

Code of Conduct

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Article 1 Introduction

To promote the sustainable development, RFX+CARE Manufacturing Co., LTD., (hereinafter called "RFX+CARE") has established this Code of Conduct, that actively undertakes the social responsibilities of the company

The code of conduct mentioned in this article refers to RFX+CARE's production and operation, which contributes to the overall development of the country, society, the environment, employees, customers, suppliers, and other stakeholders that have responsibilities, including the workers to participate in the protection and free association and bargaining, as well as no discrimination, fair remuneration, decent labor time, occupational health and safety, not to employ child labor, to protect young workers, no lack of job security, no forced labor and protecting the environment and ethical business behavior, etc.

Article 2 Supply Chain Management and Cascade Effect

RFX+CARE requires a co-operative approach where every business enterprise, (a) involves its respective Business partners (RFX+CARE and its entire supply chain) ; (b) takes all reasonable and appropriate measures in its sphere of influence, needed to implement RFX+CARE Code of Conduct and (c) exchanges information to timely identify any challenge that requires mitigation. business relationship or individual contract with a business partner due to a dispute over the implementation of this Code of Conduct is a last resort. However, if the cooperative venture violates the principles specified in this Code of Conduct, and/or is unwilling to take the necessary measures.

Article 3 Workers Involvement and Protection

Business partners (RFX+CARE and its entire supply chain) aim to establish good management practices, that involve workers and their representatives in sound information exchange on workplace issues and allow for appropriate measures for protecting workers in line with the aspirations of RFX+CARE Code of Conduct. RFX+CARE takes specific steps to make workers aware of their rights and responsibilities.

In addition, Business partners (RFX+CARE and its entire supply chain) are required to build sufficient competence among employers, managers, workers and workers representatives in order to embed these practices in the business operation successfully. Continuous education and training at each level of the organisation/company is essential, particularly with regard to Occupational Health and Safety.

Business enterprises should establish or participate in effective operational-level grievance mechanisms for individuals and communities who may be adversely impacted. Even where judicial systems are effective and well-resourced, grievance mechanisms may offer particular advantages such as speed of access and remediation, reduced costs and transnational reach. Please check the

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Article 4 The rights of Freedom of Association and Collective Bargaining

Business partners (RFX+CARE and its entire supply chain) shall: (a) respect the right of workers to form unions in a free and democratic way; (b) not discriminate against workers because of trade union membership and (c) respect workers' right to negotiate collectively.

Business partners (RFX+CARE and its entire supply chain) shall not prevent workers' representatives from having access to workers in the workplace or from interacting with them. When operating in countries where union activity is unlawful or where free and democratic trade union activity is not allowed, Business partners (RFX+CARE and its entire supply chain) shall respect this principle by allowing workers to freely elect their own representatives with whom the company can enter into dialogue about workplace issues.

The union needs to play its role in stabilizing labor relations and safeguarding the legitimate rights and interests of employees within the company. Please check the file RFX/JCQ-GL-034 《Freedom of Association and Control Procedure of Collective Bargaining Right》and RFX/JCQ-GL-043《Trade union labor relationship early warning mechanism》 .

Article 5 No Discrimination

Business partners (RFX+CARE and its entire supply chain) shall not discriminate, exclude or have a certain preference for persons on the basis of gender, age, religion, race, caste, birth, social background, disability, ethnic and national origin, nationality, membership in unions or any other legitimated organizations, political affiliation or opinions, sexual orientation, family responsibilities, marital status, diseases or any other condition that could give rise to discrimination. In particular, workers shall not be harassed or disciplined on any of the grounds listed above.

Please check the file RFX/JCQ-GL-037 《Anti-discrimination system》、 RFX/JCQ-GL-035 《Anti-harassment and abuse procedures》

Article 6 Fair Remuneration

Business partners (RFX+CARE and its entire supply chain) observe this principle when they respect the right of the workers to receive fair remuneration that is sufficient to provide them with a decent living for themselves and their families, as well as the social benefits legally granted, without prejudice to the specific expectations set out hereunder.

Business partners (RFX+CARE and its entire supply chain) shall comply, as a minimum, with wages

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mandated by governments' minimum wage legislation, or industry standards approved on the basis of collective bargaining, whichever is higher.

Wages are to be paid in a timely manner, regularly, and fully in legal tender. Partial payment in the form of allowance "in kind" is accepted in line with ILO specifications. The level of wages is to reflect the skills and education of workers and shall refer to regular working hours.

Deductions will be permitted only under the conditions and to the extent prescribed by law or fixed by collective agreement.

Please check the file RFX/JCQ-GL-051 «Employee reward and penalty management program»

Article 7 Decent Working Hours

Business partners (RFX+CARE and its entire supply chain) observe this principle when they ensure that workers are not required to work more than 60 regular hours per week, without prejudice to the specific expectations set out hereunder.

Applicable national laws, industry benchmark standards or collective agreements are to be interpreted within the international framework set out by the ILO.

In exceptional cases defined by the ILO, the limit of hours of work prescribed above may be exceeded, in which case overtime is permitted.

Although the termination of a overtime must be exceptional and voluntary. The overtime pay at ordinary times shall not be less than 1.5 times of the normal working hours, the overtime pay at weekends shall not be less than 2 times of the normal working hours, and the overtime pay at holidays shall not be less than 3 times of the normal working hours and shall not represent a significantly higher likelihood of occupational hazards. Furthermore, Business partners (RFX+CARE and its entire supply chain) shall grant their workers with the right to resting breaks in every working day and the right to at least one day off in every seven days, unless exceptions defined by collective agreements apply.

Please check the file RFX/JCQ-GL-003 «employee handbook» and RFX/JCQ-GL-013 «Employee attendance checking system»

Article 8 Occupational Health and Safety

Business partners (RFX+CARE and its entire supply chain) observe this principle when they respect the right to healthy working and living conditions of workers and local communities, without prejudice to the specific expectations set out hereunder. Vulnerable individuals such as - but not limited to - young workers, new and expecting mothers and persons with disabilities, shall receive special protection.

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Business partners (RFX+CARE and its entire supply chain) shall comply with occupational health and safety regulations, and/or with international standards where domestic legislation is weak or poorly enforced.

The active co-operation between management and workers, and/or their representatives is essential in order to develop and implement systems towards ensuring a safe and healthy work environment. This may be achieved through the establishment of Occupational Health and Safety Committees.

Business partners (RFX+CARE and its entire supply chain) shall ensure that there are systems in place to detect, assess, avoid and respond to potential threats to the health and safety of workers. They shall take effective measures to prevent workers from having accidents, injuries or illnesses, arising from, associated with, or occurring during work. These measures should aim at minimizing so far as is reasonable the causes of hazards inherent within the workplace.

Business partners (RFX+CARE and its entire supply chain) will seek improving workers protection in case of accident including through compulsory insurance coverage.

Business partners (RFX+CARE and its entire supply chain) shall take all appropriate measures within their sphere of influence, to see to the stability and safety of the equipment and buildings they use, including residential facilities to workers when these are provided by the employer as well as to protect against any foreseeable emergency. Business partners (RFX+CARE and its entire supply chain) shall respect the workers' right to exit the premises from imminent danger without seeking permission.

Business partners (RFX+CARE and its entire supply chain) shall ensure adequate occupational medical assistance and related facilities.

Business partners (RFX+CARE and its entire supply chain) shall ensure access to clean drinking water, safe and clean eating and resting areas as well as clean and safe cooking and food storage areas. Furthermore, Business partners (RFX+CARE and its entire supply chain) shall always provide effective Personal Protective Equipment (PPE) to all workers free of charge.

Please check the file RFX/JCQ-GL-029《Industrial injury management 》、RFX/JCQ-GL-038《Alcohol, Medicine and Drug Supervision》、RFX/JCQ-GL-032《Risk Control Procedures for Infectious Diseases》

Article 9 No Child Labor

Business partners (RFX+CARE and its entire supply chain) observe this principle in order not to employ, directly or indirectly, children below the minimum age of completion of compulsory schooling as defined by law.

Business partners (RFX+CARE and its entire supply chain) must establish robust age-verification

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mechanisms as part of the recruitment process, which may not be in any way degrading or disrespectful to the worker. This principle aims to protect children from any form of exploitation. Special care is to be taken on the occasion of the dismissal of children, as they can move into more hazardous employment, such as prostitution or drug trafficking.

In removing children from the workplace, Business partners (RFX+CARE and its entire supply chain) should identify in a proactive manner, measures to ensure the protection of affected children. When appropriate, they shall pursue the possibility to provide decent work for adult household members of the affected children's family.

Please check the file RFX/JCQ-GL-025 «Regulations on the Management of Child and Young Worker.

Article 10 Special Protection for Young Workers.

Business partners (RFX+CARE and its entire supply chain) observe this principle when they ensure that young persons do not work at night and that they are protected against conditions of work which are prejudicial to their health, safety, morals and development, without prejudice to the specific expectations set out in this principle.

Where young workers are employed, Business partners (RFX+CARE and its entire supply chain) should ensure that (a) the kind of work is not likely to be harmful to their health or development; (b) their working hours do not prejudice their attendance at school

their participation in vocational orientation approved by the competent authority or their capacity to benefit from training or instruction programs.

Business partners (RFX+CARE and its entire supply chain) shall set the necessary mechanisms to prevent, identify and mitigate harm to young workers; with special attention to the access young workers shall have to effective grievance mechanisms and to Occupational Health and Safety trainings schemes and programmes.

Please check the file RFX/JCQ-GL-025 «Regulations on the Management of Child and Young Workers» .

Article 11 No Precarious Employment

Business partners (RFX+CARE and its entire supply chain) observe this principle when, without prejudice to the specific expectations set out in this chapter, (a) they ensure that their employment relationships do not cause insecurity and social or economic vulnerability for their workers; (b) work is performed on the basis of a recognized and documented employment relationship, established in compliance with national legislation, custom or practice and international labor standards, whichever provides greater protection.

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Before entering into employment, Business partners (RFX+CARE and its entire supply chain) are to provide workers with understandable information about their rights, responsibilities and employment conditions, including working hours, remuneration and terms of payment.

Business partners (RFX+CARE and its entire supply chain) should aim at providing decent working conditions that also support workers, both women and men, in their roles as parents or caregivers, especially with regard to migrant and seasonal workers whose children may be left in the migrants' home towns.

Business partners (RFX+CARE and its entire supply chain) shall not use employment arrangements in a way that deliberately does not correspond to the genuine purpose of the law. This includes - but is not limited to - (a) apprenticeship schemes where there is no intent to impart skills or provide regular employment, (b) seasonality or contingency work when used to undermine workers' protection, and (c) labour-only contracting. Furthermore, the use of sub-contracting may not serve to undermine the rights of workers.

Article 12 No Bonded Labor

Business partners (RFX+CARE and its entire supply chain) shall not engage in any form of servitude, forced, bonded, indentured, trafficked or non-voluntary labour.

Business partners (RFX+CARE and its entire supply chain) will risk allegations of complicity if they benefit from the use of such forms of labour by their Business partners (RFX+CARE and its entire supply chain) .

Business partners (RFX+CARE and its entire supply chain) shall act with special diligence when engaging and recruiting migrant workers both directly and indirectly.

Business partners (RFX+CARE and its entire supply chain) shall allow their workers the right to leave work and freely terminate their employment provided that workers give reasonable notice to the employer.

Business partners (RFX+CARE and its entire supply chain) shall ensure that workers are not subject to inhumane or degrading treatment, corporal punishment, mental or physical coercion and/or verbal abuse.

All disciplinary procedures must be established in writing, and are to be explained verbally to workers in clear and understandable terms.

Please check the file RFX/JCQ-GL-040 «Forced Labour and prison Labour System».

Article 13 Protection of the Environment

Business partners (RFX+CARE and its entire supply chain) observe this principle when they take

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the necessary measures to avoid environmental degradation, without prejudice to the specific expectations set out in this chapter.

Business partners (RFX+CARE and its entire supply chain) should assess significant environmental impact of operations, and establish effective policies and procedures that reflect their environmental responsibility. They will see to implement adequate measures to prevent or minimize adverse effects on the community, natural resources and the overall environment.

Please check the file RFX/AQ-000-09 《Attachment 9: environmental guideline》 and RFX/AQ-000-10 《Attachment 10: Environmental objectives, targets and programmes》 .

Article 14 Ethical Business Behavior

Business partners (RFX+CARE and its entire supply chain) observe this principle when, and without prejudice to the goals and expectations set out in this chapter, they are not involved in any act of corruption, extortion or embezzlement, nor in any form of bribery - including but not limited to - the promising, offering, giving or accepting of any improper monetary or other incentive.

Business partners (RFX+CARE and its entire supply chain) are expected to keep accurate information regarding their activities, structure and performance, and should disclose these in accordance with applicable regulations and industry benchmark practices.

Business partners (RFX+CARE and its entire supply chain) should neither participate in falsifying such information, nor in any act of misrepresentation in the supply chain.

Furthermore, they should collect, use and otherwise process personal information (including that from workers, Business partners (RFX+CARE and its entire supply chain) , customers and consumers in their sphere of influence) with reasonable care. The collection, use and other processing of personal information is to comply with privacy and information security laws and regulatory requirements.

Please check the file RFX/JCQ-GL-019 《Business ethics and policy》、 RFX/JCQ-GL-020 《Business ethics reporting and handing system》 及 RFX/JCQ-GL-045 《Employee personal privacy information confidentiality system》

Article 15 Supplementary articles

Our mission “A safer world”, our vision is “to be a socially responsible enterprise”. We are always recruiting talented people with the values of RFX+CARE. We hope everyone can take responsibility and continue to learn on the job. We are not perfect, and we make mistakes, but we acknowledge them, actively correct them, and use the new knowledge and ideas we learn to evolve. We firmly believe that a successful company must be a responsible and sustainable enterprise.

The company reserves the right of final interpretation of this document. If the system is inconsistent

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with the provisions of relevant laws and regulations, the relevant provisions of relevant laws and regulations shall prevail.

Article 16 Reference

1. 《Staff grievance procedure》 (RFX/JCQ-GL-006)
2. 《Anti-discrimination system》 (RFX/JCQ-GL-037)
3. 《Regulations on the Management of Child and Young Workers》 (RFX/JCQ-GL-025)
4. 《Forced Labour and prison Labour System》 (RFX/JCQ-GL-040)
5. 《Business ethics reporting and handing system》 (RFX/JCQ-GL-020)
6. 《Business ethics and policy》 (RFX/JCQ-GL-019)
7. 《Industrial injury management》 (RFX/JCQ-GL-029)
8. 《Alcohol, Medicine and Drug Supervision》 RFX/JCQ-GL-038
9. 《Risk Control Procedures for Infectious Diseases》 RFX/JCQ-GL-032
10. 《Anti-harassment and abuse procedures》 RFX/JCQ-GL-035
11. 《Employee reward and penalty management program》 (RFX/JCQ-GL-051)
12. 《Trade union labor relationship early warning mechanism》 (RFX/JCQ-GL-043)
13. 《Employee personal privacy information confidentiality system》 (RFX/JCQ-GL-045)
14. 《Freedom of Association and Control Procedure of Collective Negotiation Right》 (RFX/JCQ-GL-034)
15. 《Employee handbook》 (RFX/JCQ-GL-003)
16. 《Employee attendance checking system》 (RFX/JCQ-GL-013)
17. 《Attachment 9: Environmental guideline》 (RFX/AQ-000-09)
18. 《Attachment 10: Environmental objectives, targets and programmes》 (RFX/AQ-000-10)
19. 《Attachment 11: Social responsibility commitment》 (RFX/AQ-000-11)

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