



## Corporate Codes of Conduct

Dalipal Holdings Limited

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## Corporate Codes of Conduct

### 1. General rules

#### (1) Purpose Formulation

In order to ensure that Dalipal Holdings Limited ( “the Company” ) fully governs the enterprise in accordance with the law, achieves stable and long-term development, fulfills the company's legal responsibilities to society, customers, shareholders, employees and other stakeholders, ensures the full implementation of the enterprise governance philosophy of "loving the Party and country , and complying with laws and regulations", and ensures the Company's employees, suppliers, customers and other relevant parties understand the Company's principles in business conduct to establish and maintain an honest, fair and transparent business environment.

#### (2) Scope of Application

① This Code applies to:

- a. Dalipal Holdings Limited and its employees.
- b. Subsidiaries and their employees actually managed by Dalipal Holdings Limited.

② Dalipal focuses on whether the partners comply with or have similar codes of conduct or compliance standards, and uses these as one of the important bases for selecting business partners.

### **(3) The Constraint Object**

This Code of Conduct(“Code”) specifies the Company's professional ethics and market behavior management requirements. The Company upholds the corporate ethics of "Honesty, integrity and aboveboard", requiring employees to abide by the law and regulations, be honest and trustworthy, adhere to the bottom line, probity in business, to achieve the healthy and sustainable development of the Company.

## **2. Division of responsibilities**

Each department of the Company and its actually managed subsidiaries shall be responsible for organizing and implementing the study and implementation of the professional ethics and market code of conduct of the Company, and shall be responsible for daily supervision and inspection.

## **3. Business Code of Conduct**

In the business world, every decision and action can have a profound impact. Therefore, it is crucial to clarify and adhere

to the following Codes. They not only protect the Company from risk and ensure that its business activities are carried out on the track of compliance, but also reflect the Company's respect and commitment to society and the rule of law.

### **(1) Avoid conflicts of interest**

The Company requires employees (including directors, supervisors and senior managers, etc.) to be realistic, keep their promises, loyal to their duties with due dilligence, so as to avoid conflicts between personal interests and the interests of the Company.

#### ① Codes of conduct for employees

- a. Employees in the Company's business activities, should be aboveboard, magnanimous, put the interests of the Company in the first place.
- b. Report any possible conflict of interest to the management and the management will take necessary measures to resolve them.
- c. It is prohibited to harm the interests of the Company for personal interests in handling business relations.

- d. It is prohibited for the employee and his close relatives in the name of individuals or by others to have economic and business relations with the unit (department) or the unit (department) within the influence of his position.
  - e. Abide by the Company's Insider Information Management System, and prohibit the use of internal information to buy or direct others to buy or sell related stocks and other securities.
  - f. It is prohibited to use the Company's resources to seek personal benefits, including but not limited to to use the Company's resources to make personal investment, and to provide convenience and preferential conditions for specific related persons to engage in production and business activities.
- ② Codes of conduct of the company
- a. The Company shall, in accordance with the requirements of the preceding paragraph, effectively manage and supervise all employees so as to avoid any damage or possible damage to the Company's interests in commercial activities.

b. For the behavior that damages or may damage the interests of the Company, the relevant responsible departments of the Company shall stop it in time to avoid the occurrence or expansion of the damage.

## **(2) Anti-unfair competition**

The Company abides by the principle of fair competition and opposes any form of unfair competition. The Company respects the rights of competitors, abides by industry standards and business ethics, consciously maintains the fairness of the market order, and will win the market by providing high-quality products and services.

### **① Codes of conduct for employees**

- a. Fair participation in external business exchanges, and shall not engage in fraud in the business.
- b. Fraud or other misconduct is strictly prohibited.
- c. Strictly implement the production process requirements and specifications, and carry out the production and after-sales technical support work according to the requirements.



- ② Codes of conduct of the company
- a. Strictly abide by the Anti-Unfair Competition Law and other relevant laws and regulations.
  - b. The Company shall effectively manage and supervise the employees in accordance with the requirements of the preceding paragraph, and severely crack down on unfair competition behaviors.
  - c. Strictly control production, organize production, inspection, transportation and service in accordance with national standards, industry standards, product standards and customer requirements, and resolutely resist fake and shoddy products.
  - d. Fair participation in market competition, friendly cooperation and peer enterprises, honest communication.
  - e. It is prohibited to implement or participate in acts such as false publicity, bidding collusion, stealing trade secrets and damaging business credibility.
  - f. It is prohibited to sell goods or services or attach other unreasonable conditions against the wishes of the buyer.

(3) Anti-fraud and commercial bribery

The company has zero tolerance for any form of corruption, fraud and bribery. The Company requires employees and related parties to be honest in business activities and refrain commit any form of fraud, bribery or bribe-taking behaviours.

① Code of conduct for employees

- a. Abide by the Company's Anti-Fraud and Reporting Management System.
- b. It is forbidden to exercise or accept bribes in any external business activities related to the Company, or to exercise or accept bribes through their relatives.
- c. The employees shall not take advantage of the position to reimburse the expenses that should be borne by individuals or more related expenses.
- d. The employees shall not take advantage of his position or work to embezzle, steal, defraud or take illegal possession of company property by other means.
- e. Report any suspicious fraud or bribery in time.

② Code of conduct of the company

- a. The Company shall conduct effective management and supervise its employees in accordance with the requirements of the preceding paragraph and severely campaign against fraud or bribery.
- b. Record the various business transactions through the information system.
- c. Conduct regular internal and external audits to ensure compliance with business operations.
- d. Any form of fraud, embezzlement or misappropriation of public funds is prohibited.
- e. Giving or accepting any form of bribery or kickbacks is prohibited.
- f. Encourage employees to report any suspicious fraud or bribery, and deal with the reports in time.

**(4) Anti-money laundering**

The Company firmly opposes money laundering activities and strictly complies with relevant laws and regulations.

① Code of conduct for employees

- a. The employees shall not carry out or participate in fraud, money laundering or false accounting activities.
- b. Try to understand customers through compliance background investigation to avoid becoming a money laundering tool.
- c. Report on suspicious transactions.

② Code of conduct of the Company

- a. It is forbidden to implement or participate in fraud, money laundering and false accounting activities.
- b. Do business with clients, intermediaries and business partners with legitimate funding sources and good reputation.
- c. It is forbidden to evade financial supervision in improper ways, or to lease or provide capital accounts externally.
- d. Report the suspicious transactions, and cooperate with the investigation of the relevant departments.

**(5) Abide by the legal tax paying obligations**

① Code of conduct for employees

- a. Strictly abide by the tax laws and regulations of the country / region where the Company operates.
- b. Strictly abide by the "Tax Administration Measures" and other corporate fiscal and tax management systems.

② Code of conduct of the Company

- a. Abide by the tax laws and regulations applicable to China and the countries (regions) where the business is located, fulfill the tax obligations according to law, and ensure to pay tax in good faith according to law.
- b. To conduct tax registration and tax declaration, withholding and paying, conduct invoice management in accordance with the relevant system of invoice management of tax authorities, truthfully report the production and operation and implementation of financial system to tax authorities, and provide corresponding statements and materials in accordance with relevant regulations.
- c. Tax evasion and tax preferential fraud are strictly prohibited, using the principle of fair trading for

transfer pricing, and income shall not be transferred to low-tax jurisdictions.

**(6) To observe the obligations of import and export control and economic sanctions**

① Code of conduct for employees

a. Violation of import and export control and economic sanctions is strictly prohibited.

b. Strictly abide by the Company's "Sanction Management Implementation Rules".

② Code of conduct of the Company

a. Abide by the laws and regulations on import and export administration, comply with the customs supervision requirements, and prohibit avoiding customs supervision through smuggling or disguised smuggling.

b. To understand and fully comply with the obligations of import and export control and economic sanctions imposed by China and the United Nations and other international organizations, to which the relevant business activities apply.

c. It is strictly prohibited to carry out business activities in violation of regulations by means of evasion or fraud.

#### **4. Internal administrative control**

The Company adheres to the talent concept of "knowing people to make good use of them, appointing people on merit, attracting talents from outside and implementing talents development inside, and cultivate talents", and adheres to the people-oriented development concept. The Company strictly abides by labor laws and regulations, improves the labor contract management system, standardizes the signing, impletation, change and termination of labor contracts, protects the legitimate rights and interests of the company and its employees, and creates a healthy and great working atmosphere.

##### **(1) Anti-discrimination and harassment**

The Company adheres to the principle of equality and impartiality, and opposes any form of discrimination or harassment, including discrimination against race, sex, age, religion, disability and other fields, as well as physical or verbal harassment such as sexual harassment. Provide an equal

opportunity for all employees, create a healthy, fair and harmonious working environment, to give full play to the talent of employees.

① Code of conduct for employees

- a. Strictly abide by the "Human Resources Management Control Procedures", "Human Resources Flow and allocation Management Measures" and other company regulations.
- b. In the work, we should respect and get along kindly and equally with each other , and respect the legitimate rights and interests of others.
- c. It shall not use authority to discriminate against other employees for any reason or give unfair treatment to other employees.
- d. Have the right to exercise the right to know, to participate, to express and to supervise.
- e. Discrimination and harassment that infringe upon the legitimate rights and interests of employees can be appealed.



② Code of conduct of the Company

- a. Respect the dignity and privacy rights of employees.
- b. Do not discriminate against employees by race, gender, age, religious belief, disability, and ensure fairness in recruitment, promotion and treatment.
- c. Establish and implement the management system of personnel entry, transfer, departure and other aspects, to ensure that promotion standards, appointment basis, the system manage people, the process manage affairs, target things, not people.
- d. Improve the democratic management system with the workers' congress as the basic form, and consult the opinions of the trade union concerning the vital interests of the employees according to the procedures.
- e. Formulate and adjust the working schedule, attendance system and holiday arrangement according to law. If the employee is arranged to extend the working hours due to the needs of production and operation, it shall be based on the premise of ensuring the health of the employee, and give

the transfer (supplement) rest or pay overtime pay according to the regulations.

## (2) Occupational health and safety

Safety first, prevention prevail, full mobilization, care for life. The Company always puts safety production in the first place, people-oriented, safety is more important than development. To prevent, stop and report the potential or actual harm to the personal safety and health of employees, the public and customers during the production and transportation process, and to avoid the damage of safety accidents to the economy and reputation of the enterprise.

### ① Code of conduct for employees

- a. Strictly abide by the "Occupational Health and Safe Operation Procedures", "Occupational Health Responsibility System", "Occupational Health Management Regulations" and other relevant systems.
- b. Should comply with the safety standards and the Company's "All Staff Safety Production Responsibility System", "Safety Production Risk Management Regulations", "Safety

Education and Training Management Regulations" and other relevant requirements of standardized operation.

- c. Be responsible for the personal safety of oneself and others, jointly create a safe and healthy working environment, and do a good job in accordance with the "Warning signs and Safety Protection Management Rules".

② Code of conduct of the Company

- a. Strictly fulfill the obligation of production safety, establish, improve and implement the labor safety and health system to ensure the health and safety of employees, prevent safety accidents and reduce occupational hazards.
- b. Ensure the safety of employees in the workplace and prohibit dangerous operations or neglect of safety regulations. Follow all health and safety regulations and conduct regular safety checks and training.
- c. Strictly abide by and abide by the protection regulations of female workers and special occupations, provide employees with labor safety and health conditions and labor

protection articles in accordance with the law, to avoid occupational health hazards.

- d. Implement the same standard of safety management for the business partners who provide services for the Company on site.

## **5. Social responsibility**

"Create value for customers ,create opportunities for employees, create strength for the enterprise, create harmony for the society" is the corporate purpose of the Company. By complying with the code of conduct related to social responsibility, the Company not only hopes to achieve its own green and sustainable development, but also hopes to bring a positive impact on the society and the environment.

### **(1) Climate and environmental protection**

The Company actively responds to the national dual-carbon target, continues to comprehensively promote clean production, intelligent manufacturing and green manufacturing, and promotes the low-carbon transformation through the formulation of scientific action plans.

① Code of conduct for employees

- a. Strictly abide by the Company's "Environmental Operation Control Procedure", "Environmental Protection Responsibility System", "Environmental Factor Identification, Evaluation and Measures Management Procedures" and other management regulations.
- b. In work and life, we pay attention to low-carbon energy saving, environmental protection, establish the concept of low-carbon environmental protection, and actively practice the strategic measures formulated by the company for green and sustainable development.

② Code of conduct of the Company

- a. Continue to carry out green and low-carbon publicity, educate and guide employees to pay attention to low-carbon energy saving and environmental protection in work and life.
- b. Implement measures for ecological and environmental protection and pursue green and low-carbon development.

- c. Adhere to the whole process management, replacement from the source, process control, end treatment, waste recycling, the implementation of green, low-carbon and high-quality development.
- d. Develop clean energy and environmentally friendly products, and develop a circular economy.
- e. Based on intelligence, information, digital, green, to build a comprehensive intelligent factory in the oil pipe manufacturing industry.

## **(2) Other social responsibilities**

The Company hopes to be a socially responsible, environmentally friendly, caring for employees and honest to customers. We will make best effort to enhance the ability to resist risks, become a community of shared future and interests with employees, realize the vision of "The big river has water and the small river is full ", create greater value for customers, make our own contribution to the realization of a harmonious society and the Chinese dream, and realize the original aspiration and mission of all Dalipal people.

① Code of conduct for employees

- a. Actively practice core socialist values, observe social ethics and norms, and observe law and discipline and public morality.
- b. Take good care of public property, be diligent and frugal, maintain the environment orderly and clean.
- c. Inherit and carry forward the traditional virtues, civilized language, polite to others.
- d. Family harmony, be friendly to neighborhood, respect for the elders and love for the youth.
- e. Do not participate in pornography, gambling, drug abuse and other illegal and criminal activities.
- f. Do not participate in the feudal superstition activities, do not believe in the evil religion.
- g. They shall not donate or sponsor the Company's property in the name of individuals. When participate in the company's external donation and sponsorship activities, if there is

a conflict of interest with the recipient or the organizer, it shall truthfully disclose it and apply for withdrawal.

② Code of conduct of the Company

- a. Actively participate in the public welfare undertakings, and participate in the donation and sponsorship work in accordance with the law.
- b. Not to employ child labour or participate in forced labor, debt slavery, deceptive recruitment of labor or services in any country or region.
- c. Strictly implement relevant social responsibility systems.

**6. Information disclosure and management**

In current information age, the importance of information is becoming increasingly prominent. For enterprises, especially listed companies, it is crucial to properly manage the information and ensure its safety, accuracy and timely disclosure. The Company aims to establish a standardized, transparent and safe information environment to protect the legitimate rights and interests of all parties and promote the sustainable development of the enterprise.



**(1) Information disclosure**

① Code of conduct for employees

- a. Actively perform the duty of information disclosure in accordance with the Company's Information Disclosure Affairs Management Regulations and other relevant requirements.
- b. Have the right to supervise the performance of information disclosure obligations.

② Code of conduct of the Company

- a. Communicate with government departments sincerely and faithfully, and provide accurate and true information and data to government departments.
- b. Ensure External information disclosure and announcement to be true, accurate, complete, timely and fair.
- c. All internal and external reports, records and other documents shall comply with the applicable legal rules and standards, and shall be complete and accurate.

**(2) Confidentiality management**

① Code of conduct for employees

- a. Strictly abide by the Company's "Confidentiality Management Measures", "Rules for the Management of Classified Personnel" and other requirements.
- b. It shall not use the company's intellectual property rights, confidential information and other resources to seek personal gains.
- c. Confidential information shall not be discussed in public places.
- d. When employees leave, they must hand over all confidential documents, not copy and backup, not to mention taking these to work in other companies.
- e. Before providing confidential information externally, strictly follow the relevant management process.

② Code of conduct of the company

- a. Take the necessary measures to keep the company secrets and other important undisclosed information.

- b. Manage the confidential post personnel and confidential matters of the company according to the company system.

### **(3) Data protection and information security**

#### **① Code of conduct for employees**

- a. Strictly abide by the Company's "Information System and Information Security Control Procedures", "Information System Security Management Measures" and other relevant management requirements.
- b. It shall not endanger network security, and shall not use the network to endanger national security, honor and interests.
- c. It shall not infringe upon the reputation, privacy, intellectual property rights and other legitimate rights and interests of others (including customers, suppliers and other relevant parties).
- d. It is strictly prohibited to promote terrorism and extremism, ethnic hatred and discrimination, spread violence and pornographic information, or fabricate or

disseminate false information to disturb economic and social order.

- e. It shall not engage in activities that endanger network security, such as illegally intruding on others' network, interfering with the normal function of other people's network, or stealing network data.
- f. Procedures and tools specially used for invading network security, interfering with the normal function of the network and network data shall not be provided.
- g. Do not provide technical support, advertising, payment and settlement assistance for activities endangering network security.

② Code of conduct of the Company

- a. According to the above requirements, effectively manage and supervise to all staff, and severely crack down on behaviors that damage data security.
- b. Strictly abide by the requirements of the Network Security Law, the Data Safety Law, the Personal Information

Protection Law and other relevant supporting laws and regulations and national mandatory standards.

- c. Without consent, it shall not illegally collect and provide private information of others (including customers, suppliers and other relevant parties). If agreed, the purpose, method and scope of processing the information shall be clearly indicated.
- d. Effectively prevent possible data information leakage, network security incidents and other hidden dangers.

## **7. Measure of safeguard**

In order to ensure the effective implementation of the above policies, the Company has formulated a series of safeguard measures. Training is the key to ensuring that policies are correctly understood and implemented, and reporting and investigation are an important means to detect and correct violations.

### **(1) Training**

- ① Code of conduct for employees

Employees should take the initiative to accept safety education, compliance training and business skills training at all levels of the company and departments, comply with the requirements of "Employee Training Management Regulations", "Training Organization Implementation Work Standards" and other requirements, and strive to enhance their own safety awareness, compliance awareness and work business technical level.

② Code of conduct of the company

Conduct relevant training for employees to effectively enhance their safety awareness, compliance awareness and work business technical level.

**(2) Report and investigation**

The Company has set up an effective reporting mechanism to encourage employees, suppliers, customers and other relevant parties to report fraud, corruption, bribery and other violations of laws and regulations to the Company through hotline, email, scanning QR code and electronic media communication under confidential circumstances. The informant will be protected in assisting in the investigation. The

Company shall prohibit any illegal discrimination and retaliation, and those who illegally disclose the information of the informants or retaliate against the informants shall be regarded as a serious violation of the Company's rules and regulations.

① Code of conduct for employees

Where permitted by local laws and regulations, Employees have the right to raise doubts and report any attempted, suspected or actual violation of these Guidelines under its real name or anonymity through the following channels:

Address: Room 4006, Jardine Plaza, 1, Central, Hong Kong

Tel.: + 852 2577 2188

URL: [www.dalipal.com](http://www.dalipal.com)

Anti-corruption telephone number: 0317-5764733

Anti-corruption email address: [msc @ dalipal.com](mailto:msc@dalipal.com)

② Code of conduct of the Company

- a. In accordance with the requirements of the Anti-Fraud and Reporting Management System, all employees who raise doubts or reports and the employees investigated shall be respected, keep their doubts and relevant investigations strictly confidential, ensure the safety of informants, and prohibit any discrimination and retaliation.
- b. Thorough and timely investigation of all reported violations.
- c. Take appropriate corrective measures to address them.
- d. Malreporting will be held accountable in accordance with the law to prevent the abuse of the reporting mechanism.
- e. Strive to ensure that all employees do not suffer undue harm by expressing concerns or reporting noncompliance or illegal practices. Any individual or group that retaliates against the informant shall be removed from office or terminate the labor contract. Those suspected of violating laws and crimes shall be transferred to judicial authorities or other responsible departments for handling according to law.



## 8. Epilogue

Let us work together to adhere to the code of conduct, govern the enterprise in accordance with the law, perform duties faithfully and diligently, and take efforts to achieve the strategic development goal of "strive for first-class and last for hundreds years".