

Supplier Code of Conduct

Part I: General Provisions

Shenzhen INOVANCE Technology Co., Ltd. (hereinafter referred to as "INOVANCE Technology"), an innovative high-tech enterprise specialized in the research and development, production, and sales of industrial automation products, operates primarily by providing clients with tailored solutions backed by proprietary industrial automation control technologies. INOVANCE Technology aims to grow in tandem with its customers' value, powered by the mission of advancing industrial civilization and co-creating a better life, and guided by core values as Customer first, contributor oriented, uphold to openness and cooperation, strive for excellence.

Collaborations between INOVANCE Technology and its suppliers are built upon mutual consensus in ethical values and sustainability practices. The requirements and principles outlined in this code of conduct are integral components of initial contractual obligations and agreements between suppliers and INOVANCE Technology.

Each supplier is bound by obligation to adhere and assist in the following principles, and must regularly organize related training sessions for their employees. Furthermore, this code is fully applicable to any downstream suppliers or third parties engaged by the supplier to fulfill contracts with INOVANCE Technology. As such, it is imperative that the supplier incorporates this code of conduct into their own contracts, ensuring all subsequent suppliers are under the same binding obligations.

This 'INOVANCE' comprehensively refers to Shenzhen INOVANCE Technology Co., Ltd. and its subsidiaries. The term 'supplier' herein designates any individual or entity that supplies raw materials, products, or services directly or indirectly to INOVANCE Technology.

Part Two: Code of Regulations

1、 Principle of compliance

All actions, measures, contracts, and other business activities by the Supplier shall strictly comply with all pertinent laws and regulations, including but not limited to the following:

- Paying due taxes lawfully;
- Adhering to fair competition and anti-monopoly laws;
- Prohibiting any form of bribery and money laundering;
- Complying with existing technical standards;
- Obtaining necessary government approvals;
- Adhering to export control laws and regulations;
- Respecting and complying with third-party laws on intellectual property, data protection, and other legal stipulations related to privacy and security;

- Safeguarding and complying with environmental regulations and standards.

2、 Collaboration with Integrity and transparency

Supplier compliance with applicable anti-bribery laws is mandatory. Ensure that in dealings with INOVANCE Technology, they are not securing orders or preferential treatment by offering, promising, or giving undue benefits to INOVANCE Technology employees, through their own personnel, subcontractors, or agents. This principle extends to agreements with other third parties related to contracts with INOVANCE Technology or otherwise.

3、 Business Secret and Intellectual Property Protection

INOVANCE Technology may share confidential information and intellectual property-related information with suppliers during business activities. When handling the secrets of INOVANCE Technology, suppliers should comply with the confidentiality agreements signed with both parties, taking appropriate measures to safeguard INOVANCE Technology's secrets from improper disclosure, theft, or misuse.

Suppliers must ensure that in their daily operations, they do not violate others' trade secrets and intellectual property, and take appropriate actions to guarantee that their business activities related to INOVANCE Technology do not infringe upon anyone's intellectual property or confidential information.

4. Business Ethics

4.1 Anti-Business Bribery: Suppliers shall strictly abide by the provisions in Article 2 and establish internal control systems covering anti-corruption, anti-unfair competition, anti-money laundering, and conflicts of interest, as well as conduct integrity education, publish hotlines for complaints, monitor, and diligently investigate illegal and disciplinary behaviors.

4.2 Anti-Business Fraud: Suppliers shall adhere to the highest standards of integrity in their business activities with Hworks Technology to safeguard the interests of Hworks Technology. This includes but is not limited to not engaging in any activities such as bidding rings, collusion, price manipulation, or failing to honor the bid after winning, as well as eliminating dishonest, deceptive, false, or fabricated behaviors that violate the principles of good faith and creditworthiness.

4.3 Fair Competition: Suppliers shall abide by the principles of fair competition, observing all relevant national and local regulations concerning anti-unfair competition and anti-monopoly activities. They are prohibited from making false or misleading statements or insinuations about competitors in the market, as well as malicious defamation of competitors.

4.4 Conflict Minerals: If the supplier's product contains tungsten, tin, tantalum, gold, or any of their derivatives:

- 1) Suppliers are required to establish policies and take necessary actions to ensure that they do not directly or indirectly procure minerals from conflict regions, and to sign the "Huikuan Technology Conflict Minerals Commitment."
- 2) Advocate to its suppliers the requirement of "no conflict minerals," conducting due diligence on the sources of these minerals.

5. Labor and Human Rights

5.1 Prohibition of Child Labor:

- 1) Employees hired by suppliers and their related business partners must meet the country or region's 法定 minimum age requirements for employment as stipulated by local laws.
- 2) Suppliers should establish procedures for verifying employees' identifications and ages.
- 3) Suppliers should establish child labor rescue procedures;

5.2 Prohibition of Compulsory Labor and Punitive Measures:

- 1) Suppliers respect employees' freedom rights, including freedom of employment, freedom of resignation, freedom to work overtime, and freedom of movement, among others. They are prohibited from engaging in any action that restricts labor freedom and must not withhold employees' wages, benefits, properties, or identification documents, etc.
- 2) Suppliers shall only use voluntary labor. They shall neither employ nor facilitate 任何形式 of modern slavery, trafficking in people, or forced labor, including but not limited to coerced, bonded/slave-tauheed, contractual obligations, or the use of involuntary prison labor.
- 3) The supplier guarantees that it does not use physical punishment, physiological coercion, or verbal abuse against its employees.

5.3 Discrimination and Harassment: Suppliers shall ensure that their employees are not discriminated against in recruitment, training, promotion, or any other aspects of employee management based on gender, age, religious beliefs, ancestry, social status, background, disability, race and ethnic origins, nationality, membership in worker organizations, political affiliation, sexual orientation, or any other personal characteristics. Suppliers shall not engage in or tolerate any form of sexual harassment or abuse.

5.4. Labor Organization and Collective Bargaining: Suppliers respect the individual rights of their employees. Employees have the freedom to organize unions, engage in associations, and exercise their right to collective bargaining. Unions and employee representatives are not subject to discrimination and are able to communicate with union members in the workplace.

5.5 Protection of Student Workers and Minors: Suppliers shall rigorously safeguard the lawful rights

and interests of student workers or minors, adhering to the requirements of relevant laws and regulations. This includes but is not limited to:

- 1) Enter into a tripartite agreement with the students and the educational institutions they are affiliated with;
- 2) Organize work schedules for student workers reasonably, provide accurate remuneration promptly, and refrain from deducting any unjustifiable fees at will.
- 3) Prohibit minor workers (those aged 16 to 18) from undertaking any work that poses risks, including heavy physical labor, night shifts, and work involving chemicals or hazardous materials.

5.6 Protection of Women Employees' Rights: Prohibited from assigning pregnant, lactating, or postpartum women to environments with high-risk work conditions or having them engage in physical labor of the third level specified by the state labor intensity classification. No overtime or night shifts should be assigned to them.

5.7 Working Conditions:

- 1) Benefits: Suppliers must strictly adhere to local government requirements regarding minimum wage standards and pay overtime as stipulated by labor laws. They should ensure that the wages received by employees are sufficient to cover their basic living expenses and should under no circumstances withhold or delay payment of wages.
- 2) Working Hours: Suppliers should adhere to the labor law provisions regarding working hours, reasonably schedule production and employee rest, and refuse any practice of forcing employees to work overtime.

5.8 Occupational Health and Safety: Suppliers shall provide safe, hygienic, health-promoting, and productive working conditions for employees.

- 1) Equip the premises with fire apparatus and emergency lights as required by the Fire Code, ensure unobstructed fire escape routes, store and use hazardous materials according to regulations, and take measures to eliminate fire risks.
- 2) Chemical hazardous materials should be managed with specific administrative documents and stored separately in suitable hazardous chemical warehouses, taking measures to prevent leaks. The transportation vehicles of chemicals should comply with national regulations. During transportation, precautions should be taken to prevent fires and explosions in case of emergencies.
- 3) Machinery and equipment must be installed with safety protection devices, and adequate and effective personal protection equipment must be provided for employees.
- 4) Identify potential risk factors, regularly arrange safety training and drills for employees to prevent accidents; establish appropriate reporting and investigation systems for incidents.
- 5) Develop emergency response plans for accidents and conduct drills.

6. Environmental Responsibility

6.1 Suppliers should adhere to applicable environmental protection laws and regulations in their country or region, endeavoring to protect and improve the natural environment, and integrate sustainable development strategies into their practices.

6.2 Compliance Requirements: Suppliers should acquire the environmental protection permits required by the government (Environmental Impact Registration Forms, or Environmental Impact Assessment (EIA) Forms and approvals from relevant government departments, or EIA Reports and approvals from relevant government departments).

6.3 Decarbonization Goals: Suppliers should take actions to respond proactively to INOVANCE Technology's "2850" and "3030" decarbonization targets (To achieve operational carbon peaking by 2028 and operational carbon neutrality by 2050 and To reduce major suppliers' GHG emissions by 30% compared to 2021 by 2030).

6.4 Greenhouse Gas Emissions and Energy Consumption Management: Suppliers should reasonably manage energy consumption and greenhouse gas emissions, establish a system for greenhouse gas emissions and energy consumption management, set reasonable targets and strategies, and prohibit the use of high-energy-consuming equipment and processes that have been deprecated.

6.5 Resource Efficiency: Suppliers should adhere to the principles of energy conservation, material reduction, and productivity enhancement. They should judiciously utilize energy sources and resources (including water, electricity, gas, diesel, gasoline, paper, packaging materials, and raw materials of their products), implementing effective technical and management solutions to optimize the use of these resources. They should thoroughly explore the viability of using recycled and recyclable materials, encompassing both raw materials and packaging materials.

6.6 Pollution Prevention and Waste Management: Suppliers shall strictly adhere to relevant laws, regulations, and standards related to environmental protection. Handling and disposing of waste generated by factories in accordance with relevant requirements, and responsibly managing or recycling the waste produced in business operations.

Solid waste; and to adopt appropriate measures to reduce the amount of pollutants discharged.

1) Industrial sewage, exhaust gases (such as that from diesel generators, boilers, kitchen fumes, and volatile organic compound emissions), and 噪音 must be treated to meet the required standards before being discharged.

2) If there are industrial hazardous wastes (those listed in the National List of Hazardous Wastes), they should be sorted for collection and then handed over to a competent entity for processing.

6.7 Biodiversity: Suppliers should fully consider the impact of their operational activities on the local natural environment and work to protect it.

7. Management System

Suppliers are expected to develop management systems, codes of conduct, and measures on business ethics, labor, human rights, and environmental responsibility. These should be regularly audited, reviewed, and widely communicated to facilitate continuous improvement. In the event of identified non-compliance with legal requirements and not meeting Goldwind's expectations, immediate corrective and preventive actions should be taken and implemented, with appropriate records kept.

Part Three: Report Hotline

Suppliers can lodge complaints against individuals and behaviors that breach business ethics through the following channels, which may include but are not limited to acts of corruption, unfair competition, fraud, and money laundering, among others. INOVANCE Technology will take appropriate measures to ensure the confidentiality of informants' information and suppliers are prohibited from retaliating against informants.

- (1) INOVANCE Board hotline: 18682215740
- (2) INOVANCE Technology Ethics Email: hcsj@inovance.com
- (3) Lianjie INOVANCE WeChat channel: [inovance-lianjie](#)