



# **ACE**COMPUTERS

## Supplier Code of Conduct and Declaration of Responsible Business Practices

# **ACE COMPUTERS**

## **RESPONSIBLE BUSINESS ALLIANCE CODE OF CONDUCT**

Participant declares its support for the Code and actively pursues conformance to the Code and its standards in accordance with a management system as herein. Participants regard the Code as a total supply chain initiative. At a minimum, Participants shall also require their next tier suppliers to acknowledge and implement the Code.

### **A. LABOR**

Ace Computers is committed to upholding the human rights of workers, and to treating them with dignity and respect including temporary, migrant, student, contract, direct employees, and any other type of worker, as understood by the international community. 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:

#### **1) Freely Chosen Employment**

Ace Computers seeks to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Our own operations are managed consistent with this belief. Suppliers are required to comply with all similar standards, both where they operate and where our products are sold. Any supplier involvement relating to the following human rights abuses are strictly prohibited, including, but not limited to: Forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery, or trafficking of persons. Transporting, harboring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services. Unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company-provided facilities. Failure to provide 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. Non-voluntary work, and workers shall be free to leave work at any time or terminate their employment without penalty if reasonable notice is given as per the worker's contract. Destroying, concealing, confiscating, and denying access to, etc. any employee's identity or immigration documents. Requiring workers 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.

#### **2) 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. 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. Student workers will receive management through proper maintenance of student records, rigorous due

diligence of educational partners, and protection of students' rights in accordance with applicable laws and regulations. Appropriate support and training provided 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, participant assures that assistance/remediation is provided.

### **3) Working Hours**

Working hours are not to exceed the maximum set by local law. 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.

### **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. 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.

### **5) 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.

### **6) 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 the ILO Discrimination (Employment and Occupation) Convention (No.111).

### **7) 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.

## **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 are essential to identifying and solving health and safety issues in the workplace. Recognized management systems such as ISO 45001 and ILO Guidelines on Occupational Safety and Health were used as references in preparing the Code and may be useful sources of additional information. The health and safety standards are:

### **1) 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.

### **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. 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.

### **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 the return of workers to work.

### **4) 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.

#### **5) 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.

#### **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 Participants 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.

#### **8) 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 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.

### **C. ENVIRONMENT**

Participants recognize that environmental responsibility is integral to producing world-class products. Participants shall identify the environmental impacts and minimize adverse effects on the community, environment, and natural resources within their manufacturing operations, while safeguarding the health and safety of the public. Recognized management systems such as ISO 14001 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**

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.

### **3) 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.

### **4) Solid Waste**

Participants shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous).

### **5) 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.

### **6) 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.

### **7) 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.

## **8) 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.

## **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.

### **2) 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.

### **3) Disclosure of Information**

All business dealings should be transparently performed and accurately reflected in 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.

### **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, and customer and supplier information is to be safeguarded.

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

Standards of fair business, advertising, and competition are to be upheld.

### **6) Protection of Identity and Non-Retaliation**

Programs that ensure the confidentiality, anonymity, and protection of supplier and employee whistleblowers are to be maintained, unless prohibited by law. Participants should have a communication process for their personnel to be able to raise any concerns without fear of retaliation.

## **7) 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. Participants shall also be able to compile a list of all smelters/refiners utilized in their supply chain and provide this list as necessary. The Conflict Mineral Reporting Template (CMRT) created by the Responsible Minerals Initiative is recommended for purpose and can be found at the following link: <https://www.responsiblemineralsinitiative.org/reporting-templates/cmrt/>.

For more guidance/information regarding Ace Computers Responsible Minerals Sourcing Policy, please see the below link: <https://acecomputers.com/company/sustainability-computer/>.

## **8) 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.

## **E. MANAGEMENT SYSTEMS**

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:

### **1) 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.

### **2) 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.

### **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 and Hazard Identification and 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. 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.

#### **5) 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.

#### **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) 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.

#### **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 deficiencies 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.

## **F. EPEAT Required Bronze Criterion**

The following are required for all components utilized in Ace Computers EPEAT registered products.

### **1) RoHS**

The product shall comply with the substance restriction requirements of the European Union (EU) RoHS Directive and its amendments.

### **2) Elimination of Intentionally added Mercury in Light Sources**

Light source(s) in the product shall not contain intentionally added mercury.

### **3) Reduction of Bromine and Chlorine content in Plastic Parts >25 grams**

Each plastic part in the product exceeding 25 grams shall not contain greater than 1,000 ppm chlorine or greater than 1,000 ppm bromine at the homogeneous level, with the following exceptions:

1. Parts which exceed 25% post-consumer recycled content may contain a maximum of 5,000 ppm chlorine and a maximum of 5,000 ppm bromine.
2. Printed circuit boards, cables and wiring, fans, and electronic components are excluded.

### **4) Compliance with provisions of the EU Battery Directive**

Batteries that are contained in or supplied with the product shall comply with the substance content limit of EU Directive 2013/56/EU (EU Battery Directive).

### **5) Plastic Parts Compatible with Recycling**

All plastic parts greater than 25 grams must be marked with the appropriate ISO 11469 material marking code.

## **G. EPEAT Additional Silver/Gold Criterion**

The following are required for all components utilized in Ace Computers EPEAT Silver and EPEAT Gold registered products.

### **1) Restriction of the use of Cadmium**

The product shall not use any exempted cadmium application under the EU RoHS directive in effect at the time of declaration of conformance to this Supplier Code of Conduct.

### **2) Restriction of the use of Beryllium**

For the following components: Power Supplies, Fans, DVD Drives, and Motherboards, the homogeneous materials in the product shall not contain more than 0.1% (1,000 ppm) by weight of beryllium.

### **3) Further Reduction of Bromine and Chlorine Content of Plastic Materials**

Plastic materials in the product exceeding 0.5 grams shall not contain greater than 1,000 ppm chlorine or greater than 1,000 ppm bromine at the homogeneous level, with the following exceptions:

1. Materials which exceed 25% post-consumer recycled content may contain a maximum of 5,000 ppm chlorine and a maximum of 5,000 ppm bromine.
2. Power cords in jurisdictions where PVC-free power cords have not been approved by safety agencies for use in the product.

### **4) Avoidance or elimination of substances on EU REACH Annex XIV (authorization list)**

All articles in the product shall not contain more than 0.1% weight by weight (w/w) of applicable substances included on both the IEC 62474 Declarable Substance List and on the EU REACH Annex XIV Authorization List.

### **5) Reduction of Substances on the EU REACH Candidate List of SVHCs**

The product shall not contain applicable substances included in the EU REACH Candidate List of Substances of Very High Concern (SVHC) above the 0.1% weight by weight (w/w) of applicable substances in all articles, excluding uses and levels allowable under the EU RoHS Directive and its amendments.

### **6) IEC 62474 Declarable Substances**

Suppliers must be capable of disclosing all substances present in the product that are categorized under designated criteria 1, 2, and 3 of IEC 62474 and whether these substances are present above or below the designated thresholds.

### **7) Full Substance Inventory**

Suppliers must be capable of providing a full substance inventory for the product.

### **8) Higher Post-consumer recycled plastic, ITE-derived post-consumer recycled plastic, or bio-based plastic content**

Each supplier of post-consumer recycled content plastic, ITE derived post-consumer recycled content plastic and/or bio-based content plastic, must provide a signed supplier letter identifying the specific plastic name, the type of plastic (postconsumer recycled, ITE or bio-based) and the percentage by weight in the plastic.

Additionally, each supplier of ITE derived post-consumer recycled plastic content must be able to provide a certification attesting that the average minimum content of the resin is made from ITE-derived post-consumer recycled plastics in accordance with either r UL ECV 2809 (3rd edition), BS/EN 15343:2007, SCS Services Recycled Content Standard V7.0, or equivalent standard. The certification shall be obtained from a certification body for which the specific standard is in the scope of their accreditation.

## REFERENCES

The following standards were used in preparing this Code and may be useful sources of additional information. Participation requires all next-tier suppliers to be familiar with the following standards as they may apply to their business practices and the business relationship with ACE Computers.

- 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-human-rights/>
- 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)

## Historical Documentation

ACE150 Supplier Code of Conduct - Original Document	10/23/23

## Supplier Declaration of Responsible Business Practices

**Supplier Contract:** All suppliers are required to meet the *ACE Supplier Code of Conduct* regarding occupational health and safety requirements and, in addition, apply our labor, EPEAT and conflict mineral provisions to directly subcontracted suppliers. Suppliers are responsible for following the most updated version of ACE's Code of Conduct, regardless of the date of signing this declaration. Updated versions are posted on our website for review. Suppliers must apply the requirements to their directly contracted suppliers.

**Supplier makes the following declaration:** *Presently, our organization meets the requirements of the Ace Computer's Supplier Code of Conduct. We understand this includes observance of the RBA Code of Conduct, or we commit to instituting the required management system to come into alignment with these requirements within 12 months of signing this declaration. We commit to meeting reasonable self-auditing, verification and declaration requirements based on Ace Computers' requests.*

☐ Yes

☐ No

If "No," please provide details.

IN WITNESS WHEREOF, this Agreement has been duly executed by an authorized officer of Supplier.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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