

Shimao Group Integrity and Whistleblowing Policy

1. Purpose

The purpose of this Policy is to regulate the behavior of the Company's employees, maintain a clean and self-disciplined work style, facilitate integrity and sustainable development of the Company, and eliminate all kinds of improper and corrupt behaviors such as falsification, offering and taking bribes in the work process. The Policy is established in accordance with the provisions of relevant national laws and regulations and the business nature of Shimao Group (the “Company”).

This Policy 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.

2. Report content

The Company encourages all employees, partners, suppliers, customers, etc. to report misconduct in accordance with the Policy. Examples of misconduct include, but are not limited to, the following:

- Violations of the Shimao Group Corporate Code of Conduct, which sets out the company's principles regarding business ethics, anti-corruption, competition and anti-trust, anti-bribery and confidentiality, etc.
- Violations in financial reporting or internal control related areas.
- Criminal offenses and other violations of legal or regulatory requirements.
- All acts of bribery when dealing with clients and suppliers.
- Embezzlement or misappropriation of company funds.
- Leaking or selling the Company's trade secrets.
- Other fraudulent, illegal or business ethics violations.

3. Whistleblowing channels

Reports can be made through e-mail, telephone, letter or in-person communication, etc.

E-mail: sm_audit@shimaogroup.com

Telephone: 021-3861 1100

Postal address: Shimao Group Audit Department, 28th Floor, SHANGHAI SHIMAO TOWER, No. 55, West Weifang Road, Shanghai, China 200122

Official Reporting Platform: <https://www.shimaogroup.com/html/lxsm/jubao> (reports can be made either in real name or anonymously)

WeChat: shimao-audit (reports can be made either in real name or anonymously)

Other forms deemed appropriate by independent third parties or whistleblowers: Details can be found at the "Integrity Reporting" page on the company's website.

4. Principle for Whistleblowing and Complaints

The whistleblower shall, as far as possible, explain the basic details of the case, the name, address and specific parties to the subject of the report, and provide evidence of infringement of the interests of other, the interests of the Company or other relevant information. personnel handling complaints or reports should be strictly confidential for the whistleblower and give timely and clear guidance to the whistleblower and the parties.

We encourage whistleblowers to provide their names, the Company promises to give written and timely feedback on the results of the investigation. if the case prove true and economic losses for the company were saved, whistleblowers will be rewarded to according to a certain percentage of the specific number of economic losses recovered or be given priority consideration in performance assessments. However, if the whistleblower is not willing to identify himself or herself, he or she can report anonymously.

5. Whistleblower protection

The company promises to keep personal information and reporting content of real-name whistleblowing strictly confidential and not to disclose relevant information to the reported or unrelated personnel. Reporting calls, letters, etc. will be received by sole duty auditors of the Company's Audit Department and be entered into corresponding reporting entry system. To ensure that the identity of the whistleblower will not be leaked, the system is equipped with password and strict management. Only sole duty auditors and the head of the Audit Department have permission to query the system.

If the whistleblower is threatened, attacked or retaliated, the Company will give active legal support and protection. Violation of the disclosure of reporting information or retaliation against whistleblowers, investigators will be dismissed, terminated labor contracts, etc. Involvement in criminal offenses will also be transferred to the judicial authorities according to law.

6. Responsibility for whistleblower

Whistleblowers should comply with national laws and regulations and should not damage the legitimate interests of others. The reporting should be objective and factual and should not be made up, distorted, or framed. If a whistleblower makes a false report in bad faith or for personal gain, The Company reserves the right to take appropriate action against him or her, including referring the matter to law enforcement authorities and recovering any loss or damage suffered as a result of the false report. The person involved may also face disciplinary action including dismissal, if applicable.

7. Supervision and case handling

In case of violating the Code of Ethics of Shimao Group, in accordance with the Guidelines for Investigation and Handling of Violations of Code of Ethics by Employees of Shimao Group, the sole duty staff of the Company's Audit Department will enter all the information on the handling of the reported cases into the audit system, including the source of the report, the time of the report, the content of the report, the investigation of the report and the handling of the recourse.

After receiving the report of noncompliance and fraud, the Company's Audit Department will conduct a preliminary review based on the information provided in the report. If there is suspected fraud or noncompliance, the Company's Audit Department will review the case and submit it to the Company's Audit Committee for approval to establish an investigation. The investigation includes, but is not limited to, inspection of relevant documents and interviews with relevant employees and suppliers. After the investigation is completed, the Company's Audit Department will form an investigation report and submit it to the Company's Audit Committee and the Board of Directors (the "Board") for approval. If the investigation reveals violations that require recourse, the recourse plan will also be submitted for approval. The Audit Department will report the verified situation to the Company's decision-making level and deal with the responsible personnel.

Penalties for violations include termination of employment contract, written warning, post adjustment, etc. If corruption or other criminal offenses are involved, the company will, under appropriate circumstances, refer the case to judicial authorities for legal treatment. Notification of violation penalties will be communicated to the offending party via company email or other forms.

8. Responsibility for policy

This policy is adopted by the Board of Directors of Shimao Group and implemented by the Executive Committee, while the responsibility for the day-to-day administration of the policy is vested in the Audit Department of the Group Audit and Information Management Center.

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