

# Supplier Code of Conduct

(Latest updated on July 26, 2023)

TSMC is committed to ensuring that working conditions in its supply chains are safe, that workers are treated with respect and dignity, and that business operations are environmentally responsible and conducted ethically. To this end, TSMC established this *Supplier Code of Conduct* (“Code”) and requires our suppliers to operate in accordance with the principles outlined in this Code and in full compliance with the laws, rules and regulations of the countries in which they operate. In addition, TSMC also expects our suppliers to hold their suppliers, contractors, and service providers to the standards defined in this Code. TSMC is committed to obtaining regular input from stakeholders in the continued development and implementation of the Code.

TSMC will assess its suppliers’ compliance with this Code when making purchasing decisions. It is our intention to collaborate closely with our suppliers to drive continuous improvement through communication, audits, and follow-up assessments. However, decline TSMC audit, failure to comply with this Code or cooperate with our auditors or a third party auditors or do not follow the deadline to complete the required improvement measures (CAR) may result in termination of the business relationship.

The provisions in this Code are derived primarily from the *Responsible Business Alliance (RBA, Formerly EICC) Code of Conduct* and the provisions of this Code are derived from and respect internationally recognized standards including:

- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- ILO Fundamental Conventions
- UN Universal Declaration of Human Rights

The Code is made up of five sections:

- Sections A, B, and C: Standards for Labor, Health and Safety, and the Environment, Srespectively.
- Section D: Standards relating to business ethics.
- Section E: Elements of an acceptable system to manage conformity to this Code.

## **A. LABOR**

Suppliers are committed to uphold the human rights of workers, and to treat them with dignity and respect as understood by the international community. This applies to all workers including temporary, migrant, student, contract, direct employees, and any other type of worker.

The labor standards are:

### **1) Prohibition of Forced Labor**

Forced labor in any form, including but not limited to, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons is not permitted (including forced labor provided by North Korean citizens or nationals as set forth under *U.S. CAATSA*, or *Countering America's Adversaries through Sanctions Act*). This includes transporting, harboring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services. There shall be no unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company-provided facilities including, if applicable, workers' dormitories or living quarters. All work shall be voluntary, and workers shall be free to leave work at any time or terminate their employment without penalty if reasonable notice is given, which shall be clearly stated in worker's contract. Suppliers shall maintain documentation on all leaving workers. Employers, agents, and sub-agents' may not hold or otherwise destroy, conceal, or confiscate identity or immigration documents, such as government-issued identification, passports, or work permits. Notwithstanding the foregoing, employers can only hold documentation if necessary to comply with the local law. In this case, at no time shall workers be denied access to their documents. Workers shall not be required to pay employers' agents or sub-agents' recruitment fees or other related fees for their employment. If any such fees are found to have been paid by workers, such fees shall be repaid to the worker.

### **2) Young Workers**

Child labor shall not to be used in any stage of manufacturing. The term "child" refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. 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. Suppliers 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 laws and regulations. Suppliers shall implement an appropriate mechanism to verify the age of workers. The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported. Suppliers 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. If child labor is identified, assistance/remediation shall be provided.

### **3) Working Hours**

Working hours shall not to exceed the maximum set by local law. Further, a workweek should not be more than 60 hours per week, including overtime, except in emergency or unusual situations. All overtime shall be voluntary. Workers shall be allowed at least one day off every seven days.

#### **4) Wages and Benefits**

Compensation paid to workers, at a minimum, shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. Suppliers shall recognize the importance of all workers to earn a living wage by measuring and documenting any gaps. All workers shall receive equal pay for equal work and qualification. 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. All use of temporary, dispatch and outsourced labor shall be within the limits of the local law.

#### **5) Prevention and Mitigation of Precarious Employment**

As part of the hiring process, all workers shall be provided with a written employment agreement in their native language, or in a language the worker can understand, that contains a description of terms and conditions of employment. Foreign migrant workers shall receive the employment agreement prior to the worker departing from his or her country of origin and there shall be no substitution or change(s) allowed in the employment agreement upon arrival in the receiving country unless these changes are made to meet local law and provide equal or better terms. Suppliers shall not use employment agreements in a way designed to cause social or economic insecurity to the workers, such as: abusing consecutive short-term contracts, labor-only contracting, subcontracting, and/or homeworking arrangements.

#### **6) Non-Discrimination/Non-Harassment/Humane Treatment**

Suppliers shall commit to a workplace free of harassment and unlawful discrimination. There shall be no harsh or inhumane treatment including violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or verbal abuse of workers; nor is there to be the threat of any such treatment. Companies shall not engage in discrimination or harassment based on race, color, age, gender, sexual orientation, gender identity or expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information, marital status, or family responsibilities in hiring and employment practices such as wages, promotions, rewards, and access to training. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers. Workers shall be provided with reasonable accommodation for religious practices, disability, and family responsibilities (such as working caregivers). In addition, workers or potential workers should not be subjected to medical tests, including pregnancy or virginity tests, or physical exams that could be used in a discriminatory way. This was drafted in consideration of *ILO Discrimination (Employment and Occupation) Convention (No.111)*.

#### **7) Freedom of Association and Collective Bargaining**

Open communication and direct engagement between workers and management are the most effective ways to resolve workplace and compensation issues. Workers and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation, or harassment. In alignment with these principles, Suppliers shall respect the right of all workers to form and join trade unions of their own choosing, to bargain collectively, and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities. Where the right of freedom of association and collective bargaining is restricted by applicable laws and regulations, workers shall be allowed to elect and join alternate lawful forms of worker representations.

## **8) Human Rights Policy**

Suppliers shall uphold core values, support the United Nations Universal Declaration of Human Rights (UDHR) and relate international concepts of respect for human rights, and at the same time abide by local laws and regulations, treat and respect all employees with dignity. Suppliers shall establish an appropriate and effective process to implement this Code. "Human rights-related issues" of suppliers should maintain a zero-missing level. In addition to optimizing the training and management mechanism of "preventing sexual harassment and power bullying, managing working hours, optimizing the human rights of people with disabilities, and protecting personal privacy". Suppliers shall regularly evaluate the human rights risk assessment and management related to control, audit and review the human rights policies and management processes, and appropriately disclose them to stakeholders to enhance and continuously improve the human rights performance of suppliers, including all employees and temporary workers, workers (including major suppliers at the next level of the supply chain, on-site contractors, contractors) and protection of vulnerable or marginalized groups (including aboriginals, migrant workers, contract personnel, LGBTQ-owned, minority-owned, ethnicity, veterans-owned, women-owned, people with disabilities-owned and small businesses), these critical concerns include but are not limited to integrating respect for economic, social, cultural, civil and political rights and development into operations, providing safety and health and zero harassment safe working environment, eliminating illegal discrimination to ensure equal job opportunities, prohibiting forced labor and prohibiting child labor, abiding by all applicable wage and working hours regulations, assisting employees to maintain physical and mental health and work-life balance, responsible mineral procurement, and diversification of labor rights Human rights concerns and practices of non-discrimination and harassment, support and assist employees to maintain physical and mental health and work-life balance, provide multiple open communication channels including but not limited to anonymous reporting methods, and allow suppliers, business partners and other interests stakeholders are able to give feedback or report suspected violations. At the same time, suppliers should regularly review and evaluate relevant risks and practices in response to changing internal and external situations and stakeholders' needs, establish complaints, investigations and remedial procedures, and take timely actions to mitigate any adverse human rights impacts.

## **9) Diversity and Inclusive Culture**

Suppliers shall firmly believe in the value of diverse workplaces and cultivate future talents under the premise of mutual tolerance, so that the industry can benefit from the greatest potential of global human resources. Fair employment opportunities are the source of the company's competitiveness; suppliers should respect differences, regardless of their gender, religion, race, nationality or political affiliation, whether in the hiring or promotion process.

## **10) Accessibility Culture**

Suppliers shall be committed to a workplace with an accessible culture that fosters an inclusive employment environment for workers of all abilities, including labor rights for persons with disabilities, disadvantaged or marginalized groups, that support and empower people with different skills and functions or work create an accessible workplace, design and build a functional team for an accessible culture.

## **B. HEALTH and 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 participation and training are essential to the continuous improvement of occupational health and safety issues in the workplace.

The health and safety standards are:

### **1) Occupational Health and Safety**

Worker potential for exposure to health and safety hazards (e.g., chemical, electrical and other energy sources, fire, vehicles, and fall hazards, etc.) shall be identified and assessed, mitigated using the Hierarchy of Controls. Where hazards cannot be adequately controlled by these means, workers shall be provided with appropriate, well-maintained, personal protective equipment, and educational materials about risks to them associated with these hazards. Gender-responsive measures shall be taken, such as not having pregnant women and nursing mothers in working condition, which could be hazardous to them or their child and to provide reasonable accommodations for nursing mothers.

### **2) Emergency Preparedness**

Potential emergency situations and events shall be identified and assessed, and their impact minimized by implementing emergency plans and response procedures including emergency reporting, employee notification and evacuation procedures, worker training and drills. Emergency drills shall be executed at least annually or as required by local law, whichever is more stringent. Emergency plans shall also include appropriate fire detection and suppression equipment, clear and unobstructed egress, adequate exit facilities, contact information for emergency responders, and recovery plans. Such plans and procedures shall focus on minimizing harm to life, the environment and property.

### **3) Occupational Injury and Illness**

Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness, including provisions to encourage worker reporting, classify and record injury and illness cases, provide necessary medical treatment assistance; investigate cases and implement corrective actions to eliminate their causes; and facilitate return of workers to work. Suppliers shall allow workers to remove themselves from imminent harm, and not return until the situation is mitigated, without fear of retaliation.

### **4) Industrial Hygiene**

Worker exposure to chemical, biological and physical agents shall be identified, evaluated, and controlled according to the hierarchy of controls. When hazards cannot be adequately controlled by such means, workers shall be provided with and use appropriate, well-maintained, personal protective equipment free of charge. Suppliers shall provide workers with safe and healthy working environments, which shall be maintained through ongoing, systematic monitoring of workers' health and working environments. Suppliers shall provide occupational health monitoring to routinely evaluate if workers' health is being harmed from occupational exposures. Protective occupational health programs shall be ongoing and include educational materials about the risks associated with exposure to workplace hazards.

### **5) Physically Demanding Work**

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 shall be identified, evaluated and controlled.

## **6) Machine Safeguarding**

Production and other machinery shall be evaluated for safety hazards. Physical guards, interlocks and barriers shall be provided and properly maintained where machinery presents an injury hazard to workers.

## **7) Sanitation, Food, and Housing**

Workers shall be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities. Worker dormitories provided by the supplier, or a labor agent shall be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate lighting, and adequate conditioned ventilation, individually secured accommodations for storing personal and valuable items, and reasonable personal space along with reasonable entry and exit privileges. For infectious diseases, supplier shall develop and implement a program to take reasonable steps to prepare for, prevent, and respond to the potential for an infectious disease among its employees.

## **8) Health and Safety Communication**

Supplier shall provide workers with appropriate workplace health and safety information and training in the language of the worker or in a language the worker can understand for all identified workplace hazards that workers are exposed to, including but not limited to mechanical, electrical, chemical, fire, and physical hazards. Health and safety related information shall be clearly posted in the facility or placed in a location identifiable and accessible by workers. Health information and training shall include content on specific risks to relevant demographics, such as gender and age, if applicable. Training shall be provided to all workers prior to the beginning of work and regularly thereafter. Workers shall be encouraged to raise any health and safety concerns without retaliation.

## **9) Natural Disaster Risk Mitigation**

Supplier shall be aware of the natural disasters, such as earthquakes, droughts, floods, typhoons, etc. relevant to its facilities, and assess their likelihood and impact of personnel injury, property damage, and operational disruptions. The risks shall be mitigated through establishing hardware protection, developing emergency response procedures, training and drills, and conducting emergency plans.

## **C. ENVIRONMENTAL**

Suppliers recognize that environmental responsibility is integral to producing world class products. Suppliers shall identify the actual and potential environmental impacts and minimize adverse effects on the community, environment and natural resources within their manufacturing operations, while safeguarding the health and safety of the community and public.

The environmental standards are:

### **1) Environmental Permits and Reporting**

All required environmental permits (e.g. discharge monitoring), approvals and registrations shall be obtained, maintained and kept current and their operational and reporting requirements shall be followed.

### **2) Pollution Prevention and Resource Reduction Conservation**

Emissions and discharges of pollutants and generation of waste shall be minimized or eliminated at the source or by practices such as adding pollution control equipment; modifying production, maintenance and facility processes; or by other means. The use of natural resources, including water, fossil fuels, minerals and virgin forest products, shall be conserved by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling or other means.

### **3) Hazardous Substances**

Chemicals, waste and other materials posing a hazard to humans or the environment shall be identified, labelled and managed on the principle of avoiding and reducing their use. Suppliers shall ensure their safe handling, movement, storage, use, recycling or reuse and disposal. Hazardous waste data shall be tracked and documented.

### **4) Solid Waste**

Supplier shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous). Waste data shall be tracked and documented.

### **5) Air Emissions**

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

### **6) 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.

## **7) Water Management**

Supplier shall implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seeks opportunities to conserve water; and controls channels of contamination. All wastewater shall be characterized, monitored, controlled, and treated as required prior to discharge or disposal. Supplier shall conduct routine monitoring of the performance of its wastewater treatment and containment systems to ensure optimal performance and regulatory compliance. Suppliers shall assess the risks of water shortage and floods in the place of operation, promote water conservation and water recycling measures, and prepare for and train in emergency response to water shortages and floods to increase climate resilience.

## **8) Energy Consumption and Greenhouse Gas Emissions**

Suppliers shall and report against an absolute corporate-wide greenhouse gas reduction goal. Energy consumption and all relevant Scopes 1, 2 and significant categories of Scope 3 greenhouse gas emissions shall be tracked and documented, and reported against the greenhouse gas reduction goal. Suppliers shall look for methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions.

## **9) Biodiversity**

Suppliers shall abide by relevant laws and regulations on biodiversity conservation, avoid operations affecting important habitats, and participate in actions for the conservation of natural ecosystems.



## **D. ETHICS**

To meet social responsibilities and to achieve success in the marketplace, suppliers and their agents shall uphold the highest standards of ethics including:

### **1) Business Integrity**

The highest standards of integrity shall be upheld in all business interactions. Suppliers shall have a zero tolerance policy to prohibit any and all forms of bribery, corruption, fraud, extortion and embezzlement.

### **2) No Improper Advantage**

Bribes or other means of obtaining undue or improper advantage shall not to be promised, offered, authorized, given or accepted. 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. Monitoring, record keeping and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

### **3) Disclosure of Information**

All business dealings shall be transparently performed and accurately reflected on supplier's business books and records. Information regarding supplier labor, health and safety, environmental practices, business activities, structure, financial situation, supply chain and performance shall be disclosed to the suppliers and those in their value chain in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

### **4) Intellectual Property**

Intellectual property rights shall be respected; transfer of technology and know-how is to be done in a manner that protects intellectual property rights; and, customer and supplier information shall be safeguarded.

### **5) Fair Business, Advertising and Competition**

Standards of fair business, advertising and competition shall be upheld.

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

Programs that ensure the confidentiality, anonymity and protection of supplier and employee whistleblowers (any person who makes a disclosure about improper conduct by an employee or officer of a company, or by a public official or official body) shall be maintained, unless prohibited by law. Suppliers shall have a communicated process for their personnel to be able to raise any concerns without fear of retaliation.

### **7) Responsible Sourcing of Minerals**

Suppliers shall have a policy and exercise due diligence on the source and chain of custody of the tantalum, tin, tungsten, gold and cobalt in the products they manufacture to reasonably assure that they are sourced in a way consistent with the Organisation for Economic Co-operation and Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or an equivalent and recognized due diligence framework. Suppliers shall ensure suppliers have a process in place to verify smelter or refiner conformance, and track changes in the status of smelters or refiners.

## **8) 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.

## **9) Avoiding Conflicts of Interest**

Conflicts of interest, such as situations where a TSMC employee or a close relative (parent, child, spouse or sibling) is a significant investor or shareholder in your company (as non-publicly traded stock), should be avoided to prevent misconduct. Excessive or overly-frequent socializing with your TSMC business contacts may also create a conflict of interest, or the appearance of a conflict of interest. Social contact must be within accepted cultural business norms, and relationships that become conflicts of interest must be reported. If a potential conflict is discovered, you should report such incident immediately to TSMC and take corrective actions to ensure that no inappropriate actions result from the conflict and relationships that become conflicts of interest must be reported and suspended or resolved.

## **10) Prohibition of Unauthorized Subcontracting**

If you receive a request from a TSMC employee to procure from or subcontract from a specific third party, please report it immediately to TSMC through TSMC reporting channel at [https://www.tsmc.com/english/contact-us#business\\_conduct](https://www.tsmc.com/english/contact-us#business_conduct) (Irregular Business Conduct Reporting).

## **11) Performing Services as Agreed in Contract**

Passing on obligations under a contract or purchase order for products or services to another party, that TSMC expects you to perform, or providing products or services without a properly executed purchase order, supply contract or service contract is prohibited.

## **12) Complying with Export and Import Regulations**

Know and follow all laws related to the shipping, handling and transportation of products to or on behalf of TSMC. This includes source country export and customs laws, destination country import and customs laws, paying all necessary duties and taxes and following local transportation laws. Procedures and training will be provided to employees and contracted service providers to ensure safe handling of materials to, from and at TSMC.

## **13) TSMC Sole Business Contact Window for Sales**

TSMC procurement personnel are the sole business contact windows for your sales personnel when interacting with TSMC. Without TSMC procurement personnel's consent, arrangement or participation, your sales personnel should not make any business contacts nor discuss any commercial terms and conditions, including but not limited to price, payment terms, delivery date, incentives, compensation, free items, testing or services, technical specification, or engineering improvement, with TSMC's non-procurement personnel.

## **E. MANAGEMENT SYSTEMS**

Suppliers shall adopt or establish a management system appropriate to the size, nature and context of their operations, including, at a minimum (a) a commitment to respect human rights and environment; (b) a due diligence process; and (c) access to remedy for internal and external stakeholders where the suppliers caused, or contributed to, adverse human rights and environmental impacts, with a scope that is related to this Code. It shall also facilitate continual improvement.

The management system shall contain the following elements:

### **1) Company Commitment**

Suppliers shall establish human rights, health and safety, environmental and ethics policy statements affirming supplier's commitment to due diligence and continual improvement, endorsed by executive management. Policy statements shall be made public and communicated to workers in a language they understand via accessible channels.

### **2) Management Accountability and Responsibility**

The supplier shall clearly identify senior executive and company representative[s] responsible for ensuring implementation of the management systems and associated programs. Senior management reviews the status of the management system on a regular basis.

### **3) Legal and Customer Requirements**

Suppliers shall adopt or establish a process to identify, monitor and understand applicable laws, regulations and customer requirements, including the requirements of this Code.

### **4) Risk Assessment and Risk Management**

Suppliers shall adopt or establish a process to identify the legal compliance, environmental, health and safety (areas to be included in a risk assessment for environmental health and safety are production areas, warehouse and storage facilities, plant/facilities support equipment, laboratories and test areas, sanitation facilities (bathrooms), kitchen/cafeteria and worker housing/dormitories) and labor practice and ethics risks, including the risks of severe human rights and environmental impacts, associated with supplier's operations. Suppliers shall determine the relative significance for each risk and implementation of appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance.

### **5) Improvement Objectives**

Suppliers shall establish written performance objectives, targets and implementation plans to improve the supplier's social, environmental, and health and safety performance, including a periodic assessment of supplier's performance in achieving those objectives.

### **6) Training**

Suppliers shall establish programs for training managers and workers to implement supplier's policies, procedures and improvement objectives and to meet applicable legal and regulatory requirements.

### **7) Communication**

Suppliers shall establish a process for communicating clear and accurate information about supplier's policies, practices, expectations and performance to workers, suppliers and customers.

## **8) Worker/Stakeholder Engagement and Access To Remedy**

Suppliers shall establish processes for ongoing two-way communication with workers, their representatives, and other stakeholders where relevant or necessary. The process shall aim to obtain feedback on operational practices and conditions covered by this Code, and to foster continuous improvement. Suppliers shall establish or participate in operational-level grievance mechanisms (OGMs) aligned with the UNGPs. Workers shall be given a safe environment to provide grievance and feedback without fear of reprisal or retaliation. Suppliers shall also provide information on alternative dispute resolution mechanisms.

## **9) Audits and Assessments**

Suppliers shall conduct periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of the Code and customer contractual requirements related to social and environmental responsibility.

## **10) Corrective Action Process**

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

## **11) Documentation and Records**

Suppliers shall create and maintain documents and records to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.

## **12) Supplier Responsibility**

Suppliers shall establish a process to communicate Code requirements to next-tier suppliers and to monitor their compliance to the Code.