

# Preface

The Code of Conduct summarises the responsibilities of all employees of China Tourism Group Duty Free Corporation Limited ("CTG DUTY-FREE" or the "company") in their interactions with each other, customers, the public and other stakeholders. The Code of Conduct aims to inspire our people, describe our values and serve as a guideline for employee behaviour. It sets out what it means to work at CTG DUTY-FREE, what it means to be a member of CTG DUTY-FREE, and the responsibilities we bear as individuals and as an organisation.

The Code of Conduct applies to the following personnel:

- Staff members: Each employee is expected to act in accordance with the professional conduct outlined by CTG DUTY-FREE, understand our values and put them into practice.
- Management: Managerial personnel should fully consider our values and responsibilities when making decisions, act as role models and manage our people in a manner that promotes our values.
- Potential employees of CTG DUTY-FREE.
- Regulators, customers, suppliers and the public: Other stakeholders may read the Code of Conduct to better understand our corporate culture.

The Code of Conduct can be accessed on the CTG DUTY-FREE website.



# Corporate Culture



## 1. Strict compliance with local laws and regulations and internationally accepted standards for safeguarding labour rights

CTG DUTY-FREE and its employees are strictly required to comply with local laws and regulations at all times.

CTG DUTY-FREE adheres to the *Ten Principles of the UN Global Compact*, the *United Nations' Universal Declaration of Human Rights*, the International Labour Organization's *Declaration on Fundamental Principles and Rights at Work*, and other internationally accepted standards for safeguarding labour rights.

CTG DUTY-FREE closely monitors the latest developments in local laws and regulations, and international standards for safeguarding labour rights, and makes adjustments to ensure that the behaviour of the company and its employees adheres to such rules. CTG DUTY-FREE also provides professional training to employees and suppliers based on the latest laws, regulations and international standards to promote compliance with the "Code of Conduct" and internal rules and regulations.

## 2. Zero tolerance for violations of local laws and regulations and unethical behaviour

CTG DUTY-FREE adopts a zero tolerance policy against any illegal or unethical behaviour or human rights violations committed by internal or external stakeholders who have a business relationship with the company.

CTG DUTY-FREE prohibits all forms of bribery and corruption and adopts a zero tolerance policy against any party involved in any form of bribery and corruption.

All of our employees and suppliers are required to comply with applicable local laws and regulations, and the company prohibits all types of active and passive bribery and corruption.

Each newly recruited employee is provided with a copy of the Code of Conduct and must sign a document in writing indicating that they accept the terms and conditions. In addition, we provide ongoing compliance training to employees in accordance with the Code of Conduct and relevant policies.

### 3. An inclusive workplace that prohibits all forms of discrimination

CTG DUTY-FREE is committed to creating an inclusive, equal and diverse workplace for employees. We are dedicated to cultivating a workplace that offers equal opportunities for every employee. Employees are not discriminated against or treated differently based on their race, ethnic origin, colour, religious belief, gender, sexual orientation, age, gender identity or gender expression, nationality, health status, marital status, or status as a parent, among other characteristics. CTG DUTY-FREE believes that all forms of discrimination are inconsistent with this Code of Conduct and our corporate culture, and such acts shall not be tolerated.

CTG DUTY-FREE is committed to providing employees with fair and competitive compensation and benefits based on their educational background, work experience, market benchmarks in their country and region, and employee performance.

CTG DUTY-FREE treats each employee with respect and provides all employees with reasonable salaries and satisfactory working conditions, and we prohibit all forms of workplace harassment (including sexual harassment) and bullying.

CTG DUTY-FREE prohibits child labour and forced labour, as well as any behaviour that violates employees' freedom of association or deprives employees of collective bargaining rights.

### 4. Workplace safety and employee health

CTG DUTY-FREE is committed to providing a comfortable, healthy and safe workplace for all employees:

- We adhere to local laws and regulations on workplace health and safety, and international standards on occupational health and safety;
- We implement necessary preventive measures against occupational health and safety risks to minimise work-related accidents and occupational diseases;
- We provide occupational health and safety training to employees to ensure the optimal implementation of safety standards;
- We are committed to continuously improving the workplace for our employees. Employee representatives are involved throughout the entire process of improvement projects; specifically, they are responsible for engaging in supervision, establishing improvement goals, considering the requirements of stakeholders in a systematic manner, continuously evaluating performance, implementing necessary rectifications to achieve the proposed objectives, and establishing processes for verification, audit and control to ensure that goals are achieved.

### 5. Data security and information protection

Employees of CTG DUTY-FREE are required to comply with the *Cybersecurity Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, and other laws and regulations related to national security. In addition, they must abide by the Company's information and data security management rules and protect the privacy of employees, customers, suppliers and other individuals. CTG DUTY-FREE is committed to the following:

- Collecting, using and properly processing data only for legitimate business purposes and in accordance with applicable laws and regulations;
- Fulfilling our obligation to keep customer information confidential, respect and protect personal privacy, and ensure that crucial information is desensitised;
- Prohibiting the use of information for any other transactions and prohibiting the use of personal information for purposes other than those for which it was originally obtained;
- Storing and keeping personal data in secured custody to prevent unauthorised access;
- Respecting the intellectual property rights of CTG DUTY-FREE, its customers and competitors, and other third parties.

## 6. Responsible advertising and marketing

CTG DUTY-FREE strives to provide accurate product and service information to the public. To this end, we do not engage in exaggerated or false publicity that might mislead consumers or give us an unfair advantage over competitors.

CTG DUTY-FREE is particularly concerned about protecting specific market segments (e.g. infants, children, etc.), and we require that advertising and marketing activities be strictly carried out based on facts and the truth.

## 7. Engaging in green development and acting as a guardian of the planet

CTG DUTY-FREE pays special attention to the impact of the company's operations on the natural environment and strives to act proactively and environmentally friendly.

The board of directors of CTG DUTY-FREE is committed to ensuring that the Company complies with local laws and regulations on environmental protection in its operations, and the board of directors supervises the implementation and continuous improvement of environmental management policies. The company sets goals to minimise its impact on the environment, and we take measures to raise internal and external stakeholders' awareness of environmental management policies. As part of this effort, we provide training to employees to ensure they understand the impact of their activities on the environment.

### Reducing greenhouse gas (GHG) emissions

CTG DUTY-FREE closely monitors the direct and indirect GHG emissions that are emitted during the Company's operations, and we strive to work with suppliers to reduce GHG emissions throughout the value chain. Each year, CTG DUTY-FREE measures and calculates direct and indirect GHG emissions at the Company's main business sites. In line with the national goal of "carbon peaking and carbon neutrality", we adopt energy-efficient technology, promote green building concepts, and deploy power-generation equipment that uses clean energy in selected sites to reduce or offset the Company's direct and indirect GHG emissions.

### Reducing the environmental impact of packaging materials

CTG DUTY-FREE considers environmental impacts when formulating its packaging strategy. The company is committed to studying recyclable materials as packaging solutions, and we plan to phase out single-use plastic packaging. We have implemented this plan across most of our business segments.

### Protecting biodiversity

CTG DUTY-FREE focuses on local policies to protect biodiversity and strictly abides by the production and operational regulations in the countries and regions where it operates, including red-line areas for ecological protection. We aim to avoid conducting business activities near biodiversity sites, and if we operate close to biodiversity sites, we adopt the mitigation strategy of "avoid, minimise, restore and offset".

## 8. Report irregularities

Anyone can report suspected misconduct or violations of the Code of Conduct at any time, either using their real name or anonymously:

– Call us at (86)010-84478888

Employees can report irregularities in the way that they deem appropriate based on the circumstances. For example, they may report matters to functional departments such as the Discipline Inspection Department, Audit Department, Office of Inspection, or the Party & the Masses Affairs Office, among others.

CTG DUTY-FREE adopts a zero tolerance policy against employees who are confirmed to have violated the Company's policies or this Code of Conduct, or who have engaged in other malicious behaviour.