

# SUPPLIER CODE OF CONDUCT



## INTRODUCTION

ECOPRO Materials is committed to enhance the quality of people's lives and deliver more convenience by introducing new energy and environmental improvement technologies. To achieve this, we are doing our best to be an enterprise that contributes to the development of human culture, such as environmental protection and health and welfare improvement of local communities, while adhering to the principles of human rights protection and respect.

This Supplier Code of Conduct (hereinafter referred to as the "Code") has been created to be applied to our supply chain based on the United Nations Guiding Principles on Business and Human Rights (UNGPs), and refers to the United Nations(UN) Universal Declaration of Human Rights, the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, and the Organization for Economic Co-operation and Development (OECD) and other internationally recognized frameworks.

### **The Purpose of This Code**

This Code sets forth the standards for our suppliers and business partners to uphold human rights, protect the environment, and engage in responsible business practices. Essentially, it outlines the guidelines for compliance when engaging in business with us, with a specific focus on human rights, safety, health, environment, responsible sourcing of materials (minerals), and conducting business in a lawful and ethical manner. It applies to all suppliers engaged in business transactions with us, and we expect all our suppliers to fully adhere to and comply with this Code.

### **Every ECOPRO Materials supplier must:**

- Acquaint itself with and follow this Code.
- Take corrective measures immediately and report their remediation progress transparently when any non-compliance with laws is identified.
- Establish an appropriate internal control system.
- Enforce a similar code of practice and require that sub-supply chains do the same.

ECOPRO Materials deserves the right to identify suppliers that adhere to this Code and monitor their compliance, and suppliers shall cooperate with ECOPRO Materials in doing so.

## 1. PROTECTION AND RESPECT OF HUMAN RIGHTS

Suppliers protect and respect the fundamental human rights of their workers, treat them fairly based on their abilities and achievements, and adhere to the following standards. These standards apply to all types of workers, including temporary employees, migrant workers, student workers, contractors, and those that are directly employed ("workers").

1.1. Suppliers neither use nor condone any type of forced or compulsory labor and do not employ any form of abusive disciplinary action. In addition, we strictly prohibit our suppliers from both using and supporting human trafficking. Our suppliers must:

- 1) Work should be conducted voluntarily. Workers should be free to terminate their employment by giving reasonable notice as per their contract.
- 2) Not use bonded labor or human trafficking of involuntary labor.
- 3) Not impose any restrictions on the freedom of movement for workers.
- 4) Make sure that there is no physically or psychologically cruel, inhumane, or degrading treatment of workers.

1.2. Suppliers follow ethical recruiting practices. Our suppliers must:

- 1) Not defraud potential workers about working conditions.
- 2) Not request workers to pay recruitment fees.
- 3) Not require workers to surrender, or confiscate, destroy, and/or conceal their passports and other government-issued identification.
- 4) Provide with a written employment agreement in a language understood by the workers that contains a description of terms and conditions of employment.

1.3. Suppliers do not use child labor in any form. Our suppliers must:

- 1) Meet the minimum working age in any region where they operate while prohibiting employment of anyone below the age of 15, even if permitted under local law.  
Government-authorized job training or apprenticeship programs that clearly benefit the participants are exceptions to this requirement.
- 2) Prohibit workers under the age of 18 from performing work that could jeopardize their health or safety, including night shifts, overtime, or hazardous work.
- 3) Properly manage student workers by performing rigorous due diligence on educational partners, keeping appropriate student work records, and protecting student workers' rights.

1.4. Suppliers comply with local laws regulating hours of work including overtime, where applicable, and provide fair compensation and benefits that meet legal requirements. Our suppliers must:

- 1) Ensure that all overtime is voluntary and that work schedules and overtime are provided consistent with all applicable laws with regard to the maximum working hours and days of rest.
- 2) Agree upon overtime in advance and, where applicable, compensate overtime or ensure time off in lieu of overtime.
- 3) Prohibit the unjustified deductions from wages as a disciplinary measure.
- 4) Guarantee that workers are provided with a wage statement containing wage payment criteria and items, such as a payslip or a written or electronic document that includes wage payment information.

1.5. Suppliers commit to the elimination of harassment and unlawful discrimination in the workplace.

Our suppliers must:

- 1) Not allow harassment or discrimination based upon nationality, place of origin, academic background, family relationships, religion, age, gender, marital status, pregnancy, childbirth, disability, political beliefs, social status, or any other factors that are in conflict with local law.
- 2) Support diversity, promote gender equity, and base employment relationships on the principles of equal opportunity.
- 3) Provide workers reasonable accommodation for employees' religious practices.

1.6. Suppliers recognize and respect workers' rights to freedom of association and collective bargaining. Our suppliers will:

- 1) Work with recognized employee representatives to promote the interests of employees if there are any.
- 2) Provide opportunities for concerns to be communicated with management and external stakeholders without fear of intimidation, harassment, retaliation, or violence, even if there is no union representation.

## **2. HEALTH AND SAFETY**

2.1. Suppliers provide a healthy and safe working environment and are required to:

- 1) Provide a working environment that meets local and national safety, occupational health, and fire safety legislation.
- 2) Provide workers with appropriate workplace health and safety training in their primary language, and ensure that health and safety-related information is clearly posted in conspicuous areas.
- 3) Perform regular risk assessments and put in place corrective and preventative measures to minimize workplace hazards including, but not limited to mechanical, electrical, chemical, fire, and physical hazards.
- 4) Provide regular health and safety training to workers and provide Personal Protective Equipment (PPE) at no cost to workers.
- 5) Take reasonable steps to remove nursing mothers from working conditions with high hazards, remove or reduce any workplace health and safety risks to those women, and provide reasonable accommodations for nursing mothers.
- 6) Implement an effective fire safety management system and emergency plan at every supplier worksite, safeguard workers and visitors by providing an appropriate number of emergency exits and evacuation routes in accordance with applicable laws and safety practices, and provide first aid material and medical assistance to workers.
- 7) Establish procedures and systems to prevent, manage, track and report occupational injuries and illnesses. These include 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 the return of workers to work.
- 8) Identify, evaluate, and control worker exposure to chemicals and other agents. When hazards cannot be adequately controlled by such means, suppliers protect worker health through appropriate personal protective equipment and programs.
- 9) Ensure the evaluation of production and other machinery for safety hazards, and provide and maintain physical guards and barriers when machinery presents an injury hazard to workers.
- 10) Provide workers with clean toilet facilities, potable water, and sanitary eating facilities. Keep worker dormitories clean and safe, with appropriate emergency exits and reasonable entry and exit privileges.

11) Encourage workers to openly raise health and safety concerns and provide safeguards against retaliation.

2.2. Suppliers make every effort to maintain a health and safety management system to limit worker exposure to hazards and promote continuous improvement of working conditions and occupational health and safety.

### **3. ENVIRONMENTAL PROTECTION**

Suppliers adhere to all applicable local environmental laws, and are committed to preserving the environment for present and future generations.

3.1. Suppliers comply with environmental requirements and policies, including all relevant national, regional, environmental, and chemical legislation.

1) Ensure the acquisition, upkeep, and efficient management of all applicable environmental permits, approvals, and registrations for corporate operations, while adhering to operational requirements and reporting obligations essential for the permitting process.

3.2. Suppliers minimize their impact on climate change aligned with the United Nations Framework Convention on Climate Change (Paris Climate Agreement), striving towards carbon neutrality.

1) Report their Scope 1, 2, and 3 emissions and water usage data to ECOPRO Materials if requested.

2) Establish GHG reduction targets, action plans, and transparent reporting mechanisms.

3.3. Suppliers achieve continual environmental improvement in manufacturing operations by reducing emissions, increasing energy efficiency, and utilizing renewable energy.

3.4. Suppliers identify hazardous substances with the potential to pollute the environment and implement proper management practices to ensure their safe handling, movement, storage, use, recycling, or reuse, as well as compliant disposal in accordance with all applicable local laws that prohibit or regulate the use and handling of certain substances.

3.5. Suppliers use recycled and renewable materials, reduce hazardous substances, and enhance the recyclability of products in accordance with the purchaser's approved material selection and product design guidelines.

3.6. Suppliers characterize air emissions of volatile organic chemicals, particulates, ozone-depleting substances, and combustion by-products generated during operations and regularly monitor, control, and treat in accordance with all applicable local laws and regulations before discharge. Additionally, suppliers ensure the proper functioning of air emission control systems by conducting routine performance monitoring.

3.7. Suppliers implement a systematic water management program to prevent the entry of wastewater into stormwater conduits and public water bodies due to illegal discharges and leaks. Suppliers ensure that when managing and discharging wastewater, it is treated in accordance with all applicable local laws and regulations before discharge. Additionally, suppliers regularly monitor treatment facilities to ensure they are functioning effectively.

3.8. Suppliers improve environmental performance by setting targets and monitoring environmental performance indicators.

#### **4. ETHICAL MANAGEMENT**

Suppliers ensure compliance with all applicable local laws and conduct business honestly and responsibly, upholding the highest standards of ethics.

4.1. Suppliers do business free from bribery and corruption and are required to:

- 1) Have a zero-tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement.
- 2) Perform all business dealings transparently and accurately reflect them on the business books and records.
- 3) Exercise caution with government officials, avoiding actions that could appear improper and raise bribery concerns.
- 4) Refrain from promising, offering, authorizing, giving, or accepting bribes or any other means of obtaining undue or improper advantage. This prohibition also extends to any act of promising, offering, authorizing, giving, or accepting anything valuable from a third party, to acquire from or to provide to a certain person a business opportunity.
- 5) Promote activities to ensure compliance with anti-corruption laws at all times.

4.2. Suppliers disclose information regarding their labor, health and safety, environmental practices, business activities, governance, financial status, and performance in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are not permitted.

4.3. Suppliers protect privacy and intellectual property and are required to:

- 1) Commit to managing and securely protecting the privacy of personal information for all individuals who engage in business with us, including other suppliers, customers, consumers, in compliance with all relevant laws and regulations.
- 2) Respect intellectual property rights and conduct the management and transfer of technology and know-how safely, in compliance with all relevant laws and regulations. In addition, suppliers ensure the secure protection of suppliers' and ECOPRO Materials's intellectual property rights and information.

4.4. Suppliers uphold the standards of fair business, advertising, and competition.

4.5. Suppliers provide the anonymity of internal whistleblowers' channels for workers, unless prohibited by law. In addition, suppliers inform their officers and workers of the process and enable them to raise any concerns without fear of retaliation.

4.6. Suppliers comply with all trade controls and economic sanctions and related laws and policies applicable to the region or entity where products and services are provided.

- 1) Not engage in direct or indirect commercial activity with sanctioned countries, territories, entities, or person.
- 2) Conduct appropriate due diligence to comply with sanctions, export controls, and anti-boycott requirements.
- 3) Comply with all applicable customs regulations, and maintain accurate and complete records related to customs activities.

4.7. Suppliers adopt a policy and exercise due diligence on Responsible Minerals Sourcing, tracing the source and chain of custody of tantalum, tin, tungsten, and gold used in the products they manufacture to reasonably assure to:



- 1) Ensure the products are sourced in a way consistent with the Organisation 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.
- 2) Conduct a trace of the use of conflict minerals in all supply chains, including the source of minerals, smelters, and refineries, so that the origin and supply chain of these minerals can be tracked.
- 3) Strive for complete transparency and effective management of the raw material supply chain, and submit relevant due diligence documentation to ECOPRO Materials upon ECOPRO Materials’s request.

## **5. MANAGEMENT SYSTEM**

Suppliers establish a management system that ensures compliance with this Code and all applicable laws, regulations, and customer requirements pertaining to supplier operations and products, and integrates human rights and labor, health & safety, environment, and ethics issues into the business decision-making process. The management system should contain the following elements and facilitate continual improvement.

### **5.1. Company Commitment**

Corporate social and environmental responsibility policy statements affirming Participant’s commitment to compliance and continual improvement, endorsed by executive management, and posted in the facility in the local language.

### **5.2. Management Duties and Responsibilities**

Suppliers identify company representative(s) responsible for ensuring implementation of the management system and associated programs. The representative director reviews the status of the management systems on a regular basis.

### **5.3. Legal and Customer Requirements**

Suppliers have a process in place to identify, monitor, and understand applicable laws, regulations, and customer requirements, including the requirements of this Code.

### **5.4. Risk Assessment and Management**

Suppliers have a process in place to identify legal compliance, environmental, health and safety, labor practices, and ethical risks associated with their business operations. Suppliers determine the relative significance of each risk, implement appropriate procedural and physical controls to effectively manage the identified risks, and check regulatory compliance in a regular manner.

#### 5.5. Improvement Objectives

Suppliers prepare a written documentation of objectives, targets and implementation plans to improve their social, environmental, health and safety performance, and periodically assess their performances in achieving those objectives.

#### 5.6. Training

Suppliers have training programs in place for managers and workers to implement their policies, procedures, and improvement objectives and to meet applicable legal and regulatory requirements.

#### 5.7. Communication

Suppliers have a process for communicating clear and accurate information about their policies, practices, expectations, and performance to workers, suppliers, and customers.

#### 5.8. Worker Feedback, Participation and Grievance Handling

Suppliers establish a process including an effective grievance mechanism, to assess workers' understanding of and obtain feedback on or violations against practices and conditions covered by this Code and to foster continuous improvement. Workers must be given a safe environment in which they can provide grievance and feedback without fear of reprisal or retaliation.

#### 5.9. Audits and Assessments

Periodic self-evaluations must be implemented to ensure conformity to legal and regulatory requirements, the provisions of the Code, and ECOPRO Materials contractual requirements related to social and environmental responsibility.

#### 5.10. Corrective Action Process

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

#### 5.11. Documentation and Records

Suppliers create, keep a record of, 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 establish a process to communicate the requirements of the Code to their suppliers and to monitor their compliance with this Code.

### 6. HOW TO IMPLEMENT THIS CODE

Suppliers must comply with this Code, strive to prevent, mitigate, and remediate issues, and demonstrate compliance upon ECOPRO Materials's request. In the event that a supplier fails to comply with this Code, we reserve the right to seek alternate sources of supply.

6.1. A compliance process required to adhere to provisions of this Code is documented. Our suppliers are required to:

- 1) Designate a senior executive who is responsible for oversight, governance, implementation, and compliance with this Code.
- 2) Upon request from ECOPRO Materials, complete questionnaires or participate in on-site assessments or audits conducted by an independent third party.

6.2. Suppliers conduct human rights and sustainability due diligence to prevent and mitigate issues, and are required to:

- 1) Consult with external experts, relevant stakeholders, and potentially affected groups to identify and assess actual or potential impacts.
- 2) Integrate due diligence findings in business planning and decision making, considering the environment, human rights, public health, indigenous populations, and the communities where they operate.
- 3) Set sustainability goals, accurately track results, and continually evaluate and report progress.

- 4) Provide timely and accurate information to our various stakeholders on social and environmental matters involving ECOPRO Materials.
- 5) Seek third party assistance, as appropriate, to assess compliance with this Code.

6.3. Suppliers report and share suspected wrongdoing and concerns, including concerns about product safety, with their suppliers.

## REFERENCES

### International Framework and Charters and Industry Guidance

- United Nations(UN) Universal Declaration of Human Rights (1948)
- International Covenant on Economic Social and Cultural Rights (1966)
- International Covenant on Civil and Political Rights (1966)
- UN Framework Convention on Climate Change (1992)
- International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work (1998)
- UN Guiding Principles on Business and Human Rights (2011)
- Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises (2011 Edition)
- OECD Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas (2016 Edition)
- UN Women's Empowerment Principles (2010)
- Responsible Business Alliance (RBA) Code of Conduct (Version 7.0)

■ Document History

Ver.	Date	Brief description of change
0	2023.08.31	Initially released

■ Related Standards