



瑞儀光電股份有限公司  
Radiant Opto-Electronics Corporation

## ROE Supplier Code of Conduct

Radiant Opto-Electronics Co., Ltd. (ROE) is committed to implementing CSR. In order to ensure safe working environment, protection and respect of employees' rights, implementation of environmental protection in business operations and compliance with ethical standards. Therefore, ROE has formulated ROE Supplier Code of Conduct (the "Code"). ROE requires their suppliers to comply with the Code and in full compliance with all applicable laws and regulations. Suppliers should encourage their downstream suppliers, contractors and service providers to adopt and comply with the Code. Suppliers' compliance with the Code will be one of the considerations for ROE in evaluating purchasing decisions.

The Code is based on the Responsible Business Alliance (RBA), the UN Guiding Principles on Business and Human Rights, Declaration of Fundamental Principles and Rights at Work of the International Labor Organization (ILO) and UN Universal Declaration of Human Rights.

The Code consists of five parts. The first, second and third parts outline labor, health and safety, and environmental standards. Part 4 provides standards related to business ethics. Part 5 outlines the elements required for an appropriate management system that can implement the Code.

### 1. Labor

Suppliers shall committed to uphold the human rights of workers and respect them. This applies to all workers including temporary, migrant, student, contract, direct employees, and any other type of labor.

The labor standards are:

#### 1) Freely Chosen Employment

Forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery or trafficking of persons shall not be used. This

includes intimidating, forcing, threatening, kidnapping or fraudulent means of transporting, harboring, recruiting, deploying or receiving labor or obtained services. It is forbidden to impose unreasonable restrictions on the entry and exit of workers, nor unreasonably restricted in their freedom of movement in the workplace. In the recruitment process, labor conditions must be provided in written form to the workers in their native language before the workers leave the original country, and the employment terms and conditions should be clearly stated in the agreement. All work must be voluntary and workers shall be free to leave work at any time or terminate their employment. Suppliers or labor dispatch agencies shall not detain or otherwise destroy, hidden, confiscate or deny workers access to their ID or immigration documents (e.g., identification, passports or work permits). Suppliers or labor dispatch agencies shall not receive recruitment fees or other related fees from workers. If workers are found to have paid any expenses, the expenses must be reimbursed to workers.

## **2) Young Workers**

Child labor is not to be used in any stage of manufacturing. The term "child" refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. The use of legitimate student intern programs, which comply with all laws and regulations, is supported. Young workers under the age of 18 shall not perform work that is likely to jeopardize the health or safety or morals of young workers, including night shifts and overtime. Suppliers shall ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable law and regulations. Suppliers shall provide appropriate support and training to all student workers. If there are no local laws and regulations, the salary level of student laborers, interns and apprentices shall be at least equal to other entry-level employees in the same jobs.

## **3) Working Hours**

According to relevant business practice studies, reduced productivity, increased staff turnover and increased injury and illness is significantly and related to worker fatigue. Workweeks are not to exceed the maximum set by local law. Further, a workweek should not be more than 60 hours per week, including overtime, except in emergency or unusual situations. Workers shall be allowed at least one day off every seven days.

#### **4) Wages and Benefits**

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. In each pay cycle, workers should be provided with clear and easy-to-understand pay stubs that contain sufficient information to confirm that the wages paid to workers are accurate. The temporary workers, dispatchers and outsourced employees employed should be within the scope permitted by local laws.

#### **5) Humane Treatment**

There is to be no harsh and inhumane treatment including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers; nor is there to be the threat of any such treatment. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers.

#### **6) Non-Discrimination**

Suppliers shall promise employees to avoid harassment and illegal discrimination. Supplier shall not discriminate against any worker based on race, color, age, gender, sexual orientation, gender identity and performance, race or ethnicity, disability, pregnancy, beliefs, political position, group background, veteran status, protected genetic data or marital status in hiring and employment practices such as affects wages, promotions, rewards, and access to training. In addition, workers or

potential workers shall not be subjected to medical tests or physical examinations that could be used in a discriminatory way.

## **7) Freedom of Association**

Suppliers shall respect the right of all workers to form and join worker council or 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.

## **2. Health and Safety**

Suppliers recognize that in addition to minimizing the incidence of work-related injury and illness, a safe and healthy work environment enhances the quality of products and services, consistency of production and worker retention and morale. Suppliers shall continuously collect employee feedback and invest in employee education, which is the key to identifying and solving health and safety issues in the workplace. Recognized management systems such as OHSAS 18001 and the ILO Occupational Safety and Health Management System Guideline were used as references in preparing the Code and may be a useful source of additional information.

The safety and health standards are:

### **1) Occupational Safety**

Worker exposure to potential safety hazards (e.g., chemical, electrical and other energy sources, fire, vehicles, and fall hazards) are to be controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tagout), and ongoing safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained, personal protective equipment and educational materials about risks to them associated with these hazards. Reasonable measures must be taken to keep pregnant women/lactating

women away from high-risk work environments, eliminate or reduce any occupational health and safety risks that pregnant women/lactating women bear(including work assignments). Provide reasonable nursing room for lactating women.

## **2) Emergency Preparedness**

Potential emergency situations are to be identified and assessed. For various situations, their impact minimized 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**

Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness including provisions to: encourage worker reporting; classify and record injury and illness cases; provide necessary medical treatment; investigate cases and implement corrective actions to eliminate their causes; and facilitate return of workers to work.

## **4) Industrial Hygiene**

Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled. Appropriate design, engineering and administrative controls must be used to eliminate or control potential hazards. When hazards cannot be adequately controlled by such means, workers shall be provided by appropriate personal protective equipment. The protection program must include risk materials related to these hazards.

## **5) Physically Demanding Work**

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 is to be

identified, evaluated and controlled.

#### **6) Machine Safeguarding**

Production and other machinery shall be evaluated for safety hazards. Physical guards, interlocks and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers.

#### **7) Sanitation, Food and Housing**

Workers are to be provided with ready access to clean toilet facilities, potable water and sanitary dining areas, food preparation areas and storage facilities. Worker dormitories provided by the Participant or a labor agent are to be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate heat and ventilation, provide an independent and safe place to storing personal and valuable items and a suitable and convenient private space.

#### **8) Health and Safety Communication**

Supplier shall provide workers with appropriate health and safety training in their primary language or in a language they can understand to identify all workplace hazards faced by workers, including but not limited to machinery, electricity, chemistry, fire and physics harm. Post health and safety information in a prominent place in the workplace or place the information in a location that workers can identify and easily reach. Provide regular training to all workers. Workers shall be encouraged to increase safety awareness.

### **3. Environment**

Suppliers recognize that environmental responsibility is integral to producing world class products. In manufacturing operations, adverse effects on the community, environment and natural resources are to be minimized while safeguarding the health and safety of the public. Recognized management systems such as ISO 14001 and the Eco Management and Audit System (EMAS) were used as references in preparing the Code and may be a useful

source of additional information.

The environmental standards are:

**1) Environmental Permits and Reporting**

All required environmental permits (e.g., discharge monitoring), approvals and registrations are to be obtained, updated and followed current and their permits and regulations requirements are to be followed.

**2) Pollution Prevention and Resource Reduction**

The discharge of pollutant and generation of waste, are to be reduced or eliminated at the source or by practices such as add pollution control, equipment modifying production, maintenance and facility processes, or other methods. Consumption of natural resources, including water, fossil fuels, minerals and primary forest products, are to be saved or by practices such as modifying production, maintenance and facility processes, materials substitution, reuse, save, recycle or other methods.

**3) Hazardous Substances**

Chemicals and other materials posing a hazard to the human and environment are to be identified, labeled and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

**4) Solid Waste**

Suppliers shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste.

**5) Air Emissions**

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, routinely monitored, controlled and treated as required prior to discharge. Suppliers shall conduct routine monitoring of the performance of its air emission control systems.

**6) Materials Restrictions**

Suppliers are to 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.

#### **7) Water resources management**

Suppliers shall implement the water management plan to record, classify and monitor the use and discharge of water resources, seek opportunities to save water, and control pollution channels. Wastewater shall be characterized, monitored, controlled and treated as required prior to discharge or disposal. Suppliers shall conduct routine monitoring of the performance of its wastewater treatment systems to ensure the best performance and compliance with regulatory requirements.

#### **8) Energy Consumption and Greenhouse Gas Emissions**

Energy consumption and all related Scope 1 and Scope 2 greenhouse gas emissions are to be tracked and documented, at the facility and/or corporate level. Participants are to look for cost- effective methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions.

### **4. Ethics**

To meet social responsibilities and to achieve success in the marketplace, Participants and their agents are to uphold the highest standards of ethics, including relationships, conduct, procurement, and operations.

#### **1) Business Integrity**

The highest standards of integrity are to be upheld in all business interactions. Suppliers shall have a zero tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement. Suppliers shall comply with all applicable regulatory requirements in the country/region of operation.

#### **2) No Improper Advantage**



Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorized, given or accepted. 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. Suppliers should monitor and develop processes to ensure compliance with anti-corruption regulations.

### **3) Disclosure of Information**

All business transactions shall be transparent and accurately recorded in the supplier's books and business records. Information regarding participant labor, health and safety, environmental practices, business activities, structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

### **4) Intellectual Property**

Intellectual property rights are to be respected; transfer of technology and know-how is to be done in a manner that protects intellectual property rights; and, customer information is to be safeguarded.

### **5) Fair Business, Advertising and Competition**

Standards of fair business, advertising and competition are to be upheld.

### **6) Protection of Identity and Non-Retaliation**

Programs that ensure the confidentiality and protection of supplier and employee whistleblower (any person who exposes unscrupulous acts of company employees, supervisors, or civil servants and government agencies) are to be maintained unless prohibited by law. Suppliers should have a communicated process for their personnel to be able to raise any concerns without fear of retaliation.

### **7) Responsible Sourcing of Materials**

Supplier shall develop a policy to ensure that the tantalum, tin, tungsten and gold contained in the products they manufacture will not directly or indirectly fund or benefit criminal armed groups that seriously violate human rights in the Democratic Republic of the Congo and its neighbors. Suppliers shall exercise due diligence on the source and chain of custody of these materials, and provide information about the audit standards when the customer inquire.

## **8) Privacy**

Suppliers are to commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, consumers and employees. Participants are to comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

## **5. Management System**

Suppliers shall adopt or establish a management system whose scope is related to the content of this Code. The management system shall be designed to ensure: (a) compliance with applicable laws, regulations and customer requirements related to the participant's operations and products; (b) conformance with this Code; and (c) identification and mitigation of operational risks related to this Code. It should also facilitate continual improvement. The management system should contain the following elements:

### **1) Company Commitment**

A corporate and environmental responsibility policy statements affirming supplier's commitment to compliance and continual improvement, endorsed by executive management and posted in the facility in the local language.

### **2) Management Accountability and Responsibility**

The supplier shall clearly identifies senior executive and company

representative[s] responsible for ensuring implementation of the management systems and associated programs. Senior management reviews the status of the management system on a regular basis.

### **3) Legal and Customer Requirements**

A process to identify, monitor and understand applicable laws, regulations and customer requirements, including the requirements of the Code.

### **4) Risk Assessment and Risk Management**

A process to identify the legal compliance, environmental protection, health and safety, workers' rights and human rights, and moral hazards associated with supplier's operations. Determination of the relative significance for each risk and implementation of appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance.

### **5) Improvement Objectives**

Written performance objectives, targets and implementation plans to improve the Supplier's social and environmental performance, including a periodic assessment of supplier's performance in achieving those objectives.

### **6) Training**

Programs for training managers and workers to implement supplier's policies, procedures and improvement objectives and to meet applicable legal and regulatory requirements.

### **7) Communication**

A process for communicating clear and accurate information about supplier's policies, practices, expectations and performance to workers, suppliers and customers.

### **8) Worker Feedback, Participation and Appeals**

Develop continuous and feasible processes including effective grievance

mechanism to assess employees' understanding of and obtain feedback on practices and conditions covered by the Code and to foster continuous improvement.

**9) Audits and Assessments**

Periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of the Code and customer contractual requirements related to social and environmental responsibility.

**10) Corrective Action Process**

The supplier shall establish to operate a process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations and reviews.

**11) Documentation and Records**

Creation and maintenance of documents and records to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.

**12) Supplier Responsibility**

A process to communicate Code requirements to suppliers and to monitor supplier compliance to the Code.