



Social Responsibility Management Manual

01 Preface

With the development of economic globalization, especially in the past two decades, European and American multinational corporations have transferred labor-intensive production bases to developing countries and regions with lower labor costs, establishing a "global procurement, global sales" business model. This significantly reduces costs and achieves substantial development. Currently, over 95% of labor-intensive products in the European and American markets are produced by developing countries.

In developed countries like Europe and America, there is a growing awareness of the close connection between labor standards and trade. Consumers are increasingly concerned about labor issues, demanding information about the production conditions of the products they purchase. They want to know if the products involve child labor or forced labor, and if the factories producing these products comply with basic labor standards. Non-governmental organizations (NGOs) such as trade unions, labor organizations, consumer associations, human rights organizations, religious organizations, and student groups have played a crucial role in this movement. They call on multinational corporations, especially those in the consumer goods industry, to take concrete actions and ensure that their suppliers (factories) in developing countries comply with local labor laws, safeguarding the basic rights of workers.

In response to this movement, some NGOs send representatives to visit these factories, investigate labor issues, and submit the findings to relevant CEOs of multinational companies. They demand responses, and major incidents may be widely publicized in the news media, creating significant pressure.

A decade ago, many multinational companies often used the excuse that these factories did not belong to them or were not under their management, thus avoiding social responsibility. However, with increased public awareness and intensified protest actions, NGOs frequently organize large-scale demonstrations, jointly boycott products of certain multinational companies using child or forced labor, obstruct company business activities, impact corporate offices, and even damage or destroy their stores, causing significant economic losses and severe damage to brand image. Some companies experienced stock price declines, and top executives were forced to resign.

At present, almost all multinational companies realize their social responsibility to global partners. Some companies formulate their own corporate policies, incorporating recognized labor standards as procurement contract terms. Many large companies establish dedicated institutions or hire professional firms to monitor factory compliance. In case of serious violations, they demand immediate correction, and severe cases may result in order cancellations.

As an electronics manufacturer, our company has received valuable suggestions from clients and, in order to ensure ongoing compliance with international labor standards and local labor regulations, and to maintain global competitiveness, the company has decided to implement social responsibility standards.



Social Responsibility Management Manual

02 Proclamation

To ensure continuous compliance with international labor standards and relevant national laws and regulations, ensuring global competitiveness and meeting market demands and customer requirements, adapting to market competition, the company has compiled the "Social Responsibility Management Manual" based on social responsibility standards.

This manual outlines the company's social responsibility policy, objectives, organizational structure, responsibilities of personnel, and requirements of international social responsibility standards. It serves as a comprehensive guiding document applicable to all processes of the company's management activities. All employees are required to diligently study and strictly abide by the provisions and requirements outlined in this "Social Responsibility Management Manual" as part of their responsibilities.

No one is allowed to reproduce or disclose this manual without the approval of the management representative.

Issued hereby!

Approval: Date: February 1, 2023

03 Appointment Letter for Social Responsibility Management System Representative

Social Responsibility Management Representative Appointment Letter

To effectively plan and implement our company's social responsibility management system, Mr. Zheng Xuezhi is hereby appointed as the company's Social Responsibility Management System Representative. The responsibilities of the management representative are as follows:

03.1 Effectively maintain the implementation of the social responsibility management system and ensure continuous improvement.

03.2 Report to the General Manager on the performance of the company's social responsibility management system and improvement needs.

03.3 Coordinate all matters related to employee communication and welfare within the company.

03.4 Communicate and advocate the company's social responsibility policy to employees, suppliers, and the general public. Clarify and explain the company's SA8000 work to employees and relevant groups.

03.5 Coordinate and communicate with all stakeholders related to the company's social responsibility management system, including customers, suppliers, and government agencies.

03.6 Resolve disputes and conflicts between the company and employees.

03.7 Authorization interpreter for the company's personnel policies and content.

Approval: Date: February 1, 2023

04 Appointment Letter for Environmental, Health, and Safety Director



Social Responsibility Management Manual

Environmental, Health, and Safety Director Appointment Letter

04.1 To establish a safe, healthy, and hygienic working and living environment for our company's employees and facilities, Mr. Wu Yují is appointed as the company's Environmental, Health, and Safety Director. The responsibilities and authorities are as follows:

04.2 Responsible for overall environmental, health, and safety matters throughout the company.

04.3 Organize and implement various work to ensure the company's compliance with social responsibility and relevant legal and regulatory requirements in environmental, health, and safety aspects.

04.4 Conduct inspections of the implementation of environmental, health, and safety matters in the company.

04.5 Rectify non-compliance issues related to environmental, health, and safety matters.

External liaison on environmental, health, and safety matters.

04.6 Report to the General Manager on the implementation status of the company's environmental, health, and safety matters.

This appointment is effective immediately.

Approval: Date: February 1, 2023

05 Anti-Discrimination Commissioner Appointment Letter

Anti-Discrimination Commissioner Appointment Letter

Mr. Wu Yují is hereby appointed as the Anti-Discrimination Commissioner for our factory, responsible for notifying, executing, and ensuring the anti-discrimination policy.

This appointment is effective immediately.

Approval: Date: February 1, 2023

06 Appointment Letter for Legal and Regulatory Compliance Officer

Legal and Regulatory Compliance Officer Appointment Letter

Our factory appoints Mr. Wu Yují as the "Legal and Regulatory Compliance Officer" responsible for collecting and regularly updating legal and regulatory requirements related to social responsibility management, identifying relevant content related to various positions in the company, and organizing relevant training.

This appointment is effective immediately.

Approval: Date: February 1, 2023

07 Social Responsibility Policy

1.0 Purpose Establish a social responsibility policy for all employees to comply with, ensuring the company



Social Responsibility Management Manual

maintains a good social responsibility reputation in the market.

2.0 Scope Applicable to all company-related employees and groups.

3.0 Company Social Policy Statement

3.1 The company shall comply with relevant national laws, international conventions, and other applicable regulations. 3.2 Respect the freedom of workers, prohibit the use of child labor and forced labor. 3.3 Provide a safe and healthy working and living environment, ensuring the health and safety of employees. 3.4 Promote labor-management cooperation, respect workers' freedom of association, and collective bargaining rights. 3.5 All employees are treated equally, opposing discrimination, and prohibiting insulting behavior. 3.6 Reasonably arrange production plans, working hours, and rest breaks for employees. 3.7 Provide reasonable wages and benefits, meeting the basic needs of employees. 3.8 Continuously improve working conditions and employee welfare. 3.9 Promote environmental protection, raising awareness of corporate environmental responsibility. 3.10 Promote the construction of public morality standards, prohibiting any unethical behavior. 3.11 Establish and maintain a social responsibility management system, continuously improving.

08 Social Responsibility Policy Commitment Letter

1.0 General Rules

Take social responsibility and protect the interests of employees.

Continuously improve the social responsibility system.

2.0 Social responsibility policy connotation:

2.1 Comply with relevant national laws and regulations, international conventions and other local laws and regulations.

2.2 Respect the freedom of employees and prohibit the use of child Labour and forced Labour.

2.3 Provide safe and hygienic working and living conditions to ensure the health and safety of employees.

2.4 Promote labor-management cooperation and respect employees' freedom of association and right to collective bargaining.

2.5 All employees are treated equally, discrimination is opposed, and insulting behavior is prohibited.

2.6 Reasonable arrangement of production plan, reasonable arrangement of employees' working hours, rest and vacation.

2.7 Provide reasonable wages and benefits to meet the basic needs of employees.

2.8 Continuous improvement of working conditions and employee welfare.

2.9 Promote environmental protection work and enhance enterprise environmental awareness.

2.10 Promote the construction of public moral norms and prohibit any acts of improper interests.



Social Responsibility Management Manual

2.11 Establish social responsibility system management and continuous improvement.

09 Social responsibility Policy commitment

Smart Tech's management and employees recognize that compliance with international labor standards and protection of labor rights are the basic conditions of a responsible company and the expectations of stakeholders such as consumers, customers, the public and governments.

The factory undertakes to comply with national labor laws and regulations pass supplier social responsibility standards, comply with internationally recognized labor standards, and other applicable industry standards and international conventions; Conduct regular review of company policies for continuous improvement; Effectively document the company's policies and make them public in an effective manner. Continuously improve working conditions and employee welfare.

Like quality management, social responsibility management is also an integral part of the daily operation of the company, and fulfilling social responsibility is a necessary condition for the company to provide good products to meet the needs of customers.

The Company appoints senior management responsible for social responsibility management, establishes, implements and maintains a good social responsibility management system, and extends this requirement to suppliers and subcontractors.

Company statement:

1. The Division shall comply with the relevant requirements of national labor regulations, environmental regulations and social responsibility standards.
- 2, respect for workers' freedom, no child labor, no forced labor, no prison workers.
3. All employees are treated equally, regardless of gender, race, religion or social affiliation, and oppose discrimination.
- 4, to provide safe and healthy working and living conditions to ensure the health and safety of employees.
5. Promote labor-management cooperation and respect employees' freedom of association and right to collective bargaining. Respect the basic human rights of employees and prohibit all forms of degrading behaviour and sexual harassment
- 6, reasonable arrangement of workers' working hours and rest and vacation.
- 7, to provide reasonable wages and benefits, in accordance with the relevant provisions of laws and regulations.
8. Continuously improve working conditions and employee welfare.
9. Establish a sound management system, and conduct regular reviews of company policies and health and safety.



Social Responsibility Management Manual

All employees are subject to social responsibility standards. The social responsibility management representative is responsible for the implementation of the social responsibility system and reports directly to the top leadership.

10 Non-Discrimination Policy:

This company commits to prohibiting all forms of discriminatory behavior in accordance with national laws and regulations. Discrimination based on race, social status, religious beliefs, age, disability, gender, marital status, pregnancy, sexual orientation, union membership, political beliefs, or any other reason is strictly prohibited. The company encourages equal treatment, unity, and mutual assistance among all individuals.

Approved by: Date: February 01, 2023

11 Environmental, Health, and Safety Policy:

Environmental, Health, and Safety Policy This company pledges to continuously improve and create a safe, healthy, and hygienic workplace for employees and the community. The company is committed to:

Developing strategies for continuous improvement, striving for excellence in safety environments.

Gradually implementing all regulatory standards.

Treating environmental health and safety standards as integral to all company facilities, aiming to reduce risks and create an accident-free work environment.

Designating representatives to manage these policies and objectives.

Maintaining dialogue with company employees to address environmental health and safety issues.

Conducting regular assessments of the environmental health and safety performance of various company facilities.

Approved by: Date: February 01, 2023

12. Social Responsibility Objectives:

A No discovery of any form of child labor.

B Less than 1 work-related accident.

C Zero fire incidents.

D 100% satisfaction in complaint resolution.

E 100% coverage in occupational health and safety training.

F Zero violations of national laws and regulations.

Methods for Measuring Objectives:



Social Responsibility Management Manual

A No discovery of any form of child labor: Monthly evaluation based on human resources department checks, combined with daily and audit findings.

B Less than 1 work-related accident: Monthly statistics by the administrative department based on departmental reports.

C Zero fire incidents: Monthly statistics by the administrative department based on fire incident reports.

D 100% satisfaction in complaint resolution: Monthly analysis, improvement, and statistical compilation by the administrative department using methods such as suggestion boxes, employee interviews, surveys, and representative meetings. Calculation: $\text{Satisfaction} = \frac{\text{Number of satisfactory complaint resolutions}}{\text{Total complaints}} \times 100\%$

E 100% coverage in occupational health and safety training: Training plans devised by the human resources department, regular training, assessment, and recording of employee compliance. Calculation: $\text{Training coverage} = \frac{\text{Number of employees participating in training}}{\text{Total employees eligible for training}} \times 100\%$

F Zero violations of national laws and regulations: Monthly statistics by the human resources department based on actual circumstances.

13 Process Flow and Company Organizational Structure:

13.1 Process Flow:

Incoming Materials—Assembly—Packaging—Finished Goods Warehousing—Shipment

13.2 Company Organizational Chart:

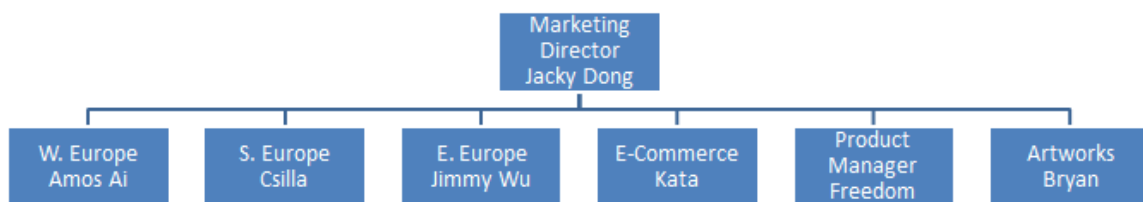
Unfortunately, due to text limitations, a visual representation is not possible. You may describe the organizational structure using text or symbols, highlighting the board of directors, executive leadership, various departments (sales, production, human resources, etc.), and specific functions or teams within these departments.



Social Responsibility Management Manual



Personnel structure



Corporate Social Responsibility Management Manual

1.0 Purpose and Scope

This manual is formulated in accordance with international standards on social responsibility and Chinese labor laws, taking into account global trends in the manufacturing industry and the strategic characteristics of the company. It outlines the company's policies, principles, objectives, procedures, and practices in social responsibility. Serving as the foundation for fulfilling social responsibilities, maintaining positive labor relations, improving working conditions, and enhancing employee compensation and benefits, the company will conduct regular internal audits and management reviews. Prompt and effective corrective actions will be taken as needed to ensure that the company's operations consistently comply with international labor standards and national labor laws. This manual applies to all activities related to social responsibility within the company, including the prohibition of child labor, protection of minors, prevention of forced labor, occupational health and safety, freedom of association and collective bargaining rights, anti-discrimination, prohibition of improper punitive measures, working hours and rest periods, wages, benefits, and supplier and subcontractor management.

2.0 Manual Management, Responsibilities, Objectives, and Legal Requirements

2.1 Manual Management

Establish, implement, and maintain a documented management system conducive to achieving sustained excellence in social responsibility. The complete management system documentation includes four levels: the management manual, procedure documents, operational documents, and form records. The purpose of developing the management manual is to clarify the company's social responsibility policy, basic principles, and



Social Responsibility Management Manual

fundamental procedures, providing guidance for the development of procedure documents, operational documents, and specific implementation to ensure the stability of company policies. The company's social responsibility manager is responsible for establishing, implementing, and maintaining this manual, continually improving the company's management system to meet the expectations and requirements of the company and stakeholders, thereby continuously improving the company's social responsibility performance. This manual is published and implemented with the approval of the company's general manager. The writing, storage, and revision of the manual should be in accordance with the "Social Responsibility Document and Record Control Procedure," and the social responsibility manager is responsible for promptly issuing the latest version of this manual, retrieving obsolete versions, and maintaining appropriate records of distribution.

The interpretation rights of the manual belong to the company's social responsibility manager.

2.2 Management Responsibilities

General Manager: Bears ultimate responsibility for the company's social responsibility performance. Responsible for formulating and implementing the company's social responsibility policy, regularly assessing the company's social responsibility performance, providing appropriate resource support for the normal operation of the social responsibility management system, and promoting continuous improvement in social responsibility performance.

Manager Representative: Ensures that the factory's regulations and management practices comply with the social responsibility management system standards and applicable legal requirements and supervises their improvement and maintenance. Participates in the formulation of safety management measures and operating procedures and oversees their implementation. Regularly submits work opinions on the social responsibility management system to the top management. Holds regular meetings with employee representatives, takes necessary measures to ensure the legitimate rights and safety of workers, and is responsible for health, safety, environment, welfare, and routine facilities matters. Organizes publicity, education, and training on safety, health, and the environment for employees. Chairs the daily work of the EHS management committee, holds regular EHS meetings, and addresses employee complaints/suggestions. Is responsible for communication and coordination with local administrative agencies to promptly and effectively protect the legitimate rights of all factory employees. Chairs the daily work of the EHS committee and addresses employee complaints/suggestions.

Human Resources and Administration Center:

Responsible for handling recruitment and dismissal procedures, including record keeping.

Plans annual training, ensures compliance with job requirements for new hires, organizes training, and manages records.

Collects relevant laws and regulations, stays updated on national laws and policies, and guides the company in lawful operations.

Manages attendance records.

Supervises the factory's fire prevention systems and facilities, organizes fire drills.



Social Responsibility Management Manual

Oversees logistics and environmental work, including waste disposal.

Manages security and overall safety and hygiene in the factory.

Coordinates various forms of entertainment activities.

Handles other tasks related to the Human Resources and Administration Center.

Finance Department:

Manages fund allocation, cost accounting, enterprise fund management, and supervises financial changes.

Accounts for fixed assets, intangible assets, and other assets.

Accounts for receivables, payables, and inventory.

Formulates cost control plans and supervises their implementation.

Establishes financial and accounting systems for the company.

Manages the calculation of salary and benefits and ensures timely salary disbursement.

Procurement Center:

Integrates social responsibility management into supplier and subcontractor management procedures.

Regularly evaluates the social responsibility management of suppliers and subcontractors, strengthens cooperation, and promotes improvement.

PMC Department:

Plans and coordinates production based on customer orders, inventory, and production capacity.

Organizes and coordinates the resolution of various anomalies in the production process to ensure smooth production and meet sales demands.

Implements EHS affairs related to training, health, and fire safety.

Engineering Department:

Ensures the availability of resources related to production.

Develops production operation manuals, process flow, and other production guidance documents.

Manages customer data, external technical documents, and templates.

Quality Center:

Plans and supervises the work of IQC, IPQC, and QA.

Monitors the handling of various quality anomalies.



Social Responsibility Management Manual

Monitors quality statistics, analysis, and reporting.

Formulates and revises relevant inspection standards.

Oversees all quality personnel in the factory.

Manages EHS knowledge and social responsibility-related training and implementation.

Export Center:

Evaluates orders, communicates with customers, handles customer complaints, and conducts regular customer satisfaction surveys.

Manages EHS knowledge and social responsibility-related training and implementation.

Warehouse Department:

Manages the receipt, dispatch, and storage of raw materials and finished products.

Plans warehousing and ensures consistency between accounts, physical items, and cards.

Implements 7S management in all warehouses.

Receives and stores hazardous chemicals, ensuring safe storage and issuance.

Production Department:

Plans and arranges production, ensuring products meet customer requirements.

Trains employees in quality awareness and job requirements.

Reports daily production status to higher-ups.

Provides technical guidance and records for the department.

Conducts risk assessments for the department's work area, formulates safety measures, and supervises implementation.

Provides EHS-related training for the department and supervises PPE usage.

Employee Representatives:

Represents worker interests, communicating with management on various aspects of social responsibility standards.

Regularly meets with employees from various departments and levels to understand their opinions and suggestions.

Submits worker opinions and suggestions to the management.

Participates in internal audits and management reviews, following up on factory improvements.



Social Responsibility Management Manual

3.0 Definitions:

Various definitions related to the standard, including the company, employees, suppliers/subcontractors, corrective and preventive actions, stakeholders, children and child labor, etc.

4.0 Social Responsibility System Management

4.1 Child Labor and Underage Workers

4.1.1 General Principles

Establish and maintain a policy and procedures prohibiting the use of child labor, protecting underage workers, and ensuring compliance with national regulations and SA8000 standards.

4.1.2 Responsibilities

The Human Resources Department is responsible for establishing "Child Labor Management Procedures" and "Underage Worker Management Procedures."

4.1.3 Key Controls

Strict prohibition of child labor; strong opposition to any use of child labor, and refusal to collaborate with suppliers intentionally employing child labor.

Effective methods must be used during recruitment to verify the true age of workers, ensuring they are at least 16 years old at the time of employment.

Maintenance of comprehensive personnel records, including entry dates, birthdates, education and training, work experience, home addresses, and contact numbers.

In accordance with national regulations, establish records for underage workers, arrange pre-employment and regular annual health check-ups, and refrain from assigning underage workers to any work that may pose a risk to their health and safety.

Establishment and maintenance of "Child Labor Management Procedures" and "Underage Worker Protection Procedures." In the event of discovering child labor, work must be immediately stopped, a designated person arranges a health check, investigates the reasons, and notifies the local labor bureau. If the child worker is in good health, with labor bureau approval, arrangements are made to return them to their parents at the company's expense. If treatment is required, the company bears all costs until recovery. When necessary, the company provides appropriate financial assistance and other resources to ensure the child worker completes compulsory education.

For underage workers attending school, the company provides appropriate financial assistance and other resources to ensure they fulfill compulsory education obligations. If they need to work, they must not be scheduled to work during class hours, and the total daily time for classes, work, and commuting must not exceed 10 hours.



Social Responsibility Management Manual

4.1.4 Relevant Documents

"Child Labor Management Procedures"

"Underage Worker Protection Procedures"

4.2 Forced Labor

4.2.1 General Principles

Establish and maintain a policy prohibiting forced labor, safeguarding workers' personal freedom, and ensuring company activities comply with national regulations and SA8000 standards.

4.2.2 Responsibilities

The Human Resources Department is responsible for developing and implementing the company's "Prohibition of Forced Labor Management Procedures" and regularly investigating and evaluating the policy's effectiveness.

4.2.3 Key Controls

The company respects workers' freedom rights, including freedom of employment, resignation, overtime, and movement.

The company prohibits any form of forced labor, including prisoner labor, indentured labor, and bonded labor.

The company prohibits practices restricting labor freedom, such as withholding identity documents, collecting deposits or collateral, withholding worker wages, using surveillance or monitoring devices, conducting forced searches, restricting worker access to and exit from the factory, and forcing overtime.

Companies and entities providing labor to the company must not engage in or support human trafficking activities.

Labor contracts and discipline formulated by the company must be agreed upon through negotiation with worker representatives and submitted for review and filing by the local labor bureau.

4.2.4 Relevant Documents

"Prohibition of Forced Labor Management Procedures"

"Recruitment Management Procedures"

"Supplier Management Procedures"

4.3 Health and Safety

4.3.1 General Principles

Establish and maintain the company's "Operational Control Management Procedures," providing safe and hygienic factory premises, machinery, equipment, and working environments to protect workers' safety and health, ensuring compliance with local regulations and SA8000 standards.



Social Responsibility Management Manual

4.3.2 Responsibilities

The Safety Supervisor is responsible for formulating and implementing the company's safety and health plan, conducting regular inspections, testing, and evaluations of the company's safety and health conditions, ensuring the safety and health of all employees.

4.3.3 Key Controls

4.3.3.1

In recognition of industry hazards and specific hazards, the company should establish "Operational Control Management Procedures" and "Hazard Identification and Control Procedures," providing a safe and healthy working environment. The company should take effective measures to minimize potential hazards in the work environment, avoiding harm to health from work-related accidents.

4.3.3.2

The company should appoint a senior management representative as the manager to provide a healthy and safe working environment for all employees, responsible for implementing various provisions related to health and safety in this standard. Refer to the handbook "Appointment Letter for Social Responsibility Management System Manager Representative" for details.

4.3.3.3

The company should regularly provide effective health and safety instructions to employees, including on-site instructions and, if necessary, specific work instructions. Training should be provided to new hires, transfers, and employees at accident locations.

4.3.3.4

The company should establish an "Emergency Preparedness and Response Management Procedures" to detect, prevent, and respond to potential threats to the health and safety of any employee. The company should establish "Accident, Incident, Non-Conformity Control Procedures" and keep written records of all accidents occurring at the workplace and within the residences and properties controlled by the company.

4.3.3.5

The company should establish a "Personal Protective Equipment Management System" and "Emergency Medical Aid Control Procedures," providing employees with appropriate personal protective equipment free of charge, purchasing workers' compensation insurance, providing first aid when employees are injured at work, and assisting workers in obtaining subsequent treatment.

4.3.3.6

The company should establish a "Risk Identification and Assessment Procedure for Pregnant Female Workers and New Mothers." It should assess all risks to pregnant women outside of work activities and ensure reasonable measures are taken to eliminate or reduce their health and safety risks.



Social Responsibility Management Manual

4.3.3.7

The company should provide clean toilets, drinkable water, and, when necessary, sanitary facilities for storing food to all employees.

4.3.3.8

If the company provides employee dormitories, it should ensure that dormitory facilities are clean, safe, and meet the basic needs of employees. The company currently does not provide employee dormitories, as specified in the terms.

4.3.3.9

All personnel have the right to leave an imminent serious danger, even without company permission.

4.3.4 Relevant Documents

"Operational Control Management Procedures"

"Hazard Identification and Control Procedures"

"Emergency Preparedness and Response Management Procedures"

"Accident, Incident, Non-Conformity Control Procedures"

"Personal Protective Equipment Management System"

"Emergency Medical Aid Control Procedures"

"Risk Identification and Assessment Procedure for Pregnant Female Workers and New Mothers"

4.4 Freedom of Association and Collective Bargaining

4.4.1 General Principles

The company respects and protects workers' rights to freedom of association and collective bargaining, establishing and maintaining effective procedures for complaints and grievances, ensuring that company activities comply with local regulations and SA8000 standards.

4.4.2 Responsibilities

The Human Resources Department is responsible for establishing and maintaining effective procedures for complaints and grievances, assisting and supporting the election of employee representatives.

4.4.3 Control Points

The company respects employees' freedom of association and collective bargaining rights. When necessary, appropriate resources are provided to assist employees in achieving these objectives.

The company supports the independent activities of worker representatives without discrimination or retaliation.



Social Responsibility Management Manual

A system is established for regular dialogues with worker representatives, scheduling at least quarterly meetings and arranging ad-hoc meetings when necessary.

The company establishes and maintains an appeals and complaint procedure, investigating and addressing employee opinions and complaints, and reporting the results to worker representatives.

4.4.4 Relevant Documents

"Freedom of Association and Collective Bargaining Management Procedure"

4.5 Prohibition of Discrimination

4.5.1 General Principles

Develop and maintain the company's "Anti-Discrimination and Anti-Harassment Procedure" to ensure that company activities comply with legal requirements and SA8000 standards.

4.5.2 Responsibilities

The Human Resources Department is responsible for formulating and implementing the "Anti-Discrimination and Anti-Harassment Procedure," investigating complaints related to discrimination, and taking corrective action promptly.

4.5.3 Control Points

The company prohibits all forms of discriminatory behavior. In formulating and implementing policies related to recruitment, wages, benefits, training, promotion, dismissal, or retirement, the principles of fairness and equality are upheld. Discrimination based on factors such as race, social class, nationality, religion, disability, gender, sexual orientation, union membership, or political affiliation is not tolerated. The company prohibits any form of discrimination against female workers, especially pregnant female workers. Under no circumstances should employees be required to undergo pregnancy or virginity tests.

The company's hiring principles are oriented towards society, with open recruitment, comprehensive assessments, and merit-based selection. Any form of sexual coercion, threats, insults, or exploitative behavior, including gestures, language, and physical contact, is strictly prohibited.

The company establishes a mechanism for complaints and grievances. In the case of discriminatory behavior, employees can directly complain to worker representatives, higher-level managers, or even the general manager. The company should appoint personnel without conflicts of interest to investigate the facts and take corrective action promptly.

4.5.4 Relevant Documents

"Anti-Discrimination and Anti-Harassment Procedure"

4.6 Punitive Measures

4.6.1 General Principles



Social Responsibility Management Manual

Establish and maintain the "Discipline Management Procedure" to ensure that punitive measures comply with regulations and SA8000 standards.

4.6.2 Responsibilities

The Human Resources Department is responsible for formulating and implementing the company's "Discipline Management Procedure" and investigating worker complaints, taking corrective action promptly.

4.6.3 Control Points

The company formulates reasonable punitive measures according to national regulations aimed at warning, educating, and assisting workers who violate labor discipline. Any form of improper punishment, including corporal punishment, intimidation, or verbal abuse of employees, is strictly prohibited.

Labor contracts and labor discipline should seek the opinions of workers and worker representatives, and be submitted to the local labor bureau for review and filing. The Administrative Department is responsible for maintaining normal production order in the factory, protecting factory property and worker safety, without using physical punishment, coercion, or restricting workers' freedom. In case of emergencies, the local police station should be notified immediately.

Punitive measures include verbal warnings, serious warnings, written reprimands, major written reprimands, and termination of labor contracts. Punitive measures should be communicated in writing to the individuals concerned. When deciding on punishment, the facts must be clarified by personnel without conflicts of interest, evidence obtained, discussed, opinions sought from worker representatives, and the individuals allowed to defend themselves.

The company establishes the "Opinion Feedback Management Procedure." If employees discover improper punitive behavior, they can complain directly to worker representatives, management personnel, or the general manager.

4.6.4 Relevant Documents

"Opinion Feedback Management Procedure" "Discipline Management Procedure"

4.7 Working Hours

4.7.1 General Principles

Establish and maintain the "Attendance Management Procedure" to schedule work and rest hours according to the requirements of labor law, ensuring compliance with local regulations and SA8000 standards.

4.7.2 Responsibilities

The Human Resources Department is responsible for formulating and implementing the company's "Attendance Management Procedure" and strictly enforcing the attendance system. The PMC department is responsible for formulating production plans based on the company's "Attendance Management Procedure" and reasonably scheduling workers' work and rest times.



Social Responsibility Management Manual

4.7.3 Control Points

The "Attendance Management Procedure" should be based on labor laws and SA8000 standards, ensuring the physical and mental health of workers. Strict control over overtime for underage workers is maintained, and pregnant workers should not be assigned to overtime. Forced overtime is prohibited.

The company enforces an 8-hour workday, with at least two consecutive rest days per week. Overtime must be agreed upon in advance with workers or worker representatives, not exceeding 1 hour per day under normal circumstances, and not exceeding 3 hours per day in exceptional cases, with a monthly cumulative limit of 36 hours. In cases requiring extended overtime, approval must be obtained from the local labor bureau in writing.

Strict adherence to the attendance system is enforced, and complete records of workers' working hours, including start and end times and overtime hours, should be maintained.

4.7.4 Relevant Documents

"Attendance Management Procedure" "Salary and Benefits Management Procedure"

4.8 Wages and Compensation

4.8.1 General Principles

Establish and maintain the "Salary and Benefits Management Procedure" to formulate wage and compensation standards according to labor law requirements, ensuring that the company's wages and benefits meet at least local regulations and SA8000 standards.

4.8.2 Responsibilities

The Human Resources Department is responsible for formulating and implementing the company's "Salary and Benefits Management Procedure," while the Finance Department is responsible for verifying and disbursing wages and benefits.

4.8.3 Control Points

4.8.3.1 Wage Distribution Principles: Adhere to legal requirements, distribute wages based on work, equal pay for equal work, reward diligence, punish laziness, gradually increase wages, and provide social insurance in accordance with the law.

4.8.3.2 Wage Payment System: Wages should be paid in the legal currency and not in kind. Wages should be paid monthly on the agreed-upon date, with no unjustified delays. In case of difficulties, negotiations with workers should be conducted, and approval from the local labor bureau should be obtained if necessary. Wages should be paid to the workers themselves unless written authorization is provided for someone else to collect on their behalf. Withholding or deducting wages as a form of punishment is prohibited.

Ensure at least the local minimum wage standard, ensuring that wages are sufficient to meet workers' basic needs and provide some discretionary income. Overtime pay should be calculated according to labor law regulations, with at least 150% of the regular wage for overtime on working days, 200% for overtime on rest days without



Social Responsibility Management Manual

arranged compensatory rest, and 300% for overtime on statutory holidays. Workers are entitled to paid annual leave, and female workers are entitled to 42 weeks of maternity leave.

4.8.3.3 Wage Calculation:

Upon commencement of employment, workers should sign a labor contract with the company, clearly defining wage standards and calculation methods; employees should possess a copy of the labor contract.

The company's wage calculation methods include monthly salary and hourly wage systems. In the event of changes to wage standards or calculation methods, workers should be notified in writing, and such information should be posted within the factory for workers to consult at any time.

Salary slips should clearly outline the composition of wages, working hours, and output or tasks; relevant records should be maintained for at least one year.

4.8.4 Relevant Documents

"Salary and Benefits Management Procedure"

4.9 Management System

4.9.1 Social Responsibility Policy

The company, along with all management, recognizes compliance with international labor standards and the protection of labor rights as fundamental requirements for a responsible company. It also aligns with the expectations of stakeholders such as consumers, customers, the public, and the government.

The company pledges to adhere to national labor laws and regulations, comply with internationally recognized labor standards, and continuously improve working conditions and employee welfare. Similar to quality management, social responsibility management is an integral part of the company's daily operations, and fulfilling social responsibilities is a necessary condition for providing high-quality products that meet customer needs.

Senior management is appointed to oversee social responsibility management, establishing, implementing, and maintaining an effective social responsibility management system, which is extended to suppliers and subcontractors.

4.9.2 Management Review

4.9.2.1 General Principles

Establish the "Management Review Process," where the general manager regularly reviews the company's social responsibility performance and the applicability of the management system to ensure the continuous relevance and effectiveness of the social responsibility management system, ensuring that the company's operations consistently comply with national regulations and international standards.

4.9.2.2 Responsibilities

The general manager, as the chair of the review meetings, is responsible for appointing members of the



Social Responsibility Management Manual

management review committee, regularly conducting review meetings, and making determinations.

Managerial representatives are responsible for organizing management review meetings, including preparing meeting agendas, collecting review materials, organizing review meeting records, and publishing review reports based on the review results.

Employee representatives must participate in management reviews, attending the opening and closing sessions of each meeting.

4.9.2.3 Control Points

The general manager determines the frequency of management reviews, holding them at least annually and convening ad-hoc review meetings when necessary (such as legal updates, serious violations of SA8000 standards, employee representative feedback, etc.).

The review content should include at least: (1) Results of internal audits, customer audits, and third-party audits; (2) Implementation status of decisions made in previous management review meetings; (3) Actual conditions of the company's social responsibility policy, procedures, and practices; (4) Incidents of occupational accidents, worker complaints, and customer complaints and requests; (5) Changes in laws and regulations and their compliance; (6) Performance of suppliers and subcontractors in social responsibility; (7) Rationality of long-term improvement plans; (8) Overall evaluation of the company's management system in terms of compliance, effectiveness, and sustainability.

The output of the management review should include decisions and actions related to the following aspects: (1) Whether there is a need for revisions to the social responsibility system processes and related documents; (2) Whether the social responsibility policy is being realized and needs updating; (3) Whether activities in the management system are adequately resourced; (4) Overall evaluation of the suitability, adequacy, and effectiveness of the system.

4.9.2.4 Relevant Documents:

"Management Review Process"

4.9.3 Company Representatives

4.9.3.1 General Principles

The company should designate a senior management representative, regardless of their other responsibilities in the company, to ensure compliance with the provisions of this standard. The company should also assist non-management employees in selecting their representatives to communicate on matters specified in this standard with senior management.

4.9.3.2 Control Points

Duties of the social responsibility management representative and the health and safety representative should be defined to ensure the continuous effective operation of the company's social responsibility management



Social Responsibility Management Manual

system. Documents should be established outlining the election procedures and responsibilities of worker representatives, elected by the workforce to represent their interests. Regular meetings with employees at all levels and departments of the company should be held to understand their opinions and suggestions on company policies, systems, and operations, and submit these opinions and suggestions to the company's management for discussion on methods and measures to address and promote the company's improvement measures.

4.9.3.3 Relevant Documents:

Social Responsibility Standard

4.9.4 Planning and Implementation

4.9.4.1 General Principles

Ensure that all departments of the company understand and implement the provisions of this system.

4.9.4.2 Responsibilities

Implementation of all plans related to the SA8000 standard.

4.9.4.3 Control Points

Each department clarifies the definition, responsibilities, and authority of this standard.

Company management representatives and employee representatives implement developed plans/terms in each department and regularly check the implementation.

New employees and those transferred should receive training as required, emphasizing safety education to prevent improper behavior during work.

Supervise relevant activities and effectiveness, proving whether the implemented system meets the company's policy and the goals set by this standard.

Conduct on-the-job education and training for new and existing employees annually to enhance business and operational skills, preventing improper behavior.

Objectives: Strengthen social responsibility, improve the management system, enhance corporate competitiveness, comply with regulatory standards, and meet basic worker needs, including salary, working and resting hours, safety and health, and labor protection and benefits.

4.9.5 Supplier and Contractor Management

4.9.5.1 General Principles

Establish and maintain the "Supplier Management Procedure" to ensure that the company's suppliers and subcontractors understand the requirements of social responsibility standards and progressively improve their social responsibility performance.



Social Responsibility Management Manual

4.9.5.2 Responsibilities

The procurement department, under the guidance of the management representative, is responsible for supplier management and takes action to require and assist suppliers in managing social responsibility for subcontractors.

4.9.5.3 Control Requirements

The procurement department should establish supplier social responsibility files, maintain evidence and records of supplier assessment results and improvement measures. The procurement department should select suppliers based on their social responsibility performance, prioritizing those who perform well and are willing to improve. All suppliers should sign a commitment to social responsibility before receiving orders or contracts, pledging to comply with local labor laws and social responsibility standards. The procurement/production department should audit suppliers/subcontractors based on factors such as procurement volume and impact, assess their social responsibility performance, and follow up on improvement measures. If intentional use of child labor, forced labor, or other serious violations of labor laws is discovered, cooperation with such suppliers should be immediately terminated.

4.9.5.4 Relevant Documents:

"Supplier Management Procedure"

4.9.6 Addressing Concerns and Taking Corrective Action

4.9.6.1 General Principles

Ensure that the system addresses non-compliance, regulates the execution of improvement requirements, and guarantees the effectiveness of improvement measures.

4.9.6.2 Scope

Take corrective action for behaviors that may lead to major accidents and other improper procedures or concerns.

4.9.6.3 Control Points

Dealing with and taking corrective action typically involves planning in the following areas: a) Employee complaints, suggestions. b) SA8000-related customer complaints. c) Findings through supervision and detection. d) Discoveries during inspection processes. e) Discoveries in the implementation of the SA8000 standard and employee requirements.

Any employee can make suggestions and deposit them in the suggestion box; within one month, the company's social responsibility management representative will provide a verbal or written response. No employee will be punished or discriminated against for making suggestions.

The company's social responsibility management representative will appoint an employee representative to investigate and verify the reasons, confirm appropriate corrective and preventive actions, take corrective action, and record them in the "Employee Complaints and Feedback Record."



Social Responsibility Management Manual

If the improvement plan is approved by the company, the social responsibility management representative will appoint an employee representative to monitor and verify the implementation and effectiveness of the measure. The employee representative will submit the completed verification report to the social responsibility management representative for review.

4.9.6.4 Reference Document:

"SA8000 Standard"

4.9.7 Internal and External Communication

4.9.7.1 General Principles

Internal and external communication regarding the company's relevant social responsibility standards.

4.9.7.2 Scope

All aspects of the social responsibility management system.

4.9.7.3 Control Points

Internal and external communication is handled by company representatives or agents or the human resources department, responding to external relevant information.

Information received through communication should be communicated to all employees through notices or other means.

External communication records should be properly maintained.

Regular channels and methods for external communication: a) Communicate with government safety, labor management, and enterprise supervisory departments every six months, using methods such as inviting review monitoring or symposiums for communication. b) Inform government safety, labor management departments, enterprise supervisory departments, suppliers, and subcontractors that the company has implemented SA8000, communicating in writing (after certification), requesting the above departments to provide the latest documents or information regarding relevant laws/regulations and other requirements for the enterprise. c) Accept reviews from customers and government agencies, record suggestions and opinions related to SA8000. d) Require subcontractors/suppliers to sign commitment letters and return them: assess their performance regularly (once a year) and record the results. e) Participate in SA8000-related training, including training from the labor department, fire department, etc. f) External communication is handled by the company management representative or human resources department, responding to external stakeholders' residences.

4.9.7.4 Relevant Document:

"Information Communication, Participation, and Consultation Control Procedure"

4.9.8 Verification Channels

4.9.8.1 General Principles



Social Responsibility Management Manual

Provide information to stakeholders.

4.9.8.2 Scope

All external and internal channels for providing and obtaining information related to SA8000.

4.9.8.3 Control Points

If contracts require providing information to external stakeholders, the general manager or authorized representative will provide reasonable information to external stakeholders without disclosing the company's trade secrets or through other channels.

If further requirements are made, the company will require suppliers and subcontractors to provide reasonable information to external stakeholders.

The company has the right to retain trade secrets and refuse to respond to information requests unrelated to the contract.

SA8000 system documents are open to internal employees and can be accessed or consulted at any time.

4.9.8.4 Relevant Document:

"Social Responsibility Standard"

4.9.9 Records

4.9.9.1 General Principles

Demonstrate the company's compliance with the provisions of this manual by preserving records and documentation of various activities of the social responsibility management system.

4.9.9.2 Scope

All documents related to the social responsibility management system.

4.9.9.3 Control Points

Collect various records of this manual, including various training records, inspection records, etc., retained or destroyed by the document control center.

Records should be clear and distinguishable, stored in a cataloged or classified manner for easy access. The retention period of each record should refer to the general registration directory.

Records that have exceeded the retention period on the general registration directory can be destroyed by the person in charge.

Relevant Documents: "Document Control Workflow," "Record Control Workflow"

4.9.10 Employee Training

Social Responsibility Management Manual

4.9.10.1 General Principles

Establish and maintain an employee training program, clearly identify employee training needs, to ensure that workers understand the company's social responsibility policies and procedures, know how to safely operate machinery and perform tasks, and prevent accidents.

4.9.10.2 Responsibilities

The Human Resources Department is responsible for identifying employee training needs and developing and implementing the "Annual Training Plan."

4.9.10.3 Control Points

Training content should include at least the SA8000 standard, relevant laws and regulations on working hours, wages, and benefits, company policies and procedures, safety policies and procedures, safety operating rules, and consultation channels. New employees (including temporary workers) should receive training upon entry, followed by at least annual retraining. Retraining should be arranged when there are changes in company policies or procedures. Special safety training should be provided for personnel in positions where significant accidents may occur, and special operations personnel should undergo statutory training and obtain operating certificates. Training methods should be diverse, including classroom teaching, seminars, group meetings, bulletin boards, and broadcasts.

4.9.10.4 Relevant Documents:

"Annual Training Plan"

4.9.11 Internal Auditing

4.9.11.1 General Principles

Establish and maintain a procedure for regular audits, inspecting whether the company's actions and performance comply with legal requirements, company policies and procedures, and providing information for continuous improvement of the company's social responsibility management system and performance to ensure the effective operation of the system.

4.9.11.2 Responsibilities

The management representative is responsible for organizing internal social responsibility audits and developing the annual plan for social responsibility internal audits. The Human Resources Department is responsible for organizing departmental auditors to implement the social responsibility internal audit implementation plan.

4.9.11.3 Control Points

The management representative is responsible for developing the social responsibility internal audit implementation plan and submitting it to the general manager for approval. The management representative designates an audit team leader, who organizes the audit team. The audit team leader develops an audit plan and organizes team members to develop a social responsibility internal audit checklist. The audit team leader



Social Responsibility Management Manual

issues an audit notification to the department being audited. The audit team leader organizes the implementation according to the audit plan. Based on non-conformities, an internal audit non-conformance report is issued, and a summary report of the social responsibility internal audit is compiled. After being signed by the general manager, it is issued to the audited department. The audited department formulates corrective and preventive actions for non-conformities and promptly implements them. The Human Resources Department is responsible for monitoring the implementation and effectiveness of verifying corrective actions. If completed, close the CAR and register.

4.9.11.4 Relevant Documents:

"Internal Audit Process" "Annual Plan for Social Responsibility Internal Audits" "Social Responsibility Internal Audit Implementation Plan" "Social Responsibility Internal Audit Checklist" "Social Responsibility Internal Audit Non-conformance Report" "Social Responsibility Internal Audit Summary Report"