



CODE OF CONDUCT

December 1, 2020

1. Introduction

CCIC Group is a global corporation. CCIC Canada Inc. (hereafter referred to as the Company) is an overseas subsidiary of CCIC Group and was incorporated in 2004 in Canada with headquarters in Vancouver. The Company specializes in survey, inspection, certification, and testing activities. The Company is a professional solution provider for the quality and safety of products and services around the world. We have built up a team of experienced specialists through years of practice and set up cooperation with the most renowned international inspection bodies. The Company has become a comprehensive one-stop service provider for international customers in the fields of quality, safety, health, and environmental protection.

The trust of customers, market, and the public depends heavily on the reliability, correct behavior and commitment of each individual of the Company. Each employee therefore reflects the image of the Company. This code of conduct is a guideline with the purpose to increase mutual understanding, supports us in carrying out our daily work and service delivered, and finally helps us to be a successful service provider on the global markets. The principles set out in this code are minimum standards that apply to all employees of the Company. This code should help to deal with the legal and ethical challenges faced in day-to-day work, to provide direction and therefore increase trust in our services and integrity.

We aim to achieve our unique and sustainable mission statement in the service

we are offering. The Compliance Officer shall ensure that the codes and policies are adhered to in delivery of services. The Compliance Office provides advice should any conflicts arise, and will investigate cases and follow them through.

2. scope

All employees shall be reliable in professional service and act with personal and professional integrity to the best of their ability. All employees shall uphold the excellent reputation and image of the Company, and refrain from any actions which could have an adverse impact on the Company.

All employees shall adhere to this code of conduct and are forbidden to deviate from it, except if necessitated by legal or other acceptable justifying circumstances.

3. General principles

We adhere to laws and statutory requirements as a basic principle. All employees shall comply with legal regulations and other requirements such as current accreditation standards and TIC Council codes.

4. Integrity

Integrity is our most proud asset, and also the basic requirement for engaging in inspection, testing, and certification related businesses. Customers and society trust us because of our integrity. No matter when and where we conduct business, our words and deeds are directly related to the interests and reputation of the Company.

We require every employee to engage in all activities in a professional, independent, impartial, faithful, and diligent manner. We provide guidance to employees to respond to customers in impartial, timely and professional way. We provide guidance to employees to respond to customers who request employees to change the results by abusing tolerance allowed.

➤ **Integrity and compliance**

We shall adhere to integrity and conscience to ourselves, to colleagues, and to customers. All employees shall implement contracts, standards, protocols, and procedures to ensure that data and results are accurate and reliable.

➤ **Fairness and independence**

All employees shall engage in relevant activities impartially and independently, and shall not engage in any activities that may compromise the independence and impartiality of professional judgments, and shall not establish or maintain any relationship that may adversely impact the impartiality and independence of the services provided to the customers, the user of the results or other related parties. The Management shall not impose undue pressure on any employee that may compromise the quality and impartiality of the service offered.

5. Conflicts of interest

All employees shall understand that conflicts of interest may lead to deviations in decision-making and results of service.

Therefore, the Company shall provide guidance to employees to avoid any conflicts of interest identified or those may arise. When employees identify that their personal interests and the interests of relatives and friends may conflict with the interests of the Company, employees shall notify their supervisor or compliance officer as soon as possible.

➤ **Restrictions on the competition**

Employees shall not personally undertake business within the service scope of the Company, shall not establish or maintain any financial or commercial relationships, such as indirect or direct investment or employment, with the Company competitors and customers, and shall not offer the service personally, jointly or for others which competes with the Company's business, and shall not provide assistance to the Company's competitors and relatives who engage in business that competes with the Company.

➤ **Conflicts of interest between different departments and companies**

The Company and employees shall avoid conflicts of interest between different departments of the Company and with other Group companies when marketing the service to the same customers or offering service each other.

➤ **Conflict of interest of relatives**

Employees shall not perform any service for their family members or any other individual or companies associated with

their family members on behalf of Company.

➤ **Acquire benefits**

Employees shall not directly or through their relatives, friends or intermediaries acquire benefits from the Company's suppliers, customers or competitors, except for the acquisition of shares of a customer, supplier or competitor on a public stock exchange, and then only to an extent which does not grant significant influence over the affairs of the customer, supplier or competitor and which does not make the employee unduly dependent on its financial fortunes.

➤ **Disclosure and avoidance**

When any conflict of interest is identified, the employees shall report to the supervisors, and apply for withdrawal. The company also can mandate the avoidance if the employee doesn't apply for the avoidance.

6. Confidentiality and data security

➤ We fully understand the greatest importance of customer information for customers. We value and protect the confidential information of customers, suppliers and commercial partners gained through the cooperation or service delivery and ensure that appropriate procedures have been developed to fully protect such information.

➤ **Security measures.**

The Company shall implement adequate security measures for the premises and intranet where confidential business information is stored to ensure that only authorized persons can access it; at the same time, files/data shall be stored in designated secure areas and handled in a safe manner.

➤ **Confidentiality agreement**

Every employee of the Company shall sign a confidentiality agreement and promise not to disclose any confidential commercial information obtained during the employment to any third party. After the termination of the employment contract, employees shall still perform confidentiality obligations per legal provisions and employment contracts.

➤ **Confidentiality obligations**

When discussing about the Company's customer information, financial status, investment, strategic layout, plan, and other sensitive information, employees shall pay attention to the occasion and audience to prevent the disclosure of confidential information. Employees shall not use, borrow or permit others to use customers' confidential information and technical documents, and shall not allow irrelevant personnel, including the internal personnel to access technical materials such as original records related to the service. Without the written consent of the customer or legal permission, employees shall not disclose the customer's business and technical information, as well as the results of the inspection, testing, and certification to any third party.

➤ **Confidentiality of business partners**

The intermediaries, joint venture partners, agents, subcontractors, franchisees, contractors and suppliers may get access to and handle the confidential business information of the Company. The Company and employees shall ensure that the business partners be aware of the Company's requirements and rules on confidentiality and data protection and prevent them from divulging confidential information to other parties.

7. Integrity and anti-bribery

Commercial bribery is the act of offering improper benefits or other means to gain trading opportunities or competitive advantages. Commercial bribery will have a serious impact on the Company's interests and reputation. The Company prohibits employees from offering improper benefits to customers, agents, contractors, suppliers, and their employees, or government officials by any means or channels, or accepting the improper benefits from the afore-mentioned bodies. The Company shall ensure the anti-bribery policies meet the requirements of TIC Council Compliance Code and local laws relevant to countering bribery in all jurisdictions the business operated.

➤ **Financial discipline**

All employees shall strictly adhere to financial discipline, shall not deposit the Company's money in their own name, shall not use the Company's money to

make personal travel, or pay for expenditure for activities unrelated to business of the Company and entertainment activities, and shall not exceed the standard for business reception, and shall not fabricate business content or use counterfeit invoices to reimburse to form hidden reserve.

➤ **Commercial bribery is prohibited**

All employees shall not accept tangible or intangible benefits such as rebates, gifts, banquets, travel, fitness, entertainment provided by customers or other business partners; shall not explicitly or implicitly ask customers or other business partners for any improper payment and other improper benefits; shall not allow customers or business partners to reimburse expenses that should be borne by the person or the Company; shall not promote personal, relatives and friends' products or items to customers or business partners. All employees shall not provide the afore-mentioned improper benefits to customers, other business partners, and government officials.

➤ **Political contributions**

The Company and its employees and agents shall not make direct or indirect contributions to political parties, organizations or individuals engaging in politics as a way of obtaining advantage in business transactions.

➤ **Transfer of benefits**

The Company and its employees and agents shall not provide direct or indirect funds, gifts, receptions, or other improper benefits to governmental agencies or officials to obtain business advantages and privileges.

➤ **Charitable contributions and sponsorships**

The Company and employees shall not use charitable contributions and sponsorships as a subterfuge for bribery or avoid legal obligations and duties. If making charitable contributions or sponsorships, the Company shall establish a separate ledger and record them.

➤ **Facilitation fees**

Facilitation payments or expediting payments are defined as small payments made to government officials and other public officials to secure or expedite the performance of a routine governmental functions, such as approval, permits, visas, work orders, security protection, mailing service, telephone service, electricity and water supply, freight transportation and inspection process, for which the officials have no discretion. Recognizing that facilitation payments are a form of bribery, the Company and employees shall work hard to identify and eliminate them.

➤ **Gifts, hospitality and expenses**

The Company and its employees shall not provide or accept any gifts, hospitality, and other not reasonable and

bona fide expenditures that could affect the outcome of business transactions.

➤ **Recording and reporting**

If the Company or employees mistakenly accept the above-mentioned benefits or mistakenly act in the above-mentioned ways on any occasion, it shall be recorded in a true, complete, accurate and timely manner, and shall be reported to the compliance officer promptly. Employees have the obligation to report any request or provision of improper payments or benefits that they identify.

8. Fair business conduct

The Company always pursues a fair, open and orderly market competitive environment. The Company and employees shall act with good business ethics and integrity, understand and abide by the laws and regulations, conduct the legitimate and orderly competition, and shall not engage in activities that violate fair competition, anti-monopoly or bidding rules. The Company shall guide employees, agents and intermediaries to ensure that they understand and follow fair business practices.

➤ **Anti-unfair competition**

Acts of unfair competition refer to the behaviors of business operators that disrupt the order of market competition and harm the legal rights and interests of other business operators or consumers in their production and business activities. Many countries have

enacted anti-unfair competition laws. We shall strictly adhere to the relevant anti-unfair competition regulations and participate in the competition legally and fairly. The Company's business statements and publications shall accurately reflect its network and affiliations, resources, capabilities, experience, and services provided. The Company and employees shall not make untrue statements about competitors, their businesses, services or products.

➤ **Anti-monopoly**

Monopoly behavior will undermine fair market competition, reduce the efficiency of economic operations, and harm the interests of consumers and the public interest of society. The Company and employees shall not have any monopoly agreements with competitors, and discuss pricing, cost, production, marketing and business strategies with competitors.

➤ **Comply with business rules**

The Company and employees shall not incite, induce or encourage anyone to breach contractual obligations (including obligations of confidentiality); shall not use advertisements to make misleading publicity on the company's business reputation or service quality; and shall participate in bidding by complying with laws or regulations. The Company and employees shall not harm the interests of customers and business partners by abusing its advantageous position or in other improper way, and shall not make unreasonable business requests.

➤ **Intellectual property and commercial secrets**

Intellectual property is intangible property protected by laws. The Company and employees respect intellectual property rights. We often get access to customer information and other commercial secrets. The Company and employees shall value, protect, and prevent the disclosure of such confidential information, and shall not involve in any commercial espionage and data theft.

9. Health and safety

The Company actively fulfills its social responsibilities, formulates health and safety policies that meet all legal requirements and takes necessary measures to protect the health and safety of employees, customers and third parties. The Company provides employees with health and safety training appropriate for the scope of activities.

➤ **Occupational safety**

The Company provides employees with safety and health conditions and necessary protection equipment as required by laws to prevent incidents and occupational hazards during the service delivery. The Company and its employees shall follow the safety rules, and take preventive actions for the safety of persons, facility and environment. All departments shall organize and support employees to participate in relevant

occupational safety and health training and education, and supervise employees to take necessary occupational hazard protection measures to protect the health and safety of employees, customers and third parties.

➤ **Monitoring and reporting incident**

The Company attaches great importance to the personal safety and physical and mental health of employees, customers and third parties, and takes necessary measures to monitor and prevent incidents to minimize risks in the service delivery. The Company requires employees to report health and safety-related incidents, record and investigate the incidents, and take corrective actions when necessary.

10. Fair labor

The Company is aware of its social responsibilities to the employees, public, community and environment, and respects human rights. In the Company, every employee is equal. The Company respects and desires talents and treats every job applicant and employee equally.

➤ **Equal opportunities**

Our recruitment, promotion, rewards and punishment are handled equally regardless of ethnicity, race, religious belief, nationality, gender, age, disability or any other factors unrelated to work

performance.

➤ **Abiding by employment laws and regulations**

The Company signs, executes, changes, or terminates employment contracts with employees with adherence to laws. The Company honor the minimum wage and the maximum working hour legislations. The Company shall not use child labor and forced labor.

➤ **Work environment.**

The Company respects the personality of every employee and adopts a zero-tolerance of abuse, bullying or harassment in the workplace. Employees shall follow work discipline and not engage in activities unrelated to work.

11. Transparency of services

Inspection and test data and report data only reflect observations and facts which will influence the safety and wellbeing of the users of customers' products and services. Particular attention shall therefore be paid to the unambiguity, accuracy and validity of the reports. All inspection and test results and reports are issued completely and accurately per the current technical and professional standards and specifications.

Deliberately incorrect or misleading information or interpretation in reports is prohibited.

All information and results shall be clear, unambiguous, objective, and traceable. Customers have right to receive any

necessary information and detailed explanation on how a result was reached. The processes and professional knowledge of the Company which form the grounds for a result shall be disclosed on request.

12. Integrity of communications

All documents, files and reports, regardless of whether they are for internal or external use, shall be maintained correctly and accurately and contain accurate, true, reliable and authorized information.

The same applies to statements to the government, regulators, customers and business partners.

All official external communications shall generally be checked and reviewed by a person who was not involved in drafting it.

13. Environmental protection

The Company is actively engaged in protecting the environment and highlights this in its service delivery and operation procedures and policies.

As we have committed to providing services in the interest of humans and the environment, the Company encourages all employees to consider the consequences of their actions on humans, the environment and society.

All employees shall be aware of the environmental impacts of their activities and protect environmental ecology within their capability.

14. Misconduct reports

All employees must respect all the rules and principles in this code of conduct and behave by adhering to the rules. The management shall ensure that all employees are familiar with this code of conduct and organize continual training regularly. The management shall set an example in terms of following the principles and policies within their areas of influence.

All employees will be provided guidance by supervisors or compliance officer should they find this code is unclear.

Should employees observe any suspected deviation from this code or hear of suspected misconduct or serious violations, particularly concerning fraud, corruption, infringement of the laws of competition, financial misstatements, or other behavior which could lead to prosecution or constitute a violation of the prevailing laws, they shall inform the compliance officer or supervisor in charge. The information will be treated as strictly confidential and used to investigate the case thoroughly.

All employees, customers, and partners have right to file complaints with the Company. The contact person shall handle the complaint by following the procedure and inform the complainant any actions taken if possible. The handling process and resolution shall be recorded in detail.

Employees reporting misconduct or infringements of the code of conduct shall be fully protected against any form of reprisal unless s/he acted maliciously or in bad faith. If requested, the employee's anonymity shall be protected to the extent reasonably practicable

15. Closing remarks

This code of conduct applies to the Company and all employees and business partners. The implementation of this code of conduct will be monitored. Once any modification is made, the compliance officer shall ensure that all employees are familiar with the current version of the code of conduct. The code of conduct is a part of general employee training and personal training and capability building and development.

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