

S C R E E N Supplier Code of Conduct

(Ver.3.00)

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SCREEN Holdings CO., LTD.

〈Essential Principles〉

SCREEN Group has established the universal principles that should practice eight points in "SCREEN Group CSR Charter " ; with the abiding by laws and ordinances, the contributing to society, the respecting human dignity, pursuing the advancement of technology with environmental awareness and responsibility, ensuring employee health and safety, maintaining openness and accountability, ensuring proper use and protection of company assets, making a commitment to integrity and ethical business practice.

In addition, SCREEN Group expects these in the principles that we under the responsibility of some electronic industrial supply chains should protect are understood and approved by the suppliers; the abiding by laws; the respecting human dignity; environmental awareness and responsibility; employee health and safety.

SCREEN Group judged EICC (Electric Industry Citizenship Coalition) Code of Conduct version 4.0 and JEITA supply chain CSR promotion guidebook, to be effective as a frame which a supplier is effective and effective and achieves responsibility for Own society and the environment in the operation of our group and can satisfy the expectation of we group for the supplier mentioned above.

SCREEN Group make “SCREEN supplier Code of Conduct” based on EICC Code of Conduct, and we requests that I have you obey it for each supplier.

SCREEN Supplier Code of Conduct

SCREEN Supplier Code of Conduct establishes standards to ensure that working conditions in supply chain of SCREEN Group are safe, that workers are treated with respect and dignity, and that business operations are environmentally responsible and conducted ethically.

Considered as part of the production of SCREEN Group for purposes of this Code are all organizations that may design, market, manufacture, or provide goods and services that are used to produce goods. The Code may be voluntarily adopted by any business in the electronics sector and subsequently applied by that business to its supply chain subcontractors, including provider's contract labor.

To adopt the Code and become a participant ("Participant"), a business shall declare its support for the Code and actively pursue conformance to the Code and its standards in accordance with a management systems as herein.

Participants must regard the Code as a total supply chain initiative. At a minimum, Participants shall also require its next tier suppliers to acknowledge and implement the Code.

Fundamental to adopting the Code is the understanding that a business, in all its activities, must operate in full compliance with the laws, rules and regulations of the countries in which it operates. The Code encourages Participants to go beyond legal compliance, drawing upon internationally recognized standards, in order to advance social and environmental responsibility and business ethics.

The SCREEN Supplier Code of Conduct is committed to obtaining regular input from stakeholders in the continued development and implementation of the Code of Conduct.

The Code is made up of six sections. Section A, B, and C outlines standards for Labor, Health and Safety, and the Environment, respectively. Section D adds standards relating to business ethics; Section E outlines the elements of an acceptable system to manage conformity to this Code. Section F outlines the quality of products and information security.

A. 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 annex, were used as reference in preparing the Code and may be a useful source of additional information.

The labor standards are:

1) Freely Chosen Employment

Forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery or trafficking of persons shall not be used. This includes transporting, harboring, recruiting, transferring or receiving vulnerable persons by means of threat, force, coercion, abduction or fraud for the purpose of exploitation. All work must be voluntary and workers shall be free to leave work at any time or terminate their employment. Workers must not be required to surrender any government-issued identification, passports, or work permits as a condition of employment. Excessive fees are unacceptable and all fees charged to workers must be disclosed.

2) Child Labor Avoidance

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 14 where the law of the country permits), or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. The use of legitimate workplace apprenticeship programs, which comply with all laws and regulations, is supported. Workers under the age of 18 shall not perform work that is likely to jeopardize the health or safety of young workers.

3) Working Hours

Studies of business practices clearly link worker strain to reduced productivity, increased injury and illness. Workweeks 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. Workers shall be allowed at least one day off per seven-day week.

4) 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. The basis on which workers are being paid is to be provided in a timely manner via pay stub or similar documentation.

5) Humane Treatment

There is to be no harsh and inhumane treatment including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers; nor is there to be the threat of any treatment. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers.

6) Non-Discrimination

Participants should be committed to a workforce free of harassment and unlawful discrimination. Companies shall not engage on discrimination based on race, color, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status in hiring and employment practice such as promotions, rewords, and access to training. In addition, workers or potential workers should not be subjected to medical tests that could be used in a discriminatory way.

7) Freedom of Association

Open communication and direct engagement between workers and management are the most effective ways to resolve workplace and compensation issues. The right of workers to associate freely, join or not join labor unions, seek representation, and join workers' councils in accordance with local laws shall be respected. Workers shall be able to openly communicate and share grievances with management regarding working conditions and management practices without fear of reprisal, intimidation or harassment.

B. HEALTH and SAFETY

Participants recognize that in addition to minimizing the incidence of work-related injury and illness, a safe and healthy work environment enhances the quality of products and services consistency of production and worker retention and morale. Participants also recognize that ongoing worker input and education is essential to identifying and solving health and safety issues in the workplace.

Recognized management systems such as OHSAS18001 and ILO Guidance on Occupational Safety and Health were used as references in preparing the Code and may be a useful source of additional information.

The health and safety standards are:

1) Occupational Safety

Worker exposure to potential safety hazards (e.g., electrical and other energy sources, fire, vehicles, and fall hazard) are to be 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. Workers shall not be disciplined for raising safety concerns.

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.

3) 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 return of workers to work.

4) Industrial Hygiene

Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled. Engineering or administrative controls must be used control overexposures. When hazards cannot be adequately controlled by such means, worker health is to be protected by appropriate personal protective equipment programs.

5) Physical 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.

6) 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.

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 Participant or labor agent are to be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate heat and ventilation, and reasonable personal space along with reasonable entry and exit privileges.

C. ENVIRONMENTAL

Participants recognize that environmental responsibility is integral to producing world class products. In manufacturing operations, adverse effects on the community, environment and natural resources are to be minimized while safeguarding the health and safety of the public. Recognized management systems such as ISO14001 and the Eco Management and Audit System (EMAS) were used as references in preparing the Code and may be a useful source of additional information.

The environmental standards are:

1) 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.

2) Pollution Prevention and Resource Reduction

Waste of all types, including water and energy, are to be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, recycling and re-using materials.

3) Hazardous and Substances

Chemicals and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

4) Wastewater and Solid Waste

Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be characterized, monitored, controlled and treated as required prior to discharge or disposal.

5) Air Emissions

Air Emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge.

6) Product Content Restrictions

Participants are to adhere to all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances, including for recycling and disposal.

D. ETHICS

To meet social responsibilities and to achieve success in the marketplace, Participants and their agents are to uphold the highest standards of ethics including.

1) 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 (covering promising, offering, giving or accepting any bribes). All business dealings should be transparently performed and accurately reflected on Participant's business books and records. Monitoring and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

2) No Improper Advantage

Bribes or other means of obtaining undue or improper advantage are not be offered or accepted.

3) Disclosure of Information

Information regarding business activities, structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practice. Falsification of records or misrepresentations of conditions or practices in the supply chain are unacceptable.

4) 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.

5) Fair Business, Advertising and Competition

Standards of fair business, advertising and competition are to be upheld. Appropriate means to safeguard customer information must be available.

6) Protection of Identity

Programs that ensure the confidentiality and protection of supplier and employee whistleblower¹ are to be maintained.

7) Responsible Sourcing of Minerals

Participants shall have a policy to reasonably assure that the tantalum, tin, tungsten and gold in the products they manufacture does not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of the Congo or an adjoining country. Participants shall exercise due diligence on the source and chain of custody of these minerals and make their due diligence measures available to customers upon customer request.

8) Privacy

Participants are to commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, customers 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.

9) Non-Retaliation

Participants should have a communicated process for their personnel to be able to raise any concerns without fear of retaliation.

¹Whistleblower definition: Any person who makes a disclosure about improper conduct by an employee or officer of a company, or by a public official body.

E. MANAGEMENT SYSTEM

Participants shall adopt or establish a management system whose scope 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 risk related to this Code. It should also facilitate continual improvement.

The management system should contain the following elements;

1) Company Commitment

A corporate social and environmental responsibility policy statements affirming Participant's commitment to compliance and continual improvement, endorsed by executive.

2) Management Accountability and Responsibility

The Participant clearly identifies company representative[s] responsible for ensuring implementation of the management systems and associated programs. Senior management reviews the status of the management system on a regular basis.

3) Legal and Customer Requirements

A process to identify, monitor and understand applicable laws, regulations and customer requirements, including the requirements of this Code.

4) Risk Assessment and Risk Management

A process to identify the environmental, health and safety² 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.

5) Improvement Objectives

Written performance objectives, targets and implementation plans to improve the Participant's social and environmental performance, including a periodic assessment of Participant's performance in achieving those objectives.

6) Training

Programs for training managers and workers to implement Participant's policies, procedures and improvement objectives and to meet applicable legal and regulatory requirements.

7) Communication

A process for communicating clear and accurate information about Participant's policies, practices, expectations and performance to workers, suppliers and customers.

8) Workers Feedback and Participation

Ongoing processes to assess employee' understanding of and obtain feedback on practices and conditions covered by this Code and to foster continuous improvement.

9) 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.

10) Corrective Action Process

A process for timely correction of identified by internal or external assessments, inspections, investigations and reviews.

11) 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,

12) Supplier Responsibility

A process to communicate Code requirements to suppliers and to monitor supplier compliance to The Code.

² Areas to be included in a risk assessment for environmental health and safety are production areas, warehouse and storage facilities, plants/facilities support equipment, laboratories and test areas, sanitation facilities (bathrooms), kitchen/cafeteria and worker housing/dormitories.

F. Quality · Information Security

1) Quality of Products and Services

A customer requires and it has the organization and the structure for providing the products and services which met the quality standards on which the supplier has agreed.

2) Information Security

The confidential information of the company and the third party, the personal information are managed appropriately, without using it unjustly or making it reveal outside.

REFERENCES

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

- SCREEN Group CSR Charter
- EICC(Electric Industry Citizenship Coalition)CODE OF CONDUCT Ver.4.0
- JEITA Supply chain CSR promotion guidebook
- Dodd-Frank Wall Street Reform and Consumer Protection Act
- EMAS(Eco Management & Audit System)
- Ethical Trading Initiative
- The Occupational, Safety and Health Management System guideline of ILO
- International Labor Standards of ILO
- ISO14001
- National Fire Protection Agency
- The due diligence guideline of OECD
- The multinational company guideline of OEC
- OHSAS1 8 0 0 1
- Universal Declaration of Human Rights
- U.N. corruption prevention treaty
- U.N. global compact
- SA8000
- SAI