

Zhongshan Huali Industrial Group Co., Ltd

Anti-bribery and Anti-corruption Policy

1. Statement

Huali Group and its subsidiaries commit to practicing responsible business acts, actively fulfilling corporate social responsibilities and advancing sustainable development. We adhere strictly to anti-bribery and anti-corruption regulations, prohibiting all acts of monetary or material benefits intended to obtain improper benefits.

2. Requirements

2.1 Prohibition of corruption or bribery

The Group strictly prohibits all forms of bribery and corruption practices. In conducting the Group's business or affairs, all activities shall comply with locally applicable laws and regulations, and the following behaviors are forbidden:

- 1) Solicit or accept any benefits and kickbacks from others as remuneration, or offer any benefits or kickbacks to stakeholders.
- 2) Induce or instigate other employees to violate company regulations, or offer bribes or agree to improper benefits with other employees during their employment or after their departure.
- 3) Conduct unlawful related-party transactions or violate conflict of interest regulations; Exploit positions of relevant personnel to secure benefits for oneself or relatives/associates.
- 4) Alleged insider trading and internal collusion.
- 5) Misappropriation of public funds or false accounting.
- 6) Any other behaviors that violate relevant laws and regulations, group rules and policies, or hinder the achievement of this policy and applicable laws and regulations.
- 7) Deliberately conceal the above actions.

2.2 Hospitality regulations

The Group does not encourage providing hospitality or giving gifts, and inappropriate interactions with clients and suppliers should be prohibited. Under special circumstances, such as during holidays or promotions, reasonable hospitality or gifts may be offered as a gesture of goodwill, provided that:

- 1) The gift complies with legal and ethical requirements, is given in good faith, and is not expected to receive any return, improper benefit, or business advantage;
- 2) The limit for hospitality expenses must not exceed 200 dollars.
- 3) Provide in open and transparent way
- 4) Such situations do not occur frequently.

Gifts: Include but not limited to , shopping card, gift card, flowers, refreshments, etc.

Hospitality: Include but not limited to, banquets, entertainment, tourism, etc.

3. Supervision and Reporting

When employees of each company/factory discover or encounter any acts of corruption, fraud or improper treatments ,they can file complaints through the grievance and reporting channels:

- 1) Suggestion box in the factory : managed by designated personnel from the Compliance and Sustainability Department of the factory, opened once a week.
- 2) Meet directly with the Compliance and Sustainability Department the trade union or humanresources department at factory level.
- 3) Group grievance and reporting email: anti.corruption@huali-group.com
- 4) Group grievance and reporting hotline : +84 97-4563525 (Vietnam) , +86 760-86181068 (China)

The grievance and reporting details please refer to the "HL-W-HR027 Group Grievance and Reporting Management Measures".

4 . Training and Communication

Companies should regularly conduct training on anti-bribery and corruption policies as well as whistleblowing management procedures for personnel at all levels. Employees are obligated to fully understand and comply with the content of this policy, and promptly receive training related to anti-bribery and corruption policies.