

China Lesso Group Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2128)

(“the Company”)

Employee Diversity Policy (“this Policy”)**1. Introduction**

China Lesso Group Holdings Limited (hereinafter referred to as “the Company”) firmly believes that a diverse and inclusive work environment is the cornerstone for driving innovation, unleashing potential, and achieving sustainable development. The Company is committed to fostering a workplace that respects individual differences, advocates equal opportunities, and enables every employee to feel a sense of belonging and develop their talents and potential to the fullest.

2. Purpose

This Policy aims to:

- Clearly articulate the Company’s firm commitment to employee diversity and inclusion.
- Establish and maintain a work environment free from discrimination, harassment, and characterized by fairness, equality, and justice.
- Attract, develop, and retain outstanding talents from diverse backgrounds to enrich the Company’s talent pool.
- Enhance teamwork, innovation capability, and corporate competitiveness through an inclusive culture.
- Ensure all human resources practices and procedures comply with and reflect the principles of diversity and inclusion.
- Set company-wide goals closely aligned with the Company’s development strategy, and integrate the values of diversity and inclusion into business operations and individual performance to drive overall organizational progress.

3. Basic Principles

- **Equal Opportunity:** In all employment aspects, including recruitment, promotion, training, compensation, and career development, the Company makes decisions solely based on an individual’s abilities, qualifications, performance, and potential. Discrimination based on any of the following factors is prohibited: race, ethnicity, region, gender, gender identity and expression, sexual orientation, age, religious belief, political views, disability, marital status, family responsibilities, pregnancy, genetic information, veteran status, or any other legally protected characteristic.
- **Respect and Inclusion:** The Company advocates for a work atmosphere of mutual respect, values the uniqueness of each employee, and opposes any form of harassment, bullying, and misconduct.
- **Value of Diversity:** The Company recognizes and cherishes the value brought by diverse backgrounds, perspectives, and experiences, which contributes to better understanding the market, serving customers, and driving innovation.
- **Fair Processes:** The Company establishes fair and transparent processes and mechanisms to ensure all employees receive impartial treatment in all aspects of career development.
- **Strategic Alignment:** Diversity and inclusion objectives must align with the Company’s overall business strategy and development goals, and be broken down into specific actions that are understandable, executable, and measurable for all employees.

4. Scope of Application

This Policy applies to all employees of the Company, including but not limited to full-time, part-time, temporary employees, and interns, covering all levels from frontline staff to senior management. The Company also expects its business partners, suppliers, and contractors to

acknowledge and support the spirit of this Policy.

5. Specific Measures

To implement its commitments to diversity and inclusion, the Company will adopt the following measures:

5.1 Recruitment and Hiring

- Broaden recruitment channels to attract candidates from diverse backgrounds.
- Provide diversity recruitment training for recruitment teams to avoid unconscious bias.
- Focus on candidates' comprehensive abilities and job fit during the selection process.

5.2 Training and Development

- Offer training on diversity, inclusion, and anti-discrimination to all employees.
- Provide equitable opportunities for skills training, leadership development, and career advancement.
- Establish mentorship and succession planning programs to nurture high-potential diverse talents.

5.3 Work Environment and Culture

- Regularly organize diversity and inclusion themed activities to promote understanding and communication among employees.
- Establish open communication channels to encourage employees to provide opinions and suggestions on diversity issues.
- Strictly prohibit and seriously address any form of discrimination, harassment, or retaliation.

5.4 Compensation and Benefits

- Conduct regular pay equity reviews to ensure equal pay for equal work and eliminate unreasonable pay gaps.
- Design inclusive benefit packages to meet the needs of different employee groups.

5.5 Leadership and Accountability

- Senior leadership of the Company will lead by example and actively promote the building of a diverse and inclusive culture.
- The achievement of diversity and inclusion objectives shall be incorporated into the performance assessments of relevant managers.

5.6 Company-Wide Goal Setting and Strategic Integration

- **Goal Alignment:** The Company will set clear strategic objectives for diversity and inclusion and effectively decompose them to various business departments, teams, and individuals. Ensure every employee understands how their daily work contributes to the realization of the Company's diversity vision.
- **SMART Principles:** The company-wide goals will adhere to the principles of being Specific, Measurable, Achievable, Relevant, and Time-bound. Such goals may be measured by diversity recruitment targets, team inclusion climate survey scores, cross-cultural collaboration participation rates, etc.
- **Performance Integration:** Appropriate assessments, including the practice of inclusive behaviors, promotion of team collaboration, and contribution of diverse perspectives, will be incorporated into the performance management system, closely linking the values of diversity with individual performance and development.
- **Continuous Communication:** The management shall regularly communicate with teams on the progress of the Company's diversity goals, and discuss the achievement of team and individual objectives and support needs to form a continuous improvement cycle.

6. Roles and Responsibilities

- **The management** takes charge of setting the strategic direction, allocating resources,

fostering an inclusive atmosphere, leading the company-wide goal setting and alignment process, and bearing ultimate responsibility for the effective implementation of this Policy.

- **Human Resources Department** is responsible for the formulation, revision, advocacy, and execution supervision of this Policy, providing tools and training support for goal setting, and offering relevant training and consultation.
- **All managers/supervisors** take responsibility for practicing this Policy within their teams, leading teams to set and implement specific diversity and inclusion objectives that match the Company's development, promptly addressing related issues, and serving as role models for inclusive leadership.
- **All employees** are responsible for understanding, complying with, and supporting this Policy, actively participating in the setting and practice of their individual-related objectives, treating colleagues with respect and professionalism, and jointly maintaining an inclusive work environment.

7. Communication and Complaint Mechanism

The Company encourages employees to communicate or raise complaints regarding any issues related to diversity, inclusion, or discrimination. Employees may seek assistance or report concerns through the following channels:

- Direct supervisor or higher-level management
- Human Resources Department

The Company commits to conducting timely, confidential, and impartial investigations into all complaints, and strictly prohibits any form of retaliation against employees who raise concerns in good faith or participate in investigations.

8. Monitoring and Revision

- **Regular Review:** The Sustainable Development Committee will regularly review and evaluate this Policy and its implementation effectiveness. The review content includes but is not limited to employee diversity data, achievement status of company-wide goals, complaint handling, policy training coverage, and employee feedback.
- **Compliance Check:** The Company will ensure that this Policy and its implementation comply with all applicable national and local laws and regulations.
- **Continuous Improvement:** Based on review results, changes in laws and regulations, strategic adjustments, and best practices, the Company will make necessary revisions to this Policy to ensure its ongoing effectiveness and foresight.
- **Violation Handling:** Any violation of this Policy will be regarded as serious misconduct. The Company will take strict disciplinary action in accordance with the *Employee Handbook* and relevant regulations, up to and including termination of the employment contract.

9. Information Disclosure

- **Internal Communication:** This Policy will be officially released and promoted to all employees through the Company's internal platforms, announcements, training, etc., so that employees are fully aware of and understand its content and related goal requirements.
- **External Statement:** The Company commits to making timely disclosures—through appropriate channels such as its official website—regarding its philosophy, key initiatives, progress on critical objectives, and achievements in promoting employee diversity and inclusion, thereby subjecting itself to public oversight in a transparent manner.
- **Confidentiality Obligation:** During information disclosure, the Company will strictly comply with relevant personal information protection laws and regulations to keep all employees' personal information confidential. The disclosed data will be processed aggregated information that does not involve any personally identifiable data.

10. Conclusion

The Company firmly believes that a truly diverse and inclusive work environment will make it stronger, more creative, and better equipped to serve diverse customers and society. The Company also calls on all employees to work together to translate this commitment into daily actions and jointly build a better workplace.

11. Supplementary Provisions

- **Effective Date:** This Policy takes effect upon issuance. And it shall be interpreted by the Company's Board of Directors.
- **Conflict Resolution:** In the event of any conflict between this Policy and local laws and regulations, the latter shall prevail. The Company will promptly adjust this Policy to ensure compliance.