



Supply Chain Responsibility

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Responsibilities to Suppliers

CIARA procures various materials from a large number of suppliers in and outside Canada. In order to develop long-term business relationships based on its Procurement Policies, CIARA is working to strengthen CSR activities across its entire supply chain, while improving measures for proper transactions.

Socially Responsible Procurement at CIARA

CIARA has established Procurement Policies in order to execute its social responsibility to conduct fair and equitable transactions throughout the supply chain. The policies cover matters including legal compliance, respecting human rights, labor, safety, and health, as well as environmental protection. CIARA constantly improves its socially responsible procurement by obtaining the understanding and support of suppliers for the policies and building strong partnerships.

Procurement Policies

CIARA aims to fulfill its social responsibilities, including compliance with relevant laws and social norms, and protection of the environment, through fair and equitable transactions throughout the supply chain by strengthening partnership with suppliers.

1. Fair and equitable transactions

CIARA carries out fair and equitable transactions by providing equal opportunities to all suppliers (and candidates) in and outside Canada accordance with its internally established procedures.

2. Compliance with laws and social norms

CIARA's procurement activities comply with all relevant laws, social norms, standards and treaties worldwide, including the protection of human rights, the prohibition of child labor, forced labor and discrimination, and avoiding the use of conflict minerals, and respect for freedom of association, the right to associate, and the right to collective bargaining, as well as ensure that absolutely no contact is made with organized criminal elements. Therefore, CIARA requires its suppliers to observe the same legal and social requirements.

3. Environmental protection

CIARA helps to protect the global environment through environmentally friendly procurement in cooperation with suppliers.

4. Strengthening partnerships with suppliers

CIARA builds up relationship of trust with its suppliers through reciprocal efforts, such as merging and complementing mutual technological development abilities, supply chain cooperation, compliance with laws and social norms and protection of the global environment, which will benefit both parties.

5. Policies on supplier selection and transaction continuation

CIARA initiates and continues transactions with suppliers based on comprehensive evaluation criteria, which include compliance with laws and social norms, environmental protection, proper information security, respect for intellectual property, sound and stable corporate management, superior technological development ability, right price and quality, stable supply capabilities and electronic transaction systems.

As an ISO45001 certified company, we apply and demand that our suppliers apply to the requirements processed in a publicly available documentation that addresses the following:

- a) OHS management system describing context of the organization.
- b) Leadership and worker participation including OHS Policy, Roles, Responsibilities, Accountabilities and Authorities.
- c) Risk and hazard identification and assessment and determination of applicable OHS legal requirements and other OHS requirements and risks, including related actions and objectives to address them.
- d) Provision of resources competence and awareness, information and communication and documented information.
- e) Operational planning and control including operational controls that apply to outsourcing, procurement and contractors, emergency preparedness and response and change management.
- f) Performance evaluation including internal audits, monitoring and measurement, analysis and evaluation and management review.
- g) Incidents, nonconformities and corrective action, continual improvement of objectives and processes.

6. Securing right price and quality

CIARA endeavors to secure right price and quality in order to provide its customers with stable supply of optimal products, which ensures that CIARA gains the full confidence of customers around the world.

7. Prohibition of personal-interest relationships

CIARA does not allow any employees to have personal-interest relationships with any suppliers.

8. Monitoring and surveillance

Our company have the necessary control and surveillance for these responsibilities by the application of the NC measurement and evaluation internal system by data analysis or performing some onsite visit if necessary. Based on our supplier evaluation process all the suppliers will be expected to meet the following criteria:

- A. Obtaining environmental and social management system certification

- B. It is strongly recommended that suppliers obtain environmental management system certification from the relevant independent organizations (e.g., ISO14001 certification). Please obtain independent certification if at all possible.
- C. Establishing a quality assurance management system for controlling and surveillance of the chemical substances by ensuring the following procedures are in place:
- A quality assurance system relating to all areas from production to shipment, is put into place, maintained and continuously improved upon, assuring obviation of any part or product containing hazardous chemical substances in the supply chain.
 - Data regarding chemical substances in parts and materials being used are readily available for scrutiny on demand.
 - Chemical content management system and responsible manager are established.
 - Full training is given to all relevant staff regarding the control of hazardous chemical substances in the supply chain process.
 - Performing a risk assessment to guarantee that your supplier doesn't use any dangerous substance in the RoHs list
- D. Cooperation with various surveys

Suppliers may be required to perform surveys to verify paragraphs (1) and (2) above, survey the content of chemical substances (10) below, and/or submit non-inclusion guarantees for specific chemical substances. Suppliers will be asked to cooperate in responding to such requests accordingly. Submitted responses will be shared with other companies in the CIARA group of companies, recorded in its management system and used to demonstrate its compliance with requirements of international standards. They may also be shown to customers if requested by the customer and /or a standard to which CIARA complies.

9. Risk Mitigation

CIARA's Supply Chain policy is based on its certifications of ISO 9001, ISO 14001, ISO45001 and the RBA code of conduct to ensure that the products shipped and supply chain operations are well-managed and to mitigate that products/services may include potentially counterfeits or malware, or may contain physical risks from poor manufacturing and development in the supply chain.

10. Disclose the inventory of substances – EPEAT products

Source: IEEE Std 1680.1™-2018 - 4.1.9.2 Optional – Requesting substance inventory

Applies to: All covered EPEAT products.

CIARA requests suppliers of the materials, components, and parts in the product to disclose the inventory of substances comprising either:

- Materials, components, and parts encompassing at least 90% of the total product mass
- At least 90% of the suppliers of materials, components, and parts for the product

Where there are multiple external component combinations associated with the product, and for which there are not material differences, CIARA choose a representative combination. If CIARA calculate the percent product mass, and for instances where there are multiple suppliers for a given material, component, or part, CIARA select which inventoried supplier and associated mass(es) to include in the calculation.

Request means one or more of the following:

- A. CIARA, or an CIARA's agent or CIARA's supplier, has requested this information in writing from the supplier directly (e.g., email, letter). In all cases "request" includes documented acknowledgement of receipt or engagement in the inventory collection effort in response to the request by the supplier.
- B. A contract, agreement, or purchase order between the supplier and the manufacturer [or between the supplier and an intermediary supplier (e.g., contract manufacturer)] which requires the supplier to provide this information, or
- C. A specification or other document to which the supplier is held, by the manufacturer or an intermediary supplier, which requires the supplier to provide this information.

11. Information recording

In accordance with its management system and to comply with IEEE Std 1680.1™-2018 requirements, all information received from inventory of substances in the materials, components, and parts contained in the product will be record in the "Inventory of substances in the materials, components, and parts contained in the product" to address the parts, suppliers and information relevant to the requested substances.

12. References

- RESPONSIBLE BUSINESS ALLIANCE CODE OF CONDUCT: P_HR001_CIA_RBA Code of Conduct
- CAPA System: Corrective action and preventive action
- HYP_QE02 Supplier Evaluation Process
- IEEE Standard for Environmental and Social Responsibility Assessment of Computers and Displays (IEEE Std 1680.1™-2018)
 - 4.1.9.2 Optional – Requesting substance inventory
 - 4.1.9.3 Optional – Acquiring substance inventory
- Request for substance inventory – Suppliers
- Inventory of substances in the materials, components, and parts contained in the product