



Code of Ethical Business Conduct

Purpose

Delton Technology promotes fairness, justice, and integrity in all business activities. Participants must adopt the zero-tolerance policy that prohibits bribery, corruption, extortion, and embezzlement. The goal is to achieve the “six non-compliance” principles: no related-party transactions, no bribery, no inferior quality, no cutting corners, no falsification, no frauds, and honoring commitment.

To ensure that the relevant principles are achieved, we have issued the “Code of Ethical Business Conduct” of Delton Technology for the first time in March 2024. This ensures that we not only do the right thing but also do it right.

Scope of the Code

This policy applies to all directors, officers and employees of DELTON TECHNOLOGY (GUANGZHOU) INC. and its subsidiaries, as well as business partners.

Our Principles & Positions

Doing the right thing in the right way is not easy, so we encourage all of us and our partners to adhere to the following principles in our daily operations and cooperation.

(1) Avoid conflicts of interest and corruption

Do not promise, offer, grant, give, or accept bribes or any other form of advantage for the purpose of obtaining illegal or improper benefits.

The commitment of Delton Technology employees to suppliers, customers and government units must be legally authorized by the company.

Employees of Delton Technology or their main relatives who have private interests with suppliers, customers, or government units should declare to the Company and follow the principle of avoidance during operation.

(2) Information security and privacy protection



The company's procurement, customer information and important data must be handled in strict accordance with the confidentiality and non-competition agreement signed by its employees. The Company is committed to protecting the personal information of all persons with whom it does business, including suppliers, customers, consumers and employees, and to complying with privacy and information security laws and regulatory requirements when collecting, storing, processing, transmitting and sharing personal information.

(3) Intellectual Property

Intellectual property rights must be respected. The transfer of technology or experiential knowledge shall be carried out in a manner that protects intellectual property rights. The information security of customers and suppliers shall be protected.

(4) Fair competition and anti-fraud

The company is committed to upholding standards of fair business, advertising, and competition. We shall not publish advertisements that are untrue or inconsistent with the fact of the company so that we can maintain a fair and just competitive environment.

Any form of market monopoly or unfair competition, including but not limited to exclusive trading, market blockade, price manipulation, commercial defamation, infringement of trade secrets, etc., shall be avoided.

The highest ethical and legal standards shall be upheld, and any form of fraud, including, but not limited to, financial fraud, contract fraud, data fraud, and identity fraud, is strictly prohibited.

(5) Identity protection and counter-retaliation

Ensure that supplier and employee whistleblowers are protected and that their reports are confidential and anonymous. Participants should establish communication procedures for their workers so that employees can raise any concerns without fear of retaliation.

For more information, please refer to the Whistleblowing and Whistleblower Protection Policy.

(6) Anti-embezzlement and anti-money laundering

Every colleague has an obligation to maximize company's interest and prevent any loss or diminishment of those interests within the boundary of laws and regulations.



Employees must not collude with suppliers, issue false delivery notes, or defraud the company's payment for goods.

Employees must comply with all laws and regulations and shall not illegally collude, usurp or steal the company's equipment and property.

Employees must truthfully declare all expenses and quantities, including travel expenses and overtime hours. They must not act alone or collude with others to make false or conceal the superior.

Anyone must not abuse their position or collude with others to gain improper benefits or engage in malpractice. They must not take or steal company equipment or property.

The company must comply with all applicable laws and regulations related to anti-money laundering. It is also required to report any criminal activities related to illegal collusion, conspiracy, and money laundering to the local public security authorities once they have been verified.

(7) Fair, just and responsible sourcing

When selecting suppliers, we shall adhere to the principles of good faith and fairness. This involves considering the quality of their products or services, price, and delivery. We shall conduct comprehensive evaluations of the suppliers, including their selection processes and evaluation comments or results. Suppliers approved for onboarding shall sign the company's letter of honesty and integrity commitment.

The purchased materials shall comply with the requirements of applicable laws and regulations such as product quality standards and regulations, hazardous substances, environment and safety, customer requirements and in-plant procurement standards. Under the same assessment level, suppliers with excellent ESG performance should be given priority.

The purchased materials should comply with the "Conflict Minerals Policy" of Delton Technology, do not use minerals mined in conflict areas in an improper manner, and do not purchase minerals that contain minerals mined in an improper way in conflict areas.

It is strictly prohibited for colleagues and their families to accept gifts, cash or any other disguised goods from suppliers. If you are unable to refuse or return such gifts, please forward such gifts to the company's Group Human Resources Department that coordinates such matter.



We shall communicate to our suppliers that they must not engage in any form of bribery with relevant customers and government personnel, including but not limited to those mentioned above.

(8) Integrity Disclosure

The company shall disclose information regarding labor practices, health and safety, environmental practices, business activities, structure, financial conditions, and performance in accordance with relevant regulations and prevailing industry practices. Fabrication of records or misrepresentation of conditions or practices within the supply chain is strictly prohibited.

All business transactions shall be conducted with transparency and accurately documented in the company's commercial books and records.

(9) Sunny and standardized customer relationship

The Company must conduct its business dealings with customers in good faith and impartiality.

To improve mutual relationships and establish business contacts with enterprises, institutions, government agencies, customers and other personnel, relevant departments may apply for approval by general manager if the reception of important customers exceeds the standard. Additionally, gifts given during traditional festivals should be within a reasonable range.

Colleagues of the company should have the ability to distinguish between right and wrong when it comes to integrity. Avoid doing things that are not allowed and establish a clean atmosphere.

If you receive gifts or items from suppliers, they must be sent to the Group Human Resources Department for registration and management. The Human Resources Department of the Group will arrange for the use in staff activities. Failure to hand in a gift will be considered as embezzling of company property and will be dealt with according to the relevant provisions of the Employee Manual.

Policy Issuance and Review

This policy has been reviewed and approved by the General Manager of Delton Technology Group, and its implementation will be subject to ongoing supervision. Following the issuance of these guidelines, the ESG Office and the Audit Department will conduct periodic reviews and revisions based on changes in the external environment, laws, regulations, and other relevant factors. Any amendments shall be released after review and approval by the Group General Manager.



Whistleblowing and investigation processing

Any person who learns of a violation of business ethics has the right and obligation to complain and report to the Audit Department of the Group, or through the company's official website (<http://www.delton.com.cn/>) and official account (Delton). The Company is committed to carefully investigating all reports and protecting the privacy of whistleblowers against any form of retaliation.