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ASAP SEMICONDUCTOR POLICY COMBATING TRAFFICKING IN PERSONS

Policy

The United States Government has adopted a policy prohibiting trafficking in persons and trafficking-related activities. Therefore, it is the policy of ASAP Semiconductor that ASAP Semiconductor, its employees, and their agents shall not-

- (1) Engage in severe forms of trafficking in persons during the period of performance of the contract;
- (2) Procure commercial sex acts during the period of performance of the contract;
- (3) Use forced labor in the performance of the contract;
- (4) Destroy, conceal, confiscate, or otherwise deny access by an employee to the employee's identity or immigration documents, such as passports or drivers' licenses, regardless of issuing authority;
- (5) (i) Use misleading or fraudulent practices during the recruitment of employees or offering of employment, such as failing to disclose, in a format and language understood by the employee or potential employee, basic information or making material misrepresentations during the recruitment of employees regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, the living conditions, housing and associated costs (if employer or agent provided or arranged), any significant costs to be charged to the employee or potential employee, and, if applicable, the hazardous nature of the work;
- (ii) Use recruiters that do not comply with local labor laws of the country in which the recruiting takes place;
- (6) Charge employees or potential employees recruitment fees;

(7) (i) Fail to provide return transportation or pay for the cost of return transportation upon the end of employment-

(A) For an employee who is not a national of the country in which the work is taking place and who was brought into that country for the purpose of working on a U.S. Government contract or subcontract (for portions of contracts performed outside the United States); or

(B) For an employee who is not a United States national and who was brought into the United States for the purpose of working on a U.S. Government contract or subcontract, if the payment of such costs is required under existing temporary worker programs or pursuant to a written agreement with the employee (for portions of contracts performed inside the United States); except that-

(ii) The requirements of paragraphs (b)(7)(i) of this clause shall not apply to an employee who is-

(A) Legally permitted to remain in the country of employment and who chooses to do so; or

(B) Exempted by an authorized official of the contracting agency from the requirement to provide return transportation or pay for the cost of return transportation;

(iii) The requirements of paragraph (b)(7)(i) of this clause are modified for a victim of trafficking in persons who is seeking victim services or legal redress in the country of employment, or for a witness in an enforcement action related to trafficking in persons. The contractor shall provide the return transportation or pay the cost of return transportation in a way that does not obstruct the victim services, legal redress, or witness activity. For example, the contractor shall not only offer return transportation to a witness at a time when the witness is still needed to testify. This paragraph does not apply when the exemptions at paragraph (b)(7)(ii) of this clause apply.

(8) Provide or arrange housing that fails to meet the host country housing and safety standards; or

(9) If required by law or contract, fail to provide an employment contract, recruitment agreement, or other required work document in writing. Such written work document shall be in a language the employee understands. If the employee must relocate to perform the work, the work document shall be provided to the employee at least five days prior to the employee relocating. The employee's work document shall include, but is not limited to, details about work description, wages, prohibition on charging recruitment fees, work location(s), living accommodations and associated costs, time off, roundtrip transportation arrangements, grievance process, and the content of applicable laws and regulations that prohibit trafficking in persons.

(c) ASAP Semiconductor requirements. It is the policy of ASAP Semiconductor to-

(1) Notify its employees and agents of-

(i) The United States Government's policy prohibiting trafficking in persons, described above; and

(ii) The actions that will be taken against employees or agents for violations of this policy. Such actions for employees and agents may include, but are not limited to, removal from the contract, loss of future contract opportunities, or termination of employment; and

(2) Take appropriate action, up to and including termination, against employees, agents, or subcontractors that violate the provisions of this policy.

(d) Notification.

(1) Each ASAP Semiconductor employee shall inform the President and/or the General Counsel's office immediately of-

(i) Any credible information they receive from any source (including host country law enforcement) that alleges an ASAP Semiconductor employee, subcontractor, subcontractor employee, or their agent has engaged in conduct that violates the provisions of this policy; and

(ii) Any corrective actions taken against an ASAP Semiconductor employee, subcontractor, subcontractor employee, or their agent for violation of this policy.

(e) Penalties. Failure to comply with the provisions of this policy may result in-

(1) Removal from the performance of the contract;

(2) Termination of a subcontract;

(3) Suspension of subcontract payments until the subcontractor or vendor has taken appropriate remedial action;

(6) Termination of the subcontract for default or cause;

(7) Employee or agent warning, suspension, or termination.

(g) Full cooperation.

(1) Employees shall, at a minimum-

(i) Disclose to ASAP Semiconductor information sufficient to identify the nature and extent of an offense and the individuals responsible for the conduct;

(ii) Provide timely and complete responses to management's requests for documents and information;

(iii) Cooperate fully in providing reasonable access to all facilities and documents to allow management to conduct audits, investigations, or other actions to ascertain compliance with this policy and with the Trafficking Victims Protection Act of 2000 ([22 U.S.C. chapter 78](#)), E.O. 13627, or any other applicable law or regulation establishing restrictions on trafficking in persons, the procurement of commercial sex acts, or the use of forced labor; and

(iv) Protect all persons suspected of being victims of or witnesses to prohibited activities, prior to returning to the country from which the employee was recruited, and shall not prevent or hinder the ability of these persons from cooperating fully with management or relevant Government authorities.

(2) The requirement for full cooperation does not foreclose any employee rights arising in law. It does not-

(i) Require the employee to waive its attorney-client privilege or the protections afforded by the attorney work product doctrine; or

(ii) Require any person, to waive his or her attorney client privilege or Fifth Amendment rights.

(h) Compliance plan.

(i) Awareness. Each employee of ASAP Semiconductor shall acknowledge and sign this policy signaling their understanding of the policy on an annual basis.

Additional information about Trafficking in Persons and examples of awareness programs can be found at the website for the Department of State's Office to Monitor and Combat Trafficking in Persons at <http://www.state.gov/j/tip/>.

(ii) Reporting. Employees may report, without fear of retaliation, activity inconsistent with the policy prohibiting trafficking in persons. Employees may report to either the President or the General Counsel's office, or both. Multiple avenues of report are available to ensure employees may report without fear of retaliation.

If an employee is aware of activity inconsistent with the policy prohibiting trafficking in persons and is uncomfortable reporting to either the President or General Counsel's office, or the employee feels the reports are not being properly addressed, the employee may contact the Global Human Trafficking Hotline. The hotline phone number of the Global Human Trafficking Hotline at 1-844-888-FREE and its email address at help@befree.org.

(iii) Recruitment. In the event ASAP Semiconductor contracts with recruitment companies for the hiring of employees or contractors, it is the policy of ASAP Semiconductor to

use only reputable recruitment companies with trained employees and that do not charge recruitment fees to employees or potential employees. It is the policy of ASAP Semiconductor to ensure that all employee wages meet applicable host-country legal requirements.

(iv) Housing. It is the policy of ASAP Semiconductor not to provide housing for employees except for reimbursement or payment of employee hotel room nights for authorized business travel.

(v) Monitoring. It is the policy of ASAP Semiconductor to monitor and audit the performance of subcontracts by agents and subcontractors to prevent trafficking in persons. ASAP Semiconductor has a zero-tolerance policy for trafficking in persons and shall terminate any agent or subcontractor determined to be engaged in such activities and immediately report such activity to the U.S. Government.

Notice and Posting

Each employee shall be provided with a copy of this policy on an annual basis. Each employee is to review, sign, and return the policy to Human Resources. The signed policy will become a part of each employee's training records. Employees are instructed to direct any questions about this policy to the General Counsel.

A copy of this policy is available on the company website at www.asapsemi.com/CHT and available in hard copy or digital copy upon request.

Definitions

Agent means any individual, including a director, an officer, an employee, or an independent contractor, authorized to act on behalf of the organization.

Coercion means-

- (1) Threats of serious harm to or physical restraint against any person;
- (2) Any scheme, plan, or pattern intended to cause a person to believe that failure to perform an act would result in serious harm to or physical restraint against any person; or
- (3) The abuse or threatened abuse of the legal process.

Commercial sex act means any sex act on account of which anything of value is given to or received by any person.

Debt bondage means the status or condition of a debtor arising from a pledge by the debtor of his or her personal services or of those of a person under his or her control as a security for debt, if the value of those services as reasonably assessed is not applied toward the

liquidation of the debt or the length and nature of those services are not respectively limited and defined.

Employee means an employee of the Contractor directly engaged in the performance of work under the contract who has other than a minimal impact or involvement in contract performance.

Forced Labor means knowingly providing or obtaining the labor or services of a person-

(1) By threats of serious harm to, or physical restraint against, that person or another person;

(2) By means of any scheme, plan, or pattern intended to cause the person to believe that, if the person did not perform such labor or services, that person or another person would suffer serious harm or physical restraint; or

(3) By means of the abuse or threatened abuse of law or the legal process.

Involuntary servitude includes a condition of servitude induced by means of-

(1) Any scheme, plan, or pattern intended to cause a person to believe that, if the person did not enter into or continue in such conditions, that person or another person would suffer serious harm or physical restraint; or

(2) The abuse or threatened abuse of the legal process.

Recruitment fees means fees of any type, including charges, costs, assessments, or other financial obligations, that are associated with the recruiting process, regardless of the time, manner, or location of imposition or collection of the fee.

(1) Recruitment fees include, but are not limited to, the following fees (when they are associated with the recruiting process) for-

(i) Soliciting, identifying, considering, interviewing, referring, retaining, transferring, selecting, training, providing orientation to, skills testing, recommending, or placing employees or potential employees;

(ii) Advertising

(iii) Obtaining permanent or temporary labor certification, including any associated fees;

(iv) Processing applications and petitions;

(v) Acquiring visas, including any associated fees;

(vi) Acquiring photographs and identity or immigration documents, such as passports, including any associated fees;

(vii) Accessing the job opportunity, including required medical examinations and immunizations; background, reference, and security clearance checks and examinations; and additional certifications;

(viii) An employer's recruiters, agents or attorneys, or other notary or legal fees;

(ix) Language interpretation or translation, arranging for or accompanying on travel, or providing other advice to employees or potential employees;

(x) Government-mandated fees, such as border crossing fees, levies, or worker welfare funds;

(xi) Transportation and subsistence costs-

(A) While in transit, including, but not limited to, airfare or costs of other modes of transportation, terminal fees, and travel taxes associated with travel from the country of origin to the country of performance and the return journey upon the end of employment; and

(B) From the airport or disembarkation point to the worksite;

(xii) Security deposits, bonds, and insurance; and

(xiii) Equipment charges.

(2) A recruitment fee, as described in the introductory text of this definition, is a recruitment fee, regardless of whether the payment is-

(i) Paid in property or money;

(ii) Deducted from wages;

(iii) Paid back in wage or benefit concessions;

(iv) Paid back as a kickback, bribe, in-kind payment, free labor, tip, or tribute; or

(v) Collected by an employer or a third party, whether licensed or unlicensed, including, but not limited to-

(A) Agents;

(B) Labor brokers;

(C) Recruiters;

(D) Staffing firms (including private employment and placement firms);

(E) Subsidiaries/affiliates of the employer;

(F) Any agent or employee of such entities; and

(G) Subcontractors at all tiers.

Severe forms of trafficking in persons means-

(1) Sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or

(2) The recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

"Sex trafficking" means the recruitment, harboring, transportation, provision, or obtaining of a person for the purpose of a commercial sex act.

Subcontract means any contract entered into by a subcontractor to furnish supplies or services for performance of a prime contract or a subcontract.

Subcontractor means any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a prime contractor or another subcontractor.

United States means the 50 States, the District of Columbia, and outlying areas.