



WT MICROELECTRONICS

Social Policy & Code of Conduct

Effective July 2020; last updated July 2020



WT is committed to obtaining regular input from stakeholders in the continued development and implementation of the Code of Conduct(the Code).

Fundamental to adopting the Code is the understanding that a business, in all of its activities,must operate in full compliance with the laws, rules and regulations of the countries in which it operates.

If there are differing standards between the Code and local law, the Code defines conformance as meeting the strictest requirements. In alignment with the UN Guiding Principles on Business and Human Rights, the provisions in this Code are derived from key international human rights standards including the ILO Declaration on Fundamental Principles and Rights at Work and the UN Universal Declaration of Human Rights.

WT following the international standards were used in preparing this Code and may be a useful source of additional information.

- [Responsible Business Alliance Code of Conduct v6.0](#)
- [Universal Declaration of Human Rights](#)
- [United Nations Convention Against Corruption](#)
- [United Nations Global Compact](#)
- [ILO Code of Practice in Safety and Health](#)
- [ILO International Labor Standards](#)
- [OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from ConflictAffected and High Risk Areas](#)
- [OHSAS 18001](#)



A. LABOR

WT are committed to uphold the human rights of workers, and to treat them with dignity and respect as understood by the international community. This applies to all workers including temporary, migrant, student, contract, direct employees, and any other type of worker.

(1) Freely Chosen Employment

Forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons 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 are 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 are 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 are 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 are not 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 are repaid to the worker.

(2) 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 do not perform work that is likely to jeopardize their health or safety, including night shifts and overtime.

WT ensures 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. WT provides appropriate support and training to all student workers. In the absence of local law, the wage rate for student workers, interns and apprentices is at least the same wage rate as other entry-level workers performing equal or similar tasks.

3) 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.

4) Wages and Benefits

Compensation paid to workers complies with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws, workers are compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure are not permitted. For each pay period, workers are 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.

5) 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 are clearly defined and communicated to workers.

6) Non-Discrimination

WT are committed to a workforce free of harassment and unlawful discrimination. Companies are 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 are provided with reasonable accommodation for religious practices. In addition, workers or potential workers are subjected to medical tests or physical exams that could be used in a discriminatory way.

7) Freedom of Association

In conformance with local law, WT respects 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 are 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.



B. HEALTH and SAFETY

WT recognizes that in addition to minimizing the incidence of work-related injury and illness, a safe and healthy work environment enhances the quality of products and services, consistency of production and worker retention and morale. WT also recognizes that ongoing worker input and education is essential to identifying and solving health and safety issues in the workplace. Recognized management systems such as OHSAS 18001 and ILO Guidelines on Occupational Safety and Health were used as references in preparing the Code and may be a useful source of additional information.

The health and safety standards are:

(1) Occupational Safety

Worker potential for exposure to safety hazards (e.g., chemical, electrical and other energy sources, fire, vehicles, and fall hazards) are to be identified and assessed, and controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tagout), and ongoing 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 condition with high hazards, remove or reduce any workplace health and safety risks to pregnant women and nursing mothers including those associated with their work assignments, as well as include reasonable accommodations for nursing mothers.

(2) Emergency Preparedness

Potential emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures including: emergency reporting, employee notification and evacuation procedures, worker training and drills, appropriate fire detection and suppression equipment, clear and unobstructed egress adequate



exit facilities and recovery plans. Such plans and procedures are focus on minimizing harm to life, the environment and property.

(3) Occupational Injury and Illness

Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness including 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 return of workers to work.

4) Industrial Hygiene

Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled according to the hierarchy of controls. Potential hazards are to be eliminated or controlled through proper design, engineering and administrative controls. When hazards cannot be adequately controlled by such means, workers are to be provided with and use appropriate, well-maintained, personal protective equipment. Protective programs include educational materials about the risks associated with these hazards.

5) Physically Demanding Work

Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks is to be identified, evaluated and controlled.

(6) Machine Safeguarding

Production and other machinery are evaluated for safety hazards. Physical guards, interlocks and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers.

(7) Sanitation, Food, and Housing



Workers are to be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities. Worker dormitories provided by the Participant 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.

8) Health and Safety Communication

WT provides workers with appropriate workplace health and safety information and training in the language of the worker or in a language the worker can understand for all identified workplace hazards that workers are exposed to, including but not limited to mechanical, electrical, chemical, fire, and physical hazards.. Health and safety related information are clearly posted in the facility or placed in a location identifiable and accessible by workers. Training is provided to all workers prior to the beginning of work and regularly thereafter. Workers are encouraged to raise safety concerns



C. ETHICS

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

(1) Business Integrity

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

(2) 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 are implemented to ensure compliance with anti-corruption laws.

(3) Disclosure of Information

All WT business dealings are transparently performed and accurately reflected on 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.

(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; and, customer and supplier information is to be safeguarded.



(5) Fair Business, Advertising and Competition

WT commits to fair business, advertising and competition.

6) Protection of Identity and Non-Retaliation

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

7) Responsible Sourcing of Minerals

WT has 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. WT are 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.

8) Privacy

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

Whistleblower definition: Any person who makes a disclosure about improper conduct by an employee or officer of a company, or by a public official or official body.



D. MANAGEMENT SYSTEMS

WT establishes a management system whose scope is related to the content of this Code. The management system is designed to ensure: (a) compliance with applicable laws, regulations and customer requirements related to the participant's operations and products; (b) conformance with this Code; and (c) identification and mitigation of operational risks related to this Code. It also facilitates continual improvement.

(1) Company Commitment

A corporate social and environmental responsibility policy statements affirming Participant's commitment to compliance and continual improvement, endorsed by executive management.

(2) Management Accountability and Responsibility

The Participant clearly identifies senior executive and company representatives responsible for ensuring implementation of the management systems and associated programs. Senior management reviews the status of the management system on a regular basis.

(3) Legal and Customer Requirements

A process to identify, monitor and understand applicable laws, regulations and customer requirements, including the requirements of this Code.

(4) Risk Assessment and Risk Management

A process to identify the legal compliance, environmental, health and safety³ and labor practice and ethics risks associated with Participant's operations. Determination of the relative significance for each risk and implementation of appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance ³ Areas to be included in a risk assessment for environmental health and safety are production areas, warehouse and storage facilities, facilities support



equipment, laboratories and test areas, sanitation facilities , cafeteria and worker dormitories.

(5) Improvement Objectives

Written performance objectives, targets and implementation plans to improve the Participant's social and environmental performance, including a periodic assessment of Participant's performance in achieving those objectives.

(6) Training

Programs for training managers and workers to implement Participant's policies, procedures and improvement objectives and to meet applicable legal and regulatory requirements.

(7) Communication

A process for communicating clear and accurate information about Participant's policies, practices, expectations and performance to workers, suppliers and customers.

(8) Worker Feedback, Participation and Grievance

Ongoing processes, including an effective grievance mechanism, to assess employees' understanding of and obtain feedback on or violations against practices and conditions covered by this Code and to foster continuous improvement.

(9) Audits and Assessments

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.

(10) Corrective Action Process



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

(11) Documentation and Records

Creation and maintenance of documents and records to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.

(12) Supplier Responsibility

A process to communicate Code requirements to suppliers and to monitor supplier compliance to the Code.

Signed

Chairman of the Board
WT Microelectronics Co., Ltd