

**HAINAN DRINDA NEW ENERGY TECHNOLOGY CO., LTD.
ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY AND
PROCEDURE MANUAL**

ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY AND PROCEDURE MANUAL

CHAPTER 1 GENERAL PROVISIONS

Article 1 Hainan Drinda New Energy Technology Co., Ltd. (the “Company”) and its branches and subsidiaries (collectively, the “Group”, “we”, “us” or “our”) endeavor to advance sustainable development and strictly comply with the provisions of relevant regulatory rules of the stock exchanges in the places where the Company’s shares are listed. To promote ESG initiatives and enhance the quality of ESG information disclosure, this Manual is hereby developed. Sustainable development is extremely important to create long-term value for the Group’s shareholders, clients, employees, other stakeholders, as well as general public. The Group cares about the impact of its daily operation on environment and society, striving to set a good example for the public. While conducting business operation, it makes effort to meet the interests of all stakeholders, economy, environment, society and corporate governance and does its best to achieve an optimal balance.

CHAPTER 2 SCOPE OF APPLICATION AND DEFINITION

Article 2 This procedure manual shall apply to all departments and employees of the Group and its branches and subsidiaries;

CHAPTER 3 KEY DEPARTMENTS AND RESPONSIBILITIES

Article 3 The Board of Directors and its members shall

- (i) review the annual Corporate Governance Report and Environmental, Social and Governance Report for approving the disclosure, and review and monitor the training and continuous professional development of directors and senior management in respect of environment, society and governance;
- (ii) review and monitor the implementation of the Group’s environmental, social and governance policies to ensure compliance with legal and regulatory requirements;
- (iii) meet at least once a year. Additional meetings may be convened by the Board of Directors if necessary.

Article 4 Environmental, Social and Governance (ESG) Committee shall

- (i) establish institutionalized processes, conduct regular communication and reporting, to ensure Company’s directors and executives being informed about ESG risk management, targets, plans, and implementation and progress, and ensure effective ESG management.
- (ii) develop and review the Group’s environmental, social and governance framework, strategies, policies and procedures, and implement the various environmental, social and governance policies adopted by the Board of Directors;

- (iii) conduct internal and external materiality assessments on improving the Group's ESG policies, and make recommendations to the Board of Directors;
- (iv) implement measures to promote the Group's environmental, social and governance policies and set appropriate corporate objectives, performance indicators and measures to ensure that the environmental, social and governance policies are given due emphasis and are effective;

Article 5 Environmental, Social and Governance Task Force and its members shall

- (i) assist the Environmental, Social and Governance (ESG) Committee in formulating, reviewing and implementing the Group's ESG framework, strategies, policies, and procedures;
- (ii) organize and coordinate ESG-related initiatives, and regularly evaluate risks and internal control systems in relation to ESG;
- (iii) collaborate with third-party consulting agencies to complete and review the Environmental, Social and Governance Report, ensuring timely, comprehensive, and accurate information disclosure;
- (iv) supervise and guide the implementation of ESG policies among all its departments, and conduct performance appraisal;
- (v) implement ESG initiatives (such as emission reduction, environmental greening, community engagement activities);
- (vi) conduct internal and external materiality assessments on improving the Group's ESG policies, and make recommendations to the Environmental, Social and Governance (ESG) Committee;

CHAPTER 4 WORK PROCEDURES

Article 6 The Environmental, Social and Governance (ESG) Task Force shall collaborate with third-party consulting agencies to define the reporting boundaries of the annual report and conduct a materiality assessment, perform research and surveys with internal and external stakeholders, prepare quantitative data collection forms for environmental and social subject areas, and gather information from relevant departments.

Article 7 The ESG Task Force's data administrator shall distribute the forms to relevant data-providing departments. These departments shall complete the quantitative data collection forms for environmental and social subject areas based on the actual circumstances of the Company, provide supporting materials or explanations for data sources, and submit them to the Company's ESG Task Force's responsible personnel for review.

- Article 8** The ESG Task Force’s data administrator shall coordinate and oversee data submissions from all departments within the Company. The administrator shall review the data provided by departments based on the supporting materials. Once the data has been verified as accurate, the administrator shall submit the data and supporting materials to the corresponding members of the audit team and send copies to the heads of the relevant departments. The data administrator shall archive the supporting materials for data sources to ensure traceability of data sources.
- Article 9** To ensure the accuracy and completeness of quantitative data in the Environmental, Social and Governance Report, the Company shall conduct quantitative data statistics annually and simultaneously report supporting materials for data sources.
- Article 10** The ESG Task Force’s data administrator shall update submitted data in a timely manner. At the end of each year, the data administrator shall compile all submitted data for the year and submit it to the ESG Task Force for review.
- Article 11** Third-party service providers shall prepare the final Environmental, Social and Governance Report based on the collected materials.
- Article 12** Prior to the disclosure of the Company’s annual report, the Environmental, Social and Governance (ESG) Committee shall present the Environmental, Social and Governance Report to the Board of Directors for review. The report shall be subject to final review and approval by the Board of Directors.

CHAPTER 5 SUPPLEMENTARY PROVISIONS

- Article 13** Matters not covered by this Manual shall be subject to relevant national laws and regulations, the listing rules of the relevant stock exchanges and the Articles of Association. In case of any provision of this Manual contravenes laws or regulations subsequently promulgated by the state, or the Articles of Association as amended under legal procedures or the listing rules of the stock exchanges in the places where the Company’s shares are listed, the latter shall prevail. This Manual shall be amended immediately in such case and implemented upon consideration and approval by the Company’s Board of Directors.
- Article 14** This Manual shall come into effect from the date on which it is considered and approved by the Company’s Board of Directors.
- Article 15** This Manual shall be formulated, interpreted, and updated as needed by the Environmental, Social and Governance (ESG) Committee of Hainan Drinda New Energy Technology Co., Ltd.

Hainan Drinda New Energy Technology Co., Ltd.
January 2024