

Zhejiang Dingli Machinery Co., Ltd.

Code of Ethical Business Conduct

Overview

In order to standardize and ensure that the company complies with high business ethics, laws and industry standards, and gain the trust of stakeholders, Zhejiang Dingli Machinery Co., Ltd. (hereinafter referred to as "the Company" or "We") has formulated the "Code of Business Ethics and Conduct" (hereinafter referred to as "the Code"), and requires full compliance with all applicable laws and regulations in the place where we operate.

Area of Application

The Code applies to all employees (including full-time and part-time, labor dispatch, and temporary employees), contractors, visitors, and suppliers.

The applicable provisions of this code are incorporated into the contract management of our suppliers and business partners.

Basic Principle

Be aware, understand, and comply with all laws, regulations, and business practices applicable to their respective activities;

Read, understand, and agree to accept this code in detail, and sign a written commitment letter to demonstrate responsibility;

The Human Resources Department is responsible for training matters to ensure 100% completion of training.

Penalty for Violation

If an employee seriously violates this Code, he/she will be given a warning, disciplinary action, or termination of employment. If he/she violates relevant national laws, it may also result in civil or criminal penalties.

Before taking a punishment action, opportunities will be provided for violators to express their opinions or appeal.

Monitoring

Committed to addressing business ethical risks with a strong governance structure;

We have established the Strategy and ESG Committee under the Board of Directors to guide and supervise our company's compliance activities, including assessing compliance risks, developing standards and policies, and monitoring and investigating compliance related issues;

We have established a leadership group for integrity and self-discipline supervision, with the chairman serving as the group leader and the heads of various functional departments as team members, to accept, investigate, and handle issues of integrity violations and business ethics violations reported by both internal and external parties of the company.

The company strictly protects the information of whistleblowers and does not allow any unit or official to retaliate against any employee who reports true problems.

Manager Responsibility

All managers have a responsibility to set a good example. We hope that management can support responsible behavior and actively create and maintain a responsible work environment. Managers shall provide employees with sufficient information and guidance on this code and related policies.

Anti-corruption and Anti-bribery

We prohibit any form of bribery and corruption, including direct or indirect giving, offering, accepting, or authorizing bribery and other related behaviors. Employees should adhere to the principle of integrity and anti-corruption, abide by laws and regulations as well as relevant regulations on anti-commercial bribery and anti-embezzlement within the company's internal system, and shall not accept bribes, nor use their position or authority to seek improper benefits. We also actively advocate for business partners to follow the same standards.

Anti-monopoly and Fair Competition

We adhere to the principle of fair competition and comply with all laws related to competition, antitrust, and the collection of competitive information. Our employees must be aware of antitrust and competition laws and their impact in their respective business areas. Employees should strictly abide by relevant laws and regulations such as the *Company Law of the People's Republic of China*, and the *Law of the People's Republic of China Against Unfair Competition*, and follow the principles of voluntariness and equality in business activities. It is prohibited to engage in unfair business competition behaviors such as forced buying and selling, and illegal acquisition of competitive advantages.

Anti-harassment

We do not tolerate any kind of harassment or discrimination, and strive to establish and maintain a professional, harassment free, intimidation free, and bullying free workplace. We uphold a zero tolerance attitude towards employee harassment, intimidation, or bullying under any circumstances. This includes any verbal, physical, or visual insults, harassment, or offensive behavior, such as sexual harassment, other harassment, intimidation, and bullying.

International Trade Compliance

Many legal regulations involve cross-border trade, including ensuring that transactions are not used for money laundering or do not involve laws of sanctioned countries or individuals. The company is committed to combating money laundering, providing financial support for terrorism or other illegal criminal activities, and taking appropriate actions to comply with applicable anti-money laundering laws.

Inside Trading

"Insider information" refers to unpublished information that involves a company's operations, finances, or has a significant impact on the market price of the company's securities in securities trading activities, including but not limited to significant investment behavior, entering into important contracts, providing significant guarantees, and other information. The company has revised the *Information Disclosure Affairs Management Policy* and *Insider Registration Management Policy* and others, so that before the disclosure of insider information in accordance with the law, the persons informed of the insider information and those who have illegally obtained the insider information are not allowed to disclose or divulge the information, and not to make use of the information to carry out insider trading.

Conflict of Interest

All employees must act in the best interests of the company and avoid any activities or personal actions that may cause conflicts of interest. When dealing with existing and potential customers, suppliers, and other partners, employees should be polite and friendly, maintain reasonable and good relationships, prioritize the interests of the company, and avoid conflicts between personal interests and company interests. When employees engage in activities, businesses, or transactions that have potential or actual conflicts of interest with the company, they should report to the department head in advance and avoid them. It is prohibited to use their power and position to seek benefits for relatives, friends, or other related personnel, or harm the interests of the company.

Company's Asset

Employees should make every effort to protect the company's assets, including tangible and intangible assets, and effectively use them to expand the company's interests. Tangible assets refer to assets in physical form, such as materials, houses, equipment, and cash; intangible assets include intellectual property, information assets, brand value, reputation, and employee talent.

Information security and confidentiality

Employees should protect confidential information of the company, employees, customers, and other stakeholders. Employees have the right to access confidential and proprietary information within their job responsibilities, but only collect, process, and share personal information in legal

circumstances, and ensure that personal data or confidential information is protected through appropriate technology during transmission and storage. Employees are not allowed to use or disclose confidential information without company authorization or legal authorization. Employees should take appropriate preventive measures and management channels to report data security vulnerabilities as soon as possible, to ensure that confidential or sensitive business information is not disseminated within the company except for employees who require such information to perform their duties. Important confidential positions must sign a *Confidentiality and Non-compete Agreement* with the company. Confidential personnel who resign must sign a confidentiality commitment letter and undergo declassification period management.

Communication with the public and media

To protect the image and reputation of the company, employees, or business partners, only designated authorized employees can represent the company in external communication. We require employees to obtain company approval before giving public speeches, writing articles, or engaging in other public communications on behalf of the company.

Environment, Health and Safety

The company strictly complies with the applicable environmental, health and safety (EHS) laws and regulations in the place of operation, as well as international and corresponding national and local industry standards and requirements. Through training and publicity, we ensure that employees and outsourcing parties know and understand the EHS risks in their business activities, continuously improve the performance of the occupational health and safety management system, and identify, evaluate Prevent and control inherent physical, chemical, and biological risks in business activities.

We actively address climate change, strive to reduce the environmental footprint of products and services in the value chain, prevent pollution, reduce waste, and promote conservation to protect the environment. We are committed to promoting employees to work in a safe, compliant, and environmentally friendly manner, while also encouraging business partners to adhere to the same work principles.

Human Rights

We acknowledge and respect the fundamental principles of the *International Bill of Human Rights*, the *Universal Declaration of Human Rights*, the *Declaration on Fundamental Principles and Rights at Work*, the *Ten Principles of the United Nations Global Compact*, and the *United Nations Principles on Business and Human Rights*. We are committed to prohibiting child labor, forced labor and human trafficking, opposing discrimination and unequal treatment due to differences in gender, age, ethnicity, religious beliefs, marital status, etc., encourage employee diversity, and ensure gender equality and equal pay for equal work.

Equal Employment Opportunities and Anti-discrimination

The company's recruitment process adheres to the principles of fair competition, openness and transparency, and selection based on merit, ensuring equal opportunities for job seekers and avoiding any direct or indirect discrimination. We promise:

We will take practical and effective actions to attract talents from different backgrounds.

Not considering factors such as race, skin color, gender, age, religion, nationality, disability status, sexual orientation, gender identity, marital status, retirement status, or other legally protected identities that may affect employee recruitment, promotion, salary adjustment, and other employment terms and conditions;

Adhere to the principles of fair, equal, and standardized competition, and develop personal development plans and promotion paths based on personnel performance.

Whistleblower Protection Policy

The company has established a strict *Whistleblower Protection Policy*. We encourage employees to report any violations of laws and regulations. The Human Resources Department will respond promptly upon receiving reports of violations. For all reported violations, the company will take them seriously, investigate them carefully, and provide timely feedback to the whistleblower. If the reported violation is substantiated, the company will take corrective measures as needed.

Reporting channels:

- (1) Report the situation to the supervisor or Human Resources Department
- (2) Submit via email. Email: info@cndingli.com
- (3) Report through a free hotline. Phone: 0572-8681627

This policy is in English. In case of discrepancies between the Chinese version of the report and the English version, the Chinese version shall prevail.