

# Human Rights Policy

## I. Purpose

Respecting and protecting human rights is a crucial part of the sustainable development of Inner Mongolia Shengmu High-Tech Dairy Co., Ltd. (hereinafter referred to as "the Company"). We prioritize the interests of our employees in advancing human rights and strive to create an inclusive, prosperous value chain that drives the quality of human health through our products.

## II. Basis of Policy

This policy is formulated with reference to international human rights documents and principles such as the United Nations' Universal Declaration of Human Rights. It also considers the specific business characteristics and actual situation of China Shengmu.

## III. Scope

This policy applies to all entities owned by the Company, entities in which the Company holds a majority interest, and entities managed by the Company. The Company expects independent partners and suppliers to adhere to these principles and to implement similar policies within their own businesses.

## IV. Principles

The Company supports and respects internationally recognized human rights principles and rights, such as those outlined in the International Bill of Human Rights, International Labour Conventions, the Declaration on Fundamental Principles and Rights at Work, and the Guiding Principles on Business and Human Rights. We conduct our operations with integrity, transparency, and respect for human rights, contributing to the achievement of the United Nations Sustainable Development Goals and avoiding infringement on the rights of others.

- **Prohibition of Forced Labor and Allowing Free Exit:** We prohibit all forms of forced or compulsory labor. All employment relationships must be voluntary. We strictly prohibit bonded labor, imprisonment of workers, and the withholding of identity documents, passports, or work permits as conditions of employment. Forced overtime is prohibited. We also prohibit human trafficking, including the facilitation of transport for exploitation. Workers should receive their wages regularly, on time, and in full, with clear documentation of wages and deductions.
- **Prohibition of Discrimination:** We are committed to promoting employee diversity, providing an inclusive work environment, and protecting the rights of women and minorities. We prohibit any form of harassment or discrimination based on race, color, age, gender, sexual orientation, gender identity or expression, disability, pregnancy,

religion, political affiliation, veteran status, union membership, or marital status in hiring, promotion, compensation, or access to training.

- **Prohibition of Child Labor:** We prohibit the employment and exploitation of children in our operations and do not support or engage in child labor as defined by the International Labour Organization (ILO). We take reasonable measures to verify the age of job applicants and workers to prevent child labor.
- **Equal Pay for Equal Work:** We adhere to the principle of equal pay for equal work, ensuring that employees receive equal pay for equal work regardless of gender, age, ethnicity, disability, or region, based on skill and labor proficiency.
- **Respect for Freedom of Association:** We respect employees' rights to freely form and join unions or other organizations within the limits of applicable laws and support collective bargaining for common interests. We do not discriminate against employees for forming or joining unions, nor do we oppose employees who choose not to join unions. In countries where freedom of association is restricted, we promote effective realization of employee interests through other means within the legal framework.
- **Providing a Safe and Healthy Workplace:** Employee safety and health are paramount. Our policy is to provide a safe and healthy work environment, complying with all applicable safety and health laws, regulations, and internal standards. We address and correct identified risks of accidents, injuries, or health impacts, working with employees to maintain a safe, healthy, and efficient workplace.
- **Protection of Land and Water Resources:** We recognize the human rights implications of land use and water resource utilization across our value chain. We respect the need for sustainable water supply and safe drinking water and protect ecosystems and communities through proper sanitation. Our water management plan seeks equitable water use, risk reduction through local water risk assessments, and collaboration with governments, communities, and stakeholders to develop water stress solutions and implement source water protection plans at our facilities.

## V. Due Diligence

We expect our employees, suppliers, contractors, partners, customers, and other stakeholders to share our commitment to human rights and comply with this policy. We identify and prevent human rights risks in our business and value chain through due diligence. We are committed to providing or cooperating in fair and just remedial measures for adverse human rights impacts identified in our operations. We conduct annual human rights risk assessments to identify, prevent, mitigate, and report any adverse human rights impacts.

## VI. Reporting Violations

Anyone, including internal stakeholders and affected external individuals and communities, can report actual or suspected human rights violations related to our operations and value chain. We ensure strict confidentiality of the information provided by whistleblowers through the following channels:

- **Mailbox:** Culture and Discipline Department, Shengmu Building, No. 1 Kaifang Street, Shaarqin Industrial Park, Nanhai Development Zone, Hohhot, Inner Mongolia, Postal Code: 010111
- **Phone:** 15148021310
- **Email:** jjjc@smorganic.cn

Inner Mongolia Shengmu High-Tech Dairy Co., Ltd. is committed to ensuring that all employees work in an equal and fair environment, respecting the dignity and rights of every employee. The Company remains dedicated to fostering a culture of diversity, inclusion, and mutual progress, providing strong support for the professional development of its employees.