

SINENG Electric Co., Ltd.

Complaint and Reporting Management Policy

1. Purpose

This Policy is established to standardize the management of complaints and whistleblower reports within the Company, establish accessible channels for employees to submit complaints and reports, encourage employees and external business partners to actively report conduct that may prejudice the legitimate interests of the Company or its employees, enforce discipline, address violations, and safeguard the legitimate rights and interests of the Company and its employees.

2. Scope

This Policy applies to all functional centers, departments, domestic business divisions, and subsidiaries, as well as overseas business divisions and subsidiaries of the Company.

3. Responsibilities

The Company's Audit Department is responsible for receiving and managing complaints and whistleblower reports at the group level. Its responsibilities include:

- (1) Establishing, coordinating, and promoting complaint and reporting channels and platforms.

- (2) Receiving, managing, and handling complaint and reporting materials.
- (3) Referring, assigning, and following up on complaint and reporting matters.
- (4) Inspecting and reviewing the investigation and handling of complaints and whistleblower reports.
- (5) Reporting and communicating the results of investigations and actions taken in relation to complaints and whistleblower reports.
- (6) Implementing measures to protect and reward whistleblowers.

For complaints or whistleblower reports involving violations of the Company's human resources policies, production management, quality management, customer complaints, or other relevant matters, the Audit Department shall, depending on the nature and severity of the matter and its consequences, initiate an investigation or refer the matter to the Human Resources Department or the relevant business management department for handling.

4. Definitions

4.1. Complaint

For the purposes of this Policy, a "complaint" refers to a written or verbal objection, protest, claim for compensation, or request for resolution submitted to a relevant department of the Company by an employee or business partner who believes that they have been treated unfairly in connection with day-to-day work, performance management, work assessments, performance evaluations, product quality or services, business relationships, or other related matters.

4.2. Whistleblower Report

For the purposes of this Policy, a "whistleblower report" refers to a report or disclosure made to the Company's Audit Department by an employee or business partner whose legitimate rights or interests have been infringed, or who has reason to believe that the subject of the report may have engaged in conduct that violates national laws and regulations or corporate policies, constitutes dereliction of duty or abuse of authority, involves soliciting or accepting bribes, or otherwise harms the interests of the Company.

5. Scope and Channels for Complaints and Whistleblower Reports

5.1. Scope of Complaints and Whistleblower Reports

Employees and business partners may submit complaints or whistleblower reports in accordance with this Policy upon identifying any of the following circumstances.

- (1) Complaints: Conduct that violates the Company's corporate culture, labor discipline, financial policies, work rules, non-compete restrictions, or confidentiality requirements, including but not limited to complaints concerning labor disputes, performance assessments, compensation management, quality management, and production management.
- (2) Whistleblower Reports: Conduct that seriously undermines the interests of the Company or its employees or causes significant losses or adverse impacts to the Company, including but not limited to bribery, embezzlement, misappropriation, serious dereliction of duty, serious management

misconduct, grossly unfair management practices, and nepotism.

(3) Complaints or whistleblower reports concerning any other unlawful, non-compliant, or disciplinary conduct.

5.2. Complaint and Reporting Channels

The Company accepts both named and anonymous complaints and whistleblower reports. Reporters may decide at their own discretion whether to provide their names and contact information.

- Reporting Email: shenji@si-neng.com
- Address: Audit Department, No. 6 Hehui Road, Huishan District, Wuxi City, Jiangsu Province, China

6. Procedures for Handling Complaints and Whistleblower Reports

6.1. Acceptance

The Audit Department shall accept complaints and whistleblower reports that clearly identify the subject of the complaint or report and specify the suspected unlawful or non-compliant conduct. The Audit Department is responsible for receiving, organizing, and maintaining records of complaints, whistleblower reports, and supporting evidence submitted through all available reporting channels.

Where a whistleblower makes a report in person, the interview shall be conducted separately and individually. The receiving personnel shall make a written record of the report and, where necessary, may make an audio recording.

6.2. Handling

Where the subject of a report or the alleged misconduct is unclear, or where the complaint or report lacks sufficient facts or leads to enable further verification, the Audit Department may, depending on the circumstances, decide not to open a formal case.

Complaints that have caused serious adverse impacts on the Company or resulted in losses of the Company's funds or property, as well as reports involving suspected violations of laws or regulations, disciplinary misconduct, bribery, or embezzlement, shall be formally opened for investigation by the Audit Department, which shall conduct the investigation and verification, report the findings, and pursue accountability. Serious cases shall be referred to the competent judicial authorities for further handling.

For complaints or whistleblower reports involving violations of the Company's human resources policies, production management, quality management, customer complaints, or other relevant matters, the department with primary responsibility shall complete its review within ten working days after receiving the matter referred by the Audit Department and provide the review results to the Audit Department.

6.3. Other Requirements

The methods and procedures used to investigate complaints and whistleblower reports shall comply with applicable laws and regulations and shall be based on the Company's relevant rules and policies.

Personnel conducting investigations shall comply with laws and regulations, perform their duties faithfully and impartially, uphold integrity, and maintain strict confidentiality. They must be familiar with complaint and reporting procedures and related matters. Investigations and case-handling activities shall be conducted by at least two persons, and written records of the investigation or case-handling process shall be prepared.

7. Rewards and Disciplinary Measures

7.1. Rewards and Disciplinary Measures

For substantiated reports involving fraud, the whistleblower may be eligible for a corresponding reward based on the nature of the case, provided that all of the following conditions are met:

- (1) The reported party is clearly and specifically identified.
- (2) The leads provided by the whistleblower are not previously known to the relevant departments.
- (3) The reported conduct is verified to be substantiated upon investigation.
- (4) The whistleblower's identity can be verified.

Based on the degree to which the reported information corresponds to the facts established through investigation, reports are classified into three levels:

- (1) Level 1: The whistleblower provides detailed information concerning the fraudulent conduct of the reported party and relevant evidence, assists with on-site investigation and case handling, and the reported circumstances fully correspond to the facts established through investigation.

- (2) Level 2: The whistleblower provides detailed information concerning the fraudulent conduct of the reported party and some supporting evidence, assists with on-site investigation and case handling, and the reported circumstances correspond to the facts established through investigation.
- (3) Level 3: The whistleblower provides information concerning the fraudulent conduct of the reported party and some supporting evidence, and the reported circumstances correspond to the facts established through investigation.

7.2. Rewards

Where a whistleblower provides important leads concerning conduct by the reported party that seriously harms the Company's interests and is suspected of constituting a criminal offense, thereby enabling the successful investigation or resolution of the case, the Audit Department may award the whistleblower RMB 500 to RMB 5,000, taking into consideration the relevance of the evidence provided, the degree of consistency between the reported circumstances and the facts established through investigation, and the losses recovered for the Company. Of any compensation or restitution paid by the responsible parties to the Company, 10% shall be allocated as a reward to the whistleblower, subject to a maximum of RMB 500,000.

Funds required for whistleblower rewards shall be subject to internal approval procedures initiated by the Audit Department and shall be earmarked exclusively for such rewards.

8. Related Responsibilities

The Company encourages employees to submit complaints and whistleblower reports under their real names. The Audit Department and other relevant departments shall strictly maintain confidentiality and shall not forward complaint or reporting materials to the entity or individual being reported. Details of a complaint or report, or the name of the complainant or whistleblower, shall not be disclosed to the entity or individual being complained about or reported, or to any person unrelated to the investigation. Any violation of these requirements shall result in serious accountability for the directly responsible person.

Any person who discloses information concerning a complainant or whistleblower or fraudulently obtains a whistleblower reward shall be subject to serious disciplinary action. Where the conduct constitutes a criminal offense, the matter shall be referred to the competent judicial authorities.

Any complainant or whistleblower who deliberately fabricates facts, makes malicious or false accusations, creates disturbances, or interferes with the Company's normal production and operation activities under the guise of making a report shall be subject to serious disciplinary action in accordance with applicable rules. Where such conduct causes unnecessary expenditure of human or financial resources, the complainant or whistleblower shall be held liable for financial compensation. Where the conduct constitutes a criminal offense, the matter shall be referred to the competent judicial authorities.

The Company has zero tolerance for any form of retaliation and strictly prohibits dismissal, demotion, discrimination, harassment, threats, or any other adverse treatment of complainants or whistleblowers. Any person found to have retaliated against a complainant or whistleblower shall be subject to serious disciplinary action in accordance with the Company's applicable human resources policies. Where the conduct constitutes a criminal offense, the matter shall be referred to the competent judicial authorities.

9. Communication and Training

The Company shall regularly communicate its complaint and reporting mechanism to employees, including the scope of reportable matters, reporting channels, anonymous reporting options, handling procedures, and whistleblower protection requirements.

The Audit Department is responsible for promoting the complaint and reporting mechanism and providing guidance on the use of the relevant reporting channels.

This Policy has been reviewed and approved by the Strategy Committee of SINENG Electric Co., Ltd., with the Board of Directors responsible for tracking its progress and conducting periodic reviews.