

Fair Labor Practices

Universal Display Corporation (UDC) strives to create a workplace using appropriate labor practices in which open and honest communication among all employees is encouraged and valued. We are committed to complying with applicable laws, including labor and employment laws, in all areas of operation. UDC also ensures employees are aware of and understand our Business Code of Conduct and applicable business and operating policies through required training and undertakes reasonable efforts to adhere to the following principles relating to fair labor practices:

- Work Hours, Wages and Benefits. UDC is committed to paying all of its employees fair or living wages that are competitive relative to our industry and local labor markets. We work to ensure full compliance with applicable wage, work hours, overtime and benefits laws. Our employees are paid in a timely manner via pay stub or similar documentation. Deductions from wages as a disciplinary measure are not permitted. Overtime work is voluntary and employees are compensated for overtime work in accordance with local laws.
- Abolition of Child Labor. UDC adheres to internationally recognized practices and principles regarding the employment of young persons imposed by local legislation. All UDC employees are above the legal employment age in the country of their employment.
- Elimination of Forced or Compulsory Labor. UDC prohibits the use of all forms of forced labor, including prison labor, indentured labor, bonded labor, military labor, modern forms of slavery and any form of human trafficking, and will not use any form of forced, compulsory or involuntary labor, and refrains from practices that can give rise to a risk of involuntary labor.
- Working Conditions. UDC provides safe and hygienic working conditions. This includes safe water, sanitation and hygiene for all employees and contractors in premises under UDC's control.
- Health and Safety. UDC values the safety of our employees and provides a safe and healthy workplace for them, compliant with applicable safety and health

laws, regulations, and policies. We are dedicated to ensuring a safe workplace by minimizing the risk of accidents, injuries and exposure to health risks. We are committed to engaging with our employees to continually improve the health and safety in our workplace, including the identification of hazards and remediation of health and safety issues.

- Working Hours. UDC complies with all applicable laws, regulations, codes and industry standards with respect to reasonable daily and weekly work schedules. Working hours will not exceed the maximum amount permitted by law.
- Corporal Punishment. UDC treats all of its employees with dignity and respect. We do not use corporal punishment, threats of violence or any other forms of physical coercion or harassment with our workforce. Threatening behavior, including gestures, language and physical contact, that is sexually coercive, aggressive, abusive or exploitative is not be permitted.

Any employee who believes that there is a conflict between applicable law and our policies, or who feels that a violation of a policy has occurred may report such through the Director of Human Resources.

UDC reviews this policy periodically and we reserve the right to update, change or replace any part of it at any time, at our discretion, with or without prior notice.