

## Supplier Code of Conduct

### GENERAL

Our Group development as an international company is based on the implementation of a consistent worldwide set of values, principles, standards, rules and guidelines in favour of actions, decisions and behaviours in terms of respect of people (e.g. clients, employees and other stakeholders), of the environment and of ethical business.

For all procurement activities managed by FIDIA and Changhong, the following Supplier Code of Conduct will apply. It may be supplemented by national commitments that will be published by the Group companies.

This Supplier Code of Conduct is not intended to replace the laws and regulations in force in any country where FIDIA suppliers operate. It seeks to encourage and respect these laws and regulations, and ensure that they are faithfully and effectively enforced. It also seeks to adopt a proactive attention to continuous improvement, leading to a more responsible and sustainable development. FIDIA is highly committed to working with suppliers that follow social and environmental practices in line with international standards.

That is why FIDIA requires all its suppliers, and through them their own suppliers and subcontractors, to respect all applicable national, european and international rules relating to ethical and responsible standards of behaviour. This applies in particular to fundamental principles such as the Universal Declaration of Human Rights, and those drawn up by the International Labour Organization (ILO) (even if not ratified by all countries and notably as regards the ban on child labour and forced or compulsory labour),

by the OECD (The Organisation for Economic Co-operation and Development ) Guidelines (fight against corruption in particular) and the United Nations Global Compact. We expect our suppliers to follow all relevant laws and regulations, as well as the requirements in the standards.

### IMPLEMENTATION AND FOLLOW-UP

FIDIA expects suppliers to observe, respect and apply these fundamental principles throughout their sphere of responsibility. FIDIA may provide any explanation necessary for the implementation of this Supplier Code of Conduct during pre-contractual and contractual relationships. FIDIA also expects suppliers to provide transparency on the fulfilment of the conformity with this Supplier Code of Conduct by self-assessment in a format demanded by FIDIA at the suppliers own cost. FIDIA will be entitled, by itself or through a nominated auditor, to audit suppliers, and through them, the suppliers sub-contractors in order to assess their conformity with this Supplier Code of Conduct. This may include on-site audit process. If FIDIA becomes aware of any actions or conditions not in compliance with this Supplier Code of Conduct, it reserves the right to demand corrective measures. In case a supplier fails to remedy the identified breaches, FIDIA may terminate the contract with this supplier

## LABOR AND HUMAN RIGHTS

- a. **Ethics and anticorruption:** The supplier shall prevent and fight all forms of corruption, extortion, embezzlement, bribery and improper advantage. Prevention, monitoring and enforcement procedures shall be implemented to ensure conformance. The supplier shall also comply with FIDIA anticorruption policy, in particular due diligence processes.
- b. **Child labour and Young Employees:** The supplier commits itself to refraining from employing children younger than the legal minimum age (pursuant to ILO Convention 138). The supplier is additionally expected to ensure that employees younger than 18 years of age do not work at night or work overtime and are protected against working conditions that are detrimental to their health, safety or development. The supplier should ensure that the young employees' work does not interfere with their school attendance. Young workers' working and school times must not exceed a total of 10 hours per day
- c. **Forced labour:** The supplier shall not use any form of forced or compulsory labour. All work must be voluntary and workers should be free to leave work or terminate their employment with reasonable notice. Workers must not be required to lodge deposits or surrender any government-issued identification, passports or work permits as a condition of employment.
- d. **Freedom of association and right to collective bargaining:** The supplier shall seek to implement internationally recognized standards, e.g. International Labour Organization (ILO) Conventions, without violating national legislation. It shall ensure that its employees and representatives including temporary (agency) workers may openly express themselves in its company concerning matters related to their working conditions.
- e. **Diversity and no discrimination:** The supplier shall fight all forms of discrimination in hiring and employment practices, particularly on the grounds of race, colour, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin or marital status. It shall promote equal opportunities and diversity of all employees.
- f. **Health and safety:** The supplier's health and safety measures must comply with the local statutory requirements. The supplier must ensure that all workplaces, machinery, equipment and processes under its control are safe and do not pose a risk of harm to health. It is the responsibility of company management to provide sufficient funds to meet health and safety requirements and to ensure continuous improvement of the system by conducting periodic risk assessments and reporting. We recommend using an occupational health and safety management system certified in accordance with ISO 45001 or a comparable system
- g. **Remuneration:** The supplier shall comply with the applicable laws and regulations, and pay its employees on the basis of a contract stipulating at least:
  - i. a guaranteed minimum wage which shall be sufficient to meet basic needs of personnel
  - ii. overtime hours and legally mandated benefits which shall meet at least legal or industry minimum standards. The supplier shall not use deductions from wages as a disciplinary measure.
- h. **Working hours:** Working hours, including overtime, shall not exceed the maximum set by internationally recognized standards such as ILO conventions. The supplier shall also grant to its employees the right to paid vacation.
- i. **Disciplinary practices:** The supplier shall treat all employees with respect and shall not use corporal punishment, mental or physical coercion, any form of abuse or harassment or threat of such treatment.

## CORPORATE ETHICS

All suppliers are expected to refrain from engaging in criminal activities.

- a. **Combating Corruption:** FIDIA and Changhong don't tolerate corrupt practices and actively combats them. Suppliers must not engage in or tolerate corruption, bribery, extortion or embezzlement of any kind. Any direct or indirect bribery or the acceptance of undue advantages – be it by giving or accepting payments, gifts or gratuities of any kind – beyond the scope of what is legally permissible or normal is prohibited. We expect our suppliers to take an active role in preventing corruption and fraud.
- b. **Prevention of Money Laundering and Terrorist Financing:** The supplier strives to meet its legal obligations to prevent money laundering and terrorist financing, within the scope of the applicable legal regulations, and to refrain from directly or indirectly promoting these activities.
- c. **Data Protection and Data Security:** Personal data of employees, customers and business partners may be processed, i.e., acquired, saved, collected, used or shared, only in compliance with the applicable legal regulations. The supplier must appropriately handle and protect all information. Data and information must be used exclusively according to their classification. The supplier ensures that the data to be protected is collected, processed, backed up and deleted properly. It additionally ensures that technical information systems are adequately protected against cyber threats by complying with the usual standards (e.g., antivirus protection, encryption, segmentation, roles and rights management). Proof of a certified information security management system is recommended
- d. **Fair Competition and Antitrust Laws:** The supplier commits itself to fair and unfettered competition. FIDIA expects its suppliers to comply with the

applicable provisions under competition and antitrust legislation. These provisions govern business practices that unlawfully restrict competition, the improper exchange of information concerning competition, price agreements, bid rigging and fraudulent market allocation.

- e. **Conflicts of Interest:** Suppliers must avoid and disclose any conflicts of interest within their own organizations or with respect to FIDIA if these could affect the business relationship. Decisions must be made solely on an objective basis.
- f. **Physical and Intellectual Property:** The supplier commits itself to respecting intellectual property and protecting it throughout the supply chain.
- g. **Export Control and Economic Sanctions:** The supplier must strictly follow all applicable laws governing the import and export of goods, services and information as well as payment transactions. Existing sanctions and embargoes must be observed in all business activities
- h. **Whistleblowing and Protection against Reprisals:** FIDIA expects the supplier's employees to be able to speak out freely, without fearing reprisals, if the provisions in this Code of Conduct are violated.

## ENVIRONMENT:

The supplier shall not only comply with all environmental laws and regulations, but also implement measures contributing to the protection of the environment. Therefore, it should strive to minimize the adverse environmental impact of its products and services during the whole product life-cycle: conception, development, production, transport, use and disposal and/or recycling. The supplier is encouraged to implement an Environmental Management System based on international standards such as ISO 14001 or similar. This will include among other aspects:

- a. **Environmental permits and reporting:** The supplier shall obtain, maintain and renew all required

- environmental permits (e.g. waste management, transportation), approvals and registrations.
- b. **Consumption of Natural Resources and Climate Protection:** The supplier must reduce or avoid the use and consumption of natural resources, including raw materials, water and energy. Economic solutions must be found to enhance energy efficiency and minimize energy consumption.
  - c. **Pollution prevention and resource reduction:** The supplier shall work to reduce the use of raw materials and resources as well as to reduce and treat the waste produced by all its activities, in order to minimize the impact on the environment. liquid waste and solid wasteThe supplier shall identify, monitor, control and treat liquid waste and solid waste generated from operations, industrial processes and sanitation facilities prior to discharge or disposal.
  - d. **Product content:** The supplier shall respect all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances.
  - e. **Hazardous substances and chemicals substances,** and especially those included in the Substances of Very High Concern list of the REACH regulation, are to be identified and managed to ensure their safe use, recycling or re-use and disposal. Their use has to be avoided, and if not possible, minimized. FIDIA requires all its suppliers to deliver electrical and electronic equipment in line with European Union RoHS regulation whatever the country of delivery, including the non EU countries.
  - f. **Conflict minerals and rare resources:** suppliers are encouraged to track conflict minerals sourcing and promote transparency among their own supply chain and put in places measures for this purpose. They are also encouraged to limit or avoid the use of rare resources.
  - g. **Air emmision and CO2 Reduction:** The supplier shall characterize, monitor, control and treat air pollutants and reduce greenhouse gases emissions. Air emissions have to be avoided and, if not possible, minimized. We encourage the supplier to find economic solutions for reducing emissions.
  - h. **Energy consumption/CO2 emmision:** The supplier shall develop products or services that feature low energy consumption and CO2 emission reduction during the whole life cycle.

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FIDIA CEO

Zaza Antonio

CHANGHONG MANAGING DIRECTOR

Qiu Yunjie