

# Apex Biotechnology Co., Ltd.

## Supplier Code of Conduct

Apex Biotechnology Co., Ltd. (hereinafter referred to as "Apex Biotechnology") has long focused on social responsibility, environmental protection, business ethics, and management practices. In order to ensure that Apex Biotechnology's supply chain (suppliers, contractors, and service providers) provides a healthy and safe working environment, respects employees' dignity, and operates in accordance with environmental protection requirements and ethical standards, Apex Biotech has established this Supplier Code of Conduct (hereinafter referred to as "the Code") based on international social responsibility standards. Apex Biotechnology invites all supply partners to work together towards sustainable development. In any case, when providing products or services to the company, all suppliers must comply with laws, ethical requirements, and social and environmental responsibilities, and adhere to the laws and regulations of the country or region where they operate. At the same time, compliance with this Code will be a key evaluation item in procurement decisions.

### 1. Child Labor

- 1.1 Suppliers shall not employ or support the use of child labor. "Child labor" refers to employing anyone under the age of 16 (as defined by Taiwan's Labor Standards Act, Article 44; this definition can be adjusted according to local laws of the factory's location), or anyone below the age required for mandatory schooling, or anyone who does not meet the minimum working age in the relevant country or region (the highest age requirement of the three is applicable).
- 1.2 If children are found working in violation of the above definition of child labors, suppliers must establish, document, and retain written policies and procedures for the rescue of children and effectively communicate them to employees and stakeholders. Suppliers should also provide these children with sufficient financial and other support to ensure they can receive school education until they exceed the age defined as "child labor."
- 1.3 Suppliers may hire minors, but if local laws require minors to attend compulsory education, they may only work outside of school hours. In any case, the total time for schooling, work, and transportation for minors cannot exceed 10 hours

per day, and their work hours should not exceed 8 hours per day. Night shifts or late shifts are not permitted for minors.

- 1.4 Regardless of the location, suppliers shall not expose children or minors to hazardous or unsafe environments that could affect their physical or mental health and development.

## **2. Forced or Compulsory Labor**

- 2.1 Suppliers shall not use or support the use of forced or compulsory labor as defined in ILO Convention No. 29, including prison labor. Suppliers shall also not require employees to pay "deposits" or store identification documents with them.
- 2.2 No supplier or entity providing labor to the supplier shall force employees to continue working by withholding wages, benefits, property, or documents.
- 2.3 Suppliers must ensure that employees do not bear all or part of the employment costs or expenses.
- 2.4 Employees have the right to leave the workplace after standard working hours. Employees may freely terminate their employment contract provided they give reasonable notice to the supplier.
- 2.5 No supplier or entity providing labor to the supplier shall engage in or support human trafficking.

## **3. Health and Safety**

- 3.1 Suppliers must provide a safe and healthy working environment and take effective measures to prevent potential health and safety accidents and occupational injuries or diseases caused during the work process. Based on industry-specific safety and health knowledge and any specific hazards, all risks should be reduced or eliminated in the workplace wherever reasonably feasible.
- 3.2 For pregnant women and breastfeeding employees, suppliers should assess all risks in their workplace and implement all reasonable measures to eliminate or reduce any risks that could harm their health and safety.
- 3.3 For any remaining risks after taking effective measures to reduce or eliminate workplace hazards, suppliers should provide appropriate personal protective

equipment to employees free of charge. If any employee is injured at work, suppliers should provide emergency first aid and assist the worker in obtaining follow-up medical care.

- 3.4 Suppliers must appoint a senior management representative responsible for ensuring that a healthy and safe working environment is provided for all employees and for implementing the health and safety requirements outlined in this Code.
- 3.5 A health and safety committee composed of both management representatives and worker representatives must be established and maintained. Unless otherwise required by law, the committee should include at least one worker representative (if they agree to participate), and that representative should be an officially recognized union representative. In the absence of a union representative or where the supplier has not formed a union, the workers should designate a representative they deem appropriate. These decisions should be effectively communicated to all employees. Committee members should receive training and periodic re-training to ensure they are competent and dedicated to continuous improvement of workplace health and safety conditions. Formal and regular occupational health and safety risk assessments should be conducted to identify and address current and potential health and safety hazards. Records of these assessments, corrective and preventive actions should be properly maintained.
- 3.6 Suppliers must regularly provide employees with effective health and safety training, including on-site training, and arrange specific job-related training where necessary. Such training should be repeated for new employees and employees reassigned to different positions, particularly in places where accidents have occurred, when technological changes, or the introduction of new equipment poses new health and safety risks.
- 3.7 Suppliers must establish standard operating procedures to detect, prevent, reduce, eliminate, or address any factors that may pose a risk to employee health and safety. Suppliers should retain written records of health and safety incidents occurring in the workplace as well as any incidents related to housing or properties provided by the supplier (whether owned, leased, or provided by contractors).

- 3.8 Suppliers must provide all employees with clean toilet facilities, drinking water, appropriate eating and rest areas, and hygiene facilities for food storage, where applicable.
- 3.9 Regardless of whether employee dormitories are owned, leased, or provided by contractors, suppliers must ensure that any dormitory facilities provided to employees are clean, safe, and meet their basic needs.
- 3.10 Employees have the right to remove themselves from any situation that may pose an immediate and serious threat to their personal safety without prior authorization from the supplier.

#### **4. Freedom of Association and Collective Bargaining**

- 4.1 All employees have the right to form, join, and organize unions of their choosing and engage in collective bargaining with their employer. Suppliers should respect this right and effectively inform employees that they may freely join the union of their choice without facing adverse consequences or mistreatment. Suppliers shall not interfere with the establishment, operation, or management of worker organizations or collective bargaining.
- 4.2 In countries or regions where freedom of association and collective bargaining are restricted by law, suppliers must allow workers to freely elect their representatives.
- 4.3 Suppliers must ensure that union members, worker representatives, and any employees involved in organizing workers are not discriminated against, harassed, coerced, or retaliated against due to their union membership, representation, or participation in organizing activities, and ensure that these representatives have access to their members in the workplace.

#### **5. Discrimination**

- 5.1 Suppliers shall not engage in or support discrimination based on race, ethnicity, regional or social origin, social class, religion, disability, gender, sexual orientation, family responsibilities, marital status, political views, age, or any other discriminatory grounds in hiring, compensation, training opportunities, promotions, termination, or retirement.

- 5.2 Suppliers shall not interfere with employees' rights to practice their religion and customs or the rights necessary to fulfill needs arising from race, ethnicity, social origin, social class, religion, disability, gender, sexual orientation, family responsibilities, marital status, political views, or other grounds for discrimination.
- 5.3 Suppliers shall not allow any threats, abuse, exploitation, or sexual assault to occur in any workplace, housing, or property provided by the supplier (whether owned, leased, or provided by contractors). This includes any form of verbal, physical, or sexual abuse.
- 5.4 Suppliers shall not subject employees to pregnancy or virginity tests under any circumstances.

## **6. Disciplinary Measures**

- 6.1 Suppliers shall treat all employees with dignity and respect. The company shall not participate in or tolerate any form of corporal punishment, mental or physical coercion, or verbal abuse, and shall not allow employees to be treated in a rough or inhumane manner.

## **7. Working Hours**

- 7.1 Suppliers must comply with applicable laws, collective bargaining agreements (if applicable), and industry standards regarding working hours, rest periods, and public holidays. The standard workweek (excluding overtime) should be determined by law but should not exceed 48 hours.
- 7.2 Employees must have at least one rest day per week after working six consecutive days. Exceptions are allowed only if:
  - a) National law allows overtime beyond the prescribed limit, and
  - b) A valid, freely negotiated collective bargaining agreement allows for averaging working hours and provides adequate rest periods.
- 7.3 All overtime should be voluntary and should not exceed 12 hours per week, and overtime should not be regularly required.
- 7.4 If a supplier and a worker organization representing many employees (as defined above) freely negotiate a collective bargaining agreement, the supplier may

require overtime work to meet short-term business needs. Any such agreement must comply with other work-hour standards outlined above.

## **8. Compensation**

- 8.1 Suppliers should respect the right of employees to receive a living wage and ensure that the total wage for a standard working week (excluding overtime) meets at least the legal, collective bargaining agreement (if applicable), or industry minimum wage requirements, as well as covering employees' basic needs and providing some discretionary income.
- 8.2 Suppliers should ensure that wages are not deducted for punitive purposes, unless the following conditions are met: a) Such wage deductions for punitive purposes are allowed by national law; and b) There is a valid and effective collective bargaining agreement allowing wage deductions as a form of punishment.
- 8.3 Suppliers should ensure that the composition of wages and benefits is clearly explained to employees during each wage payment cycle, and that they are regularly provided with written details of their wages and benefits. Wages and benefits should be paid according to the law and in a manner convenient for workers. Under no circumstances should wages be delayed or paid in non-monetary forms, such as vouchers, coupons, or promissory notes.
- 8.4 All overtime should be paid at the overtime rate specified by national law or a collective bargaining agreement. If no such rate is stipulated by law or collective bargaining agreements, overtime should be paid at an additional rate specified by the supplier or based on the highest rate in widely accepted industry standards.
- 8.5 Suppliers should not use purely labor-based contracts, continuous short-term contracts, or false apprenticeship schemes, or other schemes to evade their obligations under labor laws and social security regulations.

## **9. Management System**

### **9.1 Policies, Procedures, and Records**

- 9.1.1 Senior management should write a policy statement in an appropriate language and notify all employees about the commitment to comply with these guidelines.

- 9.1.2 This policy statement should include the supplier's commitment to meet all the requirements of these guidelines, national laws, other applicable laws, and other compliance obligations.
- 9.1.3 In the supplier's workplace, housing, and properties (whether owned, leased, or provided by contractors), the policy statement and these guidelines should be expressed in an appropriate, understandable, and prominent form.
- 9.1.4 Suppliers should establish policies and procedures to implement these guidelines.
- 9.1.5 These policies and procedures should be communicated effectively to all employees in all relevant languages and allow them to understand. Communication should also be clear and shared with customers, suppliers, subcontractors, and secondary suppliers.
- 9.1.6 Suppliers should maintain appropriate records to demonstrate the implementation and compliance with these guidelines. These records should include the requirements outlined in this element of the management system and should be kept in a written or oral summary form to be provided to worker representatives.
- 9.1.7 For continuous improvement, suppliers should regularly review the policy statement, procedures, and results of the implementation of these guidelines.
- 9.1.8 Suppliers should publicly disclose their policy statement in an effective form to relevant stakeholders.

## 9.2 Social Responsibility Performance Team

- 9.2.1 A social responsibility performance team should be established to implement all the requirements of these guidelines. This team should consist of balanced representatives from: a) Worker representatives; and b) Management personnel. Senior management should take full responsibility for ensuring compliance with the standards.
- 9.2.2 In suppliers with established unions, worker representatives on the social responsibility performance team should be union representatives (if

agreed). If the union has not designated representatives or no union exists, employees can freely choose one or more worker representatives from among themselves. In any case, worker representatives should not be considered substitutes for union representatives.

### 9.3 Risk Identification and Assessment

9.3.1 The social responsibility performance team should regularly conduct written risk assessments on actual or potential non-compliance issues and identify priority areas for improvement. The team should also recommend action plans to senior management to address these risks. The priority of actions to address these risks should be determined based on the severity of the risks or the consequences of delayed response.

9.3.2 The social responsibility performance team should conduct risk assessments based on recommended data, collection techniques, and meaningful consultation with stakeholders.

### 9.4 Supervision

9.4.1 The social responsibility performance team should effectively monitor workplace activities to ensure: a) Compliance with these guidelines; b) The implementation of actions to mitigate risks identified by the team; c) The system can effectively operate to meet the requirements of the supplier's policy and these guidelines. During the monitoring process, the social responsibility performance team has the right to collect information or invite stakeholders to participate in monitoring activities. They should also work with other departments to define, analyze, or address any potential non-compliance issues.

9.4.2 The social responsibility performance team should also promote regular internal audits, and report the status of standard implementation, the benefits of corrective actions, and records of corrective and preventive measures to senior management.

9.4.3 The social responsibility performance team should hold regular meetings to review progress and identify potential actions to further strengthen the implementation of the standards.

### 9.5 Internal Participation and Communication



- 9.5.1 Suppliers should demonstrate that employees effectively understand the requirements of these guidelines and should regularly communicate these requirements to employees through daily communication.

## 9.6 Complaints Management and Resolution

- 9.6.1 Suppliers should establish written grievance procedures to ensure that employees and stakeholders can confidentially, fairly, and without retaliation comment, suggest, report, or raise concerns regarding non-compliance with workplace conditions and/or these guidelines.
- 9.6.2 Suppliers should establish procedures for investigating, tracking, and communicating the results of complaints regarding workplace conditions and/or non-compliance with these guidelines or their implementation. These results should be freely accessible to all employees and stakeholders.
- 9.6.3 Suppliers should not discipline, dismiss, or impose any discriminatory punishment on employees or stakeholders who provide information regarding compliance with these guidelines or workplace complaints.

## 9.7 External Audits and Stakeholder Participation

- 9.7.1 Suppliers should fully cooperate with external auditors, whether the audit is notified or unannounced, to determine the severity and frequency of non-compliance issues.
- 9.7.2 Suppliers should invite stakeholders to participate in order to achieve sustainable compliance with these guidelines.

## 9.8 Corrective and Preventive Actions

- 9.8.1 Suppliers should allocate sufficient resources and establish policies and procedures to ensure the timely implementation of corrective and preventive actions. The social responsibility performance team should ensure that these action plans are effectively implemented.
- 9.8.2 The social responsibility performance team should maintain records, including timelines, non-compliance issues, root causes, corrective and preventive actions, and improvement outcomes.

## 9.9 Training and Capacity Building

9.9.1 Suppliers should implement an effective training program for all employees to ensure the proper execution of these guidelines, based on risk assessments. Suppliers should regularly evaluate the effectiveness of the training and maintain records of the content and frequency of training sessions.

## 9.10 Supplier and Subcontractor Management

9.10.1 Suppliers should conduct due diligence on their suppliers, subcontractors, private employment agencies, and secondary suppliers regarding compliance with these guidelines. The same due diligence methods should apply to the selection of new suppliers, subcontractors, private employment agencies, and secondary suppliers. Suppliers should take at least the following actions to ensure compliance and maintain records: a) Effectively communicate the requirements of these guidelines to the senior management of suppliers, subcontractors, private employment agencies, and secondary suppliers; b) Evaluate the significant risks posed by non-compliance issues from suppliers, subcontractors, private employment agencies, and secondary suppliers (refer to the guidance document for "significant risk" explanation); c) Make reasonable efforts to ensure that these significant risks are adequately addressed by suppliers, subcontractors, private employment agencies, and secondary suppliers. Suppliers should influence these entities in a timely and appropriate manner based on their capacity, resources, and priorities; d) Conduct monitoring and maintain traceable records to ensure that suppliers, subcontractors, private employment agencies, and secondary suppliers address significant risks and improve their situations.

9.10.2 If family workers are found to be used in the process of receiving, handling, or promoting products or services from suppliers/subcontractors or secondary suppliers, suppliers should take effective actions to ensure that these family workers receive protections equivalent to those afforded to internal employees under these guidelines.