



BRIDGELUX SUPPLIER STANDARDS OF CARE

These Standards of Care are the minimum standards that must be applied to all Bridgelux products by Supplier.

A. Perform these basic services:

1. Maintain files of all documents pertaining to each in bound and outbound shipment to include Bridgelux's Part number and Pallet ID or box ID for each transaction. Update Manufacturer systems and provide information to allow Bridgelux to update its inventory systems.
2. Develop, maintain, and review performance reports with formats, contents, and reporting and review schedules to be agreed by the parties.
3. Obtain Bridgelux's written consent prior to entering into any subcontracts for services that will materially affect Bridgelux's Products.

B. Provide the following premises security protection:

1. 24 hour security service/electronic monitoring, including without limit building wide fire detection and suppression and video records of all doors and docks.
2. All passageway doors and ground level overhead doors shall be protected by means of security electrical contact switches.
3. Pre-employment background check investigations to be conducted on all Manufacturer Facility employees to include criminal background check, and such investigations must be renewed annually.
4. Employee photographic identification, legible copies of which shall be maintained by Manufacturer. Manufacturer employees must have photographic identification issued by Manufacturer in their possession at all times when in the area of the Manufacturer Facility or other facilities in which Bridgelux's products are stored or when handling Bridgelux's products and Bridgelux may inspect same.
5. Access to the area of the Manufacturer Facility or other facilities in which Bridgelux's products are stored shall be limited to Manufacturer and Bridgelux's employees and a log shall be maintained of all such accesses. All non- Manufacturer personnel must sign in and be escorted by Manufacturer.

C. Maintain procedures to handle, control, and account for products and services:

1. All shipments must be inspected for opening or tampering and verified against delivery documents prior to removal. Bridgelux's products shall be inspected upon arrival to note any visual damage or pilferage and a physical count shall be conducted with damage noted on the carrier waybill with the truck driver's signature for claim filing. Manufacturer



shall notify Bridgelux immediately (no later than eight (8) hours after receipt) of any shortages, damaged, or quantity discrepancies at the box or pallet level. Upon request, Bridgelux may participate in any loss/theft investigation related to Bridgelux products.

2. Bridgelux shall have unlimited access to Manufacturer security audits and loss/theft investigations for any incidents related to Bridgelux products.
3. Supplier will provide a secure storage area for Bridgelux products. The secure area will be designed to deter and prevent unauthorized access. Examples of secure storage may include sealed or locked containers, locked cages, locked hard wall areas, and cargo stored in racks at sufficient height to prevent access by unauthorized persons, and must be expressly approved in writing by Bridgelux in advance of use.

D. Meet the following standards for shipments:

1. Bridgelux's products will be scheduled and transported for JIT (just in time) delivery to each destination.
2. While in the care, custody, and control of Manufacturer or any of Manufacturer's agent, contractor, or subcontractor, Bridgelux products shall be stored only in bonded or other fully secured area meeting the requirements of this exhibit and acceptable to Bridgelux.

E. Meet the following standards for audits:

1. Supplier will meet with Bridgelux security representatives at least once a year. Absent mutual agreement to the contrary, routine business meetings will not satisfy this requirement.
2. Upon advance notice, Bridgelux reserves the right to audit (whether by Bridgelux or Bridgelux's agents or customers any of the Manufacturer Facility or factory premises and/or servicing and transit locations and will report audit results and proposed corrections within fifteen (15) days of the completed audit. Copies of audit procedures shall be included in Manufacturer's security procedures.
3. Supplier will perform a self-audit twice each year of all facilities in which Bridgelux product is moved or stored and report results to Bridgelux in writing.
4. Quarterly security reviews shall be conducted at each facility. Results are to be reported at quarterly meetings and any irregularities and corrective action plans explained.
5. Copies of all Manufacturer security reports shall be provided to Bridgelux.



BRIDGELUX SUPPLIER PRINCIPLES

- **Every employee must be a voluntary employee** and that there be no use of indentured, slave, convict or bonded labor.
- **Every employee must be of working age.** Employees must meet appropriate legal age requirements or be at least 16 years of age, whichever is greater.
- **Every employee must be hired, promoted and rewarded based on ability and performance,** not personal characteristics or beliefs. Discrimination based on race, color, age, gender, sexual orientation, ethnicity, religion, disability or maternity or marital status is not acceptable.
- **Every employee must be treated with dignity** and be free from sexual harassment, corporal punishment, mental or physical coercion, verbal abuse and be able to associate freely.
- **Every employee must be entitled to working hours that adhere to local laws and industry standards,** and are provided with reasonable time off and overtime compensation.
- **Every employee must be paid fairly for their work** with wages paid for a standard work week that meet legal and industry standards. Bridgelux discourages the practice of deducting from wages for disciplinary purposes and in no cases should such deductions reduce pay below legal minimums.
- **Every employee must be allowed to work in a safe and healthy work environment** and, where company housing is provided, have clean, safe living facilities. Suppliers are expected to comply with all appropriate laws regarding working conditions, provide protection from fire, ensure regular access to bathrooms and potable water, and take steps to prevent injuries and exposure to health risks.