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Funai Code of Conduct

ELECTRONIC INDUSTRY CITIZENSHIP COALITION CODE OF CONDUCT

The Electronic Industry Citizenship Coalition (EICC) Code of Conduct establish standards to ensure that working conditions in the Electronics Industry supply are safe, that workers are treated with respect and dignity, and that business operations are environmentally responsible and conducted ethically.

Considered as part of electronics industry for purpose of this Code are all organization original that are used to produce electronic goods. The Code may be voluntarily adopted by any business in the Electronic sector and subsequently applied by that business to its supply chain and subcontractors including providers of contract labor.

Funai (Thailand) Co., Ltd. (Funai) has adopted the Code and become a participant, we shall declare its support for the Code and Actively purpose conformance to the Code and its standards in accordance with a management system as herein.

Funai must regards the Code as a total supply chain initiative. At a minimum, Funai shall also require its next tier suppliers to acknowledge and implement the Code.

Fundamental to adopting the Code is the understanding that Funai's business, in all of its activities, must operate in full compliance with the laws, rules and regulations of the countries in which it operates. The Code encourages Funai to go beyond legal compliance, drawing upon internationally recognized standards, in order to advance social and environmental responsibility and business ethics.

Funai is committed to obtaining regular input from stakeholders in the continued development and implementation of the Code of Conduct.

The Code is made up of five sections. Sections A, B, and C outline standards for Labor, Health and Safety, and The Environment respectively. Section D adds standards relating to business ethics. Section E outlines the elements of an acceptable system to manage conformity to this Code.

A. LABOR

Funai are committed to uphold the human rights of workers, and to treat them with dignity and respect as understood by the international community. This applies to all workers including temporary, migrant, student, contract, direct employees, and any other type of worker. The recognized standards, as set out in the annex, were used as references in preparing the Code and may be a useful source of additional information

The labor standards are:

1) Freely Chosen Employment

Forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery or trafficking of persons not be used. This includes transporting, harboring, recruiting, transferring or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services. There are no unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company-provided facilities. As part of the hiring process, workers must be provided with a written employment agreement in their native language that contains a description of terms and conditions of employment prior to the worker departing from his or her country of origin. All work must be

voluntary and workers shall be free to leave work at any time or terminate their employment. Employers and agents may not hold or otherwise destroy, conceal, confiscate or deny access by employees to employees' identity or immigration documents, such as government-issued identification, passports or work permits, unless the holding of work permits is required by law. Workers are not be required to pay employers or agents recruitment fees or other aggregate fees.

2) Young Worker

Young Worker is not to be used in any stage of Funai. The term "child" refers to any person 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. The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported. Workers under the age of 18 (Young Workers) are not perform work that is likely to jeopardize their health or safety, including night shifts and overtime. Funai are proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable law and regulations. Funai are provide appropriate support and training to all student workers. In the absence of local law, the wage rate for student workers, interns and apprentices at least the same wage rate as other entry-level workers performing equal or similar tasks.

3) Working Hours

Studies of business practices clearly link worker strain to reduced productivity, increased turnover and increased injury and illness. 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.

4) Wages and Benefits

With regard to compensation paid to workers, Funai complies with all applicable wage laws, including those relating to minimum wages , overtime hours and legally mandated benefits. In compliance with local laws, workers will be compensated for overtime at pay rates greater than regular hourly rates.

Deductions from wages as a disciplinary measure us not permitted.

For each pay period, Funai provided workers with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed. The basis on which workers are being paid is to be provided in a timely manner via account book bank or similar documentation. All use of temporary, dispatch and outsourced labor will be within the limits of the local law.

5) Humane Treatment

In Funai , there is to be no harsh and 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. Funai's disciplinary policies and procedures are support of these requirements are clearly defined and communicated to workers.

6) Non-Discrimination0

Funai committed to a workforce free of harassment and unlawful discrimination. Funai not engage in discrimination 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 such as wages, promotions, rewards, and access to training. Funai provided workers with reasonable accommodation for religious practices. In addition, workers or potential workers not be subjected to medical tests or physical exams that could be used in a discriminatory way.

7) Freedom of Association

In conformance with local law, Funai respected the right of all workers to form and join trade unions of their own choosing, to bargain collectively and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities. Workers and/or their representatives are able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation or harassment.

B. HEALTH AND SAFETY

Funai recognized 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. Funai also recognized that ongoing worker input and education is essential to identifying and solving health and safety issues in the workplace. Recognized management systems such as OHSAS 18001 and ILO Guidelines on Occupational Safety and Health were used as references in preparing the Code and may be a useful source of additional information.

The Funai health and safety standards are:

1) Occupational Safety

Worker exposure to potential safety hazards (e.g., electrical and other energy sources, fire, vehicles, and fall hazards) are to be controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tag-out), 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 risks to them associated with these hazards. Workers shall be encouraged to raise safety concerns.

2) 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.

3) Occupational Injury and Illness

Funai has procedures and systems 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.

4) Industrial Hygiene

Funai has identified, evaluated, and controlled hazard that may impact to worker whom 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, worker health is to be protected by appropriate personal protective equipment programs.

5) Physically Demanding Work

Funai has identified, evaluated, and controlled the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks.

6) Machine Safeguarding

Funai has evaluated the production and other machinery's safety hazards and provided physical guards, interlocks and barriers, and properly maintained for machinery presents and injury hazard to workers.

7) Sanitation and Food

Funai has provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage and eating facilities as appropriate and sufficiency for workers.

8) Health and Safety Communication

Funai has provided workers with appropriate workplace health and safety training in their primary language. Health and safety related information shall be clearly posted in the facility.

C. ENVIRONMENTAL

Funai recognized that environmental responsibility is integral to producing world class products. In manufacturing operations, adverse effects on the community, environment and natural resources are to be minimized while safeguarding the health and safety of the public. Recognized management systems such as ISO 14001 and the Eco Management and Audit System (EMAS) were used as references in preparing the Code and may be a useful source of additional information.

The Funai environmental standards are:

1) Environmental Permits and Reporting

Funai has followed all required environmental permits (e.g. discharge monitoring), approvals and registrations are to be obtained, maintained and kept current and their operational and reporting requirements

2) Pollution Prevention and Resource Reduction

Funai has managed 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.

3) Hazardous Substances

Funai has identified and managed chemical and other materials posing a hazard if released to the environment. To ensure their safe handling, movement, storage, recycling or reuse and disposal.

4) Waste

Funai has implemented a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous). Wastewater generated from operations, industrial processes and sanitation facilities are to be characterized, monitored, controlled and treated as required prior to discharge or disposal. In addition, measures has implemented to reduce generation of wastewater and conduct routine monitoring of the performance of its wastewater treatment systems.

5) 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. Funai has conducted routine monitoring of the performance of its air emission control systems.

6) Materials Restrictions

Funai adhered 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.

7) Storm Water Management

Funai has implemented a systematic approach to prevent contamination of storm water runoff. Funai has prevented illegal discharges and spills from entering storm drains.

8) Energy Consumption and Greenhouse Gas Emissions

Energy consumption and greenhouse gas emissions are to be tracked and documented. Funai look for cost-effective methods to improve energy efficiency and to minimize energy consumption and greenhouse gas emissions.

D. ETHICS

To meet social responsibilities and to achieve success in the marketplace, Funai and our agents are to uphold the highest standards of ethics including:

The Ethics system should contain the following elements:

1) Business Integrity

The highest standards of integrity are to be upheld in all business interactions. Funai have a zero tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement. All business dealings are transparently performed and accurately reflected on our business books and records. Monitoring and enforcement procedures have implemented to ensure compliance with anti-corruption laws.

2) No Improper Advantage

Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorized, given or accepted. This prohibition covers promising, offering, authorizing, giving or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage.

3) Disclosure of Information

Information regarding Funai's labor, health and safety, environmental practices, business activities, structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

4) Intellectual Property

Funai has respected the Intellectual property rights; transfer of technology and know-how is to be done in a manner that protects intellectual property rights.

5) Fair Business, Advertising and Competition

Standards of fair business, advertising and competition are to be upheld. Appropriate means to

safeguard customer information must be available

6) Protection of Identity and Non-Retaliation

Funai has programs that ensure the confidentiality, anonymity and protection of supplier and employee whistleblowers are to be maintained, unless prohibited by law. Funai has communicated process for our personnel to be able to raise any concerns without fear of retaliation.

7) Responsible Sourcing of Minerals

Funai has a policy to reasonably assure that the tantalum, tin, tungsten and gold in the products they manufacture does 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 an adjoining country. Funai exercised due diligence on the source and chain of custody of these minerals and make our due diligence measures available to customers upon customer request.

8) Privacy

Funai are to commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, consumers and employees. Funai has complied with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

E. MANAGEMENT SYSTEM

Funai has established a management system whose scope is related to the content of this Code. The management system shall be designed to ensure: (a) compliance with applicable laws, regulations and customer requirements related to the Funai's operations and products; (b) conformance with this Code; and (c) identification and mitigation of operational risks related to this Code. It should also facilitate continual improvement.

The Management System should contain the following elements:

1) Company Commitment

A corporate social and environmental responsibility policy statements affirming Funai's commitment to compliance and continual improvement, endorsed by executive management and posted in the facility in the local language.

2) Management Accountability and Responsibility

Funai clearly identifies senior executive and company representative[s] responsible for ensuring implementation of the management systems and associated programs. Senior management reviews the status of the management system on a regular basis.

3) Legal and Customer Requirements

Funai has processes to identify, monitor and understand applicable laws, regulations and customer requirements, including the requirements of this Code.

4) Risk Assessment and Risk Management

Funai has processes to identify the legal compliance, environmental, health and safety and labor practice and ethics risks associated with our operations. Determination of the relative significance for each risk and implementation of appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance.

5) Improvement Objectives

Funai has written performance objectives, targets and implementation plans to improve the our

social and environmental performance, including a periodic assessment of our performance in achieving those objectives.

6) Training

Funai has programs for training managers and workers to implement our policies, procedures and improvement objectives and to meet applicable legal and regulatory requirements.

7) Communication

Funai has processes for communicating clear and accurate information about our policies, practices, expectations and performance to workers, suppliers and customers.

8) Worker Feedback and Participation

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

9) Audits and Assessments

Funai has 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.

10) Corrective Action Process

Funai has processes for timely correction of deficiencies identified by internal or external assessments, inspections, investigations and reviews.

11) Documentation and Records

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

12) Supplier Responsibility

Funai has processes to communicate Code requirements to suppliers and to monitor supplier compliance to the Code.

Best Regards,



Mr.Shogo Shimizu
Managing Director