



Code of Conduct for subcontractors of materials, parts and components for ZSI

ZS Industries Co., LTD ("ZSI") is committed to protecting our customers' business interests and the health, safety of the people who produce the products. All subcontractors of ZSI shall comply with Chinese national and local laws and regulations of labor and environment, and aim to continuously improve the health and safety of employees and the protection of the environment.

1. Child Labor

ZSI prohibits child labor. All workers in its subcontractors' site shall be at least eighteen years old.

2. Compulsory prison or slave labor & physical abuse

ZSI prohibits compulsory prison or slave labor, or inflict any physical abuse or corporal punishment.

3. Discrimination

ZSI prohibits discrimination in hiring and employment practices based on race, color, religion, gender, age, physical ability or nationality.

4. Working hours & wages

All subcontractors of ZSI shall comply with applicable Chinese laws on regular working time and overtime hours. Normally working hours per week are no more than 40 hours.

The wage paid by subcontractors to their employees shall be at least the legal minimum wage according to Chinese laws and regulations on labor. Workers are to receive overtime pay, which is higher than the regular wage level, and in accordance with local laws.

5. Working conditions

All subcontractors of ZSI shall comply with all Chinese national and local laws and regulations that are related to the health and safety of workers. In addition, the followings are to be adopted as basic requirements:

- 1) Workers shall not engage in hazardous tasks and places without proper safety protection.
- 2) Facilities shall comply with Chinese national regulations on architecture and fire protection.
- 3) Proper ventilation, adequate lighting and workspace are to be provided for the safety and well-being of the workers.
- 4) All the hazardous materials and chemicals are to be stocked in safe environment.
- 5) Resting rooms and instruments are to be kept clean and safe if in use.



6. Environment

All subcontractors of ZSI shall comply with Chinese national and local laws and regulations of environment. All hazardous materials and chemicals in its site must be disposed in accordance with the applicable local laws and must meet all wastewater treatment and recycling requirements.

7. Intellectual property right

ZSI is obligated to protect its customer's confidentiality. All drawings, specifications, technical documents, samples etc. from its customers are under the protection of ZSI, and not used for other business purposes.

8. Corruption

Corruption is the obstacle of the continuous development. Any corruptive behaviors and dealings are prohibited by ZSI. All presents to ZSI or its customers are less than twenty US Dollars.