

## **Zhen Ding Technology Holding Limited**

# **Risk Whistleblower Reporting and Protection Regulation**

### **Article 1 Objectives**

To achieve sustainable operations, the regulations establish a channel for risk whistleblowers to report the firm's operational risks, identify risks from daily business activities, foster risk awareness, and detect early warning signs.

### **Article 2 Scope**

This regulation applies to risk management operations at all levels of the company and its subsidiaries.

### **Article 3 Definition**

The risk whistleblower is recognized as the one who alerts and identifies potential risks within the firm.

### **Article 4 Duties of Risk Reporting Center Members**

Risk Reporting Center is affiliated with the Risk Management Executive Division. The center's members are composed of the risk management instructors, administrators (collectively, the responsible whistleblowers), top executives from each Business Unit and Functional Department, and the Risk Management Executive Task Force. In practice, the members identify risks through a bottom-up approach. Once identified, a risk will be tracked.

- (1) The responsibilities of whistleblower from each Business Unit and Functional Department.
  - a. Evaluate potential risks in business on a daily basis and accept and investigate the “Risk Report Form” submitted by subordinate units.
  - b. Organize the “Risk Report Form” and provided to top executives of each Business Unit and Functional Department.
  - c. Implement the policies set by top executives from each Business Unit and Functional Department, and Chief Risk Officer.
- (2) Top executives from each Business Unit and Functional Department.
  - a. Top executives from each Business Unit and Functional Department will assess the suitability of the “Risk Report Form” submitted by the whistleblower. Subsequently, the executives will complete the Risk

Inspection Form, which will be sent to the Risk Management Executive Task Force for review.

- b. Supervise the activities of responsible whistleblowers in the affiliated units.

(3) Risk Management Executive Task Force

- a. Accept “Risk Report Forms” submitted by each Business Unit and Functional Department.
- b. After reviewing the “Risk Report Forms”, the task force will hand the documents in to the Chief Risk Officer.
- c. Implement policies assigned by the Chief Risk Officer and establish related operating regulations.
- d. Plan and provide relevant training for risk whistleblowers to enhance risk awareness and culture.

(4) Chief Risk Officer

The center adopts a semi-presidential structure. The general manager of the functional department and business unit serves as the Chief Risk Officer, each respectively and independently. Their responsibilities are as follows:

- a. Determine whether the reported risks should be recorded in the Risk Inspection Form.
- b. Review the risk whistleblower systems, procedures, and structures.
- c. Implement risk whistleblower-related decisions assigned by the Risk Management Executive Division.

## **Article 5 Reporting channels and processing procedures**

### **Reporting channel**

Internal and external stakeholders can report through the following channels:

- (1) Reporting to the instructors or administrators of each unit or the Risk Management Executive Task Force.
- (2) Submitting the “Risk Report Form” by scanning the QR code, emailing (zdt@zdtco.com, avary@avaryholding.com) or calling (+86-(0)755-33818183).

### **Processing procedure**

There are two processing method, which are described as follows:

- (1) Through the instructors or administrators of each Business Unit and Functional Department: The relevant information will be identified by their top executives for appropriateness and then reviewed by the Risk Management Executive Task Force.
- (2) Through QR code, mailbox, or phone: The form will be reviewed by the Risk Management Executive Task Force.

If the appeal or potential risks mentioned above have a significant impact on the firm's operations, they will be reported to the Chief Risk Officer.

#### **Article 6 Whistleblower protection measures**

- (1) Whistleblowers shall not be treated unfavorably with respect to their position or salary.
- (2) Whistleblowers shall not be intimidated, insulted, or harassed.
- (3) Whistleblowers who maliciously or fabricate false risks will be punished in accordance with relevant laws or the firm's personnel regulations. However, if risks are effectively identified, rewards will be given following the “Process for Employee Incentive and Punishment Management”, and the report will be included in the annual performance appraisal.
- (4) The Risk Reporting Center will keep the identity of the whistleblower and the content of the reporting information confidential. Every effort will be made to protect the whistleblower from any mishandling related to the reporting situation.

#### **Article 7 References**

“Audit and Risk Committee Charter”, “Risk Management Policy”, “ Ethical Corporate Management Operating Procedures and Code of Conduct”, “Process for Employee Incentive and Punishment Management”

#### **Article 8 Form**

Annex I Risk Items Report Form

#### **Article 9 Implementation**

This regulation will be implemented after approval by the convener of Risk Management Executive Division, even if it is revised.

This regulation was established on June 14, 2024, underwent a second revision on December 26, 2024, and received a third amendment on March 17, 2025.