

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

## **Labor Rights Protection Policy**

### **Overview**

Zhejiang Dingli Machinery Co., Ltd. (hereinafter referred to as ‘the Company’ or ‘we’) firmly believes that talent is the core driving force for sustainable enterprise development. We are committed to continuously optimizing talent development pathways and building a comprehensive employee training system, aiming to provide employees with comprehensive welfare and care. We advocate and strive to create an equal, inclusive, comfortable, safe, and harmonious working environment, enabling every employee to fully realize their potential, achieve personal value, and jointly promote the company’s prosperity and development.

### **Statement and Commitment**

The Company solemnly commits to strictly comply with labor rights protection-related laws, regulations, and international initiatives. These laws and regulations include but are not limited to *the Labor Law of the People’s Republic of China, the Labor Contract Law of the People’s Republic of China, the Civil Code of the People’s Republic of China, and the Regulations on the Prohibition of Child Labor*, among other domestic laws. Meanwhile, we actively respond to and adhere to international initiatives such as *the Universal Declaration of Human Rights, the United Nations Global Compact, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work*, and core conventions and supplementary protective measures of the International Labour Organization to ensure full protection of every employee’s rights.

### **Scope of Application**

The Company ensures this policy applies to all employees, including full-time, part-time, labor dispatch, and temporary staff, throughout the entire commercial operation process. Additionally, we actively encourage suppliers, contractors, and other partners and stakeholders to jointly comply with this policy.

During implementation, this policy will fully consider and comply with the laws and regulations of the countries or regions where operations are conducted to ensure compliance while fully protecting the rights and interests of employees and partners.

### **Governance Responsibilities**

In terms of labor rights management, the Company has established a top-down leadership system centered on the Chairman of the Board. The Chairman is the highest responsible person for the Company’s labor rights management work, comprehensively leading and supervising the execution of related affairs. The Human Resources Department serves as the dedicated functional body responsible for the daily management and execution of labor rights.

The Human Resources Department employs dedicated personnel responsible for key tasks such as employee recruitment, training, union organization, performance appraisal and supervision, rewards and incentives, and whistleblower protection. These personnel uphold the Company's labor rights values, ensuring effective implementation of management measures to safeguard employees' legal rights and promote sustainable development.

### **Prohibition of Child Labor and Forced Labor**

- The Company identifies and assesses potential impacts of child labor, forced labor, or human trafficking issues and takes corresponding measures based on impact levels to avoid related incidents.
- The Company resolutely prohibits employing child labor. Child labor refers to minors under 16 years old who establish a labor relationship with entities or individuals and engage in labor with economic income or individual labor. For adolescent workers (those above the defined child age but under 18), the Company ensures their work complies with laws, regulations, and relevant protective policies. We commit that all formally employed workers (under all forms of employment) are aged 18 or above.
- Age verification is mandatory during recruitment. The Company carefully verifies candidates' information and background by checking personal identification documents and retains valid age verification records to prevent employing child labor in any form.
- The Company does not engage in any form of human trafficking or forced labor.
- Through internal feedback and grievance mechanisms and on-site audits, the Company ensures all employment is voluntary, prohibits threats, coercion, forced labor, fraud, or other exploitative practices, and forbids confiscation of employees' identification documents or other legal certificates.

### **Prohibition of Occupational Discrimination**

- The Company explicitly prohibits discrimination or differential treatment of employees based on professional status, experience, qualifications, gender, age, health status, background, or other factors.
- Recruitment strictly follows principles of fairness and impartiality, forbidding discriminatory selection and ensuring equal opportunity for all candidates.
- The Company provides equal training and development opportunities, prohibiting restrictions on employees' eligibility to participate in training due to discriminatory factors.
- A fair promotion mechanism is established, based on employees' ability, performance, and contributions, ensuring transparency and fairness in promotions.
- A dedicated complaint channel exists for occupational discrimination, ensuring confidentiality and fairness during the complaint process.

## **Equal Employment Opportunity and Anti-Harassment**

- The Company adheres to principles of fair competition, openness, transparency, and merit-based selection to ensure equal opportunity for all job applicants in recruitment. We firmly oppose discrimination in recruitment decisions based on gender, age, race, religion, disability, marital status, maternity status, sexual orientation, or other protected factors. We are committed to fostering a diverse, equal, and inclusive corporate culture to promote innovation and development.
- The Company resolutely opposes all forms of workplace harassment, including but not limited to sexual harassment, threats, intimidation, and more. We respect each employee's dignity and rights, striving to create a safe, harmonious, and respectful work environment. All harassment incidents will be dealt with seriously according to laws and regulations, protecting victims' rights. We encourage employees to report harassment and provide necessary support and protection.

## **Employee Rights Protection**

- The Company recognizes employees' rights to freedom of association and collective bargaining.
- A labor union has been established to protect employees' vital interests; all employees are eligible to join. Employees may raise demands through the union and negotiate with management.
- The Company improves complaint scope, channels, and handling procedures to ensure timely reception and processing of employee opinions and feedback.
- The Company respects and protects human rights and endeavors to identify, reduce, and prevent human rights risks within the company and its supply chain.

## **Working Hours**

The Company follows national laws and regulations regarding working hours and defines maximum work hours within normal work cycles based on actual circumstances.

## **Employee Compensation and Promotion**

- The Company insists on equal pay for equal work, fully respecting labor contributions and achievements. Discrimination based on ethnicity, nationality, religion, gender, nationality, age, marital status, disability, maternity status, or sexual orientation is strictly prohibited. Salary structures vary by rank and position.
- Equal treatment and opportunities for career development are guaranteed for all employees.
- The Company implements the 'Red Ding Talent Project,' establishing a 'junior—mature—elite' three-stage cultivation model, providing strong support for diversified career development paths.
- Beyond base salary, the Company has established an incentive-based performance

compensation mechanism covering all employees, achieving a win-win between employees and the enterprise.

- During annual leave, the Company commits to paying full salary based on normal work-period wages, ensuring employees receive the same compensation as during regular work.

### **Employee Welfare and Care**

The Company provides multidimensional welfare and care, including but not limited to:

- Free shuttle buses, free meals, social insurance and housing funds, gift packages, health check-ups, team-building events, and annual parties.
- Support for employees' family life and health: employee dormitories and talent apartments are provided. Dormitories are double-room suites offering comfortable, convenient, high-quality living environments; assistance with household registration and children's schooling is provided.
- Attention to employees' physical and mental health: facilities such as book bars, gyms, coffee shops, yoga rooms, and reading rooms help balance work and life, improving belonging and happiness.
- Assistance to employees in difficulty: a special fund supports employees and families facing hardship or hospitalization with material and financial aid to reduce their burdens.

### **Employee Growth and Development**

- The Company has built a multi-level talent cultivation system, primarily self-training supplemented by external training, to help employees improve skills and professional competence. Training includes job skills, management knowledge, comprehensive quality, mental health education, leadership training, and more, empowering employees as needed.
- Employees are encouraged to pursue on-the-job further education, including degrees, professional titles, and certification exams at higher education institutions or training centers, continuously learning, growing, and surpassing to realize personal value.

### **Employee Health and Safety**

- The Company has established a comprehensive occupational health and safety system, ensuring employee and representative participation in process formulation.
- Regular workplace safety inspections are conducted to ensure compliance with safety standards.
- Safety equipment maintenance and upgrades are emphasized to keep equipment in good condition.
- Employees are provided with personal protective equipment meeting safety standards and are ensured proper usage.

- Comprehensive safety training is offered to all employees, equipping them with necessary safety knowledge and skills to effectively prevent workplace accidents and occupational diseases.
- Health and safety requirements also apply to suppliers and contractors, requiring their compliance with related standards.

### **Whistleblower Protection**

The Company has formulated a strict 'Whistleblower Protection System.' We encourage employees to report any violations of labor rights protection laws, regulations, or this policy. The Human Resources Department will respond promptly upon receiving reports. All reported violations will be seriously handled, thoroughly investigated, and feedback will be provided to whistleblowers in a timely manner. Verified violations will be corrected accordingly.

### **Reporting Channels:**

Reporting to supervisors or the Human Resources Department;

Email: [info@cndingli.com](mailto:info@cndingli.com);

Toll-free hotline: 0572-8681627

This system has been reviewed and approved by the Board's Strategy and ESG Committee to ensure alignment with our ESG strategy.

The Board's Strategy and ESG Committee regularly reviews the Company's labor rights policies and performance to ensure implementation and oversight.