



China Hongqiao Group Limited

中国宏桥集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(the "Company")

(Stock Code: 1378)

SUPPLIER CODE OF CONDUCT

(Adopted by the Sustainability Committee of the Company on 15 August 2025)

I. General Provisions

China Hongqiao Group Limited and its subsidiaries (hereinafter referred to as "China Hongqiao" or "the Group") are committed to establishing honest, sustainable, and stable cooperative relationships with suppliers, promoting social responsibility and environmental governance across the entire industrial chain, and ensuring that all the Group's business operations and supply chains are conducted in a manner that balances environmental and social benefits. This *Supplier Code of Conduct* (hereinafter referred to as "the Code") is formulated based on international standards such as the *United Nations Global Compact* and the *United Nations Guiding Principles on Business and Human Rights*, as well as applicable laws and regulations. It specifies China Hongqiao's requirements for its suppliers in areas including working environment and human rights, health and safety, business ethics, and environmental protection. All suppliers of the Group shall comply with the following Code. Where local laws and regulations are more stringent than this Code, the law shall prevail; if the Code is more stringent, it shall prevail.

II. Core Codes

1. Responsible Procurement Policy

Suppliers shall ensure that they:

- (1) Do not support armed conflicts or human rights abuses in conflict zones or high-risk areas;
- (2) Take responsibility for the origin of materials. If the Group needs to investigate the origin of purchased materials, relevant cooperation shall be provided;
- (3) Oppose all forms of corruption;
- (4) Respect human rights in accordance with the *United Nations Guiding Principles on Business and Human Rights*;
- (5) Establish procedures to enable stakeholders to raise concerns about the supply chain.

2. Provision of High-Quality Products and Services

The group adheres to the corporate value of "Quality First" and pursues a zero-defect quality philosophy. Suppliers shall ensure that they:

- (1) Impose strict quality control to achieve high quality and stringent standards;
- (2) Prevent defective products from being released; if defects occur, immediate damage control or remedial measures must be taken;
- (3) Accurately understand the Group's requirements;
- (4) Uphold the development philosophy of "people-oriented and safety first".

3. Compliance with Laws and Confidentiality

Suppliers shall comply with all applicable laws and regulations and strictly adhere to confidentiality obligations. Confidential information includes, but is not limited to:

- (1) Trade secrets, including information related to business and technology involved in both parties' operations;
- (2) Customer information, including information regarding the Group's clients that arises during business interactions between both parties;
- (3) Patent information, including information related to product development and technologies, processes, and equipment involved in production that utilize patents held by the Group.

4. Business Ethical Conduct

Suppliers shall fully understand and strictly comply with the Group's management regulations related to business ethics, such as the Code, and strictly abide by relevant provisions of national laws and regulations. In business cooperation between two parties, the Group opposes all forms of corruption. Suppliers shall ensure that they:

- (1) Do not offer or provide any improper personal benefits to employees of the Group in any form;
- (2) Engage in fair competition, and not collude with other suppliers to inflate prices or conspire in any other ways, nor collude with employees of the Group to suppress or exclude other suppliers;
- (3) During technical exchanges with the Group, not seek to pry into the Group's business matters, including prices, payment methods, etc.;
- (4) Do not provide any money, gifts, personal assistance, or entertainment to personnel of the Group during bidding and contract negotiations.

5. Labor

Suppliers must commit to upholding internationally recognized standards for employee rights, treating them with dignity and respect. Suppliers shall ensure that they:

- (1) Prohibit the use of child labor;
- (2) Prohibit forced labor, slavery, and labor involving human trafficking;
- (3) Ensure employees have reasonable and legal rest time;
- (4) Ensure employees receive reasonable and legal remuneration and benefits;
- (5) Ensure employees are treated humanely, without discrimination, harassment, or corporal punishment;
- (6) Ensure employees have the right to freedom of association, including the right to join labor unions, engage in collective bargaining, and participate in peaceful assemblies;
- (7) Provide reasonable and legal protection for female employees, who shall enjoy all rights women are entitled to under the law.

6. Environment

Suppliers shall have a strong sense of environmental responsibility, minimize adverse impacts on communities, the environment, and natural resources during production and manufacturing, and protect public health and safety. Suppliers shall ensure that they:

- (1) Obtain, maintain, and update all necessary environmental permits, approvals, and registrations, and strictly comply with operational and reporting requirements;
- (2) Implement measures for pollution prevention and resource conservation;
- (3) Safely handle, store, transport, use, recycle or reuse, and dispose of hazardous substances;
- (4) Minimize emissions of wastewater, waste gas, and solid waste;
- (5) Minimize energy consumption and greenhouse gas emissions;
- (6) Recognize the critical role of biodiversity in fostering a healthy environment and promoting sustainable development, and take active measures to minimize the environmental impact of business activities.

7. Occupational Health and Safety

Suppliers shall ensure that they:

- (1) Establish corresponding emergency preparedness measures;
- (2) Employees receive regular safety training covering both general and job-specific aspects;
- (3) Provide employees with necessary personal protective equipment (PPE) with training on proper use and maintenance;
- (4) Provide necessary medical services in case of work-related injuries;
- (5) Use of special equipment is authorized with relevant legal approvals and permits, and operators work with certificates.

8. Management Systems

Suppliers shall establish corresponding management systems and ensure they meet legal, regulatory, and the Group's requirements.

9. Other Conduct Regulations

- (1) Visiting suppliers shall comply with all management rules and regulations of the Group and follow instructions from Group personnel;
- (2) Do not enter unauthorized areas;
- (3) Comply with privacy and information security laws and regulations when collecting, storing, processing, transmitting, and sharing information, and strictly adhere to business ethics;
- (4) Ensure the security of business information related to the Group, and properly safekeep relevant documents and records until their expiration.

III. Supplementary Provisions

1. Continuous Improvement

When necessary, revise the Code according to regulatory and legal changes, industry standards and feedback from stakeholders, and publicly update the content through the official website, ESG reports, etc., to ensure the adaptability and effectiveness of the Code.

2. Approval Authority

The Code is reviewed and approved by the Sustainability Committee under the Group's Board of Directors and shall come into force on the date of issuance.

3. Interpretation

The Code shall be interpreted by China Hongqiao. The document is prepared in both Chinese and English. In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.