

Introduction

This covers a wide range of business practices and procedures and is intended to apply in conjunction with the Employee and Supplier Handbooks. It does not cover every issue that may arise, but it sets out basic principles to guide all employees and suppliers. All employees and suppliers must conduct themselves accordingly and seek to avoid the appearance of improper behavior.

If this Code conflicts with applicable laws, rules, or regulations, you must comply with such laws, rules, or regulations. If you have any questions about such conflicts, ask your manager, HR or if you are a supplier ask our VP of Supply Chain how to handle the situation. Those who violate the standards in this Code will be subject to disciplinary action, up to and including termination of your relationship with Royal. If you are in a situation which you believe may violate or lead to a violation of this Code, follow the guidelines described below under Reporting.

1. Compliance with Laws, Rules, and Regulations and company Policies

Obedying the law, both in letter and in spirit, is part of our core values. All employees and suppliers are expected to respect and obey the laws in the city, state and country in which we operate, just like they do our company policies.

2. Conflict of Interest

A conflict of interest exists when a person's private interest interferes or potentially interferes in any way with the interests of Royal. A conflict situation can arise when an employee takes actions or has interests that may make it difficult to perform his or her company work objectively and effectively. Conflicts of interest may also arise when an employee, or members of his or her family, receives improper personal benefits as a result of the employee's position in Royal. Transactions between Royal and entities in which employees or their relatives have an interest, employment of relatives, and similar situations may give rise to conflicts of interest. It may be a conflict of interest for an employee or their relatives to work simultaneously for a competitor, customer, or supplier. No employee is allowed to work for a competitor, customer, or supplier in any capacity unless specifically authorized by the Board of Directors. The best policy is to avoid any direct or indirect business connection with Royal's customers, suppliers, or competitors, except on Royal's behalf. Conflicts of interest are prohibited as a matter of company policy, except when specifically reviewed and approved by the Board of Directors. Employees are expected to avoid activities, financial interests, and relationships that may present possible conflicts of interest or the appearance of a conflict. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with leadership. Any employee who becomes aware of a conflict or potential conflict should promptly bring it to the attention of a manager or HR.

We encourage suppliers to also have a conflict of interest policy that aligns with this conflict of interest statement.

3. Corporate Opportunities

No employee may use their position at Royal to extort, bribe or cause corruption. Employees are prohibited from taking for themselves personal opportunities that are discovered through the use of corporate property, information or position without the consent of the Board of Directors. Employees owe a duty to the company to advance its legitimate interests when the opportunity to do so arises.

4. Competition and Fair Dealing

We seek to outperform our competition fairly and honestly. Misappropriating proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present representatives or employees of other companies is prohibited. Each employee should endeavor to respect the rights of and deal fairly with the company's customers, suppliers, competitors, and other employees. No employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice. The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not to gain unfair advantage or affect business decisions. No gift or entertainment should ever be offered, given, provided or accepted by any Royal employee, or relative of an employee unless it: (1) is not a cash gift, (2) is consistent with customary business practices, (3) is not excessive in value, (4) cannot be construed as a bribe or payoff, and (5) does not violate any laws, rules, or regulations. Please discuss with your manager any gifts or proposed gifts which you are not certain are appropriate or in accordance with company policy or practice.

We expect suppliers to have fair dealings with their customers, suppliers, competitors and their employees. We do not support suppliers who take unfair advantage of anyone through manipulations, concealment, abuse of privileged information, misrepresentation of material facts or any other intentional unfair-dealing practice.

5. Discrimination and Harassment

Diversity is a tremendous asset. Royal is committed to providing equal opportunity in all respects and will not tolerate any illegal discrimination or harassment of any kind, as set forth in the Employee Handbook and Supplier Handbook.

6. Record-Keeping

Royal requires honest and accurate recording and reporting of all information. For example, only the true and actual number of hours worked should be reported. Also, many employees regularly use business expense accounts, which must be documented and recorded accurately. If you are not sure whether a certain expense is legitimate, ask your manager. All of Royal's books, records, accounts, and financial statements must be maintained in reasonable detail, must appropriately reflect Royal's transactions and must conform to applicable legal requirements, to Royal's system of internal controls, and to Royal's applicable policies and practices. Business records and communications may become public, and we should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies that can be misunderstood. This applies equally to email, internal memos, and formal reports.

7. Confidentiality

All employees must maintain the confidentiality of confidential information entrusted to them by Royal or its customers, except when disclosure is authorized by senior management or required by applicable laws, rules, or regulations. Confidential information includes all nonpublic information that might be of use to competitors, or harmful to Royal or its customers, if disclosed. It also includes information that suppliers and customers have entrusted to us. The obligation to preserve confidential information in accordance with Royal policy and practice continues even after employment ends. We also expect our suppliers to honor our confidentiality agreements.

8. Protection and Proper Use of Company Assets

All employees should endeavor to protect Royal's assets and ensure their efficient use consistent with Royal policy and practice. Theft, carelessness, and waste have a direct impact on Royal's profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. Royal equipment should not be used for non-Royal business, though incidental personal use may be permitted. The obligation of employees to protect Royal's assets includes its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information, and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate company policy and practice. It could also be illegal and result in civil or even criminal penalties. The above applies to customer information as well where appropriate.

9. Payments to Government Personnel

The U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country.

In addition, the U.S. government has a number of laws, rules, and regulations regarding business gratuities which may be accepted by U.S. government personnel. The promise, offer, or delivery to an official or employee of the U.S. government of a gift, favor, or other gratuity in violation of these rules would not only violate company policy but could also be a criminal offense. State and local governments, as well as foreign governments may have similar rules.

10. Sustainability

All employees are expected to support the Company's sustainability programs, policies, and practices that guide the Company's compliance with environmental, social, and governmental/legal requirements and industry best practices. Such practices include seeking adherence with international human rights conventions in defiance of child labor, forced labor, and human trafficking, as well as conflict minerals management.

11. Reporting any Illegal or Unethical Behavior

Royal has an "Open-Door Policy" for all employees to encourage effective communication, facilitate working as a team, and to discover observed illegal or unethical behavior, especially when in doubt about the best course of action in a particular situation. As stated in the Royal Employee Handbook it is our policy and practice not to allow retaliation for reports of misconduct by others made in good faith by employees.

Employees are expected to cooperate in internal investigations of misconduct. Employees should follow the process for reporting any illegal or unethical behavior as outlined in the Team Member Handbook Any employee may submit a good faith concern either in person or confidentially through the communication boxes.

Customers and suppliers can report confidentially using the form on the website.

Working together, with our customers and suppliers, we can create a positive work environment for all.