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# CSR Introduction

## Social management system & cascade effect



Among the top 20 suppliers in 2025, 7 are based in the Shaoxing region, while the remaining 13 are located in Jiangsu, Zhejiang, and Shanghai.

We added 34 new suppliers in 2025, among which:

- 8 hold ISO 14001 certificates
- 3 have obtained BSCI or SMETA certification

3 new suppliers have adopted recyclable cartons. To date, a total of 5 suppliers have started delivering goods using recyclable cartons (compared with only 2 in 2024).

Among them:

- Shaoxing Qiming used 3,165,
- Shaoxing Lvjian used 2,911,
- Shaoxing Hengda used 2,090,
- Shaoxing Yida used 1,430.

Based on the calculation that producing 1 kg of cartons generates 7.2 kg of carbon dioxide, the use of recyclable cartons has reduced carbon dioxide emissions by 22,800 kg.

- Shaoxing Lvjian plans to replace one vehicle with an electric delivery van.
- Jiangnan Shijia intends to convert all hand pallet trucks and forklifts to electric models and switch steam heating of gluing equipment to electric heating.
- Qingdao Borui plans to fully replace printing inks with water-based inks.

**“We encourage suppliers to consider plastic reduction at the product design and development stage.”**

- Reducing plastic packaging
- Decreasing the thickness of plastic products
- Promote the use of degradable materials

These measures will further promote energy conservation, emission reduction, and sustainable development.

# Employee Involvement & Protection



## Employee Satisfaction Survey

In December 2025, the Labor Union of RFX+CARE Manufacturing Co., Ltd. held the 5th Session of the 3rd Staff Representative Congress, inviting worker representatives to participate in company-level information exchange.

An employee satisfaction survey was conducted, and the employee satisfaction rate with the work of the labor union reached a high level.



## Ethical Business Behaviour

Administrative staff have signed personal ethics declarations.

All employees receive professional ethics training annually.

RFX/JCQ-GL-019 - Business Ethics and Policy  
 RFX/JCQ-GL-020 - Business Ethics Reporting and Handling System  
 RFX/JCQ-GL-034 - Freedom of Association and Collective Bargaining Control Procedures  
 RFX/JCQ-GL-043 - Trade Union Labor Relations Early Warning Mechanism  
 RFX/JCQ-GL-045 - Employee Personal Privacy Information Confidentiality System  
 RFX/JCQ-GL-037 - Anti-discrimination Procedure  
 RFX/JCQ-GL-035 - Anti-harassment and Abuse Procedures



## No Discrimination & Gender Equality

Our employees currently come from 19 provinces, with 43.02% from outside the province. We have 6 ethnic minority employees and 3 employees with disabilities.

Due to the nature of our business, female workers account for 86% of workshop staff. Among the management team, 41% of managers are women.

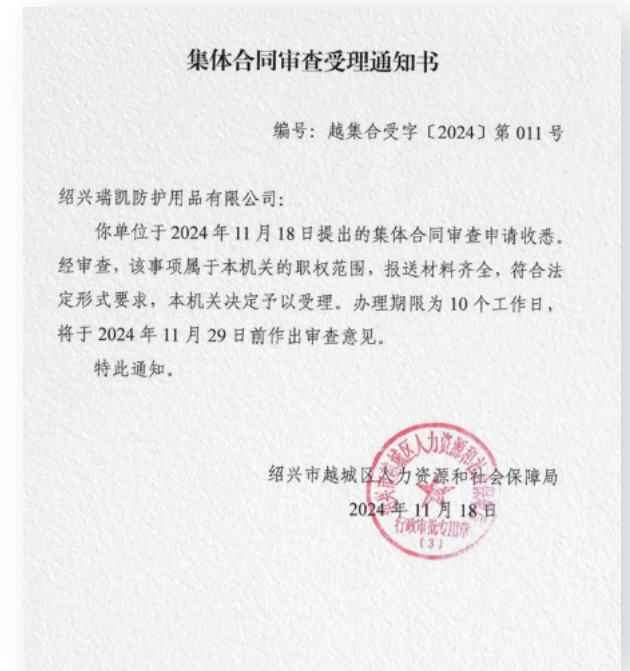
We are firmly committed to maintaining a non-discriminatory approach and strictly prohibit any form of discrimination, exclusion, or preferential treatment based on: gender, age, religion, race, caste, birth, social background, disability, ethnic or national origin, nationality, union membership, political affiliation or opinions, sexual orientation, family responsibilities, marital status, diseases, or any other condition that could lead to discrimination.



## Rights of Freedom of Association & Collective Bargaining

Workers have the freedom to join labor unions and participate in various activities. We fully respect and support workers' rights to collective bargaining.

To formalize these rights, collective labor agreements have been signed.





## Fair Remuneration

In 2025, competitions and skill evaluations for skilled workers will be carried out.

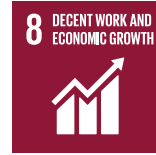
At present, there are:

- 13 first-level workers
- 6 second-level workers
- 3 third-level workers
- 1 fourth-level worker

Salaries are paid on the 15th of each month (paid in advance if it falls on a holiday).

Our company maintains a transparent reward and disciplinary system, ensuring fairness in how employees are recognized and rewarded for their efforts.

We are committed to an open and equitable approach to rewards, ensuring they are merit-based and aligned with our principles of fairness and justice.



## Decent Working Hours

We are committed to ensuring fair and reasonable working hours for our employees, with a maximum of 60 hours per week and at least one day off every seven days.

### Overtime Policy

Overtime work is voluntary for all employees. Overtime pay is structured as follows:

- Regular working hours: At least 1.5 times the normal rate
- Weekends: At least 2 times the normal rate
- Holidays: At least 3 times the normal rate

### Work-Life Balance

We encourage employees to take their annual leave, allowing them to spend quality time with their families during holidays. By promoting the use of annual leave, we prioritize work-life balance and recognize the importance of personal well-being.



## Occupational Health & Safety

Occupational hygiene testing is conducted every two years.

For employees exposed to occupational hazards (such as noise and inkjet coding), we arranged:

- Pre-employment physical examinations for 15 employees
- Periodic examinations for 8 employees
- Post-employment examinations for 16 employees

A total of 38 employees were examined.

We regularly organize occupational health and safety training. PPE must be properly worn in relevant positions.



## Forced Labour Policy

Our company strictly prohibits the use of prison labor, bonded labor, or any supply chain services involving prison workers.

We provide Personal Protective Equipment (PPE) and necessary job-related items free of charge, ensuring employee safety and well-being.

Overtime work is entirely voluntary, and employees are free to choose whether to participate.

Employees are also free to leave the factory premises during non-working hours.

Contract signing and resignation are free of charge.

All current employees are Chinese nationals.

## No Child Labour

The youngest employee in our company is 22 years old, ensuring full compliance with legal age requirements.

Although we currently do not employ young workers aged 16–18, we uphold a non-discriminatory policy and welcome qualified young workers based on their skills and capabilities.

We have implemented a Standard Operating Procedure (SOP) to prevent child labor and protect the rights of young workers.

## No Precarious Employment

We provide pre-employment training for new employees, covering workplace safety and informing them of their rights and responsibilities, including working hours, wages, and payment schedules.

Employees who meet the necessary qualifications are eligible for promotion to regular employment.

## 2025

## Monthly Activity

### March

- Women's Day
- Spring Hiking

### April

- Badminton
- Health and Safety Lecture

### May

- Skill Competition

### June

- Health Check
- Children's Date
- Women's Health Lecture

### August

- EWB Questionnaire
- Factory Opening Date

### September

- Lecture's Day

### October

- Table Tennis Competition

### November

- Autumn Hiking
- Badminton Competition

### December

- Employee Representative Day
- Christmas Day



# Employee Development

# Employee Support & Incentives



We encourage employee development. Employees who obtain professional qualification certificates receive a subsidy of 500 RMB.

We also care about employees' families. Employees whose children receive a university admission letter are awarded 2,000 RMB.

## Talent Development & Internal Exchange

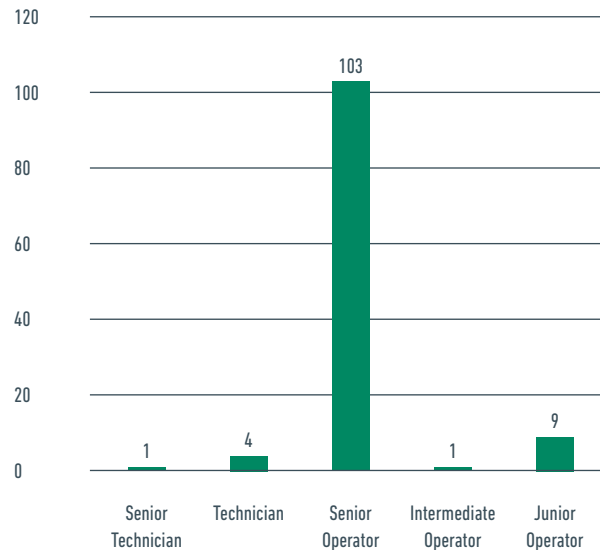
The company attaches great importance to talent development. To optimize the talent pipeline and tap into internal potential, various exchange meetings have been organized.

During these meetings, employees freely expressed their ideas, engaging in knowledge exchange and experience sharing.

### Cradle of Talent Development

Total: 118  
Proportion: 33.6%

Talent distribution by skill level in RFX+CARE



New Employee Exchange Meeting



Reserve Talent Exchange Meeting



Labor Contract Renewal Meeting

## Evaluation of Skilled Workers

To effectively plan talent reserves and strengthen talent development for production management.



## Staff Professional Skills Examination

In June 2025, administrative and logistics staff took examinations on company policies, values and CI knowledge. The examination is held annually to consolidate basic knowledge.



## Staff Public Skills Examination

In January 2025, administrative staff participated in professional skills examinations to strengthen their professional competencies.





## Labour Skills Competition

### The Inheritance of Craftsmanship Spirit

In May, during Skills Month, the company carefully organized its 10th Skills Competition to promote the spirit of labor and enhance employees' professional skills.

Employees showed great enthusiasm and were eager to demonstrate their strengths, with a number of highly skilled individuals standing out.



## Yuecheng District Forklift Operator Vocational Skills Competition

In June 2025, our company hosted the Yuecheng District Forklift Operator Vocational Skills Competition. We carefully prepared every detail and strived for excellence in everything from venue setup to competition scheduling. All warehouse staff participated and achieved outstanding results, injecting new vitality and momentum into the forklift industry. Overtime work is entirely voluntary, and employees are free to choose whether to participate.



## Yuecheng District Excellent Lecturer Business Exchange & Display Competition

Two outstanding colleagues participated in the Yuecheng District Excellent Lecturer Business Exchange and Display Competition and achieved excellent results.



## “I Speak for RFX+CARE” Commentator Skills Competition

Colleagues, mainly from the Sales Department, participated in the “I Speak for RFX-CARE” Commentator Skills Competition.

With their professionalism and vivid expression, they interpreted the brand values of RFX and other key aspects, showcasing the spirit and image of RFX+Care employees.

Employees are free to choose whether to participate.



## Production Managers’ Skill Enhancement Training

To improve the management capabilities of production managers and address current challenges, the company invited experts to organize a “Production Managers’ Skill Enhancement” Training Camp.



## Learning Organization Development

- Co-creating a learning organization
- One lesson per week
- Internal training
- Online learning
- Establishing a learning community

# Cultural Activity

## International Women's Day / Goddess Day

By handcrafting unique lacquer fans, employees experienced the charm of traditional craftsmanship, enhanced communication and interaction with one another, and celebrated the occasion together.



## Dragon Boat Festival

To inherit and promote the fine traditional Chinese culture, further enrich employees' spare-time cultural life and enhance team cohesion, an exquisite sachet-making activity was held on the occasion of the Dragon Boat Festival.



## Teacher's Day

In the golden autumn of September, the fragrance of sweet osmanthus fills the air.

On Teachers' Day, RFX held a special event centered on gratitude, growth, and cultural heritage, paying tribute to every "gardener" dedicated to internal training.





## Team Building

Departments joined together for team-building activities, strengthening bonds and mutual understanding.



## Club Activity

- Table Tennis Competition
- Badminton Games
- Club Activities



## Christmas Activity

Colorful Christmas, Joyful Reunion. A romantic invitation exclusive to winter. A warm and heartwarming gathering.

May you be blessed with starlight, and may all good things arrive as promised. Let us share a cozy Christmas and embrace peace and health year after year.

# Health, Safety & Sustainability

## Annual Commendation Meeting

The annual commendation meeting was held as scheduled, recognizing outstanding individuals, teams, and technological innovation achievements. This event encourages excellence and motivates employees to continue striving for high performance.



## Healthy Hiking

RFX attaches great importance to employee health and organizes annual hiking activities.

Employees walk together, connect with nature, and strengthen relationships through communication, experiencing the warmth and cohesion of the RFX community.



## Fire Drill

Adhering to the principle of "Safety First," the company organizes two fire drills and training sessions every year to continuously improve employees' fire safety awareness and emergency response capabilities.





## Female Staff Symposium & Health Activities

Female Staff Symposium, Physical Examination, and Free Medical Consultation held in collaboration with Jishan Health Center.

The company provides comprehensive care for the physical and mental health of female employees. We regularly organize health check-ups and host symposiums to listen to their thoughts and needs. In addition, we collaborate with health centers to offer free medical consultations, providing convenient healthcare services for female employees.



## Full Care Sports Meeting

The company organized a Full Care Sports Meeting to promote employee well-being and encourage active participation in physical activities. This initiative reflects our commitment to fostering a healthy and energetic workplace environment.



## Recreational Sports Day

This grand event, held to celebrate the 76th anniversary of National Day and the Mid-Autumn Festival, as well as to launch Community Culture Month, allows RFX employees to take a break from their busy work, release their energy through sports, and foster warmth and cohesion through collaboration.



# Social Responsibility

# CI Community Support & Social Responsibility



## Offer Care and Warmth

Upholding a strong sense of social responsibility and sincere care for sports development, RFX has sponsored a batch of practical sports equipment for local schools, aiming to provide better protection and a stronger sense of security for children.

As a timeless and significant topic, CI holds great importance at RFX. Every year, we carefully prepare for the CI Conference, where numerous outstanding proposals emerge, guiding us to move forward together and grow as a team.

### Total CI actions

Total: 1186

### Average CI per person

3.4

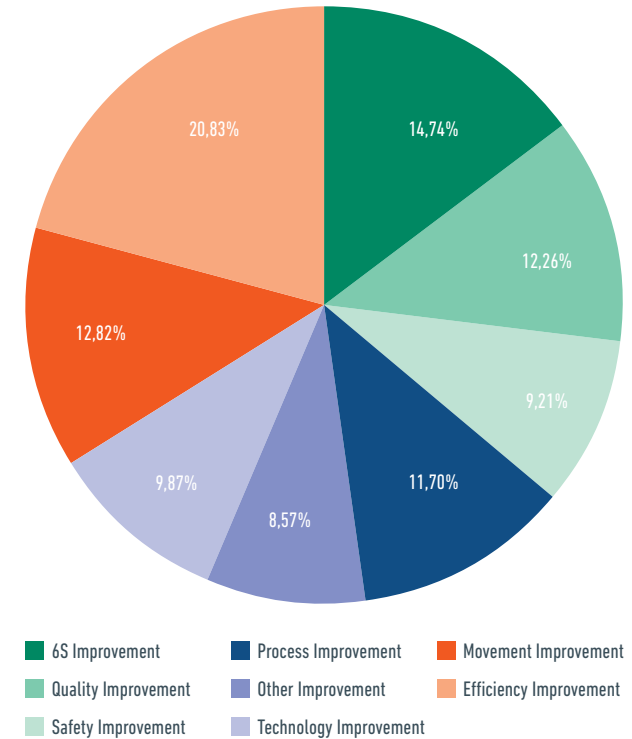
### Action Complete Rate

86%

### Cost Reduction

720K CNY

Continuous Improvement Overview



## Workplace Happiness Survey

Empowering  
our employees  
to have a voice.

EWB is not just a survey,  
but a continuous  
improvement process.

1. Identify key focus plan
2. Analyze results and share
3. Communicate
4. Measure and improve
5. Identify key focus areas

## EWB Project (Employee Well-Being)

RFX places great importance on employee well-being and engagement. As a supplier of Decathlon, RFX actively participated in the implementation of Decathlon's EWB project.

Through anonymous responses to 16 questions, we gained deeper insights into employees' well-being and engagement.

A total of 242 workshop employees participated in the survey, achieving a participation rate of 96.03%. The final score reached 81.1, which is higher than that of most other Decathlon suppliers.





# Sustainable Development

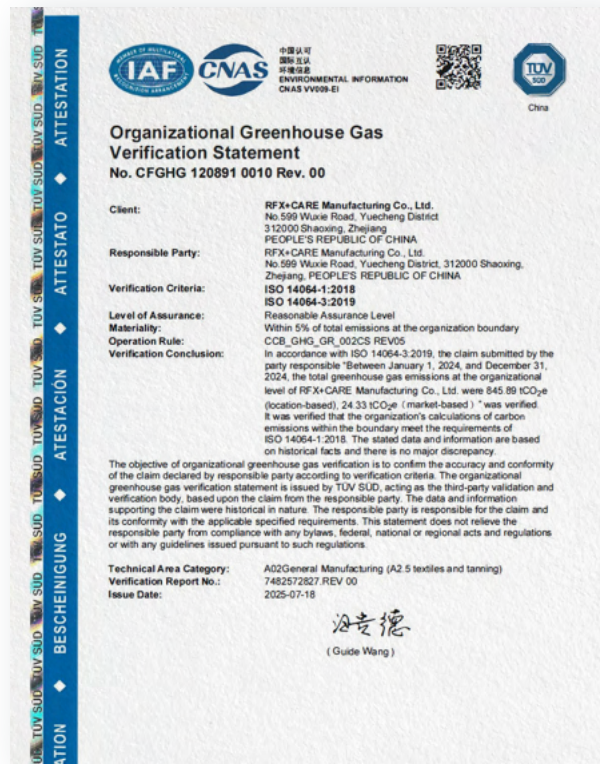
# Sustainable Development

We successfully completed the 2025 audit and obtained an authoritative third-party verification certificate for our 2024 carbon emissions, demonstrating our commitment to transparency and environmental responsibility.



## Bio-based Certified Adhesive

1. Dispose of slow-moving fabrics, reduce warehouse space occupancy, and improve warehouse management efficiency.
2. Continuously follow up on the disposal of slow-moving inventory for the DKL customer. In June, we reached an agreement with the customer and accepted a compensation payment, clearing slow-moving inventory with a total value of approximately RMB 600,000.
3. Continue to follow up on the disposal of slow-moving materials. We organized multiple internal employee purchase activities and promoted the sale of Huixun products and facial cleansing towels, achieving a total transfer amount of RMB 46,180 from the Supply Department.



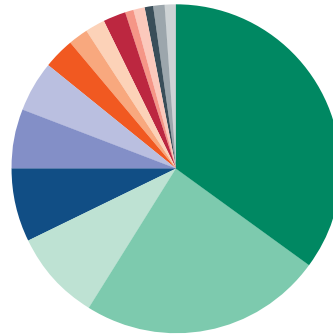
# Energy Data Collecting Data 2025



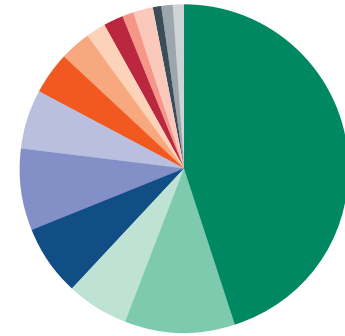
Electricity usage for each area and hour is automatically collected.

This data can be used to plan strategies for reducing carbon emissions.

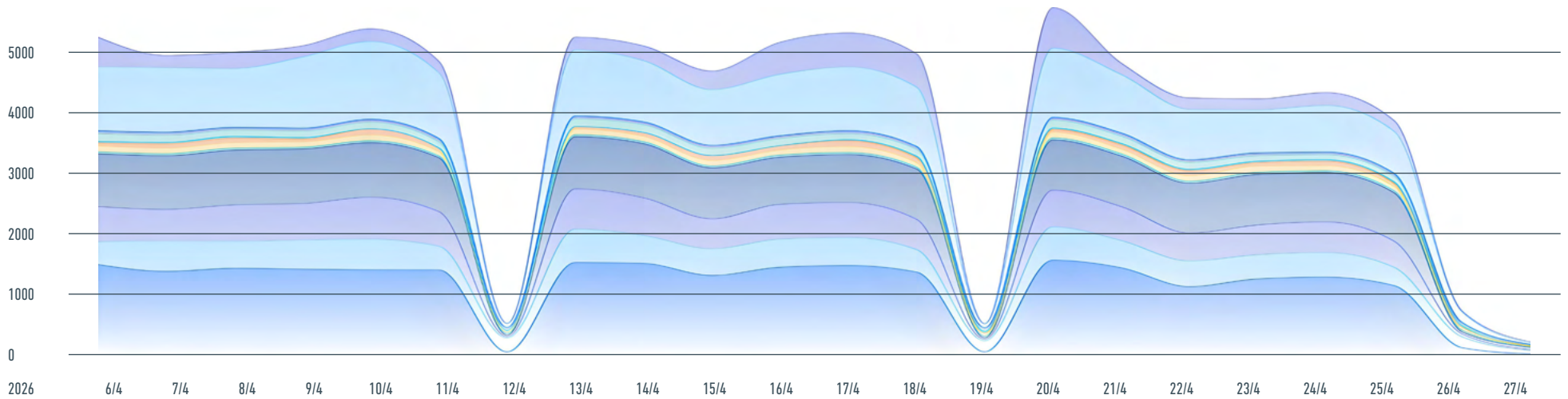
**Single day**  
Carbon Emission Unit: 2.50 ton



**Monthly**  
Carbon Emission Unit: 75.96 ton



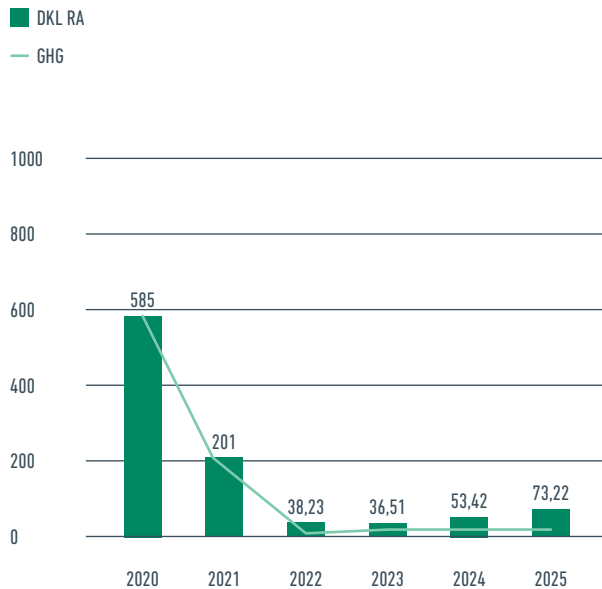
- Fan Coil Unit
- Workshop 4
- Workshop 2
- Workshop 104
- Dining Hall
- HVAC-3
- Office Building
- Warehouse
- Workshop 103
- HVAC-1
- Workshop 102
- Workshop 101
- QC Lab
- RO Water System
- HVAC-2



# Carbon Emission Data 2025

Starting from 2025, RA's database, PPA direct procurement, and green certificates will no longer be counted as zero emissions.

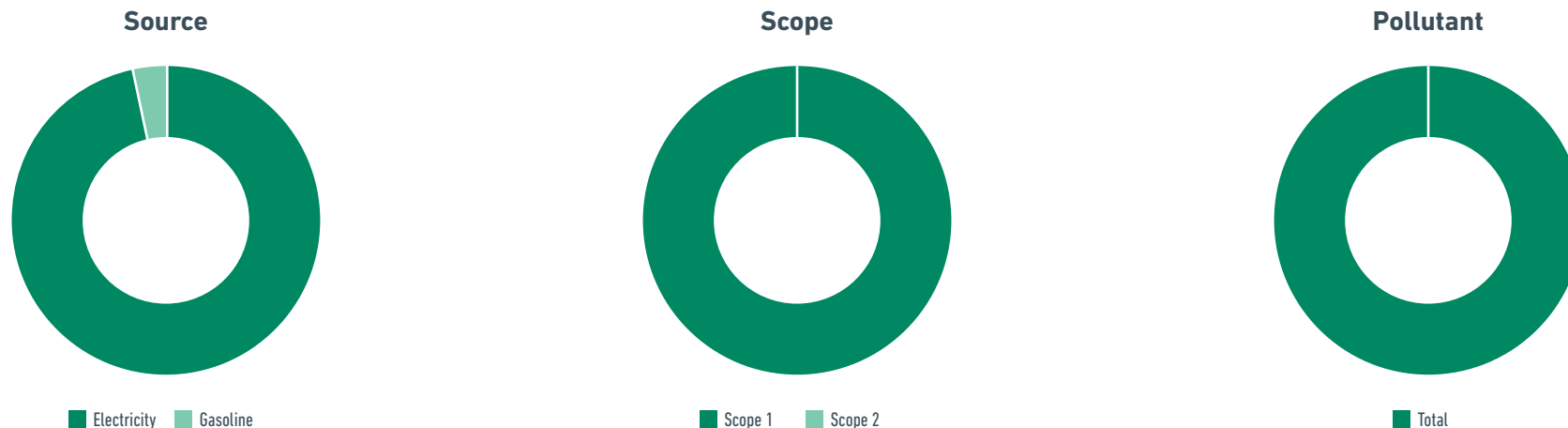
In 2026, RA may no longer serve as DKL's carbon platform.



- In August, Zhejiang Province revised its green power direct procurement policy, resulting in no green power direct procurement being available across the province. Only green certificates can be used.
- Electricity consumption in August was particularly high, accounting for 14% of the company's total annual electricity usage.
- Following the policy revision, allocated green power is calculated as:  

$$\text{Allocated green power} = \text{User-declared volume} \times \frac{\text{Actual generation volume of power producer}}{\text{Expected generation volume of power producer}}$$
- Under the updated policy, the declaration schedule has changed from mid-month (for current-month usage) to the end of the current month (for next-month usage).
- ISO and GHG Protocol organizations have issued a joint statement announcing the integration of their standards.
- In response to greenwashing concerns, the GHG draft for public consultation indicates that rules for green power and green certificate accounting may be revised.
- For example, green certificates from solar PV may only be eligible to offset electricity consumption during daytime hours.

# RA System Monitoring The Carbon Emission



Scope 1		2025												Total
Gasoline		Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	
Qty	Liters	115.000000	51.000000	149.000000	167.000000	148.000000	291.000000	97.000000	214.000000	196.000000	180.000000	136.000000	28.000000	1772
CO2-e	Metric tons	0.346098	0.153487	0.448423	0.502594	0.445413	0.875778	0.291926	0.644043	0.589871	0.541718	0.409298	0.084267	5.332917

Scope 2		2025												Total
Electricity		Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	
Qty	kWh	28,720.000000	12,680.000000	2,560.000000	160.000000	560.000000	8,400.000000	800.000000	53,360.000000	6,960.000000	93,240.000000	880.000000	200.000000	208520
CO2-e	Metric tons	22.487760	9.928440	2.004480	0.125280	0.438480	6.577200	0.626400	41.780880	5.449680	73.006920	0.689040	0.156600	163.27116

Renewable Energy Green tariff PPA backed														Total
Qty	kWh	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	
Qty	kWh	96,000.000000	74,000.000000	76,000.000000	93,000.000000	113,000.000000	154,000.000000	173,000.000000	179,000.000000	249,000.000000	158,000.000000	148,000.000000	119,000.000000	1632000
CO2-e	Metric tons	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Renewable Energy Credit (EAC)														Total
Qty	kWh	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	
Qty	kWh	-28,720.000000	-12,680.000000	-2,560.000000	-160.000000	-560.000000	-8,400.000000	-800.000000	-53,360.000000	-6,960.000000	-93,240.000000	-880.000000	-200.000000	208520
CO2-e	Metric tons	-22.487760	-9.928440	-2.004480	-0.125280	-0.438480	-6.577200	-0.626400	-41.780880	-5.449680	-73.006920	-0.689040	-0.156600	-163.27116

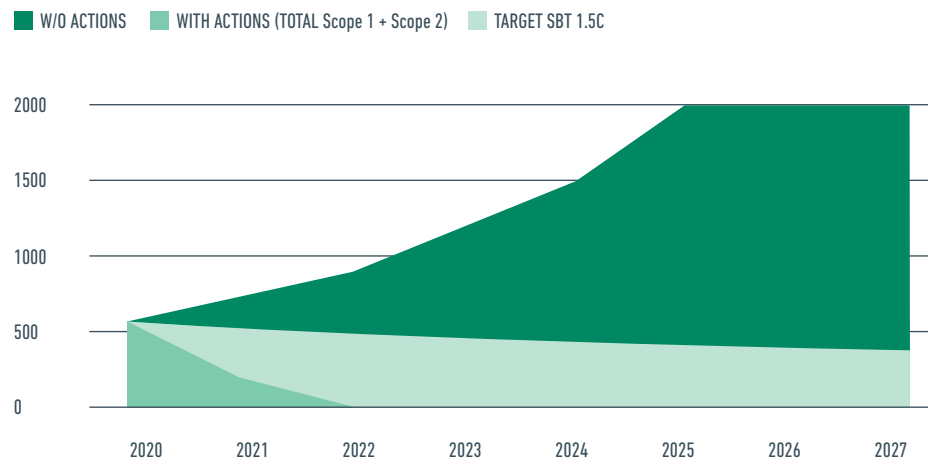
# CO<sup>2</sup> Action

Heat / Scope 1	2020	2021	2022	2023	2024	2025	2026	2027
% NEV car replace petrol car	0%	0%	0%	0%	33%	33%	100%	100%
<b>Action</b>	2024	33% - 1 x NEV car - 3 metric tons						
	2025	33% - 1 x NEV car - 3 metric tons						
	2026	100% - 1 x NEV car - 12 metric tons						
	2027	100% - 3 x NEV car - 12 metric tons						

Electricity / Scope 2	2020	2021	2022	2023	2024	2025	2026	2027
% Renewable Energy Green tariff PPA backed	0%	0%	0%	0%	90%	90%	90%	90%
<b>Action</b>	2021	Renewable energy - PPA - 0%						
	2022	Renewable energy - PPA - 0%						
	2023	Renewable energy - PPA - 0%						
	2024	Renewable energy - PPA - 90%						
	2025	Renewable energy - PPA - 90%						
	2026	Renewable energy - PPA - 90%						
	2027	Renewable energy - PPA - 90%						

Electricity / Scope 2	2020	2021	2022	2023	2024	2025	2026	2027
% Renewable Electricity (EAC / Certificates)	0%	100%	100%	100%	10%	10%	10%	10%
<b>Action</b>	2021	Renewable energy - IREC - 90%						
	2022	Renewable energy - IREC - 90%						
	2023	Renewable energy - IREC - 90%						
	2024	Renewable energy - GEC - 90%						
	2025	Renewable energy - GEC - 90%						
	2026	Renewable energy - GEC - 90%						
	2027	Renewable energy - GEC - 90%						

## Carbon Reduction Roadmap



## % Energy Consumptions Full Site

Heat / Scope 1	2020	2021	2022	2023	2024	2025	2026	2027
% NEV car replace petrol car	0%	0%	0%	30%	30%	60%	60%	100%

Electricity / Scope 2	2020	2021	2022	2023	2024	2025	2026	2027
% Renewable Electricity (EAC / Certificates)	0%	60%	100%	100%	10%	10%	10%	10%
% Renewable Energy Green tariff PPA backed	0%	0%	0%	0%	90%	90%	90%	90%

CO2 Trajectory (TONS CO2)	2020	2021	2022	2023	2024	2025	2026	2027
Scope 1 w/o actions	12	10	10	10	7	7	0	0
Scope 2 w/o actions	561	750	900	1200	1500	2000	2000	2000

W/O ACTIONS	573	760	910	1210	1515	2010	2010	2010
Scope 1 with actions	12	10	10	10	7	7	0	0
Scope 2 with actions	561	190	0	0	0	0	0	0

WITH ACTIONS (TOTAL Scope 1 + Scope 2)	573	200	10	10	7	7	0	0
TARGET SBT 1.5C	573	527	501	476	452	429	408	388

# Low Carbon Emission Data 2025

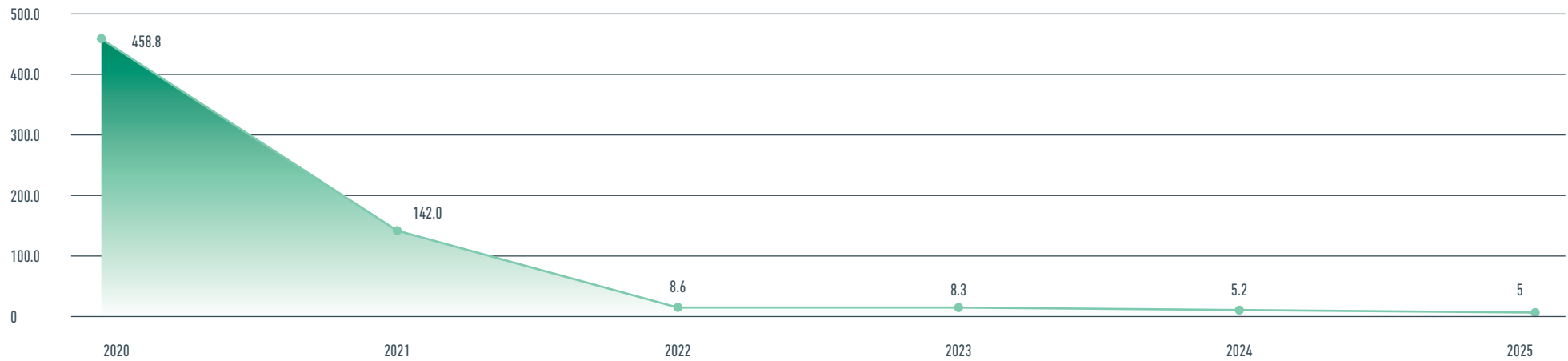


Quarter	Data set 1 (2024)	Data set 2 (2025)	Difference	%
Q1	1.708	1.028	-0.68	-39.81
Q2	1.4	1.501	0.101	7.21
Q3	1.152	1.652	0.5	43.4
Q4	0.916	0.781	-0.135	-14.74
<b>Total</b>	<b>5.176</b>	<b>4.962</b>	<b>-0.214</b>	<b>-4.13</b>



Quarter	Data set 1 (2024)	Data set 2 (2025)	Difference	%
Q1	0	0	0	0
Q2	0	0	0	0
Q3	0	0	0	0
Q4	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## TCO2 from Scope 1 & 2



# Building A Better Future

Sustainable development is rooted in long-term vision. It requires not only faith and perseverance but, more importantly, the ability to identify and uphold core values.

Ensuring the safety of our employees, customers, and the environment is paramount. These principles remain at the heart of our unwavering commitment to sustainability.

**RFX+CARE GROUP**  
**SUSTAINABILITY REPORT 2025**

If you have questions, need help locating information,  
or want to find the latest on our sustainability work  
including strategy, goals, standards and policies,  
please contact [info@rfxcare.com](mailto:info@rfxcare.com)

We appreciate your feedback.  
Thank you.