

SINENG Electric Co., Ltd.

Social Responsibility Policy

1. Background and Objectives

SINENG Electric Co., Ltd. (hereinafter referred to as "SINENG Electric", "the Company", or "we") is deeply aware that respect and care for employees, business partners, and society at large are indispensable to sustainable corporate development. Upholding a people-oriented approach to development, we incorporate social responsibility, human rights, labor practices, occupational health and safety, and other related issues into our business operations and management. The Company strives to foster a safe, open, and inclusive working environment and make a positive contribution to building harmonious labor relations.

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, covering the Company's production and operations, products and services, as well as related management activities. The Company also extends the labor, human rights, and occupational health and safety principles set forth in this Policy to contractors and relevant service personnel working under the Company's supervision or management, and promotes compliance with relevant

requirements by suppliers and other business partners through supplier management, contractual provisions, codes of conduct, or other appropriate means.

3. Social Responsibility Management Principles and Responsibilities

The Board of Directors and senior management of the Company oversee the direction of the Company's social responsibility and sustainability efforts. The Company complies with relevant national laws and regulations pertaining to employment and labor, work safety, occupational health, and personal information protection, including the *Labor Law of the People's Republic of China*, *Labor Contract Law of the People's Republic of China*, *Work Safety Law of the People's Republic of China*, *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, and *Personal Information Protection Law of the People's Republic of China*, as well as applicable requirements in the jurisdictions where the Company operates.

The Company is committed to respecting internationally recognized human rights principles and, in managing human rights, draws upon the *United Nations Guiding Principles on Business and Human Rights* and the relevant principles of the International Labour Organization concerning fundamental principles and rights at work. We respect fundamental human rights in our operations and relevant business relationships and strive to avoid causing or contributing to adverse human rights impacts.

The Company's senior management is responsible for promoting the

implementation of this Policy. Relevant functional departments shall, in accordance with their respective responsibilities, implement management requirements relating to social responsibility, human rights, labor practices, and occupational health and safety, and track the progress of relevant management measures based on actual circumstances.

4. Labor Practices and Human Rights

4.1. Respect and Equality

The Company respects the dignity and fundamental rights of every employee and is committed to fostering a workplace characterized by mutual respect, fairness, equality, and inclusion. The Company evaluates talent based on objective factors such as capabilities, performance, and contributions to their respective positions, and provides equal development opportunities to employees from diverse backgrounds.

4.2. Anti-Discrimination and Anti-Harassment

The Company prohibits all forms of discrimination and harassment, including sexual and non-sexual harassment. The Company does not discriminate against or subject employees to differential treatment in employment-related matters, including recruitment, promotion, training, compensation, and benefits, on the basis of race, color, religious beliefs, gender, sexual orientation, age, disability, nationality, or other protected personal characteristics.

4.3. Freedom of Association, Collective Bargaining and Communication

The Company respects employees' lawful rights to freedom of association and

collective bargaining, supports employees in lawfully joining trade unions and electing employee representatives, and engages in communication and consultation with employees and their representatives through trade unions, employees' congresses, and other employee communication channels on working conditions, compensation and benefits, and other matters of concern to employees. The Company conducts collective bargaining through trade unions and employee representative mechanisms and, in accordance with applicable laws and regulations, enters into and implements collective agreements to safeguard employees' lawful right to participate in collective bargaining.

In the event of material workforce adjustments, the Company shall follow the necessary employee communication, consultation, and notification procedures required under applicable laws and regulations in the jurisdictions where the Company operates. Where such adjustments in China constitute an economic layoff under applicable law, the Company shall explain the circumstances to the trade union or all employees at least 30 days in advance and solicit their opinions.

4.4. Working Hours and Rest

SINENG Electric complies with applicable laws and regulations governing working hours, rest periods, leave, and overtime in the jurisdictions where the Company operates, arranges employees' working hours reasonably, and establishes and manages limits on working hours and overtime in accordance with applicable requirements to prevent or minimize excessive overtime. The

Company manages working hours and overtime through mechanisms such as attendance records, overtime approval procedures, and compensatory time off. For overtime worked in accordance with applicable requirements, the Company provides overtime pay or corresponding compensatory time off in accordance with the law.

4.5. Compensation and Benefits

The Company has established a fair and market-competitive compensation system and is committed to providing employees with reasonable compensation sufficient to meet the basic needs of employees and their families. In managing compensation, SINENG Electric takes into account the cost of living, basic living needs, and prevailing market compensation levels in the jurisdictions where the Company operates, and refers to applicable living wage standards or benchmarks to continuously assess the adequacy of employee compensation. The Company determines compensation based on objective factors such as job responsibilities, capabilities, and performance, upholds the principle of equal pay for equal work and equal pay for work of equal value for employees of all genders, and does not permit discriminatory pay differences based on gender or other factors. The Company has established a performance management mechanism under which performance objectives are set based on job responsibilities and operational and management needs. The Company periodically evaluates the achievement of performance objectives and employees' work performance, and uses the results as an important reference

for employee development, incentives, and compensation management.

SINENG Electric complies with laws and regulations governing wages, social security, rest, and leave in the jurisdictions where the Company operates. In accordance with applicable laws and regulations, the Company provides eligible employees with social insurance and paid annual leave, and provides supplementary protection and employee benefits, such as commercial insurance and health checkups, as appropriate. The Company safeguards employees' rights and interests relating to childbirth in accordance with applicable laws and regulations and the Company's relevant policies. Eligible employees are provided with paid maternity leave, paternity leave, or other legally applicable childbirth-related leave, and the lawful rights and interests of employees during pregnancy, maternity leave, and breastfeeding are protected.

4.6. Prohibition of Forced Labor and Child Labor

We prohibit all forms of forced labor and child labor and prohibit human trafficking and other serious violations of workers' personal freedom in our operations and relevant business relationships. Through supplier and business partner management, the Company promotes compliance by relevant parties with applicable labor and human rights requirements and works to prevent human rights risks associated with forced labor, child labor, discrimination, and other labor-related issues.

4.7. Privacy Protection

The Company places great importance on the security and protection of the

personal information of employees and business partners. In collecting, using, and storing personal information, the Company adheres to the principles of lawfulness, legitimacy, and necessity and continuously improves personal information protection and management measures in accordance with applicable laws and regulations.

4.8. Human Rights Due Diligence and Risk Assessment

We incorporate human rights risk identification and assessment into our social responsibility risk management framework. Taking into account our operations and supply chain realities, we identify and assess actual or potential human rights risks through such measures as system reviews, employee communication and grievance mechanisms, internal audits, and supplier onboarding arrangements, periodic performance evaluations, and on-site audits. Particular attention is paid to issues such as child labor, forced labor, freedom of association, collective bargaining, discrimination, and harassment, as well as to relevant groups including employees, women, minors, and the personnel of contractors and suppliers.

At least annually, the Company reviews the results of relevant risk identification and assessment in conjunction with social responsibility risk assessments, internal audits, or management reviews. Where there are significant changes in applicable laws and regulations, business activities, or management requirements, the Company updates the relevant risk assessments as appropriate. For identified risks, the Company takes corresponding preventive,

corrective, and follow-up measures based on the level of risk.

5. Occupational Health and Safety

5.1. Management Framework

The Company has established and implemented an ISO 45001:2018 occupational health and safety management system, with senior management driving its effective operation. The Company's occupational health and safety management requirements cover the Company's operational sites and employees and also apply to contractors and relevant service personnel working under the Company's supervision or control. SINENG Electric complies with applicable occupational health and safety laws, regulations, and relevant standards in the jurisdictions where the Company operates and keeps abreast of updates to applicable requirements.

5.2. Risk-Oriented Approach and Emergency Resilience

The Company regards risk identification and prevention as fundamental to occupational health and safety management. On that account, we identify workplace hazards and changes in operations, determine priority areas for control based on the level of risk, and develop corresponding control measures or action plans. We continuously strengthen our emergency response mechanisms, develop emergency plans and conduct drills for potential emergencies, maintain necessary emergency resources, and communicate with relevant parties to build up our capacity to respond to unexpected events.

5.3. Employee Participation and Communication

The Company sets a high premium on the participation of employees and their representatives in occupational health and safety management. Through training, safety experience sharing, and internal communication mechanisms, we listen to suggestions, feedback, and concerns raised by employees and their representatives and continuously heighten safety awareness across the Company.

5.4. Value Chain Collaboration

The Company advocates extending the focus on occupational health and safety across business collaboration. In co-creating value with external partners and service providers, the Company promotes the integration of safety principles into collaboration frameworks, encourages partners to jointly prioritize workplace safety and health, and works to foster a responsible ecosystem in which all parties reinforce one another's efforts.

5.5. Continuous Improvement

The Company regards continuous improvement as a fundamental principle of occupational health and safety management. We identify opportunities for improvement based on oversight and audits, incident analysis, and feedback from relevant parties, and continuously refine our occupational health and safety management measures. Taking into account occupational health and safety risks and management needs, the Company establishes corresponding occupational health and safety performance objectives and regularly tracks

progress toward these objectives and related improvement measures.

6. Communication and Policy Updates

We engage in necessary communication and exchanges with employees and their representatives, suppliers, business partners, and other relevant parties to understand their views and concerns regarding social responsibility, human rights, and occupational health and safety, and incorporate such input, as appropriate, into the implementation and optimization of related 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 training and awareness-raising sessions on social responsibility, human rights, and occupational health and safety to help them understand relevant management requirements and strengthen their awareness of social responsibility.

The Company pays close attention to changes in laws and regulations relating to social responsibility and sustainable development, alongside 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.