

**China Merchants Land Asset Management Co., Limited**  
**(as Manager of China Merchants Commercial Real**  
**Estate Investment Trust)**

**Supplier Code of Conduct**

## **1. Objective**

China Merchants Commercial REIT (“**CMC REIT**”) believes in value of operating on the basis of a sustainable value chain. China Merchants Land Asset Management Co., Limited, as the manager of CMC REIT (the “**Manager**”), is committed to upholding ethical business conduct, compliance with applicable laws, regulations and policies in all jurisdictions of its operations, as well as contributing to the environment, communities, and staff with positive impact.

## **2. Scope**

This Policy is applicable to all suppliers, contractors, subcontractors, and consultants (collectively “**Suppliers**”) who provide goods and/or services for CMC REIT, and all managed assets under CMC REIT’s portfolio, managed by operations managers and property managers who has been delegated the functions of operations and lease management. We shall share this Policy to all Suppliers and encourage them to support relevant initiative.

## **3. Commitment and Approach**

### **1). Legal and Regulatory Requirements**

- Suppliers shall operate their business activities in full compliance with all applicable laws, regulations, and statutory codes in Hong Kong and/or other jurisdictions of their operations.

### **2). Forced and Child Labour**

- Suppliers are prohibited from forced, coerced, bonded, indentured, trafficked labour, or any other forms of modern slavery.
- Suppliers must not employ staff who are younger than the minimum legal working age.

### **3). Compensations and Working Hours**

- Suppliers shall sign an employment contract with every employee that complies with the local laws and regulations.
- Suppliers shall provide at least statutory minimum wages and any legally entitled benefits to staff.
- Suppliers shall make sure the total hours per week worked by their employees do not exceed the maximum permissible working hours.

### **4). Labour Relations**

- Suppliers shall set up appropriate communication mechanism and grievance procedures for their employees to raise their concerns and claims to the management.

### **5). Occupational Health and Safety**

- Suppliers shall establish safety policies and clearly outline operational procedures to minimise the chance of work-related injury to the employees.
- Suppliers shall provide employees with training on construction site safety and relevant operational guidelines to ensure the safety of themselves and other employees.

**6). Working Conditions**

- Suppliers shall provide a clean, safe, and healthy working environment for all employees. Suppliers should also provide necessary tools, machinery, facilities, funding, technical materials, reference books, and other essential materials and technologies for their working procedures.

**7). Diversity and Inclusion**

- Suppliers shall treat all staff with respect and dignity where physical, sexual, verbal, psychological harassment and threats shall be prohibited.
- Suppliers shall not tolerate any form of discrimination in hiring and employment practices on the basis of gender, race, nationality, age, sexual orientation, marital/family status, pregnancy, religion, disability, political opinions, or similar. Suppliers are encouraged to embrace diversity and nurture upward social mobility among vulnerable groups.

**8). Environmental Protection**

- Suppliers shall ensure that the processes and products they provide comply with the minimum environmental standards required by the local government.
- Suppliers shall, whenever feasible, minimise the adverse impact of their business activities on the environment.
- Suppliers shall strive to avoid any situations that may potentially cause the loss of biodiversity, where applicable.

**9). Ethical Conduct**

- Suppliers shall adhere to the highest level of ethical standards and should not engage in any form of corruption, collusion, extortion, fraud, bribery, false statements, or falsification. Suppliers should also report to our company any potential conflicts of interest or instances of misconduct.

**10). Disclosure**

- Suppliers are encouraged to demonstrate their commitments and performance through environmental, social, and governance (ESG) reporting, and to integrate ESG elements into their business operations.

**4. Monitoring and Reporting**

The Manager and CMC REIT shall communicate this policy with all relevant stakeholders. The Manager will conduct desktop and onsite audit to check their compliance on an annual basis. Key performance indicators and action plans related to supplier management will be disclosed in the Manager’s annual ESG report. Requests that if a supplier is in breach of relevant environmental and social regulations and standards, a corrective plan should be formulated promptly to progress toward compliance; otherwise, the collaboration should be terminated.

## **5. Review**

The ESG Working Group shall review this Policy to ensure the continuous relevance of this Policy to the needs of the Manager and CMC REIT and that this Policy reflects the current regulatory requirements and good governance practice, and shall discuss any amendment to this Policy that may be required and make recommendations to the Board for approval.

-THE END-