NEWPORT CORPORATION SUPPLIER CODE OF CONDUCT

Newport Corporation and its subsidiaries (collectively, “Newport”) are committed to sourcing materials and components from responsible suppliers (“Suppliers”) who meet the highest legal and ethical standards. Newport has adopted this Supplier Code of Conduct (the “Code”) to ensure that its suppliers maintain safe working conditions for their workers, treat their workers with respect and dignity, are environmentally responsible and conduct their business operations legally and ethically. The Code is not intended to create new and additional third party rights, including for workers.

Suppliers must conduct their business operations in full compliance with the laws, rules and regulations of the countries in which they operate and all other laws, rules and regulations applicable to their business and/or products, including but not limited those described in this Code, and in conformity with the internationally recognized standards of business conduct described in this Code.

A. LABOR

Suppliers shall 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.

1. Freely Chosen Employment

Suppliers shall not use forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, or engage in slavery or trafficking of persons. This includes transporting, harboring, recruiting, transferring or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services. Suppliers shall place no unreasonable restrictions on workers’ entry or exit from company-provided facilities or on workers’ freedom of movement within company-provided facilities. All work must be voluntary and workers shall be free to leave work at any time or terminate their employment. Suppliers and their agents may not hold or otherwise destroy, conceal, confiscate or deny access by employees to their identity or immigration documents, such as government-issued identification, passports or work permits, unless the holding of work permits is required by applicable law. Workers shall not be charged excessive employers’ or agents’ recruitment fees or other fees, and all fees charged to workers must be disclosed.

2. Prohibition of Child Labor

Suppliers shall not use child labor in any stage of manufacturing or other operations. The term “child” refers to any person under the age of fifteen (15), or under the age for completing compulsory education, or under the minimum age for employment in the applicable country, whichever is greatest. However, Newport supports the use of legitimate workplace learning programs that comply with all applicable laws and regulations. Workers under the age of eighteen (18) (“Young Workers”) shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime. Suppliers shall ensure proper management of Young Workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of their rights in accordance with applicable laws and regulations. Suppliers shall provide appropriate support and training to all Young Workers. In the absence of local law, the wage rate for Young Workers, interns and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks.

3. Working Hours

Supplier employee work weeks shall not exceed the maximum hours or days set by local law. Further, a work week should not be more than sixty (60) hours per week, including overtime, except in emergency or unusual situations. Workers shall be allowed at least one day off every seven (7) days.
4. **Wages and Benefits**

Suppliers shall pay employee compensation in accordance with all applicable wage and hour laws, including those relating to minimum wages, overtime hours and legally mandated benefits. Suppliers shall compensate employees for overtime at pay rates greater than regular hourly rates in accordance with applicable law. Suppliers shall not make deductions from employee wages as a disciplinary measure. For each pay period, Suppliers shall provide employees with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed. All use of temporary, dispatch and outsourced labor will be within the limits of the local law.

5. **Humane Treatment**

Suppliers shall not engage in or threaten harsh or inhumane treatment of employees, including sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse. Suppliers shall clearly define and communicate disciplinary policies and procedures in support of these requirements to management and employees.

6. **Non-Discrimination**

Suppliers shall be committed to a workforce free of harassment and unlawful discrimination, and shall 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 or marital status in hiring and employment practices such as wages, promotions, rewards and access to training. Workers shall be provided with reasonable accommodation for religious practices.

7. **Freedom of Association**

In compliance with local law, Suppliers shall respect 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 shall be 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**

Suppliers shall provide a safe and healthy work environment for employees in order to minimize the incidence of work-related injury and illness and enhance the quality of products and services, the consistency of production, and worker retention and morale.

1. **Occupational Safety**

Suppliers shall control worker exposure to potential safety hazards (e.g., electrical and other energy sources, fire, vehicle, and slip and fall hazards) through proper design, engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tagout) and ongoing safety training. Where Suppliers cannot adequately control hazards by these means, Suppliers will provide workers with appropriate, well-maintained, personal protective equipment and educational materials about risks to them associated with these hazards. Suppliers will encourage workers to raise safety concerns.

2. **Emergency Preparedness**

Suppliers shall identify and assess potential emergency situations and events, and minimize their impact 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**

Suppliers shall implement procedures and systems to prevent, manage, track and report occupational injury and illness, including procedures to encourage worker reporting, classify and record injury and illness cases, provide necessary medical treatment, investigate injuries and implement corrective actions to eliminate their causes, and facilitate return of workers to work.

4. **Industrial Hygiene**

Suppliers shall identify, evaluate and control harmful exposure to chemical, biological and physical agents through engineering or administrative controls. When hazards cannot be adequately controlled by such means, Suppliers shall protect worker health by appropriate personal protective equipment.

5. **Physically Demanding Work**

Suppliers shall identify, evaluate and control worker 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.

6. **Machine Safeguarding**

Suppliers shall identify, evaluate and control production and other machinery for safety hazards. Suppliers shall provide and properly maintain physical guards, interlocks and barriers where machinery presents an injury hazard to workers.

7. **Sanitation, Food, and Housing**

Suppliers shall provide workers with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities. Worker dormitories provided by Suppliers or their agents shall be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate heat and ventilation, and reasonable personal space, along with reasonable entry and exit privileges.

8. **Health and Safety Communication**

Suppliers shall provide 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**

Suppliers shall minimize adverse effects on the community, environment and natural resources in their manufacturing operations, while safeguarding the health and safety of the public.

1. **Environmental Permits and Reporting**

Suppliers shall obtain and maintain all required environmental permits (e.g. with respect to discharge and monitoring), approvals and registrations, and comply with their operational and reporting requirements.

2. **Pollution Prevention and Resource Reduction**

Suppliers shall reduce or eliminate the use of resources and generation of waste of all types, including water and energy, wherever commercially feasible, either 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**

Suppliers shall identify and manage chemicals and other materials posing a hazard if released to the environment to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

4. **Wastewater and Solid Waste**

Suppliers shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous). Suppliers shall characterize, monitor, control and treat wastewater generated from operations, industrial processes and sanitation facilities as required prior to discharge or disposal, and prevent illegal discharge into soil, groundwater or storm drains. In addition, Suppliers should implement measures to reduce generation of wastewater. Suppliers shall conduct routine monitoring of the performance of its wastewater treatment systems.

5. **Air Emissions**

Suppliers shall characterize, routinely monitor, control and treat air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations as required prior to discharge. Suppliers shall conduct routine monitoring of the performance of its air emission control systems.

6. **Materials Restrictions**

Suppliers shall 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.

D. **ETHICS**

Suppliers and their agents shall uphold the highest standards of ethics and integrity in all business interactions.

1. **Anti-Corruption**

Suppliers shall prohibit any and all forms of bribery, corruption, extortion and embezzlement. Suppliers shall ensure that their employees and agents do not promise, offer, authorize, give or accept bribes or other means of obtaining undue or improper advantage. 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. All business dealings should be transparently performed and accurately reflected in Suppliers’ business books and records. Suppliers shall implement monitoring and enforcement procedures to ensure compliance with anti-corruption laws.

2. **Disclosure of Information**

Suppliers shall disclose information regarding their labor, health and safety, environmental practices, business activities, structure, financial situation and performance in accordance with applicable laws and regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in Suppliers’ supply chain is unacceptable.

3. **Intellectual Property**

Suppliers shall respect and protect the intellectual property rights of others, including by safeguarding customer intellectual property and other proprietary or confidential information, and taking commercially reasonable steps to avoid infringement of others’ intellectual property rights.
4. **Fair Business, Advertising and Competition**

Suppliers shall conduct business fairly and ethically, and not misrepresent the capabilities, specifications or condition of their products or services, including with respect to advertising and communications with customers.

5. **Protection of Identity and Non-Retaliation**

Suppliers shall maintain and communicate a process for their personnel to raise any concerns regarding Suppliers’ business and operations without fear of retaliation. Suppliers shall ensure the confidentiality, anonymity and protection of whistleblowers, unless prohibited by law. A whistleblower is any person who makes a disclosure about improper or illegal conduct by an employee or officer of a company, or by a public official or official body.

6. **Responsible Sourcing of Minerals**

Suppliers shall have a policy that reasonably assures that any tantalum, tin, tungsten and gold in the products they manufacture does not directly or indirectly finance or benefit armed groups that are perpetrators of human rights abuses in the Democratic Republic of the Congo or an adjoining country. Suppliers shall exercise due diligence on the source and chain of custody of these minerals and make their due diligence measures available to customers upon request.

7. **Privacy**

Suppliers shall implement measures consistent with the highest industry standards to protect the personal information of individuals involved in their operations, including customers, suppliers, consumers, employees and agents. Suppliers shall comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

E. **COMPLIANCE MEASURES; REPORTING AND ASSESSMENTS**

1. **Compliance Measures**

Suppliers shall implement adequate policies, procedures, processes and measures (collectively, “Compliance Measures”) to ensure: (a) compliance with applicable laws, regulations and customer requirements related to the Supplier’s operations and products; (b) conformance with this Code; and (c) identification and mitigation of operational risks related to this Code. Such Compliance Measures should include, at a minimum, processes for identifying applicable laws, rules, regulations and contractual requirements and related compliance risks; written policies and procedures; assessment/auditing and corrective action procedures; employee communication and training; and recordkeeping.

2. **Reporting and Assessments**

Within a reasonable period of time following Newport’s request, Suppliers will provide Newport with self-assessments, certifications and/or other documentation verifying their conformance with this Code as reasonably required by Newport to assist Newport in its own compliance efforts.

3. **Sub-suppliers**

Suppliers will require that its sub-suppliers comply with all applicable laws, rules and regulations, and will use commercially reasonable efforts to promote among its suppliers other principles and requirements that are consistent with this Code.