

# TZE ESG Code of Conduct for Partners

## 1. Introduction

TCL Zhonghuan Renewable Energy Technology Co., Ltd. and its subsidiaries (referred to as "TZE", "we" and "the company") actively integrate the international ESG trends and deeply integrate the concept of sustainable development into the daily operations of all industries. In order to ensure the continued healthy development and virtuous cycle of our business cooperation with our partners, establish compliance standards and ethical requirements that are suitable for our business, and build partnerships based on trust, honesty, candor and integrity, the "TZE ESG Code of Conduct for Partners" (hereinafter referred to as the "Code of Conduct") was formulated.

## 2. Suitable

This Code of Conduct applies to all partners across all countries of TZE and its subsidiaries, including but not limited to material and equipment suppliers, service providers, constructors, tenants, dealers, agents, and subcontractors.

## 3. Code of Conduct

### 3.1 Environmental Protection

1 ) Should comply with all applicable national and regional environmental protection laws, regulations, permits, emission standards, etc., take preventive measures against pollution, assume greater responsibility for environmental protection, and encourage the development and promotion of environmentally friendly technologies.

2 ) Environmental protection management policies and management mechanisms should be formulated, environmental protection-related procedural documents and management systems should be established, and the responsibilities of top managers, departments and positions should be clarified.

3 ) Climate change risks and opportunities related to operational activities should be identified, and management should regularly review and supervise environmental performance goals and action strategies to comprehensively improve climate governance capabilities.

4 ) Should respond to the national "dual carbon" strategy, actively carry out analysis of its energy consumption structure, regularly hire third-party organizations to conduct inventory of greenhouse gas emissions in all aspects of its own operations, formulate

carbon reduction targets and achieve its own green and low-carbon transformation through the use of renewable energy, low-carbon product design, lean manufacturing and other methods, and cooperate with TZE to complete product carbon footprint certification when necessary .

5 ) Pay great attention to the sustainable use of water resources, conduct a comprehensive assessment and analysis of the current development and utilization of water resources, the rationality of water use, and the possible impacts and protection measures of water withdrawal in the location of production and operation, and adopt reasonable water withdrawal measures. Identify key links with high water consumption and large sewage discharge in production and operation, and set corresponding water-saving goals and action plans.

6 ) In accordance with relevant laws and regulations, acidic waste gas, alkaline waste gas, organic waste gas, dust, etc. generated during the production process should be equipped with corresponding purification equipment for treatment to ensure that all types of air pollutants are discharged in compliance with standards.

7 ) All waste generated during production and operation should be identified, entrusted to qualified units for timely transfer and processing, and registered through the hazardous waste transfer platform of the environmental protection department before disposal. Conduct audits and regular inspections on the qualifications and technical capabilities of the entrusting units, and track each batch of transferred waste, especially the transfer and disposal of hazardous waste.

8 ) Environmental protection publicity, training and education should be strengthened to improve employees' environmental awareness, improve resource efficiency, and reduce resource consumption.

9 ) Should comply with all applicable laws and regulations regarding the prohibition or restriction of specific substances, and ensure that all products and manufacturing processes do not contain substances in the customer's restricted substances and hazardous substances lists, and strive to promote itself to pass environmental certification and comply with relevant regulations.

10 ) Chemical substances and other substances that may cause danger when released into the environment should be identified and controlled to ensure that these substances are safely handled, transported, stored, used, recycled or reused and disposed of.

11 ) All necessary environmental protection-related licenses should be obtained,

maintained and updated and registered on the corresponding platforms, as well as comply with their use and reporting requirements.

12 ) During project development, construction and operation activities, pay attention to the ecological environment, biodiversity, land conservation and no deforestation.

13 ) When necessary, TEZ may require partners to pass ISO 14001 environmental management system certification.

### **3.2 Human Rights and Labor**

1 ) Prohibition of child labor: It is strictly prohibited to hire or use child labor. When the country or local law in which we operate stipulates a higher compulsory education age or minimum working age , the highest age shall prevail. "Child labor" refers to the employment of children or adolescents, except in circumstances that are acceptable under the Minimum Age Convention of the International Labor Organization (ILO) 1973. If partners discover child labor, they should take immediate remedial measures, which should protect the best interests of the child laborers. Partners should ensure that employees under the age of 18 will not engage in hazardous work. "Hazardous work" in this Code refers to the following working environments that expose employees are exposed to the following: being physically, mentally or sexually assaulted; underground, underwater, high altitude and confined spaces; requiring the use of dangerous machinery, instruments and tools, or handling or transporting heavy objects; exposure to harmful substances, chemicals, processes, temperature, noise or vibration; long working hours, night work or unreasonable restrictions, and other difficult environments.

2 ) Prohibition of forced and compulsory labor: Partners shall not use or support the use of forced and compulsory labor, including prison labor, as specified in the ILO Forced Labor Convention, 1930 ( No. 29 ) , nor shall they require employees to pay "deposit" at the beginning or withhold identity documents. Partners or entities providing labor to partners may not withhold wages, benefits, property, or credentials from workers to compel employees to continue working. Partners shall ensure that no employment placement fees or other fees paid by workers are collected in whole or in part. Employees have the right to leave the workplace after completing the stipulated working hours. Employees are free to terminate the employment contract after giving the company a reasonable notice period. It should be ensured that there is free choice and no coercion between the employee and the company.

3 ) Freedom of association and collective bargaining: all persons have the right to freely form, join and organize labor unions, and to engage in labor negotiations on behalf of themselves and the organization. Organizations should respect this right and should effectively inform employees that they are free to join a workers' organization of their choice without adverse consequences or retaliation from the company. Partners shall not be involved in any way in the establishment, running or administration of such workers' organizations or collective bargaining. Where freedom of association and collective bargaining rights are restricted by law, partners should allow workers to freely choose their own worker representatives.

4 ) Anti-discrimination and anti-harassment: In matters involving employment, remuneration, training opportunities, promotion, dismissal or retirement, partners shall not tolerate or support discrimination based on race, ethnicity, geographical or social origin, social class, ancestry, religion, physical disability, gender, sexual orientation, family responsibilities, marital status, labor union membership, political opinion, age or other discrimination. Partners shall not interfere with employees' exercise of their rights to observe beliefs and customs or satisfy employees regarding race, national or social origin, social class, ancestry, religion, disability, gender, sexual orientation, family responsibilities, marital status, trade union membership, political opinion or any other needs that may give rise to discrimination. No threatening, abusive, exploitative and sexual harassment behavior, including gestures, verbal and physical contact, and any other form of non-sexual harassment shall be permitted in the workplace and/or in residences and other places leased and contracted by the company from other parties and made available for the use of employees.

5 ) Punitive Behavior: Partners should treat all people with dignity and respect, and must not engage in or support corporal punishment, mental or physical coercion, and verbal insults. Nor should employees be treated harshly or inhumanely.

6) Employee income: Partners should ensure that the salaries paid to employees meet the legal minimum wage standards of the country where they operate and cannot be lower than the local minimum wage standards. Partners shall ensure that no wage deductions are made for disciplinary purposes unless the following conditions are met: such disciplinary deductions are permitted by national law; and consent to free collective bargaining is obtained. Partners should ensure that the composition of wages and benefits is clearly stated in writing to employees in each pay period; partners should also

ensure that wages and benefits are fully compliant with all applicable laws and paid in a form that is convenient for employees. Partners should ensure employees' rest time in accordance with the relevant laws and regulations of the place where they operate, and must not force employees to work overtime. Employees have the right to refuse to work overtime. If overtime is required due to special circumstances, partners should negotiate with employees and pay overtime pay in accordance with legal provisions. At the same time, ensure that employees' weekly working hours comply with relevant regulations in the locations where partners operate.

7 ) Employment relationship: Partners should ensure that they sign labor agreements with all employees that contain easy-to-understand employment conditions, and do not adopt false apprenticeship systems or other systems to circumvent the obligations owed to employees under the applicable laws involving labor and social security regulations.

### **3.3 Occupational Health and Safety**

1 ) Partners must comply with the laws and regulations of the corresponding country and region and identify hazards and risks in the workplace, such as chemicals, noise, dust, etc. Truthfully inform employees of the above situation, provide prescribed and appropriate occupational health and safety training, keep records of these trainings, and provide complete personal protective equipment. Continuously improve health and safety, eliminate hazards and reduce risks wherever possible.

2 ) Potential hazards encountered by employees in the workplace should be controlled through correct design, engineering and management controls, preventive maintenance, safe operating procedures (including lockout /tagout) and ongoing safety knowledge training (electric shock, fire, mechanical injury, object strike, falling from height, vehicle injury, etc.). If the hazard cannot be effectively controlled by the above methods, employees should be provided with appropriate, well-maintained personal protective equipment. Discipline should not be used to increase employee safety awareness.

3 ) Procedures and management systems should be developed to prevent, manage, track and report occupational injuries and diseases, including the following provisions: a) encourage employees to report; b) classify and record cases of injuries and diseases; c) provide necessary treatment; d) Investigate cases and implement corrective actions to eliminate similar situations; e) Assist employees in returning to work.

4 ) Employees should be provided with a safe and healthy working environment and

protection, apply for work-related injury insurance for employees in accordance with the law, actively prevent work-related accidents, regularly carry out occupational hazard factor detection and occupational disease health examinations for employees on the job, and effectively protect the health of employees.

5 ) Emergency situations and incidents should be identified and assessed and their impact minimized by implementing emergency plans and emergency procedures, including: appropriate fire detection and suppression equipment, adequate exit facilities, emergency reporting, employee notification and evacuation steps , safety training, drills and recovery plans. Such programs and procedures should minimize hazards to persons, the environment, and property.

### **3.4 Business Ethics**

1 ) The highest standards of integrity should be followed in all business interactions. Any form of corruption, extortion and misappropriation of public funds is strictly prohibited. If any of the above situations are discovered, all business dealings will be immediately terminated and legal action will be taken.

2 ) In accordance with applicable laws and industry practices, disclose business activities, organizational structure, financial status, performance, employee benefits, occupational health and safety, environmental protection, carbon emissions and other ESG-related information, and ensure that the information is not forged or false.

3 ) Individuals and companies are not allowed to offer or accept bribes, including any form of improper benefits and any feedback with commercial value.

4 ) Implement standards of fair trading, advertising and competition, oppose any anti-competitiveness, and provide measures to protect customer information.

5) Conflicts of interest in business operations should be avoided, employees should be encouraged to proactively declare conflicts of interest, and employees should be required to make reasonable and fair decisions.

6 ) Intellectual property rights should be respected and the intellectual property rights of the rights holders should be properly protected when transferring technology and production experience. Partners must hold and use intellectual property rights such as trade secrets, trademarks, patents, and copyrights in a legal and compliant manner, and must not engage in any activities that infringe the intellectual property rights of the company or others or damage the company's reputation.

7 ) Maintain relevant procedures to protect the confidentiality of the identities of employees and other whistleblowers, unless expressly prohibited by law. Accept anonymous complaints where the person, time, place, and thing are clearly explained and protect them. Provide a communication process for employees to raise any doubts or concerns without fear of retaliation.

8 ) Applicable laws, regulations and customer requirements should be identified, tracked and understood, and policy documents and procedures related to business ethics should be formulated; company representatives should be designated to ensure the implementation of the management system and regularly inspect the relevant status to ensure effective implementation .

9 ) Identify risks related to the environment, health and safety, and labor and ethical practices related to operations; determine the level of each risk and complete appropriate procedures and substantive controls to ensure compliance, and implement the identified risks control.

10 ) Written standards, performance goals, indicators and implementation plans should be developed, including regular evaluation of performance based on these goals; and performance, measures and expected goals should be clearly and accurately communicated to employees, suppliers and customers.

11 ) Continuously evaluate employees' understanding of the measures and provisions contained in this Code and obtain their feedback to promote continuous improvement. And communicate this Code to suppliers and monitor suppliers' compliance.

12 ) Self-assessments should be conducted regularly to ensure compliance with the requirements of laws and regulations, the content of this Code, and ESG-related requirements in customer contracts. Internal and external evaluations, inspections, investigations and audits should be carried out regularly, deficiencies should be corrected in a timely manner and management capabilities should be continuously improved.

13 ) Documents and records should be established and maintained to ensure compliance with regulations and TZE requirements , and confidentiality should be properly protected .

### **3.5 information security protection**

1) It shall be promised that all information obtained during the period of doing business with TZE, including but not limited to information about TZE's business, operations and strategies, will be treated as confidential, sensitive and proprietary information. Unless

specifically authorized by TZE or required by relevant laws and regulations, any confidential, sensitive and proprietary information related to TZE shall not be disclosed or communicated to unauthorized third parties, the public or the media.

2) It should be committed to protecting the personal privacy of all those with whom it does business, including suppliers, customers, consumers and employees. When collecting, storing, processing, transmitting and sharing personal information, we strictly abide by laws and regulations related to personal privacy and information security.

3) Information security capacity building should be strengthened, information security facilities should be strengthened, employees' information security awareness should be improved, and information security incidents should be avoided and reduced as much as possible.

### **3.6 Prohibition of the use of conflict minerals**

We should strictly abide by the relevant regulations of international organizations and industries, do not accept or use "conflict minerals" from the Democratic Republic of the Congo ( DRC ) and surrounding countries and regions, and trace the origin of minerals and their derivatives, including gold (Au), tantalum (Ta), tin (Sn), and tungsten (W), contained in all products, as well as provide relevant information.

Applicable laws, regulations and principle initiatives related to the ban on conflict minerals at home and abroad should be complied with, including the United Nations Global Compact, Chapter 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act proposed by the U.S. Securities and Exchange Commission (SEC), the three principles of Responsible Sourcing of Conflict Minerals proposed by the EU Conflict Minerals Regulations, OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, the Responsible Minerals Initiative (RMI) , and Chinese Due Diligence Guidelines for Mineral Supply Chain proposed by China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters.

### **3.7 Community Inclusion**

Partners should maintain good communication and cooperation with the communities where they operate, respect local culture, traditions and beliefs, and respect the informed consent rights of communities and residents. We encourage our partners to actively participate in activities in the communities where they operate, promote community building, and contribute to community development to promote sustainable social and economic

development.

## **4. Communication and Violations Reporting**

### **4.1 Communication**

During the signing period, partners should check and confirm the terms of the above guidelines one by one, provide attachments for unsatisfied terms and send them back to TZE, and must not conceal or falsify relevant content.

### **4.2 Action Taken to Address Misconduct**

If any partner has imperfect implementation or violation of the above Code of Conduct, both parties can communicate through online or offline meetings. TZE will discuss improvement plans, rectification actions or remediation plans with its partners based on its own experience, and within the time limit specified in the meeting, this Code of Conduct will be signed again and kept for record. If the final failure to cooperate with the rectification results in the failure to sign the contract normally, procurement will be suspended and the cooperation will be considered to be terminated.

### **4.3 Reporting**

If partners have any questions about this Code of Conduct, or discover any violation of this Code of Conduct based on good faith and reasonable suspicion, they are welcome to provide feedback through the following complaint channels at any time.

Reporting channels for the Compliance Management Department :

Tel: 022-23789766-8022

Email: jubao@tzeco.com

Address: No. 10, Haitai South Road, Huayuan, Xiqing District, Tianjin

TZE solemnly promises that we will strictly keep the personal information of whistleblowers confidential, effectively protect the legal rights of whistleblowers, and strictly prohibit TZE personnel from any direct or indirect discrimination, difficulty, suppression or retaliation against whistle blowers.

TZE reminds reporting personnel to ensure the authenticity and accuracy of the feedback information. If necessary, please assist us in conducting internal investigation and verification of the feedback information. If the feedback information is obviously misleading and malicious, it may cause TZE to immediately terminate cooperation with the reporter.

## **5. Policy Review**

This Code of Conduct was approved by the company's General Manager in April 2024.

This Code of Conduct shall be updated and revised in a timely manner or at least every three years.

This Code of Conduct is published on the official website of TZE for all stakeholders to review, and the implementation of the Code of Conduct and related key performance indicators will be disclosed annually in the company's Sustainability Report.

TCL Zhonghuan Renewable Energy Technology Co., Ltd.

General Manager SHEN Haoping

April 2024