

# Seres Supplier Code of Conduct

**Seres Group Co., Ltd. and its subsidiaries (hereinafter referred to as 'Seres')**, to ensure that suppliers value labor rights, working environment and safety, and implement a green supply chain while adhering to ethical standards, has established this Supplier Code of Conduct. Seres requires suppliers to comply with this code and also to abide by the legal regulations in the jurisdictions where they operate. Seres encourages suppliers to require their suppliers, contractors, and service providers to recognize and adopt this code. The provisions of this code are based on the "Responsible Business Alliance (RBA, formerly EICC) Code of Conduct" and refer to the "UN Guiding Principles on Business and Human Rights" and other internationally recognized human rights regulations, including the "ILO Declaration on Fundamental Principles and Rights at Work" and the "UN Universal Declaration of Human Rights". Compliance with the laws and regulations of the country/region where the business is operated is a basic requirement. This code is divided into five parts. Parts A, B, and C outline standards for labor, health and safety, and the environment, respectively; Part D provides standards for business ethics; Part E outlines the elements needed for a proper management system to implement this code.

## **A. Labor**

Suppliers commit to respecting the human rights of employees and ensuring their dignity. This applies to direct and indirect suppliers, as well as all employees, including temporary workers, migrant workers, student workers, contract workers, direct employees, and any other type of employee. Labor standards are as follows:

1. **Prohibition of Forced Labor** No form of forced labor is allowed, including but not limited to debt bondage (including debt peonage), contractual labor, involuntary or exploitative prison labor, slavery, or human trafficking. This includes transporting, harboring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction, or fraud for the purpose of labor or services. Unreasonable restrictions should not be placed on the freedom of movement of employees within the factory and in and out of company-provided employee dormitories or living areas (if applicable). As part of the hiring process, a written employment agreement

must be provided to all employees in their native language or another language they understand, including a description of the terms and conditions of employment. Overseas migrant employees must receive an employment agreement before leaving their country/region of origin, and the agreement should not be altered or changed upon arrival in the receiving country/region, except for changes made to comply with local laws and to provide equal or better conditions. All work should be voluntary, and employees should be free to leave or terminate their employment relationship at any time, without paying any penalties, provided reasonable notice is given (which should be clearly stipulated in the employee's contract). Suppliers should retain all relevant documents for all Employers, agents, and subcontractors should not hold or otherwise destroy, conceal, or confiscate identity or immigration documents, such as government-issued identification, passports, or work permits. Although the above provisions apply, employers may hold such documents if necessary to comply with local laws. In this case, employees must not be denied access to their documents at any time. Employees should not have to pay recruitment fees or other related fees to the employer's agents or subcontractors for their employment. If it is found that employees have paid any of the above fees, such fees should be refunded to the employees.

2. **Child Labor** Child labor should not be used at any stage of production. "Child labor" refers to any person who is not 16 years old, or below the age required to complete compulsory education, or below the minimum employment age in the country/region ( whichever is the highest of the three). Employees under the age of 18 (juvenile employees) should not engage in work that may endanger their health or safety, including night shifts and overtime. Suppliers should properly maintain student worker records, conduct strict due diligence on educational partners providing student workers, and protect the rights of student workers in accordance with laws and regulations to ensure proper management. Suppliers should implement appropriate mechanisms to verify the age of employees. Support should be given to legal workplace learning programs that comply with all laws and regulations. Suppliers should provide appropriate support and training to all student workers. If local laws do not stipulate, the wages of student workers, interns, and apprentices should be at least equal to the wages of entry-level employees performing the same or similar work. If child labor is found, assistance/remedial measures should be provided.

3. **Working Hours** Working hours should not exceed the maximum duration stipulated by local laws, except in emergency or exceptional situations. All overtime should be voluntary.
4. **Wages and Benefits** Compensation paid to employees should comply with all applicable wage laws, including laws on minimum wages, overtime hours, and statutory benefits. All employees should be paid equally for the same work and similarly for similar work. Suppliers should pay employees overtime pay at a rate higher than the normal hourly wage. Deducting wages as a disciplinary measure is prohibited. Employees should be provided with a clear and understandable wage statement at each pay period, which should contain sufficient information to calculate whether the remuneration for the work performed is accurate. The use of temporary workers, dispatched workers, and outsourced workers should comply with local legal restrictions.
5. **Non-Discrimination/No Harassment/Humane Treatment** Suppliers should commit to providing a workplace free of harassment and illegal discrimination. No harsh inhumane acts such as violence, gender-based violence, sexual harassment, sexual abuse, physical punishment, mental or physical coercion, bullying, public humiliation, or verbal abuse against employees should be carried out; nor should there be any threats to carry out any such acts. Companies should not discriminate against or harass employees in recruitment and employment processes (such as wages, promotions, rewards, and training opportunities) based on race, skin color, age, gender, sexual orientation, gender identity or expression, nationality or nationality, disability, pregnancy, religion, political affiliation, trade union membership, protected veteran status, protected genetic information, or marital status. Disciplinary policies and procedures that support these requirements should be clearly formulated and communicated to employees. Reasonable accommodations should be made for employees' religious activities and disabilities. In addition, employees or prospective employees should not be forced to undergo medical examinations (including pregnancy or virginity tests) or physical examinations that may have discriminatory purposes.
6. **Freedom of Association and Collective Bargaining** Open communication and direct contact between employees and management is the most effective way to resolve workplace and compensation issues. Employees and/or their representatives should be able to communicate openly with management about working conditions and management

practices and express their views and concerns without fear of discrimination, retaliation, threats, or harassment. To be consistent with these principles, suppliers should respect the rights of all employees to freely form and join trade unions, engage in collective bargaining and peaceful assembly, and refuse to participate in such activities. If the rights to freedom of association and collective bargaining are restricted by applicable laws and regulations, employees should be allowed to elect and join other legal forms of employee representative organizations.

## **B. Health and Safety**

Suppliers should understand that, in addition to helping to reduce work-related injuries and diseases, a safe and healthy working environment can also improve the quality of products and services, promote production, increase employee retention, and boost employee morale. Suppliers should also understand that continuous employee involvement and education are crucial for identifying and resolving health and safety issues in the workplace. Safety and health standards are as follows:

1. **Occupational Health and Safety** Control measures should be used to identify, assess, and reduce potential health and safety hazards that employees may encounter (chemical, electrical, and other energy, fire, vehicle, and fall hazards, etc.). If the above methods cannot effectively control the hazards, appropriate and well-maintained personal protective equipment should be provided to employees, as well as educational materials on the risks that the above hazards may pose. Measures to promote gender equality should be taken, such as avoiding letting pregnant and breastfeeding women work in environments that may be harmful to themselves or their children, and providing reasonable accommodations for breastfeeding women.
2. **Emergency Preparedness** Potential emergencies and incidents should be identified and assessed, and their impact should be minimized by implementing emergency response plans and procedures (including emergency reporting, employee notification and evacuation procedures, employee training, and drills). Emergency drills should be conducted at least once a year, or as required by local law (whichever is stricter). Emergency plans should also include appropriate fire detection and extinguishing equipment, unobstructed exits, sufficient exit facilities, contact information for emergency personnel, and recovery plans. Such

plans and procedures should focus on minimizing damage to life, the environment, and property.

3. **Work-Related Injuries and Illnesses** Procedures and systems should be established to prevent, manage, track, and report work-related injuries and illnesses, including encouraging employees to report, categorizing and recording work injury and illness cases, providing necessary medical services, investigating cases, and taking corrective measures to eliminate the sources of accidents and helping employees return to work. Suppliers should allow employees to evacuate on their own when facing imminent harm and not return until the situation is resolved without fear of retaliation.
4. **Industrial Hygiene** Suppliers must identify, assess, and control the hazards to employees posed by chemical, biological, and physical factors according to the hierarchy of control measures. When it is not possible to adequately control the hazards, appropriate and well-maintained personal protective equipment must be provided to employees free of charge and allowed to use. Suppliers should provide a safe and healthy working environment for employees and maintain this environment by continuously monitoring the health status of employees and the working environment. Suppliers should provide occupational health monitoring, regularly assess whether employees have health damage due to occupational exposure, and continuously carry out occupational health protection plans, which should include risk education materials related to the dangers faced by employees in the workplace.
5. **Physically Demanding Work** The impact on employees from physically demanding work, including manual handling/ loading and unloading of materials, repetitive lifting of heavy objects, long periods of standing, and highly repetitive or forceful assembly work, should be identified, assessed, and controlled.
6. **Mechanical Safety Protection** The safety hazards of production machinery and other machinery should be assessed. For machinery that may cause harm to employees, physical protective devices, interlocking devices, and barriers should be installed and properly maintained.
7. **Public Health, Food, and Accommodation** Suppliers should provide employees with clean toilet facilities, drinking water, and hygienic food preparation, storage, and dining facilities. Employee dormitories provided by suppliers or labor agencies should be kept clean and safe, and provide appropriate emergency exits, hot water for bathing, sufficient lighting and

good ventilation, individual secure cabinets for storing personal and valuable items, and reasonable private space with easy access.

8. **Health and Safety Communication** Suppliers should provide appropriate workplace health and safety information and training to employees in their native language or other languages they can understand, explaining all identified workplace hazards they face, including but not limited to mechanical, electrical, chemical, fire, and physical hazards. Health and safety information should be clearly posted in factory areas or places that are clearly identifiable and accessible to employees. Health information and training should include content specific to the risks of relevant groups, such as gender and age (if applicable). All employees should be trained before starting work and regularly thereafter. Employees should be encouraged to raise any health and safety issues without fear of retaliation.

### **C. Environment**

Suppliers should recognize that environmental responsibility is an indispensable part of producing world-class products in all business functions. Suppliers should identify the impact on the environment and minimize the adverse effects on communities, the environment, and natural resources while ensuring public health and safety. Environmental standards are as follows:

1. **Environmental Permits and Reporting** All necessary environmental permits (such as emission monitoring), approval documents, and registration certificates should be obtained, maintained, and updated, and their operational and reporting requirements should be followed.
2. **Pollution Prevention and Resource Conservation** Pollutant emissions, releases, and waste generation should be minimized or eliminated at the source or through the addition of pollution control equipment, improved production, maintenance, and facility processes, or other practices. The use of natural resources, including water, fossil fuels, minerals, and virgin forest wood, should be through improved production, maintenance, and facility processes, the use of alternative materials, reuse, resource conservation, recycling, and other practices or methods.
3. **Hazardous Substances** Chemicals, waste, and other materials that pose a hazard to human health or the environment should be identified, labeled, and managed to ensure they are safely handled, moved, stored, used,

recycled, or reused and disposed of. Data on hazardous waste should be tracked and recorded.

4. **Solid Waste** Suppliers should use a systematic approach to identify, manage, reduce, and dispose of or recycle solid waste (non-hazardous waste) responsibly. Waste data should be tracked and recorded.
5. **Air Emissions** Volatile organic chemicals, sprays, corrosive substances, particulates, ozone-depleting substances, and combustion by-products generated during operations should be classified, routinely monitored, controlled, and treated before emission, as required. Ozone-depleting substances should be effectively managed in accordance with the Montreal Protocol and applicable regulations. Suppliers should regularly monitor the performance of their atmospheric emission control systems.
6. **Restricted Substances** Suppliers should comply with all applicable laws, regulations, and customer requirements regarding the prohibition or restriction of certain specific substances in products and the manufacturing process (including recycling and disposal symbols).
7. **Water Management** Suppliers should implement water management plans, record, classify, and monitor water sources and their use and discharge; seek opportunities to save water; and control pollution channels. All wastewater should be classified, monitored, controlled, and treated before discharge or disposal, as required. Suppliers should regularly monitor the performance of their wastewater treatment and control systems to ensure optimal performance and regulatory compliance.
8. **Energy Consumption and Greenhouse Gas Emissions** Suppliers should establish and report clear greenhouse gas reduction targets for the entire enterprise. Energy consumption and significant categories of greenhouse gas emissions in Scope 1, Scope 2, and Scope 3 should be tracked, recorded, and publicly reported. Suppliers should look for ways to improve energy efficiency and minimize energy consumption and greenhouse gas emissions.

#### **D. Business Ethics**

To fulfill social responsibilities and establish a successful position in the market, suppliers and their agencies should adhere to the highest ethical standards, including:

1. **Business Integrity** The highest standards of integrity should be upheld in all business dealings. Suppliers should adopt a zero-tolerance policy,



prohibiting any and all forms of bribery, corruption, extortion, and embezzlement.

2. **No Unfair Advantage** Promising, offering, authorizing, giving, or accepting bribes and other forms of benefits for obtaining illegal or unfair advantages are prohibited. Directly or indirectly promising, offering, authorizing, giving, or accepting anything of value to anyone for the purpose of obtaining or retaining business, directing business to any person, or otherwise obtaining an unfair advantage is prohibited. Monitoring, record-keeping, and enforcement procedures should be implemented to ensure compliance with anti-corruption laws.
3. **Disclosure of Information** All business dealings should be transparent and accurately recorded in the supplier's business books and records. Information about the supplier's labor, health and safety, environmental practices, business activities, structure, financial condition, and performance should be disclosed in accordance with relevant regulations and current industry practices. Record falsification or false statements about conditions or practices in the supply chain are prohibited.
4. **Intellectual Property** Intellectual property should be respected. The transfer of technology or know-how should be carried out in a manner that protects intellectual property rights and safeguards the information security of customers and suppliers.
5. **Fair Trading, Advertising, and Competition** Standards for fair trading, advertising, and competition should be upheld.
6. **Identity Protection and Non-Retaliation** Unless prohibited by law, procedures should be maintained to provide protection to suppliers and employee whistleblowers, ensuring the confidentiality and anonymity of their reports. Suppliers should establish communication processes so that their employees can raise any concerns without fear of retaliation.
7. **Responsible Mineral Sourcing** Suppliers should adopt policies to carry out due diligence on the sources and regulatory chains of tantalum, tin, tungsten, gold, and cobalt in their products to reasonably ensure that their sources are in compliance with the "OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas" or equivalent and recognized due diligence frameworks.
8. **Privacy** Suppliers commit to reasonably protecting the personal data and privacy of anyone with whom they have business dealings (including suppliers, customers, consumers, and employees). Suppliers should comply with privacy and data security laws and regulatory requirements



when collecting, storing, processing, disseminating, and sharing personal data.

## **E. Management System**

Suppliers should adopt or establish a management system related to the content of this code. When designing this management system, it should ensure: (a) compliance with applicable laws, regulations, and customer requirements related to the supplier's operations and products; (b) compliance with this code; and (c) identification and mitigation of business risks related to this code. The system should also promote continuous improvement. The management system should include the following elements:

1. **Company Commitment** Suppliers should develop human rights, health and safety, environmental, and ethical policy statements that confirm their commitment to due diligence and continuous improvement, and obtain approval from executive management. Policy statements should be published and communicated to employees through accessible channels in languages they can understand.
2. **Management Accountability and Responsibility** Suppliers should clearly identify senior executive management and company representatives responsible for ensuring the implementation of the management system and related programs. Senior management should regularly review the status of the management system.
3. **Legal Requirements and Customer Requirements** Suppliers should adopt or establish processes for identifying, monitoring, and understanding applicable laws, regulations, and customer requirements (including the requirements of this code).
4. **Risk Assessment and Risk Management** Suppliers should adopt or establish processes for identifying legal compliance, environmental, health and safety, and labor practices and ethical risks (including significant human rights and environmental impact risks) related to the supplier's operations. Suppliers should determine the relative importance of each risk and implement appropriate procedures and physical control measures to control identified risks and ensure regulatory compliance.
5. **Improvement Objectives** Suppliers should establish written performance objectives, indicators, and implementation plans to improve the social, environmental, health, and safety performance of suppliers (including

regularly assessing the supplier's performance in achieving these objectives).

6. **Training** Suppliers should develop training programs for management and employees to implement the supplier's policies
7. **Communication** Suppliers should establish processes for clearly and accurately communicating information about supplier policies, practices, expectations, and performance to employees, suppliers, and customers.
8. **Employee/Stakeholder Engagement and Remediation** Suppliers should establish ongoing, two-way communication processes with employees, their representatives, and other stakeholders (as relevant or necessary). These processes should aim to gather feedback on the business practices and conditions covered by this code and promote continuous improvement. Suppliers should provide a safe environment for employees to raise grievances and feedback without fear of retaliation or reprisal.
9. **Auditing and Assessment** Suppliers should regularly conduct self-assessments to ensure compliance with legal and regulatory requirements related to social and environmental responsibilities, the requirements of this code, and customer contract requirements.
10. **Corrective Action Process** Suppliers should establish processes for the timely correction of deficiencies identified in internal or external assessments, inspections, investigations, and audits.
11. **Documentation and Record-Keeping** Suppliers should create and maintain documentation and records to ensure regulatory compliance, adherence to company requirements, and compliance with relevant privacy and confidentiality provisions.