

# Bright Sheland Int'l Co., Ltd

## Supplier Code of Conduct

Bright Sheland Co., Ltd. and its subsidiaries (hereinafter collectively referred to as "BSI") are committed to promoting high standards of corporate social responsibility globally. We integrate this concept into our business operations and take proactive measures to ensure that our business conduct aligns with the highest professional and ethical standards. We believe that the long-term success and sustainability of our company depend on the embodiment of corporate sustainability and social responsibility. The supply chain is a crucial extension of BSI's business value chain, and we actively invest in its development to ensure that our suppliers, contractors, service providers, and subcontractors (hereinafter collectively referred to as "Suppliers") work together to achieve the goal of sustainable development.

To ensure that the working environment within BSI's supply chain is safe, that employees are respected and treated with dignity, that environmental protection is implemented, and that ethical conduct is upheld, BSI has established this Supplier Code of Conduct (hereinafter referred to as "the Code"). We expect all Suppliers who work with us to adhere to these values and to demonstrate the highest ethical standards in their business operations. The Code aims to clarify our expectations of Suppliers and to ensure that our supply chain meets or exceeds the standards we set in terms of social, environmental, and ethical responsibility. The Code requires Suppliers to conduct their business in compliance with this Code across various aspects such as labor, health and safety, environment, business ethics, and management systems, and to fully comply with the laws and regulations of the countries/regions in which they operate. Suppliers are also expected to require their own suppliers, contractors, service providers, and subcontractors to adopt and comply with this Code. The degree to which Suppliers adhere to this Code will be a factor considered by BSI in its procurement decisions.

The provisions of this Code are based on the relevant national laws and are inspired by the Responsible Business Alliance (RBA) Code of Conduct, as well as internationally recognized standards, including:

- UN Guiding Principles on Business and Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- ILO Fundamental Conventions
- UN Universal Declaration of Human Rights

The Code is made up of five sections: °

- Sections A, B, and C: Standards for Labor, Health and Safety, and the Environment Srespectively.
- Section D: Standards relating to business ethics.
- Section E: Elements of an acceptable system to manage conformity to this Code.

## A. Labor

Suppliers shall uphold the rights of workers with dignity and in accordance with internationally recognized standards. This section applies to all workers, including temporary, migrant, student, contract, direct employees, and any other type of worker. Labor standards include:

### 1) Freely Chosen Employment

Suppliers shall not use forced, bonded (including debt bondage), or indentured labor, involuntary or exploitative prison labor, slavery, or trafficking of persons. This includes transporting, harboring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction, or fraud for the purpose of exploitation. There should be no unreasonable restrictions on workers' freedom of movement in the workplace nor unreasonable restrictions on entering or exiting company-provided facilities. As part of the hiring process, suppliers must comply with the laws of the location where operations are conducted. All work must be voluntary, and workers shall have the freedom to terminate their employment at any time. Employers or agents must 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. However, employers are permitted to hold work permits only if required by law in the location where operations are conducted. Employers or agents must not require workers to pay recruitment fees or other related fees for their employment. If such fees are found to have been paid by workers, those fees must be repaid to the worker.

### 2) Child Labor

Child labor is not to be used in any stage of manufacturing, except as part of a legally recognized apprenticeship program that complies with all laws and regulations. "Child" refers to any person under the age of 15, under the age for completing compulsory education, or under the minimum age for employment in the country or region, whichever is greatest.

### 3) Young Workers

Workers under the age of 18 (Young Workers) shall not perform work that is likely to jeopardize their health or safety, including night shifts or overtime. Suppliers must properly manage student workers, maintain proper student records, and rigorously review the educational partners they work with to ensure student worker protections. Suppliers must provide appropriate support and training to student workers. Except where local laws require otherwise, the wages for student workers, interns, and apprentices should be at least the same as entry-level workers performing equal or similar tasks.

#### 4) Working Hours

Studies of business practices clearly link worker strain with reduced productivity, increased turnover, and increased injury and illness. Therefore, workweeks are not to exceed the maximum set by local law.

#### 5) 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. Suppliers are encouraged to recognize that wages are essential to meeting workers' basic needs, and some should be compensated in a manner that allows them to meet those needs and earn an adequate standard of living. Deductions from wages as a disciplinary measure shall not be permitted. Workers must 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 must be within the limits of the local law.

#### 6) Humane Treatment

There is to be no harsh or inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, or verbal abuse; 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.

#### 7) Non-Discrimination

Suppliers should commit to a workforce free of harassment and unlawful discrimination. Suppliers shall 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, 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 or physical exams that could be used in a discriminatory way.

#### 8) Freedom of Association

In conformance with local law, suppliers shall respect the right of all workers to form and join trade unions of their choosing, to bargain collectively, and to take part in peaceful assembly, as well as the right 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.

## B. Health and Safety

Suppliers should recognize that a safe and healthy work environment not only minimizes the incidence of work-related injuries and illnesses but also enhances the quality of products and services, the consistency of production, and workers' loyalty and morale. Suppliers should also recognize that ongoing worker input and education are key to identifying and solving health and safety issues in the workplace. Health and safety standards include:

### 1) Occupational Safety

Workers' safety hazards (e.g., chemical, electrical, and other energy sources, fire, vehicles, and fall hazards) are to be identified, 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 the risks associated with these hazards. Reasonable steps must also be taken to remove pregnant women and nursing mothers from working conditions with high risks, to eliminate or minimize any health and safety risks to pregnant women and nursing mothers (including those associated with their work assignments), and to provide 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, adequate exit facilities, and recovery plans. These plans and procedures shall focus on minimizing harm to life, the environment, and property.

### 3) Occupational Injury and Illness

Procedures and systems are to be established 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. Workers should be allowed to leave work if they are at risk of immediate danger and should not return until the situation is resolved without fear of reprisal.

### 4) Industrial Hygiene

Worker exposure to chemical, biological, and physical agents is to be identified, evaluated,

and controlled according to the hierarchy of controls. Hazards are to be eliminated or controlled through proper design, engineering, and administrative controls. When hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained personal protective equipment. Protective programs must include educational materials about the risks associated with these hazards.

## 5) Physically Demanding Work

The risks of physically demanding tasks, including manual material handling, heavy or repetitive lifting, prolonged standing, and highly repetitive or forceful assembly tasks, are to be identified, evaluated, and controlled.

## 6) Machine Safeguarding

Production and other machinery are to 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.

## 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 supplier or a labor agent are to be clean, safe, and provide adequate emergency exits, hot water for bathing, adequate lighting, heating and ventilation, secure personal storage space, and reasonable personal space and entry and exit privileges.

## 8) Health and Safety Communication

Suppliers shall provide workers with appropriate workplace health and safety information and training in their primary language or in a language they can understand, for all identified workplace hazards to which they are exposed, including but not limited to 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. Health and safety training shall be provided to all workers prior to the beginning of work and regularly thereafter. Workers shall be encouraged to raise safety concerns and shall not face retaliation for doing so.

## C. Environment

Suppliers recognize that environmental responsibility is an integral part of producing world-class products. Suppliers should identify the actual and potential environmental impacts of their manufacturing operations and minimize any adverse effects on the community, environment, and natural resources while safeguarding the health and safety of the community and public. Environmental standards include:

### 1) Environmental Permits and Reporting

Suppliers must obtain, maintain, and keep current all required environmental permits (e.g., discharge monitoring), approvals, and registrations, and comply with their operational and reporting requirements.

### 2) Pollution Prevention and Resource Conservation

Suppliers should reduce or eliminate the discharge and emission of pollutants and the generation of waste at the source or through practices such as adding pollution control equipment, modifying production, maintenance, and facility processes, or by other means. Natural resources (including water, fossil fuels, minerals, and virgin forest products) should be conserved or utilized efficiently through practices like production, maintenance, and facility process improvements, material substitution, reuse, conservation, recycling, or other methods.

### 3) Hazardous Substances

Hazardous chemicals, waste, and other substances that pose a risk to humans or the environment should be identified, labeled, and managed to ensure safe handling, transport, storage, use, recycling or reuse, and disposal. The use of such substances should be minimized wherever possible, and data on hazardous waste should be tracked and recorded.

### 4) Solid Waste

Suppliers should implement systematic measures to identify, manage, reduce, and responsibly dispose of or recycle non-hazardous solid waste. General business waste data should be tracked and recorded.

### 5) Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone-depleting substances, and combustion by-products generated from operations should be characterized, routinely monitored, controlled, and treated as required prior to discharge. Suppliers must manage substances that deplete the ozone layer in accordance with the Montreal Protocol and applicable regulations. The performance of air emission control

systems should be regularly monitored.

## 6) Materials Restrictions

Suppliers must adhere to all applicable laws, regulations, and customer requirements regarding the prohibition or restriction of specific substances in products and manufacturing processes, including labeling for recycling and disposal.

## 7) Water Management

Suppliers should implement a water management plan that records, characterizes, and monitors water sources, use, and discharge; seeks opportunities to conserve water; and controls channels of contamination. All wastewater must be characterized, monitored, controlled, and treated as required prior to discharge or disposal. The performance of wastewater treatment and control systems should be routinely monitored to achieve optimal performance and compliance with regulatory requirements.

## 8) Energy Consumption and Greenhouse Gas Emissions

Suppliers must establish absolute reduction targets for their company's greenhouse gas emissions. Energy consumption and all Scope 1, Scope 2, and significant Scope 3 greenhouse gas emissions must be tracked, recorded, and publicly reported to achieve reduction targets. Suppliers should seek ways to improve energy efficiency and minimize energy consumption and greenhouse gas emissions.

## 9) Biodiversity

Suppliers must comply with regulations related to biodiversity conservation, avoid operations that affect critical habitats, and participate in actions to preserve natural ecosystems.



## D. Business Ethics

To fulfill social responsibilities and achieve success in the marketplace, suppliers and their agents must uphold the highest standards of ethics, including:

### 1) Integrity in Business Conduct

The highest standards of integrity should be upheld in all business interactions. Suppliers should adopt a zero-tolerance policy to prohibit any form of bribery, corruption, extortion, and embezzlement.

### 2) No Improper Gains

Suppliers must not promise, offer, authorize, give, or receive bribes or other forms of improper gains to obtain or retain business, transfer business to others, or gain improper advantages. No direct or indirect improper benefits should be offered to BSI personnel, including but not limited to invitations to banquets, entertainment, gratuities, payment of meals, airfare, train tickets, or shipping fees, or the offering of bribes, kickbacks, commissions, or other illicit advantages. Monitoring, record-keeping, and enforcement procedures should be implemented to ensure compliance with anti-corruption laws. Suppliers must not deceive, coerce, or engage in other improper activities to induce BSI personnel to accept or collaborate in falsifying bidding information, improperly disclose business information that could affect transaction prices or deals, or engage in actions that violate their duties or harm BSI's interests. Suppliers agree to resist and proactively disclose any acts of bribery or corruption to BSI. If any improper demands or dishonest behavior by BSI personnel are discovered, suppliers commit to immediately notify the relevant department head or report the matter. Reports can be made anonymously, but specific evidence must be provided to facilitate BSI's investigation.

### 3) Transparency in Information Disclosure

All business dealings should be transparent and accurately recorded in the supplier's books and business records. Information related to labor, health and safety, environmental activities, business activities, organizational structure, financial status, and performance should be disclosed in accordance with applicable regulations and commonly accepted industry practices. Records should not be falsified, nor should the status or practices of the supply chain be misrepresented.

### 4) Intellectual Property

Intellectual property rights should be respected and ensured that the supplied goods, information, and services do not infringe upon the intellectual property rights of third parties. Methods to protect intellectual property rights should be implemented during the transfer of

technology and production knowledge, and customer and supplier information must be protected.

## **5) Fair Trade, Advertising, and Competition**

Fair trade, advertising, and competition standards should be upheld. Suppliers must comply with all applicable competition laws and avoid bid-rigging, price-fixing, discriminatory pricing, and other practices that violate competition laws.

## **6) Protection of Identity and Prevention of Retaliation**

Unless prohibited by law, suppliers should establish procedures to protect whistleblowers (including any suppliers and employees who disclose misconduct by company employees, supervisors, or public officials) and ensure their confidentiality and anonymity. Suppliers should also establish communication procedures that allow employees to express their concerns without fear of retaliation.

## **7) Responsible Sourcing of Materials**

Suppliers should establish policies to reasonably ensure that tantalum, tin, tungsten, and gold contained in their products do not directly or indirectly finance or benefit armed groups that commit serious human rights abuses. Suppliers should conduct rigorous due diligence on the procurement and sale of these minerals and provide relevant audit standards when requested by customers.

## **8) Information Security**

Suppliers commit to reasonably protect the personal data and privacy of anyone with whom they conduct business (including suppliers, customers, consumers, and employees). Suppliers should comply with privacy and data security laws and regulatory requirements when collecting, storing, processing, transmitting, and sharing personal data.

## **9) Avoiding Conflicts of Interest**

Business dealings between suppliers and BSI should avoid any potential conflicts of interest. Potential conflicts of interest include, but are not limited to, internal employees of BSI or their close relatives (parents, children, spouses, or siblings) working for or holding significant investment interests in the supplier. Unnecessary or overly frequent social interactions between suppliers and BSI personnel may also raise concerns about conflicts of interest or the appearance thereof. Therefore, any contact between suppliers and BSI personnel must adhere to the boundaries of normal business interactions, and any conflicts of interest must be reported to BSI immediately. Suppliers must promptly notify BSI of any potential conflicts of interest and take appropriate measures to prevent improper behavior.

resulting from such conflicts.

## 10) Compliance with Import and Export Regulations

Suppliers must understand and comply with relevant laws and regulations involved in importing, exporting, and shipping goods to or on behalf of BSI, including export control and customs regulations of the country of origin, import and customs regulations of the destination country, payment of required duties and other taxes, and local transportation laws. Suppliers should provide operational procedures and training to their employees and subcontractors to ensure compliance with the aforementioned regulations.

## 11) Confidentiality Obligations

Suppliers commit to keeping all non-public information related to BSI's operations, production, sales, research and development, finance, and management, including the information of BSI and its customers, confidential, regardless of its form or medium, whether tangible or intangible, and regardless of whether it is labeled as "confidential," "restricted," or other similar terms. Suppliers shall strictly adhere to confidentiality obligations and shall not disclose, leak, disseminate, or reveal any information to third parties. Suppliers and their employees must comply with BSI's access control and security management regulations, including but not limited to adhering to arrival times, routes, locations, not recording audio, taking photos, or filming, not stealing or smuggling any documents or materials, not overstaying, loitering, or lodging without permission, and submitting to supervision and inspection by BSI's security personnel and related staff.

## 12) Adherence to Principles of Honesty and Integrity

In transactions, negotiations, and cooperation with BSI, suppliers guarantee that the documents and information provided, including but not limited to registration certificates (including business licenses), licenses, corporate and personal profiles, addresses, product names, specifications, quality, service standards, bills, certificates, and rights restrictions, are true and free from falsification, deception, forgery, or alteration. If any changes occur in the documents and information provided, suppliers must promptly notify BSI within a reasonable time, ensuring that the principles of honesty and integrity are maintained throughout all stages of contract performance.

## E. Management Systems

Suppliers should adopt or establish management systems that are relevant in scope to the content of this code of conduct. In designing these management systems, suppliers should ensure that they (a) comply with applicable laws, regulations, and customer requirements related to the supplier's operations and products; (b) align with this code of conduct; and (c) identify and mitigate operational risks related to this code of conduct. The management systems should also promote continuous improvement. These systems should include the following elements:

### 1) Company Commitment

Suppliers should establish policies on human rights, health and safety, environmental protection, and ethics, with management-level declarations committing to due diligence and continuous improvement. The policy statements should be publicly available and communicated to employees in an accessible manner and in a language that employees can understand.

### 2) Management Accountability and Responsibility

Suppliers should clearly designate senior executives and company representatives responsible for ensuring the implementation of the management systems and related programs. Senior management should regularly review the operation of the management systems.

### 3) Legal and Customer Requirements

Suppliers should develop procedures to identify, monitor, and understand applicable legal regulations, this code of conduct, and customer requirements.

### 4) Risk Assessment and Risk Management

Suppliers should develop procedures to identify compliance, environmental, health and safety, labor practices, and ethical risks associated with their operations. The level of each risk should be assessed, and appropriate procedures and substantive controls should be implemented to control identified risks and ensure compliance with regulatory requirements.

### 5) Improvement Objectives

Suppliers should establish written performance objectives, targets, and implementation plans to enhance their social, environmental, health, and safety performance, including regularly reviewing the effectiveness of the actions taken to achieve these objectives.

## 6) Training

Suppliers should develop training programs for management and employees to implement the supplier's policies, procedures, and improvement objectives, and to meet applicable legal and regulatory requirements.

## 7) Communication

Suppliers should develop procedures to clearly and accurately communicate their policies, practices, expectations, and performance to employees, their suppliers, and BSI and its customers.

## 8) Employee/Stakeholder Engagement and Remediation

Suppliers should establish processes for ongoing two-way communication with employees, employee representatives, and other relevant or necessary stakeholders. These processes should be designed to obtain feedback on operational practices and conditions covered by this code of conduct and to promote continuous improvement. A safe environment must be provided for employees to raise complaints and suggestions without fear of retaliation.

## 9) Audits and Assessments

Suppliers should conduct regular self-assessments to ensure compliance with legal and regulatory requirements, the content of this code of conduct, and customer contract requirements related to social and environmental responsibility.

## 10) Corrective Action

Suppliers should develop procedures to ensure timely correction of deficiencies identified through internal and external assessments, inspections, investigations, and audits.

## 11) Documentation and Records

Suppliers should establish and maintain documentation and records to ensure compliance with regulatory and company requirements while ensuring the confidentiality of privacy.

## 12) Sustainable Supply Chain

To reduce the risk of business disruptions and to continue advancing toward sustainable business operations, suppliers should establish procurement policies to ensure responsible sourcing. These procurement policies should be communicated to suppliers, and compliance should be monitored. If there is concrete evidence of violations by a supplier, the supplier should proactively investigate and take corrective actions within a specified timeframe. Suppliers should also have emergency response plans for the products and services they



provide to reduce potential supply chain risks.

# Bright Sheland Int'l Co., Ltd

## Supplier Code of Conduct Agreement

To Whom It May Concern:

Suppliers/contractors of BSI are required to comply with this code of conduct and make a commitment to it. Suppliers who fail to comply with this code or do not cooperate in completing the required corrective actions within the specified timeframe may result in the termination of the business relationship with our company. Our company will also regularly assess suppliers' adherence to this code of conduct and consider their progress and performance in meeting this code when selecting partnership relationships.

**Company Name :** \_\_\_\_\_

**Representative :** \_\_\_\_\_

**Date :** \_\_\_\_\_