chemical-related emergency. Such equipment shall include the following :

- hazardous chemical-vapor detectors
- sound/light alarms as per applicable laws and regulations
- eye wash and emergency shower stations
- spill kits

### **3.5. First aid equipment**

The Supplier shall ensure that an adequate supply of appropriate medical equipment is available throughout the facility, well maintained and easily accessible to all workers.

The Supplier shall train a sufficient number of workers in first aid.

## **4. Inspection and maintenance of emergency equipment**

The Supplier shall ensure that all emergency equipment is periodically tested as per manufacturers' instruction or recommendations, and that malfunctioning/nonfunctional equipment is identified and repaired. All inspections must be carried out at least annually or as otherwise required by the applicable laws and regulations, and inspection or maintenance records must be maintained and made available to the Customer for review upon its request.

## **5. Emergency contacts**

The Supplier shall assign emergency contacts in each work unit and for all shifts to enable internal communication in emergencies. Contact information for internal and external emergency responders/agencies shall be posted in the local language in public areas that are easily accessible to workers.

## **6. Training**

The Supplier shall provide emergency response plan training to all workers. All workers must be informed of changes in the Company policy and procedures related to emergency preparedness within 30 days of implementation. Training shall be delivered at least annually to all relevant/designated persons.

The Supplier shall provide information to vendors, contractors and other temporary visitors about the evacuation routes, assembly areas and emergency contacts and procedures.

## 7. Evacuation drills

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Supplier shall conduct semi-annual evacuation drills, covering all workers and evaluate workers' emergency evacuation performance. Records of all evacuation drills shall be maintained and should detail evacuation speed, number of workers participating and potential improvements.

# Incident management

## Supplier Code of Conduct requirements

The Supplier shall have a system for workers to report health and safety incidents and near misses, as well as a system to investigate, track and manage such reports. The Supplier shall implement corrective action plans to mitigate risks, provide necessary medical treatment and facilitate workers' return to work.

## Supplier responsibility standards

### 1. Policy and procedures

#### 1.1. Written policy and procedures

The Supplier shall have a written policy that addresses incident management requirements specified in the applicable laws and regulations and this Standard.

The Supplier shall have written procedures and systems to implement its incident management policy.

The Supplier shall comply with its written policy and procedures at all times.

#### 1.2. Directly responsible individual(s)

The Supplier shall identify the responsible individual(s) to oversee and enforce the implementation of the incident management policy and procedures.

### 2. Incident tracking mechanisms

The Supplier shall have a system for workers to report health and safety incidents and near misses.

The Supplier shall have a mechanism to track all incidents, the mechanism shall include at least the following :

- incident investigation
- incident reporting

### 3. Incident investigation

#### 3.1. Root cause investigation

On a regular basis and immediately following material incidents, supplier shall analyze incident data including tracking, medical surveillance, incident scene and witness testimony data.

The Supplier shall conduct root cause analyses to determine the immediate cause, root causes and management system failures that contributed to incident occurrences.

#### 3.2. Corrective and preventive actions

The Supplier shall perform corrective and preventive actions to mitigate risks. Each immediate and root cause shall have at least one corrective and preventive action identified and conducted. Each corrective and preventive action shall be assigned to directly responsible individual(s) and shall be tracked through timely closure.

#### 3.3. Medical assistance and return to work

If a worker is injured at the Supplier's facility :

- the Supplier shall provide necessary medical treatment immediately after the incidents
- the Supplier shall provide post-incident medical surveillance as per applicable legal requirements and the worker's needs as diagnosed by a specialized medical practitioner
- the Supplier is prohibited from terminating the labor contract with the worker due to injuries sustained at the

Supplier's facility or while working

- the Supplier shall make reasonable efforts to accommodate the worker's return to work, which may include rearranging working time and providing special equipment, opportunities for rest breaks, time off for medical appointments, part-time work and other return-to-work arrangements.
- the Supplier shall cover the cost of the worker's medical treatment, re-examination and rehabilitation.

## **4. Incident reporting**

### **4.1. Regulatory reporting**

The Supplier shall comply with all applicable laws and regulations regarding reporting of incidents.

### **4.2. Reporting to the Customer**

The Supplier shall report any fatality or other incidents of public concern (e.g. multiple people seriously injured) to the Customer within 24 hours of the incident. The incident report shall include but is not be limited to :

- location of facility and accident
- time of accident
- site description
- accident description
- number of injured, dead, and/or missing
- control measures and remedial actions

## **5. Training and communication**

### **5.1. Responsible staff**

The Supplier shall provide comprehensive incident reporting and root cause analysis training to all responsible staff. All personnel involved in incident investigation should be properly trained to do so, in order to ensure the integrity, consistency and effectiveness of investigations.

### **5.2. Workers, supervisors and managers**

The Supplier shall provide incident reporting training to all workers, supervisors and managers of the facility to encourage accident and near miss reporting.

## **6. Documentation**

The Supplier shall retain incident investigation documentation for at least 5 year or in accordance with the applicable laws and regulations, whichever is more stringent.

All documentation shall be made available to the Customer for review upon request.

## Working and Living environment

### Supplier Code of Conduct requirements

The Supplier shall provide workers with reasonably accessible and clean toilets and drinking water.

The Supplier shall ensure the hygiene of the provided canteens, cooking and storage facilities.

The workers dormitories provided by the Supplier or by a third-party shall be clean, safe and provide reasonable living space.

## Health and Safety communication

### Supplier Code of Conduct requirements

The Supplier shall provide workers with appropriate workplace health and safety education in their primary language,

Health and safety related information shall be clearly posted in the facility.

## Workers dormitories and dining

### Supplier Responsibility standards

#### 1. Dormitory facilities

##### 1.1. Facilities

Dormitory facilities shall be safe and shall meet all applicable laws and regulations. Dormitory facilities shall have all relevant and required permits related to health, safety and security, including fire protection, sanitation and electrical, mechanical and structural safety.

All dormitory buildings shall be separated from buildings that contain production, warehousing or chemical storage areas.

Separate sleeping accommodations shall be provided for each gender. If sleeping accommodations for men and women are in the same building, separate rooms shall be provided for each gender.

Comfortable beds, cots or bunk beds shall be provided for each dormitory resident.

Dormitory sleeping rooms shall have adequate light, heat and ventilation.

Dormitory sleeping rooms (not including partitioned areas) shall have at least one windows or skylight opening directly to the outdoors.

Dormitory residents shall be free to enter or exit their dormitory sleeping room and dormitory building at any time. Any sign-in/sign-out system shall not require the dormitory resident to receive permission to enter or exit.

##### 1.2. Personal space

Dormitory sleeping rooms shall use double-deck bunk beds or single beds only. Triple-deck bunk beds are prohibited. Sharing beds is prohibited except within individual family accommodations.

Dormitory sleeping rooms shall offer no less than 3 square meters of individual living space per occupant. Individual living space is including the provisions for private storage of personal effects of each individual inside the room but excludes the bath and balcony areas.



Minimum clearance between upper and lower bunks of double-deck beds should be no less than 0.7 meters. The width of the passage between two bunk beds parallel to each other shall be no less than 1.2 meters.

No more than 8 individuals shall occupy one dormitory sleeping room.

Dormitory sleeping rooms shall have adequate and private arrangements such as personal closets or bins for storing clothing and toiletries. Dormitory rooms shall be equipped with secure storage for storing valuable personal effects and documents.

## **2. Toilets and showers**

The Supplier shall not place any undue restrictions on the use of toilets.

Urinals or toilets for each gender shall number as per the applicable laws and regulations and shall be not less than one per 15 residents, with a minimum of one unit for each gender in common-use toilet facilities. Except within individual family accommodations, toilet facilities shall be separated by gender. If toilets facilities for both genders are in the same building, at least one solid wall from floor to ceiling shall separate them.

Toilet facilities shall be visually marked with “men” and “women” in the native language of the persons expected to access the toilet facilities,

Common-use toilet facilities shall be well lighted, well ventilated, clean and sanitary. These toilet facilities shall be located as per the applicable laws and regulations and not more than 61 meters (200 feet) away of each dormitory sleeping room inside the dormitory building.

The Supplier shall provide both hot and cold pressurized showers for the use of all occupants. These shower facilities shall be clean, sanitary and located within 61 meters (200 feet) away of each dormitory building.

There shall be a minimum of one showerhead per 15 persons.

Shower floors shall be sloped downward towards properly constructed floor drains.

Separate shower facilities shall be provided for each gender and must be designated “men” or “women” in the native language of the persons expected to use the facilities. If shower facilities for both sexes are in the same building, at least one solid wall from the floor to ceiling shall separate them.

## **3. Drinking water**

The Supplier shall provide access to potable water, in accordance with applicable laws and regulations, in sufficient quantity for all dormitory residents and available within 61 meters (200 feet) from each dormitory sleeping room.

Potable water shall be freely available at all times and within a reasonable distance from the workplace and dormitory sleeping rooms.

Potable water must be tested at least annually and must be safe to drink. Potable water test reports must be maintained/posted as required by the applicable laws and regulations.

## **4. Safety**

### **4.1. General safety**

Each dormitory sleeping room and all common use rooms and areas such as hallways and stairways shall have adequate ceiling or wall-type lights. Adequate lighting shall be provided for the yard area and hallways to common-use rooms. The lighting level shall meet with the applicable laws and regulations or relevant international standards.

Storage of hazardous, flammable or toxic chemicals is not permitted on dormitory premises.

Durable, fly-proof, rodent-proof, clean containers in good condition shall be provided adjacent to each housing unit for the collection of garbage and other waste.

### **4.2. Electrical safety**

All electrical wiring and lighting fixtures shall be properly installed and maintained in compliance with applicable regulations. No improper or illegal splicing of wire is allowed.

For fire safety and electrocution prevention reasons, electrical equipment exceeding the electrical outlet maximum power rating shall not be allowed.

Electrical equipment should be listed for electrical safety per applicable certification authorities.

### **4.3. Emergency equipment**

First-aid kits shall be provided in each dormitory building and readily accessible for use by residents at all times and shall contain adequate supplies.

Each dormitory sleeping room and all common areas shall have proper and functioning smoke detectors. The detectors shall be tested at least annually to ensure continued proper operation.

Proper firefighting equipment shall be provided in a readily accessible place not more than 25 meters (82 feet) from each dormitory sleeping room and common assembly rooms.

### **4.4. Evacuation**

All dining facilities and communal rooms shall have at least two doors remotely separated to provide separate evacuation ways outside of the building or to an interior hallway.

All dormitory sleeping rooms shall open to common areas or hallways that provide at least two clearly marked exits clear, free of obstructions and available for emergency use at all times.

There shall be at least two clearly marked unobstructed exits on each floor or more if required by the applicable regulatory requirements.

Emergency lighting shall be installed in hallways, stairways and above each exit.

# Combustible dust hazard management

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## Supplier Code of Conduct requirements

The Supplier shall identify, evaluate and manage occupational health and safety hazards through a prioritized process of hazard elimination, substitution, engineering controls, administrative controls and/or personal protective equipment.

## Supplier Responsibility Standards

### 1. Identification and evaluation of potential hazards

#### 1.1. Identification of potential hazards

Any dust used or created by one of the following processes shall be considered a potential combustible dust hazard :

- a process where a dry or wet dust collector is being used to collect dust
- any grinding, sanding, cutting, milling, routing or drilling process that created dust
- any polishing or buffing process that creates dust
- any other process or manufacturing operation that generates or handles dust or media blasting or other powders.

#### 1.2. Evaluation of potential hazards

The Supplier shall evaluate all identified potential combustible dust hazards as follows :

- the dust must be tested to determine whether it is explosible by first testing in a modified Hartmann Lucite tube with a constant arc energy source of 10 joules and if not explosible in this test, conducting a subsequent test in a 20-liter vessel according to "ASTM E1226 Go/No-Go screening test" criteria.
- if the dust is determined to be explosible, the Supplier shall have the dust tested to determine its Kst and Pmax ("Explosion Severity Test ASTM E1226") and the Minimum Ignition Energy (ASTM E2019) values.
- if the sample is not ignitable in the modified Hartmann Lucite tube, the minimum ignition energy test is not required and the minimum ignition energy shall be reported as greater than 10 joules
- if the Kst value is greater than 0 bar-m/sec, the dust shall be deemed a combustible dust and those areas of the facility where the combustible dust is present, in sufficient quantities to create a deflagration or explosion, shall be deemed to contain a combustible dust hazard.
- if the dust is determined to be explosive, it shall be deemed a combustible dust and those areas of the facility where the combustible dust is present shall be deemed to present a combustible dust hazard.
- the Supplier shall document each potential combustible dust hazard and permanently maintain such records. At least once per quarter or upon the Customer's request, the Supplier shall submit records of combustible dust to the Customer.

### 2. Management of combustible dust hazards

The Supplier shall implement measures to mitigate the risk and meet the requirements of this section for combustible dusts and combustible dust hazards.

#### 2.1. Management of change

A management of change program shall be documented, maintained and implemented for any changes to process materials, technology, equipment, procedures and facilities other than replacement in kind.

This program shall ensure that the following issues are addressed before the change:

- the safety and health implications
- whether the change is permanent or temporary
- modifications to operating, maintenance and housekeeping procedures
- whether a hazardous area classification needs to be revised
- existing equipment impacts and suitability for the change
- worker information and training requirements
- authorization requirements for the proposed change

Where a combustible dust hazard exists, new building expansions or alterations shall be conducted and documented by an engineer knowledgeable in applicable building construction and safety requirements.

## 2.2. Hazard risk data

For all combustible dusts, the Supplier shall obtain the following additional test data to assist in the development of engineering controls to mitigate the hazards.

- Minimum ignition temperature of the dust layer ASTM E2021 “Test Method for hot-surface ignition temperature of dust layers”
- Minimum explosive concentration ASTM E1515 “Test method for minimum explosible concentration of combustible dusts”

The Supplier shall consider obtaining the following test data depending on the process and the methods used:

- minimum ignition temperature of the dust cloud ASTM E1126 “Standard test method for explosibility of dust clouds” if the dust could be exposed to extreme temperatures higher than 300°C
- limiting oxygen concentration ASTM E2931 “Standard test method for limiting oxygen (oxidant) concentration of combustible dust clouds” if the safety of the process requires the use of an inert gas.

## 2.3. Life safety

The facility, combustible dust processes and human element programs shall be designed, constructed, equipped and maintained to protect occupants not in the immediate proximity of the fire, deflagration or explosion and provide occupants with the time needed to evacuate, relocate or take refuge.

## 2.4. Electrical hazard area classification

Facilities where combustible dust is being produced or is otherwise present shall be subject to a Hazardous Area Classification analysis. NFPA 499 or equivalent should be followed for guidance in conducting the analysis.

The hazardous area classification analysis shall be performed by qualified persons who have demonstrated competency in the area of conducting these analyses.

The hazardous area classification analysis shall include a report that identifies the combustible dust hazard area that have been classified (e.g. NFPA Class II Division 1, Division or, European and Chinese Standards Zones 20,21 and 22), the extent/distances of these classified areas and the type of electrical equipment that shall be used in these areas.

## **2.5. Dust collectors**

### **2.5.1. Dust collection general requirements**

Where combustible dust is being transported, ductwork shall be constructed of noncombustible, conductive materials and shall be fabricated and assembled with smooth interior surfaces and with internal lap joints facing the direction of airflow.

All conductive components of the dust collector and ductwork shall be bonded and grounded to each other or earth ground.

The ductwork and the fan system shall be designed such that a concentration of dust in the system is less than 25 percent of the minimum explosible concentration.

Ducts shall be as short as possible and shall have as few bends and irregularities as possible, to prevent interference with free airflow.

Duct seams shall be oriented in a direction away from personnel.

Branch lines shall not be added, removed or closed in an existing system without a ventilation rebalance and redesign, if necessary, to ensure adequate transport velocities exist in the ductwork.

When the dust-handling system has been balanced to achieve the desired airflow rate, all dampers or other flow-control devices shall be secured in position to prevent unauthorized changes.

Dry dust collectors shall be provided with a differential pressure gauge to monitor the pressure drop across the filter media.

The dust producing equipment shall be interlocked with the dust collection system so that improper functioning of the dust collection system will shut down the equipment where dust presenting a combustible dust hazard is present the interlock shall be triggered under any of the following conditions ;

- the pressure differential between the air inlet and outlet is above the specified value indicating obstructed airflow in the system. For this purpose, a pressure differential gauge shall be installed between the dirty and clean side of the dust collector
- the pressure differential between the air inlet and outlet is low or at zero
- unusual temperature rise within a dry dust collector
- the air pressure for the pulse jets in the dust collector is too low
- dry dust collector unloading device stops working

In the event of interlock activation, each facility must follow these steps in this order:

- remove personnel from the area
- investigate interlock activation
- clean facility and ductwork, if necessary
- implement corrective action related to the interlock activation incident
- restart equipment and confirm proper functioning
- allow workers back into production area

Transport velocities inside the ductwork shall be sufficient to ensure the transport of both coarse and fine particles and to ensure re-entrainment if, for any reason, the particles fall out before delivery to the collector. For metal dusts, a minimum transport velocity of 23m/sec is required. For non-metal dusts a minimum transport velocity of 20m/sec is required.

Inspection door shall be installed on horizontal sections of ductwork on the sides or top of the ducts. The inspection doors shall be sized to allow duct inspection and cleaning of no less than 1.8 meters into the duct. Inspection doors shall be designed to seal to minimize air leakage.

Horizontal ducts shall have inspection doors installed on centers not to exceed 3.6 meters.

Horizontal ducts shall have inspection doors within 1 meter of elbows and junctions.

Ductworks shall be inspected at one-week intervals. Based on recorded observations of accumulations, the inspection frequency may be decreased but not less than once per month. If four consecutive weekly inspections detect no visible accumulation of dust, the frequency of inspections may be reduced to once per month. However, if the dust collection system malfunctions, is damaged or is changed, inspections shall once again be done weekly until it is clear that the malfunction, damage or change and subsequent operation of the collection system did not result in any visible accumulation of dust.

If dust accumulations are observed, the causes must be determined and corrected.

Where dust accumulations are found, they shall be cleaned out using a non-sparking tool or an acceptable vacuum system with conductive or anti-static hose and tools.

A system airflow rebalance shall be conducted when any changes in the collection system are undertaken, including removal or addition of a collection point(s).

Compressed air shall not be used to clean out ductwork or any production station where dust is produced.

Duct work need not be provided with pressure vents for explosion control.

A time delay switch or equivalent device shall be provided on equipment producing dust that presents a combustible dust hazard to prevent operation until the dust collector is in full operation.

### **2.5.2. Collection of combustible dust**

Dry dust collectors shall be protected against explosion either by a NF68 compliant deflagration venting system or a NFPA 69 compliant explosion suppression systems. The explosion vents shall be clearly marked as an explosion relief device. mixture noncombustible.

Where sparks are generated, preventive measures shall be taken to prevent sparks from being aspirated into the ductwork servicing the dust collector.

If the dust collector is located indoors and an explosion vent is used, the dust collector shall be located less than 2 meters from an outside wall or the roof and the vent shall be directed, without bends, to a safe location outside the building by means of a vent duct that shrouds the vent opening.

Recycling of dust collector exhaust air back into the facility shall be permitted if the system meets the following conditions :

- prevent the return of dust in concentration above applicable industrial hygiene exposure limits
- prevent the transmission of energy from a dust collector fire or explosion back into the factory. Exception : exhaust air from dry metal dust collectors shall not be returned back to the factory
- where dry dust collectors are used, explosion, isolation devices shall be installed downstream of the last

collection point in the ductwork

- an interlock shall be installed on duct collector rotary airlocks that will remove power to the airlock in the event of a deflagration inside of all dust collector.

### 2.5.3. Enclosure-less dust collectors

Enclosure-less dust collectors meeting all the following criteria shall be permitted to be used :

- the filter medium is not shaken or pressure-pulsed to dislodge dust during operation
- the dust collector is not used to vent or serve metal grinders, hot work processes or machinery that can produce sparks
- the dust collector is not used to vent or serve sanders, abrasive planers or similar sanding process equipment
- each collection system has a maximum air flow handling capacity of 1.4m<sup>3</sup> per second
- the minimum ignition energy of the collected dust is greater than 500mJ
- the fan motor is suitable for class II division 2 or class II as appropriate
- the collected dust is removed frequently to limit to less than 10 kg
- the collector is located at least 6.1 m from any means of egress or area routinely occupied by personnel
- multiple collectors in the same room are separated from each other by at least 1m
- the fan construction is spark resistant
- the filter medium is not located within 10.7m of any open flame or hot surface capable

### 2.5.4. Collection of aluminum or magnesium dust

Dry dust collectors for aluminum and magnesium dust are prohibited.

Where metal is used for construction of fan blades or housings, metal shall be non-sparking metal such as bronze, nonmagnetic stainless steel or aluminum.

Wet dust collectors are permitted to be located indoors.

Flexible hose used for duct shall be in vertical sections only and only when required for movement or vibration of the connected equipment in normal operation. Where flexible hose is used, the hose shall be fabricated with smooth interior surfaces and shall either be conductive or anti-static, the length shall be minimized, and reinforcing wires, if used, shall be bonded to metal ducts on both ends. Hoses made from ordinary insulating plastics shall not be used under any circumstances. A suitable anti-static hose shall exhibit either a surface resistivity of less than 10<sup>11</sup> ohm.sq, or a volume resistivity less than 10<sup>10</sup> ohm·m when tested per ASTM D257 - Standard Test Methods for DC Resistance or Conductance of Insulating Materials.

### 2.5.5. Wet collection requirements

The exhaust vent shall be inspected and cleaned frequently to prevent build-up of deposits in the duct, where dust presenting a combustible dust hazard exists. Deposits in the dust collector shall be removed periodically to ensure a proper and safe operation of the equipment.

Vents shall remain open and unobstructed at all times.

Some metal dust (e.g. aluminum and magnesium) produces hydrogen gas when put in contact with water. Wet dust collectors handling these materials shall have an alternate means for the hydrogen gas to be released and prevent accumulation in the event of an exhaust blower shutdown.

The dust producing equipment shall be interlocked with the airflow to the exhaust blower, liquid level controller and water flow through scrubber nozzles so that improper functioning of the dust collection system will shut down the equipment where dust presenting a combustible dust hazard is present.

In the event of interlock activation, facility shall follow these steps :

- remove personnel from the area
- investigate interlock activation
- clean facility and ductwork, if necessary
- implement corrective action related to the interlock activation incident
- restart equipment and confirm proper functioning
- allow workers back into production area

The use of dry filter medium or dry collection systems downstream of or combined within a wet dust collection system is prohibited.

## **2.6. Dust control and housekeeping**

Dust collection systems shall be installed where dust presenting a combustible dust hazard is produced during normal operation.

Equipment shall be maintained and operated in a manner that minimizes the escape of dust presenting a combustible dust hazard.

Dust presenting a combustible dust hazard shall be conveyed to dust collectors in ductwork or in another contained manner.

A housekeeping plan shall be developed and maintained for any areas presenting a combustible dust hazard. The plan shall include appropriate methods and processes for performing the cleaning. The housekeeping plan shall be reviewed and approved by designated safety personnel who are knowledgeable about combustible dust hazards.

Regular cleaning frequencies shall be established for walls, floors and horizontal surfaces such as equipment, ducts, pipes, hoods, ledges, beams and above suspended ceiling and other concealed surfaces to minimize accumulations of dust that presents a combustible dust hazard within the facility.

In areas where metal dust is being produced or otherwise handled, dust shall not be allowed to accumulate to a level that obscures the color of the surface beneath it.

For Dust other than metal dust, ensure that accumulation of dust that presents a combustible dust hazard does not exceed the threshold mass (M) as calculated using the equation:  $M = 0.02 \times A_{\text{floor}}$ , where M is the mass in kilograms and  $A_{\text{floor}}$  is the area of the floor in meters squared.

Surfaces shall be cleaned in a manner that minimizes the generation of dust clouds.

Vigorous sweeping, brushing, or blowing dust with compressed air produces dust clouds and shall not be permitted. Preliminary clean-up of metal dust shall be accomplished using conductive, non-sparking scoops or shovels, soft brooms or brushes with natural-fiber bristles, or vacuum cleaning systems designed for handling combustible dust as defined later in this section.



Final clean-up for removing thin films of combustible dust may be accomplished using wet rags or mops.

When using water for cleaning up metal combustible dust, ventilation, either natural or forced, shall be used to prevent hydrogen gas build-up.

Portable vacuum cleaners used to clean up dust presenting a combustible dust hazard in non-classified areas shall meet the following requirements:

- materials of construction shall be noncombustible. Exception: Filter media and filter media support frames may be constructed of combustible material
- hoses shall be conductive or static dissipative. A hose with an anti-static liner shall demonstrate a surface resistivity (SR) of less than 10<sup>11</sup> ohm/sq or a volume resistivity (VR) of less than 10<sup>10</sup> ohm·m
- all conductive components, including wands and attachments, shall be bonded and grounded
- dust-laden air must not pass through the fan or blower
- electrical motors shall not be exposed to dust-laden air, unless they are listed for class II division 1 locations; otherwise, a vacuum cleaner with a compressed-air motor shall be used
- when liquids or wet materials are picked up by the vacuum cleaner, paper filter elements shall not be used
- vacuum cleaners used for cleanup of metal dust presenting a combustible dust hazard shall be designed for use on the specific dust being collected

Portable vacuum cleaners used in areas that have been classified as either class II division 1 or class II division 2 shall be listed for use in class II hazardous locations or shall be a fixed-pipe suction system with remotely located exhauster and dust collector. Where class I flammable vapors or gases are present, portable vacuum cleaners shall be listed for both class I and class II hazardous locations.

## **2.7. Control of ignition sources**

### **2.7.1. Hot work**

The requirements below shall apply to all areas where metal dust or dust presenting a combustible dust hazard is present.

- a fire permit (hot work) program shall be in place and shall follow the requirements of NFPA 51
- fire permits shall be required when hot work is performed
- open flames, cutting or welding operations and use of spark-producing tools or other equipment shall not be permitted unless designated safety personnel approve the fire permit
- all hot work areas that requires a permit shall be thoroughly cleaned of combustible materials, including metal dust and dust that presents a combustible dust hazard, before hot work is performed and nearby workers shall be notified of the high risk.

### **2.7.2. Smoking**

Smoking shall not be permitted in areas where metal dust or dust presenting a combustible dust hazard is present. Matches and lighters shall not be permitted in class I or class II areas.

### **2.7.3. Control of static electricity**

All permanently installed process equipment and all building structural steel shall be grounded by permanent ground wires. Movable or mobile process equipment or tools of metal construction shall be bonded and/or grounded prior to use.

Workers in a class I or in a class II area where combustible dust minimum ignition temperature is less than 50 millijoules shall be grounded. The surface on which they are standing shall be suitably conductive as indicated by a maximum electrical resistance to ground of 100 mega ohms. An anti-static mat may be required if the resistance of the floor is too high.

All machinery where non-conductive components present a discontinuity in the grounding path shall be bonded between adjacent conductive components.

The wire between two bonding clips shall be verified as conductive.

#### **2.7.4. Control of friction and hot surfaces**

All machinery shall be installed and maintained in a manner that minimizes the possibility of friction sparks.

All hot surface temperatures shall be controlled to not exceed the combustible dust MIT layer in areas where the combustible dust may exist.

#### **2.7.5. Bearings**

Ball or roller bearings shall be sealed against dust ingress.

Clearances between moving surfaces that are exposed to dust shall be maintained to prevent rubbing or jamming.

Machines shall be designed to minimize localized frictional heating of bearings and an appropriate maintenance program shall be implemented.

#### **2.8. Protective clothing**

Workers in class II division 1 or class II division 2 areas shall be provided with outer clothing that is flame retardant in accordance with NFPA 211 2-2012 "Standard on flame retardant garments for protection of industrial personnel against flash fire" or local equivalent, whichever is more conservative.

#### **2.9. Portable fire extinguishers**

Portable fire extinguishers shall be provided in areas where combustible dust is present.

The type, number, size of extinguishers, the placement and travel distances between extinguishers shall be as per NFPA 10.

Where metal combustible dust is present, portable fire extinguishers shall be rated for type D fires.

#### **2.10. Training**

All workers in areas generating, handling or otherwise processing combustible dust shall be initially trained and retrained annually in the following:

- hazards of their working environment and appropriate procedures in case of fire or explosion
- location of electrical switches and alarms, first-aid equipment, safety equipment and fire-extinguishing equipment
- basic fire safety
- hazards involved in causing dust clouds and the danger of applying liquids onto a metal fire shall be explained
- safe and proper evacuation of work areas

- equipment operation, proper methods of start-up and shutdown and response to abnormal conditions shall be explained

- the necessity for proper functioning of related fire and explosion protection systems shall be explained
- the workers' roles in evacuation, sounding of alarms, gathering areas and any other related items in the event of an emergency shall be explained.

Training shall be documented and permanent records kept on site.

### **2.11. Inspection and maintenance**

An inspection, testing and maintenance program shall be implemented and shall ensure appropriate process controls and that all equipment performs as designed.

The inspection, testing and maintenance program shall include the following :

- fire and explosion protection and prevention equipment
- dust control equipment
- inspection of doors on dust collection equipment, to ensure proper fit including condition of gaskets
- inspection of dust collection ductwork for accumulations of dusts, leaks etc.
- housekeeping
- potential ignition sources
- electrical, process and mechanical equipment including process interlocks
- continuity checks on grounding and bonding systems
- resistivity testing on static dissipative footwear and conductive floors where required.

A through inspection of the operating area shall take place periodically on an as-needed basis, not to exceed quarterly, to ensure that the equipment is in good condition and that proper work practices are being followed.

A person(s) knowledgeable in the proper practices related to combustible dust safety shall conduct the inspection and all findings and recommendations shall be documented and recorded.

### **3. Performance based design option**

As an alternative where when necessary, a person(s) with qualification acceptable to the Customer SR Team, may develop performance-based design provisions with regard to management of combustible dust fire and explosion hazards, in lieu of the prescriptive requirements outlined in the section 4 of this standard.

- the performance-based design must demonstrate that the approach provides at least an equivalent measure of safety with regard to prescriptive requirements
- the performance-based design should be documented with all calculations, references, assumptions and sources from which material characteristics and other data have been obtained or on which the designer has relied for some material aspect of the design
- the completed design shall be reviewed by the Customer Supplier Responsibility Team to determine the adequacy and to ensure that the approach does not result in a diminution of safety when compared to prescriptive requirements.

### **4. Referenced standards**

The documents or portions thereof listed in this section shall be considered part of the requirements of the standard.

Local standards may be applied in lieu of NFPA standards only where the local standards provide an equivalent level of protection. In the event of substitution, the Supplier is responsible for documenting justification.

Where a requirement specified in a national commodity specific standard differs from the requirement specified in this standard, the requirement in the industry or commodity specific standard shall be used unless specifically addressed in this standard.

**③ 【Environment】**

We are practice in environmental protection and environmental responsibility is one of our basic business value. The Supplier shall develop, implement and maintain environmentally sound business practices.

Environmental permit and report

Controlled substances

Hazardous waste management

Non-hazardous waste management

Wastewater management

Stormwater management

Air emissions management

Boundary noise management

Pollution prevention and resources conservation

## Environmental permits and reports

### Supplier Code of Conduct requirements

The Supplier shall obtain the required environmental permits, keep them updated and comply with them.  
The Supplier shall comply with all applicable permits and regulatory reporting requirements.

## Controlled Substances

### Supplier Code of Conduct requirements

The Supplier shall comply with the Customer's controlled substances specifications for all goods manufactured and provided to the Customer.

## Hazardous waste management

### Supplier Code of Conduct requirements

The Supplier shall implement a systematic approach to identify, manage, reduce and responsibly dispose of or recycle hazardous waste.

### Supplier Responsibility Standard

#### 1. Regulatory permits

The Supplier shall have the required environmental permits and other required approvals for its current operations.

The Supplier shall plan and provide adequate time to update current environmental approvals and permits for any alteration that may change the environmental impact of the Supplier's operations.

The Supplier shall comply with applicable hazardous waste permitting and reporting requirements in accordance with applicable regulations. The Supplier shall implement the following :

- register all hazardous waste in accordance with applicable regulatory requirements
- obtain permits for pollutant discharge, hazardous waste handling, hazardous waste storage and hazardous waste transport in accordance with applicable regulatory requirements
- report any alteration that may change the status of registration and permitted hazardous waste generation to the appropriate local and national regulatory agencies.

#### 2. Direct responsible individual(s)

The Supplier shall identify the responsible individual(s) responsible for hazardous waste management.

#### 3. Identification of waste streams

The Supplier shall identify all sources of waste and characterize each waste stream as either hazardous waste or non-hazardous waste as per applicable regulations, or if no regulations apply, in accordance with this Standard.

The Supplier shall develop and maintain a waste inventory for all waste generated. The waste inventory shall include generated quantities of waste per month, the waste category (hazardous or non-hazardous), the method of disposal (recycling or other disposal) and names of waste transport and disposal vendors.

The Supplier shall review the facility waste inventory annually.

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The Supplier shall update the waste inventory to reflect any process or production changes.

#### **4. Control of waste**

##### **4.1. Waste collection and storage practices**

The Supplier shall segregate hazardous waste from non-hazardous waste per applicable regulations and this standard.

The Supplier shall implement responsible waste collection and storage practices including but not limited to :

- waste shall be collected and stored in appropriate containers based on their chemical and physical characteristics
- secondary containment shall be provided during collection and transfer of hazardous waste from production areas to hazardous waste storage areas
- waste containers shall be provided with standardized labels in accordance with applicable regulations. At a minimum, each label shall include the type of waste, appropriate hazard warnings and the date of waste origination
- waste containers shall be in good condition and capable of preventing leaks or spills
- hazardous waste shall not be stored on-site for more than the period required by applicable local regulations
- hazardous waste containers shall be inspected weekly to ensure container integrity, to prevent and control leaks and to identify and correct missing or incorrect labels. The Supplier shall maintain written copies of these weekly inspections.

##### **4.2. Hazardous waste storage areas**

The Supplier's hazardous waste storage areas shall meet the following requirements :

- construction materials and electrical equipment shall be compatible with the hazardous waste stored
- signage shall be posted inside and outside the hazardous waste storage areas to indicate :
  - the nature of any hazards posed by the hazardous waste
  - any personal protective equipment required to enter the area
  - any labeling stipulated by applicable regulations and standards
  - any restriction on smoking and other activities
- unauthorized access to hazardous waste storage areas is prevented
- an enclosure or other covering prevents exposure to the elements
- equipped with secondary containment that will capture and hold leaks or spills
- designed and constructed to prevent spills or leaks from the hazardous waste storage area from contaminating surface water or groundwater, or from entering storm drains or sewers
- firefighting equipment shall be readily available and accessible
- a working alarm system that will alert facility workers and outside emergency responders in the event of an emergency
- forced ventilation equipment for areas where volatile, acidic, caustic or corrosive substances are stored
- personal protective equipment for workers handling hazardous waste

- storage area for personal protective equipment outside the hazardous waste storage area that maintains the integrity and functionality of the equipment

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- sufficient space for the ingress, egress and other movement of emergency response personnel and equipment.

## 5. Disposal of waste

The Supplier shall only use licensed and qualified hazardous waste transporters.

The Supplier shall audit hazardous waste transportation vendors annually, audits shall include reviewing environmental violations and copies of vendor licenses, permits and registrations.

If an environmental violation is identified, the Supplier shall :

- notify the Customer of the hazardous waste transporter and its violation
- work with the hazardous waste transporter to develop, implement and monitor corrective actions
- obtain approval for hazardous waste transfers from each applicable regulatory agency in accordance with applicable regulation
- complete written records and manifests for all hazardous waste disposal activities in accordance with local and national regulations
- submit copies of records, manifests and other required documentation to the appropriate authorities and regulatory agencies and any relevant third parties (transporters and receivers) in accordance with applicable requirements.

## 6. Emergency response

The Supplier shall designate at least one properly trained emergency coordinator on the premises with the responsibility for coordinating all facility emergency response and reporting activities. An emergency coordinator shall be on the premises whenever the facility is in operation.

The Supplier shall conduct emergency response drills related to the hazards of the facility annually, or such other time period specified by applicable regulatory requirements whichever is shorter.

The Supplier shall establish a written emergency response plan to minimize the risks to human health and the environment. The emergency response plan shall include :

- internal reporting and notification requirements
- names and contact information for responsible facility personnel, local fire and emergency response contacts and local hospitals and other appropriate medical contacts
- identification and assessment of immediate potential threats, including risks of fire/explosion, spillage or leakage from facility processes and storage areas
- emergency evacuation routes, procedures and controls
- detailed procedures for control and containment of released hazards
- proper cleanup and disposal of any released hazardous materials.

## 7. Operations and maintenance

The Supplier's pollution-control technologies shall be operational prior to the Supplier generating any



waste.

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The Supplier shall plan and provide adequate time to implement controls and obtain approvals for any alteration that may change the identification, collection, storage, handling and disposal of hazardous waste.

The Supplier shall maintain a waste minimization plan to assess on-site hazardous waste generation and to identify opportunities to minimize hazardous waste. If the facility's environmental permit requires meeting hazardous waste minimization goals, the Supplier shall develop and implement a plan to meet the regulatory agency's waste minimization goals.

## **8. Training and communication**

The Supplier shall provide worker training for hazardous waste handling, storage, emergency response actions and proper record keeping.

## **9. Documentation**

All hazardous waste management records and documentation shall be made available to the Customer for review upon its request. The Supplier shall retain the documentation related to the hazardous waste management as follows :

- employee training records shall be retained for the previous 5 years or such other period specified by the applicable regulatory requirements, whichever is longer
- employee medical records shall be retained for the length of employment plus 30 years or as required by the applicable regulatory requirements, whichever is longer
- current and historical copies of permits and registrations as required by the applicable regulations or this Standard
- current hazardous waste inventory
- documentation showing hazardous waste is removed from the storage unit at least once per applicable accumulation period
- hazardous waste manifests and other shipping records shall be retained for 5 years
- current list of vendors performing reuse, recycle, transport or disposal of hazardous waste directly for the supplier
- incident records regarding all hazardous waste incidents at the facility shall be retained for 5 years.

## **Non-hazardous waste management**

### **Supplier Code of Conduct requirements**

The Supplier shall adopt a systematic approach to identify, control, reduce and responsibly dispose of or recycle the non-hazardous waste.

# Wastewater management

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## Supplier Code of Conduct requirements

The Supplier shall implement a systematic approach to identify, control and reduce wastewater produced by its operations. The Supplier shall conduct routine monitoring of the performance of its wastewater treatment systems.

## Supplier responsibility standards

### 1. Regulatory permits

The Supplier shall obtain, retain and manage valid or current copied of all necessary process wastewater permits, licenses, registrations and regulatory approvals as required by the applicable regulatory requirements, including but not limited to :

- obtain environmental approval for current production
- obtain new, additional, and/or amended or updated permits/registrations prior to any alterations
- acquire and maintain all wastewater discharge permit(s) according to the applicable laws and regulations
- report and/or register process wastewater discharges in accordance with the applicable laws and regulations.

### 2. Directly responsible individual(s)

The Supplier shall identify a specific individual or individuals within the facility organization who will be responsible for all aspects of process wastewater discharge treatment, including maintenance and inspection of WWTP, monitoring of process wastewater discharge and responding to emergencies.

### 3. Identification of process wastewater sources

The Supplier shall identify and characterize all process wastewater streams.

The Supplier shall organize and maintain process wastewater stream inventory :

- the inventory shall include the composition and volume of each process wastewater stream
- the Supplier shall revise the inventory after any volume of each process wastewater stream
- the Supplier shall review the inventory annually

### 4. Control of process wastewater discharge

The Supplier shall install and maintain appropriate process wastewater treatment systems that reduce the pollutant contribution of each of its facilities to levels compliant with the applicable laws and regulations.

The Supplier shall :

- comply with all the applicable laws, regulations and requirements related to process wastewater discharge
- update control technologies before any alteration takes effect
- verify compliance with current process wastewater discharge requirements
- not intentionally dilute process wastewater to meet permit requirements and/or regulatory standards
- comply with the recycle and reuse requirements for process wastewater as required by relevant regulatory agencies

- treat and/or discharge process wastewater according to the approved environmental permits and other applicable laws and regulations

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If no process wastewater is allowed to be legally discharged, the process wastewater shall be handled as a hazardous waste in accordance with the applicable laws and regulations and the Customer standards.

If the local requirements are not available for a pollutant, the thresholds specified in the table “Customer wastewater discharge quality standards” shall be used.

<b>Customer wastewater discharge quality standards</b>		
Parameter	Discharge limit to wastewater treatment plant	Discharge limit to surface water
Temperature	40°C	3°C increase of receiving water body
pH	6.0~9.0	6.0~9.0
Chemical oxygen demand (CODcr)	300 mg/L	100 mg/L
5-days biochemical oxygen demand (BOD5)	150 mg/L	20 mg/L
Total suspended solids (TSS)	300 mg/L	20 mg/L
Fluoride	20 mg/L	5 mg/L
Total Nitrogen	70 mg/L	10 mg/L
Nitrites (NO <sub>2</sub> -N)	Not Applicable	1 mg/L
Nitrates (NO <sub>3</sub> -N)	Not Applicable	10 mg/L
Ammonia Nitrogen	25 mg/L 5 mg/L	5 mg/L
Total Phosphorus	8 mg/L	1 mg/L
Oil and Grease (O&G)	20 mg/L	5 mg/L
Total Arsenic	0.2 mg/L	0.01 mg/L
Total Cadmium	0.05 mg/L	0.02 mg/L
Total Chromium	1 mg/L	0.05 mg/L
Hexavalent Chromium	0.1 mg/L	0.01 mg/L
Total Copper	0.5 mg/L	0.5 mg/L
Total Lead	0.2 mg/L	0.1 mg/L
Total Mercury	0.005 mg/L	0.002 mg/L
Total Nickel	0.5 mg/L	0.1 mg/L
Total Silver	0.1 mg/L	0.1 mg/L
Total Zinc	1.5 mg/L	0.5 mg/L
Cyanide	0.2 mg/L	0.15 mg/L

## 5. Evaluation and monitoring of process wastewater discharge

The Supplier shall :

- monitor process wastewater discharges in accordance with regulatory requirements.

The parameters selected for monitoring shall be indicative of the pollutants of concern and shall include parameters that are included in the permit or in applicable regulations

- monitor process wastewater discharges (for both pollutant concentrations and volume generated) at the frequency required by local regulations, or in the absence of such regulations at least once per month, to ensure compliance with applicable laws and regulations
- monitor all process wastewater discharges at the locations or in the manner specified in the permit or required by the applicable laws and regulations
- submit process wastewater monitoring reports to the relevant regulatory agency as required for regulatory compliance.

## 6. Emergency response

The Supplier shall prepare for emergencies and implement emergency response actions if the on-site process' wastewater treatment system exceeds its capacity, or it malfunctions. The emergency response actions are as follows.

In the event the capacity of the wastewater treatment plant ("WWTP") is exceeded :

- the Supplier shall stop process wastewater discharge from the production areas into the WWTP
- the Supplier shall isolate stormwater drain inlets within its facility so there is no cross-contamination from backed-up process wastewater
- the Supplier shall direct the excess process wastewater into a backup collection system/containers

In the event of WWTP malfunction :

- the Supplier shall stop wastewater discharge offsite from the WWTP immediately
- the Supplier shall stop process wastewater discharge from the production areas into the WWTP
- the Supplier shall replace or repair the WWTP equipment in a timely manner so the WWTP expeditiously resumes normal operations
- the Supplier shall report malfunctions to the local authorities per the applicable laws and regulations
- if contaminated wastewater in excess of permitted limits is discharged, the Supplier shall notify and obtain a variance permit from the local authorities if possible
- for treatment system malfunctions, the Supplier shall immediately implement any system upgrades, repairs, and/or monitoring programs to meet regulatory discharge standards.

Upon receipt of any community complaints, the Supplier shall conduct process wastewater discharge monitoring to verify the process wastewater discharge status and promptly implement any necessary or advisable corrective actions.

Upon receipt of any notice of violation from the local authorities, the Supplier shall communicate with the authority in a timely manner, inform all relevant parties about the violations and subsequently take any corrective actions in a timely manner or as specified by the authorities.

## 7. Operations and maintenance

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The Supplier's process wastewater treatment system shall be operational prior to use of corresponding production equipment.

The Supplier shall develop operating and preventive maintenance programs for on-site WWTP in accordance with the following :

- clearly defined and documented worker responsibilities and training requirements for the operation, inspection and maintenance of the WWTP
- standard operating procedures for preventive maintenance that incorporate manufacturers' specifications/recommendations and industry best practices
- key parameters for monitoring WWTP effectiveness and the frequency of routine inspections based on regulatory and/or permit requirements, preventive maintenance requirements, and other factors. The inspection plan shall cover all shifts during typical facility operations
- defined and documented operating procedures for shutting down the WWTP. Before shutting down the WWTP for any planned reason (e.g. maintenance, exceeding capacity or malfunction) process wastewater discharge for the WWTP shall be suspended and prevent process wastewater discharge from being released without treatment. Associated production equipment may resume operation only when the WWTP is operating properly.

The Supplier shall establish a program to evaluate the integrity of existing process wastewater collection systems, including wastewater pipelines, underground drains, wastewater sumps, on-site WWTP and correct any identified deficiency immediately. The program shall include regular integrity testing of the process wastewater system at a frequency based on the risks of leaks identified during the evaluation.

## 8. Training and communication

The Supplier shall provide training to operators of process wastewater treatment facilities that cover operation and maintenance of equipment and other process units in the WWTP. Operators shall hold WWTP operator certificated as required by local or national regulatory requirements.

The Supplier shall notify the Customer within 7 days and the appropriate regulatory agencies as required by the applicable regulations if an unusual environmental event occurs.

Notification shall include the probable cause of the unusual environmental event and corrective or preventive actions.

## 9. Documentation

The Supplier shall retain both written and electronic copies of process wastewater discharge data and documentation for at least 5 years or as per local regulatory requirements, whichever is longer,

The required documents to be retained include but are not limited to :

- licenses, permits and other regulatory registration documents
- process wastewater stream inventories
- process wastewater discharge monitoring results
- expansion, renovation or new WWTP records, permits or regulatory correspondence

- written records or process wastewater-related communications with external parties, including but not limited to community groups and local authorities
- routine inspection and maintenance records
- reports of unusual environmental events and corrective response actions undertaken
- records of any corrective actions, verifications or follow-up actions taken for any deficiencies, complaints or notices of violation
- training records for personnel assigned to the operation, inspection and maintenance of the WWTP.

All documentation shall be made available to the Customer for review upon its request.

# Stormwater management

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## Supplier Code of Conduct requirements

The Supplier shall implement a systematic approach to prevent contamination of Stormwater runoff. The Supplier shall prevent illegal discharges and spills from entering storm drains, the public water supply or public bodies of water.

## Supplier Responsibility standards

### 1. Regulatory permits

The Supplier shall comply with stormwater permitting and reporting requirements per the applicable regulations.

### 2. Directly responsible individual(s)

The Supplier shall identify a specific individual or individuals within the facility who will be responsible for the development, implementation, revisions, monitoring, and inspecting in accordance with the requirements of the stormwater management plan and responding to emergencies.

### 3. Identification of pollutant sources

#### 3.1. Potential pollutant sources

The Supplier shall identify potential pollutant sources that might affect stormwater runoff. The Supplier shall do the following to identify pollutant sources :

- prepare a list of areas of industrial activities exposed to stormwater and its pollutant constituents
- prepare a list and description of potential spills and leaks that could contribute pollutants to stormwater discharge and specify which outlets are likely to be affected
- prepare a list and description of potential spills and leaks that could contribute pollutants to stormwater discharge or that drained to the could be drained to the stormwater drainage system
- prepare a list of non-stormwater discharges and eliminate any unauthorized non-stormwater discharges.

#### 3.2. Facility map

The Supplier shall prepare a facility map that includes the following information :

- outlines of stormwater drainage areas within the facility, portions of the drainage area affected by run-on from surrounding areas, direction of flow of each drainage area, on-site bodies of water and areas of soil erosion
- location of nearby bodies of water and municipal storm drain inlets where the facility's stormwater discharges and authorized non-stormwater discharges may be received
- location of stormwater collection and conveyance systems, associated points of discharge and direction of flow, including any structural control measures that affect stormwater discharges, authorized on-stormwater discharges and runoff
- outline of all impervious areas of the facility, including paved areas, buildings, covered storage areas and other roofed structures
- locations where materials are exposed to precipitation and locations where significant spills or leaks have occurred
- locations of areas of industrial activities that are potential pollutant sources.

#### 4. Control of stormwater discharge

The Supplier shall select effective structural controls and non-structural controls to prevent stormwater pollution.

The Supplier shall conduct surveys at least annually to identify any direct connections from industrial production areas into a stormwater drainage system.

The Supplier shall conduct the survey after any alteration likely to affect the connections. If there are such connections, the Supplier shall remove them immediately.

The Supplier shall manage wastes generated from stormwater control systems in accordance with all applicable regulations.

#### 5. Evaluation and monitoring of stormwater discharge

The Supplier shall conduct periodic monitoring of its stormwater discharges per applicable regulations. The Supplier shall monitor stormwater discharges to evaluate the effectiveness of control measures at the facility to minimize or eliminate pollutants from stormwater runoff.

##### 5.1. Assessments of discharges

The Supplier shall take a grab sample of stormwater discharge while it is raining and visually assess key indicators of stormwater pollution : color, odor, clarity, floating solids, foam, oil sheen, etc.

The findings of these assessments shall lead to further facility inspections and corrective actions to modify any problems with control measures for stormwater discharges.

##### 5.2. Indicator sampling

The Supplier shall take a grab sample of stormwater discharge samples from a facility's discharge points for laboratory analyses. The sampling frequency shall be based on the potential risk level for stormwater contamination and no less than once every six months. Chemical parameters for laboratory analyses shall be dependent on the types of pollutant sources identified as per the identification of pollutant sources and include at a minimum pH, chemical oxygen demand, color, oil and grease.

Results shall be compared with the receiving water body's allowable pollutant concentration limit. If local requirements are not available for a pollutant, the thresholds specified in the table "Customer wastewater discharge quality standards" (see wastewater management standards) shall be used. If the concentration exceeds the limits, the stormwater pollution control measures shall be assessed and revised.

##### 5.3. Compliance sampling

If the Supplier is governed by local and/or national discharge limitation guidelines, sampling shall be required to determine compliance with those limits. If effluent limits are exceeded, the Supplier shall conduct corrective actions and additional sampling to show compliance.

The Supplier shall conduct one comprehensive annual evaluation of its stormwater control measures that includes the following :

- visual observations and inspection of sampling/analytical data
- a summary of inspections specified in the stormwater management plan
- incident reports and corrective action tracking results



## 6. Emergency response

The Supplier shall ensure that there is at least one employee responsible for coordinating and report on all the stormwater discharge emergency response at the facility.

The Supplier shall have a system in place that can immediately close a stormwater drain outlet discharging outside the facility boundary if there is a hazardous substance spill released to the stormwater drainage system.

The Supplier shall have the necessary plans and procedures to notify internal management and local regulatory agencies and take immediate steps to fix a hazardous substance spill that has reached outside the facility boundary.

The Supplier shall conduct an analysis to determine the cause of the emergency release incident and implement corrective actions.

## 7. Operations and maintenance

The Supplier shall create, implement and maintain a written stormwater management plan to support prevention of stormwater runoff pollution.

The Supplier shall revise the stormwater management plan as appropriate, and implement it prior to any changes in industrial activities at the facility that do any of the following :

- significantly increase the quantities of pollutants in stormwater discharge
- cause new areas of industrial activity to be exposed to stormwater
- begin an industrial activity that would introduce a new pollutant source at the facility.

## 8. Communication and training

The Supplier shall provide adequate stormwater management training for all workers whose work may affect the quality of stormwater as per applicable regulations.

## 9. Documentation

The Supplier shall retain the following stormwater management-related documentation :

- current copies of stormwater control and/or treatment system drawings
- copies of employee training records for the previous 5 years or as per applicable laws and regulations, whichever is longer
- records of internal incident investigation, management/regulatory notifications and follow-up actions/closure for the previous 5 years.

All documentation shall be made available to the Customer for review upon its request.

## Supplier Code of Conduct requirements

The Supplier shall identify, manage, reduce and responsibly control air emissions emanating from its operations that pose a hazard to the environment. The Supplier shall conduct routine monitoring of the performance of its air emission control systems.

## Supplier responsibility standards

### 1. Regulatory permits

The Supplier shall have all required environmental approvals and permits for its current operations. The Supplier shall plan and provide adequate time to update current environmental approvals and permits for any alteration that may change the environmental impact of the Supplier’s operations.

### 2. Direct responsible individual(s)

The Supplier shall identify a specific individual or individuals within each facility who will be responsible for all aspects of air-emissions management, including maintenance and inspection of air-emissions control devices, monitoring, reduction of air emissions and emergency response.

### 3. Identification of air emission sources

The Supplier shall identify air emissions sources, including those from industrial activities, auxiliary devices and dormitory and canteen areas, Examples of processes that contribute to air emissions and corresponding air pollutants are identified in the table “Examples of typical processes and air pollutants”.

#### Definitions

##### Air Emissions

Any regulated polluting substance introduced directly or indirectly into the ambient air by the Supplier’s facility and likely to have harmful effects on human health and/or the environment as a whole. Air emissions include but are not limited to volatile organic compounds (VOC), nitrogen oxides (NOx), sulfur oxides (Sox), carbon monoxide (CO), suspended particulate matter (PM) and greenhouse gas (GHG). These pollutants can damage property and vegetation and cause serious health problems in humans and animals. In addition, air pollutants include toxic air contaminants, such as acids, hexavalent chromium and ammonia which have direct and indirect effects on human health. Toxic air contaminants can lead to cancer and other chronic and acute ailments.

##### Examples of typical processes and air pollutants

Processes	Air pollutants
Cutting/drilling	Dust/Particulates
Surface treatment	Acid/Alkaline fog and hazardous air pollutants
Etching	Ammonia, acid fog and hazardous air pollutants
Electroplating/anodizing	Acid fog, particulates and hazardous air pollutants
HVAC and refrigeration systems	GHGs
Welding/grinding/polishing	Dust, particulates and fumes
Painting and coating	VOCs, acid mists, aerosols and particulates
Boiler/generator operations	Sulfur dioxide, nitrous oxide, particulate matter/dust, carbon monoxide and GHG (CO2)
Incinerating/burning	Sulfur dioxide, nitrous oxide, particulate matter/dust, carbon monoxide and GHG (CO2)

The Supplier shall develop and maintain an air emissions source inventory.

- the inventory shall include the composition and mass rate of emissions for each air emissions source
- the GHG emission inventory shall include Scope 1 emissions and Scope 2 emissions following the greenhouse gas protocol accounting standards or standards per applicable laws and regulations
- the Supplier shall revise the inventory after any changes to the production or process that are likely to affect air emissions
- the Supplier shall review the inventory annually
- the Supplier shall maintain the inventory in electronic form and make it available for review by the Customer upon its request.

**4. Control of regulated air emissions**

The Supplier shall report and/or register air emissions sources in accordance with the applicable laws and regulations.

The Supplier shall install and maintain appropriate air emissions control devices for regulated air emissions and all control plans must be approved or accepted by all the applicable regulatory agencies.

Examples of processes and relevant air emissions control devices are identified in the table “Examples of typical processes and air emissions control devices”.

**Examples of typical processes and air emissions control devices**

<b>Processes</b>	<b>Air emissions control devices</b>
Cutting/drilling	Cyclone/baghouse dust collector (not applicable for combustible dust, refer to the Customer’s combustible dust standard)
Surface treatment	Wet scrubber (alkaline/acid solution)
Etching	Wet scrubber (alkaline/acid solution)
Electroplating	Wet scrubber (alkaline solution)
Painting and coating	Wet scrubber (alkaline solution) and/or activated carbon filter
Boiler/generator operations	Wet scrubber (alkaline solution)

The Supplier shall report air emissions discharge points to each applicable regulatory agency. The air emissions discharge points shall also be reported to the Customer for audit purposes and updated once a year to reflect any changes in discharge points during the previous year.

The Supplier shall handle, store and dispose of residues and/or wastes generated from air emissions control devices in accordance with the applicable laws and regulations and as per the Customer hazardous waste management standard.

**5. Evaluation and monitoring of air emissions**

The Supplier shall develop a program to quantify and monitor the composition of air emissions including the calculation of the mass rate for each source identified in the air emissions inventory.

The Supplier shall perform annual analytical testing of air emissions to ensure compliance with applicable regulatory requirements and this standard.

Air emissions samples shall be collected under typical operating conditions and tested for parameters identified as potential air pollutants.

Air emissions shall be controlled below any regulated emission levels.

The Supplier shall submit air emissions monitoring reports as required by each applicable regulatory agency and shall obtain all required permits to maintain regulatory compliance. In addition, the monitoring reports shall be maintained in electronic form and made available to the Customer for review upon its request.

## **6. Emergency response**

The Supplier shall implement emergency preparedness and response actions in the event of any air emissions control system malfunctions, failures, maintenance and/or modifications as follows :

- for hazardous air pollutants (HAPs), process equipment vented to the air emissions control system shall suspend operations immediately to prevent uncontrolled air emissions from escaping into the atmosphere.

The Supplier shall install and maintain an automatic shutdown system in which any HAP emitting operations are ceased when the flow from these operations is diverted away from the air emission control system, for example to a bypass line, regardless of circumstances or whether the air emissions control system is shut down or fails

- for non-hazardous air pollutants, process equipment vented to the air emissions control system shall suspend operations within 72 hours if no corrective action has been taken to prevent uncontrolled air emissions from escaping into the atmosphere, unless suspension is required sooner by applicable regulations.

Upon receipt of any community complaints, the Supplier shall conduct air emission monitoring to verify the air emissions status and implement corrective actions, if any, in a timely manner.

Upon receipt of any notice of violation from the authorities, the Supplier shall communicate with the appropriate regulatory agencies and/or the authorities in a timely manner to inform all relevant parties about the violations, and promptly take corrective actions or as otherwise instructed by the authorities.

The Supplier shall notify the Customer within 7 days and notify all the appropriate regulatory and other agencies as required by applicable regulations if an unusual environmental event occurs. In both cases (hazardous and non-hazardous air emissions), the Supplier shall identify the probable cause of the unusual environmental event and any corrective or preventive actions that were taken.

## **7. Operations and maintenance**

The Supplier's pollution control technologies shall be operational prior to the Supplier generating any pollutants.

The Supplier shall plan and provide adequate time to implement changes and obtain approvals for any alteration that may change air emissions sources, composition of air emissions, mass rate, air emissions control technology or air emissions monitoring requirements.

The Supplier shall develop operating and preventive maintenance programs for all air emissions generating equipment, the air emissions control devices and air emissions monitoring equipment.

The programs shall include the following :

- clearly defined and documented worker responsibilities and training requirements for the operation, inspection and maintenance of the air emissions control systems
- standard operating procedures for preventive maintenance that incorporate the relevant manufacturers' specifications, recommendations and standard accepted practices
- identified and documented key parameters for monitoring effectiveness of the air emissions control system and determining the frequency of routine inspections based on regulatory and/or permit requirements, preventive maintenance requirements and other factors to ensure that the equipment is maintained in good working order. The inspection plan shall cover all shifts during typical facility operations
- documented operating procedures for shutting down air emissions control systems. Before any air emissions control system is shut down for any planned reason, e.g. maintenance breakdown, process equipment vented to the air emissions control system shall be suspended and put into a state that prevents air emissions from being released. Associated process equipment may resume operations only when the air emissions control system is operating properly.

The Supplier shall conduct periodic inspection of air emissions control devices to identify and fix any operational deficiencies. A log of inspection and maintenance issues identified and fixed shall be maintained.

## 8. Training and communication

The Supplier shall provide training per local and national requirements for the workers involved in the maintenance and inspection of the related air emissions control systems. The workers shall receive the following training in addition to all other required training or instruction :

- identification and understanding of air emissions source locations, exhaust stacks and applicable air emissions control technology
- appropriate response procedures in case of ventilation or failure of air emissions control system
- specific operating requirements and protocol training for maintenance of air emissions control devices deployed at the facility,

## 9. Documentation

The Supplier shall retain written copies of air emissions data and documentation for the previous 5 years or as per local regulatory requirements, whichever is longer. All air emissions records and documentation shall be made available to the Customer for review upon its request.

The required documents to be retained include but are not limited to :

- air emissions source inventories
- air emissions source testing and monitoring results
- licenses, permits and other regulatory registration documents
- expansions, renovation or new air emissions control device records, permits or regulatory correspondence
- written records of air emissions related communications with external parties, including but not limited to community groups, regulatory agencies and local authorities

- all inspection and maintenance records
- reports of unusual environmental events and responsive corrective actions taken
- records of any corrective actions, rectifications or follow-up actions taken for any deficiencies, complaints, notices of violations etc.

The Supplier shall retain training records for the previous 5 years for personnel assigned to the operation, inspection and maintenance of the air emissions control systems or as per applicable regulations, whichever is longer.

# Boundary noise management

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## Supplier Code of Conduct requirements

The Supplier shall identify, control, monitor and reduce noise generated by the facility that affects boundary noise levels.

## Supplier Responsibility Standards

### 1. Identification of boundary noise

The Supplier shall monitor boundary noise with a third-party qualified consultant to verify the compliance with all the applicable laws and regulations.

The third-party consultant shall use approved, calibrated sound-level meters as per applicable regulations to monitor for boundary noise and shall prepare a boundary noise report.

The Supplier shall use the boundary noise report to identify operations that contribute to boundary noise and develop an inventory of such operations and/or equipment.

This inventory shall include information such as ranges of noise produced under normal operating conditions, and prevention and control technologies to reduce boundary noise levels as per applicable regulations.

The Supplier shall update the inventory if there are any changes to production, equipment or operating schedules that are likely to affect boundary noise levels.

### 2. Control of boundary noise levels

The Supplier shall install and maintain appropriate boundary noise control devices to control boundary noise levels per applicable regulations. For installation and monitoring, boundary noise control methodology shall be designed by a qualified person to achieve boundary noise levels as per applicable regulations.

The Supplier shall monitor boundary noise for changes to the receiving land use category and comply with applicable regulations.

### 3. Evaluation and monitoring

The Supplier shall evaluate boundary noise levels on an annual basis, upon changes to receiving land use category in the neighborhood of the facility, or if there are any community noise complaints.

The evaluation shall cover the following:

- monitoring applicable regulatory standard(s) for changes
- periodic inspections of boundary noise sources, including their location, installation, operation rules, control measures and maintenance logs
- supplier shall meet the boundary noise level criteria in the table below or the applicable local standards, whichever is more stringent along the facility boundary

Receiving land use category	Day time level (L50) (6 Am – 10 PM)	Night time level (L50) (10PM-6AM)	Night time (Lmax)
Noise-sensitive areas, low density residential areas, institutional areas, school, hospital and worship areas	50 dBA	40 dBA	55 dBA
Suburban medium-density residential areas, public spaces, parks and recreational areas	55 dBA	45 dBA	60 dBA
Urban high-density residential areas and designated mixed residential-commercial	60 dBA	50 dBA	65 dBA
Commercial zones	65 dBA	55 dBA	70 dBA
Industrial zones	70 dBA	60 dBA	75 dBA

#### 4. Operation and maintenance

The Supplier shall develop and maintain a plan to manage boundary noise that includes source identification, evaluation and monitoring of boundary noise and control as per the applicable regulations.

The Supplier shall perform corrective and preventive actions to address boundary noise permit noncompliance in a timely manner or as specified by local authorities including, but not limited to, installation of boundary noise-control devices and/or modification of the facility operating schedules for noise-generating equipment.

#### 5. Training and communication

The Supplier shall provide appropriate training for the employees involved in maintaining and inspecting boundary noise control devices.

#### 6. Documentation

The Supplier shall retain current copies of necessary boundary noise permits or licenses.

The Supplier shall retain written copies of documents and records associated with boundary noise levels, including boundary noise reports for at least 5 years and maintain these copies for the period when the equipment is in operation.

The Supplier shall maintain records of deviations from the applicable regulations or permits/licenses and corrective actions taken to address deficiencies or noncompliance.

The Supplier shall retain any documentation related to preventive maintenance completed on boundary noise control equipment.

All boundary noise reports and documentation shall be made available to the Customer for review upon its request.



## **Pollution prevention and resources conservation**

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### **Supplier Code of Conduct requirements**

The Supplier shall implement conservation and alternative measures to reduce energy, water, natural resources consumption and greenhouse gas emissions.

The Supplier shall introduce reduction and alternative measures to minimize the consumption of hazardous substances.

## Supplier Code of Conduct and Supplier Responsibility Standards

### ④ **【Ethics】**

We expect the highest ethical behavior in all actions.

The Supplier shall observe ethical standards in all aspects of its business including but not limited to business relationships, practices, commissions and operations.

Responsible sourcing of materials

Business integrity

Information disclosure

Protection of intellectual property

Protection of whistleblowers and anonymous complains

Relations with local communities

C-TPAT

## Supplier Code of Conduct Requirements

Suppliers shall exercise due diligence on Relevant Materials in their Supply Chains. Suppliers shall develop particular due diligence policies and management systems in order to identify applicable risks and take appropriate steps to mitigate them. Due diligence shall be conducted to the material processing level in order to determine whether relevant materials originate from regions with High Risks, which include areas associated with conflict, worst forms of child labor, forced labor and human trafficking, gross human rights violations such as widespread sexual violence, or other reasonably objective high risk activities, including severe health and safety risks and negative environmental impacts.

## Supplier Responsibility Standards

### 1. Due Diligence System, Policy and Use of Relevant Materials

#### 1.1. Supplier Due Diligence Management System

Suppliers shall develop an appropriate management system to conduct due diligence in accordance with the standards set out in the OECD Due Diligence Guidance for Responsible Supply Chains of Materials from Conflict-Affected and High-Risk Areas (the “OECD Guidance”) and other applicable international standards, as described in this Standard (see Section 6 of this Standard).

A due diligence management system shall include :

- Risk identification
- Risk prevention and mitigation
- Third-Party verifications or audits of Supply Chain due diligence
- A mechanism for reporting applicable risks

#### 1.2. Supplier Policy Requirements

Suppliers shall have a due diligence policy that is consistent with OECD Guidance and this Standard. The Policy shall also require Material Processors in the Supplier’s Supply Chain to have corresponding due diligence policies down to the source of primary ore of the mining level.

Suppliers shall ensure that their facilities and suppliers comply with the obligations and requirement of this Standard.

#### 1.3. Supplier Policy Distribution

Suppliers shall distribute their policies to:

- All subcontractors and suppliers that produce goods for use in the Customer’s products.
- Supplier procurement personnel and factory management.

#### 1.4. Use of Relevant Materials

Suppliers shall not use Relevant Materials in any Goods produced for use in the Customer’s products if a Supplier cannot reasonably demonstrate that it has a due diligence management system and has performed the required due diligence activities, as outlined below.

To the extent that a Supplier seeks only to implement a due-diligence management system and perform required due-diligence activities with respect to specific customers-related supply lines, customers may

require, as appropriate, such Supplier to (i) demonstrate to the customers a reasonable comprehensive system to segregate Relevant Materials for use in the customers' products from Relevant Materials used in other parties' products and (ii) undergo a Third-Party verification or audit of such segregation system.

## 2. Risk Identification

Suppliers shall identify the High Risk in their Supply Chains by first understanding the Material Processors of Relevant Materials in their Supply Chains. As new Relevant Materials are included in this Standard, the Customer will provide timelines for a phase-in period in order for Suppliers to implement corresponding risk identification requirements regarding new Relevant Materials.

### Breakdown of High Risks

High Risks are:

1. Red Flag Risks – at the mine, transport, trading, or Mineral Processor level of the mineral Supply Chain:

1a. Conflict risks: direct or indirect finance or benefit to armed groups that are perpetrators of serious human rights abuses consistent with the OECD Guidance, including in the DRC or an adjoining country.

1b. OECD Annex II and human rights risks: forced labor, human trafficking, worst forms of child labor, illegal taxation and widespread gross human rights abuses, including sexual violence, as well as other human rights violations. Many of the foregoing are also identified in OECD Annex II.

1c. Embargoed countries or High-Risk Entities risks: Sourcing from embargoed countries (as described in the High-Risk Regions list defined in this Standard) or from High Risk Entities.

2. Other High-Risks – at the mine, transport, trading or Mineral Processor level of the mineral Supply Chain:

2a. Health and safety violations, including both community and workers.

2b. Environmental impacts, including water abstraction and consumption; waste, pollution and tailings management.

The risks may be identified through activities of Section 2.1. and 2.2.

### 2.1 Supply Chain Mapping

Suppliers shall map their Supply Chains for Relevant Materials. This mapping shall occur at least annually, or additionally as requested by customers, and include:

- Identification and location information with respect to all of a Supplier's subcontractors and suppliers associated with Relevant Materials.
- Identification of the Material Processors of Relevant Materials.
- The country of origin of Relevant Materials.

Suppliers shall communicate the following Supply Chain mapping requirements to their Supply Chains to ensure the following requirements are met by Material Processors and Mining Companies in their Supply Chain.

Level of Supply Chain	Required Actions for Mapping Supply Chain
Material Processor	<ul style="list-style-type: none"> <li>Map Supply Chain to the Mining Company or the original source of primary one at the mining level or secondary material source level through traders and intermediaries.</li> </ul>
Mining Company	<ul style="list-style-type: none"> <li>Map Supply Chain to specific mines including, where applicable, artisanal mining responsible sourcing systems (e.g. point of collection approved via a responsible sourcing initiative, standard, verification or audit program).</li> </ul>

See Section 5.1. of this Standard for reporting requirements on required actions above.

**2.2. Risk Mapping**

Suppliers shall map the particular risks in their Supply Chains annually, regardless of whether such risks are at the level of processing, trading and transporting, or mining or production of Relevant Materials, and Suppliers shall use reasonable efforts to track whether these specific risks are associated with Goods proved to the Customer.

- Suppliers are expected to proactively and regularly consult current country risk information sources to determine whether Relevant Mineral originate from or through High Risks Regions.
- Suppliers shall require, to the extent practicable, that Material Processors and Mining Companies complete Approval Risk Assessments to gather information on applicable risks.
- Supplier shall to the extent reasonably available, use multiple sources of information to determine or confirm the existence of High Risks. Sources of information may include general risk notifications and reports from governments, local or international non-governmental organizations, civil society groups, research organizations, or other Third-Party organizations.

Suppliers shall communicate the following risk mapping requirements to their Supply Chains to ensure the following requirements are met by Material Processors and Mining Companies in their Supply Chains.

Level of Supply Chain	Required Risks Mapping Actions
Material Processor	<ul style="list-style-type: none"> <li>Determine if countries of origin or transport include High-Risk Regions</li> <li>Determine if Mining Companies or other Relevant Materials sources are High-Risks</li> <li>Complete Approved Risk Assessments of all owned and operated facilities/sites and all sourcing or trading relationships.</li> <li>Review and investigate identified and prioritized risks received from the Customer and any other sources, including any alleged or confirmed High Risks, and request</li> </ul>
Mining Company	<ul style="list-style-type: none"> <li>Complete Approved Risk Assessments of its mining practices at the mining site level owned and operated facilities.</li> <li>Review and investigate applicable risks identified by the customers and alleged or confirmed High Risks relating to its region(s) of operations, mining, and mining</li> </ul>

Suppliers shall also gather additional information in connection with risk mapping as requested by the customers.

### 3. Risk Prevention, Mitigation and Resolution

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As risk prevention, mitigation and resolution systems are presently developing and maturing, the Customer will provide timelines for a phase-in period in order for Suppliers to prioritize efforts to prevent, mitigate, and influence the resolution of High Risks on an ongoing basis.

#### 3.1 Addressing Identified Risks

If a Supplier or a customer discovers alleged or actual risks associated with its Supply Chain, Supplier shall work with the Customer to respond to the applicable risks by (to the extent not prohibited by the applicable law):

- Requiring corresponding supply chain actors, including Material Processors, to address identified High-Risks.
- Utilizing grievance channels of recognized Third-Party organization to report risks and request that appropriate action be taken to address identified High-Risks (see Section 6.3. of this Standard).
- Suppliers shall communicate the following prevention and mitigation requirements to their Supply Chains to ensure the following requirements are met by Material Processors and Mining Companies in their Supply Chains:

Level of Supply Chain	Required Action to Prevent and Mitigate Applicable Risks
Material Processor	<ul style="list-style-type: none"><li>• Resolve reporting gaps in Approved Risk Assessments.</li><li>• Directly or indirectly request applicable supply chain actors to take prevention, mitigation and resolution actions.</li></ul>
Mining Company	<ul style="list-style-type: none"><li>• Resolve reporting gaps in Approved Risk Assessments.</li><li>• Prevent or resolve High Risks pertaining to the Mining Company's business; where direct action cannot be taken, an indirect or collective approach may be</li></ul>

#### 3.2. Tracking and Reporting on Action taken to Address Identified Risks

As requested by customers, Suppliers shall apply appropriate and reasonable leverage to ensure identified risks, and their resolutions, are tracked and publicly reported or, as agreed with customers, otherwise communicated and addressed.

#### 3.3 Removal of Non-Participating Supply Chain Actors

Suppliers shall cause the termination of relationships with Supply Chain Actors that are:

- Unwilling to engage in necessary Supply Chain and risk mapping, resolutions of High Risks, and verifications or audits, or
- Associated with Red Flag Risks but have not taken appropriate timely action to mitigate the corresponding risk.

To the extent requested, Suppliers shall work with the customers in connection with such terminations. Suppliers shall communicate the following requirements to their Supply Chains to ensure the following requirements are met by Material Processors and Mining Companies with respect to potential terminations of supply chain actors.

Level of Supply Chain	Required Actions	Confidential C
Material Processor	<ul style="list-style-type: none"> <li>• Notify traders and mines of potential removal of those that have demonstrated that they are unwilling to conduct risk identification, mitigation and verification or audit of overall due diligence.</li> </ul>	
Mining Company	<ul style="list-style-type: none"> <li>• Notify large and small mining partnerships of potential removal of those that have demonstrated they are unwilling to conduct risk identification, mitigation, and verification or audit of overall due diligence.</li> <li>• Remove such actors if action is not taken within a designated timeframe.</li> </ul>	

#### 4. Third-Party Verifications or Audits of Supply Chain Due Diligence

Suppliers shall only use or source Relevant Materials from supply chain actors that have demonstrated progress towards, or completion of, responsible sourcing verifications or audits by recognized Third-Party organizations (see Section 6.1. of this Standard).

##### 4.1. Responsible Sourcing Verifications or Audits

To the extent requested by customers, Suppliers shall have their responsible sourcing due diligence activities verified or audited by a recognized Third-Party organization.

Suppliers shall communicate the following requirements to their Supply Chains to ensure the following requirements are met by Materials Processors and Mining Companies:

Level of Supply Chain	Required Actions
Material Processor	<ul style="list-style-type: none"> <li>• Participate in and complete Third-Party verifications or audits of applicable risks at owned and operated facilities.</li> <li>• Require upstream supply chain actors to verify or audit due diligence.</li> </ul>
Mining Company	<ul style="list-style-type: none"> <li>• Participate and complete Third-Party verifications or audits of applicable risks of mining practices at the mining site level and other relevant owned and operated facilities.</li> </ul>

##### 4.2. Demonstration of Upstream Progress towards Third-Party Verification or Audit

If Material Processors or Mining Companies have not completed Third-Party verifications or audits of their mining and processing sources, such upstream supply chain actors may remain in the customers' Supply Chain so long as they demonstrate progress towards verification or audit by taking meaningful, substantive steps to follow a recognized Third-Party organization's requirements for achieving responsible sourcing. In the case of Material Processors and Mining Companies, the following shall apply:

Level of Supply Chain	Required Actions for Meaningful Steps towards Third-Party Verification or Audit
Material Processor; Mining Company	<ul style="list-style-type: none"> <li>• Provide clear guidance on intended improvements to risk management on the Material Processor's or Mining Company's website or, alternatively, to a recognized Third-Party organization, and/or to the customer.</li> <li>• Remain actively involved in the preparation and remediation of identified verification or audit gaps.</li> <li>• Make progress towards Third-Party verification or audit within a reasonable timeframe.</li> </ul>

### 4.3. Completion of Verifications or Audits

Suppliers shall ensure Material Processors and Mining Companies satisfy the following requirements and complete their verifications or audits in a timely fashion. Any exceptions must be made in writing to the customer.

Level of Supply Chain	Required Actions
Material Processors; Mining Company	<p><b>Conflict Minerals Verifications or Audits:</b></p> <ul style="list-style-type: none"> <li>• Shall be fully completed periodically as determined by the recognized Third-Party organization (see Section 6.1. of this Standard).</li> </ul> <p><b>Responsible Sourcing Verification or Audits Beyond Conflict Minerals:</b></p> <ul style="list-style-type: none"> <li>• Where a recognized Third-Party organization or standard is in place for a Relevant Mineral, verifications shall be fully completed periodically as designated by such organization or standard (see Section 6.1. of this Standard)</li> <li>• Where a recognized Third-Party organization or standard may still be under development or supply chain actors are just beginning the Relevant Mineral verification or audit process, a phase-in process may be granted, provided that the supply chain actors have publicly demonstrated that they are progressing towards such Relevant Mineral verification or audit.</li> </ul>

## 5. Reporting

Suppliers shall publish information pertaining to their due diligence in accordance with OECD Guidance and shall provide to the customer reasonable documentary evidence of their compliance with this Standard, including (except as otherwise agreed with the customer) making all related supporting records available to the customer upon request.

### 5.1. Supply Chain Mapping and Due Diligence Verification or Audit Reporting

Suppliers shall provide evidence of their Supply Chain mapping and verification or audit of identified Material Processors according to specific risks and Relevant Materials:

- Conflict issues pertaining to tin, tantalum, tungsten and gold shall be reported to the customer twice annually by completing the RMI’s Conflict Minerals Reporting Template.
- Cobalt and other Relevant Mineral Supply Chain mapping shall be reported annually to the customer or, with the customer’s agreement, through another recognized industry reporting body. Reporting formatting shall be through a designated customer’s template (if applicable) or equivalent widely-accepted industry template, as and when available.

Suppliers shall communicate to their Supply Chains the following reporting requirements (which shall be carried out in accordance with OECD Guidance including Annex II Risks) to ensure that the following requirements are met by Material Processors and Mining Companies in their Supply Chain.



Level of Supply Chain	Required Supply Chain Mapping and Due Diligence Reporting Actions
Material Processor	<ul style="list-style-type: none"> <li>• Provide Supply Chain mapping information to customers or to a recognized third party to aggregate reporting across the mineral Supply Chain for downstream reporting purposes, in case where Supply Chain information, such as country of origin or supplier identification information, is restricted due to proprietary sourcing concerns.</li> <li>• In the case the Material Processor is providing secondary material, a Material Processor may be requested to report the percentage of recycled or scrap product it sources.</li> <li>• Post relevant information and verification or audit status on its website and, where applicable, be listed on a recognized Third-Party website.</li> </ul>
Mining Company	<ul style="list-style-type: none"> <li>• Post Relevant Mineral sourcing sites and operations on its website</li> <li>• Post relevant verification or audit status on its website and be listed on a recognized Third-Party website</li> </ul>

In addition to the foregoing, Material Processors shall provide information arising under Sections 2.1, 4.2 and 4.3. of this Standard to customers as well as to recognized Third-Party organization for broader dissemination. Mining Companies shall provide such information to Material Processors, customers, or Third-Party organization, as appropriate.

### 5.2. Risk Reporting and Notification of Red Flag Risks

Suppliers shall keep records of all risks identified, and the actions taken to follow up on such risks, for a minimum of 5 years from the date each risk is first identified and reported.

Suppliers shall immediately notify the customer in writing if they become aware of any Red Flag Risks associated with tin, tantalum, tungsten, gold, cobalt or other defined Relevant Materials.

Such notification shall include reasonable tracking information to identify which Goods may contain the affected Relevant Materials. Additional information and procedures will be provided by the customer to the applicable Suppliers following such notification.

Suppliers shall also provide to the customer any additional information reasonably requested. This information could include gathering data to report risks identified, mitigation steps, and associated resolutions regarding Relevant Materials.

Suppliers shall communicate to their Supply Chains that risk reporting shall be carried out in accordance with OECD Guidance by Material Processors and Mining Companies.

### 5.3. Changes or Exceptions Reporting

Any changes (other than insignificant ones, taking into account the situation of the particular Supplier), new information or exceptions affecting previously provided information with respect to the Supply Chain and risk mapping or identified risk reports within the regular annual reporting period shall be promptly reported to the customer.

To the extent practicable, Suppliers shall also promptly provide updated information to the customer as a Supplier, given its particular circumstances becomes aware of significant changes to its sourcing of Relevant Materials.

Suppliers shall promptly notify the customer of all failures to meet any reporting, sourcing, and due-diligence requirements in this Standard, including any delay in providing a completed Conflict Minerals Reporting Template or other upstream reporting requirement on a timely basis.

**6. Recognized Third-Party Organizations and International Standards**

For purposes of this Standards, currently “recognized” Third-Party organizations, verification or audit programs, websites and other items are those recognized as such by the customer from time to time.

**6.1. Upstream International Standards by Risk Area**

The following charts set forth the recognized Third-Party organizations and/or standards and corresponding risk areas met by such organizations/standards.

To the extent appropriate, the customer may add applicable risks to the chart below from time to time. In such case, the customer will notify Suppliers and provide any further action in accordance with the same.

In some case, a Material Processor or Mining Company may be using a Third-Party organization or standard that does not meet all relevant risks. In such cases, the Material Processor or Mining Company should seek improvements in the Third-Party organization or standard or use a combination of the relevant Third-Party organizations or standards.

For purposes of the charts below :

- The symbol “” means the organization or standard satisfies the customer’s requirements for the corresponding risk category.
- The symbol “” means that the organization or standard does not satisfy the customer’s requirements for the corresponding risk category.
- The “n/a” means that the organization or standard does not currently respond to the issue area.

Applicable Upstream Standards for Mineral Processors								
Organization	Human Rights & Labor			Health and Safety		Environment		
	Conflict	Child Labor	Forced Labor	Occupational Health & Safety	Community Health & Safety	Water consumption	Tailings	Pollution
CCCMC	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> *	<input checked="" type="checkbox"/> *	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
CFSI	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> *	<input checked="" type="checkbox"/> *	n/a	n/a	n/a	n/a	n/a
IFC Performance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
LBMA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	n/a	n/a	n/a	n/a	n/a
RJC Chain of Custody	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Applicable Upstream Standards for Large Scale Mining Companies & Artisanal and Small-Scale Mining								
Organization	Human Rights & Labor			Health and Safety		Environment		
	Conflict	Child Labor	Forced Labor	Occupational Health & Safety	Community Health & Safety	Water consumption	Tailings	Pollution
Better Sourcing**	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CCCMC	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> *	<input checked="" type="checkbox"/> *	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Fairmined**	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fairtrade Gold**	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
IFC Performance Standards	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
IRMA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ITSCI**	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	n/a	n/a	n/a	n/a	n/a
Mining Association of Canada (TSM)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
RJC Chain of Custody**	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
World Gold Council	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	n/a	n/a	n/a	n/a	n/a
ICMM*+	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**6.2. Upstream Applicable International Standards by Region and Metal**

Applicable Upstream Standards by Region and Metal					
Organization/	Cobalt	Tin	Tantalum	Tungsten	Gold
Better Sourcing**	Mining Company - DRC and Rwanda only	Mining Company - DRC and Rwanda only	Mining Company - DRC and Rwanda only	Mining Company - DRC and Rwanda only	Mining Company - DRC and Rwanda only
CCCMC	Materials Processor & Mining Company - n/a	n/a	n/a	n/a	n/a
Fairmined**	n/a	n/a	n/a	n/a	Mining ASMO & Artisanal Small-Scale Mining (ASM/SSM)
Fairtrade Gold**	n/a	n/a	n/a	n/a	Mining ASMO & ASM/SSM
IFC Performance Standards	Material Processor and Mining Company	Material Processor and Mining Company	Material Processor and Mining Company	Material Processor and Mining Company	Material Processor and Mining Company
IRMA	Mining Company	Mining Company	Mining Company	Mining Company	Mining Company
ITSCI	n/a	Mining Company and ASM/SSM*- DRC and Adjoining Countries only	Mining Company and ASM/SSM*- DRC and Adjoining Countries only	Mining Company and ASM/SSM*- DRC and Adjoining Countries only	n/a
LBMA	n/a	n/a	n/a	n/a	Material Processor
Mining Association of Canada	Mining Company	Mining Company	Mining Company	Mining Company	Mining Company
RJC Chain of Custody	n/a	n/a	n/a	n/a	Mining Company & Material Processor
World Gold Council	n/a	n/a	n/a	n/a	Mining Company
ICMM*+	Mining Company	Mining Company	Mining Company	Mining Company	Mining Company

+ Mining Companies confirming with this standard should contact the customer to confirm present compliance status.

\* Standards are being updated; updated versions that satisfy the customer’s requirements will go in effect in 2020.

\*\* Several programs have or are establishing ASM/SSM entry standards to feed into these upstream standards that have traditionally been focused on large scale Mining Companies. The customer will consider ASM/SSM Relevant Materials if channeled through an ASM/SSM pilot due-diligence mechanism or responsible sourcing initiative, standard, or verification or audit program.

### **6.3. Recognized Third-Party Programs with Grievance Channels**

**Confidential C**

Several, but not all, Third-Party verification or audit programs have developed grievance channels, including first or second-party channels to address alleged or confirmed High Risks with Suppliers, traders, or mines or due-diligence or whistleblowing platforms (as available) established to report on and address identified risks.

## **Business Integrity**

**Confidential C**

### **Supplier Code of Conduct Requirements**

The Supplier shall not engage in any act of corruption, extortion, embezzlement, bribery, fraud or trying to acquire any improper advantage.

The Supplier shall comply with all the applicable anti-corruption laws and regulations of the country of operation including the Federal Foreign Corrupt Practices Act (FCPA) and other applicable international anti-corruption Agreements.

## **Information Disclosure**

### **Supplier Code of Conduct Requirements**

The Supplier shall accurately record all information regarding its business activities, labor, health and safety and environment. The Supplier shall disclose this information to all parties without falsification or misrepresentation following the applicable laws and regulations.

## **Protection of Intellectual Property**

### **Supplier Code of Conduct Requirements**

The Supplier shall respect intellectual property rights and protect the Customer's information. The Supplier shall manage technology and know-how in a way protecting the intellectual property rights.

## **Protection of Whistleblower and Anonymous Complain**

### **Supplier Code of Conduct Requirements**

The Supplier shall provide a whistle-blowing system for its managers and its workers to anonymously report any issue in the workplace. The Supplier shall protect the whistleblowers and prohibit any kind of retaliation.

## **Relationship with the local communities**

### **Supplier Code of Conduct Requirements**

The Supplier is encouraged to promote social and economic development and to contribute to the viability of the local communities around its facilities.

## **C-TPAT**

### **Supplier Code of Conduct Requirements**

When supplying goods to its US customers, The Supplier shall follow the C-TPAT procedures (Customs-Trade Partnership Against Terrorism) that can be found on the US Customs and Borders website ([www.cbp.gov](http://www.cbp.gov)) and other customs related websites from the US Government.

## Supplier Code of Conduct and Supplier Responsibility Standards

### ⑤ 【Management systems】

To provide social welfare and environment protection in our supply chain, we believe that a sound management system and proactive efforts are important. We expect our Suppliers to be held responsible for this Code of Conduct and all of its standards.

The Supplier shall implement and maintain appropriate management systems to ensure the compliance with the applicable laws and the Code of conduct, identify and mitigate relevant business risks and promote continuous improvement.

Company Statement

Management Responsibility and Accountability

Objectives for implementations plans and implementation methods

Risk Assessments

Audits and Evaluation

Documentation and Records

Education and Communication

Corrective Actions Procedure

## **Company Statement**

Confidential C

### **Supplier Code of Conduct Requirements**

The Supplier shall fulfill its social and environmental responsibility according to the highest standards and prepare Company statement to show its commitment to ethical behavior and continuous improvement.

The Supplier shall post this statement in all its facilities in the local language.

## **Management responsibility and accountability**

### **Supplier Code of Conduct Requirements**

The Supplier shall choose a company representative to be responsible for the implementation of the periodic review of the management system.

The Supplier shall report directly to its management and establish a Corporate Social Responsibility (CSR) and Sustainability Officer with the authority over social and environmental compliance requirement.

## **Risk Assessments**

### **Supplier Code of Conduct Requirements**

The Supplier shall develop and maintain procedure to identify the risks linked to labor and human rights, occupational health and safety, environment, corporate ethics and compliance during its business activities. The Supplier shall assess each risk, determine its importance and take appropriate measures to minimize their effects.

## **Objectives for implementation plans and implementation methods**

### **Supplier Code of Conduct Requirements**

The Supplier shall document the its plans including its standards, performance targets, objectives along with a period performance evaluation of such goals.

## **Audit and evaluation**

### **Supplier Code of Conduct Requirements**

The Supplier shall periodically evaluate the condition and the operation status of its subcontractors' or secondary suppliers' facilities providing goods and services to its Customers and confirm the compliance with this Code of Conduct and the applicable laws and regulations.

The Supplier shall accept to be audit periodically by a third party designated by the Customers on its facilities and operating conditions or on its subcontractors' or secondary suppliers' facilities and operating conditions providing goods and services to its Customers.

## **Documentation and records**

### **Supplier Code of Conduct Requirements**

The Supplier shall maintain appropriate documentation and records to ensure the compliance with the applicable laws and regulations.

## **Education and Communication**

**Confidential C**

### **Supplier Code of Conduct Requirements**

The Supplier shall create and maintain training program for managers and workers to improve the implementation of its policies and procedures and improve continuously.

The Supplier shall have a process to communicate clear and accurate information on its performance, its practices and policies and the expectations of its employees, secondary suppliers and customers.

The Supplier shall maintain a process to obtain feedback on its practices related to this Code of Conduct and promote continuous improvement.

## **Corrective actions procedure**

### **Supplier Code of Conduct Requirements**

The Supplier shall have a process to correct timely any deficiencies or violations identified through internal or external audits, assessments, inspections, investigations and review.