

UNI-PCSC's Supplier Code of Conduct

UNI-PCSC is committed to ensuring that working conditions in its supply chains are safe, that workers are treated with respect and dignity, and that business operations are environmentally responsible and conducted ethically. Therefore, UNI-PCSC established this Supplier Code of Conduct ("Code") and requires our suppliers to operate in accordance with the principles outlined in this Code and in full compliance with the laws, rules and regulations of the countries in which they operate. In addition, UNI-PCSC also expects our suppliers to hold their suppliers, contractors, and service providers to the standards defined in this Code.

Suppliers' compliance with this Code will be deemed as one of the essential considerations for UNI-PCSC's decision making in purchasing and/or future collaboration. It is our intention to collaborate closely with our suppliers to drive continuous improvement through communication, audits, and follow-up assessments. However, failure to comply with this Code or cooperate with our auditors may result in termination of the business relationship.

This Code is made up of five sections. **Sections A, B, and C outline standards for Labor, Health and Safety, and the Environment, respectively. Section D adds standards relating to business ethics; Section E outlines the elements of a fair and reasonable system to manage conformity to this Code.**

A. LABOR

Suppliers shall be committed to uphold the human rights of workers, and to treat them with dignity and respect as understood by the international community and set forth under the six (6) standards hereof. Such standards apply to all workers including temporary, migrant, student, contract, direct employees, and any other type of worker.

1) Freely Chosen Employment

Forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery or trafficking of persons shall not be permitted. This includes transporting, harboring, recruiting, transferring or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services. There shall be no unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company-provided facilities. As part of the hiring process, workers must be provided with a written employment agreement in their native language that contains a description of terms and conditions of employment prior to the worker departing from his or her country of origin. All work must be voluntary and workers shall be free to leave work at any time or terminate their employment. Employers and agents may not hold or otherwise destroy, conceal, confiscate or deny access by employees to their identity or immigration documents, such as government-issued identification, passports or work permits, unless such holdings are required by law. Workers shall not be required to pay employers' or agents' recruitment fees or other related fees for their employment. If any such fees are found to have been paid by workers, such fees shall be repaid to the worker.

2) Under Age Workers

Child labor under the age of fifteen (15), under the age for completing compulsory education or under the minimum age for employment in the applicable country, whichever is greatest, is not allowed to be used in any stage of manufacturing. Workers under the age of 18 shall not perform work that is likely to jeopardize the health or safety of them, including but not limited to work in night shift and/or overtime. The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported. In such program, Supplier shall ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable law and regulations. Supplier shall provide appropriate support and training to all student workers. In the absence of local law, the wage rate for student workers, interns and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks.

3) Working Hours

Workweeks shall not exceed the maximum set by local law. Further, a workweek should not be more than sixty (60) hours per week, including overtime, except in emergency or unusual situations. Workers shall be allowed at least one (1) day off every seven (7) days.

4) Wages and Benefits

Wages and benefits paid to workers shall comply with all applicable laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. For each pay period, workers shall be provided with a timely and understandable

wage statement that includes sufficient information to verify accurate compensation for work performed. Above requirements shall apply to any and all temporary, dispatch and outsourced labors.

5) Non-Discrimination

Suppliers shall be committed to a workforce free of harassment and unlawful discrimination. Companies shall not engage in discrimination based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training.

6) Humane Treatment

There is to be no harsh and inhumane treatment including any harassment, abuse, corporal punishment, mental or physical coercion or verbal abuse of workers; nor is there to be the threat of any such treatment. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers.

7) Freedom of Association and Bargaining

Suppliers shall respect all their employees' rights of association and collective bargaining, and shall notice them they freely form and join organization of their choice without any fear of adverse consequences or retaliation. Suppliers shall not interfere with establishment, operation or management of such unions or bargaining.

B. HEALTH and SAFETY

Suppliers recognize that in addition to minimizing the incidence of work-related injury and illness, a safe and healthy work environment enhances the quality of products and services, consistency of production and worker retention and morale. Suppliers also recognize that ongoing worker input and education is essential to identifying and solving health and safety issues in the workplace. The health and safety standards applied by Supplier shall comply with following seven (7) standards:

1) Occupational Safety

Worker exposure to potential safety hazards (e.g., electrical and other energy sources, fire, vehicles, hazardous gas/chemicals, and fall hazards) shall be controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tagout), and ongoing safety training. Where hazards cannot be adequately controlled by these means, workers shall be provided with appropriate, well-maintained, personal protective equipment and educational materials about risks to them associated with these hazards. Workers shall be kept away from high-risk working environment during their pregnancy and provided with properly maintained and regulated nursery room at work.

2) Emergency Preparedness

Potential emergency situations and events shall be identified and assessed, and their impact minimized by implementing emergency plans and response procedures shall include emergency reporting, employee notification and evacuation procedures, worker training and drills, appropriate fire detection and suppression equipment, hazardous gas/chemical detection and emergency shut-off systems, adequate exit facilities and recovery plans. Such plans and procedures shall focus on minimizing harm to life, the environment and property.

3) Occupational Injury and Illness

Procedures and systems shall be in place to prevent, manage, track and report occupational injury and illness including provisions to encourage worker reporting; classify and record injury and illness cases; provide necessary medical treatment; investigate cases and implement corrective actions to eliminate their causes; and facilitate return of workers to work.

4) Physically Demanding Work

Workers exposed to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks shall be identified, evaluated minimized and controlled through reasonable and necessary institution and management.

5) Machine Safeguarding

Production and other machinery shall be evaluated for safety hazards through reasonable and necessary institution and management. Physical guards, interlocks and barriers shall be provided and properly maintained where machinery presents an injury hazard to workers in addition to appropriate safe operation training.

6) Sanitation, Food, and Housing

Workers shall be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities. Workers dormitories provided by Supplier or labor agents shall be maintained as clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate heat and ventilation, and reasonable personal space along with reasonable entry and exit privileges.

7) Health and Safety Communication

Supplier shall provide workers with appropriate workplace health and safety training in their primary language. Health and safety related information, including without limitation, mechanical, biological, chemical, fire and physical hazard, shall be clearly posted in the facility where is easily assessable to workers.

8) Natural Disaster

Suppliers shall have full understanding of possible natural disaster such as earthquake, drought, flood and typhoon and so on which the factory or workplace located may encounter and evaluate the possibility and severity may arise from human injury, property loss and business interruption. To minimize the risk caused by natural disaster, Supplier shall establish protective measurement, develop emergency procedure, train and exercise and perform emergency plan according to the conclusion of aforementioned evaluation.

9) Infection Control & Prevention

In the event of any transmissible diseases outbreak, including without limitation, SARS, MERS-COV, COVID-19 and any other similar or related epidemics, Suppliers shall promptly and strictly comply with any and all methods and measures in relation to infection control and prevention instructed by UNI-PCSC, including without limitation, use its best effort to take effective precautions and cancel/pause business/personal travel agendas, to prevent potential infection and ensure the safety of the working environment and business area used and/or managed by Suppliers.

C. ENVIRONMENT

Suppliers recognize that environmental responsibility is integral to producing world class products. In manufacturing operations, adverse effects on the community, environment and natural resources shall be minimized while safeguarding the health and safety of the public and all local environmental protection laws must be followed. The environmental standards shall include following seven (7) standards.

1) Environmental Permits and Reporting

All required environmental permits (e.g. discharge monitoring), approvals and registrations shall be obtained, maintained and kept current and their operational and reporting requirements shall be followed.

2) Greenhouse Gas Emissions and Energy Efficiency, Improvement of Raw Materials and Water Resources Efficiency

The use of resources and generation of waste of all types, including water and energy, shall be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

3) Pollution Control and Management of Waste

(a) Hazardous Substances

Supplier shall make its best effort to reduce and cease the emission and production of polluted materials and hazardous waste by its origin (e.g. equip with facilities for pollution control; improve procedures used in manufacture, maintenance and facilities or other enhanced measurements). Chemicals and other materials posing a hazard if released to the environment shall be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

(b) Air Emissions

Supplier shall conduct routine monitoring of the performance of its air emission control systems. Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations shall be characterized, routinely monitored, controlled and treated as legally required prior to discharge.

4) Improvement of Raw Materials and Water Resources Efficiency

Supplier shall conduct routine monitoring of the performance of its wastewater treatment systems. Wastewater generated from operations, industrial processes and sanitation facilities are to be characterized, monitored, controlled and treated as legally required prior to discharge or disposal. In addition, measures shall be implemented to reduce generation of wastewater.

5) Materials Restrictions

Suppliers shall adhere to all applicable laws, regulations, including but not limited to environmental protections, and customer requirements regarding prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal.

6) Greenhouse Gas Emissions and Energy Efficiency

Energy consumption and greenhouse gas emissions are to be tracked and documented, at the facility and/or corporate level. Suppliers shall look for cost-effective methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions. Suppliers shall be fully responsible for any non-compliance with applicable laws and regulations.

7) Environmental Responsibility

(a) Suppliers agree that UNI-PCSC, its personnel or employees have the right to conduct audits of Suppliers for compliance with laws and regulations, in all manners including but not limited to photograph. (b) Suppliers acknowledge and understand that deforestation will have serious impact on global warming. Suppliers also agree to promote and implement the "zero deforestation" policy and provide zero-deforestation commodities. Suppliers further agree to comply with relevant international regulations such as NDPE policy and the followings:

- (i) Suppliers promise to comply with no deforestation, and shall not develop in forested areas, conservation areas such as habitat protection areas, natural reserves, high carbon stock forest and peat, etc.
- (ii) Suppliers will not exploit or convert forests to urban use by burning or deforestation for manufacturing or development purpose.
- (iii) Suppliers shall not transact with any entity that destroys forests, peat or does not comply with relevant international regulations such as NDPE policy.
- (iv) Suppliers support and promote the improvement of agriculture, forestry, biodiversity, afforestation and restoration of natural ecosystems and commit to protect the rights and interests of farmers, workers and laborers.

D. ETHICS

To meet social responsibilities of UNI-PCSC, Suppliers and their agents shall uphold the highest standards of ethics including the following four (4) standards.

1) Business Integrity

The highest standards of integrity shall be upheld in all business interactions. Suppliers shall have a zero tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement.

2) Anti-corruption and Conflict of Interest

Bribes or other means of obtaining undue or improper advantage shall not be promised, offered, authorized, given or accepted. This prohibition covers promising, offering, authorizing, giving or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage. During the collaboration period, Suppliers should refrain from encountering situations that require them to make decisions or compromises between duties and personal interests.

3) Disclosure of Information

Any and all information regarding participant labor, health and safety, environmental practices, business activities, structure, financial situation and performance in relation to UNI-PCSC shall be disclosed in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

4) Full Compliance

Suppliers shall strictly comply with all the laws and regulations applicable to ensure lawful operation as their priority.

5) Anti-Competitive Behavior

Suppliers shall comply with the principle of fair competition and conduct business in accordance with all applicable antitrust laws. Suppliers shall not engage in collusive bidding, price fixing, price discrimination, or other unfair trade practices in violation of antitrust laws.

E. MANAGEMENT SYSTEM

Suppliers shall establish a management system and documentation to identify and operate the content of this Code for ensuring the (a) compliance with applicable laws, regulations and customer requirements related to the participant's operations and products; (b) conformance with this Code; and (c) identification and mitigation of operational risks related to this Code. Suppliers shall also request their employees or subcontractors and/or their employees to appropriately control identified risks and strictly comply with all the legal requirements, including without limitation, through execution of related forms such as hazard notice and safety and hygiene commitment.

Thanks

We thank you for your ongoing support and commitment to conducting business responsibly. It is our intent that this Code makes explicit our shared commitment and practices to extend our values into all of our operations. Suppliers shall pay the punitive damages or penalty as well as be responsible for all damages caused by the breach of this Code. At its sole discretion, UNI-PCSC reserves all rights necessary to terminate or rescind any agreements or business relationship or claim for compensations accordingly.

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