

ESR GROUP LIMITED

(Stock code: 1821)

SUPPLIER CODE OF CONDUCT

OWNER: GROUP ESG

The contents of this document are the property of the ESR Group Limited (formerly known as ESR Cayman Limited) (collectively, “**ESR**” or the “**Group**”) and is strictly confidential. It must not be reproduced in whole or in part or otherwise disclosed to any outside parties without the prior written consent of the Group ESG team. Employees in possession of this document must return their copies to ESR immediately prior to leaving the ESR's employment.

CONTENTS

1. INTRODUCTION 3

2. GOVERNANCE3

3. SOCIAL.....4

4. ENVIRONMENT..... 6

5. COMPLIANCE..... 7

1. INTRODUCTION

- 1.1 ESR Group Limited and its subsidiaries (collectively, “**ESR**” or the “**Group**”) is firmly committed to high standards of environmental, social and governance principles across our business, which are set out in our ESG Policy. As part of these commitment, ESR seeks to work with Suppliers of services and products that recognise the importance of ethical business practices and act on the principles of sustainable development.
- 1.2 This Supplier Code of Conduct (“**Code**”) sets out the standards for the Group when conducting business with any person or entity such as contractors, direct suppliers, sub-suppliers and agents (“**Supplier**”).
- 1.3 Suppliers who fail to comply with the Code may result in contractual penalties, termination of contract and/or reporting to the local authorities. All current and prospective Suppliers are required to adhere to the Code.

2. GOVERNANCE

- 2.1 The Group expects its Suppliers to uphold business integrity principles including to:
- (a) Business Conduct
- Maintain high standard in business transparency and ethics and conduct business with the Group in a manner which is fair, honest, respectful and lawful;
 - Avoid all conflicts of interest or situations giving the appearance of a conflict of interest during the course of business and to promptly inform ESR to avoid or mitigate any conflicts of interest arising from any personal or business relationships;
 - Adhere to Group’s Whistle Blowing Policy to allow any Supplier, staff or persons to raise concerns in good faith;
 - Refrain from soliciting or offering of benefits, such as cash, gifts, hospitality, travel

or entertainment, in order to obtain or maintain business;

- Adopt a zero-tolerance stance towards all forms of corruption including bribery, extortion, personal or improper advantage;
- Comply with all relevant local and international laws and regulations relating to anti-bribery and corruption, anti-money laundering, anti-trust, and the prevention of fraud and other financial crimes, in their countries of operation. In cases where the standards in this Code differ from local laws or other applicable regulations or standards, suppliers shall abide by the stricter requirements.

(b) Fair Competition

The Supplier is to ensure that fair competition is being practised in accordance with local laws and regulations. Any price fixing, market sharing, bid rigging with other Suppliers or restricting competition is prohibited.

(c) Confidentiality

- Suppliers should take appropriate steps to safeguard and maintain confidential and proprietary information of ESR and its business partners and ensure that the Company's assets, properties and information are used for authorized and legitimate business purposes;
- Avoid insider trading or procure other to trade while in the possession of material non-public or price sensitive information.

3. SOCIAL

3.1 Human Rights

- (a) The Group upholds and respects the principles set out in the International Labour Organisation ("ILO")'s Declaration on Fundamental Principles and Rights at Work.

Suppliers are expected to respect these five fundamental rights in their operations covering:

- Freedom of association and the right of collective bargaining;
 - Abolition of all forms of forced or compulsory labour;
 - Effective abolition of child labour;
 - Elimination of discrimination in respect of employment and occupation;
 - Providing a safe and healthy working environment
- (b) The Group takes a zero-tolerance approach towards discrimination on any basis, including any bias on the basis of gender, ethnicity, nationality (or national origin), age, skin colour, race, religion (or belief), sexual orientation, physical, mental and development abilities and political affiliations.

ESR does not tolerate modern slavery or human trafficking in our supply chain. The Group expects its Suppliers to uphold human rights, modern slavery and workplace relations principles including to:

- Comply with applicable human rights and modern slavery laws in respect of the Suppliers' employees and contractors;
- Provide fair working conditions to the Suppliers' employees, including restricting hours to be within legally accepted maximums and provide adequate rest breaks;
- Pay Suppliers' employees in compliance with applicable laws, including those relating to minimum wages, overtime hours and legally mandated benefits;

- Commit to the protection of human rights and to equal opportunity in the workplace.
- Provide a working environment free of discrimination and harassment.

3.2 Health and Safety

The Group expects its Suppliers to uphold health and safety standards including to:

- Promote a safe and healthy working environment in accordance with all applicable laws and regulations.
- Ensure all emergency preparedness and prevention measures are in place;
- Design and implement relevant policies and procedures to report work-related risks and incidents to ESR.
- Ensure the provision and proper maintenance of all relevant personal protective equipment to employees and workers.
- Regularly monitor the workplace conditions to identify and prevent risks and hazards and prevent illness or injury arising from operations;
- Provide adequate mitigation measures and regular trainings to mitigate workplace hazards.
- Improve overall workplace health and safety performance.

4. **ENVIRONMENT**

4.1 The Group expects its Suppliers to minimise environmental impacts including to:

- Meet or exceed the requirements of all applicable environmental laws and regulations in terms of energy consumption, water use and waste management.
- Seek, as far as possible, to reduce the environmental impacts of our business operations and those of our customers.
- Implement an effective environmental management system to manage and monitor energy, emissions, water and waste, and reduce environmental impacts in their operations.
- Promote sustainable material sourcing and raw material extraction methods to reduce environmental and social potential impacts and seek to meet voluntary standards or programmes that address responsible sourcing criteria. Suppliers are expected to develop a sustainable procurement policy or an action plan to ensure that sustainable management practices are adopted.
- Refer to ESR's commitment to sustainability when planning and conducting work for us, as can be found, together with other information about our sustainability programmes within our Group ESG report and on our public website.
- Suppliers are expected to continuously improve their existing sustainable management practices to mitigate supply chain risks. Please adhere to the ESR's Sustainable Procurement Policy for the Group's sustainable and procurement practices within its business operations.

5. COMPLIANCE

- 5.1 Suppliers shall observe and comply with the above requirements and applicable laws and regulations in the respective countries which the Group operates.
- 5.2 Suppliers are expected to communicate the requirements of this Code to their own suppliers and subcontractors and secure the compliance.

DOCUMENT REVISION HISTORY AND VERSION CONTROL

Version	Revision Details	Author	Effective Date
1.0	Initial Release	ESG Officer	19 Oct 2020
1.1	<p>Refreshed the following:</p> <p>1) Group's alignment with global standards such as the ILO's declaration on fundamental human rights (Section 3.1a).</p> <p>2) Group's requirements on ESG commitments from suppliers such as fair competition (Section 2.1a) and confidentiality (Section 2.1b) standards, as well as sustainable procurement practices (Section 4.1) .</p>	Group ESG	22 Mar 2023

Document Title	Supplier Code of Conduct
Document Language	English
English Title	Supplier Code of Conduct
Category	Group Policy
Policy Producing Function	Group ESG
Document Author	Group ESG
Document Approver	BOD
Portfolio Owner	Group ESG
Document Contact	
Original Issue Date	22 March 2023
Last Review Date	
Next Review Date	
Version	1.1