

SINOCHEM COMPLIANCE OBLIGATION CONVENTION

Sinochem Compliance Obligation Convention

In order to ensure the company operates in full compliance with law, fulfills its legal responsibilities to the society, clients, shareholders, employees and other stakeholders, and ensure the full implementation of governing and operating enterprise according to law, the *Sinochem Compliance Obligation Convention* is hereby formulated for all staff to abide by:

I. Uphold Laws and Disciplines, Maintain Reputation, and Fulfill Promises

1. Strictly comply with applicable laws and regulations and the company rules and policies.
2. Compliance shall start from the top while all staff shall take the initiative to comply.
3. Impartially and faithfully promote company's development, safeguard the company's interests and reputation, and be devoted to one's own duty for the interest of the company.
4. Maintain reputation, fulfill promises and suit the action to the word.
5. Encourage reporting of non-compliance by all staff.

II. Comply with Management Obligations Prescribed by Law

1. Comply with applicable laws and regulations, accept the administration and supervision implemented by the government and its relevant agencies in accordance with the law, undertake supervision by the public, take the responsibilities for society and investors.
2. Comply with and implement the articles of association approved by the entity that performs the investor's duties (shareholder), establish and strictly implement well-defined and balanced internal supervision and management policies, and protect the interests of investors, creditors, and other stakeholders.
3. Strictly comply with the asset appraisal and filing procedure, prior examination and approval before transactions, competitive public trading, and obligations of information

disclosure, and notifications for merger, acquisition, equity or asset transactions, other than those approved by controlling shareholders.

4. No funds, goods, services or other assets shall be provided to related parties without consideration, and no transactions with related parties shall be conducted at unfair prices.

Without the consent of the entity (shareholder) that performs the duties of the investor, none of the following acts shall be allowed:

-Entering into agreements with related parties for the transfer of property or loans or providing guarantee for related parties.

-Establishing joint venture with related parties, or investing in enterprises owned or effectively controlled by the directors, supervisors, senior managers or their close relatives.

“Related parties” refer to the company’s directors, supervisors, senior management, and their close relatives, as well as the enterprises owned or effectively controlled by these persons.

5. It is forbidden to enter into contracts on behalf of the company or engage in other conduct that may have economic and legal consequences on the company without authorization or exceed the valid legal authorization.

6. Diligently perform duties and assume the liability for the breach of such duties.

7. Any fabrication, falsification, tampering, signing or issuing of contract, security, documentation, note, receipt, accounting reports, or statistics that are not consistent with the facts is strictly prohibited.

8. Major decision-makings shall not violate applicable regulations and company rules and policies.

III. Comply with Statutory Obligation of Tax Payment

1. Comply with various laws and regulations applicable in China and other countries (regions) where the business is conducted, perform taxation obligations, and actively perform the obligation of withholding and paying taxes.

2. Retain true and complete tax-related materials as required by taxation authorities, and disclose tax information as required. Tax registration and tax declaration shall be conducted according to law; any concealment, omission, or misstatement is strictly prohibited.

3. Ensure business operations comply with applicable tax laws and regulations. Tax evasion, tax dodging or fraudulent tax preferences are strictly prohibited.

IV. Comply with Legal Employment Obligations

1. Respect and protect the legal rights and interests of employees, and not circumvent the fulfillment of legal obligations to employees.

2. Any discrimination and harassment shall be prohibited, including but not limited to discrimination or harassment on the ground of nationality, race, ethnicity, religion, gender, age, marital status, and physical condition, etc.

V. Comply with Anti-corruption Obligations

1. Set example and resist corrupt behavior, and the following acts are prohibited:

-Abuse of power, and infringe upon the rights and interests of the company and shareholders.

-Taking advantage of authority for personal gain and cause damage to the interests of the company, the entities or subsidiaries.

-Diversion, embezzlement, or misappropriation of company property.

-Offering or accepting bribes.

-Taking advantage of the position to channel the interests of the company to oneself or to specific related persons through business transactions, or to facilitate conditions for the above-mentioned persons to engage in profit-making activities.

2. No one may engage in any business activity or start a business, or have his/her spouse, children and/or their spouses engage in business activity or start a business that is related to the performance of his/her duties.

3. Work hard and practice thrift; it is forbidden to conduct duty consumption or ex-

travagant spending that is in violation of relevant regulations.

4. Fully comply with the UN Convention against Corruption and other international conventions to which China has acceded, abide by the anti-corruption laws, regulations and regulatory policies applicable in the countries (regions) where the business operates and to relevant business activities, and prohibit payment in any form of property or providing services, etc. to public officials or similar personnel for commercial advantage or other improper interests, and ensure the accurate, proper, and complete reflection of all overseas expenditures in the company's books and accounting records.

VI. Comply with Obligations on Safety in Production, Health, and Environmental Protection

1. Always prioritize safe production, strictly comply obligations in accordance with the relevant law applicable to safety in production, ensure the safety of the production process and products, prevent, restrain, and report any potential or actual hazard related to the safety and health of the employees, the public, clients etc., resulting from unsafe condition of the production process and the product, and economic or reputation damage caused by safety incident.

2. Establish, improve and implement labor safety and health system, prevent safety accidents and reduce occupational hazards.

3. Comply with applicable environment protection (energy conservation and ecological environment protection) laws and regulations in China and other countries/regions where the business operates, perform obligations under environment protection laws and regulations, prevent, restrain, and report potential or actual risk and incident of environmental pollution and hazard.

4. Business partners who provide services to the company on-site shall be subject to the same standards of safety management as applied to the Company.

VII. Comply with Anti-monopoly Obligations

1. Behaviors that impede trade, restrict or exclude fair competition shall not be

conducted.

2. The principle of fair competition, anti-monopoly law and the antitrust laws of various countries shall be observed.

3. Monopoly agreements with the effect of manipulating market prices shall be avoided.

4. Comply with applicable anti-monopoly laws of the relevant jurisdictions; make required merger control filing related to merger & acquisition or equity or asset transactions.

VIII. Comply with Obligations Against Unfair Competition

1. Avoid seeking trading opportunity or disrupt fair competition with other operators through the adoption of means that violate generally accepted business ethics.

2. Consciously maintain the fairness of the market order, avoid crowding out competitors for the purpose of selling goods or providing services at prices below cost.

3. Avoid selling goods or services against the wishes of the purchaser or attach other unreasonable conditions.

4. People shall not be restricted from purchasing designated goods or services.

5. Strictly observe applicable international and domestic laws on anti-unfair competition.

The following activities are strictly prohibited:

- Counterfeiting;
- False advertising;
- Collusive bidding;
- Commercial bribery;
- Infringement upon trade secrets;
- Damage to business reputation.

IX. Comply with the Regulations on the Maintenance of Financial Order and Anti-money Laundering Obligations

1. It is forbidden to engage or participate in fraudulent financial activity; or to conduct

any form of deception to get a loan or for foreign exchange transactions; or to conduct any illegal speculative buying or selling of credit facility or foreign currency; or to evade financial regulations by improper means; or to engage or participate in the financial business in violation of market access conditions; or to provide guarantees for any individual or for any entity outside the company or any individual.

2. It is forbidden to assist the legalization of illicit proceeds of a suspected crime. The following behaviors are prohibited:

- Lease or provide capital account to others;
- Assist the third party to convert property into cash, financial instruments or marketable securities;
- Assist the third party to transfer funds;
- Assist the third party to convert funds into tangible assets to disguise the source and nature of such funds.

3. Conduct business with clients, intermediaries, and business partners with legitimate and reputable funds sources.

X. Comply with Export Control and Economic Sanction Obligations

1. Understand and fully comply with the obligations under the regulations for export control and economic sanctions implemented by China, other countries, and international organizations such as the UN, which are applicable to relevant business activities; business activities shall not be conducted in violation of regulations by circumventive, fraudulent or other means.

2. Comply with the laws and regulations on import and export administration, comply with the requirements of customs supervision, and avoid smuggling, disguised smuggling and any other forms of violations to circumvent customs supervision.

XI. Comply with the Obligations of Truthful and Accurate Financial Reporting and Disclosure Obligation of Listed Companies

1. Perform the obligations under accounting laws, ensure that the accounting ma-

materials, books, and financial reports are true, accurate, and complete. Submit prompt, true, complete, and accurate financial accounting information to the investors, taxation authorities, relevant government agencies, and relevant stakeholders of the company in accordance with laws and regulations and applicable articles of association.

2. Comply with fiscal regulations; “hidden reserves” or off-book account are strictly prohibited.

3. Comply with relevant provisions of the security laws and security exchange laws of China and other relevant countries; fulfill the information disclosure obligation in a timely, truthful, accurate and complete manner.

XII. Comply with Data Protection and Information Security Obligations

1. Be responsible for data security and information security during the application of data.

2. During the collection and management of information and data:

-Shall not steal company information and personal data; or release prohibited information;

-Shall not set up or use malicious programs intentionally, or release and transmit information that is prohibited by laws or and regulations.

-Shall not steal, resell, disclose, tamper with, or damage company information and personal data in the company’s possession.

-Shall not download or transfer important personal information or corporate data to personal mobile data transmission devices without authorization.

-Shall not carry or transmit out of the country information that may affect national security, harm public interests, impact the security of company information, and personal information without the consent of its owner or that may infringe upon individual interests.

XIII. Comply with Confidentiality Obligations

1. Fulfill obligations to keep company’s trade secrets and protect the confidential in-

formation of the company and the entity, the relevant confidential information of clients shall be kept confidential in accordance with laws, regulations and contract provisions.

2. Strictly comply with relevant administration regulations regarding the provision of confidential information to third parties.

XIV. Comply with Obligation to Avoid Insider Trading

Strictly comply with the provisions of criminal law, securities law, relevant laws and regulations of the country and region in which the company is located, as well as the provisions of the relevant rules and regulations of the company and the entity, and the following acts are prohibited:

-Companies, individuals or specific related persons use insider information to trade assets or financial securities.

-Disclose insider information to non-business-related persons, to persons who have not signed a non-disclosure agreement or to specific related persons.

-Use insider information to advise others to trade on financial securities

XV. Comply with Intellectual Property Protection Norms

1. Everyone shall undertake the legal obligation to protect the company's intellectual property rights, including all the company's patents, copyrights, trademarks, new plant varieties, and formulas, products or device designs and other trade secrets for which the company owns the right of invention and discovery, and the following behaviors are prohibited:

-Possess or register intellectual property belonging to the company in the name of an individual or an entity other than the company.

-Use intellectual property belonging to the company in non-company businesses without authorization.

-Steal, resell, or privately assign to a third party intellectual property belonging to the company.

2. Respect the intellectual property rights of the third party, and comply with the fol-

lowing norms:

- Avoid infringement of the intellectual property rights of the third party;
 - Obtain relevant license and reach agreement with the right holder for using third-party intellectual property rights (including computer software).
 - Conduct inquiries on relevant intellectual property rights in a timely manner when researching and developing new products and technologies.
 - Carry out research and analysis of the intellectual property rights in the target countries (regions) for overseas intellectual property cooperation.
3. Establish and comply with applicable administration measures to prevent and manage the potential or actual infringement of intellectual property rights.

XVI. Ensure Compliance by Business Partners

1. Fully understand business partners and establish corresponding compliance standards for dealings with business partners.
2. The compliance philosophy and compliance requirements of the company shall be communicated and implemented to business partners, and business partners shall be required to respect and understand the company's compliance management requirements for business partners, and to comply with the relevant provisions of this Convention involving business partners.

Let us work together to uphold the *Sinochem Compliance Obligation Convention*, practice compliance requirements as per law, and promote integrity and good faith. Win with integrity and compliance and help Sinochem create value for society, clients, shareholders, and employees! Let us contribute to building a world-class chemical enterprise!

Sinochem Compliance Responsibility Agreement

The *Sinochem Compliance Responsibility Agreement* is executed to enhance compliance management, ensure effective performance of compliance-related duties, set forth compliance boundaries, and firmly establish bottom-line compliance mindset. I hereby undertake on behalf of _____ and myself to strictly comply with the *Sinochem Compliance Management Regulation* and perform all compliance-related duties as specified in the *Sinochem Compliance Obligation Convention*.

I. Company's Compliance Management Objectives

The company aims to standardize business operation management, improve corporate governance capability as per law, prevent major legal compliance risks, ensure legally compliant business operation, maintain Sinochem's corporate interests and reputation, and help in the building of a world-class globally competitive enterprise through the establishment and perfection of the Company's compliance management system.

II. Company's Compliance Management Philosophy

Compliance shall start from the top while all staff shall take the initiative to comply, stay above the bottom line of compliance risks, make practical compliance efforts and create value through compliance.

III. Compliance Responsible Party

All Sinochem entities and employees are compliance responsible parties. On signing this Agreement, each responsible party shall assume the responsibility of compliance management, and conduct comprehensive compliance management of the personnel under management and the matters they are responsible for/processed, and assume the responsibility of fulfilling the compliance obligations to ensure that responsible party's own behavior does not violate the rules.

The company adopts a “zero tolerance” policy for any violation, and encourages every employee to report, complain, and advise on any non-compliance. Every single violation will be dealt with seriously.

IV. Compliance Obligations and Duties

Comply with laws, respect rules, foster a compliance-based mindset, acknowledge compliance criteria, and practice the compliance philosophy. Follow the *Sinochem Compliance Management Regulation* as a guideline of action, observe the *Sinochem Compliance Obligation Convention*, abide by the company’s articles of association, rules and regulations, and comply with all applicable laws, international codes and conventions, and all industrial norms applicable to the job. Work faithfully and diligently, protect the interests of the company, maintain company reputation, safeguard company secrets, and resolutely resist any illegal or non-compliant actions, which may cause the company to be suspected of violation of laws or which are expressly prohibited.

Follow the company’s compliance management requirements based on the *Sinochem Compliance Management Regulation* and the *Sinochem Compliance Obligation Convention*, earnestly perform various compliance obligations thereunder, integrate compliance requirements into corporate governance, production and operation management, and business development, and ensure non-occurrence of any violation. Report violations and possible impacts to the competent supervisors in a timely manner in accordance with company rules and regulations.

V. Performance of Compliance Obligations and Duties

The compliance responsible party shall perform various compliance obligations and fulfill relevant compliance management duties.

Learn and master the *Sinochem Compliance Management Regulation* and *Sinochem Compliance Obligation Convention*, perform the duties stipulated in the *Sinochem Compliance Responsibility Undertaking*, and acknowledge the company’s compliance philosophy and culture.

Actively participate in building the compliance system throughout the enterprise and safeguard the effective operation of the company's compliance system.

Always maintain awareness of compliance requirements and take responsibility for the compliance of one's own behavior, personnel under management, and matters processed.

Accept and cooperate with the compliance audit and review, and accept public supervision on compliance.

VI. Handling of Violations

I hereby undertake and warrant that I will conform to the company's compliance requirements, be accountable to the direct supervisor for the compliance obligations and performance of compliance duties and accept the supervision by the direct supervisor based on the obligations specifically set forth herein. In case of any violation, I am willing to bear relevant liabilities incurred in accordance with laws and applicable rules and policies of Sinochem, accept deduction of the performance evaluation of my company and myself, and bear all relevant consequences arising therefrom.

This *Sinochem Compliance Responsibility Agreement* shall be executed in two copies and shall take effect upon signing by the parties hereto and shall remain effective till the date of expiry of office or termination of the employment contract of the compliance responsible party.

Direct Supervisor:

Responsible Party:

Date:

Date:



sinochem

In science we trust