



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 (Revised)

(Adopted by the Sustainability Committee of the Company on 24 April 2026)

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, ensuring that all business operations and supply chains are conducted in a manner that balances economic, environmental, and social benefits, and promoting environmental governance and social responsibility practices across the entire industrial chain. This *Supplier Code of Conduct* (hereinafter referred to as "the Code") is formulated with reference to international standards such as the *Ten Principles of the United Nations Global Compact* and the *United Nations Guiding Principles on Business and Human Rights*, as well as applicable laws and regulations, aiming to specify China Hongqiao's requirements for all suppliers in areas such as working environment and human rights, health and safety, business ethics, and environmental protection, and to guide all suppliers to conduct business responsibly.

II. Core Codes

1. Responsible Procurement Policy

Suppliers shall ensure that they:

- (1) do not support armed conflicts or human rights abuses in conflict-affected or high-risk areas;
- (2) take responsibility for the origin of materials, and provide relevant cooperation measures when the Group needs to investigate the origin of purchased materials;
- (3) oppose all forms of corruption and unfair competition practices;
- (4) respect and protect human rights in accordance with the *United Nations Guiding Principles on Business and Human Rights* and other relevant internationally recognised standards;
- (5) establish procedures to enable stakeholders to raise concerns or lodge complaints about the supply chain.

2. Provision of High-Quality Products and Services

Upholding the corporate value of "Quality First" and the quality philosophy of zero defects, the Group requires suppliers to ensure that they:

- (1) strictly control quality to achieve high standards and rigorous requirements;
- (2) prevent defective products from being released, and immediately take relevant control or remedial measures once a product defect occurs;
- (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 technologies, processes, and equipment and other aspects involved in product development, production, and research and development, utilising the patent information 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, including this Code and other relevant policies, and strictly abide by relevant provisions of national laws and regulations. In business cooperation between both 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) proactively declare to the Group where actual or potential conflicts of interest arise, such as close relationships between the supplier's employees and the Group's procurement staff, and require relevant employees to recuse themselves from business cooperation;
- (3) engage in fair competition, and do not collude with other suppliers to inflate prices or conspire in any other way, nor collude with personnel of the Group to suppress or exclude other suppliers;
- (4) do not seek to pry into the Group's business matters such as prices and payment methods during technical exchanges with the Group;
- (5) do not provide any money, gifts, personal assistance, or entertainment to employees of the Group during bidding and contract negotiations.

5. Labour

Suppliers shall commit to upholding internationally recognised standards for employee rights, treating employees with dignity and respect. Suppliers shall:

- (1) prohibit the use of child labour;
- (2) prohibit forced labour, slavery, and labour involving human trafficking;

- (3) provide employees with reasonable and lawful rest periods, and ensure that maximum working hours for employees comply with relevant laws and regulations;
- (4) provide employees with reasonable and lawful remuneration and benefits, including overtime pay, annual leave pay, social insurance, and other welfare benefits, and ensure that employee wages are not lower than the legally mandated minimum wage and are sufficient to meet basic living needs;
- (5) treat employees humanely without discrimination, harassment, or corporal punishment, and foster a fair, inclusive, healthy and safe working environment;
- (6) guarantee employees the right to freedom of association, including the right to join labour unions, engage in collective bargaining, and participate in peaceful assemblies;
- (7) provide reasonable and lawful protection for female employees, who shall enjoy all rights that women are entitled to under the law.

6. Environment

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

- (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, actively promote resource recycling and reuse, and strive to enhance resource utilisation efficiency;
- (3) manage, handle, and dispose of hazardous substances safely and in compliance with applicable requirements throughout the entire process, and promote their recycling and reuse;
- (4) minimise, to the greatest extent possible, the discharge of wastewater, waste gas, and solid waste;
- (5) minimise, to the greatest extent possible, the energy consumption and greenhouse gas emissions;
- (6) recognise the critical role of biodiversity in fostering a healthy environment and promoting sustainable development, and take proactive measures to minimise, to the greatest extent possible, the environmental impact of their business activities.

7. Occupational Health and Safety

Suppliers shall:

- (1) establish corresponding emergency preparedness measures;
- (2) provide employees with regular safety training covering both general and position-specific aspects;
- (3) provide employees with necessary personal protective equipment (PPE) with regular training on proper use and maintenance;
- (4) provide necessary medical services in case of work-related injuries;
- (5) ensure that the use of special equipment has obtained relevant legal approvals and permits, and that operators hold valid certificates.

8. Management Systems

Suppliers shall establish corresponding management systems in areas such as quality, environment, and occupational health and safety management, and ensure that such systems meet legal, regulatory, and the Group's requirements.

9. Other Conduct Regulations

Suppliers shall:

- (1) when visiting the Group's premises, comply with all management rules and regulations of the Group and follow instructions from the Group's employees;
- (2) not enter unauthorised areas;
- (3) comply with privacy and information security laws and regulations when collecting, storing, processing, transmitting, and sharing information; strictly adhere to high standards of business ethics; continuously improve information security management systems; implement appropriate and effective information security management measures and protective mechanisms to prevent unauthorised access, alteration, disclosure, loss, or destruction of data and information, and safeguard the privacy rights of stakeholders;
- (4) ensure the security of business information related to the Group, and properly retain relevant documents and records until they expire.

III. Supplementary Provisions

1. Continuous Improvement

The Group will, when necessary, revise the Code from time to time according to regulatory and legal changes, updates to industry standards and feedback from stakeholders, and publicly update the content through the official website, ESG reports/sustainability reports and other channels to ensure the continuous 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.