

## **TCI Group Supplier Code of Conduct**

TCI Group formulates the Supplier Code of Conduct ("Code") to ensure suppliers provide a safe working environment, fulfill environmental responsibility and ethical practices in their operations, and treat their employees with dignity and respect. TCI requires suppliers to comply with the Code and the laws and regulations of the countries and regions in which they operate. In addition, the Company encourages suppliers to require their downstream suppliers to recognize and implement the Code.

The extent to which suppliers comply with the Code shall be one of the considerations in evaluating procurement decisions made by the TCI Group. The TCI Group expects to drive continuous improvement through close cooperation, communication, and follow-up evaluation with suppliers.

The supplier will lose the qualification to cooperate with TCI Group under any of the following circumstances:

1. The supplier violates local laws within the scope of these guidelines in the Code of Conduct.
2. The supplier violates the provisions of the Code of Conduct.
3. The supplier refuses to sign the Code of Conduct.

The Code is composed of five major issues, outlining (1) labor, (2) health and safety, (3) environment, (4) ethics, and (5) management system, which are necessary elements of a proper management system to implement the Code.

### **(1) Labor**

The supplier commits to upholding the human rights of workers and respecting them per internationally recognized standards. The supplier shall comply with international standards and laws governing the employment of labor or employees in its place of business, including, but not limited to, freedom of association, prohibition of forced labor, child labor, and any improper employment discrimination, and provide a work environment that meets the following:

- **Free Will Employment:** Prohibit the use of forced, bonded (including debt-settled) or improper contractually bound labor, involuntary or exploitative prison labor, and slavery or trafficking. In addition to prohibiting unreasonable restrictions on access to the workplace, workers' freedom of movement in the workplace should not be unreasonably restricted. All work should be voluntary, and workers have the right to resign freely at any time. Employers may withhold

documents only when required by law; even in such cases, workers may not be denied access to their documents at any time.

- **Prohibition of Child Labor:** Suppliers shall not use child labor at any stage. “Child labor” refers to being under the age of 15, or the minimum age for employment in the country/region, or the age of completion of compulsory education (whichever is the oldest of the three specified ages), except in the case of legal education programs.
- **Working Hours:** Overtime work must be voluntary and managed effectively for overtime work that exceeds local regulations.
- **Wages and Benefits:** Wages paid to employees by suppliers shall comply with all relevant laws, including those relating to minimum wages, overtime hours, and statutory benefits, and wage deductions as a means of disciplinary action are prohibited unless otherwise provided by local labor regulations.
- **Humane Treatment:** Commit to not treat employees harshly or inhumanely, including any form of sexual harassment, sexual abuse, physical punishment, threats, exploitation, mental or physical oppression, or verbal abuse.
- **Equal Pay for Equal Work:** Based on local regulations, the company shall provide equal compensation to individuals performing the same work with comparable efficiency and skill proficiency. Compensation must not be influenced by irrelevant factors such as gender, age, religion or race, etc.
- **Non-discrimination:** Commit to providing a workplace free from harassment and any type of discrimination.
- **Freedom of Association:** Suppliers shall respect the right of all employees to form and participate in unions of their choice, to bargain collectively and to participate in peaceful assemblies, and the right of employees to refrain from such activities. Employees should be able to communicate openly with management about working conditions without fear of retaliation, threats, or harassment.

## **(2) Health and Safety**

Suppliers shall provide a safe and healthy work environment to reduce the incidence of work-related injuries and illnesses and to improve the quality of products and services, the stability of production, and labor loyalty and morale. Suppliers shall: recognize that ongoing employee feedback and investment in employee education are vital to identifying and addressing health and safety issues in the workplace.

- **Occupational Safety:** Suppliers shall control workplace safety hazards (e.g., chemical, electrical, and other energy, fire, conveyance, and fall hazards or accidents) through proper design, engineering, administrative controls, protective maintenance, and safe operating procedures, ongoing safety knowledge training.
- **Emergency:** Suppliers shall identify and assess potential emergencies and events and minimize their impact by implementing contingency plans and response procedures.
- **Occupational Injuries and Illness:** Suppliers shall develop procedures and systems to prevent, manage, track, and report occupational injuries and illnesses, including (1) encouraging workers to report them, (2) categorizing and recording occupational injuries and illnesses, (3) providing necessary treatment, (4) investigating cases and taking corrective action to eliminate the causes, and (5) assisting workers to return to work.
- **Equipment Safeguarding:** The supplier shall accurately assess the safety hazards of production equipment or other types of machinery and shall provide and properly maintain physical guards, interlocking devices, and barriers to prevent possible injury to employees from the machinery.
- **Public Hygiene and Friendly Workplace:** Workers shall be provided with clean restroom facilities, drinking water, clean cooking utensils, food storage facilities, and utensils. The dormitory provided by the supplier or its contracted staffing agency per the supplier's requirements shall be clean and safe and provide appropriate emergency exits, hot water for shower, adequate lighting, heating and ventilation, separate and secure premises for the storage of personal and valuables, and appropriate private space. Suppliers shall draft and implement a plan to take reasonable steps to prevent, protect against and respond to the potential for infectious diseases among employees.

### **(3) Environment**

Suppliers shall recognize the environmental impacts of their manufacturing operations and minimize the adverse effects of the process on communities, the environment, and natural resources while protecting public health and safety.

- **Environment Certificate and Reports:** Suppliers shall obtain all environmental permits (e.g., emission monitoring), approvals, and registrations required to comply with local laws and regulations, maintain and update them from time to time, and comply with the operational and reporting requirements of the permit.

- **Pollution Prevention and Resource Conservation:** Reduce and eliminate any resource consumption and waste generation, including water and energy, by conservation or through practices such as adding or improving the retirement of pollution control equipment, improving production, maintenance, and facility procedures, replacing materials, conservation, recycling, reuse or other methods.
- **Hazardous Substances:** Suppliers shall identify, label and manage chemicals and other substances that pose a hazard to humans or the environment, ensuring that they are handled safely.
- **Wastewater, Waste, and Emissions Management:** Suppliers shall formulate, maintain, and improve standard operating procedures to effectively implement wastewater, air pollution, solid waste, and noise control.

**Energy Consumption and Greenhouse Gas Emissions:** The supplier shall track and record energy consumption and greenhouse gas emissions both within the workplace and at the corporate level and provide TCI with the number of electricity usage and carbon emissions in different phases. The supplier shall schedule a carbon inventory plan and conduct an organizational carbon inventory in accordance with ISO 14064 standards.

#### **(4) Code of Ethics**

To fulfill their social responsibilities, suppliers must adhere to the highest ethical standards, including:

- **Integrity Management:** The highest standards of integrity shall be observed in all business interactions. Suppliers shall adopt a zero-tolerance policy to prohibit any form of bribery, corruption, extortion, and misappropriation of corporate funds.
- **Conflict of Interest Avoidance:** All possible conflicts of interest shall be avoided in business between suppliers and the TCI Group. If a supplier becomes aware of any potential conflict of interest, they must immediately notify the TCI Group and take appropriate measures to prevent possible misconduct.
- **No Improper Gain:** Suppliers may not promise, offer, approve, give or receive a bribe or other form of improper gain (whether directly or indirectly through a third party) with the intent to obtain or retain business, transfer business to others, or receive improper gain. Suppliers shall implement controls and enforcement procedures to ensure compliance with the requirements of anti-corruption laws.
- **Fair trade, Advertising, and Competition:** Suppliers shall adhere to fair trade, advertising, and competition standards.

- **Identity Protection and Non-retaliation:** Except as prohibited by law, suppliers shall have procedures to protect employee whistleblower channels and ensure the confidentiality and anonymity of their identities. The employees are protected from any threat, punishment, or retaliation by whistle-blowing.
- **Privacy and Data Protection:** The supplier commits to reasonable protection of the personal information and privacy of any person with whom it does business, including suppliers, customers, consumers, and employees. Suppliers shall comply with privacy and data security laws and regulatory requirements in collecting, storing, processing, disseminating, and sharing personal data.
- **Information Disclosure:** All business transactions should be transparent and accurately recorded in the supplier's account books and business records. Participation in labor, health and safety, environmental activities, business activities, organizational structure, financial condition, and results should be made public per applicable laws and regulations and prevailing industry practices. No falsification of records or misrepresentation of supply chain conditions or practices. The supplier shall provide all information and documents related to the TCI Group for inspection by the TCI Group.
- **Intellectual Property Rights and Confidentiality:** Intellectual property rights shall be respected; technical and production knowledge shall be used and communicated to protect intellectual property rights, customer and suppliers' business secrets, and other information.
- **Fulfill Obligation on a Contract:** For matters in which the TCI Group expects suppliers to personally fulfill contracts (including contracts or purchase orders), suppliers shall not subcontract or have third parties perform them on their behalf without the consent of the TCI Group, and shall faithfully fulfill their contractual obligations and shall not engage in any fraudulent or malicious breach of contract.
- **Compliance with Relevant Laws and Regulations:** Suppliers shall understand and comply with the applicable laws and regulations governing the sale, manufacture, import, export, and delivery of goods to or on behalf of the TCI Group, including export control and customs regulations of the country of origin, import and customs regulations of the country of destination, customs and other duties and taxes required by payment laws, and local transportation-related laws and regulations. The supplier shall provide operational procedures and training to its employees and outsourced contractors to ensure compliance with the preceding regulations.

## (5) Management System

Suppliers shall adopt or establish management systems relevant to this Code's content. In designing the management system, ensure that:

- (a) comply with applicable laws, regulations, and customer requirements related to the supplier's operations and products; (b) comply with this Code; and (c) identify and mitigate operational risks associated with this Code and promote continuous improvement. The management system should include the following elements:
- **Corporate Commitment:** The corporate social and environmental responsibility policy statement shall identify the supplier's commitment to legal compliance and continuous improvement. Suppliers shall establish its sustainability policy and develop related strategies.
  - **Management Responsibilities and Accountabilities:** Senior executives and company representatives are designated to ensure the implementation of the management system and related plans. Senior management shall regularly review the operation of the management system.
  - **Legal and Customer Requirements:** Develop procedures to identify, monitor, and understand applicable laws and regulations and customer requirements (including the requirements of this Code).
  - **Risk Assessment and Risk Management:** Develop processes to identify risks related to corporate governance, legal, environmental, health and safety, and labor activities associated with supplier operations. Assess each risk and implement appropriate procedures and physical controls to control the identified risks and ensure compliance with laws and regulations.
  - **Performance Goals:** Written performance goals, indicators, and implementation plans shall be developed, including periodic reviews of the supplier's effectiveness in meeting these goals.
  - **Training:** Training plans shall be developed for management and employees to implement relevant policies, procedures, and improvement goals.
  - **Communication:** Formulate procedures to communicate relevant policies, practices, expectations, and performance clearly and accurately to employees, suppliers, and customers.
  - **Employee Feedback, Involvement, and Appeals:** Formulate ongoing procedures (including effective appeal mechanisms) to assess employee awareness of practices or violations and conditions covered by this Code and obtain employee feedback to promote continuous improvement.
  - **Audit and Evaluation:** Regularly conduct self-assessments to ensure compliance with the requirements of laws and regulations, the contents of this Code, and the social and environmental responsibility-related requirements of customer contracts.

- **Corrective Measures:** Formulate procedures to ensure deficiencies identified in internal and external assessments, inspections, surveys, and audits are corrected promptly.
- **Documentation and Records:** Establish and maintain documentation and records to ensure compliance with legal and company requirements while maintaining privacy and confidentiality.
- **Supplier Responsibility:** Formulate procedures to communicate the Code's requirements to the company's suppliers and monitor supplier compliance with the Code.

## **Supplier Signature**

Company Name:

Address:

Tax ID Number:

Signatory Title:

Signed by: \_\_\_\_\_