



## Corporate Responsibility Policies

Operating in a responsible and sustainable manner is important to Firstronic. While we run our business in line with the expectations of diverse global stakeholders, we also see corporate responsibility as a discipline that helps us manage risks and maximize on the opportunities available to us in a changing world. Our Corporate Governance Policies are intended to provide a framework for the governance of Firstronic and adherence to our policies and related operating procedures is the responsibility of every Firstronic Employee.

Firstronic supports and adopts the RBA Code of Conduct, and we are committed to complying with the principles outlined in the RBA Code. This commitment has been cascaded to Firstronic's suppliers through our Supplier Quality Manual. Our Management System is designed to ensure compliance with all applicable laws, regulations and customer requirements related to our operations, products, and services to identify and mitigate operational risks associated with the RBA code standards and to facilitate continuous improvement.

We are committed to understanding, monitoring, and managing our social, environmental and economic impact to enable us to contribute to society's wider goal of sustainable development. This commitment is deeply ingrained in our core values and we aim to demonstrate these responsibilities through our actions and within our corporate policies.

At Firstronic, we define Corporate Social Responsibility as follows:

- Conducting business in a socially responsible and ethical manner;
- Protecting the environment and the safety of people;
- Supporting human rights; and
- Engaging, learning from, respecting, and supporting the communities and cultures within which we work.

Firstronic will ensure that all matters of Corporate Responsibility are considered and supported in our operations and administrative matters and are consistent with Firstronic stakeholders' best interests. Firstronic is committed to being recognized as a leader in the field of Corporate Social Responsibility and recognizes that in doing so, we will add significant value for our stakeholders.

This Policy applies to activities undertaken by or on behalf of Firstronic.

All Firstronic employees, suppliers and contractors are to adopt the Corporate Responsibility considerations described in this policy into their day-to-day work activities. Firstronic leaders are to act as role models by incorporating these considerations into decision making in all business activities. Firstronic leaders are to ensure that appropriate organizational structures are in place to effectively identify, monitor, and manage Corporate Responsibility issues and performance relevant to our business.

This Policy is built on the following areas that reflect existing and emerging standards of Corporate Responsibility:

### **Labor**

Participants 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. The recognized standards, as set out in the References, were used in preparing the Code and may be useful sources of additional information. The labor standards are:

- **Freely Chosen Employment**
  - Forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons is not permitted. 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 including, if applicable, workers' dormitories or living quarters. As part of the hiring process, all workers must be provided with a written employment agreement in their native language that contains a description of terms and conditions of employment. Foreign migrant workers must receive the employment agreement 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 without penalty if reasonable notice is given as per worker's contract. Employers, agents, and sub-agents' may not hold or otherwise destroy, conceal, or confiscate identity or immigration documents, such as government-issued identification, passports, or work permits. Employers can only hold documentation if such holdings are required by law. In this case, at no time should workers be denied access to their documents. Workers shall not be required to pay employers' agents or sub-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. Participants shall implement an appropriate

mechanism to verify the age of workers. 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. Participants shall ensure proper management of Responsible Business Alliance Code of Conduct v7.0 3 student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable laws and regulations. Participants shall provide appropriate support and training to all 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. If child labor is identified, assistance/remediation is provided

- 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. All overtime must be voluntary. 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 or inhumane treatment including violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, 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 / Non-Harassment

- Participants should be committed to a workplace free of harassment and unlawful discrimination. Companies shall not engage in discrimination or harassment 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, including pregnancy or virginity tests, or physical exams that could be used in a discriminatory way. This was drafted in consideration of ILO Discrimination (Employment and Occupation) Convention (No.111)
- 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

### **Health & Safety Policy**

At Firstronic, the occupational health and safety of our employees is an important aspect of our business. Implementing appropriate practices and procedures is essential to keeping our workforce on the job and safe. To support our commitment to the occupational health and safety of our employees, Firstronic has developed and implemented a Health and Safety Management System to address occupational health and safety at our facilities. In addition, critical health and safety metrics have been incorporated into Firstronic's performance measurements for all layers of the organization to demonstrate commitment to these standards. The health and safety standards are:

- Occupational Safety
  - Worker potential for exposure to health and safety hazards (chemical, electrical and other energy sources, fire, vehicles, and fall hazards, etc.) are to be identified and assessed, mitigated using the Hierarchy of Controls, which includes eliminating the hazard, substituting processes or materials, controlling through proper design, implementing engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tagout), and providing ongoing occupational health and 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 and 'nursing mothers from working conditions 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, and provide reasonable accommodations for nursing mothers

- **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. Emergency drills must be executed at least annually or as required by local law, whichever is more stringent. Emergency plans should also include appropriate fire detection and suppression equipment, clear and unobstructed egress, adequate exit facilities, contact information for emergency responders, and recovery plans. Such plans and procedures shall focus on minimizing harm to life, the environment, and property
  
- **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 the return of workers to work
  
- **Industrial Hygiene**
  - Worker exposure to chemical, biological, and physical agents is to be identified, evaluated, and controlled according to the Hierarchy of Controls. If any potential hazards were identified, participants shall look for opportunities to eliminate and/or reduce the potential hazards. If elimination or reduction of the hazards is not feasible, potential hazards are to be 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 free of charge. Protective programs shall be ongoing and include educational materials about the risks associated with these hazards
  
- **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



- Machine Safeguarding
  - Production and other machinery shall be evaluated for safety hazards. Physical guards, interlocks, and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers
  
- 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 and heat and ventilation, individually secured accommodations for storing personal and valuable items, and reasonable personal space along with reasonable entry and exit privileges
  
- Health and Safety Communication
  - Participants shall provide 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 Responsible Business Alliance Code of Conduct v7.0 7 mechanical, electrical, chemical, fire, and physical hazards. Health and safety related information shall be 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 shall be encouraged to raise any health and safety concerns without retaliation

## **Environment**

Firstronic recognizes that pollution prevention, biodiversity and resource conservation are key to a sustainable environment, these concepts will be effectively integrated into business decision-making. Firstronic is committed to environmental protection and stewardship - for this it has integrated the key requirements of the electronics industry and is committed to the following:

- Environmental Permits and Reporting
  - All required environmental permits (e.g., discharge monitoring), approvals, and registrations are to be obtained, maintained, and kept current and their operational and reporting requirements are to be followed
  
- Pollution Prevention and Resource Reduction
  - Emissions and discharges of pollutants and generation of waste are to be minimized or eliminated at the source or by practices such as adding pollution control equipment; modifying production, maintenance, and facility processes;



or by other means. The use of natural resources, including water, fossil fuels, minerals, and virgin forest products, is to be conserved by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling, or other means

- Hazardous Substances
  - Chemicals, waste, and other materials posing a hazard to humans, or the environment are to be identified, labeled, and managed to ensure their safe handling, movement, storage, use, recycling or reuse, and disposal.
- Solid Waste
  - Participants shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous)
- Air Emissions
  - Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting substances, and combustion byproducts generated from operations are to be characterized, routinely monitored, controlled, and treated as required prior to discharge. Ozone depleting substances are to be effectively managed in accordance with the Montreal Protocol and applicable regulations. Participants shall conduct routine monitoring of the performance of its air emission control systems
- Materials Restrictions
  - Participants are to adhere to all applicable laws, regulations, and customer requirements regarding the prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal
- Water Management
  - Participants shall implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seeks opportunities to conserve water; and controls channels of contamination. All wastewater is to be characterized, monitored, controlled, and treated as required prior to discharge or disposal. Participants shall conduct routine monitoring of the performance of its wastewater treatment and containment systems to ensure optimal performance and regulatory compliance
- Energy Consumption and Greenhouse Gas Emissions
  - Participants are to establish a corporate-wide greenhouse gas reduction goal. Energy consumption and all relevant Scopes 1 and 2 greenhouse gas emissions are to be tracked, documented, and publicly reported against the greenhouse gas reduction goal. Participants are to look for methods to improve energy

efficiency and to minimize their energy consumption and greenhouse gas emissions

## **Ethics**

Firstronic is committed to maintaining the highest standards of integrity and corporate governance practices in order to maintain excellence in its daily operations, and to promote confidence in its governance systems.

- **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, record keeping, 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 the Participant's business books and records. Information regarding participant's 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 and Non-Retaliation**
  - Programs that ensure the confidentiality, anonymity, and protection of supplier and employee whistleblowers<sup>2</sup> 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 adopt a policy and exercise due diligence on the source and chain of custody of the tantalum, tin, tungsten, and gold in the products they manufacture to reasonably assure that they are sourced in a way consistent with the Organization for Economic Co-operation and Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas or an equivalent and recognized due diligence framework
  
- Privacy
  - Participants are to commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, consumers, and employees. Participants are to comply with privacy and information security laws and regulatory requirements when personal information is collected, stored processed, transmitted, and shared. 2  
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

### **Management System**

Participants shall adopt or establish a management system with a scope that is related to the content of this Code. The management system shall be 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 should also facilitate continual improvement. The management system should contain the following elements:

- Company Commitment
  - Corporate social and environmental responsibility policy statements affirming Participant's commitment to compliance and continual improvement, endorsed by executive management, and posted in the facility in the local language
  
- Management Accountability and Responsibility
  - The Participant clearly identifies senior executive and company representative(s) responsible for ensuring implementation of the management systems and associated programs. Senior management reviews the status of the management systems on a regular basis
  
- Legal and Customer Requirements
  - A process to identify, monitor and understand applicable laws, regulations, and customer requirements, including the requirements of this Code



- Risk Assessment and Risk Management
  - A process to identify the legal compliance, environmental, health and safety 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, plant/facilities support equipment, laboratories and test areas, sanitation facilities (bathrooms), kitchen/cafeteria and worker housing/dormitories
- Improvement Objectives
  - Written performance objectives, targets and implementation plans to improve the Participant’s social, environmental, and health and safety performance, including a periodic assessment of Participant’s performance in achieving those objectives
- Training
  - Programs for training managers and workers to implement Participant’s policies, procedures, and improvement objectives and to meet applicable legal and regulatory requirements
- Communication
  - A process for communicating clear and accurate information about Participant’s policies, practices, expectations, and performance to workers, suppliers, and customers
- Worker Feedback, Participation and Grievance
  - Ongoing processes, including an effective grievance mechanism, to assess workers’ understanding of and obtain feedback on or violations against practices and conditions covered by this Code and to foster continuous improvement. Workers must be given a safe environment to provide grievance and feedback without fear of reprisal or retaliation
- 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
- Corrective Action Process
  - A process for timely correction of deficiencies identified by internal or external



assessments, inspections, investigations, and reviews

- 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
  
- Supplier Responsibility
  - A process to communicate Code requirements to suppliers and to monitor supplier compliance Responsible Business Alliance Code of Conduct v7.0 14 to the Code.

Approved By: **John Sammut-President/CEO Firstronic**



The following standards were used in preparing this Code and may be useful sources of additional information. The following standards may or may not be endorsed by each Participant.

- Dodd-Frank Wall Street Reform and Consumer Protection Act <http://www.sec.gov/about/laws/wallstreetreform-cpa.pdf>
- Eco Management & Audit System [http://ec.europa.eu/environment/emas/index\\_en.htm](http://ec.europa.eu/environment/emas/index_en.htm)
- Ethical Trading Initiative [www.ethicaltrade.org/](http://www.ethicaltrade.org/)
- ILO Code of Practice in Safety and Health  
[www.ilo.org/public/english/protection/safework/cops/english/download/e000013.pdf](http://www.ilo.org/public/english/protection/safework/cops/english/download/e000013.pdf)
- ILO International Labor Standards [www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm](http://www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm) ISO 14001  
[www.iso.org](http://www.iso.org) National Fire Protection Association [www.nfpa.org](http://www.nfpa.org)
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas  
<https://www.oecd.org/daf/inv/mne/OECD-Due-Diligence-Guidance-Minerals-Edition3.pdf>
- OECD Guidelines for Multinational Enterprises <http://www.oecd.org/investment/mne/1903291.pdf>
- Universal Declaration of Human Rights <https://www.un.org/en/universal-declaration-humanrights/>
- United Nations Convention Against Corruption <https://www.unodc.org/unodc/en/treaties/CAC/>
- United Nations Convention on the Rights of the Child <https://www.ohchr.org/en/professionalinterest/pages/crc.aspx>
- United Nations Convention on the Elimination of All Forms of Discrimination Against Women  
<https://www.ohchr.org/EN/ProfessionalInterest/Pages/CEDAW.aspx>
- United Nations Global Compact [www.unglobalcompact.org](http://www.unglobalcompact.org)
- United States Federal Acquisition Regulation [www.acquisition.gov/far/](http://www.acquisition.gov/far/) SA 8000 <https://sa-intl.org/programs/sa8000/>
- Social Accountability International (SAI) [www.sai-intl.org](http://www.sai-intl.org)

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