

Ethical Code

THE COMPANY makes this code to promote safe and fair working conditions, and the responsible management of environmental and social issues, and also to govern our activities with our stakeholders, including the suppliers, who shall respect this code.

THE COMPANY will encourage our suppliers to implement the ethical code across their whole business and in their own supply chain.

THE COMPANY will visit supplier's facility with the notice, to access compliance with this code and to audit supplier's wage, hour, payroll, and other worker records and practices. The serious violations of this code may result in immediate termination as THE COMPANY's supplier.

THE COMPANY ethical code contains contents from the Electronic Industry Code of Conduct. Recognized standards such as the Universal Declaration of Human Rights (UDHR), and standards issued by organizations such as the International Labor Organization (ILO), Social Accountability International (SAI), and the Ethical Trading Initiative (ETI) were used as references in preparing this Code and may be useful sources of additional information. A complete list of references is provided at the end of this code.

IMPLEMENTATION OF THE CODE:

THE COMPANY Global Quality department – QMS owns the ethical code on establish, update and maintenance.

THE COMPANY and its suppliers will encourage their employees and all the relevant people are provided with appropriate training.

THE COMPANY and its suppliers will work collaboratively on the implementing the code, which may include audits and site visits to assess performance against the code.

Suppliers are expected to identify, correct and monitor the continued compliance of activities that not compliance with the standards of the code.

THE COMPANY ethical code contains four sections. A. Labor and human rights B. Health and safety C. Environment D. Ethics

A. Labour and human rights

To uphold the human rights of workers, and to treat them with dignity and respect as understood by international community.

1. Child labour

No person is employed who is below the minimum legal age for employment. (Above 16 years old in China is the legal age for employment)

Children (person under 18 years old) are not employed for any hazardous work, or work that is inconsistent with the child's personal development.

Where a child is employed, the best interests of the child shall be the primary consideration.

Policies and programmes that assist any child found to be performing child labour are contributed to, supported, or developed.

2. Freely chosen employment

Forced, bonded or compulsory labour is not used and employees are free to leave their employment after reasonable notice. Employees are not required to lodge deposits of money or identity papers with their employer. Workers must not be required to surrender any government-issued identification, passports, or work permits as a condition of employment.

3. Freedom of Association

As far as any relevant laws allow, all employees are free to join or not to join trade unions or similar external representative organizations. Workers shall be able to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment.

4. Non-Discrimination

Nor form of discrimination is engaged in, or supported by, the company in hiring, employment terms, remuneration, and access to training, promotion, termination or retirement procedures or decisions. Suppliers shall not require a pregnancy test or discriminate against pregnant workers except where required by applicable laws or regulations or prudent for workplace safety.

5. Disciplinary Practices

Employees are treated with respect and dignity. Physical or verbal abuse or other harassment and any threats or other forms of intimidation are prohibited.

6. Working Hours

Working hours of employees comply with national laws and are not excessive, and workers shall be allowed at least one day off per seven-day week. Overtime requested should be voluntary and be paid a call-back pay.

7. Payment

Employees understand their employment conditions and fair and reasonable pay and terms are provided. The payment will be above or at least reached to the minimum payment in the local area.

8. Human treatment

No harsh and inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of works; nor is there to be the threat of any such treatment.

9. Individual Conduct

No form of bribery, including improper offers for payments to or from employees, customers, suppliers, organizations or individuals is tolerated.

B. Health and safety:

A healthy and safe working environment is provided for employees, in accordance with international standards and national laws. This includes access to clean toilet facilities, drinkable water and, if applicable, sanitary facilities for food storage.

Where an employer provides accommodation, it shall be clean, safe and meet the basic needs of employees.

Recognized management system such as OHSAS18001 on Occupational Safety and Health as reference may be a useful resource of additional information.

1. Occupation safety

Occupational injury and illness should be reported. Suppliers shall encourage worker reporting, classify and record injury and illness cases, investigate cases and implement corrective actions to eliminate their causes, provide necessary medical treatment, and facilitate the workers' return to work.

2. Emergency prevention, preparedness and response

Emergency situations and events shall be identified, and assessed, and their impact should be minimized by implementing emergency plans and response procedures.

3. Occupational injury prevention

Eliminate physical hazards where possible, or shall provide workers with appropriate personal protective equipment.

4. Ergonomics

Identify, evaluate, and control worker exposure to physically demanding tasks, including manual material handling, heavy lifting, prolonged standing, and highly repetitive or forceful assembly tasks.

5. Dormitory and Canteen

Workers should be provided with clean toilet facilities, access to potable water, and sanitary food preparation and storage facilities. Worker dormitories provided by supplier or a third party agency shall be clean, safe and provide adequate emergency egress, adequate heat and ventilation, reasonable personal space, and reasonable entry and exit privileges.

C. Environment

Processes are in place to actively improve the efficiency with which finite resources (such as energy, water, and raw materials) are used.

Appropriate management, operational and technical controls are in place to minimize the release of harmful emissions to the environment.

Appropriate measures are in place to improve the environmental performance of products and services when in use by the end user.

Innovative developments in products and services that offer environmental and social benefits are supported.

Recognized management system such as ISO14001 may be a useful source of additional information.

1. Environmental Permits and Reporting

THE COMPANY and suppliers should obtain, maintain, and keep current all required environmental permits (e.g. discharge monitoring) and registrations and follow the operational and reporting requirements of such permits.

2. Pollution Prevention and Resource Reduction

Endeavour to reduce or eliminate solid waste, wastewater and air emissions, including energy-related indirect air emissions, by implementing appropriate conservation measures in their production, maintenance and facilities processes, and by recycling, re-using, or substituting materials.

3. Hazardous Substance Management and Restrictions

The environmental law and regulations prohibiting or restricting the use or handling of specific substances should be complied.

4. Wastewater and Solid Waste Management

Manage and dispose the non-hazardous wastewater and solid waste generated from operations as required by applicable laws and regulations.

5. Air Emissions Management

Characterize, monitor, control and treat air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals, and combustion by products generated from operations, as required by applicable laws and regulations, before discharge.

6. Energy Consumption and CO2 Emission Reductions

To develop products or services that feature low energy consumption throughout the entire life-cycle.

D. Ethics

To meet social responsibilities and to achieve success in the marketplace.

1) Business Integrity

The highest standards of integrity are to be expected in all business interactions. Any and all forms of corruption, extortion and embezzlement are strictly prohibited resulting in immediate termination and legal actions.

2) No Improper Advantage

Bribes or other means of obtaining undue or improper advantage are not to be offered or accepted.

3) Disclosure of Information

Information regarding business activities, structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices.

4) Intellectual Property

Intellectual property rights are to be respected; transfer of technology and know how is to be done in a manner that protects intellectual property rights.

5) Fair Business, Advertising and competition

Standards of fair business, advertising and competition are to be upheld. Means to safeguard customer information should be available.

6) Protection of Identity

Programs that ensure the protection of supplier and employee whistleblower confidentiality are to be maintained.

References:

THE COMPANY consulted the following references in preparing this code.

The United Nations Universal Declaration of Human Rights

The Conventions of the International Labor Organization

The Electronic Industry Code of Conduct

Social Accountability International's SA8000 Standard

Environmental Standards ISO14001

Health & Safe Standards OHSAS 18001

United Nations Global Compact

The Ethical Trading Initiative (ETI) Base Code