

# TINCI Anti-Bribery and Anti-Corruption Policy

## I. Purpose of the Policy

This policy is designed to clearly state the company's zero-tolerance stance on bribery and corruption, ensuring that all business operations of the company worldwide comply with the highest ethical and legal standards. By formulating and implementing this policy, the company is committed to safeguarding its business reputation, protecting the interests of shareholders and stakeholders, and promoting sustainable development.

## II. Scope of Application

This policy applies to all employees, directors, senior management, temporary workers, contractors, suppliers, partners, and other third parties acting on behalf of the company (hereinafter collectively referred to as "employees") of Guangzhou Tinci Materials Technology Co., Ltd. and its subsidiaries (hereinafter collectively referred to as the "Company"). Regardless of the region or business area in which employees are located, they must strictly adhere to this policy.

## III. Definitions

1. **Bribery:** The act of directly or indirectly offering, promising, giving, or accepting any form of money, gifts, hospitality, kickbacks, or other items of value, in order to obtain or retain business, gain undue advantage, or influence the actions of any public official, business partner, or other third party.
2. **Corruption:** The abuse of power or position for personal or others' improper gains, including but not limited to soliciting bribes, accepting bribes, offering bribes, embezzlement, and misappropriation of public funds.
3. **Conflict of Interest:** A situation where an employee's personal interests conflict or potentially conflict with the interests of the company, which may lead to the employee being unable to make objective and fair decisions in the performance of their duties.

## IV. Policy Statement

1. **Zero Tolerance Principle:** The company has a zero-tolerance policy towards any form of bribery and corruption. Any employee who engages in or assists in bribery and corruption activities, or

fails to report such activities, will be subject to serious disciplinary actions, including but not limited to disciplinary sanctions, termination of employment contracts, and legal liability.

2. **Legal and Compliant Operations:** In conducting business, the company strictly complies with the laws and regulations of the countries and regions in which it operates, as well as international anti-bribery and anti-corruption conventions, ensuring that all business activities are legal, transparent, and conducted in good faith.
3. **Fair Competition:** The company is committed to obtaining business opportunities through legal and legitimate means and opposes obtaining competitive advantages through bribery or other improper means. In commercial activities with competitors, the company adheres to the principles of fair competition and refrains from engaging in malicious defamation or commercial bribery.
4. **Integrity and Transparency:** In interactions with customers, suppliers, partners, government agencies, and all other stakeholders, the company upholds the principles of integrity and transparency, disclosing relevant information truthfully without concealment or misrepresentation, ensuring the fairness and credibility of business activities.
5. **Reporting and Protection:** The company encourages employees to actively report any suspected acts of bribery and corruption and commits to strictly protecting the confidentiality of the reporter, ensuring that they are not subject to any form of retaliation or discrimination. The company will thoroughly investigate reported content and provide appropriate rewards for verified reports.

## V. Specific Measures

### (I) Internal Management

1. **Establishment of Anti-Bribery and Anti-Corruption Management System:** The company has established a dedicated anti-bribery and anti-corruption management institution, with the Audit and Supervision Department responsible for formulating, implementing, and overseeing the execution of this policy.
2. **Development of Detailed Operational Procedures and Guidelines:** The company has developed detailed anti-bribery and anti-corruption operational procedures and guidelines based on this policy, clarifying the responsibilities and procedures of each department and employee in preventing and dealing with bribery and corruption activities to ensure the effective implementation of the policy.
3. **Employee Training and Education:** The company regularly organizes anti-bribery and anti-corruption training for all employees to enhance their awareness of the dangers of bribery and corruption, and to strengthen their legal and ethical consciousness. Training content includes, but

is not limited to, interpretation of this policy, identification of bribery and corruption activities, reporting channels, and procedures. New employees must receive anti-bribery and anti-corruption training upon joining the company and sign a commitment letter, indicating their understanding and commitment to comply with this policy.

4. **Enhancement of Internal Auditing and Supervision:** The company has established a comprehensive internal auditing mechanism to conduct regular audits of all business activities. At least once a year, a special audit focusing on “Business Ethics and Anti-Fraud” will be carried out, with a particular emphasis on examining any instances of bribery or corruption. Within three years, the audit scope will cover all business activities. Audit results should be promptly reported to the company's management, and corrective measures should be formulated for any identified issues to ensure timely rectification.
5. **Risk Assessment Mechanism:** The company regularly assesses the risks of bribery and corruption in its business operations, identifying high-risk business areas and links, and formulating corresponding risk prevention and control measures. For business activities involving high-risk countries or regions, the company should conduct thorough due diligence to ensure the legality and credibility of business partners.
6. **Improvement of Contract Management:** When entering into contracts with suppliers, customers, partners, and others, the company should clearly require compliance with anti-bribery and anti-corruption laws and regulations and include anti-bribery and anti-corruption clauses in the contracts, specifying the rights and obligations of both parties and liability for breach of contract. If it is found that the other party engages in bribery and corruption activities, the company has the right to terminate the contract and pursue their legal liability.
7. **Strengthening of Internal Controls:** The company has established and improved internal control systems to strengthen management of key links such as financial approval, procurement, sales, and bidding, ensuring the standardization and transparency of business processes. Strict control over expense expenditures is maintained, with rigorous approval required for large expense items to prevent misuse for bribery or other improper purposes.

## **(II) Management of External Partners**

1. **Due Diligence:** Before establishing business relationships with new suppliers, customers, partners, and others, the company should conduct thorough due diligence to understand their commercial

reputation, financial status, compliance records, and other relevant information, ensuring that they have no history or risk of engaging in bribery and corruption activities. For high-risk business partners, more in-depth investigations should be conducted, and they should be required to provide anti-bribery and anti-corruption commitment letters.

2. **Contractual Constraints:** In contracts with external partners, it should be clearly stipulated that both parties must comply with anti-bribery and anti-corruption laws and regulations and refrain from engaging in any bribery and corruption activities. If it is found that the other party violates this agreement, the company has the right to terminate the contract and demand that they assume liability for breach of contract, including but not limited to compensating the company for any losses incurred.
3. **Monitoring and Assessment:** The company should regularly monitor and assess the anti-bribery and anti-corruption practices of its business partners, requiring them to provide relevant proof or undergo audits by the company or third parties. If it is found that a business partner engages in bribery and corruption activities or poses a risk of doing so, the company should promptly take measures, demanding rectification or terminating the cooperation.
4. **Communication and Collaboration:** The company actively communicates with business partners to promote its anti-bribery and anti-corruption policy and advocate for the establishment of a clean and honest business cooperation relationship. The company also encourages business partners to develop and implement their own anti-bribery and anti-corruption policies to jointly promote industry integrity.

## VI. Reporting Mechanism

### (I) Reporting Channels

1. **Internal Reporting Channels:** The company has established a dedicated anti-bribery and anti-corruption reporting email address, telephone hotline, and physical mailbox. Employees can use these channels to report suspected bribery and corruption activities to the company's anti-bribery and anti-corruption management institution or legal department.

Company Report Hotline:	Report Email:	Report WeChat:	Internal Public Account:
+86 13422286620	tousujubao@tinci.com	Tinci_LJ	Integrity Tinci

2. **External Reporting Channels:** The company supports employees in reporting bribery and corruption activities through legal channels to external regulatory or law enforcement agencies. While employees are encouraged to report through internal company channels first, this allows the company to promptly understand the situation and take appropriate measures.

## **(II) Handling of Reports**

1. **Confidentiality and Protection:** The company strictly protects the identity of the reporter and the content of the report. Without the reporter's consent, the information will not be disclosed to any unrelated individuals or entities. Any retaliation against the reporter will be severely dealt with by the company, and in serious cases, legal liability will be pursued.
2. **Investigation and Handling:** Upon receiving a report, the company's anti-bribery and anti-corruption management institution will immediately initiate an investigation, carefully verifying the content of the report. During the investigation, the principles of fairness, objectivity, and transparency will be followed to ensure the accuracy and reliability of the investigation results. If the report is verified to be true, the company will take serious disciplinary actions against the responsible parties based on the severity of the situation and take measures to recover any losses incurred by the company. The reporter will also be rewarded appropriately, with the reward amount determined based on the value of the report and the extent to which it helps the company avoid losses. Specific reward standards will be formulated by the company's anti-bribery and anti-corruption management institution and approved by the company's management

## **VII. Responsibility and Penalties**

1. **Employee Responsibility:** All employees are responsible for complying with this policy and actively participating in the company's anti-bribery and anti-corruption efforts. They should promptly report any suspected acts of bribery and corruption. If an employee violates this policy, engages in or assists with bribery and corruption, or fails to report such activities, the company will impose disciplinary actions based on the severity of the violation, including but not limited to warnings, demotions, or termination of employment contracts. In cases where the violation constitutes a crime, the company will pursue criminal liability through legal channels.
2. **Management Responsibility:** The company's management is responsible for leading the anti-bribery and anti-corruption efforts. They are expected to set an example by strictly adhering to this policy and ensuring effective education and management of

employees. If management negligence leads to significant bribery and corruption incidents within the company, those responsible will be held accountable and subject to disciplinary actions based on the severity of the situation.

3. **Business Partner Responsibility:** If a business partner violates the anti-bribery and anti-corruption clauses in their contract with the company and engages in acts of bribery and corruption, the company will hold them accountable for breach of contract as stipulated in the agreement. This may include termination of cooperation and claims for compensation for any losses incurred by the company. Additionally, the company may place the partner on a blacklist, prohibiting them from conducting business with the company for a certain period in the future.

## **VIII. Policy Effective Date and Interpretation**

1. **Effective Date:** This policy shall take effect from the date of issuance and applies to the company and all its subsidiaries, as well as all employees and relevant third parties.
2. **Policy Interpretation:** The company reserves the right to interpret this policy. If there are any questions or need for further clarification regarding this policy, employees may consult the company's Audit and Supervision Department.