

# Corporate Social Responsibility Guidelines for Suppliers

Taiwan Mobile Co., Ltd., and its affiliated companies (abbreviated as the Company hereafter) have been long devoted to the realization of corporate social responsibility. In the hope that all of the Company's collaborating suppliers and their collaborating suppliers can all dutifully fulfill their corporate social responsibility, we have formulated these "Corporate Social Responsibility Guidelines for Suppliers" (abbreviated as the Guidelines hereafter") for compliance by all collaborating suppliers, in an effort to bring about balance between economy, society and environment/ecology, as well as sustainable development.

## I. Labor Rights & Human Rights

Suppliers shall respect labor human rights, and treat workers in ways recognized by the international community, including but not limited to the UN's " Universal Declaration of Human Rights" (<http://www.un.org/en/universal-declaration-human-rights/index.html>), "UN Guiding Principles on Business and Human Rights" (<https://business-humanrights.org/en/un-guiding-principles>) and the International Labor Organization's "Declaration of Fundamental Principles and Rights at Work" (<http://www.ilo.org/declaration/thedeclaration/textdeclaration/lang--en/index.htm>), in order to ensure that they are duly respected.

### A. Anti-discrimination

During the course of recruitment and employment, suppliers shall not discriminate against workers in matters relating to recruitment, promotion, the provision of incentives & training opportunities, job arrangements, wages, benefits, sanction, employment termination and retirement based on race, skin color, age, gender, sexual orientation, ethnicity, disability/disease, religious belief, political affiliation, labor union membership, nationality or marital status. Suppliers shall not subject women to pregnancy tests or discriminate against pregnant workers, unless there are specific requirements for pregnant labor in accordance with local laws and regulations. In addition, suppliers shall not subject their workers or those about to become their workers to any discriminatory drug tests, with the exception of those required by local laws and regulations or those conducted for the sake of ensuring workplace safety.

### B. Prohibition of Harsh Treatment and Harassment

Suppliers shall be committed to providing a workplace free from harassing behavior. Suppliers shall not threaten workers or subject them to harsh or inhumane treatment, including improper or unlawful matters such as sexual harassment, corporal punishment, psychological coercion, physical coercion or verbal abuse.

### C. Involuntary Labor

Suppliers shall guarantee that all workers work voluntarily. Workers are free to resign from their posts or may terminate employment through advance application. Suppliers shall not condition employment upon workers collateralizing any of their government-issued IDs, passports or work certificates.

**D. Prohibition of Using Child Labor**

The use of child labor is prohibited. The definition of child labor by regulators where suppliers' workers are located shall prevail.

**E. Work Hours**

With the exception of urgent or non-policy conditions, suppliers' regulations with regard to the cap on weekly work hours (including overtime) and leaves (including the right to ask for leaves and festive holidays) shall at least comply with the regulatory rules where supplies' workers are located.

**F. Wages & Benefits**

Suppliers shall compensate workers with wages no less than the legal minimum wage required by related laws where suppliers' workers are located, in addition to providing benefits required by law. Aside from ordinary wages, workers shall be compensated with corresponding overtime pay when working overtime, in accordance with related laws and regulations. Suppliers shall not dock workers' wages for the purpose of sanction. Wages shall be paid on time. Details about wages shall be explained in a timely and clear fashion to workers.

**G. Freedom of Association**

Suppliers shall respect local laws mandating labor's right to the freedom of association, assembly and participation in labor unions, as well as the right to counsel and collective bargaining. At recruitment, suppliers shall not discriminate against workers on the grounds that they are members of a labor union. In particular, suppliers shall not offer employment on the condition that workers relinquish their labor union membership or agree not to join any labor union. Nor shall suppliers terminate the employment of or discriminate against workers for labor union membership or participation in labor union activities outside of their work hours (or during work hours, provided that suppliers agree or related laws require labor union activities be carried out during work hours).

**H. In addition to the aforementioned basic human rights, suppliers shall provide more diverse channels for lodging grievances and necessary remedy measures.**

**II. Health and Safety**

**A. Occupational Safety**

Suppliers shall provide safe occupational instructions, preventive maintenance and

precautionary devices (such as protective masks, interlocking gear and railing) in order to reduce health and safety risks in the workplace. In the event the aforementioned measures still fail to effectively bring risks under control, suppliers shall provide workers with appropriate personal protective gear. Workers have the right to refuse to work in unsafe environments until management eases their concerns, without having to worry about any punishment.

**B. Industrial Hygiene**

Suppliers shall identify, assess and control the risks associated with workers' exposure to hazardous chemicals, as well as biological and physical factors. In the event engineering and management measures still fail to effectively bring risks under control, suppliers shall provide workers with appropriate personal protective gear.

**C. Occupational Injuries & Diseases**

Suppliers shall build up a system to manage, track and report occupational injuries and diseases occurring in the workplace. These systems shall classify and document occupational injuries and diseases, investigate possible causes and administer corrective plans to eradicate the root of problems in response to reported labor incidents, while providing for necessary therapy to help workers recuperate on their way back to their posts.

**D. Occupational Health and Safety**

Suppliers shall unconditionally make the commitment to abiding by related regulatory regulations pertaining to labor safety and health, while agreeing to unconditionally abide by related "Rules governing contractor safety, health and environmental protection" formulated by the Company.

**III. Environment**

**A. Management of Toxic Materials & Restrictions**

Suppliers shall abide by all related laws and regulations pertaining to the prohibition and restricted usage of certain specific materials. In order to ensure the safe handling, transfer, storage, recycling, reuse and treatment of toxic materials, suppliers shall identify and manage emission materials which may impact the environment, while abiding by regulations with regard to recycling and treatment in related laws. Suppliers shall post material safety information tables written in the primary language used by workers about all hazardous or toxic materials in the workplace, as well as conduct training on workers who come into direct contact with these materials in the workplace.

**B. Discharge of Wastewater and Solid Waste**

Suppliers shall control and monitor the wastewater and solid waste generated during the course of product manufacturing/by manufactures as well as sanitation devices. They

shall treat them in accordance with related regulatory requirements before discharge or treatment.

**C. Exhaust Emission**

Suppliers shall classify, control and monitor the volatile organic chemicals, smog, corrosive materials, particles, ozone-depleting chemicals, and explosive byproducts generated during the course of product manufacturing/by manufactures. They shall treat them in accordance with related regulatory requirements before discharge.

**D. Environmental Permits and Reports**

Suppliers shall obtain, maintain and retain the latest and all necessary environmental permits and approved documents in accordance with related regulatory requirements for the location of the workplace, in addition to adhering to the operating and reporting requirements of the permits.

**E. Pollution Prevention & Energy Conservation**

Suppliers shall be committed to reducing or eliminating all forms of wastage, including water and energy. Suppliers shall put energy-conserving measures in place during the course of equipment maintenance, repair or manufacturing; or they can achieve the goal of energy conservation via recycling, reuse or using alternative materials.

**IV. Ethical Guidelines**

**A. Blackmailing or Inappropriate Revenues**

Suppliers are prohibited from providing any form of offering, corruption, commission, kickback, gifts and hospitality to any unit or personnel of the Company, or engaging in any other conduct involving illegitimate benefits. In the event the Company identifies and confirms any of the foregoing, it shall have the right to demand such suppliers to pay 20% of the total transaction amount during the previous year or NT\$1.5 million (whichever is higher) in punitive default penalty, in addition to the right to terminate any and all cooperation and take legal actions.

**B. Information Disclosure**

Suppliers shall publicly disclose information with regard to their commercial activities, structure, financial conditions and operating performance in accordance with related laws and regulations as well as prevailing industry standards.

**C. Fair Governance, Promotion & Competition**

Suppliers shall abide by standards for fair governance during promotion, sales and competition activities, while abiding by anticompetitive provisions.

**V. Sustainable Procurement**

Suppliers shall push forward action plans relating to sustainable procurement within its supply chain from the perspective of reducing environmental and social influence and impact, including sustainable procurement policies, raw material tracing to prevent using conflict mineral products, as well as promoting & forging a sustainable supply network.

**VI. Promulgation Methods of the Guidelines**

Suppliers unconditionally understand and agree that the Company has the right to change and revise the Guidelines at any time. They also agree that the Company can disclose changed or revised content via promulgation on the electronic procurement system, without having to separately notify each supplier in any way. (End of the Guidelines)