

Valens Code of Conduct

It is Valens' policy to conduct its business in accordance with all applicable laws, rules and regulations of the jurisdictions in which it does business.

Valens Code of Conduct is based on the Responsible Business Alliance (RBA), formerly the Electronic Industry Citizenship Coalition® (EICC) Code of Conduct, which is an established standard to ensure that working conditions in the electronics industry supply chain are safe, that workers are treated with dignity and respect, and that business operations are conducted in an environmentally responsible and ethical way.

Valens expects its suppliers to operate in compliance with the laws, rules and regulations in the countries in which they operate and to implement the principles of the RBA Code of Conduct.

Valens will continue to reassess and update this Code to keep abreast of the many changes within our industry. This Code will be maintained and available online, at <http://valens.com/about/quality>.

If you have any questions regarding the requirements of this Code, please contact quality@valens.com.

Labor and Human Rights

Valens is committed to ensure that all workers in its supply chain are treated fairly and with dignity and respect.

The labor standards are:

Freely Chosen Employment

Forced, bonded, indentured, or prison labor, slavery or trafficking of persons should not be used in the workplace. This includes transporting, harboring, recruiting, transferring or receiving persons by means of threat, force coercion, abduction or fraud. All work must be voluntary, and workers should be free to leave work or terminate their employment with reasonable notice. Workers must not be required to surrender any government-issued identification, passports, or work permits as a condition of employment, unless such holdings are required by law. Workers shall not be required to pay employers' or 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.

Young Workers

Child labor is not to be used in any stage of manufacturing. The term "child" refers to any person employed 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. This does not prohibit legitimate workplace apprenticeship programs which comply with applicable laws and regulations. Hazardous work should not be performed by workers under the age of 18.

Working Hours

Workweeks are 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. Workers shall be allowed at least one day off every seven days.

Wages and Benefits

Workers should be paid at least the minimum wage required by applicable laws and regulations and provided all legally mandated benefits. In accordance with local laws, workers should be compensated for any overtime hours. Deductions from wages should not be used as a disciplinary measure. Workers should not be required to pay any fees to secure employment.

Humane Treatment

There is to be no harsh nor inhumane treatment including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers; nor is there to be the threat of any such treatment. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers.

Non-Discrimination

Workers should not be discriminated against 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.

Freedom of Association

The rights of workers to associate freely, form and join workers' organizations of their own choosing, seek representation, and bargain collectively, as permitted by and in accordance with applicable laws and regulations, should be respected. Workers should be permitted to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment.

Health and Safety

Valens recognizes 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. Valens also recognizes that ongoing worker input and education are essential to identifying and solving health and safety issues in the workplace.

The health and safety standards are:

Occupational Safety

Workers' exposure to potential safety hazards are to be controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures, and ongoing safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained, personal protective equipment, and educational materials about the personal risks 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 including: emergency reporting, employee notification and evacuation procedures, worker training and drills, appropriate

fire detection and suppression equipment, adequate exit facilities and recovery plans. Such plans and procedures shall focus on minimizing harm to life, the environment and property.

Occupational Injury and Illness

Proper 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; investigate cases and implement corrective actions to eliminate their causes; and facilitate return of workers to work.

Industrial Hygiene

Workers' 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, workers' health is to be protected by appropriate personal protective equipment programs.

Physically Demanding Work

Workers' 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 is to be identified, evaluated and controlled.

Machine Safeguarding

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

Sanitation, Food, and Housing

Workers are to be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities.

Health and Safety Communication

Workers are to be provided with appropriate workplace health and safety training in their primary language. Health-and safety-related information shall be clearly posted in the facility.

Environmental

Valens recognizes that environmental responsibility is integral to producing world class products and has established proper procedures in compliance with the ISO 14001 certified Environmental Management System.

The environmental standards are:

Environmental Permits and Reporting

All current required environmental permits, approvals and registrations have been obtained, are maintained and kept current, and their operational and reporting requirements are followed on a day-to-day basis.

Pollution Prevention and Resource Reduction

The use of resources and generation of waste of all types, including water and energy, are to be reduced or eliminated at the source, or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

Hazardous Substances

Chemicals and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

Solid Waste

Solid waste generated from operations, industrial processes, and sanitation facilities should be monitored, controlled, and treated as required by applicable laws and regulations before discharge or disposal.

Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, routinely monitored, controlled and treated as required prior to discharge.

Materials Restrictions

Valens' suppliers are to 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.

Water Management

Water management program should be documented, characterized, and monitored and use.

Energy Consumption

Energy consumption are to be tracked and documented at the corporate level. Looking for cost effective methods to improve energy efficiency and to minimize their energy consumption.

Ethics

Valens is committed to uphold the highest standards of ethics including:

Business Integrity

Corruption, extortion, and embezzlement, in any form, are strictly prohibited and may result in immediate contract termination and in legal action.

No Improper Advantage

Bribes or other means of obtaining undue or improper advantage may not be offered or accepted.

Disclosure of Information

Business activities, structure, financial situation, and performance should be disclosed in accordance with applicable laws and regulations.

Intellectual Property

Intellectual property rights are to be respected; transfer of technology and knowhow is to be done in a manner that protects intellectual property rights; and, customer information is to be safeguarded.

Fair Business, Advertising and Competition

Fair business standards in advertising, sales, and towards competition should be upheld and means to safeguard customer information should be available.

Protection of Identity and Non-Retaliation

Programs should be maintained to ensure the protection of whistleblower's confidentiality, in accordance with local laws and regulations, and to prohibit retaliation against workers who participate in such programs in good faith.

Responsible Sourcing of Minerals

Valens' policy is to reasonably assure that precious metals, such as tantalum, tin, tungsten and gold, present in the products manufactured, 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 or adjoining countries. Valens expects suppliers to establish their own due diligence on the source and chain of custody of these minerals and make their due diligence measures available to upon request.

For details, please refer to: <http://valens.com/about/quality>

Privacy

Suppliers, customers, consumers and employees are to comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

Management system

Valens' management system should contain the following elements:

Company Commitment

A corporate social and environmental responsibility policy statement affirming commitment to compliance and continual improvement, endorsed by executive management and posted in the workplace.

Management Accountability and Responsibility

Senior executive and company representative[s] responsible for ensuring implementation of the management systems and associated programs must be clearly identified. Senior management must review the status of the management system on a regular basis.

Legal and Customer Requirements

Applicable laws, regulations and customer requirements should be identified, monitored and understood.

Risk Assessment and Risk Management

Any risks associated with legal compliance, environmental, health and safety and labor practice and ethics risks associated with operations, must be assessed and managed.

Improvement Objectives

Written performance objectives, targets and implementation plans to improve social and environmental performance, including a periodic assessment of performance in achieving those objectives.

Training

Programs for training managers and workers as to how implement company policies, procedures and improvement objectives and to meet applicable legal and regulatory requirements.

Communication

A process for communicating clear and accurate information about company's policies, practices, expectations and performance to workers, suppliers and customers.

Workers' Feedback and Participation

Ongoing processes to assess employees' understanding of and obtain feedback on practices and conditions covered by this Code and to foster continuous improvement.

Audits and Assessments

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.

Corrective Action Process

A process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations and reviews.

Documentation and Records

Creation and maintenance of documents and records to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.

Supplier Responsibility

A process to communicate Code requirements to suppliers and to monitor supplier compliance to the Code.



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