

## **Supplier Code of Conduct**

As referenced herein, “we” and “us” and “our” refer to Western Digital Technologies, Inc. (parent company of SanDisk) and each of its affiliates. We are a global organization, doing business with Suppliers and Customers in nearly every country in the world. We are committed to implementing business and environmental practices that are socially responsible, compliant with all applicable laws and consistent with respect for the ecology of our planet and for the human rights of its citizens. We are also committed to seeking out and working with Suppliers who are pursuing these shared values through their business practices and standards.

As a member company of the Electronics Industry Citizens Coalition (EICC), we support the Mission and Vision of the organization. Our Supplier Code of Conduct, modeled after the EICC Code of Conduct v5.0 (2015), establishes the Corporate Social Responsibility (CSR) requirements of our Suppliers.

Our Supplier Code of Conduct addresses requirements for the Rights of Workers, their Health & Safety, Protection of the Environment, Ethical Business Conduct and the Management Systems implemented to ensure compliance with the Code. It requires Suppliers to ensure that working conditions in our supply chain are safe, that workers are treated with respect and dignity, and that business processes are environmentally responsible. It also requires that Suppliers, in all of their activities, always be in full conformance with the laws, rules and regulations of the countries in which they operate. The Code also encourages Suppliers to meet internationally recognized standards and best practices, in order to advance social and environmental responsibility, and business ethics. In cases where local law and this Code have different standards, the higher standard applies.

## **RIGHTS OF WORKERS**

### *Freely Chosen Employment*

Suppliers shall not traffic in persons or use any form of slave, forced, bonded, indentured, or prison labor. This includes the transportation, harboring, recruitment, transfer, or receipt of persons by means of threat, force, coercion, abduction, fraud, or payments to any person having control over another person for labor or services.

Suppliers shall not place unreasonable restrictions on workers' freedom of movement in the facility including unreasonable restrictions on entering and exiting company-approved facilities. As part of the hiring practice, Suppliers must provide workers with a written employment agreement in their native language that contains a description of terms and conditions of employment prior to the worker departing from his or her country origin. All work must be voluntary and workers shall be free to leave work or terminate their employment with reasonable notice.

Suppliers shall not hold or otherwise destroy, conceal, confiscate or deny access by workers to workers' identity or immigration documents, such as government issued identification, passports or work permits, unless the holding of work permits is required by law. Workers shall not be required to pay Suppliers or agents' recruitment fees or other aggregate fees in excess of one month's salary. All fees charged to workers must be disclosed and fees in excess of one month's salary must be returned to the worker.

### *Young Workers*

Suppliers shall ensure that all workers are of legal age in the applicable venue, and free to choose their employment. Workers under the age of 15 shall not be employed in any stage of manufacturing. The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported. In addition, workers under the age of 18 ("Young Workers") shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime.

Supplier shall ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable law and regulations. Also, Supplier shall provide appropriate support and training to all student workers. In the absence of local law, the wage rate for student workers, interns and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks.

### *Working Hours*

A work week shall not be more than sixty (60) hours per week, including overtime, except in emergency or unusual situations. Workers should be allowed at least one day off every seven days. All overtime must be voluntary.

### *Wages and Benefits*

Suppliers are required to comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. For each pay period, workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed. Suppliers' use of temporary, dispatch and outsourced labor will all be within the limits of the local law.

### *Humane Treatment*

Suppliers shall treat all workers (including temporary, migrant, student, contract and direct employees) humanely, and with dignity and respect. This includes no harsh or inhumane treatment including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers. Suppliers will not threaten workers with any such treatment. Supplier will clearly define and communicate to workers the disciplinary policies and procedures in support of these requirements.

### *Non-Discrimination*

Suppliers shall be committed to a workforce free of harassment and unlawful discrimination. Suppliers shall not engage in discrimination based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training. Suppliers shall provide workers with reasonable accommodation for religious practices. In addition, workers or potential workers should not be subjected to medical tests or physical exams that could be used in a discriminatory way by Supplier.

### *Freedom of Association*

Open communication and direct engagement between workers and management are the most effective ways to resolve workplace and compensation issues. The rights of workers to associate freely, join or not join labor unions, seek representation, and join workers' councils in accordance with local laws shall be respected. Workers shall be able to openly communicate and share grievances with management regarding working conditions and management practices without fear of reprisal, intimidation or harassment.

## **HEALTH & SAFETY**

Suppliers recognize that in addition to minimizing the incidence of work-related injury and illness, a safe and healthy work environment enhances the quality of products and services, consistency of production and worker retention and morale. Suppliers also recognize that ongoing worker input and education is essential to identifying and solving health and safety issues in the workplace.

Suppliers must provide workers with appropriate workplace health and safety training in their primary language. Health and safety related information shall be clearly posted in the facility. Workers shall not be disciplined or retaliated against for raising safety concerns.

Suppliers will maintain and apply a set of comprehensive health and safety standards that identify, evaluate and control the below health and safety standards.

### *Occupational Safety, Injury and Illness*

Worker exposure to potential safety hazards are to be controlled. Supplier shall ensure procedures and systems are in place to prevent, manage, track and report occupational injury and illness. Where hazards cannot be adequately controlled, workers are to be provided with appropriate, well-maintained, personal protective equipment and educational materials about risks to them associated with these hazards. Workers shall be encouraged to raise safety concerns.

### *Emergency Preparedness*

Potential emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures. Such plans and procedures shall focus on minimizing harm to life, environment and property.

### *Industrial Hygiene*

Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled. Engineering or administrative controls must be used to control overexposures. When hazards cannot be adequately controlled by such means, worker health is to be protected by appropriate personal protective equipment programs.

### *Physically Demanding Work*

Supplier shall identify, evaluate, and control worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks. Supplier is encouraged to integrate this process into the qualification of all new or modified production lines, equipment, tools, and workstations.

### *Machine Safeguarding*

Supplier shall evaluate production and other machinery for safety hazards. Physical guards, interlocks and barriers are to be provided and properly maintained by Supplier where machinery presents an injury hazard to workers.

### *Sanitation, Food, and Housing*

Workers must have access to clean sanitation, potable water and sanitary food preparation, storage, and eating facilities. When worker housing is provided by the Supplier or an agent, it must also be maintained in such a way as to provide a safe and clean environment, with adequate ventilation and heating, emergency exit and personal privacy.

### *Worker Health and Safety Communications*

Supplier shall provide workers with appropriate workplace health and safety training in their primary language. Health and safety related information shall be clearly posted in the facility. Supplier is encouraged to initiate and support worker health and safety committees to enhance ongoing health and safety education and to encourage worker input on, and participation in, health and safety issues in the workplace.

## **ENVIRONMENTAL**

Suppliers recognize that environmental responsibility is integral to producing world-class products. In manufacturing operations, adverse effects on the community, environment and natural resources are to be minimized while safeguarding the health and safety of the public. Supplier shall adhere to the environmental standards described in this section.

### *Environmental Permits and Reporting*

Supplier shall obtain, maintain and keep current all required environmental permits (e.g. discharge monitoring), approvals and registrations. Supplier shall comply with the reporting requirements of all applicable permits and regulations.

### *Pollution Prevention and Resource Reduction*

Supplier shall reduce or eliminate the generation of waste of all types, including water, and energy, , at the source, or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

Supplier is also encouraged to reduce or eliminate the natural resource consumption.

### *Hazardous Substances*

Supplier shall identify and manage chemicals and other materials posing a hazard if released to the environment to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

### *Non-Hazardous Substances*

Supplier shall implement a systemic approach to identify, manage, reduce, and responsibly dispose of or recycle non-hazardous waste.

### *Wastewater and Solid Waste*

Supplier shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous). Wastewater generated from operations, industrial processes and sanitation facilities are to be characterized, monitored, controlled and treated as required prior to discharge or disposal. In addition, measures should be implemented to reduce generation of wastewater. Supplier shall conduct routine monitoring of the performance of its wastewater treatment systems.

### *Air Emissions*

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations shall be characterized, routinely monitored, controlled and treated as required prior to discharge. Supplier shall conduct routine monitoring of the performance of its air emission control systems.

### *Materials Restrictions*

Suppliers shall adhere to all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal.

### *Storm Water Management*

Supplier shall implement a systematic approach to prevent contamination of storm water runoff. Supplier shall prevent illegal discharges and spills from entering storm drains.

### *Energy Consumption and Greenhouse Gas Emissions*

Energy consumption and greenhouse gas emissions are to be tracked and documented, at the facility and/or corporate level. Suppliers are to look for cost-effective methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions.

### *Boundary Noise*

Supplier is encouraged to identify, control, monitor, and reduce noise generated by the facility that affects boundary noise levels.

## **ETHICS**

In order to meet social responsibilities and to achieve success in the marketplace, Suppliers and their agents are required to uphold the highest standards of ethics and integrity, including those described in this section.

### *Business Integrity*

Supplier shall uphold the highest standards of integrity in all business interactions. Supplier shall have a zero tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement. All business dealings should be transparently performed and accurately reflected on Supplier's business books and records. Supplier shall monitor and enforce procedures to be implemented to ensure compliance with anti-corruption laws and regulations of the countries in which it operates, including the Foreign Corrupt Practices Act (FCPA), the UK Anti-Bribery Act and OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

### *No Improper Advantage*

Supplier shall not obtain undue or improper advantage by bribe or other means. This prohibition covers promising, offering, authorizing, giving or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage.

### *Disclosure of Information*

Supplier shall disclose, in accordance with applicable regulations and prevailing industry practices, information regarding participant labor, health and safety, environmental practices, business activities, structure, financial situation and performance. Supplier shall not falsify records or make misrepresentations of conditions or practices in its supply chain.

### *Protection of Intellectual Property*

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

### *Fair Business, Advertising and Competition*

Supplier shall uphold fair business, advertising and competition standards and provide appropriate means to safeguard customer information.

### *Protection of Identity and Non-Retaliation*

Supplier shall ensure and maintain the confidentiality, anonymity and protection of supplier and employee whistleblowers, unless prohibited by law. Supplier shall provide a process for their personnel to be able to raise any concerns without fear of retaliation.

### *Responsible Sourcing of Minerals*

Supplier shall have a policy to ensure that the tin, tantalum, tungsten and gold (Conflict Minerals) in the products they manufacture do not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of the Congo (DRC) or an adjoining country. Suppliers shall exercise due diligence on the source and chain of custody of these minerals and make their due diligence measures available to customers upon customer request. For a definition of Conflict Minerals and further requirements, see SanDisk's Conflict Minerals Policy.

### *Privacy*

Suppliers shall commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, consumers and employees. Suppliers shall comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

## **MANAGEMENT SYSTEM**

Suppliers shall adopt or establish a management system whose scope is related to the content of this Code. The management system shall be designed to ensure: (a) compliance with applicable laws; (b) regulations and Customer requirements related to the Supplier's operations and products conformance with this Code; and (c) identification and mitigation of operational risks related to this Code. It should also facilitate continual improvement.

The management system should contain the following elements:

### *Company Commitment*

Supplier shall develop a corporate social and environmental responsibility policy statement affirming Supplier's commitment to compliance, ethical conduct, and continuous improvement. The statement shall be endorsed by Supplier's executive management and posted in the facility in the local language.



### *Management Accountability and Responsibility*

Supplier shall clearly identify senior executive and company representatives responsible for ensuring implementation and periodic review of the management systems and associated programs.

### *Legal and Customer Requirements*

Supplier shall have a process to identify, monitor, understand and implement applicable laws, regulations and customer requirements, including the requirements of this Code. Supplier shall maintain documents and records to ensure regulatory compliance.

### *Risk Assessment and Risk Management*

Supplier shall develop and maintain a process to identify the legal compliance, environmental, health and safety, and labor practice and business ethics risks associated with Supplier's operations. Supplier shall determinate the relative significance for each risk and implement appropriate procedures and physical controls to control the identified risks and ensure regulatory compliance.

### *Continuous Improvement Objectives*

Supplier shall have written performance objectives, targets and implementation plans to improve Supplier's social and environmental performance, including a periodic assessment of Supplier's performance in achieving those objectives.

### *Training and Communication*

Supplier shall develop and maintain management and worker training programs to implement Supplier's policies, procedures and improvement objectives and to meet applicable legal and regulatory requirements.

Supplier shall have a process for communicating clear and accurate information about its policies, practices, expectations and performance to workers, suppliers and customers.

Supplier shall have an ongoing process to obtain feedback on its practices related to this Code and to foster continuous improvement.

### *Audits and Assessments*

Supplier shall perform periodic evaluations of its facilities and operations, and the facilities and operations of its subcontractors and suppliers to ensure conformity to legal and regulatory requirements, the content of the Code, and customer contractual requirements related to social and environmental responsibility.

### *Corrective Action Processes*

Supplier shall have a process for timely correction of deficiencies or violations identified by internal or external assessments, inspections, investigations and reviews.

### *Documentation and Records*

Supplier shall have processes for creating and maintaining documents and records to ensure regulatory compliance, conformity to this Code and company requirements along with appropriate confidentiality to protect privacy.

### *Supplier Responsibility*

Suppliers shall have a process to communicate this Code's requirements to their supply chain partners (sub-contractors, suppliers) and to monitor their compliance to this Code.

## **REFERENCES**

The following standards were used in preparing this Code.

<b><u>Standards</u></b>	<b><u>Links</u></b>
EICC Code of Conduct	<a href="http://www.eicc.info/documents/EICCCodeofConductEnglish.pdf">http://www.eicc.info/documents/EICCCodeofConductEnglish.pdf</a>
SanDisk Statement on California Transparency in Supply Chain Act	<a href="http://www.sandisk.com/Assets/Umbraco/AboutSandisk/Corporate-Social-Responsibility/Corporate-Responsibility/pdf/CTSCA_Website_Disclosure.pdf">http://www.sandisk.com/Assets/Umbraco/AboutSandisk/Corporate-Social-Responsibility/Corporate-Responsibility/pdf/CTSCA_Website_Disclosure.pdf</a>
SanDisk Green Policy	<a href="http://www.sandisk.com/about-sandisk/supplier-management/">http://www.sandisk.com/about-sandisk/supplier-management/</a>
SanDisk Conflict Minerals Policy	<a href="http://www.sandisk.com/assets/docs/ConflictMineralsPolicy.pdf">http://www.sandisk.com/assets/docs/ConflictMineralsPolicy.pdf</a>
Environmental Management -ISO 14001	<a href="http://www.iso.org">www.iso.org</a>
Occupational Health & Safety - OHSAS 18001	<a href="http://www.bsigroup.com/en-MY/ohsas18001-healthsafety-management/">http://www.bsigroup.com/en-MY/ohsas18001-healthsafety-management/</a>
Social Accountability International - SA8000	<a href="http://www.sa-intl.org/data/n_0001/resources/live/2008StdEnglishFinal.pdf">http://www.sa-intl.org/data/n_0001/resources/live/2008StdEnglishFinal.pdf</a>

## ACKNOWLEDGEMENT

Please have an authorized representative of your company sign and return the Acknowledgement to indicate your commitment to this Code of Conduct.

The below listed supplier has read in full the Supplier Code of Conduct and the EICC Code of Conduct (together, the “Codes”) and hereby commits to implement the Codes; permits us or our representatives, upon reasonable prior notice, to audit Supplier’s compliance with the Codes; and agrees to establish and maintain appropriate management systems designed to ensure:

1. Compliance with Child Labor Avoidance, Prevention of Involuntary Labor and Human Trafficking, and Conflict Mineral requirements;
2. Compliance with applicable laws;
3. Conformance with the Codes; AND
4. Identification and mitigation of operational risks related to the Codes.

Supplier: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_