

# **Zhejiang Dingli Machinery Co., Ltd.**

## **Code of Business Ethics and Conduct**

### **1. Overview**

Zhejiang Dingli Machinery Co., Ltd. (hereinafter referred to as the 'Company' or 'we') adopts a zero-tolerance policy towards violations of business ethics, firmly opposing any form of corruption and unfair competition. We are committed to fostering an honest and transparent working environment.

To this end, the Company has formulated this 'Code of Business Ethics and Conduct' (hereinafter referred to as the 'Code'), and requires strict compliance with all applicable laws and regulations in the regions where we operate.

#### **1.1 Scope**

This Code applies to all employees (including full-time, part-time, dispatched, and temporary employees), contractors, visitors, and suppliers. Relevant provisions are also incorporated into the Company's contracts with suppliers and other business partners.

#### **1.2 Fundamental Principles**

- Understand and comply with all applicable laws, regulations, and business practices in daily operations;
- Carefully read, fully understand, and sign to acknowledge acceptance of this Code;
- Complete mandatory training sessions organized by the Human Resources Department, with a 100% completion rate.

#### **1.3 Governance Responsibilities**

The Company has established a Strategy and ESG Committee under the Board of Directors to guide and oversee compliance activities, including risk assessment, policy development, monitoring, and investigation of compliance matters.

An Integrity and Discipline Supervision Task Force, led by the Chairman of the Board, has been set up to handle reports, investigations, and resolutions related to ethical and disciplinary violations:

- Acceptance: Timely acceptance of complaints and reports regarding employee misconduct. Serious issues must be recorded and reported to the Chairman;
- Investigation: For substantiated misconduct, the Task Force shall submit evidence and written investigation reports to the Chairman;
- Resolution: Based on evidence and statements, the Task Force shall make unified decisions and issue disciplinary actions.

## **1.4 Penalties for Violations**

Employees who seriously violate this Code may face warnings, disciplinary action, or termination depending on the severity. If a violation constitutes a breach of law, the Company will pursue civil or criminal liability. Employees will be given the opportunity to explain or appeal before disciplinary decisions are finalized.

## **1.5 Responsibilities of Management**

Managers must lead by example, actively support and promote a responsible work environment, and ensure employees are well-informed, guided, and supported in understanding and complying with this Code.

## **2. Code of Business Ethics and Conduct**

### **2.1 Providing High-Quality Products and Services**

The Company focuses on the R&D, manufacturing, sales, and services of intelligent aerial work platforms. As a tool for elevated work with personnel, aerial work platforms can effectively ensure safety in high-altitude operations and reduce the risk of falls. Therefore, manufacturers are required to pay more attention to product quality and fully safeguard the health and safety of customers and users.

- **Quality Control:** Certified under multiple international quality management systems, we have established a comprehensive system centered on the Chairman, covering quality control, issue warning, accountability tracing, and dynamic monitoring, with strict implementation of product quality inspections.
- **Eco-Design:** The Company pays close attention to carbon emissions throughout the entire product lifecycle. At the design stage, we consider lifecycle carbon emissions, adopt energy-saving designs, electrification solutions, reduction of waste and emissions, biodegradable materials, and remanufacturing processes to reduce environmental impact.
- **Responsible Sales:** While providing high-quality products and services, the company also fulfills its corresponding social responsibilities, with a focus on compliance, environmental and social responsibility. Business activities are in accordance with relevant laws, regulations, and business ethical standards.

### **2.2 Anti-Corruption and Anti-Bribery**

The Company prohibits any form of bribery and corruption, whether direct or indirect giving, offering, accepting, or authorizing bribery. Employees must uphold integrity, comply with laws, internal regulations against commercial bribery and embezzlement, and must not exploit their positions or authority for personal gain. We also expect our business partners to adhere to same ethical standards.

### **2.3Anti-Monopoly and Fair Competition**

The company adheres to the principle of fair competition and complies with all laws related to competition, antitrust, and the collection of competitive information. Our employees must understand antitrust and competition laws and their impact on their respective business areas. Employees should strictly follow the provisions of *Anti-Monopoly Law of the People's Republic of China*, *the Anti-Unfair Competition Law of the People's Republic of China*, and other relevant legal regulations, and ensure voluntary and equal principles in business activities, oppose fraud, and prohibit unfair competitive practices such as forced buying and selling, or illegal acquisition of competitive advantages.

### **2.4Anti-Money Laundering and International Trade Compliance**

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

### **2.5Insider Trading**

'Insider information' refers to information that has not been publicly disclosed and relates to the company's operations, finances, or information that could significantly affect the market price of its securities. This includes, but is not limited to, major investment activities, the signing of important contracts, or the provision of significant guarantees. The company has revised its 'Information Disclosure Management System' and 'Insider Information Insider Registration Management System.' Before insider information is legally disclosed, those who are privy to such information and those who obtain insider information illegally are prohibited from disclosing or leaking this information or using it for insider trading.

### **2.6Conflict of Interest**

All employees must act in the best interests of the company and avoid any activities or personal behaviors that could lead to conflicts of interest. Employees should treat existing and potential clients, suppliers, and other partners with courtesy, kindness, and maintain reasonable and positive relationships, prioritizing the company's interests and avoiding conflicts between personal and company interests. If employees engage in activities, businesses, or transactions that may involve or cause a potential or actual conflict of interest with the company, they must report it to their department supervisor in advance and recuse themselves from the situation. It is prohibited to use their position or authority to gain improper benefits for family members or others, thereby harming the company's interests.

## **2.7 Company Assets**

Employees should make every effort to protect the company's assets—both tangible assets (such as materials, buildings, equipment, and cash) and intangible assets (including intellectual property, information assets, brand value, reputation, and employee skills)—and use them effectively to enhance the company's interests.

## **2.8 Information Security and Confidentiality**

Employees should protect the confidential information of the company, employees, customers, and other stakeholders. Within the scope of their job responsibilities, employees are authorized to access confidential and proprietary information, but only collect, process, and share personal information in a lawful manner. They must ensure that personal data or confidential information is protected through appropriate technical measures during transmission and storage. Without authorization from the company or legal permission, employees must not use or disclose confidential information. Employees should take appropriate preventive measures and proper management channels to report data security vulnerabilities promptly, ensuring that confidential or sensitive business information does not circulate within the company beyond the employees who need such information to perform their duties. Employees in critical confidential positions must sign a 'Confidentiality and Non-Compete Agreement' with the company. Confidential personnel leaving the company must sign a 'Confidentiality Commitment upon Departure' and undergo a declassification period management.

## **2.9 Communications with the Public and Media**

External communications must be handled by authorized personnel to protect the image and reputation of the company, employees and business partners. Employees must obtain prior approval before making public statements, publishing articles, or participating in public activities on behalf of the Company.

## **2.10 Environmental, Health, and Safety (EHS)**

The company strictly adheres to the applicable Environmental, Health, and Safety (EHS) laws and regulations in the locations where it operates, as well as international and relevant national and local industry standards and requirements. Through training and awareness programs, we ensure that employees, subcontractors, and other stakeholders are aware of and understand the EHS risks associated with our business activities. We continuously improve the performance of our occupational health and safety management system, focusing on identifying, assessing, preventing, and controlling the inherent physical, chemical, and biological risks in our business operations.

## **2.11 Addressing Climate Change**

We actively respond to climate change and work proactively to reduce the environmental footprint of our products and services throughout the value chain, actively preventing pollution, minimizing waste, conserving resources, and encouraging all employees to work in a safe, compliant, and environmentally friendly manner, while also encouraging our business partners to adhere to the same principles.

## **2.12 Human Rights**

We acknowledge and respect the fundamental principles outlined in *the International Bill of Human Rights*, *ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up*, *the Ten Principles of the UN Global Compact*, and *the UN Guiding Principles on Business and Human Rights*. We are committed to prohibiting child labor, forced labor, human trafficking, and discrimination or unfair treatment based on gender, age, ethnicity, religion, marital status, or other differences. We encourage workforce diversity, ensuring gender equality and equal pay for equal work.

## **2.13 Anti-Harassment**

We do not tolerate any form of harassment or discrimination and work proactively to establish and maintain a professional workplace free from harassment, intimidation, and bullying. Under no circumstances do we condone harassment, intimidation, or bullying behaviors towards employees. This includes any verbal, physical, or visual insults, harassment, or offensive behaviors such as sexual harassment, other forms of harassment, intimidation, and bullying.

## **2.14 Equal Employment Opportunity and Non-Discrimination**

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

- Taking effective actions to attract talent from diverse backgrounds.
- Ensuring no discrimination in hiring, promotion, or compensation based on race, ethnicity, age, religion, gender, disability, marital status, or other protected characteristics;
- Upholding fair, equal, and standardized competition principles, developing individual development plans and promotion paths based on performance.

## **Whistleblower Protection Policy**

The company has established a strict 'Whistleblower Protection Policy.' We encourage employees to report any violations of laws and regulations. Upon receiving a report of a violation, the Human Resources department will respond promptly. All reported violations will be dealt with seriously, investigated thoroughly, and feedback will be provided to the

whistleblower in a timely manner. If the reported violation is substantiated, the company will take corrective actions as necessary.

**Reporting Channels:**

- Report to supervisors or the Human Resources Department;
- Email: [info@cndingli.com](mailto:info@cndingli.com);
- Hotline: 0572-8681627.

This Code has been reviewed and approved by the Board Strategy and ESG Committee to ensure its alignment with our ESG strategy.

The Board Strategy and ESG Committee will regularly review declarations and performance related to business activities to ensure full implementation of the Code.