

Rakon Limited
Supplier Code of Conduct

TABLE OF CONTENTS

INTRODUCTION	2
1. ETHICS	3
1.1. Business Integrity.....	3
1.2. Disclosure of Information	3
1.3. Fair Business, Advertising and Competition	3
1.4. Whistleblower Protection and Anonymous Complaints	3
1.5. Community Engagement	3
2. HEALTH AND SAFETY	3
2.1. Occupational and Hygiene Safety Procedures	3
2.2. Emergency Preparedness	4
2.3. Occupational Injury and Illness.....	4
2.4. Physically Demanding Work	4
2.5. Machine Safeguarding	4
2.6. Sanitation and Food.....	4
2.7. Responsible Sourcing of Materials	4
3. ENVIRONMENTAL.....	4
3.1. Legal and Other Requirements.....	4
3.2. Pollution Prevention	5
3.3. Energy and Natural Resources.....	5
3.4. Products and Technology	5
3.5. Hazardous Substances	5
4. LABOUR	5
4.1. Freely Chosen Employment.....	5
4.2. Child Labour	5
4.3. Working Hours.....	5
4.4. Wages and Benefits	6
4.5. Humane Treatment	6
4.6. Non Discrimination and Equal Opportunities.....	6
4.7. Freedom of Association	6
5. MANAGEMENT SYSTEM	6



5.1.	Company Commitment	6
5.2.	Management Accountability and Responsibility	7
5.3.	Legal and Customer Requirements	7
5.4.	Customer and Supplier Relations	7
5.5.	Risk Assessment and Risk Management.....	7
5.6.	Performance Objectives with Implementation Plan and Measures	7
5.7.	Training	7
5.8.	Communication	7
5.9.	Employee Feedback and Participation	7
5.10.	Audits and Assessments	7
5.11.	Corrective Action Process.....	7
5.12.	Documentation and Records.....	8
6.	COMPLIANCE.....	8
7.	DISCLAIMER.....	8
8.	ACKNOWLEDGEMENT	8
	RAKON CODE OF CONDUCT FOR SUPPLIERS.....	9

INTRODUCTION

Rakon Limited is committed to conducting its business in accordance with all applicable laws and regulations of the countries in which it operates and act in accordance with the highest standards of business conduct and ethics. Rakon is committed to a sustainability policy which includes the respect for universally recognised standards for the environment, human rights, labour and ethics.

The Rakon Supplier Code of Conduct states the fundamental principles, key policies and procedures governing the cooperation between Rakon and its suppliers. Suppliers must comply with this code in all business dealings and shall bind all its directors, employees, suppliers, agents, subcontractors, temporary labour agency who work on components, materials or services supplied to Rakon to the principles and obligations of this code.

The Rakon Supplier Code of Conduct is modelled on and contains language from the Electronic Industry Code of Conduct, recognised standards such as the Universal Declaration of Human Rights, and standards issued by organizations such as the International Labour Organisation (ILO) and Ethical Trading Initiative (ETI) were also used as references when preparing this code and may be useful sources of additional information. Other sources include the Rakon Code of Conduct for Securities Trading.



1. ETHICS

Rakon's suppliers are expected to comply with the highest standards of integrity in all business interactions.

1.1. Business Integrity

Bribery, Corruption, extortion and embezzlement and/or grant of unlawful or unethical benefits, in any form or manner, are strictly prohibited. Suppliers shall not violate any international anti-corruption conventions, and applicable anti-corruption laws and regulations of the countries in which they operate. Suppliers shall not promise, offer or accept bribes or other means to obtain an undue or improper advantage.

1.2. Disclosure of Information

Suppliers must accurately record and disclose information regarding their business activities, structure, financial situation and performance in accordance with applicable laws and regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

1.3. Fair Business, Advertising and Competition

Suppliers must uphold fair business standards in advertising, sales and competition. Suppliers must offer means to safeguard customer and other information at least in compliance with the applicable data protection laws.

1.4. Whistleblower Protection and Anonymous Complaints

Suppliers shall create programmes that ensure the protection of supplier and employee whistleblower confidentiality and prohibit retaliation against employees who participate in such programs in good faith or refuse an order that is in violation of the Rakon Supplier Code of Conduct. Suppliers shall provide an anonymous complaint mechanism for employees to report workplace grievances in accordance with local laws and regulations.

1.5. Community Engagement

Suppliers are encouraged to engage the community to help foster social and economic development and to contribute to the sustainability of the communities in which they operate.

2. HEALTH AND SAFETY

Rakon recognises that integrating sound health and safety management practises into all aspects of business is essential to maintain high morale and produce innovative products. Suppliers shall commit to creating safe working conditions and a healthy work environment for all their workers.

2.1. Occupational and Hygiene Safety Procedures

Suppliers shall eliminate physical and chemical hazards where possible. Where physical and chemical hazards cannot be eliminated Suppliers shall establish appropriate administrative controls such as safe work procedures. In all cases Suppliers shall provide employees with appropriate personal protective equipment. Employees shall not be disciplined for raising safety concerns and shall have



the right to refuse unsafe working conditions without fear of reprisal until management adequately addresses their concerns.

2.2. Emergency Preparedness

Suppliers shall anticipate, identify and assess potential emergency situations and events and minimize their impact by implementing emergency plans and response procedures, including: emergency reporting, employee notification and evacuation procedures, employee training and drills, appropriate fire detection and suppression equipment, adequate exit facilities and disaster recovery plans.

2.3. Occupational Injury and Illness

Suppliers shall establish procedures and systems to manage, track and report occupational injury and illness. Such procedures and systems shall encourage employee incident reporting, classify and record injury and illness cases, investigate cases and implement corrective actions to eliminate their causes; and facilitate return of employees to work.

2.4. Physically Demanding Work

Suppliers shall identify, evaluate, and control employee exposure to physically demanding tasks, including manual material handling and heavy lifting, prolonged standing and highly repetitive or forceful assembly tasks. These are to be identified, evaluated and controlled.

2.5. Machine Safeguarding

Suppliers shall ensure all production and other machinery are evaluated for safety hazards. Suppliers must provide and properly maintain physical guards, interlocks and barriers on machinery where this machinery presents an injury hazard to employees.

2.6. Sanitation and Food

Suppliers shall provide employees with clean toilet facilities, access to portable water and sanitary food preparation and storage facilities.

2.7. Responsible Sourcing of Materials

Suppliers shall ensure that the materials used in the products supplied to Rakon do not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses.

3. ENVIRONMENTAL

Suppliers shall provide products and conduct business operations in a way that protects and sustains the environment.

3.1. Legal and Other Requirements

Suppliers must act as responsible citizens and maintain compliance to all applicable laws and regulations relating to the protection of the environment and the welfare of its employees.



3.2. Pollution Prevention

Suppliers must endeavour to minimise, reuse, recycle and/or use appropriate methods to dispose of and treat waste to prevent pollution.

3.3. Energy and Natural Resources

Supplier shall seek to be efficient in its use of energy and natural resources.

3.4. Products and Technology

Supplier shall encourage the use and creation of environmentally friendly products and technologies through its design and development processes.

3.5. Hazardous Substances

To ensure safe handling, movement, storage, recycling, reuse and disposal, suppliers shall identify and manage substances that pose a hazard if released to the environment and comply with applicable labelling laws and regulations for recycling and disposal.

4. LABOUR

Suppliers must uphold the human rights of employees, and treat them with dignity and respect as understood by the international community. This applies to all workers including temporary, migrant, student, contract, direct employees, and any other type of worker.

The labour standards are:

4.1. Freely Chosen Employment

Suppliers shall not use any form of forced, bonded (including dept. bondage) or indentured labour or involuntary prison labour; slavery or trafficking of persons. This includes transporting, harbouring, recruiting, transferring or receiving vulnerable persons by means of threat, force, coercion, abduction or fraud for the purpose of exploitation. All work must be voluntary, and employees should be free to leave work at any time or terminate their employment. Employees shall not be required to hand over government-issued identification, passports or work permits as a condition of employment, however employees will be required to show proof of eligibility to work in the applicable country. In addition suppliers shall not engage suppliers who use involuntary prison or forced labour in the production of materials or services supplied to it.

4.2. Child Labour

Use of child labour is not permissible. Suppliers are prohibited from employing anyone under the legal age of employment in the country where the supplier is conducting its activities. Rakon supports the development of legitimate workplace apprenticeship programmes, which comply with all laws and regulations.

4.3. Working Hours

Rakon respects the right of suppliers to operate flexible working conditions. However, we expect employees to be granted reasonable daily and weekly work schedules. Suppliers need to ensure that working weeks do not to exceed the maximum set by the relevant legislation applicable to each



country except in emergency or unusual situations. As a guideline, under normal circumstances we expect that employees shall be allowed at least one day off per seven- day week and also be given annual leave entitlements that meet the minimum legal requirements.

4.4. Wages and Benefits

Rakon expects its suppliers to compensate employees fairly, which means that wages and benefits must comply with all applicable laws and regulations. Suppliers shall not use deductions from wages as a disciplinary measure. Suppliers shall pay employees in a timely manner and clearly convey the basis on which employees are being paid.

4.5. Humane Treatment

Suppliers shall not use and forms of harsh and inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of employees: nor is there to be the threat of any such treatment. Disciplinary policies and procedures in support of these requirements must be clearly defined and communicated to employees.

4.6. Non Discrimination and Equal Opportunities

Rakon recognises and respects cultural differences and believes that employees should be engaged on the basis of their ability to do the job as opposed to employment on the basis of personal characteristics or beliefs. Therefore, Rakon will seek to work only with suppliers that conform to all laws and regulations prohibiting discrimination in hiring and employment practices on the grounds of race, colour, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status or any other similar grounds. Employees or potential employees should not be subjected to medical tests that could be used in a discriminatory way.

4.7. Freedom of Association

Suppliers must respect the rights of employees to associate freely, form and join or not join unions, seek representation and bargain collectively in accordance with local laws. Suppliers shall not discriminate with respect to employment based on union membership and, in particular, shall not make employment subject to the condition that the employee relinquishes union membership or agrees not to join a union or cause dismissal of or otherwise prejudice an employee by reason of union membership or participation in union activities outside working hours.

5. MANAGEMENT SYSTEM

Rakon's suppliers must strive to adopt or establish a management system designed to encourage compliance with this Code and applicable laws and regulations, identify and mitigate related operational risks and facilitate continuous improvement.

A satisfactory management system should contain the following elements:

5.1. Company Commitment

A corporate social and environmental responsibility statement affirming the Suppliers commitment to compliance and continual improvement.



5.2. Management Accountability and Responsibility

Clearly identified company representatives responsible for ensuring implementation and periodic review of the status of the supplier's management systems.

5.3. Legal and Customer Requirements

A process to identify, monitor and understand applicable laws and regulations and the additional guidelines imposed by this Code.

5.4. Customer and Supplier Relations

Suppliers are committed to ensuring that they act with integrity in all activities, including the interaction with customers and clients.

5.5. Risk Assessment and Risk Management

Process to identify the environmental, health and safety and labour practice risks associated with their operations, determine the relative significance for each risk and implement appropriate procedures and controls to ensure regulatory compliance to control the identified risks.

5.6. Performance Objectives with Implementation Plan and Measures

Written standards, performance objectives, targets and implementation plans including a periodic assessment of supplier's performance against those objectives.

5.7. Training

Programmes for training managers and employees to implement supplier's policies, procedures and fulfil supplier's improvement objectives.

5.8. Communication

A process for communicating clear and accurate information about the supplier's performance, practices and expectations to employees, suppliers and customers and other stakeholders.

5.9. Employee Feedback and Participation

Ongoing process to obtain feedback on processes and practices related to this Code and to foster continuous improvement.

5.10. Audits and Assessments

Periodic evaluations to ensure that the supplier and its subcontractors are adopting and implementing this Code and complying with all applicable laws and regulations. Rakon may audit periodically on terms and conditions set forth in its agreement with the suppliers or as communicated by Rakon in advance.

5.11. Corrective Action Process

A process for timely correction of deficiencies identified by internal or external audits, assessments, inspections, investigations and reviews.



5.12. Documentation and Records

Proof of regulatory compliance and adoption of principles of this Code, with appropriate confidentiality measures to protect privacy.

6. COMPLIANCE

Each supplier shall establish procedures ensuring compliance with this Code. As part of its supplier compliance review, Rakon may require a signed letter from its suppliers indicating receipt of the Code and compliance with its terms. As part of its supplier audit program, Rakon may also request to inspect supplier facilities.

7. DISCLAIMER

Rakon encourages both individuals and corporations to sign and abide by the Code. Rakon disclaims any responsibility associated with noncompliance with the Code by the signatories. Rakon shall not be held liable for any damages or claims incurred arising from or due to Signatories noncompliance with any statements in this Code.

The signatories, whether individuals or corporations, hereby permit Rakon to publish their names in its Code Register. Listing of signatories on the Code Register does not in any way imply approval, endorsement, warranty, certification or recommendation or engage responsibility by Rakon.

8. ACKNOWLEDGEMENT

Based on our initial risk assessment we consider that our risk of being associated with events on non-compliance is very small when doing business with your company. However, we ask you to sign our Code to indicate that your company is in compliance with it and you accept the terms stated in our Code.



RAKON CODE OF CONDUCT FOR SUPPLIERS

Acknowledgement and Agreement

On behalf of the supplier, its group, and affiliated companies, I hereby acknowledge receipt of the Rakon Code of Conduct for Suppliers. I confirm that the Supplier, along with all facilities supplying components, materials, or services to Rakon, is in continuous compliance with the terms outlined in the Code.

Additionally, I confirm that all subcontractors and temporary labour agencies engaged by the Supplier have been informed of this Code and are also in continuous compliance with its terms.

Name:

Title:

Company Name:

Company Address:

Signature:

Date:

This document must be signed by an authorised representative of the company and returned to Rakon within 30 days of receipt.