

SINENG Electric Co., Ltd.

Environmental Protection Policy

1. Background and Objectives

Addressing climate change and advancing the transition toward a cleaner energy mix are critical pathways to sustainable development and are essential to building a clean, low-carbon future. As an operator in the new energy sector, SINENG Electric Co., Ltd. (hereinafter referred to as "SINENG Electric", "the Company", or "we") recognizes the far-reaching impact of technological innovation on the ecological environment. We regard environmental protection as an integral social responsibility and integrate the principles of sustainable development into every aspect of our production and operations, product R&D, and supply chain management. Through concrete actions, we seek to play our part in the global energy transition and the timely achievement of "carbon peaking and carbon neutrality" goals.

2. Scope of Application

This Policy is applicable to SINENG Electric Co., Ltd. and its wholly owned and controlled subsidiaries incorporated into the Company's consolidated financial statements. At this stage, the Policy primarily serves as a guiding framework for the Company's environmental protection efforts, with the aim of steering production and operations, products and services, supply chain management,

and other relevant activities toward sustainable development. The Company appropriately extends relevant environmental protection requirements and principles to suppliers and other business partners, and encourages them to comply with applicable environmental laws and regulations, boost the efficiency of resource use, and minimize their environmental impacts in business activities.

3. Environmental Management Principles and Responsibilities

The Company's Board of Directors and senior management keep abreast of developments in environmental protection and abide by national laws and regulations concerning the protection of environment and the prevention and control of air pollution, water pollution, and solid waste-induced environmental pollution, as well as applicable requirements in the jurisdictions where the Company operates.

The Company's senior management is responsible for overseeing and promoting the implementation of this Policy. Relevant functional departments are responsible for implementing environmental management requirements in accordance with their respective duties and regularly tracking the progress of environmental objectives and relevant management measures.

The Company has obtained ISO 14001 environmental management system certification and continues to explore long-term mechanisms for identifying environmental factors and preventing and controlling related risks. Through regular audits and reflections, we strive to advance harmonious coexistence between our operations and the environment.

Taking into account environmental impacts, applicable laws and regulations, and business developments, we establish appropriate environmental management objectives and indicators, regularly track progress toward these objectives, and continuously work to reduce the environmental impacts of our operations and value chain activities.

4. Carbon Management and Climate Action

In the face of the global challenge of climate change, we embrace the principles of green development and seek to incorporate carbon management topics into our business considerations across the product lifecycle. We manage our greenhouse gas emissions, identify key sources of emissions, and research and advance measures to cut down emissions in line with actual circumstances. In our operations, we are concerned about the pathways for equipment to save energy and lower consumption and explore opportunities to develop photovoltaic power generation systems, thereby laying a solid foundation for green and low-carbon development across the board.

5. Concerns for Resources and Management of Pollutants

The Company focuses on the conservation and efficient use of energy and water resources. In energy management, the Company follows the development direction of the GB/T 23331-2020/ISO 50001:2018 energy management system and explores practical pathways to boost energy efficiency. In water resource management, the Company focuses on building up water recycling systems through equipment upgrades and production process tweaks, and explores

feasible measures to lower water consumption.

In pollutant management, the Company manages pollutants and waste in accordance with the principles of reduction, resource recovery, and harmless disposal, and pays ongoing attention to the compliance of wastewater, exhaust gas, and boundary noise. The Company implements segregated storage and identification management for general industrial solid waste, hazardous waste, and household waste. Hazardous waste is entrusted to duly qualified entities for disposal, with the required waste transfer documentation system duly implemented, while the Company focuses on ensuring standardized management throughout the entire process.

6. Management and Substitution of Hazardous Substances

We continuously strengthen the management of hazardous substances contained in our products and related raw materials and components, in compliance with applicable laws and regulations, international environmental standards, and customer requirements, including relevant requirements under RoHS, REACH, and POPs. We update the scope of hazardous substances subject to identification and management in response to the markets in which our products are sold, changes in regulatory requirements, and technological developments. These management requirements cover all of the Company's products and related raw materials and components.

While ensuring product safety, quality, and performance, the Company continuously advances the reduction and safe substitution of hazardous

substances, prioritizing technically feasible materials and processes that pose lower environmental and health risks. On top of that, the Company continues to phase out, as applicable, hazardous substances that are prohibited or restricted for use, or designated as substances of very high concern, under applicable laws and regulations, international standards, and customer requirements. For substances subject to regulatory exemptions or for which mature alternatives are not yet available, the Company continuously evaluates alternative technologies and will advance their substitution or phase-out when feasible alternatives become available.

The Company incorporates the reduction, substitution, and phase-out of hazardous substances into product R&D and green design management. Based on product and technological development needs, the Company allocates the necessary R&D resources to support the research, validation, and application of safer alternative materials, non-hazardous processes, and hazardous substance control technologies. The Company actively engages in technical exchanges and cooperation with industry associations, research institutions, suppliers, and other value chain partners to jointly advance the identification of hazardous substances and the research and application of safer alternative materials and processes.

We regularly track the progress of our hazardous substance reduction, substitution, and phase-out initiatives and continuously bolster the relevant management mechanisms.

7. Communication and Policy Updates

We engage in necessary communication and exchanges with customers, suppliers, professional organizations, industry associations, and other relevant stakeholders to understand their views and expectations regarding environmental protection and, as appropriate, incorporate such input into the implementation and optimization of our environmental management measures and this Policy.

We publish the Policy on our official website to ensure ready access for employees, partners, and the general public. The Company continuously provides employees with environmental protection training and awareness-raising sessions to help them understand the environmental impacts of the Company's operations and relevant environmental management requirements, thereby strengthening environmental responsibility across the Company.

The Company pays close attention to changes in laws and regulations relating to environmental protection and developments in international consensus in this field, and will review and revise this Policy as appropriate to ensure its continued suitability, adequacy, and validity.

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.