

Statement of continued support by the CEO

To our stakeholders:

“I am pleased to confirm that Longsun Group Co., LTD reaffirms its support of the Ten Principles of the United Nation Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.”

Yours sincerely,

Yang Peng

Chief Executive Officer

Longsun Group Co., LTD, China, COP for 2014

HUMAN RIGHTS PRINCIPLES

Our goal is to influence that our employees and all our business partners should support and respect the protection of internationally proclaimed human rights. Based on our commitment we have set up a code of conduct to make our position clear for all our suppliers, employees and partners.

We have taken concrete actions to implement Human Rights policies, reduce Human Rights risks and respond to Human Rights violations.

Suggestion box has been installed in each location for employees to submit their complaints and issues with regards to unfair treatment. These complaints are revised by top management and discussed immediately.

A training session has been conducted for employees to raise awareness on Human Rights.

We have long upheld the rights of our employees with regard to workplace diversity and workplace safety.

We have audited and evaluated all partners and suppliers against a set of defined principles, policies and guidelines. Any contravention of human rights would be documented and the responsible partner would be placed on probation and given a timeframe to address and resolve the issue. Continued non-compliance would result in the partner relationship being terminated.

LABOUR PRINCIPLES

Our company has written policies to uphold the freedom of association and collective bargaining and the elimination of forced labor, child labor and employment discrimination.

All employees are now entitled to pension insurance, medical insurance, injury insurance, unemployment insurance, maternity insurance, housing fund and so on.

We have 100% compliance on approved working contracts.

ENVIRONMENTAL PRINCIPLES

Our company undertakes initiatives to promote greater environmental responsibility. Our company is committed to encourage the development and diffusion of environmentally friendly technologies.

We have taken precautions. Precautions involve the systematic application of risk assessment (hazard identification, hazard characterization, appraisal of exposure and risk characterization), risk management and risk communication.

We have a decrease in energy consumption by 10% 2014 on 2013.

ANTI-CORRUPTION PRINCIPLES

Our company has maintained and access to an up-to-date register of relevant anti-corruption laws. We also support and encourage our business partners and challenging competitors to resist corruption by setting standards of excellence.

We have established binding guidelines requiring all directors, managers and employees to behave ethically and in conformity

with the anti-corruption laws.

Longsun Group CO., LTD has not been involved in any legal cases, rulings or other events related to corruption and bribery.

Longsun Group CO., LTD has an external audit company to do internal audits every year and the report directly submitted to Managing Director. Our books and accounts are subjected to statutory external audit annually. These audits are used as one of the methods of identifying any suspicious payments which could be related to bribery or corrupt behavior. There has been no such incident reported in the period.