



Code of Corporate Social Responsibility



Code of Corporate Social Responsibility

It is Reacon Group Ltd's ('Reacon') policy to conduct its business in accordance with all applicable laws, rules and regulations of the jurisdictions in which it does business. In addition, Reacon has adopted this Code of Corporate Social Responsibility that draws upon internationally recognized standards to promote social and environmental responsibility in the workplace. Reacon is committed to ensuring that its employees are treated with respect and dignity and that its manufacturing processes are environmentally responsible. Reacon also expects its suppliers to operate in compliance with the laws, rules and regulations in the countries in which they operate and to implement the principles of this Code.

Reacon will continue to reassess and update this Code to keep abreast of the many changes within our industry. This Code will be maintained and available online. If you have any questions regarding the requirements of this Code, please contact your local Reacon representative office.

Labour and Human Rights

Wages and Benefits

Workers should be paid at least the minimum wage required by applicable laws and regulations and provided all legally mandated benefits. In accordance with local laws, workers should be compensated for any overtime hours. Deductions from wages should not be used as a disciplinary measure. Workers should not be required to pay any fees to secure employment.

Working Hours

A working week should not exceed the maximum

set by local law. Except in emergency or unusual situations, a workweek should be restricted to 60 hours, including overtime, and workers should be allowed at least one day off per seven-day week. Under no circumstances may workweeks exceed the maximum permitted under applicable laws and regulations. Suppliers must offer vacation time, leave periods, and holidays consistent with applicable laws and regulations.

Non-Discrimination

Workers should not be discriminated against based on race, color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin, or marital status in hiring and employment practices.

Child Labour

Child labour is not to be used in any stage of manufacturing. The term "child" refers to any person employed under the age of 15 (or 14 where the law of the country permits), or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. This does not prohibit legitimate workplace apprenticeship programs which comply with applicable laws and regulations. Hazardous work should not be performed by workers under the age of 18.

Humane Treatment

Workers should not be subject to harsh or inhumane treatment, including sexual harassment, sexual abuse, corporal punishment, mental coercion, physical coercion, or verbal abuse. Workers should be free to move about open areas of the workplace at all times during work hours subject to any restricted areas that require special access and so long as they are not interrupting productivity of other employees.

Involuntary Labor

Forced, bonded, indentured, or prison labor, slavery or trafficking of persons should not be used in the workplace. This includes transporting, harboring, recruiting, transferring or receiving persons by means of threat, force coercion, abduction or fraud. All work must be voluntary, and workers should be free to leave work or terminate their employment with reasonable notice. Workers must not be required to surrender any government-issued identification, passports, or work permits as a condition of employment.

Freedom of Association

The rights of workers to associate freely, form and join workers organizations of their own choosing, seek representation, and bargain collectively, as permitted by and in accordance with applicable laws and regulations, should be respected. Workers should be permitted to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment.

Health and Safety

Occupational Safety

Appropriate controls, safe work procedures, preventative maintenance, and protective measures (such as physical guards, interlocks, and barriers) should be used in the workplace to mitigate health and safety risks. Workers should be provided with appropriate personal protective equipment in situations where hazards cannot be adequately controlled by such means. Workers should have the right to raise safety concerns without fear of reprisal.

Emergency Preparedness

Emergency situations and events should be identified, and emergency plans and response procedures implemented, including emergency reporting, worker notification and evacuation procedures, worker training and drills, appropriate fire detection and suppression equipment, adequate exit facilities, and recovery plans.

Occupational Injury and Illness

Procedures and systems should be established to manage, track, and report occupational injury and illness, including provisions to encourage worker reporting, classify and record injury and illness cases, investigate cases and implement corrective actions to eliminate their causes, provide necessary medical treatment, and facilitate the employee's return to work.

Industrial Hygiene

Workers exposure to hazardous, chemical, biological and physical agents should be identified and controlled. Workers should be provided with the appropriate personal protective equipment when necessary

Physically Demanding

Workers exposure to physically demanding tasks, including manual material handling, heavy lifting, prolonged standing, and highly repetitive or forceful assembly tasks, should be identified and controlled.

Dormitory and Canteen

Workers should have access to clean toilet facilities, potable water, and sanitary food preparation and storage facilities. Dormitories

provided to workers should be clean and safe with adequate emergency egress, heat and ventilation and reasonable personal space.

Environmental

Environmental Permits and Reporting

Environmental permits (e.g. discharge monitoring) and registrations should be obtained, maintained and kept current, as required by law, and operational and reporting requirements of such permits followed.

Hazardous Substances

Suppliers should comply with applicable laws and regulations prohibiting or restricting specific hazardous substances. To ensure safe handling, movement, storage, recycling, reuse, and disposal, suppliers should identify and manage substances that pose a hazard if released to the environment and comply with applicable labeling laws and regulations for recycling and disposal. Workers who will come into contact with such substances in the workplace should be trained on the safe handling of such substances.

Wastewater and Solid Waste Emissions

Wastewater and solid waste generated from operations, industrial processes, and sanitation facilities should be monitored, controlled, and treated as required by applicable laws and regulations before discharge or disposal.

Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals,

and combustion byproducts generated from operations should be characterized, monitored, controlled, and treated as required by applicable laws and regulations before discharge.

Pollution Prevention and Resource Reduction

Suppliers must endeavor to reduce or eliminate waste of all types, including water and energy, by implementing appropriate conservation measures in its facilities, in its maintenance and production processes, and by recycling, reusing, or substituting materials.

Ethics

No Corruption, Extortion, or Embezzlement

Corruption, extortion, and embezzlement, in any form, are strictly prohibited and may result in immediate termination as a Reacon supplier and in legal action.

No Improper Advantage

Bribes or other means of obtaining undue or improper advantage may not be offered or accepted.

Disclosure of Information

Business activities, structure, financial situation, and performance should be disclosed in accordance with applicable laws and regulations.

Fair Business, Advertising, and Competition

Fair business standards in advertising, sales, and competition should be upheld and means to safeguard customer information should be available.

Whistleblowers

Programs should be maintained to ensure the protection of supplier and worker whistleblower confidentiality, in accordance with local laws and regulations, and to prohibit retaliation against workers who participate in such programs in good faith.

Community Engagement

Community engagement to help foster social and economic development should be encouraged. Protection of Intellectual Property rights should be respected, and the transfer of technology and know-how should be done in a manner that protects intellectual property rights.

Management System

Company Commitment

A corporate social and environmental responsibility statement affirming supplier's commitment to compliance and continual improvement should be posted in supplier's workplace.

Legal and Customer Requirements

Applicable laws and regulations and customer

requirements should be identified, monitored and understood.

Communication

Clear and accurate information about supplier's performance, practices, and expectations should be communicated to its workers, suppliers, and customers.

Worker Feedback and Participation

An ongoing process to obtain feedback on processes and practices related to this Code and to foster continuous improvement should be maintained.

Audits and Assessments

Periodic self-evaluations should be conducted to ensure compliance with this Code and reasonable efforts should be undertaken to notify all next tier suppliers of the requirements of this Code and with applicable laws and regulations.

Corrective Action Process

A process for the timely correction of any deficiencies identified by an internal or external audit, assessment, inspection or review should be maintained.

Documentation and Records

Documents and records should be maintained to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.