

SOLAR APPLIED MATERIALS TECHNOLOGY CORP.

SUPPLIER CODE OF CONDUCT

In order to ensure the safety of working environments for suppliers, contractors, and service providers, as well as to uphold environmental responsibilities, adhere to ethical standards, and ensure the dignity and respect of employees, Solar Applied Materials Technology Corp. (hereinafter referred to as "Solar") establishes this Supplier Code of Conduct. This code is based on the Responsible Business Alliance (formerly known as the Electronic Industry Citizenship Coalition, EICC) Code of Conduct (hereinafter referred to as "RBA Code of Conduct"), and references international standards such as the UN Guiding Principles on Business and Human Rights, the International Labour Organization's Declaration of Fundamental Principles and Rights at Work, and the UN Universal Declaration of Human Rights.

Solar requires suppliers to adhere to this code and also comply with the regulations of their operating countries and regions. Suppliers are encouraged to cascade and implement this code to their downstream suppliers. Through close collaboration, communication, and subsequent evaluations with suppliers, Solar aims to drive continuous improvement.

This code consists of five sections: A. Labor, B. Health and Safety, C. Environment, D. Business Ethics, and E. Elements for Implementing an Appropriate Management System to Uphold this Code.

A. Labor

Suppliers should commit to upholding the human rights of workers and treating them with respect, in accordance with internationally recognized guidelines. This applies to all workers, including temporary workers, migrant workers, students, contract workers, direct employees, and any other types of workers.

1. Freedom of Employment

All work performed by labor is voluntary, and workers have the right to leave work with reasonable notice. The use of forced, bonded (including debt bondage), or contractually bound labor, as well as involuntary or exploitative prison labor, slavery, or trafficking of persons, is prohibited. There shall be no unreasonable restrictions on workers' entry into workplaces, and no undue restriction on workers' freedom of movement within the workplace.

2. Child Labor

Child labor must not be used in any manufacturing process. "Child labor" refers to the employment of individuals under the age of 15, or under the minimum age for employment as required by compulsory education, or the national/regional minimum employment age (whichever is greater). Suppliers should have mechanisms in place to verify the age of laborers. Legitimate workplace learning programs that comply with all laws and regulations are not included in this definition. Workers under the age of 18 (youth workers) must not engage in work that could endanger their health or safety, including night shifts or overtime.

3. Working Hours

Working hours should not exceed the maximum limits set by local regulations. Employees should have the right to at least one day of rest in every seven-day work period, except for special operational circumstances, while adhering to the regulations of the local operating location.

4. Wages and Benefits

Payment of wages to laborers should comply with all relevant wage laws, including those related to minimum wage, overtime, and statutory benefits. Overtime wages for workers should be higher than regular hourly wages, as required by local laws. Deducting wages as a disciplinary measure is prohibited.

5. Humane Treatment

Harsh or inhumane treatment of employees, including any form of violence, sexual violence, sexual harassment, sexual assault, corporal punishment, psychological or physical coercion, bullying, public humiliation, or verbal abuse, must be avoided. Threats of such behavior are also prohibited. Clear definitions of relevant disciplinary policies and procedures must be communicated clearly to employees.

6. Non-Discrimination / Anti-Harassment

Suppliers should commit to providing a workplace free from harassment and illegal discrimination. Discrimination against employees based on race, color, religion, nationality, gender, sexual orientation, age, disability, and other legally protected statuses should be avoided in recruitment, hiring, training, rewards, promotions, terminations, retirement, and other employment practices.

7. Freedom of Association

Suppliers should respect all employees' rights to organize and participate in their chosen unions, collective bargaining, and peaceful assemblies in accordance with local laws, while also respecting employees' rights to abstain from such activities. Employees should be able to openly communicate with management about working conditions without fear of retaliation, threats, or harassment.

B. Health and Safety

Suppliers should recognize that apart from minimizing work-related injury and illness rates, a safe and healthy work environment contributes to enhanced product and service quality, stable production, employee loyalty, and morale. Suppliers should also understand that sustained commitment to employee involvement and education is crucial for identifying and addressing health and safety issues within the workplace.

1. Occupational Safety

Through hierarchical controls, including hazard elimination, process or material substitution, appropriate engineering design, administrative controls, protective maintenance, and safety operating procedures (including lockout/tagout procedures), as well as ongoing safety training, hazards to health and safety in the workplace (such as chemical, electrical, and other energy-related risks, fires, transportation hazards, or accidents) should be identified, assessed, and mitigated to safeguard workers. If these methods are ineffective in controlling hazards, appropriate, well-maintained personal protective equipment should be provided to employees, along with relevant instructional material regarding these hazards and associated risks. Reasonable measures should also be taken to keep pregnant and lactating women away from high-risk working environments and to eliminate or mitigate any occupational health and safety risks endured by them (including those associated with their assigned tasks).

2. Emergency Preparedness

Suppliers should identify and evaluate emergency situations and events, and minimize their impact by implementing emergency response plans and reporting procedures, including emergency notifications, employee alerts and evacuation procedures, worker training and drills, adequate fire detection and extinguishing equipment, ample escape facilities, and relevant recovery plans.

3. Occupational Injuries and Diseases

Procedures and systems should be established for preventing, managing, tracking, and reporting occupational injuries and diseases. This includes encouraging employee reporting, classifying and recording cases, providing necessary treatment, investigating cases, and taking corrective actions to eliminate their roots, as well as assisting employees in returning to their job positions.

4. Industrial Hygiene

Suppliers should identify, assess, and control employee exposure to chemical, biological, and physical substances. When hazards cannot be effectively controlled through engineering and administrative means, appropriate personal protective equipment should be provided to employees.

5. Physically Demanding Work

Hazards brought about by physically demanding tasks should be identified, assessed, and controlled, including manual material handling or repetitive lifting, prolonged standing, and highly repetitive or high-intensity assembly tasks.

6. Machine Safeguarding

Hazards related to production equipment or other machinery should be assessed. To prevent harm to workers from machines, physical guarding devices, interlocks, and barriers should be provided and properly maintained.

7. Sanitation and Accommodations

Suppliers should provide employees with clean sanitary facilities, potable drinking water, clean food preparation and storage facilities. Employee dormitories provided by suppliers or their labor agencies should be kept clean, safe, and equipped with adequate emergency exits, sufficient heating and ventilation, and reasonable personal space.

8. Product Safety Responsibility

Throughout the stages of product development, manufacturing, transportation, sale, and disposal, suppliers should prioritize customer health and safety and provide relevant information on safe product use and management methods.

9. Safety and Health Standards and Regulations

Solar has established the "Safety and Health Guidelines" and the "Contractor EHS Guidelines" to ensure safety and health standards are met prior to engaging with suppliers or utilizing their services. The details are as follows:

(1) Regarding the procurement or leasing of machinery, equipment, materials, raw materials, labor, and services provided by suppliers, each requesting department must submit "Safety and Health Guidelines" as per the requirements, which suppliers are obligated to adhere to.

(2) If suppliers need to enter the premises for construction or service provision, they must comply with the "Contractor EHS Guidelines" to ensure the safety of personnel while performing their tasks.

C. Environment

Suppliers acknowledge that environmental responsibility is an integral part of producing world-class products. Suppliers should identify the environmental impacts of their manufacturing operations and strive to minimize adverse effects on communities, the environment, and natural resources, while ensuring the health and safety of the public.

1. Environmental Permits and Reporting

All necessary environmental permits (such as emission monitoring), approvals, and registrations should be obtained, maintained, regularly updated, and operated in compliance with permit requirements.

2. Pollution Prevention and Resource Conservation

Resource consumption and waste generation of any kind, including water and energy, should be reduced or eliminated at the source or through practices such as improved production, maintenance and facility processes, material substitution, natural resource conservation, material recycling, and reuse.

3. Hazardous Substances

Chemicals, waste, and other substances that pose risks to human health or the environment should be identified, labeled, and managed to ensure their safe handling, transportation, storage, use, recycling, reuse, and disposal.

4. Solid Waste

Management of wastewater, solid waste, and exhaust emissions: Following ISO 14001 standards, suppliers should establish, maintain, and improve standard operating procedures to effectively control wastewater, air pollution, solid waste, and noise. Suppliers should reduce air pollutants, hazardous waste, and noise from all operational sites to comply with applicable environmental laws, customer requirements, and other demands.

5. Emissions

Volatile organic compounds, aerosols, corrosive substances, particulates, substances depleting the ozone layer, and combustion by-products generated during operational emissions should be characterized, routinely monitored, controlled, and treated as required.

6. Material Restrictions

Suppliers should comply with all applicable laws, regulations, and customer requirements prohibiting or limiting the inclusion of specific substances in products and manufacturing processes (including recycling and disposal labels).

7. Water Resource Management

Suppliers should implement water management plans to record, categorize, and monitor water resource usage and discharge, seek opportunities for water conservation, and control pollutant pathways. All wastewater should be characterized, monitored, controlled, and treated as required before discharge or disposal. Routine monitoring of the performance of wastewater

treatment and control systems should be conducted to ensure optimal performance and compliance with regulatory standards.

8. Energy Consumption and Greenhouse Gas Emissions

Suppliers should track and record energy consumption and greenhouse gas emissions at the workplace and/or corporate level. Cost-effective methods to improve energy efficiency and minimize energy consumption and greenhouse gas emissions should be pursued.

9. Protect Forests and Biodiversity

Supplier shall abide by relevant laws and regulations on biodiversity conservation, avoid operational activities near sites containing globally or nationally important biodiversity. Supplier shall prevent the destruction of virgin forests, with ending deforestation (no gross deforestation) and compensating with future deforestation (no net deforestation) as targets. If it has an impact on the ecology, mitigation actions (avoid, reduce, restore, offset) must be taken to protect biodiversity.

D. Business Ethics

To fulfill social responsibility and achieve success in the market, suppliers and their agents must adhere to the highest ethical standards, including:

1. Business Integrity

The highest standards of integrity should be maintained in all business interactions. Participants should adopt a zero-tolerance policy against any form of bribery, corruption, extortion, and misappropriation of funds.

2. No Improper Benefits

Promising, offering, approving, giving, or accepting bribes or other forms of improper benefits is prohibited. This prohibition includes pledging, providing, approving, giving, or accepting anything of value (whether directly or indirectly through third parties) in anticipation of gaining or retaining business, transferring business to others, or obtaining improper benefits. Monitoring, record-keeping, and enforcement procedures should be implemented to ensure compliance with anti-corruption laws.

3. Transparency of Information

All business dealings should be transparent and accurately documented in the supplier's books and business records. Relevant information regarding labor engagement, health and safety, environmental activities, business operations, organizational structure, financial condition, and performance should be disclosed in accordance with applicable regulations and common industry practices. Records should not be falsified or misrepresented concerning the status or practices within the supply chain.

4. Intellectual Property

Respect for intellectual property should be upheld; methods of conveying technology and production knowledge should protect intellectual property. Customer and supplier data must also be safeguarded.

5. Fair Trade, Advertising, and Competition

Standards of fair trade, advertising, and competition should be upheld.

6. Protection of Identity and Prevention of Retaliation

Unless prohibited by law, suppliers should establish procedures to protect the identity of whistleblowers among suppliers and employees, ensuring confidentiality and anonymity. Communication procedures should also be established so that employees can express concerns without fear of retaliation.

7. Responsible Mineral Sourcing

Suppliers should adopt policies and conduct due diligence on the sources and supply chains of tantalum, tin, tungsten, and gold in their product compositions, to reasonably ensure alignment with the Organization for Economic Co-operation and Development (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 safeguarding the personal data and privacy of anyone they conduct business with (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. Avoid Conflict of Interest

Any suspected conflicts of interest involved in the business activities between Solar and Supplier shall be avoided. Suspected conflicts of interest include, but not limited to, situations where Solar's employee or his/her close relative (parent, child, spouse or sibling) is employed by Suppliers, or owns significant investment interest in Suppliers. Any unnecessary or over frequently social activities between Suppliers and the counterpart from Solar might possibly constitute a concern with, or appearance of conflicts of interest. Therefore, any contact between Suppliers and Solar's personnel shall observe the discipline for general business activities, and any conflicts of interest shall be reported to Solar immediately once existed. If Suppliers become aware of any potential conflict of interest, Suppliers shall report such incident immediately to Solar and take appropriate measures to prevent any possible improper conduct that could be possibly resulted therefrom.

E. Management Systems

Suppliers should adopt or establish a management system relevant to the scope and content of these guidelines. The design of the management system should ensure that: (a) it complies with applicable laws, regulations, and customer requirements related to the supplier's operations and products; (b) it aligns with this code; and (c) it identifies and mitigates operational risks associated with this code. The management system should also drive continuous improvement. The management system should include the following elements:

1. Corporate Commitment

A company's policy statement on social and environmental responsibility, reflecting the commitment to legality and continuous improvement.

2. Management Responsibilities and Accountability

Suppliers should clearly designate senior executives and company representatives responsible for ensuring the implementation of the management system and related plans. Senior management should periodically review the operation of the management system.

3. Legal and Customer Requirements

Procedures should be established to identify, monitor, and understand applicable laws, regulations, and customer requirements.

4. Risk Assessment and Risk Management

Procedures should be established to identify compliance, environmental, health and safety, and labor-related ethical risks associated with supplier operations. Assess the level of each risk, implement appropriate procedures and substantive controls to manage identified risks, and ensure compliance with regulatory requirements.

5. Improvement Objectives

Written performance objectives, indicators, and implementation plans should be developed to enhance the supplier's social, environmental, health and safety performance. This includes regular reviews of the supplier's achievements in meeting these goals.

6. Training

Training plans should be developed for management and employees to implement relevant policies, procedures, and improvement objectives.

7. Communication

Procedures should be established to clearly and accurately communicate the supplier's policies, practices, expectations, and performance to employees, suppliers, and customers.

8. Employee Feedback, Participation, and Complaints

Employee feedback and participation: Develop ongoing feasible procedures, including effective complaint mechanisms, to assess employees' awareness of and opinions on the practices covered by these guidelines or violations thereof. This encourages continuous improvement.

9. Audits and Assessments

Conduct regular self-assessments to ensure compliance with legal requirements, the content of these guidelines, and customer contract requirements related to social and environmental responsibility.

10. Corrective Actions

Procedures should be established to ensure timely correction of deficiencies identified during internal and external assessments, inspections, investigations, and audits.

11. Documentation and Records

Establish and maintain documentation and records to ensure compliance with regulatory requirements and company demands, while safeguarding the confidentiality of privacy.

12. Supplier Responsibility

Procedures should be established to communicate the requirements of these guidelines to suppliers and monitor their compliance with these guidelines.