

Management Measures for Conducting Entrusted Wealth

Management of Qingdao Haier Co., Ltd.

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to regulate the management of the entrusted wealth management of Qingdao Haier Co., Ltd. (hereinafter referred to as the "Company"), improve the efficiency of capital operation, guard against the relevant risks in the decision-making and implementation of entrusted wealth management, and safeguard the legitimate rights and interests of the shareholders and the Company, the Management Measures is hereby formulated in accordance with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Stock Listing Rules of Shanghai Stock Exchange* and other relevant laws, regulations, regulatory documents and the *Articles of Association* and in the combination of the actual situation of the Company.

Article 2 The Management Measures applies to the entrusted wealth management of the Company, its wholly-owned subsidiaries and holding subsidiaries (hereinafter referred to as the "subsidiaries"). The entrusted wealth management of subsidiaries shall be submitted to the Company for examination and approval in accordance with the Management Measures, and no financial activities shall be carried out without approval.

Article 3 The term "entrusted wealth management" as mentioned in the Management Measures refers to the short-term and low-risk entrusted wealth management by the Company through entrusting commercial banks or trust companies with raised idle funds and self-owned idle funds, mainly including such entrusted wealth management products guaranteed fixed income and guaranteed floating income. In principle, no non-guaranteed wealth management products shall be invested in.

Article 4 The Company uses idle raised funds for entrusted wealth management and shall not use idle raised funds to invest in stocks and their derivatives, securities investment funds or non-guaranteed wealth management products for the purpose of securities investment.

CHAPTER 2 APPROVAL AND DECISION-MAKING PROCEDURES

Article 5 In order to ensure the safety of the Company's funds and assets, the Company shall abide by the following principles when engaging in the entrusted wealth management:

(I) If the Company engages in entrusted wealth management with its self-owned idle funds, it shall not affect the normal production and operation activities of the Company and the demand for funds of project construction; if the Company engages in entrusted wealth management with temporarily raised idle funds, it shall not affect the normal operation of the investment plan.

(II) The transaction object of wealth management products shall be low-risk and stable wealth management products with good liquidity and low-risk trust products.

(III) The wealth management products of the Company can only be transacted with such financial institutions with legal operation qualifications rather than the informal institutions.

Article 6 With reference to relevant provisions of the *Articles of Association*, the *Rules of Procedure of the General Meeting of the Company* and the *Rules of Procedure of the Board of Directors of the Company*, the relevant requirements of the procedures for examination and approval of entrusted wealth management are as follows:

(I) The entrusted wealth management shall be examined by the General Manager's Office and submitted to the Board of Directors for examination and approval. The general manager of the Company shall be authorized to exercise the decision-making power of the investment and execute relevant contracts within the fixed amount of

funds to be used. The financial officer of the Company shall be responsible for organizing and implementing the entrusted wealth management.

(II) If the corresponding investment amount of entrusted wealth management exceeds the authority of the Board of Directors for examination and approval, it shall not be implemented until being considered and approved by the general meeting of the Company.

(III) When entrusted wealth management is submitted to the Board of Directors or the general meeting for consideration, the Board of Supervisors and independent directors shall give explicit consent for its implementation. If the temporary raised idle funds are used for entrusted wealth management, the sponsor institution shall also issue special review opinions.

(IV) The total investment amount of entrusted wealth management transactions shall not exceed the amount approved by the Board of Directors or the general meeting, but it may be recycled within the amount approved annually.

(V) For the entrusted wealth management products involving related-party transactions, the relevant approval procedures shall be carried out in accordance with the *Articles of Association*, the *Rules of Procedure of the Board of Directors of the Company*, the *Rules of Procedure of the General Meeting of the Company* and the *Management Measures of the Related-party Transactions*.

(VI) The Board of Supervisors and independent directors of the Company shall be entitled to verify the entrusted wealth management business of the Company.

Article 7 For Haier Electronics Group Co., Ltd. (hereinafter referred to as "Haier Electronics"), a holding subsidiary of the Company under the consolidated statements, Haier Electronics shall carry out the corresponding deliberation and decision-making procedures in accordance with relevant laws and regulations of the places where Haier Electronics is registered and listed, the Listing Rules of The Stock Exchange of Hong Kong Limited and its own measures for the entrusted wealth management conducted by such laws and regulations, which shall not be submitted to the managers, the management and the Board of Directors for consideration separately. However, if any

of the following circumstances occurs in the entrusted wealth management of Haier Electronics, relevant deliberation procedures shall be carried out in accordance with the provisions of the Management Measures on the premise that relevant laws and regulations of the place where Haier Electronics is listed are complied with:

(I) In accordance with relevant laws and regulations of the places where Haier Electronics is registered and listed, the Listing Rules of The Stock Exchange of Hong Kong Limited and its own measures, the entrusted wealth management shall be submitted to the general meeting of Haier Electronics for approval, and the voting decision shall be made at the general meeting of Haier Electronics after being deliberated by the Board of Directors or managers and the management of the Company specially authorized within the scope of its examination and approval authority (if the investment shall be approved by the general meeting of the Company, the deliberation procedures of the general meeting of the Company shall also be carried out, and the relevant voting decision shall be made on the basis of the decision of the general meeting);

(II) In accordance with the provisions of the Management Measures and relevant provisions of the domestic listing rules, the deliberation and decision-making procedures at the general meeting of the Company shall be carried out for the entrusted wealth management of Haier Electronics. Haier Electronics shall also submit the entrusted wealth management to the general meeting of the Company for consideration subject to Article 7 of the Management Measures after carrying out relevant deliberation and decision-making procedures in accordance with relevant laws and regulations of the places where Haier Electronics is registered and listed, the Listing Rules of The Stock Exchange of Hong Kong Limited and its own measures.

CHAPTER 3 IMPLEMENTATION AND MANAGEMENT

Article 8 The Finance Department of the Company shall be the implementation and management department of entrusted wealth management business, mainly responsible for:

(I) Reporting to the General Manager's Office in a timely manner in the first quarter

after the end of each year the wealth management situation of the capital of the previous year, reasonably predicting the total amount of entrusted financial management in the next year according to the Company's capital scale and cash flow budget of the next year, and implementing it with the approval by the relevant decision-making organs of the Company.

(II) If the Company's idle liquidity and raised idle funds satisfy the corresponding conditions for the implementation of entrusted wealth management, a feasible plan may be submitted to the president/General Manager's Office, which shall be implemented with the approval by the relevant decision-making organs of the Company.

(III) Formulating the allocation strategy and scheme selection of entrusted wealth management products.

(IV) Conducting pre-investment demonstration; feasibility analysis of the source of funds, scale of investment and expected returns of the entrusted wealth management; risk assessment of trustee's creditworthiness and investment varieties; and engaging external professional institutions to provide investment advisory services if necessary.

(V) Managing the entrusted wealth management matters during the investment period, setting up an account for wealth management products, following up the progress and safety status of the wealth management products during their lifetime, and reporting to the management of the Company in a timely manner in case of any abnormal situation, so as to take effective measures immediately to avoid or reduce the Company's losses.

(VI) Tracking the receipt of investment funds and returns due in a timely manner and in full amount.

(VII) Cooperating with the Office of the Board of Directors in disclosing relevant information in accordance with relevant regulations.

Article 9 The Office of the Board of Directors of the Company shall be responsible for the information disclosure of entrusted wealth management in accordance with relevant provisions of the Shanghai Stock Exchange.

CHAPTER 4 ACCOUNTING MANAGEMENT

Article 10 The Finance Department shall establish and improve detailed accounts of entrusted wealth management accounts and entrusted wealth management projects after implementing the review procedure on the basis of statistical data provided by relevant personnel of entrusted wealth management.

Article 11 The Finance Department shall conduct daily accounting of the entrusted wealth management business of the Company and present them correctly in the financial statements in accordance with the relevant provisions of the *Accounting Standards for Enterprises No. 22 – Recognition and Measurement of Financial Instruments* and the *Accounting Standards for Enterprises No. 37 – Presentation of Financial Instruments*.

Article 12 The Finance Department shall conduct a comprehensive inventory of the entrusted wealth management at the end of each year or in accordance with the implementation cycle of wealth management products. If there is a possibility of impairment of investment, it shall put forward the opinions on the provision for impairment and report them to the general manager for approval before carrying out accounting treatment. Investments that need to be disposed of shall be reported to the general manager, the Board of Directors or the general meeting for approval and then disposed of in accordance with relevant regulations.

CHAPTER 5 RISK CONTROL AND SUPERVISION

Article 13 The Company shall establish a regular reporting system for entrusted wealth management. The Finance Department shall be responsible for reporting the entrusted wealth management situation to the Chief Financial Officer and the Office of the Board of Directors at the end of each month in a timely manner. After the

implementation cycle of the wealth management products is ended, the Finance Department shall report the implementation and revenue of the entrusted wealth management to the Chief Financial Officer and the Office of the Board of Directors in a timely manner. After the end of each half year, the Finance Department shall report to the general manager through the office about the progress of entrusted wealth management, profit and loss situation and risk control situation.

Article 14 In order to reduce the risk of entrusted wealth management and ensure the safety of funds:

(I) The Company shall select qualified professional financial institutions with good credit status, financial status, credit record and strong profitability as trustees, and execute written contracts with such trustees to clarify the amount, period, types of investment, rights, obligations and legal liabilities of both parties for the entrusted wealth management.

(II) The company shall not grant the wealth management products to individuals or other companies for investment.

Article 15 When there is adverse change in the trustee's creditworthiness and profitability, or there is any loss or risk including the non-compliance of investment product with the situation at the time of purchase, the person in charge of the Finance Department shall report such to the head and the general manager at the first time when he/she knows the incident, and study and take effective measures to prevent the risks and reduce the losses in a timely manner.

Article 16 During the implementation period of entrusted wealth management the Company shall actively cooperate with the Audit Department, the Board of Supervisors and the Audit Committee under the Board of Directors in conducting relevant audit businesses.

CHAPTER 6 CONFIDENTIALITY AND INFORMATION DISCLOSURE

Article 17 Relevant personnel and other informed people who are in charge of dealing with entrusted wealth management business shall abide by the confidentiality obligation. Without prior approval of the Company, no personnel shall disclose any undisclosed information related to the entrusted wealth management business of the Company, such as its wealth management product plan, trading situation, settlement situation and capital situation.

Article 18 The examining and approving personnel, operators and risk monitoring personnel involved in the entrusted wealth management business of the Company shall carry out their works independently within the scope of their duties, and shall be prohibited from handling any business beyond the scope of their duties or interfering with the business of other personnel.

Article 19 Before the Company discloses relevant information publicly, the specific executives and other informed people of the entrusted wealth management business shall not disclose the entrusted wealth management information of the Company to any other individual or unit unless otherwise stipulated in laws, regulations and regulatory documents.

Article 20 When engaging in entrusted wealth management business, the Company shall fulfill its obligation of information disclosure in a timely manner in accordance with relevant laws, regulations and relevant business rules of the Shanghai Stock Exchange.

CHAPTER 7 ADDENDUM

Article 21 Where the Company conducts cash management such as entrusted wealth management with temporarily idle funds raised, it shall also abide by the relevant provisions of the *Regulatory Guidelines for Listed Companies No. 2 – Regulatory*

Requirements for the Management and Use of Funds Raised by Listed Companies, the Stock Listing Rules of Shanghai Stock Exchange, and the Administrative Measures for Funds Raised by Companies Listed on the Shanghai Stock Exchange.

Article 22 Other matters not involved in the Management Measures shall be implemented in accordance with the provisions of relevant laws, regulations and regulatory documents. If there is any difference between the provisions of the Management Measures and the mandatory provisions of relevant laws, regulations and regulatory documents, the latter shall prevail.

Article 23 The Management Measures shall be subject to the interpretation by the Board of Directors of the Company.

The Management Measures (as amended) shall be formulated by the Board of Directors of the Company, and shall come into effect on the date of approval by the general meeting of the Company.

Qingdao Haier Co., Ltd.

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