

Shimao Group Corporate Code of Conduct

Shimao Group (the “Company”) adheres to the corporate culture of "pursuing excellence, innovation-driven, mutual trust, teamwork, caring for staff and users", and is committed to maintaining a clean and self-disciplined work style, creating a healthy business environment, promoting sustainable development of the company, striving to become an industry leader and building a century of Shimao.

Therefore, we have established this Corporate Code of Conduct (the “Code”), which applies to the directors of Shimao Group, all employees (including informal employees) of Shimao Group's headquarters, regional companies and domestic project companies, and professional companies, as well as partners and related parties with whom Shimao Group has dealings.

1. Employee ethics and anti-corruption policy

The directors of Shimao Group and all employees under the Company (including informal employees) shall sign the Code of Ethics for Employees, abide by the law, defend the interests of the Company, practice with integrity and fulfill their duties. All directors and employees shall not abuse their power to seek improper benefits or harm the interests of the Company. Specific criteria include:

- Strictly abide by national laws and regulations, spontaneously abide by the company's rules and regulations.
- Maintain honesty and integrity. Prohibit falsify; keep promises and eradicate misconducts like fraud, forgery and falsification, etc.
- Respect the profession, follow the Company’s and superiors’ instructions, and spontaneously defend the Company’s interests.
- Work conscientiously and diligently. Actively innovate and continuously improve professionalism and capability.
- Prohibit soliciting or accepting improper benefits and abuse of position to obtain improper benefits for yourself or others. For instances of conflict of interest, comply with the requirements of the policy, report and recuse yourself in a timely manner.
- Spontaneously cooperate with the company's monitoring and investigation of employees' ethical behavior.

2. Supplier anti-corruption policy

The Company requires all participants of tendering to sign the Integrity Pledge, which requires suppliers and contractors, as well as their employees, subsidiaries, affiliates and subcontractors (collectively, "Suppliers") who have business dealings with the Company to comply with the requirements of the Pledge. Specific criteria include:

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- Not to have private contacts with Shimao employees at any time or for any reason.
 - Not to give money, goods, securities or free services to Shimao employees or their relatives for any reason.
 - Not to engage in commercial transaction or intermediation related to the tendering project with Shimao employees or their relatives.
 - Not to collude with other bidders in quotations and not to take any means to exclude other bidders from participating in fair competition.

3. Anti-corruption and bribery

Directors and all employees of Shimao Group (including informal employees) are prohibited from corruption in all forms, including taking and offering bribes, embezzlement, misappropriation, blackmail, fraud, and money laundering. The Company offers regular anticorruption training and makes channels for reporting corruption readily available to better supervise and manage anti-corruption efforts.

The Company encourages all employees, partners, suppliers and customers, etc. to report misconduct in accordance with the Shimao Group's Whistleblowing Policy. We are committed to handling any violation of anti-corruption principles in accordance with the Shimao Group Integrity and Whistleblowing Policy and specific investigation and management bundle.

4. Anti-Unfair Competition

The Company promises to comply with all relevant anti-unfair competition laws and anti-monopoly laws to safeguard a fair playing ground. Any behavior of unfair competition will be dealt with according to the relevant measures of Company's system. These behaviors include but are not limited to:

- Committing acts of confusion, leading people to mistake their products for those of other enterprises or having a specific connection with other entities.
- Bribing relevant entities or individuals with properties or any other mean to gain trading opportunities or competitive advantages.
- Obtaining, disclosing, or using confidential and sensitive information that would affect fair competition.
- Fabricating or disseminating false information or misleading information to damage the business and product reputation of competitors.
- Using other improper means to disrupt the market order.

5. Confidential information

All employees must comply with the terms of confidentiality or non-disclosure agreement or similar agreement signed at the time of joining the Company. Employees must not use or disclose information relating to the Company's business for their personal benefit or for the benefit of any person within or outside the Shimao Group.

6. Implementation and monitoring of business ethics codes

- The Board of Directors (the “Board”), as the highest governance body for business ethics management of Shimao Group, is committed to maintaining and establishing sound corporate governance practices. Regularly deliberating on business ethics and corruption issues, reviewing and updating business ethics and anti-corruption related policies in a timely manner.
- The Audit Committee of the Board oversees corporate ethical standards. It is responsible for assisting the Board in monitoring the compliance of the employees with the Code of Conduct.
- The Audit Department of the Company is responsible for monitoring and inspecting the implementation of the Code, receiving and handling complaints and whistleblowing. The Audit Department may report directly to the Audit Committee without consulting the management, and to further the Board through the Audit Committee.
- The Company incorporates business ethics matters such as employee integrity and anti-corruption into its corporate risk analysis and conducts business audits oriented in this way. Every three years, the Audit Department audits each business unit at least once to ensure that its operations comply with the relevant requirements of Shimao Group's Corporate Code of Conduct.
- The Company will adopt respective procedures according to its authority, such as demotion, salary adjustment, position adjustment, fine, administrative punishment, termination of labor contract, etc. for violation of the Code. Suspected criminal cases will be transferred to police and judicial authorities.
- Annual education and training on anti-corruption and business ethics will be carried out for directors and all employees (including informal employees), contractors and suppliers of Shimao Group.

This policy is updated every three years. It can be reviewed and updated as appropriate when necessary.