

ZJLD Group

Occupational Health and Safety Policy

Version: A/0

Prepared by: Work Safety Committee

Reviewed by: CEO

Approved by: Board of Directors

Released and effective on 24th June, 2022 by ZJLD Group Inc.

Chapter 1: General Provisions

Article 1

This commitment is formulated in accordance with the Labor Law and Work Safety Law of the People's Republic of China. It aims to strengthen labor protection for employees, improve working conditions, safeguard employee health and safety during production, enhance awareness of work safety, and promote business development for ZJLD and its subsidiaries (the "Group").

Article 2

This commitment applies to all employees (including full-time, part-time, and external contractors).

Article 3

The Group is committed to complying with the ISO 45001 Occupational Health and Safety Management System standard and continuously improving its occupational health and safety (OHS) management system.

Chapter 2: Roles and Responsibilities

Article 4: Board of Directors

The Board of Directors of ZJLD is responsible for the final review and approval of this Policy, the work safety management policy, and relevant key performance metrics and targets, as well as investigating accountability for gross negligence in work safety.

Article 5: Work Safety Committee (WSC)

The WSC, composed of the Group's leaders and key department heads, oversees work safety activities. Its main responsibilities include:

- 5.1 Implementing national work safety policies and relevant laws and regulations, and coordinate the Group's work safety activities;

5.2 Review and approve the Group's work safety policies and relevant standards, and establish and improve the Group's work safety management system;

5.3 Review the Group's work safety planning and the focus of work safety activities in each period;

5.4 Supervise and evaluate the work of safety management organizations at all levels, and investigate gross negligence in work safety;

5.5 Investigate and make decisions on major work safety issues and matters of the Group, and coordinate and direct safety work, etc. The daily affairs of WSC are handled by the WSC Office.

Article 6: Work Safety Leadership Team

Each production company must establish a Work Safety Leadership Team led by the general manager to promote the establishment, implementation, inspection and improvement of its safety management system.

This team is responsible for:

- 6.1. Conducting work safety education and training.
- 6.2. Formulating implementation rules and emergency plans.
- 6.3. Supervising and ensuring compliance with work safety requirements.

Article 7: Employees

The WSC and Work Safety Leadership Team will regularly invite employee representatives to discuss this Policy and work safety metrics to gather employee feedback.

Chapter 3: Targets and Assessment

Article 8

To improve occupational health and safety performance, the Group sets qualitative and quantitative targets annually, assessing the WSC, the Work Safety Leadership Team, and relevant personnel.

Article 9

The Group uses a balanced scorecard mechanism to deduct points for unmet safety targets, impacting performance evaluations and remuneration.

Chapter 4: Education and Training

Article 10

All new employees, temporary workers, and interns must undergo three-level safety education (company, workshop, and team) before being assigned to their roles.

Article 11

Employees changing job types or who have been unemployed for over six months must complete retraining in safety before resuming duties.

Article 12

Before resumption of work with seasonal production characteristics, or when new processes or equipment are introduced, operators must receive specialized safety training to ensure compliance with safety procedures.

Article 13

Each production company must conduct at least 2 hours of targeted safety training monthly, covering safety knowledge, responsibilities, risks, and emergency measures. Fire safety training and drills must occur at least once a year.

Article 14

Annual fire and emergency drills must be conducted, with records maintained for activity plans, processes, and personnel involved to evaluate the results and for future improvements.

Article 15

The sales and logistics companies must participate in fire and earthquake drills organized by local property management agencies.

Chapter 5: Inspection and Rectification

Article 16

The Group will conduct regular and irregular work safety inspections to identify potential hazards. through risk assessment of occupational health and safety.

- 16.1. Group-wide inspections organized by the WSC.
- 16.2. Monthly inspections for each production unit.
- 16.3. Weekly inspections for each workshop or department.
- 16.4. Pre-shift and post-shift inspections for each production team.
- 16.5. Daily inspections for operators of special jobs and equipment.

Article 17

The Group will develop action plans for timely corrective actions based on issue severity. Companies unable to implement corrective actions must report to the WSC Office for assistance.

Article 18

Occupational safety and health will be included in the supplier evaluation system. Poor performance will negatively impact contract renewals, overseen by the Procurement Department.

Chapter 6: Reporting and Investigation

Article 19

Personnel at the accident site must immediately assist the injured and protect the scene and prevent the accident from escalating. If necessary, they should document the scene with signs, notes, or photographs.

Article 20

Accidents must be reported immediately to the responsible department head, work safety officer, and general manager. The head of the affected company must report to the general manager and WSC Office within 4 hours.

Article 21

Accident investigations will analyze the causes. The WSC Office will instruct appropriate organizations to conduct the investigation and issue reports, with oversight from the labor union. If necessary, an accident investigation team could be set up by the Group.

Chapter 7: Supplementary Provisions

Article 22

The Work Safety Committee is responsible for interpreting this Policy.

Article 23

This Policy is approved by the Board of Directors and takes effect upon release.