

# **China Merchants Port Holdings Company Limited**

## **Code of Business Conduct**

### **Chapter I General Provisions**

#### **Section 1 Declaration of Compliance**

Article 1. China Merchants Port Holdings Company Limited (hereinafter referred to as "China Merchants Port" or the "Group") abides by local laws and regulations in all the industries in which it operates, and attaches great importance to the influence of business ethics on the Group itself and its stakeholders. As a dual-listed company, China Merchants Port not only meets the business ethics standards of China Securities Regulatory Commission and Hong Kong Stock Exchange, but also promises to manage the group's business behaviors in a more active way, disclose the group's achievements in business ethics management in a more transparent way, accept public supervision, and strive to become an ethical model of honest operation in the port industry.

#### **Section 2 Purpose of compilation**

Article 2. The purpose of formulating the Code of Port Commercial Conduct of China Merchants Port (hereinafter referred to as the "Code") is to further improve the Group's business code of conduct system, implement the core values of the company, promote the construction of compliance and moral integrity of the company, enhance the ability to govern the company according to law and manage business ethics, and help China Merchants Port build itself into a high-quality world-class comprehensive port service provider.

#### **Section 3 Scope of Application**

Article 3. This code applies to all employees of China Merchants Port and affiliated enterprises. Participating enterprises may refer to it for implementation.

#### **Section 4 Basis for compilation**

Article 4. This Code shall be compiled in accordance with laws and regulations, company rules and regulations, industry-recognized codes of ethics and codes of conduct.

Article 5. This Code is based on laws and regulations including but not limited to the "Criminal Law of the People's Republic of China", the "Company Law of the People's Republic of China", the "Law of the People's Republic of China on State-owned Assets of Enterprises", the "Anti-Monopoly Law of the People's Republic of China", the "Law of the People's Republic of China on Anti-Unfair Competition", the "Law of the People's Republic of China on Anti-Money Laundering", the

"Measures for the Compliance of Central Enterprises", the "Administrative Measures on Information Disclosure of Listed Companies", the "Supervision Law of the People's Republic of China", the "Law of the People's Republic of China on Administrative Punishments" and other relevant laws and regulations.

Article 6. Group rules and regulations on the basis of this Code include but are not limited to the "Compliance Management Provisions of China Merchants Port Holdings Company Limited", "Compliance Management Measures for Business Partners of China Merchants Port Holdings Company Limited", "Regulations on Clean Employment Management of China Merchants Port Employees", "Measures for the Investigation of Investment Liability for Illegal Operation of Investment in Ports Attracting Investment", "Administrative Measures for Dismissing Employees of Investment Port for Serious Negligence (Trial)", "Regulations on Port Staff Management of China Merchants Port", "Interim Measures for Overseas Clean Risk Prevention and Control of China Merchants Port Holdings Company Limited" and other relevant rules and regulations.

Article 7. The industrial ethics and codes of conduct on which this Code is based include but not limited to "Outline for the Implementation of Civic Morality in the New Era", "Civil Code of the People's Republic of China", "Code of Ethics and Conduct for Communist Party Members", "The CPC Code of Integrity and Self-discipline", "Regulations on Disciplinary Measures of the Communist Party of China", "Regulations on Handling Complaints and Reporting", "Provisions on Clean Work of Leading Personnel of State-owned Enterprises", etc.

Article 8. In case of any conflict between the Code and the relevant laws, regulations, business practices and business culture of the place where the overseas subsidiary operates, the business activities of the overseas subsidiary shall be governed by the local laws, regulations, business practices and business culture.

Article 9. If relevant laws and regulations, Group rules and regulations, and industry standards are updated, the Group's business actions shall comply with the latest effective version of laws and regulations, Group rules and regulations, and industry standards.

## **Section 5 Management Mechanism**

Article 10. The Group has established a joint working mechanism of administration, human resources, finance, risk control audit/legal compliance, discipline inspection, inspection and other departments, and is responsible for the mechanism construction, implementation, supervision and violation handling of business ethics.

Article 11. The Group shall establish a violation supervision and reporting mechanism, and the Department of Supervision (Discipline Inspection Office) shall be responsible for handling the clues related to the reporting. Any organization or individual shall have the right to report to the discipline inspection and supervision organs for violations of discipline and law. Discipline inspection and supervision institutions should accept the case seriously. Informants can report charges by telephone, email, fax, letter, wechat, SMS, visit and other means, and encourage real-name reporting and charges. The discipline inspection and supervision institution shall timely report the complaints and charges to the leaders of the Discipline Inspection Commission of the Group, establish a research and judgment mechanism, make comprehensive analysis, and conduct classified treatment according to four methods: interview and letter inquiry, preliminary verification, temporary storage for investigation, and settlement. For specific usage, please refer to the Measures for Problem Clues Disposal and Case Management of China Merchants Port Group Co., LTD.

Article 12. The Group shall establish an informant protection mechanism:

- 1) Strictly implement the avoidance system. The personnel involved in the examination, investigation and hearing may not participate in the relevant examination, investigation and hearing work if they are the persons under investigation or close relatives of the informants, witnesses or interested persons in the case, or if there are other circumstances that may affect the impartiality of the examination, investigation, and hearing.
- 2) Strictly control the scope and time to know the matters of examination and investigation. Retaining, concealing, consulting, extracting, copying, or carrying problem clues and relevant information without authorization is not allowed, and disclosing the investigation work is forbidden. Strictly manage the security of storage devices, and do a good job in the security management of confidential information stored in storage devices for reporting matters and investigating cases.
- 3) Strictly observe the discipline of handling cases, and two or more persons must participate in the investigation and collection of evidence; No one is allowed to intercede for a party in a case by taking advantage of his position; alter, conceal, forge, change or intentionally destroy evidentiary materials is not allowed.
- 4) If there is evidence that the whistleblower and his close relatives may be retaliated against by the whistleblower using his or her power or influence, the organization department and the discipline inspection and supervision organs shall handle it in accordance with relevant regulations. For acts of retaliation or instigating others to retaliate against whistleblowers and their close relatives, sanctions shall be given in accordance with discipline and law. Where whistleblowers and their close relatives suffer a personal injury, reputation damage, or property loss due to retaliation, they shall be supported in filing compensation claims in accordance with the law.

Article 13. The Group has set up a mechanism to investigate business violations. After investigation, verification and responsibility identification, the relevant responsible persons will be held accountable for violations of regulations for the operation and management personnel of each unit who violate

regulations, for who fail to perform or correctly perform their duties, and for who cause losses of state-owned assets or other serious adverse consequences in the operation and investment.

Article 14. China Merchants Port shall establish a risk control audit Department/Legal Compliance Department, Supervision Department, operation management Department, financial management Department, Human Resources Department, Administrative Affairs Department and other functional departments of the headquarters and their subsidiaries cooperate with problem clues collection and feedback mechanism. The Risk Control Audit Department/Legal Compliance Department shall consult the relevant departments for problem clues on a quarterly basis, organize the accountability work for violations, and report the real-time report and periodic report on the accountability work for investment violations to China Merchants Group in accordance with regulations

## **Chapter II Enterprise business ethics compliance statement**

### **Section 1 Tax payment according to law**

Article 15. The Group has established tax administration measures to clarify the establishment and responsibilities of the Group's tax administration organs, the daily management of tax-related matters and tax risk management, and standardize the company's tax registration, tax declaration and other activities.

Article 16. The Group promises to strictly abide by tax-related laws and regulations, carefully analyze tax risks, actively disclose tax information, declare and pay taxes on time, and eliminate tax evasion and tax evasion.

### **Section 2 Anti-monopoly and Anti-Unfair Competition**

Article 17. The Group has established anti-monopoly and anti-unfair competition policies ("Anti-monopoly Compliance Management Measures of China Merchants Port Holdings Company Limited", "Anti-Monopoly Compliance Manual of China Merchants Port Holdings Company Limited", "Compliance Management Measures for Souvenirs and Reception of China Merchants Port Holdings Company Limited", etc.) to standardize the Group's business behaviors of fair competition.

Article 18. The Group promises to strictly review all merger and acquisition transactions, ensure the legality and compliance of commercial transactions, eliminate any violations of laws and regulations, and consciously maintain a market order of fair competition. Clarify anti-monopoly compliance management requirements and compliance guidelines in the system, and enhance anti-monopoly

compliance awareness of all employees through internal mechanisms such as annual compliance inspections, compliance training, and compliance assessments, and improve compliance capabilities.

### **Section 3 Anti-corruption and Anti-bribery**

Article 19. The Group has established anti-corruption and anti-bribery policies, propagated a clean culture, and adhered to honest and law-abiding operation. For employees who violate regulations, those who constitute violations of discipline and should be investigated for responsibility shall be investigated and dealt with by discipline inspection and supervision departments. Depending on the seriousness of the circumstances, corresponding administrative punishments shall be given in accordance with relevant national laws and regulations and relevant provisions of the company. Those who are Party members shall be given corresponding Party disciplinary sanctions according to the Regulations on Disciplinary Sanctions of the Communist Party of China according to the seriousness of the circumstances. Those suspected of committing crimes shall be transferred to judicial organs for handling according to law. The above methods can be used separately or in combination to prevent any corruption or bribery. For more detailed policies, please refer to "Regulations on Clean Employment Management of China Merchants Port Employees" and "Administrative Measures for Dismissal of Employees of China Merchants Port for Serious Negligence (Trial)".

Article 20. The Group undertakes to prohibit all forms of corruption and bribery, requires all employees to abide by the anti-bribery and anti-corruption laws of the Group and the place where the Group operates, and shall order employees to clear out improper economic benefits obtained by violation; if it causes losses to the assets of the enterprise, in addition to being handled according to the above provisions, it shall also be investigated for liability according to the relevant provisions and bear the responsibility for economic compensation. If an employee violates these Provisions and is held accountable, his/her qualification for excellence evaluation in the current year shall be cancelled; The performance salary or bonus of the current year shall be reduced or completely withheld in accordance with relevant regulations. For more detailed policies, please refer to "Management Measures for Dismissal of Employees of China Merchants Port for Serious Negligence (Trial) and Regulations on Management of Port Employees of China Merchants Port".

### **Section 4 Anti-money laundering**

Article 21. The Group has established an anti-money laundering policy. The Group will not participate in or assist any third party in money laundering, and its employees shall not engage in or assist any other person in illegal money laundering activities, so as to clearly regulate the compliance management system of anti-money laundering and anti-terrorist financing, covering all business activities and management processes.

Article 22. The Group undertakes to abide by the anti-money laundering and anti-terrorist financing laws around the world, undertake to screen business partners, and guarantee business dealings with business partners with legal and compliant sources of funds and good business practices.

Article 23. The Group undertakes to conduct due diligence in screening business partners and pay close attention to the credit status of business partners, including but not limited to:

- 1) When cooperating with business partners, investigate their ability and trustworthiness to independently perform their relevant contractual obligations or commitments, such as investigating their assets, liabilities, operating profits, cash flow and other financial conditions, performance of major contracts, etc.;
- 2) To investigate their ability and performance of compliance obligations, such as paying taxes according to law, lawful employment and labor safety protection, and abiding by the laws of fair competition and anti-monopoly;
- 3) Establish a compliance risk control mechanism for business partners, implement classified management, dynamic management and closed-loop management for business partners, and take different compliance management measures according to their different types of cooperation and different levels of compliance risk;
- 4) In order to contractualize and standardize compliance obligations, in the contracts signed with business partners, the relevant business ethics are stipulated as compliance clauses or representations and guarantee clauses, and clearly stipulate the breach of contract that business partners should bear if they violate such agreements or commitments. responsibility.

Article 24. The Group requires business partners to abide by laws and regulations related to business ethics, and shall not engage in any form of corruption, bribery, or commercial bribery during the cooperation process. These include but are not limited to directly or indirectly providing or promising any form of Illegal or immoral interests, regardless of whether they gain business opportunities and competitive advantages, actively implement the industry's business code of conduct.

### **Chapter III Supplementary Provisions**

Article 25. Authorized by the group, this Code is interpreted and revised by the Supervision Department (Office of Discipline Inspection Commission), Risk Control Audit Department/Legal Compliance Department and Financial Management Department.

Article 26. This Code shall come into effect on the date of promulgation.