



**HANA Micron, Inc.
Policies and Procedures**

LABOR and ETHICS POLICY

Issued Date : 1st AUG. 2014
Recentry Revised Date : 1st JUNE. 2020

POLICY STATEMENT

HANA Micron is committed to provide a working environment where the human rights of workers are upheld and employees are treated with dignity and respect. HANA Micron management and all of its employees shall be responsible in conducting business activities in accordance with the HANA Micron Labor and Ethics Policies, and RBA (RESPONSIBLE BUSINESS ALLIANCE)'s Code of Conduct ("RBA Code"), and local Human Resources (HR) policies.

I. HANA Micron is committed to conduct its business in an honest and professional manner and uses the Code as its guide to promote compliance with applicable governmental laws, rules and regulations and the prompt reporting of possible Code violations.

HANA Micron shall monitor its working environment and business conduct and will update the Code with new and amended laws and regulations as required.

HANA Micron shall communicate its labor and ethics policies and initiatives to employees and, where practicable, other stakeholders. HANA Micron shall encourage our subcontractors and suppliers to adopt similar labor and ethics policies and practices.

HANA Micron shall establish and implement objectives, targets, and programs to improve our working environment and conduct audits and reviews, when appropriate, to ensure adherence to this policy.

II. HANA Micron shall be guided by the following Labor Standards :

▪ Freely Chosen Employment

Forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons shall not be used. 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 and there shall be no substitution or change(s) allowed in the employment agreement upon arrival in the receiving country unless these changes are made to meet local law and provide equal or better terms.. 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.

▪ **Young Workers**

Child labor is not to be used in any stage of manufacturing. The term "child" refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported. Workers under the age of 18 (Young Workers) shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime. Participant 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. Participant shall provide appropriate support and training to 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.

▪ **Working Hours**

Studies of business practices clearly link worker strain to reduced productivity, increased turnover and increased injury and illness. . Working hours are not to exceed the maximum set by local law. Further, a workweek should not be more than 60 hours per week, including overtime, except in emergency or unusual situations. Workers shall be allowed at least one day off every seven days.

▪ **Wages and Benefits**

Compensation paid to workers shall comply with all applicable wage 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. All use of temporary, dispatch and outsourced labor will be within the limits of the local law.



- **Humane Treatment**

There is to be no harsh and inhumane treatment including any sexual harassment, sexual 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.

- **Non-Discrimination**

Participants should 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. Workers shall be provided with reasonable accommodation for religious practices. In addition, workers or potential workers should not be subjected to medical tests or physical exams that could be used in a discriminatory way.

- **Freedom of Association**

In conformance with local law, participants shall respect the right of all workers to form and join trade unions of their own choosing, to bargain collectively and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities. Workers and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation or harassment. without fear of reprisal, intimidation or harassment.

III. HANA Micron shall be guided by the following Ethical Standards :

- **Business Integrity**

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

- **No Improper Advantage**

Bribes or other means of obtaining undue or improper advantage are not to 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 and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.



- **Disclosure of Information**

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

- **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; and, customer and supplier information is to be safeguarded.

- **Fair Business, Advertising and Competition**

Standards of fair business, advertising and competition are to be upheld.

- **Protection of Identity**

Programs that ensure the confidentiality, anonymity and protection of supplier and employee whistleblowers² are to be maintained, unless prohibited by law. Participants should have a communicated process for their personnel to be able to raise any concerns without fear of retaliation.

- **Responsible Sourcing of Minerals**

Participants shall have a policy to reasonably assure that the tantalum, tin, tungsten and gold in the products they manufacture does not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of the Congo or an adjoining country. Participants shall exercise due diligence on the source and chain of custody of these minerals and make their due diligence measures available to customers upon customer request.

- **Privacy**

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