

Midea Supplier Code of Conduct

Midea Group adheres to the “business philosophy of creating a better life with technology”, actively takes responsibility for environment, society and governance in the course of business, and is committed to contributing to society through innovative products and services to jointly create a better life and future.

Our suppliers are our important partners in filling our mission and achieving sustainable development, We expect our suppliers to adhere to the same principles and values that are important to our business development.

This supplier code of conduct (hereinafter referred to as the “Code”) mainly covers the important principles of human rights and labor, environmental protection and business ethics. This code applies to all suppliers which may provide products and/ or services to Midea Group and / or all subsidiaries and affiliates worldwide.

We require our suppliers to comply with this Code, and actively participate in social responsibility training such as environmental protection and labor management to enhance their environment, society and governance performance. The suppliers’ compliance with this Code, including but not limited to environmental protection and labor management practice, will determine the establishment and maintenance of their cooperative relationship with Midea Group. Midea value our suppliers’ environmental protection and labor management practice, and we reserve the right to conduct site review of suppliers with reasonable notice to assess their compliance with this Code and reflect these results in their overall ratings. If the supplier fails to comply with this Code’s requirement, Midea may decide not to award new business or terminate assisting agreement. Moreover, the supplier has the responsibility to ensure their suppliers also comply with this Code. Further, each supplier shall, on a regular basis (at least annually), engage an independent third-party auditor to conduct a comprehensive audit of its operations, facilities, and management systems against the principles set forth in this Code. The supplier must maintain written records of all such third-party audit findings, corrective action plans, and implementation status. These records shall be retained for no less than three years and be made available to Midea upon request. Such self-monitoring efforts will be considered as part of Midea’s overall assessment of the supplier’s performance and commitment to continuous improvement.

Law and this Code

Suppliers shall strictly comply with the law and regulation of their countries or regions where they located, as well as this Code. If the requirements of this Code are stricter than local laws, this Code shall apply. In the event of a conflict between applicable laws and this code, suppliers should promptly notify Midea.

Human Rights and Labor

1. Prohibition on Forced Labor: Suppliers must ensure voluntary employment for all employees and strictly prohibit any form of slavery (including modern slave labor), forced labor, bonded labor, human

trafficking, and involuntary prison labor.

2. Prohibition on Child Labor: Suppliers must comply with local regulations concerning the minimum employment age and strictly prohibit the use of child labor. Furthermore, suppliers must ensure that minors under the age of 18 do not engage in any work that could endanger their health or safety.

3. Prohibition on Discrimination and Harassment: Suppliers must respect the physical and mental dignity of their employees by providing a healthy, cooperative, and equitable work environment. They must prohibit any form of discrimination, prejudice, violence, and harassment. Recruitment and hiring practices must be conducted with fairness, impartiality, and transparency, focusing on candidates' qualifications and abilities. The hiring process must ensure equal opportunity for all candidates. Additionally, suppliers must guarantee equal treatment for women in all employment aspects.

4. Wages and benefits: Suppliers must pay their employees at least the minimum wage stipulated by local law and provide all legally mandated benefits. Furthermore, employees must be compensated for overtime in accordance with applicable local regulations. In addition to standard company compensation, suppliers are required to provide workers with accident insurance coverage for work-related injuries and to offer compensation for permanent disabilities arising from such injuries, as prescribed by local law. Suppliers must also ensure that all employees, including foreign national workers, receive at least the local statutory minimum wage for all hours worked, and that no deductions from wages are made for recruitment fees, visa fees, or any other related costs.

5. Working Hours: Suppliers must ensure that employees are not required to work beyond the normal working hours and overtime limits set by the laws of the country where the factory is located, except under special circumstances. Additionally, employees must be granted at least one day off every seven days, barring any special circumstances.

6. Health and Safety: Suppliers must comply with all legal standards for workplace health and safety, ensuring a clean, safe, and healthy work environment for their employees. This includes compliance with local laws in the following areas: fire safety, machine guarding, personal protective equipment, lighting, temperature and ventilation, and restroom facilities.

7. Freedom of Association and Collective Bargaining: Subject to local law, suppliers must recognize and respect the rights of employees to freedom of association, including the freedom to join or not join a trade union or any other association. Furthermore, suppliers must respect the rights of workers to engage in collective bargaining.

8. Management of Migrant Workers and Recruitment Fees: Suppliers must ensure fair and ethical management of all foreign national (migrant) workers. Suppliers shall not charge any recruitment fees, placement fees, visa processing fees, work permit fees, or any other related costs to migrant workers, directly or indirectly. All such costs shall be borne by the supplier. Suppliers must also ensure that migrant workers retain full control over their identity documents (e.g., passports, work permits) and are not subject to any form of deposit or withholding of wages as a condition of employment. Employment contracts must be provided in a language understood by the worker before departure from their home country, and no substitution or alteration of contract terms is permitted after arrival. Suppliers shall also respect the right of migrant workers to freedom of movement and to terminate

their employment in accordance with local law.

Environment Protection

1. Environmental Permits and Reporting: Suppliers must comply with all relevant environmental protection laws in their respective countries and regions, including those related to the prevention and management of pollutants and waste, such as emissions of waste gases and discharge of wastewater. They must also obtain, maintain, and renew all necessary environmental permits, including those for emission monitoring, as well as any required approvals and registration certificates. Additionally, suppliers must comply with the operational and reporting standards set forth by these permits and regulations.

2. Product Environmental Protection: Suppliers must comply with all laws and regulations concerning the prohibition or restriction of specified materials. They are required to implement effective measures to prevent or limit the use of these materials in both product and manufacturing processes.

3. Pollution Prevention: Suppliers must comply with all applicable laws and regulations governing pollutants, including but not limited to wastewater, waste gas, and solid waste. This compliance extends to all aspects of the pollutants' lifecycle: manufacturing, transportation, storage, treatment, and discharge. Furthermore, suppliers are expected to make their best efforts to minimize the generation of pollutants and waste from their operations and to continuously enhance their environmental management performance.

4. Energy Conservation and Emission Reduction: Suppliers must implement conservation and substitution measures to reduce the consumption of energy, water, and natural resources, and to enhance the resource efficiency of energy and water utilization. They should upgrade equipment, technology, and manufacturing processes, and optimize product structures to further decrease resource consumption. These measures are designed to protect natural resources and reduce greenhouse gas (GHG) emissions. In addition, suppliers are required to actively monitor and manage their GHG emissions. They must set ambitious reduction targets that are publicly disclosed and implement effective strategies to achieve these goals. Such strategies may include reducing energy consumption, increasing the proportion of renewable energy sources in their energy mix, and expanding the adoption of clean energy programs, among other measures.

5. Biodiversity: Suppliers shall actively safeguard biodiversity, and comply with all relevant laws and regulations related to biodiversity protection. They must make continuous efforts to reduce any adverse effects their business activities may have on biodiversity, and avoid operating in protected areas or areas with significant biodiversity. Additionally, suppliers are encouraged to foster the sustainable use of natural resources and to participate actively in ecological and environmental conservation efforts.

Business Ethics

1. Anti-bribery and anti-corruption: Suppliers shall conduct their business in good faith, strictly prohibit any form of bribery or corruption, and comply with all applicable anti-bribery and anti-corruption laws in their countries or regions, including, but not limited to *Criminal Law of the People's*

Republic of China, Anti-Unfair Competition Law of the People's Republic of China, U.S. Foreign Corrupt Practices Act and U.K. Bribery Act. Suppliers are prohibited from influencing the judgment of public officials or gaining unfair competition advantages through bribery. Public officials refer to government officials, state-owned employees or state-owned organizations employees (such as employees of state-owned hospital, state-owned school)

2. Fair Competition: Suppliers must adhere to the principle of fair competition and comply with all relevant fair competition and antitrust laws in their countries or regions. They must not engage in practices that restrict fair competition, nor participate in market competition through unfair means such as false advertising, collusive bidding, price discrimination, damaging goodwill, infringing on intellectual property rights, or any other form of unfair competition.

3. Conflict of Interest: Suppliers must avoid any direct or indirect conflict of interest with Midea and must not engage in activities that conflict with Midea's interests. This includes avoiding situations where Midea's personnel, whether current or former, work at the Supplier's company, control the Supplier through investment or other means, or influence the Supplier's business. Additionally, it applies to cases where the Supplier and Midea's personnel jointly invest in or operate any other business, which could potentially conflict with Midea's interests. If such conflicts are identified, especially those that may affect the execution of tasks entrusted by Midea, the Supplier must proactively disclose these conflicts to Midea.

4. Gift and Entertainment: Midea prohibits any gifts and entertainment provided by suppliers that beyond the exceed the reasonable purpose and amount. This requirement applies to suppliers' employees, agents and family members of the above. Suppliers are prohibited from providing Midea's employees or agents with business meals (except for light work lunch), transportation and travel accommodation. Cash and cash equivalents (such as shopping cards, coupons, etc.) are prohibited at all times (including traditional holidays of any country/ region) regardless of their amount.

5. Information disclosure: All business transactions must be transparent and accurately recorded in the business books and records of participants, with no falsification or misrepresentation. Suppliers are required to disclose comprehensive information in line with relevant regulations and industry practices. This includes details about labor, health and safety, environmental practices, business activities, organizational structure, financial status, and performance.

6. Privacy: Suppliers must adopt a transparent approach to data processing that protects and respects the privacy and security of personal information for all stakeholders, including suppliers, customers, consumers, and employees. They must also comply with all relevant laws and regulations concerning personal data protection and information security throughout the lifecycle of personal information, from collection to storage, processing, transmission, and sharing.

7. Intellectual Property: Suppliers must respect and safeguard the intellectual property, trade secrets, and confidential information of third parties, including competitors, suppliers, and customers. They are prohibited from using such information without authorization or licensing. Additionally, suppliers are required to ensure their business operations are in full compliance with applicable intellectual property laws and international treaties.

8. International Purchase: Midea adheres to global customs, trade, import, and export regulations. Suppliers, when transferring goods, services, software, or technology either domestically or internationally, must comply with pertinent laws, including domestic and international sanctions and export controls. Furthermore, suppliers are obligated to fulfill all duty-payment responsibilities.

9. Responsible Purchase and Due Diligence: Suppliers must undertake reasonable due diligence measures to trace the origin and custody chain of minerals, including tantalum, tin, tungsten, gold, cobalt, and mica, contained within their products. They are required to provide pertinent due diligence documentation when requested, ensuring that their procurement practices do not directly or indirectly finance conflicts. Additionally, suppliers must ensure that their own suppliers adhere to the same due diligence standards to maintain a 'conflict-free' supply chain integrity throughout the entire supply chain.

10. Subcontracting: Suppliers must secure Midea's prior written consent before engaging subcontractors for the production of goods or provision of services to Midea. Furthermore, suppliers are responsible for ensuring that their subcontractors fully comply with the stipulations of this Code.

11. Protection of Reporter: Suppliers must establish robust internal systems to safeguard the privacy of their employees who report violations of this Code and to shield these individuals from any form of retaliation.

Midea Ethics Hotline

Midea has set up the following ethics hotline and reporting email address to receive and handle related complaints.

Hotline: 0086 -757-26605599

Email: compliance@midea.com; ethics_compliance@midea.com