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SUPPLIER CODE OF CONDUCT

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INTRODUCTION

The Supplier Code of Conduct (SCC) sets the minimum performance standards for Suppliers and their Sub-suppliers and supports SMART’s commitment to sustainability. The goal of the Supplier Code of Conduct is to ensure safe and healthy workplaces for the people who make goods and/or provide services and construction to SMART.

SMART will apply its Supplier Code of Conduct as one of the criteria used in its selection of Suppliers. It is a requirement that SMART Suppliers and their Sub-suppliers for SMART products follow this code.

SMART will assess its suppliers’ compliance with this Code, and any violations of this Code may jeopardize the supplier’s business relationship with SMART, up to and including termination. This Code applies to SMART suppliers and their subsidiaries, affiliates, and subcontractors (each a “Supplier”) providing goods or services to SMART, or for use in or with SMART products.

COMPLIANCE REQUIREMENTS

SMART Suppliers will comply with all national and other applicable laws of the country(s) of operations or applicable to the manufacturing of goods or delivery of services, including, but not limited to, those laws relating to working conditions, human rights, health and safety and the environment. For goods and services produced in Canada, Canadian laws will apply. For goods and services produced outside of Canada, and where foreign national laws and the Supplier Code of Conduct address the same issue, the standard that is most stringent will apply, thereby ensuring that all Suppliers, regardless of their place of operation, are meeting a consistent set of minimum performance standards related to human rights and fair workplace practices.

PERFORMANCE STANDARDS

The following performance standards represent the minimum standards for SMART Suppliers. These standards are organized into three categories:

- A. Social standards - pertaining to working conditions in both Supplier and Sub-supplier facilities.
- B. Environmental standards – pertaining to environmental impacts related to operational practices of both Suppliers and Sub-suppliers.
- C. Management standards – pertaining to management of company-wide operations by Suppliers, including ethics.
- D. Business Ethics – pertaining to complying with laws and regulation and not engaging in bribery, corruption and prohibited trade and business practices.

SMART will aspire to work with Suppliers that provide consistent and continuous focus on protecting the health, safety and welfare of workers and minimizing their operational impact on the environment. There is an expectation of continual improvement with respect to environmental and fair workplace practices.



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A. SOCIAL REQUIREMENTS

Overview:

SMART takes guidance from the International Labour Organization Conventions, the Social Accountability 8000 International Standard (SA8000) and the OECD Guidelines for Multinational Enterprises to inform and support our Supplier Code of Conduct. We want our Suppliers to reach for the highest standards and best practices.

Non-discrimination and Diversity

The Supplier shall promote cooperation, individual responsibility, and acceptance of diversity among its employees. The Supplier and its employees shall not engage in discrimination based on race, color, age, gender, sexual orientation, ethnicity, disability, place of origin, ancestry, source of income, pregnancy, religion, political affiliation, union membership, family status or marital status in hiring and employment practices such as promotions, rewards, and access to training. In addition, workers or potential workers should not be subjected to medical tests that could be unlawfully used in a discriminatory way.

The Supplier will consider employees for positions on the basis of their qualifications and abilities. SMART will not work with suppliers who discriminate on the basis of race, gender, political or religious beliefs, social, ethnic or national origin, marital status, age, union affiliation, sexual orientation, or disability. (ILO Conventions 100 & 111)

The Supplier will also ensure pregnant workers are assigned work tasks appropriate for, and not threatening to, their condition.

Working and Living Conditions

Supplier shall provide workers with reasonably accessible and clean toilet facilities and potable water. Supplier-provided dining, food preparation, and storage facilities shall be sanitary. Worker dormitories provided by Supplier or a third-party shall be clean and safe and provide reasonable living space.

Health and Safety

Workers will be provided with a safe and healthy work environment. Conditions in all work and residential facilities shall be safe, clean, and consistent with all applicable laws and regulations regarding occupational health and safety. The Supplier will take adequate steps to prevent accidents or injuries to health arising out of, associated with, or occurring in the course of work. The Supplier shall adequately inform employees of their health and safety guidelines in terms of equipment, training, management, and work practices.

Employee Treatment, Harassment and Abuse

The Supplier's employees shall be treated with respect and dignity and Supplier's disciplinary policies and procedures shall be clearly defined and communicated to employees before application. There shall be no harsh and inhumane treatment, including any physical, sexual, psychological, verbal harassment or abuse, or corporal punishment; nor is there to be the threat of any such treatment.



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Wages and Hours of Work for Goods and Services Produced

Suppliers will comply with all employment standards and related law and legislation in the jurisdiction(s) of production with respect to hours of work, overtime hours and overtime pay.

A workweek shall be restricted to 60 hours, including overtime, and workers shall take at least one day off every seven days except in emergencies or unusual situations. Regular work week shall not exceed 48 hours. Supplier shall follow all applicable laws and regulations with respect to working hours and days of rest, and all overtime must be voluntary.

Supplier shall ensure that all workers receive at least the legally mandated minimum wages and benefits. Supplier shall offer vacation time, leave periods, and time off for legally recognized holidays. Supplier shall compensate workers for overtime hours at the legal premium rate.

Supplier shall pay accurate wages in a timely manner, and wage deductions shall not be used as a disciplinary measure. All use of temporary and outsourced labor will be within the limits of the local law.

Prevention of Underage Labor

Supplier shall employ only workers who are at least 15 years of age or the applicable minimum legal age, whichever is higher.

Supplier may provide legitimate workplace apprenticeship programs for educational benefit that are consistent with Article 6 of ILO Minimum Age Convention No. 138 or light work consistent with Article 7 of ILO Minimum Age Convention No. 138.

Juvenile Worker Protections

Supplier may employ juveniles who are older than the applicable legal minimum age but are younger than 18 years of age, provided they do not perform work that might jeopardize their health, safety, or morals, consistent with ILO Minimum Age Convention No. 138. Supplier shall not require juvenile workers to work overtime or perform night work.

Forced Labour

Forced or Compulsory Labour means all work or service that a person has not offered to do voluntarily and is made to do under the threat of punishment or retaliation or that is demanded as a means of repayment of debt.

SMART prohibits the use of Forced or Compulsory Labour in the production of its products.

SMART's Suppliers will not:

- use forced, illegal, or prison labour, including indentured or bonded labour, or any form of compulsory labour. (ILO Conventions 29 & 105)
- require workers to lodge deposits or their identity papers as a condition of employment, or financially penalize workers for resigning.
- require any foreign contract worker to remain in employment for any period of time against his or her will and will pay any required agency recruitment commissions.



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Personnel shall have the right to leave the workplace premises after completing the standard workday and be free to terminate their employment provided that they give reasonable notice to their organisation.

Neither the Supplier nor any entity supplying labour to the organization shall engage in or support Human Trafficking. Human Trafficking means the recruitment, transfer, harbouring or receipt of persons, by means of the use of threat, force, deception, or other forms of coercion, for the purpose of exploitation.

Freedom of Association

Supplier shall freely allow workers to associate with others, form, and join (or refrain from joining) organizations of their choice, and bargain collectively, without interference, discrimination, retaliation, or harassment. In the absence of formal representation,

Supplier shall ensure that workers have a mechanism to report grievances and that facilitates open communication between management and workers.

Responsible Sourcing of Minerals

SMART is committed to responsible sourcing of minerals and their metals including tin, tungsten, tantalum, and gold (3TGs) and cobalt so as not to support conflict or human rights abuses in the Democratic Republic of Congo, adjoining countries or other conflict affected and high-risk areas.

SMART Suppliers must provide RMI Conflict Minerals Reporting Templates (CMRTs) to SMART on request.

B. ENVIRONMENTAL REQUIREMENTS

Ensuring that environmental considerations are part of all SMART activities including procurement is essential. Suppliers to SMART will strive to reduce or eliminate the negative environmental impacts of the goods and services they provide to SMART.

The minimum environmental standards for Suppliers include:

- Compliance to the laws, regulations, approvals or permits that relate to a Suppliers product or service in the relevant jurisdiction. All required permits are to be obtained and kept current and compliance with all applicable environmental laws and regulations is mandatory.
- Identification and management of the environmental impacts of your activities and goods. Typical environmental impacts include, but are not limited to, solid waste, wastewater discharges, air emissions, hazardous (toxic) substances and restricted substances, resource use and carbon footprint.
- Ensuring all waste materials, as a by-product of production, are managed properly in an environmentally responsible manner, and according to the local and international laws and regulations.



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C. MANAGEMENT SYSTEM REQUIREMENTS

It is the responsibility of the Supplier to create and maintain documents related to their commitment to social responsibility and integrate these documents into its quality management framework. This must include a documented training program for all employees to ensure compliance to the Supplier’s commitment to social responsibility. This must also include a documented process for communicating requirements to their suppliers and programs to monitor compliance of their suppliers.

Supplier’s Management System must include creating and implementing an action plan to monitor and reduce environmental impact of company activities.

If the Supplier has adversely impacted the environment, failed to meet an environmental performance standard, or has breached the social standards outlined in the Supplier Code of Conduct or any other contractual requirement of SMART, it is the responsibility of the Supplier to satisfactorily implement corrective actions, and if necessary, make any changes to the processes and procedures that govern the activities of the organization to help ensure the breach does not occur in the future. The Supplier must have a system in place to:

- Allow for continual improvement of its social, environmental, and ethical performance.
- Respond to social, environmental, and ethical issues/infractions and report them to the satisfaction of the authority having jurisdiction.
- Identify non-conformances and address them via verifiable corrective action plan(s).

Update the table below with the non-conformances and the expected completion date.

Table of Non-Conformances

Date	Issue	Corrective Action	Expected Completion Date

D. BUSINESS ETHICS

Ethics

Suppliers must conduct their business in accordance with high ethical standards. In accordance with this, Suppliers must strictly comply with all laws and regulations on bribery, corruption, and prohibited trade and business practices. OECD guidelines on integrity, transparency and corruption prevention apply.

Suppliers shall maintain the highest standards of corporate ethics and integrity and shall comply with all applicable local laws, regulations, and procedures. Any form of corruption, extortion, embezzlement, or falsification is prohibited.

Suppliers must have effective processes in place to prevent or immediately disclose a conflict of interest or an appearance of conflict of interest related to its relationship with SMART as soon as possible to SMART.



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No Improper Advantage

Suppliers shall not offer or solicit any gifts, gratuities, entertainment, payments of cash or loans or any other kind of undue favour or use other inappropriate means of influence to gain competitive advantage.

Protection of Intellectual Property

Supplier shall respect intellectual property rights and safeguard customer information. Supplier shall manage technology and know-how in a manner that protects intellectual property rights.

Suppliers shall respect intellectual property rights and comply with all applicable legislation pertaining to intellectual property rights.

Privacy

Unless disclosure is authorized or legally mandated (for example by court order), Suppliers should protect the confidentiality of employee and customer information in compliance with applicable privacy legislation, irrespective of whether the information and data was provided by the employee or customer or was created by the Supplier. Suppliers should consider all non-public information to be confidential.

COMPLIANCE AND IMPLEMENTATION FRAMEWORK

SMART expects all of its Suppliers to comply with the Supplier Code of Conduct and to actively do their best to exceed minimum standards as expressed by the Supplier Code of Conduct. SMART believes in cooperation and is willing to work with its Suppliers to improve performance where necessary. Failure to correct situations of non-compliance with this Code of Conduct may lead to contract termination by SMART.

All SMART Suppliers have an obligation to inform their employees and Sub-Suppliers about this Supplier Code of Conduct and to provide appropriate avenues of complaint and corrective action plans to address violations. This Supplier Code of Conduct shall be adequately communicated to all employees and Sub-Suppliers. It is the responsibility of the Supplier to ensure their Sub-suppliers are aware of, and comply with, this Code of Conduct.

As part of SMART's regular supplier audit process, Suppliers will be asked to provide evidence on how they comply with social standards such as SA8000. SMART reserves the right to ask for proof of compliance with all applicable labor, health, safety, and environmental laws, and may inspect work locations at any time (or request independent verification of compliance). Suppliers must maintain current and sufficiently detailed records to substantiate their compliance with the Supplier Code of Conduct. Suppliers should expect that SMART will ask for updates and evidence on an on-going basis over the course of the commercial relationship.



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DECLARATION OF SUPPLIER CODE OF CONDUCT COMPLIANCE

By signing below, I declare that I have read and understood this Supplier Code of Conduct in its entirety and my organization, **<Company Legal Name>** and our sub-contractors, are not only in full compliance with this Supplier Code of Conduct but we will maintain compliance with it throughout the full duration of our relationship with SMART. In addition, I declare that **<Company Legal Name>** has not been convicted of any offence that is in violation of the Supplier Code of Conduct, other than those noted in the table below (include all violations/convictions that have occurred in the past three years as well as plans for corrective action).

Authorized Representative Name

Authorized Representative Signature

Title

Date