

**GROUNDHOG INC.
SUPPLIER SUSTAINABILITY
MANAGEMENT POLICY**

Last Amendment Date: December 30, 2022

Notice To Readers

This English version is a machine-translated of Chinese version and is not an official document of Groundhog Inc. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Article 1 (Preamble)

Our company is committed to driving a positive cycle in the industry and supply chain, actively collaborating with suppliers to promote sustainable development within the supply chain. This includes ensuring a safe working environment, dignified labor relations, adherence to ethical standards in operations, and a dedication to environmental protection.

Article 2 (Strategy)

Our company views suppliers as long-term partners, and competitive quality, technology, on-time delivery, and cost control are the essential criteria for suppliers. In the future, we will also place a strong emphasis on the quality of supplier corporate governance, environmental impact, and social responsibility to make suppliers crucial partners in driving sustainable development in the value chain. Our strategic approaches include:

1. Setting short-term, medium-term, and long-term goals and ethical conduct guidelines to effectively promote and implement them.
2. Regularly identifying high-risk suppliers, requiring audits and timely improvements to reduce risks to a moderate or low level.
3. Implementing compliance with the supply chain ESG policy in line with the mission of "Integrity and Energy Efficiency" in operations.

Article 3 (Objectives)

In order to encourage mutual growth with suppliers in the ESG domain, our company has established the following relevant indicators:

- Supplier ESG self-assessment questionnaire response rate

Our company plans to conduct the first round of supplier ESG self-assessment in 2023 and distribute questionnaires. Considering that suppliers may have a lower willingness to participate in self-assessment for the first

time, the target response rate for 2023 is set at 40%. The goal for subsequent years is to increase the response rate by 10% each year to reach an 80% response rate.

Article 4 (Supply Chain Management Process)

Our company's supply chain management consists of three stages: new supplier selection and approval, ongoing ESG risk management, and performance assessment.

Supplier Code of Conduct

To fulfill social responsibility, suppliers and their agents must adhere to the highest ethical standards and comply with the following requirements:

1. **Integrity in Business:** Abide by ethical standards in business conduct, prohibiting any form of bribery, corruption, extortion, or embezzlement.
2. **No Unlawful Benefits:** No promise, offer, provision, or acceptance of bribes or other forms of unlawful benefits.

Article 5 (Stage 1 - New Supplier Selection and Approval)

Our company operates in the software development and technical services industry and does not have raw material procurement needs. It only deals with administrative vendors. New suppliers become official suppliers of our company after signing the Supplier ESG Commitment Letter (Appendix Two). We also require new suppliers to sign the Supplier Code of Conduct, which is formulated based on the Responsible Business Alliance Code of Conduct, covering terms related to environmental protection, conflict minerals, fair competition, and antitrust.

Article 6 (Stage 2 - Ongoing ESG Risk Management)

Our company classifies ongoing trading suppliers and conducts initial

written audits using the Supplier ESG self-assessment questionnaire to investigate potential risks in labor, health and safety, the environment, integrity ethics, and management systems. We assess the ESG risk level and capability level. High-risk suppliers identified through this process will be subject to tracking, audits, and improvement requests based on the types and severity of their high-risk issues.

Article 7 (Stage 3 - Performance Assessment)

To incentivize ESG sustainability performance, our company annually evaluates suppliers using the Supplier ESG Sustainability Performance Scorecard, which combines scores from quality, pre-sales and after-sales service, delivery, price competitiveness, and the Supplier ESG self-assessment questionnaire.

Suppliers are categorized into A, B, or C grades based on their scores. Suppliers with scores above 90 are classified as A grade, those with scores between 60 and 89 are B grade, and those with scores below 59 are categorized as C grade. C grade suppliers with scores below 59 for three consecutive years will be subject to guidance. If no significant improvement is seen after guidance, the relevant department will replace the supplier, either by coordinating with the responsible department or by directly introducing a new supplier.

Among the A-grade suppliers rated as A grade for three consecutive years, one will be selected as the Most Valuable Partner, and among B and C grade suppliers, the supplier showing the most improvement in scores over the past two years will be selected as the Most Improved Partner and receive an award. By leveraging our company's influence, we aim to drive continuous improvement in the supply chain.

Article 8 (Supplier Sustainability Interaction and Participation)

Our company collaborates with suppliers to reduce energy consumption and

carbon emissions, focusing on waste reduction, carbon reduction, and the application of energy-efficient products. We also assist suppliers in saving materials and operating costs while simultaneously reducing carbon emissions to contribute to environmental sustainability.

Article 9

This policy is implemented upon approval by the General Manager and is subject to revisions as needed.

Appendix I

Supplier ESG Sustainability Scorecard

Supplier Full Name			
Tax Number			
Date			
Evaluating Department		Evaluator	
Evaluation Items	Original Score (0-100)	Weight	Weighted Score
Timeliness of Product and Service Delivery		10%	
Quality of Product and Service Provision		10%	
Pre-sales and After-sales Service Technical Competence		10%	
Price Competitiveness and Negotiability		10%	
Any instances of inadequate technical support for returns, exchanges, or maintenance of products? (If such incidents have occurred, deduct 10 points for each occurrence; if not, this item receives full marks)		10%	
ESG Self-assessment		50%	
Weighted Total Score			

Appendix II

Supplier ESG Commitment Letter

This document is hereby entered into by ABC (referred to as "our company") and Groundhog Inc. (referred to as "your company") due to our supply relationship, with the aim of fulfilling corporate social responsibility, promoting environmental sustainability, and safeguarding basic human rights. Our company commits to adhere to the "Supplier Sustainable Business Management Policy" set forth by your company as follows:

Article 1 (Business Integrity)

1. Our company shall conduct its related business in a truthful and ethical manner, and its employees should avoid any improper conflicts of interest in their work, including bribery, falsification, and any other unethical business practices.
2. In cases where our company gains access to confidential information as required for business purposes, it shall handle such information with care, confidentiality, and in accordance with the law, preventing the theft, disclosure, or infringement of the privacy rights of our customers' business secrets or personal data.
3. Our company commits to complying with intellectual property rights and related legal provisions.

Article 2 (Labor Rights)

1. Our company shall respect the human rights of its employees, including dispatched employees and immigrant labor, treating them with integrity. It shall not engage in forced labor or the use of involuntary labor services, and it shall prohibit child labor and refrain from involvement

in human trafficking.

2. Our company commits to ensuring that its wage policy complies with local legal requirements. Employee wages shall not fall below the minimum wage, and employees shall receive statutory benefits, reasonable rest periods, and overtime pay.
3. Our company shall provide a humane and dignified working environment that prevents employee harassment, abuse, physical or verbal violence, psychological or physical coercion, threats, or any form of bullying.
4. Our company shall ensure a safe and healthy workplace for employees, following local labor safety and health regulations, reducing workplace hazards and potential risks, and preventing occupational accidents.
5. Our company shall promote an inclusive and equal workplace, upholding the principle of equal pay for equal work. Employee recruitment, compensation and benefits, promotions, and training opportunities shall not involve discrimination or differential treatment based on factors such as race, nationality, skin color, gender, religion, age, health status, political opinions, marital status, pregnancy, or other factors.
6. Our company respects the right of employees to freedom of association, including the right to form associations, participate in labor unions, engage in collective bargaining, seek representation, and participate in labor committees in accordance with local laws.

Article 3 (Environmental Protection)

1. Our company, in conducting its business, shall prioritize the use of materials that protect natural resources. While meeting product quality requirements, it will prioritize the purchase of recycled or reusable materials to reduce adverse environmental impacts and avoid the use of environmentally harmful substances.

2. Our company will identify and manage materials that may pose environmental hazards when released into the environment. Throughout the production, storage, and waste disposal processes, our company will bear the responsibility of protecting and managing the environment, minimizing environmental pollution risks, and safeguarding the rights of local community residents.
3. Our company is willing to plan for the measurement and management of greenhouse gas emissions, evaluate relevant risks and opportunities, and establish carbon management measures to reduce its environmental impact.

Article 4 (Conflict Minerals, Fair Competition, and Antitrust)

Our company commits to supplying your company with products or services without using conflict minerals and engaging in fair competition principles in procurement among industry peers. Furthermore, our company is willing to support and adhere to domestic and international antitrust regulations.

Article 5

This commitment letter is applicable to the supply relationship between our company and your company and forms a part of the supply contract. In the event of any violation of the above provisions by our company, we commit to promptly rectify and correct the situation. If such issues are not addressed or become severe, your company reserves the right to terminate or rescind the contract.

Signature:

Appendix III

Supplier Code of Ethics

This supplier acknowledges and agrees that the "Supplier Code of Ethics" (hereinafter referred to as "this Code") of Groundhog Inc. (hereinafter referred to as "Groundhog") is the standard that should be adhered to by supply chain partners when engaging in business cooperation with Groundhog. Compliance with this Code by suppliers will be a necessary consideration in Groundhog's procurement decisions.

This Code is established with reference to international recognized standards, including the Responsible Business Alliance (RBA) Code of Conduct, the International Labour Organization's "Declaration of Fundamental Principles and Rights at Work," and the United Nations Universal Declaration of Human Rights. It covers aspects such as labor, health and safety, environmental protection, ethical norms, and management systems.

Article 1 (Labor)

Suppliers should commit to respecting labor rights (including formal employees, temporary workers, migrant workers, students, contract workers, direct employees, and any other types of labor) and upholding their human rights in accordance with internationally recognized standards. Suppliers should adhere to the following requirements:

1. **Free Employment:** The use of forced, involuntary, or exploitative prison labor, slavery, or human trafficking is prohibited.
2. **Child Labor:** The employment of child labor is not permitted. "Child labor" refers to individuals below the age of 15 or the minimum legal working age in the country/region, except for those engaged in legally permitted workplace learning or apprenticeship programs. Workers under 18 years of age should not be engaged in work that jeopardizes

their health and safety.

3. **Working Hours:** Working hours should not exceed the maximum limits established by local laws, and employees should be free to leave the workplace after work.
4. **Compensation and Benefits:** Wages paid to labor should comply with local laws, and deductions from wages as a disciplinary measure are prohibited. Payment of wages should be documented to confirm the accuracy of the amounts paid to workers.
5. **Humane Treatment:** Inhumane treatment of employees should be avoided, and employees should not be threatened with any such behavior. Relevant discipline policies and procedures must be clearly defined and communicated to employees.
6. **Non-Discrimination:** A commitment should be made to prevent harassment and illegal discrimination against employees. The company should not discriminate against employees in the recruitment process or during employment based on physical characteristics, age, gender, sexual orientation, race, pregnancy, religion, political beliefs, etc. Moreover, employees or prospective employees should not be subjected to discriminatory medical examinations or physical tests.
7. **Freedom of Association:** The right of all employees to form organizations, participate in trade unions, engage in collective bargaining, and participate in peaceful assemblies should be respected, while also respecting the right of employees not to participate in such activities.

Article 2 (Health and Safety)

Suppliers should understand that, in addition to reducing work-related injuries and illnesses, a safe and healthy work environment contributes to improving product quality and employee morale. Suppliers should also recognize that continuous collection of employee feedback and investment

in employee education are critical to identifying and addressing health and safety issues in the workplace. Suppliers should comply with the following requirements:

1. **Occupational Safety:** Suppliers should identify, assess, and control workplace hazards through appropriate design, engineering, administrative management, protective maintenance, safety operating procedures, and ongoing safety knowledge education. If hazards cannot be fully controlled through the above methods, employees should be fully informed about these hazards and related risks and provided with appropriate and effective personal protective equipment. Reasonable maternity care measures should also be taken for pregnant and lactating women.
2. **Emergency Response:** Suppliers should identify and assess potential emergency situations and events and minimize their impact by implementing emergency response procedures. These procedures should focus on minimizing harm to life, the environment, and property.
3. **Occupational Injuries and Illnesses:** Suppliers should prevent, manage, track, and report occupational injuries and illnesses through appropriate design, engineering, and administrative control systems and work to prevent similar cases from recurring, as well as assisting employees in returning to the workplace.
4. **Industrial Hygiene:** Suppliers should identify, assess, and control the impact on employees of exposure to chemical, biological, and physical hazard factors according to control levels. They should eliminate or control potential hazards through design, engineering, and administrative controls. If hazards cannot be completely prevented, appropriate and effective personal protective equipment should be provided to employees.
5. **Manual Labor:** Suppliers should identify, assess, and control the impact of manual labor jobs on employees.

6. **Machine Guarding:** Suppliers should assess safety hazards of production equipment or other types of machinery and provide physical safeguards, interlocking devices, and barriers.
7. **Public Health and Accommodation:** Suppliers should provide employees with clean sanitation facilities, clean drinking water, and hygienic cooking utensils, food storage facilities, and tableware. Dormitories should comply with local fire safety regulations and provide secure areas for personal and valuable item storage.
8. **Health and Safety Communication:** Suppliers should provide appropriate occupational health and safety information and training in the native language of employees or a language they can understand. Information should be made accessible and easily available to employees, and regular training should be provided.

Article 3 (Environment)

Suppliers, in the process of manufacturing products, should strive to minimize adverse impacts on the community, environment, and natural resources, while ensuring public health and safety, and complying with relevant laws. Suppliers shall adhere to the following requirements:

1. **Environmental Permits and Reporting:** Obtain the necessary environmental permits, approvals, and registration documents and comply with operational and reporting requirements.
2. **Pollution Prevention and Resource Conservation:** Reduce emissions of pollutants and waste generation at the source or during the process while conserving natural resource consumption.
3. **Hazardous Substances:** Identify, label, and manage chemicals and other substances harmful to humans or the environment, ensuring their safe handling.
4. **Solid Waste:** Implement systematic measures to identify, manage, reduce, and responsibly dispose of or recycle solid waste.

5. **Air Emissions:** Categorize, routinely monitor, control, and treat emissions produced during the production process as required and regularly supervise the performance of air emission control systems.
6. **Material Control:** Comply with all applicable laws and customer requirements, prohibiting or restricting specific substances in products and the manufacturing process.
7. **Water Resource Management:** Implement a water management plan, control pollution sources, and regularly monitor the performance of wastewater treatment and control systems to achieve optimal performance and compliance with regulatory requirements.
8. **Energy Consumption and Greenhouse Gas Emissions:** Track and record energy consumption and greenhouse gas emissions in all relevant scope 1 and 2 categories within the workplace, seeking feasible ways to improve energy efficiency, minimize energy consumption, and reduce greenhouse gas emissions.

Article 4 (Ethical Standards)

To fulfill their social responsibility, suppliers and their agents must adhere to the highest ethical standards and comply with the following requirements:

1. **Integrity in Business:** Maintain integrity standards in business dealings, prohibiting any form of bribery, corruption, extortion, or embezzlement.
2. **No Improper Benefits:** Do not promise, provide, offer, or accept bribes or other forms of improper benefits.
3. **Information Disclosure:** Disclose business transaction information in accordance with applicable laws and industry practices, without forging records or providing false reports.
4. **Intellectual Property and Information Security:** Respect intellectual property rights and establish information security management systems

to protect the data of customers and the supply chain, transmitting technology and production knowledge through means that protect intellectual property.

5. Fair Trade, Advertising, and Competition: Adhere to fair trade, advertising, and competition standards.
6. Identity Protection and Prevention of Retaliation: Unless prohibited by law, suppliers should establish procedures to protect the identity of whistleblowers from the supply chain and employees, allowing them to express concerns freely without fear of retaliation. Suppliers should also establish communication procedures to provide information about the audit criteria when customer inquiries arise.
7. Responsible Mineral Procurement: Implement policies to ensure that the procurement and use of tantalum, tin, tungsten, and gold in products do not directly or indirectly finance or benefit criminal armed groups that seriously violate human rights in the Democratic Republic of the Congo and its neighboring countries. Suppliers should conduct strict audits of the procurement and use of these minerals and provide information about audit criteria when customer inquiries arise.
8. Privacy: Commit to reasonably protect the personal data and privacy of anyone in their business dealings. Suppliers should comply with relevant legal requirements when collecting, storing, processing, transmitting, and sharing personal data.
9. Avoiding Conflict of Interest: Suppliers engaging in business transactions with ViewTech should avoid and mitigate any potential conflicts of interest. If a potential conflict of interest is identified, suppliers must immediately report it to ViewTech and take appropriate measures to prevent any improper conduct and risks that may arise from it.

Article 5: Management System

Suppliers should adopt or establish a management system relevant to the scope and content of this code. This management system should ensure that: (a) it complies with applicable laws, regulations, and customer requirements related to the supplier's operations and products; (b) it complies with this code; and (c) it identifies and mitigates operational risks related to this code. The management system should include the following elements:

1. **Company Commitment:** The company's social and environmental policy statement should establish the supplier's commitment to compliance and continuous improvement, signed by senior management and posted in the local language within the workplace.
2. **Management Responsibilities and Duties:** Clearly designate company representatives responsible for ensuring the implementation of the management system and related plans and regularly reviewing the operation of the management system.
3. **Legal and Customer Requirements:** Develop procedures to identify applicable laws, regulations, and customer requirements.
4. **Risk Assessment and Risk Management:** Develop procedures to identify relevant legal, environmental, health and safety, labor, and ethical risks and implement appropriate procedures and controls to manage identified risks and ensure compliance with relevant laws or standards.
5. **Improvement Goals:** Written performance goals, indicators, and implementation plans should be developed to enhance social and environmental performance.
6. **Training:** Training plans should be developed for management and employees.
7. **Communication:** Develop procedures to convey the supplier's policies, expectations, and performance to employees, suppliers, and customers.
8. **Employee Feedback, Involvement, and Complaints:** Establish ongoing procedures to assess staff awareness of practices or violations covered

by this code and conditions, and obtain employee feedback to drive continuous improvement.

9. **Audit and Evaluation:** Regularly conduct self-assessment to ensure compliance with legal and regulatory requirements, the content of this code, and requirements related to social and environmental responsibility in customer contracts.
10. **Corrective Measures:** Develop procedures to ensure timely correction of deficiencies found in both internal and external audits.
11. **Document Records:** Establish and maintain records to ensure compliance with regulatory requirements and corporate governance requirements.
12. **Supplier Responsibility:** Develop procedures to communicate the requirements of this code to the supplier's own supply chain and assess the supply chain's compliance with this code.

Appendix IV

Supplier ESG Self-Assessment Questionnaire

Dear Supplier Partners,

ESG sustainability management in business has become one of the most critical international issues. Sustainable supply chain management is an indispensable and essential aspect of corporate sustainability that must be addressed and actively managed. Our company is conducting a Supplier ESG Sustainability Risk Self-Assessment Questionnaire, and we kindly request strong support from all our suppliers. Let us work together to enhance the management of our supply chain.

To all our supplier partners who have received this notification to complete the questionnaire, please take this task seriously. The accompanying documentation is of utmost importance, and the absence of supporting documentation will affect your score, which in turn will impact your supplier evaluation results.

Section 1: Supplier Information

Company Name: _____

Tax Number: _____

Service Provided: _____

Number of employees: _____

Contact Name: _____

Phone Number: _____

Contact Email: _____

Section 2: Sustainability Management

1. Does your company have a dedicated or combined organization, department, or task force responsible for sustainability development/corporate social responsibility?
2. Does your company publicly disclose sustainability actions and performance?
3. Does your company establish ethical conduct guidelines, integrity operation codes, or similar systems?
4. What are your company's data protection policies and management measures at the business level (including customer data, contracts, etc.)?
5. Has your company established a business continuity management system in response to significant incidents, natural disasters, or pandemics? This includes operational risk identification and assessment, business interruption contingency plans, drills, and setting up contingency mechanisms. Please provide details.
6. What are your company's policies and management measures related to the protection of intellectual property and trade secrets? Do you require employees and suppliers to sign Non-Disclosure Agreements (NDAs)?
7. Has your company established quality control policies and measures and ensured their implementation?
8. What is the situation regarding the establishment of "internal" feedback/complaint channels in your company, and is there an improvement and response mechanism?
9. What is the situation regarding the establishment of "external" feedback/complaint channels in your company, and is there an improvement and response mechanism?
10. Has your company received penalties related to corporate governance in the past, such as intellectual property, securities laws, personal data protection laws, financial reporting, etc.?

Section 3: Supplier Management

11. Has your company developed a supplier ESG management policy?
12. Does your company implement conflict mineral management for 3T1G (Gold, Tin, Tantalum, Tungsten)?
13. Does your company conduct supplier audits?
14. Does your company engage in communication and education/training on sustainability issues such as "environmental protection," "health and safety," and "business ethics risk" with suppliers?

Section 4: Environmental Management

15. Does your company have management systems related to environmental protection?
16. Does your company have greenhouse gas and energy management policies, including inventorying and setting targets?
17. Does your company categorize and manage waste and keep relevant records?
18. Does your company incorporate the concept of a circular economy into its operational processes?
19. Does your company promote and educate employees on environmental protection policies?
20. Has your company received environmental-related penalties or administrative sanctions in the past three years? Please explain the amount and type of penalties.

Section 5: Labor Rights

21. Has your company developed policies and management measures related to human rights and labor?
22. Does your company regularly conduct human rights risk assessments

and due diligence investigations?

23. Has your company established occupational health and safety policies and management measures?
24. Does your company hold labor-management negotiations in compliance with the law?
25. Does your company identify, label, and improve potential sources of danger/dangerous locations in the workplace?
26. Does your company provide education and training to employees on human rights and labor issues?
27. Has your company received penalties related to labor rights and occupational health and safety in the past three years?

Section 6: Social Relations

28. Does your company conduct impact assessments on the potential and actual effects on local residents during business activities (including health risks and other issues)?

Section 7: Supplementary documents/evidences