



Labor Rights Policy

I、 Purpose

This policy aims to clarify the firm stance and core commitments of Yutong Bus Co., Ltd. (hereinafter referred to as “Yutong Bus,” “Yutong,” the “Company,” or “we”) in respecting and safeguarding labor rights. We are committed to building a work environment that respects and protects the basic rights, safety, health and dignity of all employees. This is not only a profound embodiment of the Company’s people-oriented values but also the core engine driving the Company’s sustainable development.

The formulation and implementation of this policy refer to the principles and frameworks widely recognized by the international community. We are committed to adhering the following international standards and integrating their principles into our corporate culture and daily management:

- the Universal Declaration of Human Rights (UDHR)
- the UN Guiding Principles on Business and Human Rights (UNGPs)
- the Ten Principles of the UN Global Compact (UN Global Compact)
- ILO (International Labour Organization) Declaration on Fundamental Principles and Rights at Work and its Core Labour Conventions
- OECD (Organisation for Economic Co-operation and Development) Guidelines for Multinational Enterprises on Responsible Business Conduct

II. Scope of Application

This policy applies to all employees of Yutong, as well as business activities and premises related to labor and human rights.

III. Core Principles

1.Respect for Human Rights and Prohibition of Forced Labor and Child Labor

Yutong firmly prohibits and adopts a zero-tolerance policy towards all forms of forced labor, modern slavery, human trafficking and child labor.

1.1 Forced Labor and Modern Slavery: We strictly prohibit forced labor through violence, threats or deception. It is strictly prohibited to withhold the identity documents or wages of employees to restrict their freedom. We firmly oppose all forms of modern slavery and human trafficking, and are committed to identifying and eliminating related risks in our business.

1.2 Child Labor: We strictly prohibit any form of child labor, prohibit the recruitment of child labor, and ensure all employees meet legal working age requirements through rigorous identity verification.

2. Non-Discrimination, Anti-Harassment, and Equal Opportunity

We are committed to creating a diverse, inclusive and respectful work environment where every employee can reach their full potential.

2.1 Non-Discrimination: The Company prohibits any form of discrimination based on race, gender, age, religion, etc., and ensures that employees enjoy equal opportunities in recruitment, training, and promotion. We explicitly prohibit discrimination arising from, but not limited to, the following:

- Gender, age, marital and parental status
- Ethnicity, race, skin color, nationality
- Religious beliefs, political affiliations
- Physical and mental disabilities
- Sexual orientation

2.2 Anti-Harassment: The Company prohibits any form of harassment, including sexual harassment and verbal harassment, and provides employees with safe and confidential complaint channels.

3 Freedom of Association and Collective Bargaining Rights

Yutong respects and protects employees' legitimate rights, and supports the establishment of harmonious and stable labor-management relations.

The company respects employees' right to freely form and join trade unions and collective bargaining in accordance with the law. No employee or prospective employee shall be dismissed, blacklisted, discriminated against, harassed, intimidated, retaliated against, or subjected to other adverse employment actions due to legitimate union activities. The company commits to not engaging in any form of discrimination or retaliation against employees who participate in lawful trade union activities.

4 Compensation and Benefits

We believe that providing competitive and dignified compensation and benefits to staff is fundamental to attracting, retaining and motivating talent.

4.1 Compensation System: We have established a fair and reasonable compensation system to ensure wages meet or exceed the local minimum wage standard for normal working hours. We are committed to paying a "living wage" sufficient to ensure a decent standard of living for employees and their families.

4.2 Equity Principle: We strictly follow the principles of "equal pay for equal work" and "gender pay equity".

4.3 Statutory Benefits: We fully contribute to all statutory social insurance programs for employees in accordance with the law, and ensure that all employees are entitled to statutory paid annual leave and all other types of statutory holidays.

4.4 Supplementary Benefits: In addition to statutory benefits, we also provide traditional holiday gifts, staff canteens, commuter services, company apartments, health check-ups and other welfare benefits to enhance employee well-being and belonging.

5 Working Hours, Rest and Leave

We strictly comply with local laws and regulations regarding working hours, protect employees' right to rest, and promote work-life balance.

5.1 Overtime Management: We exercise strict control over working and overtime hours under different work hour systems, with specific standards as follows:

1) Standard Working Hours: Daily overtime ≤ 1 hour normally, ≤ 3 hours under special circumstances; monthly overtime ≤ 36 hours; at least one day off per week.

2) Comprehensive Working Hours: Average monthly overtime ≤ 36 hours over the approved cycle.

3) Flexible Working Hours: Overtime on statutory holidays is compensated at 300% of the standard rate.

5.2 Voluntary Principle: We clearly stipulate that overtime is only arranged when necessary. Employees have the right to refuse overtime without penalty or criticism.

6 Occupational Health and Safety

The health and safety of employees are our top priority. We are committed to providing a zero-harm workplace for all employees.

We promise to provide a safe, hygienic and comfortable working environment, supply necessary protective equipment, conduct regular occupational health examinations, prevent occupational disease risks, and offer a mental health support platform to fully address physical and psychological well-being.

7 Employee Training and Development

Employees are the Company's most valuable assets. We are committed to supporting their professional growth. We carry out tiered and categorized training and learning activities based on employees' career plans and job requirements. We also provide clear promotion opportunities and career development channels, and continuously strengthen and improve the mechanisms, systems and processes for manager selection, training and appointment to help staff realize their personal value.

IV. Policy Implementation and Supervision

To ensure the effective implementation and continuous optimization of the principles in this policy, the Company has established a closed-loop management system comprising internal audits, management reviews, and continuous improvement.

The Company conducts regular internal audits to systematically examine the implementation of this policy and related management systems by various departments. Enterprise executives regularly conduct management reviews on the suitability, adequacy, and effectiveness of the management systems, and promote continuous improvement based on review results.

Regarding issues identified through internal audits and external assessments, Yutong formulates corrective measures, clarifies responsible persons and rectification deadlines, and provides internal notification on major issues. The Company enhances employees' awareness and understanding of labor and human rights standards through periodic training sessions and workplace notices.

For any inquiries or feedback regarding Yutong's labor and human rights protection, stakeholders may contact us at ytrlzyglc@yutong.com. The Company welcomes oversight from all stakeholders and ensures strict confidentiality for complainants and whistleblowers.

V. Supplementary Provisions

This Policy is reviewed and approved by the Company's Strategy and Sustainability Committee. The Company will periodically review and update this Policy as necessary.