



## **Radium Life Tech. Co., Ltd.**

### **Corporate Sustainable Development Best Practice Principles**

#### **Chapter 1. General Provisions**

Article 1. In order to fulfil our corporate social responsibility and to promote economic, environmental and social progress for sustainable development, the Company has formulated this Code of Practice with reference to the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies for compliance.

This Code of Practice has been drawn up for the purpose of managing the company's economic, environmental and social risks and impacts.

The scope of this Code covers the overall operations of the Company and its group companies.

Article 2. While engaging in business operations, the Company should also actively practice corporate social responsibility in line with international development trends and, through its corporate citizenship, enhance the country's economic contribution, improve the quality of life of its employees, communities and society, and promote its competitive edge.

Article 3. In fulfilling its corporate social responsibility, the Company shall also pay attention to the interests of its stakeholders. While pursuing sustainable operation and profitability, the Company also attaches importance to environmental, social and corporate governance factors, and incorporates them into its management policies and operational activities.

Article 4. The Company shall implement CSR in accordance with the following principles:

- I. Implementing corporate governance.
- II. Developing a sustainable environment.
- III. Safeguarding social welfare.
- IV. Enhancing disclosure of CSR-related information.

Article 5. When formulating CSR policies, systems or related management guidelines and specific promotion plans, the Company shall take into account the development trend of domestic and overseas CSR and its relevance to the core business of the Company, as well as the impact of the Company's and its group companies' overall operation and activities on the stakeholders. Corporate social responsibility policies, systems or related management guidelines and specific promotion plans shall be approved by the Board of Directors and reported to the shareholders' meeting.

When a shareholder proposes a motion related to CSR, the Board of Directors shall, at its discretion, include it as a motion at the shareholders' meeting.

#### **Chapter 2 Implementation of Corporate Governance**

Article 6. The Company is encouraged to follow the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies to establish an effective governance framework and related ethical standards for sound corporate governance.

Article 7. The directors of the Company shall exercise due care and attention as good stewards to supervise the implementation of corporate social responsibility, and review the effectiveness of the implementation and make continuous improvement from time to time to ensure the implementation of corporate social responsibility policies. The Board of



Directors of the Company, in fulfilling the corporate social responsibility of the Company, is expected to do, inter alia, the following:

- I. To propose a CSR mission or vision and formulate CSR policies, systems or related management guidelines.
  - II. To integrate CSR into the company's operational activities and development direction, and to approve specific CSR promotion plans.
  - III. To ensure that CSR-related information is disclosed in a timely and accurate manner.
- The Board of Directors shall delegate to senior management the authority to deal with economic, environmental and social issues arising from the Company's operations, which shall report to the Board of Directors on the situation. The process of handling these issues and the personnel responsible for them should be clearly defined.

Article 8. For the purpose of fulfilling CSR, the Company is advised to conduct regular education and training, including the promotion of matters such as item 2 of the preceding paragraph.

Article 9. In order to improve the management of CSR, the Administration Department of the Company shall establish a dedicated (part-time) unit for CSR, which shall be responsible for the formulation and implementation of CSR policies, systems or related management guidelines and specific promotion plans, and shall report to the Board of Directors on a regular basis.

The Company should establish a reasonable remuneration policy to ensure that remuneration planning is in line with the strategic objectives of the organization and the interests of stakeholders.

The employee performance appraisal system should be integrated with the corporate social responsibility policy, and a clear and effective reward and disciplinary system should be established.

Article 10. In order to respect the interests of stakeholders, the Company should identify the Company's stakeholders and set up a stakeholder area on the Company's website. The Company shall understand the reasonable expectations and needs of its stakeholders through appropriate communication and respond appropriately to their concerns on important corporate social responsibility issues.

### **Chapter 3 Developing a Sustainable Environment**

Article 11. The Company shall comply with environmental laws and regulations and relevant international standards to protect the natural environment as appropriate. In carrying out its operational activities and internal management, the Company shall strive to achieve the goal of environmental sustainability.

Article 12. The Company should strive to improve the efficiency of its use of resources and use recycled materials with a low impact on the environment, so that the Earth's resources can be used sustainably.

Article 13. The Company should promote environmental management in accordance with the characteristics of its industry in order to reduce the impact of its operations on the natural environment.

Article 14. The Company shall establish a dedicated unit or person responsible for environmental management to develop, promote and maintain relevant environmental management



systems and specific action plans, and conduct regular environmental education courses for management and employees.

Article 15. The Company should consider the impact of its operations on ecological efficiency, promote and disseminate the concept of sustainable consumption, and engage in operational activities such as research and development, procurement, production, operations and services in accordance with the following principles in order to reduce the impact of its operations on the natural environment and human beings.

- I. To reduce the consumption of resources and energy for products and services.
- II. To reduce emissions of pollutants, toxins and waste, and to dispose of waste properly.
- III. To increase the recyclability and reuse of raw materials or products.
- IV. To maximise the sustainable use of renewable resources.
- V. To extend the durability of products.
- VI. To increase the effectiveness of products and services.

Article 16. In order to enhance the efficient use of water resources, the Company shall make proper and sustainable use of water resources and establish relevant management measures.

The Company shall build and strengthen environmental protection facilities to avoid polluting water, air and land, and shall endeavour to minimise adverse effects on human health and the environment by adopting the best available pollution prevention and control technologies.

Article 17. The Company should adopt common standards or guidelines, both domestically and internationally, to perform corporate greenhouse gas inventories and disclose relevant information. The areas of information disclosure should include:

- I. Direct greenhouse gas emissions: greenhouse gas emissions sources owned or controlled by the company.
- II. Indirect greenhouse gas emissions: generated by external energy use such as electricity, heat or steam.

The Company should pay attention to the impact of climate change on its operations, and formulate its energy saving and greenhouse gas reduction strategies based on its operating conditions and greenhouse gas inspection results. The Company should also incorporate the acquisition of carbon rights into the Company's carbon reduction strategy planning and promote the relevant strategies accordingly to reduce the impact of the Company's operations on climate change.

#### **Chapter 4: Safeguarding Social Welfare**

Article 18. The Company shall comply with relevant laws and regulations and with international human rights conventions, such as those governing gender equality, the right to work and the prohibition of discrimination.

In order to fulfil its responsibility to protect human rights, the Company shall establish relevant management policies and procedures, including:

- I. Proposing a corporate human rights policy or statement.
- II. Assessing the impact of the Company's operations and internal management on human rights and establishing procedures to address them accordingly.
- III. Reviewing the effectiveness of the company's human rights policy or statement on a regular basis.
- IV. Disclosing the procedures for dealing with the stakeholders involved in the event of human rights violations.



The Company shall comply with internationally recognised labour rights, such as freedom of association and the right to collective bargaining, and shall care for disadvantaged groups, prohibit child labour, eliminate all forms of forced labour, and eliminate discrimination in employment and occupation. The Company shall also ensure that its human resources policies do not discriminate on the basis of gender, race, socio-economic class, age, marital and family status in order to achieve equality and fairness in employment, terms and conditions of employment, remuneration, benefits, training, appraisal and promotion opportunities.

The Company shall provide an effective and appropriate grievance mechanism to ensure equality and transparency in the grievance process in respect of matters that endanger the rights and interests of employees. Grievance channels shall be simple, convenient and accessible, and employees shall be given appropriate responses to their grievances.

Article 19. The Company shall provide employees with information on labour laws and their rights in the countries in which it operates.

Article 20. The Company shall provide a safe and healthy working environment for its employees, including the provision of necessary health and first aid facilities, and shall endeavour to reduce hazards to the safety and health of its employees in order to prevent occupational hazards.

The Company shall provide regular safety and health education and training to its employees.

Article 21. The Company shall create an environment conducive to the career development of its employees and establish effective career development training programmes.

The Company shall appropriately reflect the performance or results of its business operations in its employee compensation policies to ensure the recruitment, retention and encouragement of human resources in order to achieve the goal of sustainable operation.

Article 22. The Company shall establish regular channels of communication and dialogue with its employees so that they have the right to be informed and to express their views on the Company's management activities and decisions.

The Company shall respect the right of employee representatives to negotiate working conditions with the Company and provide employees with the necessary information and hardware to facilitate negotiation and cooperation between the employer and employees and employee representatives.

The Company shall give reasonable notice of changes in operations that may have a material impact on employees.

Article 23. The Company shall be responsible for its products and services and shall take marketing ethics seriously. The company shall ensure the transparency and security of product and service information in its research and development, procurement, production, operations and service processes. The Company shall develop and make public its consumer rights policy and implement it in its operations to prevent products or services from compromising consumer rights, health and safety.

Article 24. The Company shall ensure the quality of its products and services in accordance with government regulations and relevant industry codes.

The marketing and labelling of products and services should comply with relevant regulations and international standards and should not be deceptive, misleading,



fraudulent or in any other way that undermines consumer trust or compromises consumer rights.

Article 25. The Company shall assess and manage the risks of business interruption to reduce the impact on consumers and society.

The Company shall provide transparent and effective consumer redress procedures for its products and services, handle consumer complaints fairly and promptly, comply with the Personal Data Protection Act and other relevant laws and regulations, respect the privacy of consumers, and protect personal data provided by consumers.

Article 26. The Company should assess the environmental and social impact of its purchasing practices on the communities from which the supplies are sourced and work with its suppliers to implement corporate social responsibility.

Article 27. The Company shall assess the impact of its operations on the community and shall employ appropriate personnel in the communities in which it operates in order to promote community recognition.

To promote community development, the Company may participate in community development and community education activities of civic organizations, charitable and philanthropic organizations and local government agencies through commercial activities, in-kind donations, corporate volunteering or other public interest professional services.

## **Chapter 5: Enhancing Disclosure of CRS-related Information**

Article 28. The Company shall disclose information in accordance with relevant laws and regulations and the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and shall fully disclose relevant and reliable CSR-related information in order to enhance information transparency.

The Company shall disclose the following information related to corporate social responsibility:

- I. Corporate social responsibility policies, systems or related management guidelines and specific promotion plans adopted by the board of directors.
- II. The risks and effects of implementing corporate governance, developing a sustainable environment, and maintaining social welfare on the company's operations and financial performance.
- III. The objectives, measures and performance of the Company in fulfilling its corporate social responsibility.
- IV. Key stakeholders and their concerns.
- V. Disclosure of management and performance information on major environmental and social issues by major suppliers.
- VI. Other CSR-related information.

Article 29. When preparing corporate social responsibility reports, the company should use internationally accepted standards or guidelines to reveal the circumstances that promote corporate social responsibility, and should obtain confidence or assurance from third parties to improve the reliability of the information. The content shall include:

- I. The implementation of CSR policies, systems or related management policies and specific promotion plans.
- II. Key stakeholders and their concerns.



- III. Reviewing the performance of the company in implementing corporate governance, developing sustainable environment, maintaining social welfare and promoting economic development.
- IV. Future directions and targets for improvement.

## **Chapter 6. Supplementary Provisions**

Article 30. The Company shall keep abreast of developments in domestic and international CSR standards and changes in the corporate environment in order to review and improve the CSR system established by the Company and to enhance the effectiveness of its CSR performance.

Article 31. The formulation and amendment of this Code shall be subject to the approval of the Board of Directors of the Company.  
This Code was updated on 8 December 2016.