

The Management Regulations of BOE Supplier's Corporate Social Responsibility

The Management Regulations of BOE Supplier's Corporate Social Responsibility (hereinafter referred to as the “**Regulations**”) apply to all suppliers that provide products and/or services to BOE Technology Group Co., Ltd. and its affiliates which controlled or involved in operation and management by BOE Group through holding a controlling interest, voting rights, agreements or other means (hereinafter collectively referred to as “**BOE**”).

The Regulations aims at clarifying the **Corporate Social Responsibility** management requirements of BOE for suppliers, ensuring that suppliers produce products or provide services in a socially responsible manner and promoting the sustainable development of the industrial chain.

The Regulations consists of five sections: The Supplier's **Corporate Social Responsibility** Management System, Labor Requirements, Safety and Occupational Health, Environment and Business Ethics Requirements. In case that the suppliers have made other written agreements with BOE or other commitments to BOE on relevant contents of the Regulations, which are in conflict with the Regulations, the contents with higher standards or requirements shall prevail.

1. Definitions

1.1 CSR (Corporate Social Responsibility) shall mean the requirements on the management system, labor, safety and occupational health, environment and business ethics.

1.2 Child labor shall mean any worker who is under the age of 15, or the age of completion of compulsory education or the minimum age for employment in the country or region (whichever is the highest of the three).

1.3 Young worker shall mean any worker who is above the age defined of child labor but under 18 years old.

1.4 Prison labor shall mean the people imprisoned by the government or the military

2. The Supplier's CSR Management System

2.1 CSR System

Suppliers shall establish and effectively operate the CSR Management System in accordance with the relevant standards such as *Code of Conduct of RBA*, *ISO14001*, *ISO45001*, *SA8000*, *ISO26000*, the relevant laws and regulations, and the requirements of BOE.

2.2 CSR Policy

Suppliers shall establish Social Responsibility Policies, including compliance with laws and regulations, international standards, and make a commitment to continual improvement.

2.3 CSR Requirements

All activities of the suppliers must fully comply with the laws and regulations of the country or region where they do the business, and must fully comply with the requirements of BOE and other customers, meanwhile the suppliers shall comply with relevant international and industrial standards of CSR. If the laws of the above country or region conflict with the foregoing standards, the higher standards consistent with the laws of the country or region shall prevail. If the foregoing standards stipulate same contents which not conflict with the laws, the provisions or contents which will better protect the interests of workers shall prevail.

2.4 Management Accountability and Responsibility

2.4.1 Suppliers shall establish a competent organization for CSR management, including executives, CSR professionals, and departments.

2.4.2 Suppliers shall conduct CSR management to their upper tier suppliers/subcontractors, including but not limited to the establishment of an upper tier supplier CSR Management System, CSR risk assessment, CSR performance management, CSR on-site audit and problem tracking improvement.

2.4.3 Suppliers shall establish CSR agreements with their upper tier suppliers, and push to sign the agreements, in order to strengthen the CSR management of their upper tier suppliers.

2.4.4 Suppliers shall make CSR a basic precondition or threshold criterion to certify and select their new upper tier suppliers, which means the new upper tier supplier shall not be approved if its CSR cannot meet the requirements of the supplier.

2.5 Risk Assessment and Risk Management

Suppliers shall establish procedures to identify risks associated with its business on management system, labor, safety and occupational health, environment, business ethics, etc. and implement appropriate procedures to ensure compliance and risk control.

2.6 Performance objectives with implementation plans and measures

Suppliers shall establish CSR performance objectives, indicators and implementation plans to improve their social responsibility performance and evaluate it regularly.

2.7 Training

Suppliers shall make training plans for their management and workers to implement their CSR policies, procedures and improvement objectives.

2.8 Communication

Suppliers shall establish a procedure for timely transmission of CSR related performance, CSR reports, CSR events to BOE and other customers, workers and the upper tier suppliers.

2.9 Internal Audits and Assessments

Suppliers shall conduct regularly internal audits and self-assessments to ensure compliance with laws and regulations, international standards and the social responsibility requirements of

the Regulations.

2.10 Continual Improvement

2.10.1 Suppliers shall establish procedures to discover non-compliance issues on the internal and external assessments, evaluations, inspections and audits, and make improvement plans to properly remedy and correct them based on the nature and seriousness of the issues.

2.10.2 BOE or BOE's customers, as well as the third parties designated by BOE or BOE's customers have the right to audit the CSR management system and on-site CSR management of the suppliers and their upper tier suppliers, the suppliers shall cooperate and support. In case that the CSR management of the suppliers is unqualified, the suppliers shall rectify in compliance with the requirements of BOE.

2.10.3 The related audits that BOE conducts to suppliers and their upper tier suppliers will not affect and exempt the responsibility and obligations of BOE's suppliers.

2.11 Documentation and Records

Suppliers shall establish documentation and records to ensure compliance with the regulations and BOE's requirements, and properly protect them.

2.12 Problem Solving and Corrective Action

Suppliers shall investigate, handle and respond when their workers, BOE, or the customers of BOE raise doubts about the suppliers' compliance with the Regulations.

3. Labor Requirements

3.1 Human Rights

Suppliers shall respect international human rights norms, and shall not participate in or support any human rights violations. Suppliers shall treat all personnel with respect and dignity, and shall not engage in or support corporal punishment, mental or physical coercion, verbal abuse, or treat workers in a rough and inhuman manner.

3.2 Child Labor/Young Workers/Female Workers

3.2.1 Suppliers shall not use or support the use of child labor, and shall take effective measures to prevent child labor from recruitment by mistake.

3.2.2 Suppliers shall establish and maintain child labor remediation program in accordance with national laws and communicate the program to all workers effectively. Once child labor is found, suppliers shall support the child labor to receive school education until they exceed the age of school

3.2.3 Suppliers shall provide labor protection to the young workers employed as required in accordance with laws and regulations, including but not limited to, no work in toxic or harmful positions, no night works, etc.

3.2.4 Women have the equal employment opportunities with men, except for the type of work or posts unsuitable for women according to the local regulations. Suppliers shall prohibit female workers from engaging in banned labor required by local regulations, and prohibit female workers from engaging in high, low temperature, cold water and other banned labor required by local regulations during menstruation or pregnancy. Suppliers shall prohibit female workers from engaging in banned labor required by local regulations, working overtime or night shifts during the period of breast-feeding infants under one year old.

3.3 Forced or Compulsory labor

3.3.1 Suppliers shall not use or support the use of prison labor, nor have the products outsourcing to the prison labor for production.

3.3.2 Suppliers shall sign labor contracts with their workers. The establishment and alteration of labor contracts shall abide by the principles of equality, voluntariness and consensus, and shall not violate any laws and regulations.

3.3.3 Suppliers shall terminate workers' labor contracts with written notice in advance and compensate the parties in accordance with the law.

3.3.4 Suppliers shall not detain workers' wages, benefits, property or certificates in order to force workers to work continuously.

3.3.5 It is prohibited to set unreasonable restrictions on access to the workplace, or set unreasonable restrictions on the freedom of action of workers in the workplace.

3.4 Working Hours and Rest

3.4.1 Suppliers shall comply with the stipulations regarding to working time and rest in accordance with the local laws and regulations.

3.4.2 Suppliers shall keep accurate working time records, regardless of using time, piece or integrated working time system that approved by the local laws and regulations.

3.4.3 Suppliers shall establish an effective overtime control system to ensure the voluntary of working overtime and the physical and psychological health of the workers.

3.5 Basic Wage and Social Insurances

3.5.1 Suppliers shall pay at least the minimum wage required by the local government, and provide welfare and overtime wages in accordance with national laws. Suppliers shall stipulate the working conditions, wages and the pay periods in the contracts.

3.5.2 The time of payment shall be conducted in accordance with the laws and regulations of the local government, and shall not be defaulted or delayed.

3.5.3 Suppliers shall provide social insurances for their workers in accordance with the laws and regulations, including employment injury insurance and pay the corresponding insurance premiums as required.

3.5.4 Suppliers shall employ dispatched and outsourced workers in accordance with restrictions

of the local laws.

3.6 No Discriminatory System or Behavior

3.6.1 Suppliers shall not engage in or support any discrimination systems or behaviors based on race, nationality, religion, disability, gender, marital status, political affiliation or age relating to the matters of employment, wages, training, promotions, dismissal or retirement, etc.

3.6.2 Suppliers shall not be allowed to conduct any threat, abuse, exploitation, sexual harassment, including posture, verbal and physical contact in the workplace, or the domiciles provided or managed by them or other premises.

3.6.3 Suppliers shall respect the workers of different races and religions, and provide necessary conveniences and conditions in custom for the workers.

3.6.4 Suppliers shall not require any workers to perform a pregnancy or virginity test in any case.

3.7 Freedom of Association and Communication

3.7.1 Suppliers shall have organizations (such as: labor unions, workers' congress, clubs and other "channels of communication") that can represent and maintain the legitimate rights and interests of the workers and conduct activities independently in accordance with laws and regulations.

3.7.2 Suppliers shall ensure that the workers participating in the labor organizations and the labor representatives are not discriminated, harassed, coerced or retaliated because of their union membership or their participating in union activities, and that labor representatives can maintain contact with the workers they represent at the workplace.

3.7.3 Suppliers shall ensure that the workers have the right to participate in democratic managements and equal consultations in accordance with the laws and regulations, through workers meetings, workers representatives or other forms.

3.8 Establishing the System of Protecting Workers' Rights and Interests

3.8.1 Suppliers shall establish systems to protect the rights and interests of their workers in according to the laws and regulations, including working hours, rest and vacation, wage payment, labor discipline, dismissal and so on, and shall public the foregoing systems with appropriate means to assure they are available to the workers.

3.8.2 Suppliers shall establish labor safety and health system and shall strictly implement the local labor safety and health regulations and standards. Suppliers shall conduct labor safety and health education to prevent accidents in working and reduce occupational hazards.

4. Health and Safety

4.1 Safety Management

4.1.1 Suppliers shall identify, assess and control the impact of chemical, biological and physical

factors. Potential hazards shall be eliminated and controlled through proper design, engineering or administrative controls, whenever the foregoing hazards cannot be adequately controlled by these means, the workers shall be provided with appropriate, well-maintained, personal protective equipment.

4.1.2 Suppliers shall identify and assess the possible emergency situations and events, and minimize the impact by implementing contingency plans and response procedures, including: emergency reporting, employee notification and evacuation procedures, emergency trainings and drills, appropriate fire detection and suppression equipment, clear and unobstructed egress adequate exit facilities and recovery plans.

4.1.3 Suppliers shall provide safe and healthy working environments and pay attention to the industry safety knowledge and specific safety hazards. Suppliers shall reduce potential safety hazards in the working processes and working environments through practical measures, and take adequate measures to prevent accidents or personal injuries.

4.1.4 Suppliers shall provide health and safety training to workers in accordance with the local regulations, so that they can fully acknowledge the risk factors relating to the working processes and working environments and the ways to minimize the risks.

4.1.5 Suppliers shall establish and implement a mechanism or system to detect, prevent and respond to potential hazards to the health and safety of workers.

4.1.6 Suppliers shall conduct safety hazard assessment for production equipment and other machinery. Physical protective devices, interlocking devices and barriers shall be provided and maintained properly for machinery which may cause injury to workers.

4.1.7 If workers get injured at work or suffer from occupational diseases, suppliers shall provide first-aid and assist the worker in obtaining the follow-up treatment.

4.1.8 Suppliers shall establish a system of investigation, analysis and statistics of work-related injuries (including occupational diseases) to reduce the incidence of accidents and work-related injuries.

4.2 Occupational Health Management

4.2.1 Suppliers shall establish a system to anticipate, recognize, evaluate and control the occupational hazardous factors existing in the workplace, including chemical, physical, biological and radiological factors.

4.2.2 Suppliers shall implement the occupational health surveillance for the workers engaged in occupational-disease-inductive works.

4.2.3 For risks of occupational exposure that cannot be reduced to an acceptable level through engineering control and management measures, suppliers shall provide appropriate personal protective equipment to the workers in accordance with the legal requirements.

5. Environment

5.1 Environmental Permits and Reporting

Suppliers shall obtain and promptly renew all necessary environmental permits (such as Waste Emission), approval instruments and certificates of registration (such as approvals of environmental impact assessment, etc.) and comply with its management requirements.

5.2 Pollution Prevention and Resource Reduction

Suppliers shall take actions to minimize or eliminate the emissions and discharges of pollutants and generation of waste on the source (including water and energy), such as improving the process, replacing materials, saving resources, material recycle and reuse, etc.

5.3 Hazardous Substances

Suppliers shall identify, and control the emission of the chemicals and other materials to the environment which may pose a hazard to humans or the environment to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

5.4 Waste Water and Solid waste

Suppliers shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle the waste water and solid waste generated in the producing processes.

5.5 Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, routinely monitored, controlled and treated as required prior to discharge. Suppliers shall conduct routine monitoring of the performance of its air emission control systems.

5.6 Noise

Suppliers shall ensure that the noise at the workplace and at the factory boundary complies with local regulations and effectively control the noise to reach the standard.

5.7 Energy Consumption and Greenhouse Gas Emissions

Energy consumption and all relevant Scopes 1 and 2 greenhouse gas emissions are to be tracked and documented, at the facility and/or corporate level. Suppliers are to look for cost-effective methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions.

6. Business Ethics

6.1 Business Integrity

Suppliers shall uphold the highest standards of integrity in all commercial activities. Any forms of bribery, corruption, extortion and embezzlement shall be forbidden. All business transactions shall be transparently performed and accurately reflected on suppliers' business accounts and records.

6.2 No Improper Advantage

Suppliers shall not provide or accept any bribes, commercial rebates and other forms of improper advantage, including cash gifts, securities, payment vouchers and improper gifts.

6.3 Fair Business

Suppliers shall follow the principles of fair business, advertisement and competition, and protect the information security of BOE and other customers by appropriate means.

6.4 Intellectual Property

Suppliers shall respect intellectual property rights, and protect intellectual property rights properly when technology and production experiences are transferred, and protect information security of BOE and other customers.

6.5 Disclosure of Information

Suppliers shall disclose information on business activities, organizational structure, financial status and performance in accordance with applicable regulations and major industry practices.

6.6 Protection of Identity Information

Suppliers shall establish corresponding management system to protect the informants from their workers or the upper tier suppliers and ensure the confidentiality of their identity.

6.7 Conflict Minerals

Suppliers shall comply with the requirements of *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*, as well as the requirements of the Responsible Mineral Initiative (RMI). All suppliers and their upper tier suppliers and subcontractors can only purchase minerals from smelters and refineries which RMI, The Bullion Market Association (LBMA) or The Responsible Jewellery Council (RJC) approved or certified, and shall not purchase or support the use of any conflict minerals that directly or indirectly finance or support the areas affected by armed conflict. The minerals include gold (Au), tantalum (Ta), Tungsten (W), cobalt (Co), tin (Sn) and other metals. Suppliers shall ensure that all minerals procurements use responsible approach, and respect the human rights and environment in conflict areas.