

TOPEX

Social Compliance Policy

Policy Statement

TOPEX is a manufacturer of custom x-ray sources and high voltage power supplies serving the Medical Device and Industrial Industries. Products are assembled, tested, and packaged at a single facility. At TOPEX, our approach is to work closely with customers in the design and manufacture of product to achieve the highest performance quality and satisfaction. We stand behind every commitment made to exceed customer expectations in providing high quality products and services. We are committed towards:

- Working with dedication and innovation, with total focus on our customer.
- Integrity, honesty, and sincerity by following ethical and moral standards.
- Promoting a work culture that provides individual growth, team spirit and creativity to overcome challenges and attain goals.
- Achieving growth along with our customers, staff, and suppliers.

At TOPEX, we believe that our success is built on a foundation of personal and professional integrity. We understand the challenge of ensuring high social, ethical, and environmental standards within our business and throughout our supply chain and are committed to working collaboratively with our suppliers to ensure these standards are continuously improving.

This Policy defines TOPEX's minimum standards, along with the basic principles we expect from all our Suppliers and Contractors. We are committed to ensuring that the standards outlined in the policy are effectively implemented, measured, and monitored throughout our global supply chain and we require the support of our suppliers to achieve this goal.

1.0 Scope

TOPEX's management define this policy as relevant to the organization itself, its contractors, subcontractors, suppliers, and other parties engaged through the supply chain.

2.0 GENERAL PROVISIONS

Business Partners (including but not limited to agents, vendors, manufacturers, factories, suppliers, and subcontractors) must comply fully with all legal requirements relevant to the conduct of their businesses.

This policy communicates our values and expectations and emphasizes the importance of responsible workplace policies and practices, which generally comply, at a minimum, with applicable occupational Health & Safety, environmental and labor laws, and regulations. The standards outlined below reflect the values we uphold in our own policies, and we expect our suppliers to follow these standards and requirements:

2.1 Employment is Freely Chosen

- There is no forced, bonded, indentured, or involuntary prison labor used.
- Workers are not required to pay fees or lodge “deposits” and can leave their employment after reasonable notice.

2.2 Working Conditions

- A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- Applicable occupational Health and Safety regulations will be adhered to, and a working environment which is safe and conducive to good health shall be provided. Workers shall receive regular and recorded health and safety training and such training shall be repeated for new or reassigned workers. Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided. Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- Responsibility for health and safety shall be assigned to a senior management representative.

2.3 Child Labor

- TOPEX does not engage in or support the use of child labor.
- Suppliers and Contractors must not recruit child labor. (“Child Labor” being defined under International Labor Organization Conventions as workers under the age of 15, or 14 in certain developing countries. No hazardous work may be carried out by anyone under the age of 18).
- Suppliers and Contractors must maintain formal documentation that verifies the age of each worker. If children are found to be working in directly for the supplier, the latter shall seek a sensitive and satisfactory solution that puts the best interests of the child first and will be removed from the TOPEX list of approved suppliers. In short, Child Labor abuse cannot be tolerated if a supplier is engaged in or in support of the use of child labor.

2.4 Fair wages are Paid

- Wages and benefits paid for a standard working week meet, at a minimum, national legal standards, or industry benchmark standards.
- All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- Wages shall be paid directly to the workers, at the agreed intervals and in full. Overtime must be paid at an enhanced rate, at a minimum compliant with national legislation.
- Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures to be recorded.

2.5 Working Hours

- Working hours comply with national laws and benchmark industry standards, whichever affords greater protection.
- Comply with applicable hour and benefits laws relative to the industry and/or local labor market.

2.6 No Discrimination is Practiced

- Suppliers and Contractors must comply fully with local laws regarding equality of employment opportunities. There is no discrimination in hiring, compensation, access to training, promotion, termination, or retirement based on race, caste, nationality, origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

2.7 Regular Employment is Provided

- To every extent possible work performed must be based on recognized employment relationship established through national law and practice.
- Obligations to employees under labor or social security laws and regulations arising from the regular employment relationship shall not be avoided using labor-only contracting, subcontracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.
- Migrant, contract, part-time and home-workers must receive the same rights, benefits and opportunities as other workers performing similar activities.

2.8 No Harsh or Inhumane Treatment is Allowed

- Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited. All disciplinary actions must be recorded and be fair, proportionate, and fully compliant with local laws. Suppliers and contractors will ensure access to confidential means of reporting inhumane treatment and workplace grievances.

2.9 Protect the Environment

- Conduct business in compliance with all applicable environmental laws, rules and regulations.
- Waste is minimized and items recycled wherever this is practicable. Effective controls of waste in respect of ground, air and water pollution are adopted. In the case of hazardous materials, emergency response plans are in place. In respect of packaging and paper, undue and unnecessary use of materials is avoided, and recycled materials are used whenever appropriate
- With respect of energy use, all production and delivery processes, including the use of heating, ventilation, lighting, IT systems and transportation, are based on the need to maximize efficient energy use and to minimize harmful emissions.

2.10 Business Integrity

- Strive to provide a workplace free of bribery and corruption by complying with all applicable laws relating to bribery, money laundering and/or corruption as well as prohibiting the exchange

of money or anything else of value to or from anyone, including government officials, to influence actions or obtain an improper advantage.

3.0 IMPLEMENTATION OF THE SOCIAL COMPLIANCE POLICY

TOPEX is committed not only to comply with this Policy within its own business, but to working collaboratively with its Suppliers and Contractors to drive compliance throughout the supply chain. We will support our Suppliers and Contractors in achieving this objective and will abide by the following principles to drive this improvement in ethical performance.

TOPEX Commits To:

- Allocate the required resources to fully implement the Policy, including an internal system to record and monitor compliance throughout the supply base to this Policy.
- Assign responsibility for the implementation of this Policy to an appropriately trained management representative who will provide the company, suppliers and other stakeholders with compliance updates and implementation performance as required.
- Work collaboratively with our suppliers, supporting them in the improvement of social, ethical and environmental standards where required and appropriate.
- Full compliance with this Policy within our own business and to ensuring that all relevant employees are aware of the social compliance policy.
- Acknowledge specific national, regional, and cultural challenges that may affect compliance.
- Recognize suppliers' own standards where they are comparable to our own.
- Communicate this Policy to all suppliers and contractors and seek formal acceptance and commitment to its implementation.
- Report level of compliance to each supplier and request a comprehensive corrective action plan be developed, complete with relevant targets and timescales. TOPEX will support suppliers through any remediation process and will monitor progress.
- Communicate periodically to TOPEX employees, management, suppliers the progress towards compliance with this policy.
- Periodically review this policy to continually improve, taking into consideration changes in legislation, and any other requirements to which the Company subscribes, and to ensure the adequacy, suitability, and continuing effectiveness of the policy.
- Cease trading with suppliers demonstrating a persistent disregard for this Policy while considering the impact this may have on the supplier and community in which they operate.

TOPEX Requires its Suppliers to:

- Comply with this Policy and all applicable laws in the countries in which they operate. Where standards differ, the standard which offers the greater degree of protection to workers shall apply.
- Allocate the relevant resource for full implementation of the social compliance Policy.
- Communicate the Policy to all employees, suppliers, sub-contractors, home workers and temporary and contract workers engaged in their supply chain. (TOPEX will recognize suppliers' own Policy and standards where they are comparable with our own).

- Communicate openly and honestly with TOPEX and allow access to documentation and sites as required to determine performance against this Policy.
- The conduct of our suppliers should not violate the basic rights of TOPEX.
- Our suppliers should not be engaged in:
 - The manufacture of arms.
 - The sale of arms to governments which systematically violate the human rights of their citizens; or where there is internal armed conflict or major tensions; or where the sale of arms may jeopardize regional peace and security

4.0 CONTINUOUS IMPROVEMENT

The Company commits to periodically review this policy to continually improve, taking into consideration changes in legislation, and any other requirements to which the Company subscribes, and to ensure the adequacy, suitability, and continuing effectiveness of the policy. Specifically, the policy will be routinely reviewed at the Company's Management Review Meetings and will be integrated into its **EN ISO13485:2016 Quality Management System**.

5.0 QUERIES ON SOCIAL COMPLIANCE

If you have any questions or would like to discuss our supplier social responsibility requirements in more details, please email John Brenna at jbrenna@topesmedical.com or please visit our website at www.topexmedical.com