

Document History

Rev	Date	Reason for Change	Author	Process Owner/Approver
A	10/10/2019	PCN # 013326 - Release	P. Brennan	Quality
B	6/5/2020	PCN: 013613 – add explicit mercury statement (6.4) per Customer audit/SCAR	P.Brennan	Quality

Introduction

Comark is committed to doing business with environmentally responsible suppliers as we recognize their critical role as partners in our environmental compliance program.

The growing list of legislation such as REACH, RoHS, California Proposition 65 and the US Conflict Minerals rule require manufacturers and suppliers to provide information about restricted substances that must be passed on through the supply chain. To that end, Comark has established requirements for suppliers to declare whether products delivered to Comark contain any substance that may be restricted by any such legislation.

This document (QOP-07-56) outlines the supply chain and design requirements related to Comark's compliance with these laws and regulations. You may be subject to any or all of the requirements outlined.

Substance regulations are subject to frequent change, therefore Comark has chosen not to publish an extensive list of restricted substances and exemptions. Rather, we have listed some of the key substance laws that impact us. We expect our suppliers to familiarize themselves with these laws and to ensure that parts and materials they provide to us comply with the laws.

We thank you in advance for your support in this matter. You are encouraged to direct any questions or concerns to the Comark Buyer or quality@comarkcorp.com.

1 Purpose

To provide a reference document that specifies the environmental legislation and standard requirements for products and parts supplied to Comark.

To communicate to design teams and suppliers materials restrictions applicable for parts in all Comark branded products. This specification should be used when selecting materials for product parts.

2 Scope

All parts used in Comark branded products that are supplied to Comark and/or designed by/for Comark must meet this specification. The scope includes all articles (i.e. materials, components, subassemblies, products, labels attached to products, etc.) whether finished or semi-finished.

3 Deviations

In those cases where a supplier supplies or intends to supply articles to Comark that do not comply with these requirements, the supplier must contact Comark Procurement and/or Quality to resolve the issue and to decide through mutual agreement on corrective actions.

4 References

Comark requirements for suppliers are based on the following regulations and certain additional industry and customer requirements:

- A. Regulation of the European Parliament and of the Council on the Registration, Evaluation, Authorization and Restriction of Chemicals, 1907/2006/EC, December 2006 (REACH Regulation)

- B. Directive of the European Parliament and the Council on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment, 2011/65/EU, June 2011 (RoHS Directive) and 2015/863/EU, June 2015 (addition of four phthalates)

5 Supplier Requirements

We expect our business partners to implement best practices to ensure that materials and products supplied to Comark are in full compliance with the Comark Restricted and Declarable Substance Specification (RDSS). When Declarable Substances are present in materials or parts supplied to Comark above defined threshold limits, suppliers shall notify Comark regarding the presence of the Declarable substance above the threshold limit. In addition to requirements referenced in this document, all suppliers shall comply with:

- A. Any other legal and regulatory requirements applicable to any articles provided to Comark.
- B. Any additional legal, regulatory or customer requirements (of which supplier is aware) when such requirements would apply to products sold by Comark and into which supplier's products are incorporated. Suppliers shall notify Comark of any such additional requirements (of which supplier is aware.)

5.1 Statement of Compliance

Suppliers shall provide a statement in a manner prescribed by Comark certifying that materials and parts supplied to Comark are in compliance with the requirements outlined in this document. Upon request from Comark, suppliers shall provide documentation to demonstrate the basis for the compliance statements provided to Comark. Examples of acceptable documentation include:

- A. Supplier Declaration of Compliance.
- B. Physical Test Report Results from a nationally or internationally certified test laboratory with ISO 17025 Certification. Test center should be accredited to perform chemical testing of Electricals and Electronics.
- C. Full Material Declaration.

5.2 Catalog Parts

For catalog or "Commercial-off-the-shelf" parts, Comark requires the manufacturer to declare compliance with applicable regulations

- A. Normally, Comark only selects Catalog Parts that restricted and declarable substance specifications are available.
- B. Comark, or a partner company operating on behalf of Comark, may contact the manufacturer and request the necessary compliance information. Whenever applicable regulations change significantly, Comark will require updated declarations of compliance. If appropriate declarations cannot be obtained, Comark may discontinue use of the part.
- C. Comark orders Catalog Parts by specifying the Manufacturer's Part Number (MPN). If the MPN ordered is valid, then Comark requires the Manufacturer or Supplier to provide the MPN that has been specified, even if it is not compliant.

- D. If the Manufacturer offers both compliant and non-compliant options under the specified MPN, then Comark requires that part shall be RoHS-compliant, and requests that it be free of REACH SVHCs.
- E. Parts that would be out of scope for the RoHS Directive, if sold by themselves, must nonetheless meet the substance restrictions of RoHS because they will be integrated into Comark products, which are subject to RoHS

5.3 “Custom” Parts

These are custom fabricated parts or “make to spec” parts where the supplier must select one or more of the materials used in the part. The supplier must do so either because Comark did not specify all materials, or because some materials were incompletely specified. Typical examples are custom cable assemblies, coated metal parts and printed circuit assemblies.

For each Custom Part, unless otherwise notified by Comark in writing, the supplier shall:

- A. Adhere to the Comark provided BOM, AML and ASL exactly as specified. Substitution of “equivalent” parts is not permitted unless specifically allowed on Comark drawings.
- B. Maintain strict adherence to any specifications or drawing notes that identify specific parts, materials and finishes. The supplier shall not make any additions or substitutions without prior written approval by Comark.
- C. Ensure any material not specified on the BOM or drawings and that remains in the finished product, is compliant to EU RoHS Directive substance restrictions.
- D. Immediately notify Comark, in writing, of the identity and amount of any REACH Candidate List SVHC that is present at greater than 0.1% by weight of the finished assembly.
- E. Ensure that the part is free of (contain less than 0.1% by weight) any REACH SVHC that is subject to Restriction or Authorization (found in REACH Annexes XIV and XVII).
- F. Provide necessary compliance information to Comark, or a partner company operating on behalf of Comark. Whenever applicable regulations change significantly, Comark will require updated declarations of compliance

6 Product Content Restrictions

6.1 RoHS2

Comark normally requires that all parts and materials supplied to us shall comply with the substance restrictions of the RoHS Directive, and that the supplier identify to us any exemptions that apply to those parts or materials.

The DIRECTIVE 2011/65/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 8 June 2011 bans the use of the following in new electrical and electronic products put on the market after July 1, 2006.

* On 4 June 2015, the EU commission published a new Directive (EU) 2015/863 to amend Annex II to EU RoHS 2 (Directive 2011/65/EU) to add the following 4 phthalates onto the list of restricted substances. Restrictions become effective July 22, 2019.

- Lead (Pb),

- Mercury (Hg)
- Cadmium (Cd),
- Hexavalent chromium (Cr+6)
- Polybrominated biphenyl (PBB) flame retardants and
- Polybrominated diphenyl ether (PBDE) flame retardants.
- Bis (2-ethylhexyl) phthalate (DEHP)
- Butyl benzyl phthalate (BBP)
- Dibutyl phthalate (DBP)
- Diisobutyl phthalate (DIBP)

The tolerated MCV for each restricted substance is 0.1%, or 1,000 parts per million (PPM), except for cadmium which has a limit of 0.01% or 100 PPM. The limits apply to each homogeneous material, so if any one contains more than the allowed concentration, the whole product fails to comply.

6.2 REACH

The European Chemical Agency (ECHA) has identified Substances of Very High Concern (SVHC) which must be closely monitored by manufacturers and importers selling into the EU. Once a substance is added to the SVHC Candidate List, the EU REACH Regulation (EC NO. 1907/2006) imposes immediate obligations on manufacturers and importers to notify the customers of the presence of any Substance of Very High Concern (SVHC) in their products exceeding 0.1% by weight (1000 ppm) and provide instruction on safe use of the product. The SVHC Candidate List is updated regularly and can be found on the ECHA website at the following address: <http://echa.europa.eu/web/guest/candidate-list-table>.

In addition, certain SVHC's are now subject to "Authorization", meaning that only certain narrowly defined uses are authorized, or they are subject "Restriction", meaning that they are essentially banned from use. In order to meet requirements, Comark must know whether any SVHC constitutes greater than 0.1% of the weight of any part or product supplied to us. Comark also requires that parts and materials supplied to Comark shall not contain SVHC's that are subject to Authorization or Restriction.

Comark requires all suppliers to monitor changes to the SVHC Candidate list and confirm compliance with the monitoring and reporting requirements.

Reporting Threshold: Comark mandates reporting of:

- A. All SVHCs that are intentionally added to the manufacturing process; and
- B. All SVHCs that are incidental to the manufacturing process (not intentionally added), reporting is mandatory only when concentration levels exceed 0.1% by weight (1000 ppm).

6.3 US Conflict Minerals

Comark is committed to ensuring full compliance with Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act relating to trade in conflict minerals.

The Conflict minerals law is intended to address concerns that proceeds from the trade and exploitation of certain minerals originating in several central African countries were helping to finance extreme violence in the Democratic Republic of Congo (DRC). By passing the "conflict minerals" law, Congress hoped to help put an end to this violence.

The law requires any publicly traded company to report to the U.S. Security and Exchange Commission (SEC) and disclose on its website whether any conflict minerals that are necessary to the functionality or production of products manufactured by the company are sourced in the DRC or neighboring countries. The Act defines “conflict minerals” as tin (derived from cassiterite), tantalum (derived from columbite-tantalite), tungsten (derived from wolframite) and gold. These minerals are often referred to as 3TG. It is important to note that the law does not prohibit the use of conflict minerals in products – it merely involves certain reporting requirements.

Comark is committed to sourcing product in a socially and environmentally responsible manner, and works with suppliers that share our commitment to sourcing responsibly. To that end, Comark requires all suppliers to cooperate with our efforts to determine the source of any 3TG in our products. We further expect our suppliers to make every effort to source these minerals from areas outside the DRC region.

6.4 Mercury Free

All materials furnished to Comark shall be free of mercury contamination and shall not contain functional mercury in any form without the specific written approval of Comark LLC.

Mercury-bearing instruments and /or equipment which might cause contamination shall not be used in the manufacture, fabrication, assembly, or testing of any material furnished to Comark.

In the event of any accident involving mercury contamination of material furnished to Comark or suspicion of such contamination, Comark shall be notified immediately.

7 Definitions

- A. **Article/Product:** Object which during production is given a special shape, surface or design which determines its function to a greater degree than does its chemical composition (e.g. all Comark parts and products are classified as Articles).
- B. **Assembly:** An integrated set of components. A populated printed circuit board is an assembly and not a component because individually functioning components can be removed.
- C. **Component:** a combination of homogenous materials that have been formed into a single manufactured mechanical or electrical part. Examples of components may include microprocessors, plastic enclosures, coin cell batteries, capacitors, etc. Sub-assemblies and semi-finished goods are not considered components. Examples of sub-assemblies/semi-finished goods may include populated motherboards/daughter cards, power supplies and adaptors, hard drives, mouse, etc.
- D. **Declarable Substances:** is a list of regulated substances and substance groups (e.g. lead and lead compounds) that a manufacturer should declare to downstream manufacturers if present in the product. When Declarable Substances are present above the specified limits for the specified applications in any materials, parts, and products supplied to Comark, suppliers are required to notify Comark of its presences and use.
- E. **EEE (Electrical and Electronic Equipment):** Equipment which is dependent on electric currents or electromagnetic fields in order to work properly and equipment for the generation, transfer

and measurement of such currents and fields and designed for use with a voltage rating not exceeding 1,000 Volts for alternating current and 1,500 Volts for direct current (Directive 2011/65/EU definition).

- F. **Homogeneous Material:** One material of uniform composition throughout or a material, consisting of a combination of materials, that cannot be disjointed or separated into different materials by mechanical actions such as unscrewing, cutting, crushing, grinding and abrasive processes.
- The term “Homogenous” means having uniform composition throughout. Examples of homogenous materials are individual types of plastics, glass, metals, alloys, resins, and coatings. Painted metal components include at least two homogeneous materials (metal and paint). The RoHS materials restrictions apply to each of these individual homogenous materials.
- G. **Materials:** Substances or preparations in a finished state for use in the manufacture of products/articles.
- H. **RoHS substances:** Those substances restricted under European RoHS directive 2011/65/EU and 2015/863/EU including cadmium, chromium VI, lead, mercury, polybrominated biphenyls (PBB) and polybrominated diphenyl ethers (PBDE), Bis(2-ethylhexyl) phthalate (DEHP), Butyl benzyl phthalate (BBP), Dibutyl phthalate (DBP) and Diisobutyl phthalate (DIBP).
- I. **Substances:** Chemical elements and their compounds found in their natural state or obtained by any manufacturing process (example, lead chromate)
- J. **Supplier Declaration of Compliance:** A declaration by suppliers that certifies the compliance of the parts or products indicated in the declaration with the environmental legislations, standards or substance restrictions the declaration references.
- K. **Threshold Limit:** the maximum concentration at which a restricted substance can be present or above which a declarable substance needs to be reported.