

LEAD THE TIMES  
WITH BUSINESS SUCCESS



CHINA MERCHANTS GROUP  
CODE OF CONDUCT ON INTEGRITY  
AND COMPLIANCE



Compliance starts from the top  
All members adhere to compliance  
Compliance creates value



# Message from the Chairman



Chairman

卢建民

Dear Colleagues,

One and a half centuries ago, China Merchants Group was founded to fight for the nation's navigation sovereignty and strive for self-improvement and prosperity. With the aim of seeking commercial opportunities and raising national plans, China Merchants embarked on a journey to explore the modernization of China. Driven by our mission "Lead the Times with Business Success", China Merchants has now evolved into a conglomerate with diversified operations in various sectors, principally transportation and logistics, comprehensive finance, development of cities and parks and strategic emerging industries.

As an enterprise created for "commerce", China Merchants has integrity in its bones, which is of critical significance to our survival through over a century of highs and lows. The pursuit of China Merchants for "commerce" ideology encompasses an emphasis on sincere cooperation, business performance and compliant operation. Namely, we pursue innovation in our business models and the creation of market value, we operate on the basis of compliance with laws and regulations, market norms and the spirit of contracts, and we follow the ideology of prudent operation with sound risk control, which are the foundations for us to win the lasting trust of customers, employees, suppliers, the authorities and the public.

In recent years, China Merchants Group has been working to foster a corporate culture of compliance, adhere to the compliance concept of "compliance starts from the top, all members adhere to compliance, compliance creates value" and establish an organization-wide compliance management system, covering each of the governance, management and execution levels. We are continuously improving basic compliance regulations, special rules and guidelines, and appoint chief compliance officers and compliance specialists in high-risk areas. We implement a "three-layered defense" system, which mandates the participation of business departments alongside with compliance department, audit and inspection departments, promoting the integration of the company's compliance function with legal, internal control, risk management, audit as well as accountability and other management functions. Further, we strengthen risk alerting and compliance control through digital transformation. The ultimate goal of these measures is to lay a solid foundation of compliance for achieving the company's strategy.

Nonetheless, we have a clear understanding that the external challenges faced by China Merchants are growing more complex and challenging. We are confronted with more stringent regulatory requirements both domestically and internationally as well as more diversified expectations from various stakeholders. To achieve China Merchants' business success in the coming decades, it is vital for each and every member of China Merchants to uphold the value of integrity and compliance even more strictly and practice social responsibility in the process of expanding our businesses. At the time of China embarking on a journey to fully build a modern socialist country and China Merchants continuing its contribution on constructing a strong country, we are proud to publish this *China Merchants Group Code of Conduct on Integrity and Compliance* ("Code of Conduct"). This *Code of Conduct* sets the ethical standards for all China Merchants members and demonstrates our compliance commitment to all stakeholders.

Each member of China Merchants must act in accordance with this *Code of Conduct*, the applicable laws and regulations, company policies and compliance guidelines. We should adhere to and practice the principles of integrity and compliance in our daily work, prioritize integrity and compliance in every decision made and every action taken, stay true to the missions and values of China Merchants, promote the steady and sustainable development of China Merchants through compliant and ethical operation. Together, let us build China Merchants into an everlasting world-class enterprise and contribute to the great rejuvenation of the Chinese nation!

# Compliance Commitment Statement

As a member of China Merchants Group (hereinafter called "China Merchants"), I am fully aware of the compliance obligations of China Merchants, identify with the China Merchants compliance concept, being "Compliance starts from the top; All members adhere to compliance; Compliance creates value", familiarize myself with the goal, principles and requirements of the compliance management programme of China Merchants, actively promote the compliance culture of China Merchants, adhere to all the provisions in the *China Merchants Group Code of Conduct on Integrity and Compliance*. I hereby make a solemn commitment to:

**I. Comply with the laws and regulations.** To comply with all applicable laws and regulations, regulatory requirements, industrial standards, international treaties and regulations as well as the Articles of Association, rules and policies of the company.

**II. Abide by the ethics.** Where the appropriate course of conduct is not clearly defined, to make decisions and act upon the principles of honesty and integrity, fairness and equity, diligence and responsibility, incorruptibility and self-discipline, to maintain the good reputation of China Merchants.

**III. Take the initiative to learn.** To enhance my compliance awareness, proactively study the compliance policies and requirements, actively participate in on-going compliance trainings, be involved in updating compliance policies and processes in a timely manner and continuously improve my competencies and capabilities of performing duties in a compliant manner.

**IV. Perform the job duties compliantly.** To perform my compliance obligations diligently, embody the compliance requirements of China Merchants into daily operation and business management, and conduct comprehensive compliance management over my own behaviors, the personnel I supervise and the duties I take charge of.

**V. Monitor and report compliance violations.** To ensure that my own behaviors are compliant, avoid any involvement into illegal or noncompliant activities, and report any compliance risks and compliance violations in a timely manner.

Join hands to achieve China Merchants' mission "Lead the Times with Business Success", strive to build China Merchants into a world-leading enterprise with international competitiveness.

Signatory:

Date:

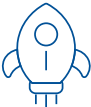
# China Merchants Corporate Culture



Mission  
**Lead the Times with Business Success**



Value  
**Share Fate with Our Country and Develop with Time's Call**



Goal  
**To Build a Global-Leading Enterprise**



Belief  
**Commercialism, Innovation, Balance, Shared Success**



Spirit  
**Patriotism, Self-Improvement, Pioneering, Integrity**



Culture  
**Marine Culture**

# China Merchants Compliance Concept



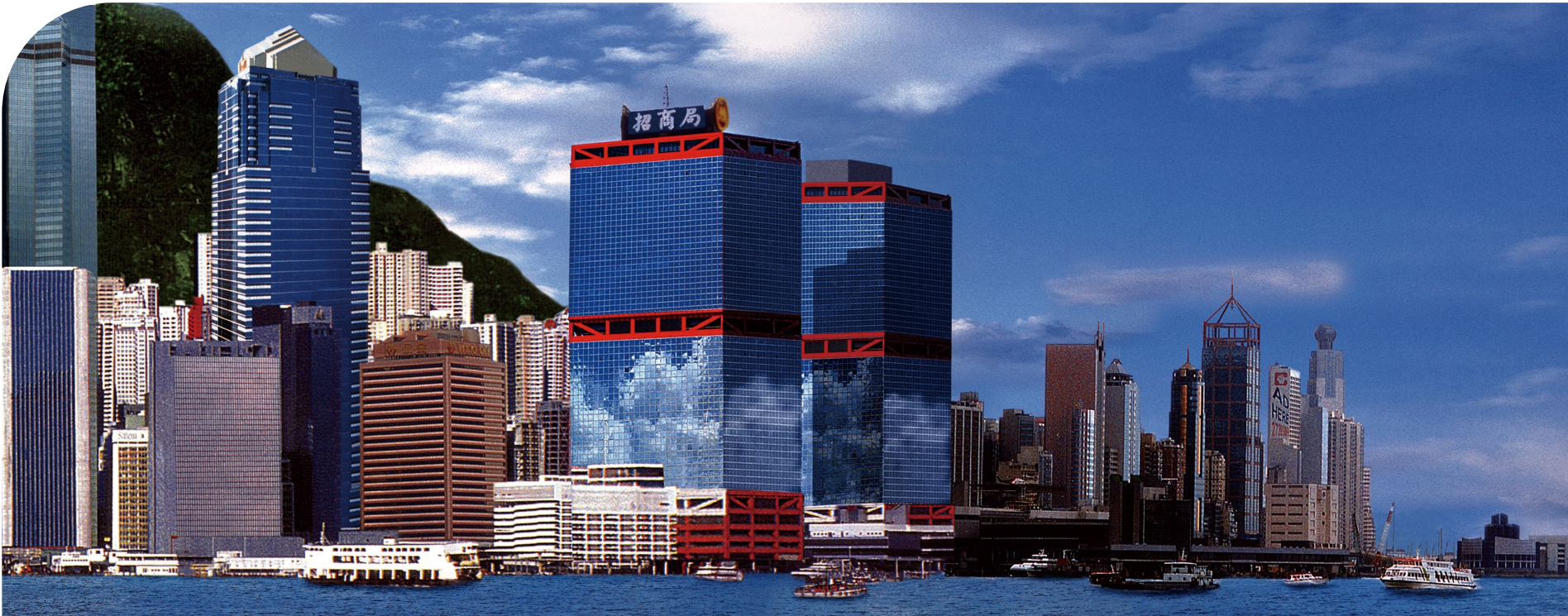
**Compliance starts from the top:**  
Senior management across all levels of China Merchants shall prioritize compliance management and play a leading and exemplary role. They shall encourage all staff to comply with laws and regulations, integrate China Merchants' values, basic principles and methods of corporate governance into compliance management, and foster a culture of compliance within China Merchants.



**All members adhere to compliance:**  
Compliance is fundamental to all China Merchants staff in performing their duties and is an essential requirement for the healthy development of our business, which shall be proactively undertaken by all staff .



**Compliance creates value:**  
The goal of compliance is to mitigate risks and avoid civil liabilities, regulatory sanctions, criminal charges and reputational damage. By implementing an effective compliance system, we can reduce our exposure to regulatory and criminal liabilities. By emphasizing compliance, we aim to strengthen China Merchants' commitment to commercial sense and enhance China Merchants' brand value. Compliance is the driving force and core competitiveness behind China Merchants' enduring success.





# General Provisions

## Purpose of this Code of Conduct:

The purpose of this *Code of Conduct* is to comprehensively outline the principles of integrity and compliance that govern China Merchants' operations, and establish fundamental standards and guidelines for the company's management and employees. This *Code of Conduct* aims at integrating the concept of compliance into our operations and business practices, so that we can strive to foster a culture of honesty, trustworthiness and compliance in line with our corporate mission, "Lead the Times with Business Success".

## Scope of application:

This *Code of Conduct* applies to China Merchants Group, its wholly-owned subsidiaries, controlled subsidiaries, entrusted companies, and other affiliated entities. Unless otherwise specified, the terms "China Merchants", "company" and "we" in this *Code of Conduct* refer to all the aforementioned entities. Companies in which China Merchants is a minority shareholder may also refer to this *Code of Conduct*. Business partners of China Merchants are expected to fully understand and comply with the requirements set forth in this *Code of Conduct*.

This *Code of Conduct* applies to all individuals who act on behalf of China Merchants, including directors, supervisors, senior management, employees, temporary workers, and other personnel that act on behalf of or in the name of China Merchants. Unless otherwise specified, the terms "employee" and "you" in this *Code of Conduct* refer to any and all the aforementioned individuals.

## How to Use this Code of Conduct:

As a global company operating in a wide range of business sectors and geographic regions, China Merchants is subject to complex and diversified compliance requirements. This *Code of Conduct* stipulates only fundamental principles governing the conduct of China Merchants and its employees. In addition to this *Code of Conduct*, China Merchants and all its employees are expected to comply with the applicable laws, regulations and regulatory requirements of each jurisdiction in which they are domiciled or operate, as well as the relevant company's Articles of Association, rules and policies, specific compliance guidelines, business operation protocols and job responsibilities. Where the appropriate course of conduct is not clearly defined, employees are expected to act according to the principles of integrity and compliance, and in a fair and equitable manner. If necessary, employees may consult with the compliance department for guidance.

Following the issuance of this *Code of Conduct*, in the event of any new or amended laws, regulations, regulatory requirements, rules and compliance guidelines imposing new or different requirements, these new or amended laws, regulations, rules, requirements or guidelines should be followed based on the principle of "always following the newer and stricter requirements".

If you have any questions in complying this *Code of Conduct*, please consult with your supervisor or the compliance department.

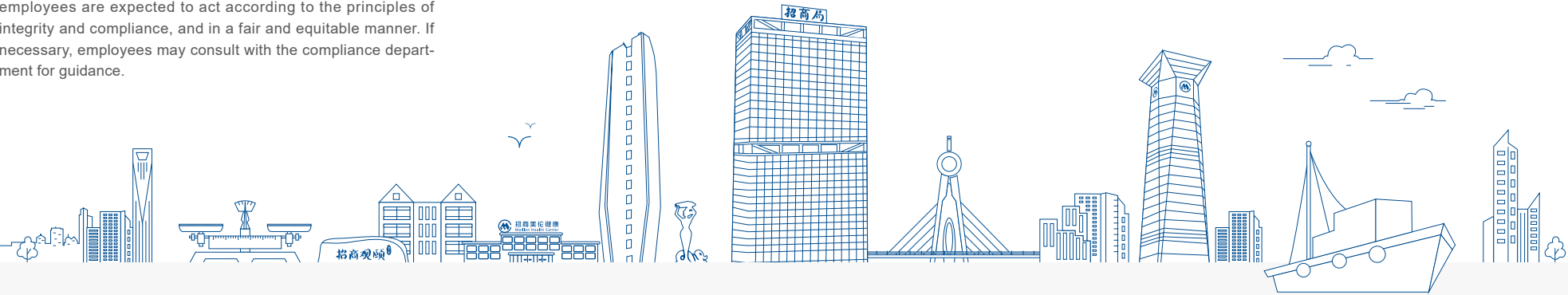
## Reporting of Compliance Violations:

If you become aware of any suspected violations of compliance requirements, you have a responsibility to promptly report it to your superior, the compliance department, the head of your division or your company. If you are concerned that the reported matter cannot be handled properly due to conflict of interests or for any other reason, you may report to your company's designated reporting platform, either using your real name or anonymously. We take all reports seriously and will handle them in accordance with applicable laws and regulations.

We will take practical and effective steps to keep confidential the information relating to reports and whistleblowers, protect and incentivize employees who report violations, and firmly prohibit any form of discrimination, suppression or retaliation.

## Handling Compliance Violations:

In case of violation of the *Code of Conduct*, the company will handle such violation in accordance with applicable laws and regulations. For serious violations, the company reserves the right to terminate the relevant individual's employment contracts in accordance with the relevant regulations; with respect to employees suspected of committing crimes, the company will refer such individuals to competent authorities in accordance with applicable laws.



# Specific Provisions

## CONTENTS

## 01 As a business entity

We act with integrity and advocate fair competition

- 03 Providing Product and Services
- 05 Working with Business Partners
- 06 Anti-Bribery
- 07 Antitrust

We promote compliance awareness and rules minimum requirements

- 11 Employment
- 13 Work Safety
- 15 Bookkeeping and Taxes
- 16 Anti-Money Laundering
- 17 Information Disclosure
- 18 Data Protection
- 19 Economic Sanctions and Export Control

## 02 As China Merchants employees

We are committed to our duties and work diligently to fulfill them

- 23 Fostering Positive Working Atmosphere
- 25 Acting with Loyalty, Accountability and Responsibility
- 26 Safeguarding Confidential Information
- 27 Protecting Corporate Assets
- 28 Prohibiting Insider Trading

## 03 As a member of society

We are committed to the well-being of our employees, our community and our environment

- 31 Growing with Our Employees
- 33 Serving Our Community
- 35 Protecting the Environment





# “PART.01 As a business entity”

## We act with integrity and advocate fair competition

We seek truth from facts, prioritize performance, compete with strength, treat people with sincerity and keep our promises. Even in the face of fierce competition, we remain true to our values by dealing with customers and partners in good faith and delivering on our promises to promote friendly cooperation and pursue sustainable development.



## 1.Providing Product and Services

Our customers are our top priority. China Merchants is committed to providing high-quality products and services that create value for customers and society. To achieve this end, we comply strictly with applicable laws and regulations on quality management. We have established a robust quality control system, and hold ourselves responsible by applying the principle that "those with authority also have accountability". We encourage the implementation of scientific quality management methods and tools, continuously improve our process design, and prioritize the use of clean energy and raw materials to enhance the quality of our products and services. We attach great importance to customer satisfaction, and are dedicated to improving our customer service system. We also take all customer complaints and suggestions seriously.

We commit to ensure that all of our products and services comply with applicable compulsory national standards, industry standards and relevant contractual stipulations; obtain all necessary production licenses, pass compulsory product certifications, and conduct product inspections according to relevant regulations; ensure that our goods, services, facilities and manufacturing sites meet the relevant health and safety requirements.



### Do:

- adopt quality as a core value, and strictly adhere to the company's quality management policies
- understand and learn the quality standards related to your position, correctly implement the process requirements and specifications
- conduct strict quality check on all procured raw materials, equipment or services
- promote our products and services in an honest and objective manner
- handle customer complaints with care and report on them timely
- report any latent quality issue timely once identified



### Don't:

- pass off fake products as genuine or sell inferior products as good-quality
- falsify the place of origin, forge or falsely use any authentication certificate, quality marks, or name and address of others
- engage in false or misleading advertising of the performance, function and quality of products and services
- force customers to make bundled purchases or other coerced transactions

### 🔍 Please refer to:

For specific requirements, please refer to the *CMG Compliance Management Measures for Products and Services* and other policies. If you have any questions, please consult with the quality management department or the compliance department of your company.



### What if?

**You work in a financial products sales department. A coworker shares "marketing experience" with you, suggesting that you can exaggerate a bit when promoting products to customers, as they may not read all of the contractual terms. What should you do?**

- You should seriously reject such suggestion because it is improper and comprises wrongdoing.
- You should present financial products to customers truthfully and honestly, without exaggeration.
- You should explain the company's policy to your coworker and tell him/her that such behavior violates relevant laws and regulations, and could even lead to lawsuits and penalties. If your coworker does not correct his/her behavior, you should report to your supervisor or the compliance department.



2.Working with Business Partners

Our business partners include our suppliers, customers, investment partners and other business partners. We believe that sound business partnerships are crucial, and we choose our partners based on the principles of legal compliance, integrity, merit and mutual benefit. We take measures to ensure that we work with business partners who have good credit standing and contractual capacity, and fulfill compliance requirements. We investigate their credit standing and record of performance before commencing any cooperation, and we continue to monitor any possible changes for that partnership’s duration. To foster mutual compliance, we record in writing compliance commitments with our business partners. We strive to work closely with our business partners to create greater value for all stakeholders and the entire society.

**Do:**

- treat all business partners fairly and impartially, uphold the values of honesty, trustworthiness, incorruptibility and self-discipline
- convey China Merchants' compliance principles to business partners, encourage them to comply
- continuously monitor the credit standing and performance of business partners during the cooperation; in case of any potential risk exposure, take early steps to investigate solutions with partners and file a report according to company policies
- refuse any gift offered by business partners which is in violation of company policies; if you are unable to refuse the gift, hand it over and report it to your superior accordingly

**Don't:**

- accept or offer gifts in violation of regulations, collect or pay kickbacks or other improper fees, require business partners to reimburse or reimburse business partners expenses that should be borne by other individuals or entities
- collude with other bidders during a bidding process, offer financial inducements to the tenderer, the bid evaluation committee or the bidding agency to gain any advantage
- take improper advantage of your position to interfere in any procurement activity; conduct fraud, obtain improper personal advantage by utilizing public means, or infringe upon the legitimate rights and interests of the state or the company in the procurement process
- collude with business partners, induce or incite them to violate relevant regulations or breach contract
- conceal, fail to report, cover up or condone a business partner's violations or breaches of contract

**Please refer to:**

For specific requirements, please refer to the *CMG Compliance Management Measures for Business Partners*, the *CMG Management Measures for Procurement* and other rules and regulations. If you have any questions, please consult with the business department or the compliance department of your company.

**What if?**

**As you begin initial talks for a potential project, you discover that a prospective partner does not possess a required business qualification. However, they assure you that they will obtain the qualification soon, and the collaboration will not be affected. What should you do?**

- Compulsory qualification is a prerequisite for any collaboration, regardless of the promise the partner makes.
- You may negotiate with the potential partner prior to their obtaining the necessary qualifications, but the final and effective collaboration agreement can only be signed once they have obtained the compulsory qualifications.

-----

**You are responsible for bidding for a project jointly with a business partner. The partner suggests inviting several peer companies to participate in the bidding and agreeing on a bidding price to ensure that the bidder consortium can win the bid. What should you do?**

- Collusive bidding is strictly prohibited both by relevant laws and China Merchants' policies. Engaging in such practice may give rise not only to lawsuits against the company for civil damages, to administrative penalties, but also criminal charges.
- In this situation, you should expressly reject the partner's proposal, telling it that collusive bidding is illegal.
- Moreover, you should report the situation immediately to the manager in charge to ensure that appropriate action is taken.

3.Anti-Bribery

We win business opportunities by offering excellent goods and services, and take a "zero-tolerance" approach to bribery and corruption. When conducting business, we require our employees to treat counterparts in a proportionate, courteous, appropriate, pragmatic and cost-conscious manner so as to present a good corporate image of China Merchants. We make donations and provide sponsorship properly, adhering to the principles of compliance, voluntary participation and action according to our ability.

**Do:**

- comply strictly with anti-bribery laws and regulations of the countries/regions in which we do business
- uphold our principles of honesty, trustworthiness and self-discipline when interacting with government officials and business partners
- when offering or receiving gifts or hospitality, follow company policy and recognized business practices in the countries/regions where we do business
- when making charitable donations or offering sponsorship, follow the company' s budget limitations, approval and other management procedures
- share the company's anti-bribery philosophy and policies with business partners
- keep truthful and accurate records of payments and expenses and cooperate with the company' s audit and supervision process
- immediately report any suspected instances of bribery or corruption

**Don't:**

- offer, demand or take commercial bribes in any form, whether directly or indirectly
- offer or accept gifts and hospitality that do not comply with the company's policy or that may influence any business decision
- offer bribes in the form of donations, sponsorship, consultancy fees, commission or any other means
- pay for any product or service in cash, unless it is the only practical payment method in view of local business practice and is accounted accurately

**What does it mean?**

**Bribery** refers to a type of unfair competitive behavior by which property benefits such as money, gifts, negotiable securities, or non-property benefits such as employment opportunities or job promotion are proposed, promised, or offered, directly or indirectly, in order to obtain or retain any improper commercial advantage or other improper benefits.

**What if?**

**What should you do when you receive a gift from your partner?**

- Determine whether the gift is more than a souvenir of small value and whether its value exceeds the company standard; if you are unable to make the judgement, immediately contact the gift management department or the compliance department of the company.
- If the gift's value is higher than the acceptable threshold, you should refuse or return the gift, and report to the manager in charge.

-----

**The cargo declaration information is found to be incorrect during the inspection by the customs. The customs officer in charge suggests that he/she may release the cargo if you give him/her some money. What should you do?**

- China Merchants strictly forbids offering bribes or promising to provide benefits to government officials. Please refuse such a request and actively seek other solutions.
- Please properly document and keep evidence of your communication with the law enforcement officials and provide them to the compliance department.

**Please refer to:**

For specific requirements, please refer to the *CMG Regulation on Prohibiting Bribery in Business Activities*, the *CMG Compliance Management Measures for Donation and Sponsorship* and other rules and policies. If you have any questions, please consult with the business department or the compliance department of your company.



## 4.Antitrust

We adhere to the principle of fair competition and comply with applicable antitrust laws and regulations. We strictly prohibit any form of monopoly agreement, abuse of dominant market position or behavior that restrict our customers and distributors from independently determining their selling prices and transaction terms. We sell products and services to customers independently, and we purchase raw materials and receive services from suppliers through arms-length negotiations. We comply with merger control regulations, making all necessary filings. In the event of antitrust investigation, we cooperate fully with relevant authorities.

### What does it mean?

A **monopoly agreement** is an agreement, a decision or other concerted practice that limits or restricts competition, for example: i) fixing or changing the price of products or services; ii) limiting the production or sales quantity of products; iii) dividing the products sales market or the raw materials purchase market; iv) restricting the purchase of new technologies or equipment or the development of new technologies or products; v) boycotting transactions jointly.

**Competitively sensitive information** refers to any confidential information about recent, current or future business plans, strategies or schemes of the company or its competitors, including but not limited to: pricing and discounts, tendering and bidding schemes or strategies, customer information, market areas, market shares, information about suppliers, sales terms or conditions, policies or strategies for negotiating with customers.



#### Do:

- when dealing with business partners or participating in industry association activities, learn about the topics in advance and avoid discussing or sharing sensitive information that could violate competition laws
- obtain competitor information legally and, when using it, indicate the source of information; where a third party has obtained that information, ask them to guarantee its legality
- carefully assess any agreements on technology research and development, technology licensing, technology standardization, joint ventures or other competition-sensitive issues with competitors, to ensure they do not exclude or restrict competition
- promptly consult with the company's compliance department in case of the following circumstances: i) exchange of competitively sensitive information with competitors; ii) determining whether merger filings are necessary; iii) investigation by antitrust enforcement authorities.



#### Don't:

- restrict the right of the counterparty to set their own selling price
- use inappropriate expressions in marketing or preparing relevant documents, such as the following: i) expressions that may propose participating in monopoly agreements, e.g. stating "the pricing complies with industry policies"; ii) expressions that may overstate the company's market position, e.g. describing the company as being in a "dominant position", "restricting competition" or being a "market leader"; iii) phrases that may underestimate the competitiveness of competitors, e.g. referencing "higher market entry barriers"; iv) expressions that may imply illegal or suspicious acts, e.g. asking a partner to "please destroy [a message] after reading"; v) expressions that describe the business activities of competitors or customers as undesirable market competition behaviors; vi) other expressions prohibited by laws and regulations

### Please refer to:

For specific requirements, please refer to the *CMG Compliance Management Guidelines on Antitrust* and other rules and regulations. If you have any questions, please consult with the compliance department of your company.

### What if?

During a conference organized by an industry logistics association, representatives of peer companies begin to talk about prices and margins. What should you do?

- Express your dissent immediately, remind them not to exchange sensitive commercial information.
- If they continue despite your objections, leave and ask the logistics association to document your objections.
- Report the situation to your supervisor or the compliance management department.

#### In port operations, which of the following behaviors are suspected of abusing dominant market position?

- Require shipping companies to only use the tugging, tallying and shipping agency services provided by the subsidiary of the port operator, or set the purchase of the subsidiary's devanning and tallying services as a pre-condition for the shipping companies' containers to be picked up and released at the terminal.
- Restrict dealing with specific shipping companies in disguised manner by refusing to provide necessary services or by imposing restrictive conditions.
- Charge significantly higher fees for handling local containers than for international transshipment containers.
- The port operator generally holds a strong market position. All the behaviors above could be considered an abuse of dominant market position.
- If you are not sure whether the transaction terms or conditions constitute a violation, you should promptly consult with the compliance management department.





# “PART.01 As a business entity”

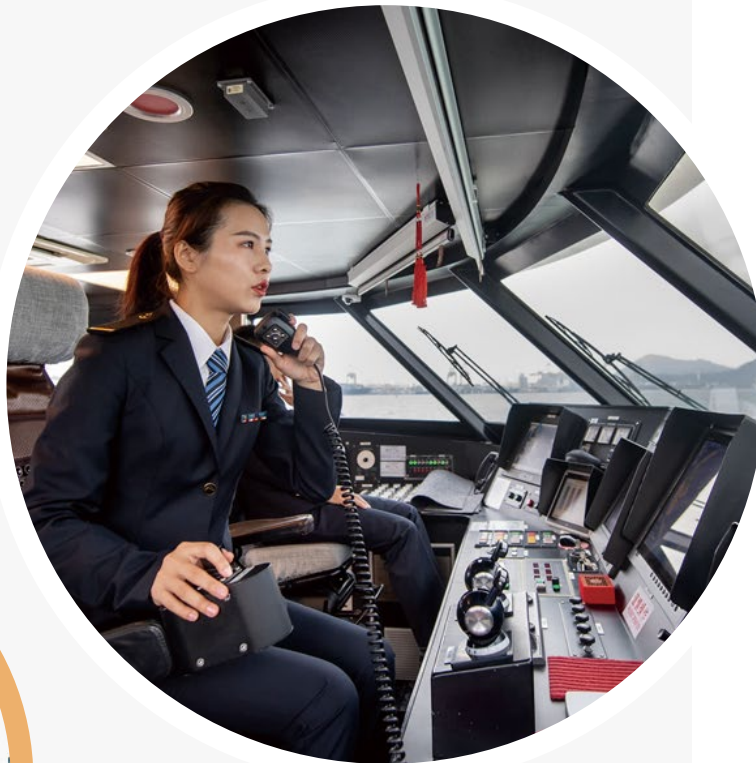
**We strengthen the awareness of compliance and rules  
minimum requirements**

We abide by laws, honor contracts, comply with undertakings, prioritise compliance and collaborate in good faith.



## 1. Employment

We comply with labor laws and regulations of the countries/regions in which we do business and safeguard the legitimate rights and interests of all employees with respect to remuneration, rest and holidays, social security and vocational training. We aim to create a healthy and safe working environment for employees, with measures to prevent occupational illness. Our recruitment and assessment system is impartial and transparent, based solely on an employee's capacity and performance, not personal characteristics such as gender, age, race, nationality, religion or sexual orientation. We fully respect and protect the personal privacy and information security of employees. Our incentive and disciplinary system encourages diligent, compliant and efficient work. We are committed to resolving labor disputes in a democratic manner.



### Do:

- adhere to professional ethics and perform duties diligently and faithfully
- provide the company with accurate and truthful information during the recruitment process, and do not submit false, incomplete or misleading personal information, supporting documents, academic certificates and other materials
- respect the rights of others as granted by the law, including their rights for liberty, physical health, rest and holidays, and employment
- firmly oppose any form of discrimination in recruitment, assignment and remuneration of employees



### Don't:

- falsify or distort information in the course of recruitment, assignment, remuneration, incentive and disciplinary procedures, and promotion of employees.
- misuse positions of authority to violate company's employment regulations
- force others to work under unreasonable conditions
- hire child labor
- restrict personal freedom of others
- share employment data of the company without authorization
- restrict employees from choosing new jobs for any illegal reasons or by any illegal means



### Please refer to:

For specific requirements, please refer to the *CMG Management Regulations on Labor Employment*, the *CMG Compliance Management Measures for Labor Employment* and other rules and regulations. If you have any questions, please consult with the human resources department or compliance department of your company.



### What if?

**You work as a crew member on a Chinese-flagged vessel, but a physical exam reveals your health conditions are not fit for your duties on board. Your family suggest you create a false report. What should you do?**

- Submitting false physical exam report is illegal and also a serious violation of the company's policy, and it can hinder your timely treatment and recovery. You should report your actual physical exam result to the company.
- If you are still unfit to work on board after treatment, you may discuss with the company for alternative arrangements in accordance with the law and company policy.

**As a crew member on a Chinese-flagged vessel, due to recent heavy workloads, your actual and average working hours, during the whole period of combined working hours, have been over and above the legal and agreed limit. What should you do?**

- Your right to rest is protected by the law and company policy. The company aims to foster a comfortable, healthy and safe working environment for its employees.
- Remind the captain that your working hours have exceeded the legal and agreed limit and that you need time off to recover in order to ensure vessel navigation safety, and refuse any unreasonable overtime.
- If there are legitimate reasons for extra work, such as an emergency or rescue mission, you should comply with the captain's arrangements. However, you are entitled to postponed holidays or overtime compensation in accordance with the law and the employment contract.

| As a business entity | As China Merchants employees | As a member of society



## 2.Work Safety

Safety is the cornerstone of our steady development. We value the safety of our employees, customers, business partners, communities and the environment. That's why we adopted an operational approach of "safety-first, focus on risk prevention, comprehensive safety management".

We provide employees with safe workplaces and manufacturing conditions by investing funds, materials, technology and personnel. We maintain our equipment and facilities in proper conditions, mark hazardous areas with clear safety warnings. We educate our employees about safety and inform them about any risk exposures in their workplace. Within China Merchants, it's strictly prohibited to award manufacturing and operation contracts, or lease facilities and equipment, to organizations or individuals without safety qualifications.



### Do:

- take safe production training, familiarize yourself with relevant rules, regulations and operating protocols, master safe operation and risk prevention methods applicable to your position
- take an active role in the company's emergency drills, report immediately and take actions in case of an emergency or accident
- report safety risks and hazards promptly and cooperate with production safety supervision and inspection
- in case of an accident, respond promptly in accordance with the emergency plan, always put safety of human life first



### Please refer to:

For specific requirements, please refer to the *CMG Management Regulations for Safe Protection* and other rules and regulations. If you have any questions, please consult with the safety supervision department or the compliance department of your company.



### Don't:

- operate in violation of the company's operating protocols, safety management policies or work disciplines
- operate machinery before receiving the required safety training and passing the exam, or operate special equipment without proper qualifications
- work without necessary manufacturing conditions or safety precautions, or operate under hazardous conditions
- carry out operation beyond your capability, or work under an ultra-high intensity workload
- shorten project timelines or alter technological solutions or production processes without permission
- ignore or conceal possible safety hazards in the working process when you are aware of them
- shut down or damage monitors, alarms or life-saving equipment or facilities related to safe production, falsify, conceal or destroy relevant data
- fail to report, delay a report, falsify or conceal report about safe production accident



### What if?

**You work on a terminal and find that your coworker is going to work at height without safety measures. What should you do?**

- Promptly stop him/her and ask him/her to comply with safe operating protocols and operate with safety measures.
- If he/she still insists on operating without proper safety measures, immediately report the situation to your supervisor or the safety supervision department of your company.

**While inspecting the warehouse, you discover that some flammable items are stacked too high and are very close to circuits and ventilation equipment. However, there are insufficient people available to fix the situation immediately and reorganizing the warehouse would take time and effort. What should you do?**

- Immediately inform the supervisor in charge and advise him/her to assign additional staff to address the issue, and document the situation properly.
- Take measures to eliminate any safety hazards as soon as possible.
- Explain your ideas clearly to the supervisor. If the supervisor does not take your advice properly, you can report to the company's management directly, or report to the compliance department for violation of compliance requirements.



3.Bookkeeping and Taxes

China Merchants strictly comply with the financial and accounting reporting requirements of the countries and regions in which we operate. Our financial reports are prepared using the accounting standards and methods required under the applicable laws, regulations and standards. We ensure our reports contain accurate data, precise calculations, complete content and clear explanation. We also fulfill our tax declaration, payment and withholding obligations in accordance with the law, pay taxes in good faith and formulate tax plan in a reasonable and compliant manner. We keep proper accounting records and ensure that they are true, complete, available and secure. In addition, we actively cooperate with financial and tax authorities' enquiries and assist in any regulatory process.

**Do:**

- follow accounting and taxation laws and policies, pay your taxes properly and timely
- when making external payments, advances and reimbursements, comply strictly with the company's approval procedures
- comply with protocols regarding the management and use of invoices, receive and issue invoices in accordance with the law
- keep all accounting documents, such as invoices and corresponding business materials, organized and properly stored

**Don't:**

- conceal, forge or falsify financial records
- fabricate, provide or disclose false financial reports or associated information
- provide any guarantee in the name of the company or lend corporate funds to others in violation of relevant rules
- seek reimbursement for expenses not actually incurred or incurred for non-business reasons
- conceal income or withhold, misappropriate or transfer funds
- issue, provide or accept false invoices or sell invoices in violation of relevant provisions

Please refer to:

For specific requirements, please refer to the *CMG Management Regulations on Finance*, the *CMG Management Measures for Taxation* and other rules and regulations. If you have any questions, please consult with the finance and taxation department or the compliance department of your company.

**What if?**

**You are not responsible for preparation of the company's financial statements, but you record erroneous financial data which gives rise to discrepancy in the statements. Are you also responsible for such discrepancy?**

- Yes. Each employee must comply with relevant financial policies of the company, record and provide financial data truthfully and accurately.
- Even if you are not a finance professional of the company, you are still responsible for the authenticity and accuracy of financial materials and data you submit.
- In the event that you notice any discrepancies in the financial statements that may be a result of erroneous financial data you recorded, you should report to the finance department and the superior in charge as soon as possible.

4.Anti-Money Laundering

China Merchants take compliance with anti-money laundering laws and regulations very seriously. When conducting business, we carefully choose partners with legitimate sources of funds and good reputations. We encourage employees to stay vigilant and report any suspicious transactions they encounter. We require all entities with anti-money laundering obligations to (i) establish and improve their internal control systems, including formulation of guidelines for customer identification, transaction record keeping, large-sum and suspicious transactions reporting, inward and outward remittance management; (ii) assess money laundering risks and take risk control measures; (iii) clarify and implement anti-money laundering management duties; (iv) conduct anti-money laundering training; and (v) strengthen anti-money laundering supervision and inspection.

**Do:**

- always follow anti-money laundering laws and regulations, fulfill anti-money laundering obligations and cooperate with relevant authorities on tackling money laundering
- investigate suspicious behavior that may involve money laundering, report any suspicious activity you notice
- follow company protocols to identify customer information, and conduct thorough investigations to avoid trading with parties suspected of money laundering
- keep accurate records of customer information and transactions
- comply with the company's financial regulations and processes, avoid making payments to non-transaction accounts or abnormal business accounts
- if you suspect any business activity may involve money laundering, consult with relevant departments or report to the compliance department immediately. You do not need to confirm whether the suspected money laundering activity actually exists before reporting.

**Don't:**

- participate in any money laundering activities or help or facilitate others in doing so, e.g. by providing accounts, assisting in the conversion of property into cash or financial instruments, negotiable securities, or participating in funds transfer.

What does it mean?

**Money laundering** refers to activities seeking to legalize proceeds of criminal activities, such as drug-dealing, smuggling, crimes organized by underworld criminal organizations, terrorist activities, corruption and bribery, crimes of disrupting financial management order and financial frauds, by disguising and concealing their origin and nature through various methods.

What if?

**Are only financial institutions liable for anti-money laundering?**

- No. The Anti-Money Laundering Law of the People's Republic of China applies to both financial institutions and specific non-financial institutions with anti-money laundering obligations. According to the Notice on Strengthening the Supervision of Anti-Money Laundering Concerning Designated Non-Financial Institutions issued by the People's Bank of China, "specific non-financial institutions" include real estate development enterprises and agencies, accounting firms, law firms, notary authorities and so on.

**You are responsible for promoting the company's insurance products. Recently, a customer requested to cancel the policy shortly after paying the premium, and the premium amount is huge. What should you do?**

- Cancelling policies is a common money laundering method in the insurance sector, so you should stay vigilant.
- In the above circumstances, you should gather and keep complete identity information and transaction records of the customer involved.
- If you notice any suspicious activity, even if you cannot confirm it, you should immediately report to your supervisor, relevant functional department or the compliance department.

Please refer to:

If you have any questions, please consult with the relevant department or the compliance department of your company.

5.Information Disclosure

Proper information disclosure is essential in order for investors, regulators and the public to be informed about China Merchants. China Merchants, our listed affiliates and other information disclosure obligors are legally obligated to make information disclosure under the applicable laws and regulations governing securities and state-owned assets supervision. We disclose information timely in accordance with the law, ensuring that the information disclosed is truthful, accurate and complete. We have strict policies against false records, misleading statements or material omissions. We require all directors, supervisors and senior managers to perform their disclosure duties with care and diligence.



Do:

- comply with the company’s information disclosure requirements, disclose information through designated departments and channels
- collaborate with the information disclosure department and provide true, accurate and complete information and data
- report the information within the scope of information disclosure for a listed company in a timely manner
- carry out external promotions and reports objectively and truthfully



Don't:

- conceal or provide inaccurate information to the information disclosure department
- disclose or reveal insider information before it is disclosed by the company
- post confidential information or sensitive business information of the company without permission, or make inappropriate comments on social media or in other situations
- accept media interviews without the company’s permission
- make exaggerated, false or misleading external statements

Please refer to:

For specific requirements, please refer to the *CMG Management Measures for Information Disclosure* and other rules and regulations. If you have any questions, please consult with the information disclosure department or the compliance department of your company.



What if?

The media contacts you for relevant information and updates about your company. What should you do?

- Report to the information disclosure department and your supervisor. Do not disclose any information or make any comments until you receive approval.
- Let the media know that the relevant questions shall be addressed by a company representative, or that it may obtain relevant information through the official communication channels.
- If it is necessary to disclose relevant information for business needs, you must obtain approval from the information disclosure department and your supervisor before you disclose it, and comply with applicable policies and guidelines.

What do you need to bear in mind when using social media?

- Do not disclose confidential information or sensitive business information of China Merchants.
- Do not post any inappropriate comments that are relevant to the company.
- Do not share any content that may harm the reputation of the company.
- Do not use any illegal, discriminatory, harassing or offensive expressions in social media.
- Before posting anything, consider the potential impact it may have on China Merchants.

6.Data Protection

Data is the new oil. China Merchants attach great importance to data security and protection of personal information, and takes great care in appropriately handling the personal information and corporate data of customers, employees and business partners. We have strict controlling measures in place for critical activities such as data collection, storage, use, sharing, transfer, transmission, public disclosure and deletion. When collecting, processing and using personal information, we strictly follow the principles of lawfulness, necessity and good faith.



Do:

- stay vigilant against cybersecurity risks and take measures to prevent cyber risks such as network attacks, computer virus infections and data leakage
- adopt adequate data protection measures when processing corporate data and personal information of customers, employees and business partners
- comply with laws and regulations governing the protection of data and personal information, obtain necessary consent and make sufficient disclosure when collecting and using personal information
- ensure that the recipient has taken adequate protection measures before sharing personal information, as required by law or any relevant contractual provisions
- in the event of any cybersecurity incident and data leakage, report promptly and take necessary contingency actions to mitigate the damages

Please refer to:

If you have any questions, please consult with the information technology management department or the compliance department of your company.



What if?

If you receive an email containing a link that is supposedly sent by a customer, but the customer has not previously informed you that he/she will send you any materials. You find this email suspicious. What should you do?

- Stay vigilant and do not click on the link, reach out to the customer to verify the authenticity of the email. Seek advice and support from the IT department.



What does it mean?

Data protection means safeguarding sensitive data files against damage, theft, misuse and other unlawful action, by adopting appropriate hardware and software systems and other technical and organizational measures. Sensitive data files include, but not limited to, design files and drawings, source codes, marketing plans, financial statements and other files involving state secrets, trade secrets or any other important data.

Protection of personal information refers to adoption of relevant measures to protect individuals’ privacy and lawful use in processing personal data such as name, date of birth, ID number, biometrics, address, phone number and location.



Don't:

- log onto illegal websites, open suspicious emails, download malicious plug-ins, use pirated software or attempt to hack into the network of others
- use the network for illegal activities, such as accessing corporate or personal data without permission, spreading false information, damaging others’ reputations and privacy, or violating intellectual property rights
- facilitate third party’s actions that could harm cybersecurity
- steal, divulge or falsify personal data collected by the company, or share it with anyone else
- divulge, steal, buy, sell or misuse company data in any inappropriate manner
- download or transfer personal and corporate data to personal devices without permission

You are a bank employee, your colleague proposes to use the client’s phone numbers you collected during the account opening process to promote other financial products. They seek your assistance. What should you do?

- Refuse to help, as using personal information beyond the scope of informed consent is illegal and violates China Merchants’ policies.
- Promptly report to your supervisor or the compliance department if your colleague persists in his/her plan.



| As a business entity | As China Merchants employees | As a member of society



#### Do:

- follow applicable sanctions and export control regulations, company policies and protocols, and attend compliance training sessions
- verify whether the transaction model, counterparties, goods or services, mode of transportation, destinations or settlement methods of relevant transactions fall into the scope of sanctions and export control
- carefully review the counterparty, end use, end user and final destination of the trade goods
- report any "red flag" indicators and non-compliance events promptly, urge to take corrective measures, or terminate the transaction
- maintain complete records of the transaction and compliance measures
- seek guidance from the compliance department timely if you are unfamiliar with relevant laws and regulations or have any questions



#### Don't:

- overlook the compliance risk of proposed business and transaction counterparties, or ignore any violations or "red flag" indicators
- act without necessary knowledge of the origin, destination, nature, type or ownership of the goods bought, sold, carried or stored
- engage in prohibited transactions with parties black-listed by relevant international organizations or countries/regions for sanctions or export control
- open accounts, provide funds or transfer frozen assets for sanctioned entities in violation of relevant regulations
- supply restricted goods or provide related services to controlled parties without licenses or exemptions
- collude, assist or support the conduct of business in violation of sanctions and export control policies



#### Please refer to:

For specific requirements, please refer to the *CMG Guidelines on Prevention of Compliance Risk of International Economic Sanctions and Export Controls* and other rules and regulations. If you have any questions, please consult with the compliance department of your company.

## 7.Economic Sanctions and Export Control

China Merchants strives to comply with applicable economic sanctions and export control (hereinafter called "sanctions and export control" ) policies. We maintain an effective international trade compliance system which encompasses conducting risk assessments, adopting commitment letters or contract clauses to define compliance obligations of counterparties, and implementing effective measures to manage compliance risks.



#### What does it mean?

**Economic sanctions** refers to measures taken by countries or international organizations to restrict the economic activities with a target country, government, individual or entity, usually for national security or diplomatic reasons. These measures can take different forms, such as trade embargoes, export/import restrictions, financial restrictions, travel bans or freezing of assets.

**Export control** refers to regulations and policies by which a government restricts the export of certain goods, technologies and services from one country to another for various reasons, such as national or regional security, politic or diplomatic relation, or international security. These measures normally apply to export, re-export, deemed export and in-country transfer, and typically consist of licensing requirements, destination controls, end-user controls and prohibitions against knowingly engaging in or providing service for illegal transactions.

**"Red flag" indicators** refer to any suspicious or high-risk activities, transactions or behaviors that could give rise to violation of laws and regulations. Some common examples of "red flag" indicators in export control and sanctions include: unwillingness to provide information about end users and end use of goods; the product's functions do not fit the buyer's line of business; the item ordered is incompatible with the technical level of the country to which it is being shipped; the customer pays cash for a very expensive item when would normally need financing; the customer has little or no business background; the customer is unfamiliar with product's performance characteristics but still demands the product; the customer declines routine installation/training/maintenance services; delivery to abnormal transportation routes; delivery to entities unrelated to the transaction, or sensitive countries or regions., etc.



#### What if?

**You are responsible for the company's freight forwarding business, and you receive a request from a customer to transport a batch of cargo to a sensitive country. But when you inquire about the export license, the customer dismisses your concern by saying that you don't need to worry about it. What should you do?**

- As a freight agent, it is still our responsibility to understand fully the transaction details of the goods being transported. Insufficient information of transaction may result in the company being passively involved in violations and being considered by the enforcement authority as "assisting" in such violations.
- To ensure compliance, you should:
  - Insist on requesting the customer to provide all necessary information, such as origin, type, destination, license, ownership, end user and end use of the cargo, etc.
  - Conduct a thorough assessment based on the information provided by the customer, keep accurate documentation and records of the transaction.
  - Seek guidance form the company's compliance department if you are unsure how to proceed or you have any other questions.





## “PART.02 As China Merchants employees”

### We are committed and diligent in our duties

Being committed and diligent in our duties are key values that we uphold in China Merchants. As a member of China Merchants, it is important for you to practice our corporate culture and values, stay dedicated to your roles and responsibilities, maintain high standards of conduct, fulfill your obligations of confidentiality, safeguard corporate assets, avoid conflicts of interests and insider trading, and positively contribute to the long-standing reputation of our organization as "Centennial China Merchants".



## 1.Fostering a Good Working Atmosphere

At China Merchants, we value the rights and dignity of every employee. We are committed to fostering a working atmosphere that promotes equality, friendliness, inclusiveness, unity and progress, without toleration of any insult, discrimination or harassment.



### Do:

- embrace and uphold the company's corporate culture and values, safeguard its interests and reputation
- adhere to the company's work rules
- treat colleagues with respect, trust and kindness, maintain polite and courteous interactions with others
- respect the ethnic customs and religious beliefs of others
- respect others' personal rights, including rights to their body, reputation and privacy
- avoid discriminatory behavior or making inappropriate remarks based on race, skin color, nationality, language, social status, age, gender, sexual orientation, disability, pregnancy, religion or any other characteristic



### Don't:

- spread, post or comment on false information or statements that could damage company's reputation
- engage in activities that are not related to work during working hours or with company property
- leave the workplace without permission from your supervisor or manager
- be negligent in your work duties, or obstruct work of others
- insult, coerce, provoke, verbally abuse or harass others
- gossip or spread rumors that may cause harm to others or invade others' privacy
- conceal, destroy or unlawfully access mail or letters intended for others

### 🔍 Please refer to:

If you have any questions, please consult with the human resources department or compliance department of your company.



### What if?

**What actions can you take if you feel harassed in the workplace?**

- At China Merchants, we take a zero-tolerance policy towards any discrimination or harassment.
- If you do feel that you are experiencing discrimination or harassment due to someone else's inappropriate words or behavior, please promptly communicate with your supervisor or human resources department of your company.



## 2. Acting with Loyalty, Accountability and Responsibility

Employees are viewed as "business partners" of China Merchants and are expected to embrace the company's culture, uphold its reputation, refrain from any actions that could create potential conflict of interests and actively contribute to the company's growth.

### ? What if?

**You are invited to participate in a bid evaluation committee for a company tender procurement project. Before you start evaluating the bids, you discover that the person in charge of one tenderer is your relative. What should you do?**

- You should immediately report the conflict of interest to the procurement department and recuse yourself from the evaluation committee.

**A friend gives you a ticket to a ball game and you discover that your friend is working for a business partner of your company. Can you accept the ticket?**

- It should be decided on a case-by-case basis.
- If your role could impact the company's relationship with that business partner, please seek guidance from your supervisor, human resources or the appropriate department before accepting the gift.
- You may accept the gift if you obtain approval from the company and confirm that the gift is not intended to influence your business decisions or have any commercial purpose. Otherwise, it is best to decline the gift.

### 🔍 Please refer to:

If you have any questions, please consult with the human resources department or compliance department of your company.



#### Do:

- follow applicable laws, regulations, company policies and professional ethics
- promote the development of the company and maintain its good reputation
- stay enthusiastic about your job, complete tasks on time and be receptive to performance evaluations
- work diligently within the scope of your authorization and implement the company's decisions and processes
- act with integrity and never offer or accept, directly or indirectly, any form of bribe or unlawful inducement
- sign confidentiality agreement and/or non-compete agreements with the company when needed
- report and avoid potential conflict of interest in a timely manner, and seek guidance with the relevant department if you are unsure of whether a conflict of interest exists



#### Don't:

- sign documents, make statements or disclose information on behalf of the company without or beyond authorization
- engage in behavior that may conflict with the interests of China Merchants, such as:
  - using company assets, information, opportunities, resources for personal gain or for the benefit of third parties
  - hiring or managing close relatives in violation of the company's policies on conflict of interest, or seeking positions or benefits for them
  - doing non-company work during working hours or using company assets for non-company work, except for approved charitable or other non-profit activities
  - conducting, participating in or assisting any activity that competes with the company
  - running or working for a business that competes with the company during the non-compete period
  - engaging in any other activities that could harm the interests of China Merchants

## 3. Safeguarding Confidential Information

As a member of China Merchants, it is your responsibility and obligation to maintain the confidentiality of state secrets, company trade secrets and know-how. China Merchants holds individuals accountable for any breach of confidentiality responsibilities, constantly improves its confidentiality management system and provide regular confidentiality education and training for employees.



#### Do:

- strictly keep confidential state secrets, company trade secrets and know-how, follow the confidentiality obligations prescribed under company's policies and employment contracts
- attend company's confidentiality training, familiarize yourself with company's confidentiality standards and management requirements
- strictly comply with any confidentiality agreements signed with business partners, carefully manage the confidential information of business partners
- produce, send, receive, transmit, use, copy, preserve and destroy confidential documents according to company protocols
- conduct necessary confidentiality checks before engaging in activities that involve the disclosure of company information to the public
- properly return all confidential documents or equipment when leaving your job, and do not make any copies
- report and take remedial measures in a timely manner when discovering any breach or potential breach of confidentiality



### What does it mean?

**Company's trade secret** refers to business information and technical information in business activities that are not intended to be disclosed to the public. Such information has commercial value and is protected by the company's confidentiality measures, such as undisclosed business strategies and tactics, investment decisions and programs, acquisition and reorganization plans, negotiation strategies, external investment projects unsuitable for disclosure, tender estimate of project bidding as well as contracts, agreements, letters of intent, feasibility reports and minutes of important meetings, know-how, technical drawings, employee income distribution plans unsuitable for disclosure, and other confidential matters determined by business needs.



#### Don't:

- disclose state secrets, company trade secrets or know-how without permission
- obtain, disclose, use or allow a third party to use confidential information via illegal means such as stealing, cheating, siphoning, eavesdropping and inducing
- violate company's confidentiality policies, and fail to take appropriate measures to protect confidential documents and information, such as producing, transmitting or storing confidential information through personal mobile devices, instant messengers, social media and the Internet
- disclose business partners' confidential information to third parties without their written consent



### Please refer to:

For specific requirements, please refer to the *CMG Rules and Regulations on Confidentiality* and other rules and regulations. If you have any questions, please consult with the confidentiality department or compliance department of your company.



### What if?

**During a dinner, your relatives and friends show great interests in the project you are in charge of and ask you to share some details and investment prospects of the project. What should you do?**

- Please note that the details of the project of which you are in charge, is the company's confidential information and you should not share it even with your relatives and friends.
- You may provide information that has already been publicly disclosed through official channels, such as press releases.
- You can let your relatives and friends know that if they are interested in seeking cooperation, they can contact the department responsible for such project.



## 4. Safeguarding Corporate Assets

Our corporate assets are the foundation of China Merchants' operation and development. Each China Merchants member shall be responsible for protecting corporate assets and promptly report any incident of infringement. To foster innovation, China Merchants values and protects the company's intellectual property rights (IPRs) in accordance with the applicable laws and regulations, and fully respects the IPRs of others.



### Do:

- familiarize yourself with how to properly use corporate assets and utilize them diligently and conscientiously
- protect corporate assets from loss and abuse
- assess whether any new technology or product you create in the course of your work constitutes intellectual property, and if so, apply for registration of IPRs or protect it as the company's technical know-how
- be aware that the results formed by employees in the course of performing work tasks or mainly by using corporate assets and resources are the assets of the company, and should be protected
- respect and avoid infringing on IPRs of others, and obtain written authorization before use
- promptly report to the company's IP department or compliance department when you discover patents, trademarks, names, logos that are identical or similar to the company's
- immediately report any infringement with respect to corporate assets to the superior in charge and take corresponding measures



### Don't:

- use or dispose of corporate assets without permission
- damage, destroy or waste corporate assets intentionally or negligently
- aid, abet, harbor or condone infringements with respect to corporate assets
- use corporate assets for illegal purposes or for personal gain
- acquire, use, copy, tamper with or destroy the company's intellectual property without permission
- deliberately make false claims for expenses and allowances
- use or disclose the company's intellectual property or proprietary information without proper authorization after leaving the company



### Please refer to:

For specific requirements, please refer to the *CMG Management Regulations on Intellectual Property Rights*, the *CMG Management Measures for Long-term Assets* and other rules and regulations. If you have any questions, please consult with the relevant asset management department or compliance department of your company.



### What if?

**You have learned that the company has plans to dispose of some computers that are no longer fit for use. A colleague is suggesting taking the discarded computers back home and selling them. What should you do?**

- Even the computers have been deemed obsolete, they are still considered corporate assets and should be disposed in accordance with the company's internal management processes. Any private disposal of corporate assets is illegal and a violation of company policy.
- You should reject your colleague's proposal and stop him or her from taking them without permission.
- If your colleague disregards your advice, you should report to your supervisor and the relevant department.

## Prohibiting Insider Trading

China Merchants complies with laws and regulations on securities supervision and prohibits disclosing insider information of the company or using insider information to make illegal profits.



### Do:

- learn the company's policies and guidelines on insider trading, attend relevant training sessions, familiarize yourself with what constitutes insider information and its handling processes
- when encountering potential insider information, maintain strict confidentiality, and report to your superior
- when identifying whether the information constitutes insider information, judge strictly and prudently by reference to the substance of the information
- strictly enforce confidentiality measures throughout the course of producing, transferring, storing and destructing insider information and documents
- cooperate with investigations into insider trading, and report any suspicious insider trading activities



### Don't:

- obtain insider information by illegal means such as stealing, cheating, siphoning, eavesdropping, inducing or private trading
- illegally disclose insider information
- directly or indirectly buy or sell relevant securities or engage in relevant futures trading while obtaining knowledge of insider information
- provide insider information to others with the intent of influencing their decision to buy or sell securities or engage in futures trading



### What if?

**A friend asks for your advice on purchasing stocks, and you happen to know that a business partner of your company, a listed company, has made significant progress in product development (which progress has not been publicly disclosed) and the stock price will likely rise. Can you recommend your friend to buy stock of this company without disclosing the exact reason?**

- No. The information you obtain during work is insider information, and using it either to buy stock yourself or by recommending others to buy stock, is considered insider trading.
- Even if you do not disclose the exact reason for the likely stock price rise to your friend, it is still a violation to make a recommendation based on insider information.
- You must keep insider information strictly confidential until it is made public.



### Please refer to:

For specific requirements, please refer to the *CMG Administrative Guidelines for Insider Trading Compliance* and other policies. If you have any questions, please consult with the compliance department of your company.



## “PART.03 As a member of society”

### We care for our employees, our community and our environment

At China Merchants, our ultimate goal of pursuing "business success" is to drive progress and make meaningful contributions to the betterment of wider society. We are committed to caring for various stakeholders including our employees, communities and the environment, and we work in partnership with our employees to achieve our shared objectives. As part of our efforts, we engage in charitable activities, practice green development, and strive to achieve harmony between the enterprise, individuals, society and the environment.



## 1. Growing with Our Employees

Upholding the idea of "high unity in cultural lineage and diversity in talent cultivation", China Merchants place great emphasis on the development of our employees. We are constantly developing our staff education and training process, providing specialized training programs for all levels and categories of employees. We continue to improve our talent management system, implement a dual-channel ranking system, and expand career development opportunities for our employees. We attach great importance to caring for our employees, creating a warm and friendly working environment, and offering our employees a variety of recreational activities to enrich their social life. We also provide care and support for retired employees, those in need or suffering from medical conditions, female employees, overseas employees and other specific groups. Through regular visits and care activities, we strive to ensure that our employees feel the warmth and support of the company.



### We commit to:

- provide diversified training programs to our staff, encourage the staff to obtain relevant occupational qualifications
- implement a dual-channel ranking system of managerial ranking and professional ranking to offer more choices for the staff's career development, enhance management of the full career cycle for the staff
- provide allowances for employees in need
- care for the health of our staff and arrange health checks, encourage sports and exercise and provide psychological assistance



### Don't:

- disregard the legitimate rights of employees in violation of labor laws and regulations of the countries/regions in which we do business
- disregard the safety of working environment and prevention of occupational illness, do not provide sufficient protective facilities and equipment for employees



### Please refer to

For specific requirements, please refer to the *CMG Management Regulations on Labor Employment*, the *CMG Compliance Management Measures for Labor Employment* and other rules and regulations. If you have any questions, please consult with the human resources department or compliance department of your company.





## 2.Serving Our Community

China Merchants is dedicated to the vision that "everyone enjoys the fruits of progress of the times". As part of our commitment to fulfilling our social responsibility, China Merchants has undertaken a wide range of charity activities both domestically and overseas, including assistance to the poor and needy, disaster relief, donations to schools and volunteer services. We established China Merchants Foundation as the unified public welfare platform and adhere strictly to laws and regulations related to charity and public welfare, anti-bribery and other aspects. We ensure that our charity activities truly achieve the purpose of serving the community, based on the principles of central management, compliance, integrity, voluntary contribution and acting within our capacity.



### ? What if?

**You are passionate about charity. During a donation activity, you are asked to record China Merchants as the donor. What should you do?**

- While China Merchants encourages employees to engage in charity, all external donations made on its behalf must strictly follow the required approval procedures.
- Employees shall not make charitable donations on behalf of the company without proper authorization.
- Please make any charitable donation in your own name.



### Do:

- actively participate in the public welfare and charity events organized by the company and the society, while remain compliant and integrate
- when making donations in the name of the company, comply with relevant policies and fulfill the processes such as budget approval, reviewing of the recipients, signing of donation agreements and periodic reporting
- obtain financial receipts for charitable expenditures donated in the name of the company, and record the expenses truthfully and accurately
- report any potential conflict of interest in a timely and properly manner



### Don't:

- engage in any charity activities in the name of the company without permission
- use corporate assets or work time to participate in charitable activities without permission
- make charitable donations to for-profit activities
- transfer illegal benefits to private accounts under the guise of donations
- involve in bribery, corruption or other illegal or non-compliant activities in the name of charity
- make donations that are harmful to society's interests, the company's reputation or are inconsistent with China Merchants' core values

### 🔍 Please refer to

For specific requirements, please refer to the *CMG Compliance Management Measures for Donation and Sponsorship* and other rules and regulations. If you have any questions, please consult with the donation and sponsorship management department or the compliance department of your company.



| As a business entity | As China Merchants employees | As a member of society



### 3.Protecting the Environment

China Merchants promotes green and low-carbon sustainable development across all aspects of our business. We have set scientific and reasonable targets for environmental protection and integrate the target of "carbon peak and carbon neutral" into each business sector. Our goal is to build a green transportation system, construct green habitats and provide green financing. We actively engage in a variety of green activities, such as promoting green office and green charity events, working together with our employees, customers, communities and other relevant parties to build a green, clean and beautiful earth.

We have established and developed an environment protection system, which covers all aspects of layout, planning, construction, production and operation and the full cycle of decision-making, execution and supervision. We promote clean production, and integrate the idea of energy conservation and emission reduction into our corporate strategy. We continuously improve our production and service processes, reduce the environmental impact and resource consumption of our business activities through technological advances.



#### Do:

- follow the environmental protection laws of your country/region and take care of the ecological environment
- conserve water, electricity and gas, and meet environmental guideline standards for air conditioning temperature
- go paperless and recycle office supplies whenever possible
- comply with waste sorting policies and dispose of waste properly
- use public transportation and travel green whenever possible
- care for wildlife and protect biodiversity
- participate in charitable activities for environmental protection and live a low-carbon life
- fulfill the duty of pollution prevention at your post and report potential environmental accidents or incidents in a timely manner



#### Please refer to

For specific requirements, please refer to the *CMG Compliance Management Measures for Environmental Protection* and other rules and regulations. If you have any questions, please consult with the environmental protection management department or the compliance department of your company.



#### What if?

**The port terminal where you work faces an environmental pollution incident, such as an oil and gas leak, what should you do?**

- Immediately halt all loading and unloading operations at the port and alert others to evacuate quickly.
- Promptly report to the supervisor and competent government authorities, follow their instructions.
- Initiate the emergency plan on environmental pollution, and contact professionals tasked with handling pollution while strictly adhering to the operating protocols.
- Cooperate with competent government authorities and company departments during the post-event investigation.

**If you find that one of the company's construction projects has a large exposed area with serious dust problems, what should you do?**

- Construction dust is a critical cause of air pollution and should be prevented.
- Please promptly report to the responsible department of the company.
- If your report is not accepted, report the issue to the compliance department.



China Merchants Group  
**Code of Conduct on Integrity and Compliance**

**Address:** 40/F, China Merchants Tower, Shun Tak Centre.168-200

Connaught Road Central, Hong Kong

**Tel:**(852) 2542 8288

© China Merchants Group, all rights reserved

