

SINENG Electric Co., Ltd.

Biodiversity Protection Policy

1. Background and Objectives

Biodiversity is the foundation of life on Earth and is fundamental to human well-being and socioeconomic development. As an operator in the new energy sector, SINENG Electric Co., Ltd. (hereinafter referred to as "SINENG Electric", "the Company", or "we") recognizes that our business activities may have direct or indirect impacts on the ecological environment and undertakes to actively fulfill our responsibilities for safeguarding biodiversity and ecology.

This Policy is intended to respond to the United Nations Sustainable Development Goals (SDGs Goal 15: Life on Land) and the *Kunming-Montreal Global Biodiversity Framework*, and to align with international and national strategic initiatives, including *China's Biodiversity Conservation Strategy and Action Plan (2023–2030)*. We incorporate biodiversity conservation concepts into our business development considerations and are committed to continuously reducing the adverse impacts of our operations and supply chain activities on biodiversity, steadily elevating the ecological value of our operational sites and relevant areas, and pursuing a long-term vision of achieving a net positive impact on biodiversity.

2. Scope of Application

The Policy is applicable to SINENG Electric Co., Ltd. and its wholly owned and controlled subsidiaries incorporated into the Company's consolidated financial statements. It covers relevant business activities of the Company including production and operations, products and services, procurement, and supply chain management. We also encourage our suppliers and other business partners to follow and embrace the biodiversity conservation principles set out herein.

3. Basis for Formulation

We respect and comply with applicable national laws and regulations pertaining to the protection of ecology, environment, and wild animals and plants, as well as relevant requirements applicable in the jurisdictions where we operate.

The Company also takes into consideration international consensus and frameworks, including the *United Nations Convention on Biological Diversity* and the *Kunming-Montreal Global Biodiversity Framework*, as references for understanding biodiversity-related issues.

4. Governance and Strategic Vision

The Company's Board of Directors and senior management are responsible for overseeing the Company's biodiversity conservation strategies and the implementation of relevant policies, and for progressively integrating biodiversity considerations into the Company's environmental and sustainability management systems.

Taking into account our operations and supply chain characteristics, we will progressively conduct biodiversity risk assessments to identify the dependencies and impacts of our business activities on biodiversity and ecosystem services. We will pay attention to the spatial relationship between our operational sites, major supply chains, and relevant business activities and areas of ecological sensitivity, and identify biodiversity priority areas and key management issues based on the assessment results.

For identified biodiversity priority areas, the Company will establish appropriate biodiversity conservation objectives and management measures based on actual circumstances. Through the application of the mitigation hierarchy—avoiding, minimizing, restoring and, where necessary, offsetting impacts—the Company will strive to achieve No Net Loss (NNL) of biodiversity.

5. Key Principles

- (1) Compliance: The Company's business activities comply with national and local laws and regulations concerning the ecological environment, with due attention to environmental compliance throughout project development and operations.
- (2) Prevention First: During project planning and business cooperation, we consider potential impacts on surrounding ecosystems and identify the spatial relationship between our activities and areas of global or national biodiversity importance, including legally designated protected areas, important wetlands, important species habitats, and other areas of

significant biodiversity value, while giving priority to avoidance and preventive measures.

- (3) Resource-Friendliness: We promote the conservation and circular use of resources, pay attention to energy consumption and emissions management in our production and operations, and strive to alleviate pressure on the natural environment.
- (4) Continuous Improvement: We closely follow developments in laws and regulations, international initiatives, and industry practices with regard to biodiversity, and regularly review and continuously improve our biodiversity management measures based on the outcomes of risk assessment and management.
- (5) Stakeholder Engagement: We actively engage and collaborate with governments, industry organizations, research institutions, communities, suppliers, and other business partners on biodiversity conservation and, where applicable, take stakeholder views into consideration in continuously bolstering our biodiversity management.

6. Areas of Focus in Business Activities

We follow the biodiversity mitigation hierarchy in our operations and promote its application in relevant supply chain activities, managing potential biodiversity impacts in the following order of priority: avoid, minimize or reduce, restore, and offset. Where significant residual impacts cannot be eliminated through avoidance, reduction, or restoration, the Company will, where applicable, take

appropriate offsetting measures.

6.1. Pre-Project Stage

During project initiation and site selection, the Company conducts environmental impact assessments in accordance with applicable laws and regulations and, based on the results of biodiversity risk assessments, considers factors including ecologically sensitive areas and important species and their habitats. We give priority to avoidance options and, where full avoidance is not feasible, take appropriate measures to mitigate the impacts.

6.2. Construction and Operations

During construction and operations, the Company closely tracks the performance of environmental protection facilities and strives to mitigate potential impacts on the surrounding environment from dust, noise, waste, and other factors, while advancing standardized management of construction sites.

6.3. Post-Project Stage

Upon completion of a project or the end of the use of relevant temporary land, the Company promptly carries out site cleanup, vegetation restoration, and other applicable ecological restoration measures to minimize long-term ecological impacts.

6.4. Supply Chain Management

The Company progressively incorporates biodiversity conservation requirements into procurement, supplier management, and business cooperation processes, and requires suppliers and other business partners to identify potential

biodiversity risks arising from their business activities, avoid conducting business activities that may cause significant adverse impacts on areas of global or national biodiversity importance, and adopt necessary preventive and mitigation measures commensurate with the level of risk.

7. Communication and Policy Updates

We publish the Policy on our official website to ensure ready access for employees, partners, and the general public. The Company will progressively conduct biodiversity conservation awareness-raising activities for employees to facilitate understanding of ecological protection issues across the Company.

The Company pays close attention to changes in laws and regulations relating to biodiversity 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.