

Supplier Code of Conduct

Lingyi iTECH (Guangdong) Company and its subsidiaries (hereinafter referred to as ‘LY iTECH’) are committed to respecting the high standards of labor rights, environmental, and ethical conduct. LY iTECH’s suppliers are required to comply with all applicable laws and regulations and the requirements of this code in all business activities. This code does not increase or change the legal obligations or responsibilities of its implementers. In any case, suppliers should first meet the requirements of applicable local laws and regulations, and adopt the more stringent requirements in case of conflicts between laws and regulations and the requirements of this code. LY iTECH will assess its suppliers' compliance with this Code, and any violations of this Code may jeopardize the business relationship with LY iTECH up to and including termination.

The Code is made up of five sections. Sections 1, 2, and 3 outline standards for Labor Rights, Health and Safety, and the Environment, respectively. Section 4 outlines standards relating to Business Ethics. Section 5 outlines the elements of an acceptable management system conformity to this Code.

1. Labor Rights

1.1 Supplier shall not discriminate against any worker based on race, color, age, gender, sexual orientation, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training.

1.2 Supplier shall not threaten workers with, or subject them to, harsh or inhumane treatment, including but not limited to verbal abuse and harassment, psychological harassment, mental and physical coercion, and sexual harassment.

1.3 Supplier shall not engage in any form of involuntary labor, traffic persons or use any form of slave, forced, bonded, indentured, or prison labor.

1.4 Supplier shall not employ underage labor in any stage of manufacturing and shall provide labor protection to juvenile workers and female employees.

1.5 Supplier shall follow all applicable laws and regulations with respect to working hours and days of rest. A workweek shall be restricted to 60 hours, including overtime, and workers shall have at least one day off every seven days except in emergencies or unusual situations.

1.6 Supplier shall meet all legal requirements relating to wages and benefits, pay

accurate wages in a timely manner, and shall not use wage deductions as a disciplinary measure.

1.7 Supplier shall freely allow workers' lawful rights to associate with others, form and join (or refrain from joining) organizations of their choice, and bargain collectively without interference, discrimination, retaliation, or harassment.

1.8 Supplier shall ensure that workers have an effective means of reporting grievances that facilitates open communication between management and workers.

2. Health & Safety

2.1 Supplier must provide employees with a safe and healthy working environment and shall ensure compliance with all applicable health and safety laws and regulations.

2.2 Supplier shall obtain, keep current, and comply with all required health and safety permits.

2.3 Supplier shall identify, evaluate, and manage occupational health and safety hazards through a prioritized process of hazard elimination, substitution, engineering controls, administrative controls, and/or personal protective equipment.

2.4 Supplier shall identify, evaluate and control the impact on workers of performing physically demanding work, including manual material handling and heavy or repetitive lifting, prolonged standing, and highly repetitive or forceful assembly work.

2.5 Supplier shall identify and assess potential emergency situations. For each situation, supplier shall develop and implement emergency plans and response procedures that will minimize harm to life, environment, and property.

2.6 Supplier shall develop and implement a program to take reasonable steps to prepare for, prevent, and respond to the potential for an infectious disease among its employees.

2.7 Supplier shall establish procedures and systems to prevent, manage, track and report occupational injury and illness, including provisions to encourage worker reporting, classify and record injury and illness cases, provide necessary medical treatment, investigate cases, and implement corrective actions to eliminate their causes and facilitate the return of workers to work.

2.8 Supplier shall provide workers with reasonably accessible and clean toilet facilities, as well as potable water. Supplier-provided dining, food preparation, and

storage facilities shall be sanitary. Worker dormitories provided by supplier or a third-party shall be clean, safe, and provide reasonable living space.

2.9 Supplier shall post information related to health and safety in the workplace and provide appropriate training on workplace health and safety for workers to correctly understand the health and safety risks in the workplace they are exposed to. Workers shall be encouraged to raise any health and safety concerns without retaliation.

3. Environment

3.1 Supplier shall obtain, keep current, and comply with all required environmental permits, approvals, and registrations, and their operational and reporting requirements are to be followed.

3.2 Supplier shall comply with the relevant requirements of LY iTECH's Regulated Substances Specifications for all goods it manufactures for, or provides to, LY iTECH.

3.3 Supplier shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste including hazardous waste and non-hazardous waste.

3.4 Supplier shall implement a systematic approach to identify, control, and reduce wastewater produced by its operations. Supplier shall conduct routine monitoring of the performance of its wastewater treatment systems.

3.5 Supplier shall implement a systematic approach to prevent contamination of stormwater runoff.

3.6 Supplier shall identify, manage, reduce, and responsibly control air emissions emanating from its operations that pose a hazard to the environment. Supplier shall conduct routine monitoring of the performance of its air emission control systems.

3.7 Supplier shall identify, manage, reduce, and responsibly control Greenhouse Gas (GHG) emissions from its operations.

3.8 Supplier shall identify, control, monitor, and reduce noise generated by the facility that affects boundary noise levels.

3.9 Supplier shall regularly quantify, set targets, monitor progress, and reduce consumption of fossil fuel, water, hazardous substances, and natural resources through conservation, reuse, recycling, substitution, or other measures.

4. Ethics

4.1 Supplier shall have a zero-tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement. Supplier shall not offer bribes, cash, securities, payment vouchers, communication equipment, vehicles, stationery, office goods of high value and other valuables, tourism, high-cost entertainment activities, or any other form of gift to the customers and stakeholders of its customers.

4.2 Supplier shall accurately record information regarding its business activities, labor, health and safety, and environmental practices and shall disclose such information, without falsification or misrepresentation, to all appropriate parties and as required by law.

4.3 Supplier shall respect intellectual property rights and safeguard customer information.

4.4 Supplier shall adhere to the standards of fair business, advertising and competition.

4.5 Supplier shall provide an anonymous complaint mechanism for managers and workers to report workplace grievances. Supplier shall protect whistleblower confidentiality and prohibit retaliation.

4.6 Supplier is encouraged to help foster social and economic development and contribute to the sustainability of the communities in which it operates.

4.7 Supplier shall adopt a policy and exercise due diligence on the source and chain of custody of the tantalum, tin, tungsten, and gold in the products they manufacture to reasonably assure that they are sourced in a way consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or an equivalent and recognized due diligence framework.

5. Management Systems

Supplier shall implement or maintain social responsibility management systems that facilitate compliance with this Code and the law and regulations, identify and mitigate related operational risks, and facilitate continuous improvement.

5.1 Supplier shall develop and issue the social responsibility policies, and make a clear commitment to comply with relevant laws and regulations, meet customer requirements and comply with the requirements of this code.

5.2 Supplier shall identify company representatives responsible for ensuring implementation and periodic review of its management systems. Senior management shall regularly conduct management review to understand and improve the operation of the management system.

5.3 Supplier shall establish a process to identify, monitor and understand applicable laws, regulations, and customer requirements, including the requirements of this Code.

5.4 Supplier shall develop and maintain a process to identify labor and human rights, health and safety, environmental, business ethics, and legal compliance risks associated with its operations; determine the relative significance of each risk; and implement appropriate procedures and controls to minimize the identified risks.

5.5 Supplier shall develop written performance objectives, targets and implementation plans in achieving the social, environmental, and health and safety performance, including periodic assessments of the performance against those objectives.

5.6 Supplier shall develop training plans for management and employees to continuously improve their awareness and ability, so as to implement the company's policies, procedures and improvement objectives and to meet applicable legal and regulatory requirements.

5.7 Supplier shall clearly and accurately communicate its policies, practices, expectations and performance related to corporate social responsibility to employees, suppliers, customers and other stakeholders.

5.8 Supplier shall continuously evaluate employees' understanding of the practices and terms covered by this code, and collect employees' feedback for continuous improvement.

5.9 Supplier shall conduct self-assessment regularly to ensure compliance with laws and regulations, the requirements of this code and customer, and timely correct the deficiencies identified by internal and external inspection or audit.

5.10 Supplier shall create and maintain appropriate documents and records to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.

5.11 Supplier shall establish a supply chain CSR management system, require its next-tier suppliers to sign the CSR commitment and assess the next-tier suppliers regularly to ensure its continuous compliance and improvement.

References

LY iTECH made reference to the following documents when formulating this Code:

1. The United Nations Universal Declaration of Human Rights
2. The Conventions of the International Labor Organization
3. Social Accountability International's SA8000 Standard
4. Responsible Business Alliance (RBA) Code of Conduct