

AO SUPPLIER CODE OF CONDUCT

We respect fundamental human rights, social justice and human dignity, and respect the equal rights of men and women and it is one of our goals that our suppliers are doing the same.

Subcontracting: We require that our suppliers encourage and work with their own suppliers and subcontractors to ensure that they also strive to meet the principles of this Code of Conduct or equivalent set of principles.

Labour:

1. Freedom of Association and Collective Bargaining: We require that our suppliers recognize and respect the rights of employees to freely associate, organize and bargain collectively in accordance with the laws of the countries in which they are employed, as well as core ILO conventions *Freedom of Association and Protection of the Right to Organise Convention, (C 87, 1948)* and *Right to Organise and Collective Bargaining Convention, (C.98-1949)*. We recognize the importance of open communication and direct engagement between workers and management and suppliers are to respect the rights of workers to associate freely and communicate openly with management regarding working conditions without fear of harassment, intimidation, penalty, interference or reprisal.

2. Forced Labor: We require that our suppliers prohibit any use of forced, bonded or indentured labor or involuntary prison labor, and embrace employment practices consistent with ILO conventions pertaining to forced labor: *Forced Labour Convention, (c.29-1930)* and *Abolition of Forced Labour Convention, (C.105-1957)*. All work, including overtime work, will be voluntary and workers should be free to leave upon reasonable notice. Suppliers should also not mandate that workers hand over government-issued identification; passports or work permits as a condition of employment.

3. Child Labor: We require that our suppliers, at a minimum, do not engage in any practice inconsistent with the rights set forth in the *Convention on the Rights of the Child, the ILO Minimum Age Convention (C.138-1973)* or the *Prohibition and Immediate Elimination of the Worst Forms of Child Labor Convention (C. 182-1999)*. The minimum admission to employment or work shall not be less than the age of completion of compulsory schooling, normally not less than 15 years or 14 where the local law of the country permits, deferring to the greatest age. Additionally, all young workers must be protected from performing any work that is likely to be hazardous or to interfere with the child's education or that may be harmful to the child's health, physical, mental, social, spiritual or moral development. All suppliers should also adhere to legitimate workplace apprenticeship programs and comply with all laws and regulations governing child labor and apprenticeship programs.

4. Discrimination: We do not tolerate any form of discrimination in hiring and employment practices on the ground or race, color, religion, gender, sexual orientation, age, physical ability, health condition, political opinion, nationality, social or ethnic origin, union membership or marital status. Consistent with the principles espoused in *ILO Conventions on Discrimination (Discrimination (Employment and Occupation) Convention, C.111-1958)* and *Equal Remuneration (Equal Remuneration Convention, C. 100-1951)*, we also discourage discrimination regarding access to training, promotion, and rewards.

5. Working Hours: We require that our suppliers comply with all applicable working hour requirements as established by local law, and should never exceed 60 hours per week, including

overtime, except in emergency or unusual situations. Suppliers must ensure that all overtime work is voluntary and compensated at the prevailing overtime rates. Suppliers are encouraged to ensure that workers are provided with one day off in every seven-day week.

6. Compensation: We require that our suppliers comply, at a minimum, with all wage and hour laws and regulations, including those pertaining to minimum wages, overtime wages, piece rates, other elements of compensation and to provide legally mandated benefits.

Human Rights:

7. Human Rights: We require that our suppliers support and respect the protection of internationally proclaimed human rights and ensure that they are not complicit in human rights abuses.

8. Harassment, Harsh or Inhumane Treatment: We require that our suppliers create and maintain an environment that treats all employees with dignity and respect and will not use any threats of violence, sexual exploitation or abuse, verbal or psychological harassment or abuse. No harsh or inhumane treatment coercion or corporal punishment of any kind is tolerated, nor is there to be the threat of any such treatment.

9. Health and Safety: We require that our suppliers follow all relevant legislation, regulations and directives in the country in which they operate to ensure a safe and healthy workplace or any other location where production or work is undertaken. At a minimum, suppliers should strive to implement recognized management systems and guidelines such as the *ILO Guidelines on Occupational Safety and Health (ILO-OSH-2001)* which can be found at ILO's website

www.ilo.org/public/english/protection/safework/managmnt/guide.htm

and ensure at a minimum, reasonable access to potable water and sanitary facilities; fire safety; emergency preparedness and response; industrial hygiene; adequate lighting and ventilation; occupational injury and illness and machine safeguarding. Suppliers will also ensure these same standards apply to any dormitory or canteen facilities.

Environment:

10. Environmental: We are certified in accordance with DS/ISO 14001, and we evaluate our suppliers concerning environmental assessment. We expect our suppliers to have an effective environmental policy and to comply with existing legislation and regulations regarding the protection of the environment. Suppliers should wherever possible support a precautionary approach to environmental matters, undertake initiatives to promote greater environmental responsibility and encourage the diffusion of environmentally friendly technologies implementing sound life-cycle practices.

11. Chemical and Hazardous Materials: Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse and disposal.

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

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

14. Minimize Waste, Maximize Recycling: Waste of all types, including water and energy, are to be

reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

Bribery & Corruption:

15. Corruption: We require that our suppliers adhere to the highest standard of moral and ethical conduct, respect local laws and do not engage in any form of corrupt practices, including extortion, fraud, or bribery, at a minimum.

