



雲林縣斗六市虎溪里雲科路三段 80 號

TEL : 886-5-551-2288 FAX : 886-5-551-4567 <http://www.superalloy.tw>

80, Yun-Ko Rd., Sec. 3, Dou-Liu City, Yun-Lin County 64064, Taiwan.

SUPPLIER CODE OF CONDUCT

SuperAlloy Industrial Co., Ltd. (SAI) is committed to ensuring the selection and evaluation of our suppliers beyond the basis of economic criteria, encouraging suppliers to not only comply with the law, but also to actively move towards internationally recognized standards and requirements, to take on more social and environmental responsibility, and to work together to build a stable supply chain relationship for sustainable development.

SAI is modeled on the Responsible Business Alliance Code of Conduct (RBA Code of Conduct) and refers to relevant international initiatives and norms to formulate the SAI Supplier Code of Conduct as a standard for suppliers to follow. The Code consists of five major components: (1) Labor and Human Rights, (2) Health and Safety, (3) Environmental Standards, (4) Ethics, and (5) Management System. Matters not listed in this Code shall comply with relevant government laws and regulations.

The contents of this document are bind to every contract with our suppliers. Suppliers are expected to fully comply with the contents of this document and communicate these contents with its employees as well as its suppliers. SAI reserves the right to verify compliance throughout its supply chain.

1. Labor and Human Rights

Suppliers shall to uphold the human rights of workers, and to treat them with dignity, respect and fairness. This applies to all workers including temporary employees, foreign workers, intern, contract or full-time employees, and any other types of workers.

1.1 Prohibition of Forced Labor

Forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons is not permitted, and all workers must be provided with a written employment agreement in their native language, or in a language the worker can understand. All work must be voluntary, and workers shall be able to terminate employment at any time if reasonable prior notice is given under per worker's contract and shall maintain documentation on all leaving workers.

1.2 Prohibition of Child Labor

Suppliers must ensure that no illegal child labor is used in their operations, except for legal workplace learning programs that comply with all laws and regulations. The term "child" refers to any person under the minimum age for employment. Suppliers shall comply with all relevant local employment laws and regulations. Workers less than 18 years old (Young Workers) shall not perform work that is likely to jeopardize their health or safety.

1.3 Working Hours

Working hours shall not exceed the maximum limit set by local law.

1.4 Wages and Benefits

Suppliers shall to ensure the payment of wages in legal tender, (at regular intervals no longer than one

month), and wages shall be paid in full and directly to the workers concerned, all workers should be paid the same under the same working conditions. Suppliers should keep appropriate record of such payments. Deductions from wages are permitted only under conditions and to the extent prescribed by the applicable law, regulations or collective agreements, and such deductions will be made known to the employee concerned at the time of each payment.

1.5 Non-Discrimination/Non - Harassment/Humane Treatment

Suppliers shall commit to a workplace free of harassment and unlawful discrimination. Suppliers shall prohibit discrimination or harassment based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, veteran status, protected genetic information or marital status in hiring and employment practices. Also that there is not any harsh or inhumane treatment, including any and all forms of sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or verbal abuse of workers; nor is there to be the threat of such treatment , nor the threat of such behavior.

1.6 Freedom of Association and Collective Bargaining

In conformance with local applicable law, SAI expects Suppliers to respect the right of all workers based on his/her own choice to form and join the union, collective bargaining as well as peaceful rallies, and respect the right of workers to avoid such activities. Workers shall be able to openly communicate with management regarding working conditions and management practices.

1.7 Gender equality and Women's rights

Suppliers shall develop and implement gender equality and women's rights protections to ensure that employees' rights are respected and protected, and to prevent discrimination and sexual harassment of employees.

1.8 Private or Public Security Forces

Before using private or public security forces to protect their employees, suppliers should formulate a code of conduct or written policy or agreement for security personnel in accordance with laws and regulations, establish respect for human rights, and strictly prohibit human rights violations such as body searches of employees by security personnel.

2. Health and Safety.

Suppliers should minimize the incidence of work-related injury and illness to help achieve a safe and healthy work environment, enhancing the quality of products and services, consistency of productions, worker retention and morale. Suppliers recognize that ongoing worker input and education is essential to identifying and solving health and safety issues.

2.1 Occupational Health and Safety.

Worker potential for exposure to safety hazards (e.g., chemical, electrical and other energy sources, fire, vehicle, and fall hazards, etc.) are to be identified and assessed, mitigated using the Hierarchy of Controls, which include eliminating the hazard, substituting processes or materials, controlling through proper design, implementing engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/ tag out) and ongoing health and safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well

maintained, personal protective equipment and educational materials about risks to them associated with these hazards. Reasonable steps must also be taken to remove pregnant women/nursing mothers from working conditions with high hazards, to remove or reduce any workplace health and safety risks to pregnant women and nursing mothers including those associated with their work assignments, and to provide reasonable accommodations for nursing mothers. Workers shall not be disciplined for raising safety concerns. Supplier, at its operations, will identify potential emergency situations and implement emergency plans and response procedures.

2.2 Emergency Preparedness

Suppliers should identify and assess potential emergency situations and events and their impact minimized by implementing emergency response plans and measures. Emergency plans should also include appropriate fire detection and suppression equipment, clear and unobstructed egress adequate exit facilities, contact information for emergency responders, and recovery plans. Such plans and measures shall focus on minimizing harm to life, environment and property.

2.3 Occupational Injury and Illness

Suppliers shall establish appropriate procedures and systems to prevent, manage, track and report occupational injury and illness, and encourage worker to report, classify and record. Suppliers shall provide necessary medical treatment assistance; investigate the cause of the accident and take improvement measures to help workers return to workplace faster. And should allow workers to remove themselves from imminent harm, and not return until the situation is mitigated, without fear of retaliation.

2.4 Industrial Hygiene

Suppliers shall identify and evaluate the impact of chemical, biological and physical hazards on employees, and to eliminate or control potential hazards through appropriate engineering, administrative control and personal protective equipment. Suppliers shall provide workers with safe and healthy working environments, which shall be maintained through ongoing, systematic monitoring of workers' health and working environments, and regularly assess whether workers' health has been damaged due to occupational exposure. Protective programs shall be ongoing and include educational materials about the risks associated with these hazards.

2.5 Physically Demanding Work

Suppliers shall identify, evaluate and control the impact of human factors on workers, including manual handling of materials or repeated lifting of heavy objects, standing for long periods of time, and highly repetitive or intensive assembly work, in accordance with applicable law.

2.6 Machine Safeguarding

Suppliers shall conduct safety hazard assessments of production and other machinery, and provide properly maintained physical guards, interlocks and barriers to prevent hazards when workers use the machinery.

2.7 Sanitation, Food, and Housing

Suppliers shall provide workers clean toilet facilities, clean drinking water and sanitary food, storage, and dining facilities. Worker dormitories provided by Supplier, or a labor agent are to be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate lighting, heat and ventilation, individually secured accommodations for storing personal and valuable items, and reasonable personal space along with reasonable entry and exit privileges.

2.8 Health and Safety Communication

Suppliers shall provide appropriate training on occupational health and safety in the language used by workers or in the language that they can understand. Post health and safety-related materials in conspicuous places or workplace where workers can identify and access easily. Provide training to all staff before and after the start of work, and plan relevant training materials that take into account gender and age-specific risk issues. Workers shall be encouraged to raise any health and safety concerns without retaliation.

2.9 Natural Disaster Risk Mitigation

Suppliers shall be aware of the potential for natural disasters at the factory site, such as earthquakes, droughts, floods, typhoons, etc. at the factory location, and assess the possibility and severity of personnel injury, property damage, and operational disruptions. Based on the assessment results, the risks of natural disasters should be mitigated through establishing appropriate protection, and emergency response procedures.

3. Environmental

Suppliers shall identify and minimize its adverse effects on the community, environment, and natural resources, within their manufacturing operations, while safeguarding the health and safety of the public. Suppliers must recognize that environmental responsibility is integral to producing world class products and services.

3.1 Environmental Permits and Reporting

Suppliers' all necessary environmental-related permits, approvals and registrations shall be obtained, and the above-mentioned documents should be maintained and updated, as well as compliance with the operating and reporting requirement of the permit.

3.2 Pollution Prevention and Resource Conservation or Reuse and Recycling

Emissions and discharges of pollutants (Include noise emissions) and generation of waste shall be minimized or eliminated at the source or by practices such as adding pollution control equipment; modifying production, maintenance, and facility processes; or by other means. The use of natural resources, including water, fossil fuels, minerals, and virgin forest products, shall be conserved by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling, or other means.

3.3 Hazardous Substances

Chemicals, waste, and other materials posing a hazard to humans or the environment shall be identified, labeled, and managed to ensure their safe handling, movement, storage, use, recycling or reuse, and disposal. Hazardous waste data shall be tracked and documented.

3.4 Solid Waste

Suppliers shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous). Waste data shall be tracked and documented.

3.5 Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting substances, and combustion byproducts generated from operations shall be characterized, routinely monitored, controlled, and treated as required prior to discharge. Ozone- depleting substances shall be

effectively managed in accordance with the Montreal Protocol and applicable regulations. Suppliers shall conduct routine monitoring of the performance of its air emission control systems.

3.6 Materials Restrictions

Suppliers are to adhere to all applicable laws and regulations and customer requirements regarding prohibition or restrictions of specific substances in products and manufacturing, including labeling for recycling and disposal.

3.7 Water Management

Suppliers shall implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seeks opportunities to conserve water; and controls channels of contamination. All wastewater is to be characterized, monitored, controlled, and treated as required prior to discharge or disposal. Suppliers shall conduct routine monitoring of the performance of its wastewater treatment and containment systems to ensure optimal performance and regulatory compliance.

3.8 Energy Consumption and Greenhouse Gas Emissions or Decarbonisation

SAI expects that Suppliers' energy consumption and greenhouse gas emissions shall be tracked, recorded, and checked in the workplace. Suppliers should look for cost-effective ways to improve energy efficiency or evaluate the use of renewable energy sources to minimize energy consumption and greenhouse gas emissions, to reduce carbon emissions into the atmosphere.

3.9 Biodiversity, Prevents any Deforestation Activities, or Land and Soil Conservation

Suppliers shall protect or promote natural habitats, biodiversity or land and soil management to avoid nutrient loss, erosion and land pollution. These include (A) managing biodiversity risk by setting targets to offset any loss (net-zero loss) or achieve a net positive impact on biodiversity; (B) prohibiting suppliers from operating in sites containing globally or nationally important biodiversity; (C) With regards to our operating sites, product design and development, and raw material procurement, the Company conducts risk assessments for biodiversity and deforestation, and take s measures to avoid, minimize, restore, and offset the impacts on biodiversity; (D) Land and soil protection work, including contour farming, mulching and other technologies, crop rotation, etc. (E) To plan animal welfare related measures, including the provision of an animal-friendly environment, etc.

3.10 Aborigines

Suppliers shall know whether there are aboriginal people in the factory site. When aboriginal people exist in or near the company's zone of influence, they should respect the aboriginal people's rights to existence and development, and their rights to use and share the benefits of the natural resources (including mines, land, forests, and water resources, etc.). When requisitioning natural resources, constructing new (alteration or expansion) projects, closing down, decommissioning and divestment, the Company shall consider the rights and interests of the indigenous peoples, communicate with them well in advance, and provide them with compensation or relocation after requisitioning the natural resources in accordance with the requirements of the laws and regulations.

4. ETHICS

To meet social responsibilities and to achieve success in the marketplace, Suppliers and their agents shall uphold the highest standards of ethics including the following :

4.1 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.

4.2 No Improper Advantage

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. Monitoring, record keeping, and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

4.3 Disclosure of Information

All business dealings shall be transparently performed and accurately reflected on the Supplier's business books and records. Information regarding participant's labor, health and safety, environmental practices, business activities, structure, financial situation, and performance 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.

4.4 Intellectual Property and Counterfeit Parts

Intellectual property rights shall be respected and counterfeiting should be eliminated. Transfer of technology and know-how is to be done in a manner that protects intellectual property rights, and customer and supplier information shall be safeguarded. In order to prevent the use of counterfeit goods or materials and the delivery of its products to its customers, the supplier shall establish and maintain a counterfeit prevention control to ensure that counterfeit goods are not delivered.

4.5 Fair Business, Advertising and Competition

All applicable standards of fair business, advertising and competition are to be upheld and complied with local laws and regulations.

4.6 Protection of Identity and Non-Retaliation

Programs that ensure the confidentiality, anonymity, and protection of supplier and employee whistleblowers shall be maintained, unless prohibited by law. Suppliers shall have a communicated process for their personnel to be able to raise any concerns without fear of retaliation.

4.7 Responsible Sourcing of Minerals

Suppliers shall adopt a policy and exercise due diligence on the source and chain of custody of the tantalum, tin, tungsten, gold, and cobalt in the products they manufacture to reasonably assure that they are sourced in a way consistent with the Organization for Economic Co-operation and Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict- Affected and High-Risk Areas or an equivalent and recognized due diligence framework.

4.8 Privacy

Suppliers shall commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, consumers, and employees. Suppliers shall comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

4.9 Conflict of Interest

Suppliers are required to disclose to SAI any situation that may appear as a conflict of interest, and

disclose to SAI if any SAI staff or professional under contract with SAI may have an interest of any kind in the supplier's business or any kind of economic ties with the supplier.

4.10 Prohibition of Unauthorized Subcontracting

Without any specific authorization, any employee of SAI should not request Suppliers to subcontract products or services, or procure materials, from a specific third party. If Suppliers receive a similar request like above from SAI's employee(s), please notify SAI accordingly and immediately (Whistleblower Hotline : +886-5-5512288 ext. 748 ; Email : gary.huang@superalloy.tw).

4.11 Complying with Export and Import Regulations

Suppliers shall understand and comply with all relevant laws and regulations, including export control and customs clearance, to deliver products to SAI, or even on behalf of SAI to arrange the transportation & shipment as well. This includes export/import control laws and customs laws in both countries, all necessary duties & taxes imposed, and local transportation laws.

4.12 Information and Cybersecurity

All Suppliers will take all appropriate measures to combat cybersecurity attacks with both respect to their own systems and any connection to SAI's information systems or data. This includes implementing controls and processes to safeguard the SAI information under the Supplier or their subcontractor's control. Suppliers are required to immediately report to SAI any data or systems compromise that occurs and include their remediation plans and otherwise comply with the SAI's Requirements for Management of Information Security and Prototype Protection.

5. Management Systems

It is the expectation of SAI that Suppliers shall implement a management system to ensure compliance with applicable laws, conformance with this Code, and facilitate continual improvement.

5.1 Company Commitment

Suppliers shall establish human rights, health and safety, environmental and ethics policy statements affirming Participant's commitment to due diligence and continual improvement, endorsed by executive management. Policy statements shall be made public and communicated to workers in a language they understand via accessible channels.

5.2 Management Accountability and Responsibility

Suppliers shall clearly identify senior executive and company representative(s) responsible for ensuring implementation of the management systems and associated programs. Senior management reviews the status of the management systems on a regular basis.

5.3 Legal and Customer Requirements

Suppliers shall adopt or establish a process to identify, monitor and understand applicable laws, regulations, and customer requirements, including the requirements of this Code.

5.4 Risk Assessment and Risk Management

Suppliers shall adopt or establish a process to identify the legal compliance, environmental, health and safety, labor practice and ethics risks, including the risks of severe human rights and environmental impacts, associated with Supplier's operations. Suppliers shall determine the relative significance for each risk and implement appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance.

5.5 Improvement Objectives

Suppliers shall establish written performance objectives, targets and implementation plans to improve the Supplier's social, environmental, and health and safety performance, including a periodic assessment of Supplier's performance in achieving those objectives.

5.6 Training

Suppliers shall establish training programs for managers and workers to implement Supplier's policies, procedures, and improvement objectives and to meet applicable legal and regulatory requirements.

5.7 Communication

Suppliers shall establish procedures regarding supplier policies, practices, expectations and performance, and disclose information by setting up company websites, supplier platforms or other open communication channels to clearly and accurately communicate to employees, suppliers and customers.

5.8 Worker/Stakeholder Engagement and Access to Remedy

Suppliers shall establish processes for ongoing two-way communication with workers, their representatives, and other stakeholders where relevant or necessary. The process shall aim to obtain feedback on operational practices and conditions covered by this Code, and to foster continuous improvement. Workers shall be given a safe environment to provide grievance and feedback without fear of reprisal or retaliation.

5.9 Audits and Assessments

Suppliers shall conduct periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of the Code, and customer contractual requirements related to social and environmental responsibility.

5.10 Corrective Action Process

Suppliers shall establish a process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations, and reviews.

5.11 Documentation and Records

Suppliers shall create and maintain documents and records to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.

5.12 Supplier Responsibility

Suppliers shall establish a process to communicate Code requirements to suppliers and to monitor supplier compliance to the Code.

Supplier's Name

Supplier's Representative

Date