



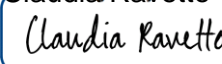
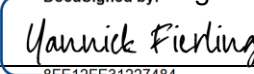


(Legal)

ESG Business Code of Conduct

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0.1 Introduction

Haier Europe is a Company that operates in compliance with its own Codes of Conduct such as the Code of Ethics, the "Sustainability" Report, the "Quality, Health and Safety, Environment and Energy Policy", the "Anti-corruption" Policy and the Organization, Management and Control Model pursuant to Legislative Decree no. 231/2001 which prescribe the principles and values, integral parts of the Corporate Governance Management and Control Structure, which the Suppliers are obliged to observe.

Haier Europe has the primary objectives of designing, manufacturing, selling and distributing high-end products quality, adopting, sharing and disseminating at the same time behaviors in support of the sustainable development, encouraging understanding and respect for diversity, spreading culture of integrity within your organization and by promoting the culture of excellence.

Haier Europe requires its Suppliers, essential for the development of the Company, to adopt them conduct on issues such as human rights, health and safety in the workplace, protection of the environment and anti-corruption, social development and shared value and the transfer of themselves in the supply chain.

The selection of Haier Europe Suppliers is based not only on the quality and competitiveness of the products and services, but also on social-environmental performance and adherence to ethical values, factors that are a prerequisite for becoming a Haier Europe supplier and developing a relationship lasting collaboration.

This ESG Business Code of Conduct builds on the values set out in Haier Europe's Code of Ethics, inspired by the principles contained in the Universal Declaration of Human Rights of Nations United (which Haier Europe supports in every area), in the Tripartite Declaration of Business Principles Multinationals, in the ILO Social Policy and in the Guidelines for Multinational Enterprises of the OECD.

This ESG Business Code of Conduct supplements the previous Haier Europe Code of Conduct, which has been adopted and constantly updated by the Company's Board of Directors.

If you have any further questions or concerns, as always, please feel free to contact the Legal & Compliance Team.

Thank you for your commitment to the Policy.

Legal & Compliance Department

1. Objectives and Scope

The Haier Group, as a leader in the interconnectivity of household appliances worldwide, recognizes the importance of ceasing, preventing or mitigating adverse impacts in its highest risk areas identified through its materiality exercise and multi stakeholder engagement approach.

Haier Europe requires suppliers, trade partners, commercial agents, subcontractors, distributors, vendors and their employees:

- to adhere to its values;
- to comply with its non-negotiable high standards.

2. Responsibility

2.1. Process Owner

Head of Legal and Compliance

2.2 Involved Functions

Procurement Excellence Leader
CSR And Sustainability Manager
Internal Control Director

3. ESG Business Code of Conduct

3.1 PURPOSE OF THE ESG CODE OF CONDUCT

The Haier Group, has developed a path of integration of sustainability principles into its activities, to align itself with the Sustainable Development Goals 2030 agenda of the United Nations, and using the OECD Guidance for Responsible Business Conduct - which seeks to align with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the ILO Conventions and Recommendations referenced within the OECD Guidelines for MNEs, and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy. This policy also works in conjunction with applicable laws in regions where it conducts operations.

With this in mind, Haier Group has decided to draw up this ESG Code of Conduct ("Code"), systematically stating principles and rules to which each supplier and in general business partner of the Haier Group, who it maintains commercial relations with, is required to comply. This document works together in conjunction with Haier groups ESG Risk framework. Based on the severity and likelihood of an adverse impact or suspected noncompliance of this policy, Haier

Europe remains the right to ask for evidence of compliance of the policy and to conduct its due diligence procedure to assure compliance and work with the supplier on a remediation approach for compliance.

3.2 APPLICATION

This Code applies to any person and/or company that has business relations with the legal entities Haier and Candy, directly and indirectly controlled by Candy S.p.A. (Hereinafter, jointly, "Haier Europe"), including any supplier or, in general, business partner of Haier Europe (the "Recipients").

3.3 HAIER ATTITUDE MODEL (RENDANHEYI)

These values constitute the guideline and the starting point of all the principles contemplated in this Code:

- Honesty and integrity are the starting points for achieving the highest work ethic.
- Commitment and dedication are the source for continuous entrepreneurial innovation and the basis for achieving new goals, complying with current legislation and meeting the needs of *stakeholders* and customers.
- Initiative and responsibility are the fundamental requirements of internal quality for autonomy and an engine for achieving the objectives of individual employees.
- Aiming to create value for users and customers is the fundamental and exclusive reason for the existence of the organization and the objective also required of the Recipients.

In case of Haier Europe acquires raw materials, equipment, goods, packaging and services, the choice of trade partners is based upon:

- quality and safety requirements;
- ethical, social and environmental principles;
- cost effectiveness analyses.

4. THE FUNDAMENTAL PRINCIPLES OF THE CODE

4.1 BUSINESS ETHICS

A) Anti-corruption

The recipients should be in full compliance with the national and international laws, in the event of conflict between the provisions set out in this code of conduct and the aforementioned law, the most restrictive regulation shall take precedence.

The Recipients are required to refuse and combat any form of corruption in the performance of their activities. They undertake to promote transparent work by respecting the anti-corruption rules in force in the various countries in which they operate.

Recipients are required not to offer or make payments to public or government officials, to influence their decisions by causing an inappropriate advantage to Haier Europe.

Haier Europe prohibits involvement in any type of bribery — even if such conduct is legal or permitted under applicable law or local practice. It is expressly forbidden for the Recipients, in the exercise of their activity, to offer or accept personal advantages or other illegal incentives. The benefits include, *inter alia*, money, gift cards, securities, gifts, bribes, travel, entertainment, unreasonable discounts and any free use of real estate.

Haier Europe prohibits any activity or relationships with businesses who participate in money laundering, terrorist financing, or facilitating payments. Any suspicion by employees at Haier Europe must be reported to our Haier Global Compliance Hotline (Whistleblowing Platform). Haier Europe reserves the right to investigate and report where they find suspicious activities taking place and terminate any business relationships immediately where these types of activities have been confirmed.

B) Fair competition

The Recipients undertake to conduct their activities pursuing objectives of fair competition and ensuring full compliance with current antitrust laws applicable in the various countries in which they operate. Any form of settlement or commercial practice contrary to applicable antitrust principles is strictly prohibited.

The Recipients are required to operate fairly and may not enter into agreements or agreements with competitors with the aim of attacking or distorting the market in which they conduct their *business*. Recipients must not engage in disparaging practices and acts against competitors and must not market their products and services in a deceptive or misleading manner.

Haier Europe supports free competition in every Supply Chain and Logistics (Procurement) Procedure.

C) Intellectual Property and Privacy

The Recipients are required to make one of the intellectual property or material protected by any copyright or similar in accordance with applicable law and only with the prior consent of the holders of such rights. Furthermore, trademarks, logos, symbols or other distinctive signs owned by the Haier Group may be used only with specific authorization and, in any case, within the limits of what is strictly necessary for the execution of the services established in the specific contract

signed with the Haier Group. The Recipients are also required to respect the intellectual property rights of business partners and third parties.

The Recipients undertake to use and protect in an appropriate manner the confidential information in their possession and, more generally, to guarantee the protection of data and the confidentiality of the company and workers.

In the case of the supply of goods/services to the Haier Group, the Recipients are required to comply with the applicable privacy legislation as well as the procedures and policies of the Haier Group.

D) Conflicts of interest

To maintain the highest degree of integrity in the conduct of business, the Recipients are required to implement appropriate organizational measures to effectively prevent and manage any conflicts of interest. The Recipients undertake to avoid any circumstance that may lead to a situation of conflict of interest or that, in any case, may affect the ability to make impartial decisions. The Recipients must also report any material conflict of interest, whether actual or potential, in the performance of their activities, starting from the negotiation phase with Haier Europe.

4.2 HUMAN RIGHTS AND WORKERS' RIGHTS

We have the highest commitment to human rights, and we support universal human rights principles, in particular the United Nations Universal Declaration of Human Rights, the United Nations Rights of the Child Conventions, the Conventions of the International Labor Organization (ILO) and the Conventions of the World Health Organization.

This commitment to the respect of human rights, together with our Company values, constitutes the basis of our policies and of our everyday activity. We implement our commitment through:

- the respect of our Code of Ethics;
- the application of this Code of Business Conduct to all our trade partners throughout the whole Supply Chain;
- our Corporate Social Responsibility engagement, including policies applied at the global level in all relevant fields.

A) Non-discrimination

The Recipients undertake to combat any form of offensive, discriminatory or intimidating behavior based on gender, race, color, religious orientation, sexual orientation, age, ethnicity or any other personal condition, valuing diversity, inclusion and solidarity. During the selection phases of their employees or collaborators, the Recipients undertake not to implement discrimination of any kind. Haier Europe requires its suppliers, trade partners, commercial agents, subcontractors, distributors and vendors to respect human rights and to ensure that none of their employees shall suffer from any form of discrimination, abuse or harassment, based on race, gender, age, origin, ethnic, physical ability, religious, political, social and cultural diversity. In particular, Haier Europe requires that the respect of pregnancy be supported.

B) Correct treatment

Haier Europe will not tolerate any act of humiliation or hostility. The Recipients ensure a workplace where harassment, torture, threats or any other form of physical, sexual, verbal or psychological abuse is not used. It is forbidden for the Recipients to observe, at all stages of the employment relationship, behaviors limiting the individual personality or practices constituting modern forms of slavery.

C) Child labor

It is forbidden for the Recipients to resort to child labor and / or facilitate it, in compliance with the principles enshrined in the United Nations Global Compact as well as the provisions issued by the International Labor Organization.

Haier Europe requires all its partners throughout the supply chain to be strongly committed to the elimination of child labor, starting with its worst forms, and of all forms of slavery, human trafficking, forced or compulsory labor and prison labor.

In cases where the law allows the employment of personnel under the age of 18, the Recipients must act appropriately so that young workers are not exposed to dangerous or harmful situations for their integrity and health, physical and psychological.

In any case, the Recipients must not hire workers under the age of 15, unless the work is part of a training project that the Government recognizes as of manifest utility for the child.

Haier Europe encourages all actions aimed at raising the minimum age to 15 years.

D) Working hours

The working hours of the employees of the Recipients may not exceed the maximum limit set by current national laws. The Recipients undertake to comply with the provisions of the law and industry standards and collective agreements regarding holidays, working hours, official holidays, overtime and, where applicable, accommodation conditions.

E) Fair remuneration

The Recipients ensure remuneration in accordance with the national legislation in force on wages. Remuneration must guarantee an adequate standard of living and be suitable to meet the basic needs of workers, allowing them a decent existence and also providing certain margins of discretionary earnings.

Except in cases expressly provided for by law, the Recipients are precluded from withholding from salary as a disciplinary measure. Recipients are required to pay remuneration to their employees on time, while also ensuring that they detail in writing and precisely the composition of wages for each pay period.

In addition to their normal salary, workers are also entitled to be paid for overtime in accordance with current regulations and collective labor agreements.

F) Freedom of association

The Recipients undertake to ensure the full right to work and free association of their workers in all their offices. In particular, in accordance with local laws, the Recipients are required to respect the right of their employees to associate freely, to have representatives, to join trade unions, and to actively participate in collective bargaining.

The Recipients must establish a relationship of fruitful collaboration with their employees, or indeed with any organization capable of representing them, while creating opportunities to listen to workers' problems. Furthermore, the Recipients undertake not to treat employees acting as workers' representatives differently or less favorably and to apply forms of collective bargaining in cases where the rules and/or the social system provide for them.

G) Legality

The Recipients undertake to establish recognized employment relationships with their employees, in accordance with current national legislation as well as good working practices. Likewise, it is the duty of the Recipients to refrain from conducting actions that prevent their employees from exercising their legal and contractual rights.

4.3 HEALTH AND SAFETY AT WORK

Haier Europe requires suppliers, trade partners, commercial agents and subcontractors to provide their employees with a safe and healthy working environment, including the development of appropriate controls and of safety procedures, preventive maintenance policies and the use of protective equipment.

A) Health & Safety

The Recipients guarantee a safe, healthy and hygienic working environment, adopting appropriate precautionary measures aimed at preventing accidents and minimizing, as much as possible, the risks to which the staff is exposed in the performance of their activities.

In this regard, the Recipients undertake to provide their workers with constant training in order to allow them to become aware of the risks associated with their work and to acquire the necessary familiarity with the use of safety devices.

The Recipients are also required to ensure full compliance with the legislation on health and safety at work, while ensuring constant monitoring and preventive maintenance measures.

B) Quality

The Recipients undertake to provide their products and services in full compliance with the quality standards agreed in the contract. They must be actively involved in ensuring the quality of work processes and addressing the potential environmental impact of products.

C) Enterprise Systems Management

The Recipients are responsible for the integrity and correctness in the use of the assets and business systems they have available, and in this regard, they undertake to adequately protect them from abuse, theft, damage and sabotage.

The Recipients are also called to constantly update the documentation in order to always ensure the implementation of the principles contained in this Code.

Aware of the importance of reputation in the pursuit of their objectives, the Recipients shall also refrain from taking any action that may, in real or in the abstract, adversely affect Haier Europe's reputation.

4.4 ENVIRONMENT

A) Environmental protection

Haier Europe requires suppliers, trade partners, commercial agents, subcontractors and vendors to fully respect the environment and to ensure compliance with all applicable laws and regulations at international level in the manufacturing and delivering countries.

Haier Europe also requires, whenever possible, all participants throughout the supply chain to adopt and respect:

- the Precautionary principle;
- product life cycle analyses, including packaging and waste management;
- reduction of emissions;
- energy saving strategies, including use of renewable sources;
- environmentally efficient logistics chain.
- water conservation programs; with demonstrable evidence of implementation.

Haier Europe also encourages the participation in research and technological innovation projects in the above-mentioned fields, in collaboration with universities, research institutes and other private companies in order to develop experimental systems to find the most promising solutions throughout the supply chain.

4.5 CONFLICT MINERALS

As part of our commitment to corporate social responsibility, Haier Europe is committed to the responsible sourcing of minerals – sourcing done in an ethical and sustainable manner that safeguards the human rights of everyone in our global supply chain and preserves the environment. Any connection between the materials used in Haier Europe’s products and armed violence or human rights abuses is unacceptable. Tin, tantalum, tungsten and gold (3TG) trade can be used to finance armed groups, lead to forced labor and other human rights abuses, and support corruption and money laundering.

Haier Europe requires our suppliers to comply with our requests to provide complete and accurate information about minerals supplied for our products, and to perform further due diligence as required about the source of any minerals in their products which are provided to us to ensure alignment throughout the supply chain.

We also require our suppliers to extend these expectations to their own suppliers. Suppliers are required to include provisions equivalent to Haier Europe’s ESG Code of Conduct, which include a commitment to responsible minerals sourcing and prohibition of forced labor, in their supply chain agreements and to flow down the same requirements throughout their supply chains.

4.6 CHEMICALS AND PERSISTENT ORGANIC POLLUTANTS

Suppliers of components, materials and substances are required to declare if they exceed the threshold of restricted chemicals indicated through the following regulation:

- The Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS) Directive 2011/65/EU
- Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) Regulation (EC) No 1907/2006
- Persistent organic pollutants, and substances of extremely high concern Regulation (EU) 2019/1021.

5. IMPLEMENTATION MECHANISMS

A) Governance and interpretation of the Code

The Board of Directors of Haier Europe is responsible for the application, compliance and compliance with the principles set forth in this document, as well as the application of sanctions in cases of more serious violations.

ESG Code of Conduct is reviewed due to Corporate Governance Structure's variations, legislative and regulatory environment's updates.

If you have any questions about the content of this Code, please contact the Departments involved.

This Code of Conduct shall remain publicly available and accessible through Haier Europe's Corporate Website.

B) Audit and monitoring methods

Haier Europe is committed to continuous improvement, in terms of sustainability, of its approach, thus promoting the improvement of the services performed by its Recipients.

If the Recipients are unable to fully comply with the provisions of this Code, they must promptly inform Haier Europe. In any case, the Recipients undertake to provide Haier Europe with all the information necessary for a broad and correct assessment and to deliver to the group, where required, the documentation certifying compliance with the Code.

Haier Europe reserves the right to conduct unannounced inspections of suppliers and their business practices, records and facilities as well as private interviews with employees. Each supplier shall designate staff responsible for also monitoring the factories of their subcontractors used in production for Haier. In case of non-compliance, Haier Europe will demand corrective measures and reserves the right to terminate any agreement. Haier Europe uses independent third parties to assess compliance with this Code.

A constant and constructive dialogue is the basis of the relationship between Haier Europe and the Recipients. Haier Europe encourages Recipients who become aware of violations of this Code to report through the following channels:

- Haier Global Compliance Hotline

<https://secure.ethicspoint.eu/domain/media/en/gui/101937/index.html>, available through the company website and intranet (reports made through this hotline are covered by anonymity and confidentiality).

- Email to 690legal@haier.com

Specifically, complaints in regard to ESG impacts of the company's operations are collected and properly dealt with.

Haier Europe will promptly investigate any reports of improper and improper conduct received through the aforementioned channels and guarantees, without prejudice to legal obligations, the protection of the confidentiality and integrity of the anonymity of the reporter.

Haier Europe will not, under any circumstances, tolerate any form of retaliation, discrimination or penalization, direct or indirect, against anyone who has raised concerns in good faith, and under no circumstances will it adopt or threaten adverse actions or discrimination of any kind against those who report wrongdoing or express concern about ethical issues.

The possible making of reports with willful misconduct or gross negligence can lead, where possible, to the application of sanctioning measures.

C) Disciplinary action in case of violation of the Code

Compliance with the rules of the Code is an essential part of the contractual obligations of Haier Europe Recipients. All rules are issued in accordance with applicable legislation.

Any violation of the Code may be considered a breach of contract, and may have legal consequences, in addition to the right to discontinue the business relationship.

Haier Europe expects that Stakeholders agree to inform, disclose, monitor and ensure compliance of the health, safety and environment protection law within their organizations, the supply chain and with any persons performing work on its behalf, and specifically declare the compliance with the principles stated in the International Labor Organization (“ILO”) conventions.

Haier Europe verifies and monitors that Recipients of this Code comply with applicable legal regulations concerning widely understood environmental protection, especially within the scope of obtaining required permits, providing notifications and submitting information as well as respecting limitations of use of the natural environment, including those resulting from an appropriate waste management, considering the provisions of the Italian Legislative Decree no. 231/2001, stating Corporate Criminal Liability rules as well as the principles enhanced in the Code of Ethics into force.

Haier Europe reserves the right to follow up with investigations into non-compliance and implement corrective actions as necessary and defined in the Supplier ESG Due Diligence process.

6. RECORD KEEPING

All the parties involved in a transaction will maintain documentation evidencing counterparty screenings and authorizations conducted under this Code of Conduct, for at least ten years from the date of the activities, including any steps taken to remediate potential hits, and, where applicable, any steps taken to terminate contracts with counterparties that appear on restricted party lists.

7. ESG CODE OF CONDUCT ISSUE AND REVIEW

This ESG Business Code of Conduct is issued by the Legal & Compliance department, published and made available to all the employees. The Legal & Compliance department is entitled to revise, replace and amend the Code.

If you have any questions on this Code, please contact the Legal & Compliance Department.

8. ESG CODE OF CONDUCT VIOLATIONS

Where Haier Europe is informed of any breaches of this ESG Business Code of Conduct or any event or circumstance that gives rise to an actual or suspected breach of any Sanctions or Trade Controls-related laws by any of its Employees or Business Partners, it will initiate an internal investigation thereof in accordance with the Speak Up and involve law enforcement and other competent authorities, if necessary.

All Employees bear responsibility for the compliance with this ESG Business Code of Conduct, and any other documents aimed at its implementation. Failure to comply with the requirements of this ESG Business Code of Conduct will be grounds for disciplinary action up to and including dismissal.

Any questions about this Code of Conduct can be raised with the Legal and Compliance Department.

All employees of Haier are encouraged to report any potential violations by sending emails to 690legal@haier.com or visiting Haier's Global Compliance Hotline (www.haier.ethicspoint.com) in line with the Whistleblowing Policy.

The Company will not tolerate threats or retaliation against any individual who reports a violation in good faith.

9. ENTRY INTO FORCE

This ESG Business Code of Conduct entered into force on the date of its issue. Although this date the Group Personnel shall fully comply with this Code of Conduct.

10. UPDATE

The Legal & Compliance Department is entitled to update the ESG Business Code of Conduct, in case of regulations' instruction, laws enforcements and arrange training sessions on its contents.

11. CHANGES HISTORY

Rev	Pages	Date	Updates and/or Modifications Description
1	ALL	01/12/21	First issue
2	ALL	01/07/22	Second update
3	ALL	05/07/23	Third Update - Added the content of ESG Corporate Social Responsibility and ESG Supply Chain Due Diligence – Suppliers' Risk Management Process, Auditing and Monitoring