

## **Elements of Supplier Guidelines are as follows:**

### **Compliance with Laws**

1 Suppliers shall comply with applicable international and local legal and regulatory requirements in the countries where supplier operates.

1.1 Suppliers should have policies and procedures designed to ensure compliance.

1.2 Suppliers shall not engage in illegal acts against the competition laws and regulations of each country and region including private monopolies, unreasonable restraint of trade (cartel, collusive bidding, etc.) or unfair trade practices.

1.3 Suppliers shall not engage in bribery and/or corruption, including tolerating or facilitating bribery and/or corruption, offering or providing any improper gifts, meals, travel and entertainment to us.

1.4 Suppliers shall not engage in any transaction with anti-social forces, groups or individuals.

1.5 Suppliers shall not engage in illicit activities, including doing business with those engaged in illicit activities, including, without limitation, money laundering, terrorism financing.

1.6 Suppliers should disclose conflicts of interest with us. (e.g., our employees or representatives are suppliers' representatives or their major shareholders)

### **Management of Confidential Information**

2 Suppliers should manage our confidential information including personal information in an appropriate manner.

2.1 Suppliers should establish and implement policies, structure for compliance with all applicable laws and regulations governing the protection, use, and disclosure of personal information.

2.2 Suppliers should manage, protect confidential information received from customers and third parties.

2.3 Suppliers should manage and carry out information security in order to prevent damage to the company or other parties.

## **Quality and Safety**

3 Suppliers should consistently improve and confirm quality and safety.

3.1 Suppliers shall comply with safety standards defined by laws and regulations of each country.

3.2 Suppliers should provide accurate information about products and services (e.g., specifications, quality, method of handling).

3.3 Suppliers should build and operate an expressed quality management procedure.

## **Environmental Sustainability**

4 Suppliers should operate in an environmentally responsible and efficient manner.

4.1 Suppliers should establish and implement an environment policy.

4.2 Suppliers should reduce greenhouse gas reduction continuously (e.g., definition of voluntary goals for greenhouse gas reduction).

4.3 Suppliers should promote efficient use of resources and energy (e.g., definition of voluntary goals for efficient use of resources and energy).

4.4 Suppliers should control chemical substances as defined by laws and regulations.

4.5 Suppliers shall comply with local laws and regulations of drainage, sludge and air emissions. \*  
“4.4” “4.5” apply to manufacturers.

## **Respect for Human Rights**

5 Suppliers should have respect for human rights and make workplace safe and healthy.

5.1 Suppliers shall prevent child labor.

5.2 Suppliers shall prevent forced labor and human trafficking.

5.3 Suppliers shall pay wages in compliance with local applicable laws and regulations, including those relating to minimum wages, deduction from wage, overtime hours, piece rates and other elements of compensation.

5.4 Suppliers shall comply with local applicable laws and regulations governing employees' working hours, including overtime work.

5.5 Suppliers should recognize employees' right to freely associate, or not to associate, complying with local applicable laws and regulations in which they operate.

5.6 Suppliers should promote equal opportunity and shall not discriminate on grounds such as nationality, race, age, gender, gender identity, sexual orientation, belief, social status, or disability with regards to all aspects of employment.

5.7 Suppliers shall not tolerate harassment.

5.8 Suppliers should promote diversity in their own business practices by documenting a diversity and inclusion approach that includes ways to identify, measure and improve (e.g., gender demographics of workforce and management team).

5.9 Suppliers should provide safe and healthy work environment for their staff and prevent accidents, injuries and illness. Also Suppliers should support efforts to improve the health of employees through health promotion activities and guidance for preventing illness.

## **Disclosure**

6 Suppliers should disclose related information in a timely and fair manner.

## **Partnership**

7 We view our suppliers as strategic partners and expect them to share our commitment to delivering value to our customers. We seek suppliers who demonstrate a long-term commitment to our success and to collaborate closely with us to achieve mutual goals.

## **Delivery**

8 Suppliers are expected to deliver materials within the agreed-upon lead time specified at the time the order is placed and confirmation sent within 48 hours of the receipt of purchase order.

8.1 Suppliers are to notify and communicate proactively to the buyer of lead time changes, delivery dates and market condition changes within 24 hours of the change.

8.2 Suppliers are to work collaboratively with the buyer and take immediate corrective action in the event of delivery delays and/or quality issues to resolve the issue. This may involve expedited shipping or expedited production to replace the material.

8.3 Suppliers should demonstrate flexibility in accommodating changes to orders, delivery schedules and quantities.

8.4 Suppliers are required to give written notice, 90 days in advance, and identify any material that will be discontinued. Suppliers should work with Buyer to confirm end dates and help identify alternative sources for said material.

## **Shipping Information**

9 Suppliers must provide materials that meet or exceed the specifications and quality standards. Certificate of Compliance and/or Certificate of Analysis to be provided at time of shipment, along with packing slip and BOL.

9.1 Supplier is responsible for shipping material with no less than **12 months** from expiration date of the material at the time of shipment.

9.2 Supplier is responsible for getting prior approval to ship quantities above or below the 5% tolerance.

9.3 Suppliers shall cover the freight expense for all nonconforming materials that are to be returned to vendor (RTV). Examples of nonconforming are defective, damaged, expired, out of spec, etc. The vendor must advise when any return authorization number or label is required for the pickup of the material. The cost of returned goods will be debited and a \$150.00 handling fee will be assessed.

## **Supplier Performance Metrics**

10 Supplier are required to provide opportunities for cost reductions, process improvements, shortening Lead- Time and reduced MOQ's on a semi- Annual basis.

10.1 Suppliers are required to provide regular performance reports with the following metrics:

- On-time deliver percentage
- Defect rates
- Customer satisfaction scores