

## SharonAI Holding Inc. Whistleblower Rights and Protections Policy

This Whistleblower Rights and Protections Policy (this "Policy") is binding upon you as an employee, officer, or director of SharonAI Holdings Inc. (the "Company") or any of its subsidiaries. Consult with the Company's General Counsel at [tim.flahvin@sharonai.com](mailto:tim.flahvin@sharonai.com) if you have any questions about this Policy.

### Objectives and Scope

The objectives of this Policy are to:

1. encourage the reporting of any actual or suspected misconduct or an improper state of affairs or circumstances;
2. provide protection to Whistleblowers who disclose allegations;
3. clarify how such disclosures will be dealt with; and
4. comply with requirements such as Rule 10A-3 of the Securities and Exchange Act of 1934, as amended, and Rule 5605(c)(3) of the Nasdaq Listing Rules, to establish procedures for the reporting of misconduct or an improper state of affairs or circumstances.

### **1. What is whistleblowing**

Whistleblowing is the reporting of misconduct or an improper state of affairs or circumstances, and which can include the following actual or suspected conduct or its concealment:

- dishonesty, fraud, or corruption
- financial irregularity (including a fraud against the Company or a customer or supplier)
- corrupt conduct
- criminal conduct
- illegal activities (including theft, drug sale/use, violence, threatened violence, or criminal damage against property)
- discrimination, vilification, sexual harassment, harassment, bullying and victimisation
- failure to comply with any legal or regulatory obligation
- unfair or unethical dealing with a customer (including participants and listed entities)
- unethical or other serious improper conduct, including breaches of Company policies
- danger to the public or the financial system
- offence against any other law of the Nation, State or Commonwealth, including a provision of any of the following legislation:
  - the U.S. Securities Act of 1933, as amended
  - the U.S. Securities and Exchange Act of 1934, as amended
  - the Corporations Act 2001 (Cth)
  - the *Australian Securities and Investments Commission Act 2001* (Cth)
  - the *Banking Act 1959* (Cth)
  - the *Financial Sector (Collection of Data) Act 2001* (Cth)
  - the *Insurance Act 1973* (Cth)
  - the *Life Insurance Act 1995* (Cth)
  - the *National Consumer Credit Protection Act 2009* (Cth)
  - the *Superannuation Industry (Supervision) Act 1993* (Cth)
  - an instrument made under one of the above Acts or constitutes an offence against any other law of the Commonwealth that is punishable by imprisonment for a period of 12 months or more
- conduct that represents a danger to the public or the financial system
- conduct that poses significant risk to public safety.

It does not include personal work-related grievances such as interpersonal conflicts or which relate to the person's own employment situation (unless the grievance falls within the scope of the above).

It is the process of identifying and reporting wrongdoing and is often referred to as 'making a disclosure' or 'blowing the whistle'.

A Whistleblower is a person who reports wrongdoing in accordance with this Policy.

## **2. Whistleblower protection**

To the maximum extent practicable, a person who genuinely discloses an allegation or concern about compliance with laws or other standards of behaviour will be protected from any adverse action (such as dismissal, demotion, suspension, harassment, or other forms of discrimination) because they have raised such allegations.

Subject to this Policy, a Whistleblower is protected, even if the allegations prove to be incorrect or unsubstantiated. Except that, a person who maliciously or vexatiously makes disclosures or makes false disclosures may be subject to disciplinary action.

Further, a person who participates, or assists in, an investigation will also be protected.

## **3. Reporting**

Any person who has reasonable grounds to suspect concerns of misconduct or an improper state of affair or circumstances, or a breach of a law or other standard of behaviour, is encouraged to report the same to that person's manager or a representative from human resources and the Audit and Risk Management Committee. Reports can also be made through to the anonymous whistleblower portal: <https://whistle.sharonai.com/>.

All disclosures should provide specific, adequate and pertinent information with respect to, among other things, dates, places, persons, witnesses, and other relevant details, in order to allow for a reasonable investigation to be conducted.

Accordingly, a disclosure should be made in writing and contain, as appropriate, details of the:

- nature of the alleged breach
- person(s) responsible for the breach
- facts on which the Whistleblower relies in alleging that a breach has occurred, and
- nature of any evidence that would substantiate the allegations made.

## **4. Confidentiality**

Disclosures can be made anonymously. However, the Company may face difficulties investigating or internally addressing or correcting the disclosure, unless some approval for the Company to use the Whistleblower's information is granted.

Every effort will be made to protect the anonymity of the Whistleblower in accordance with statutory requirements in respect of the confidentiality of disclosures made. However, there may be situations where anonymity cannot be guaranteed because of court proceedings or otherwise. In such situations, the Whistleblower will be informed.

## **5. Managing a disclosure**

Once a disclosure has been received from a Whistleblower, the Company will consider the most appropriate action. This might include an investigation of the alleged conduct, either by an appropriate person or a group of people, such as a committee.

Any investigation in relation to a disclosure will be conducted promptly and fairly, with due regard for the nature of the allegation and the rights of the persons involved in the investigation.

Any evidence gathered during an investigation, including any materials, documents or records, must be held by the investigator, and held securely.

During the investigation, the investigator will have access to all of the relevant materials, documents, and records. The directors, officers, employees and agents of the Company must cooperate fully with the investigation.

Following the investigation, a final report will issue and appropriate action taken where applicable.

The report will address the allegations made, statement of relevant findings of fact and the evidence relied upon to reach the conclusion on each allegation, and recommendations based on those conclusions to address any wrongdoing identified.

## **6. No reprisals**

The Company will not take any adverse action against a Whistleblower because they have made a disclosure, unless the Whistleblower is a participant in the prohibited activities with respect to which the complaint is made or the Whistleblower maliciously or vexatiously made the disclosures or made false disclosures.

If the Whistleblower was involved in the conduct, which was the subject of the disclosure, the fact that the Whistleblower has made the disclosure may be taken into account in determining the severity of the disciplinary measures, if any, that may be taken against the Whistleblower.

Any reprisals against a Whistleblower are a serious breach of this Policy and may result in disciplinary action, including dismissal. This protection applies to anyone providing information related to an investigation pursuant to this Policy.

No employee will be subject to liability or retaliation for disclosing a trade secret if it is done in compliance with 18 U.S.C. §1833 and is made either:

- In confidence to a federal, state, or local government official or to an attorney solely for the purpose of making a report in compliance with this Policy or participating in any investigation relating to an alleged violation or fraudulent auditing and accounting activity; or
- In a complaint or other document filed in a lawsuit or other proceeding under seal.

## **7. How this Policy interacts with whistleblower laws**

### **US Whistleblower laws**

U.S. Federal law, including the Sarbanes-Oxley Act of 2002, specifically prohibits the Company from discharging, demoting, suspending, threatening, harassing or in any other manner discriminating against an employee because of any lawful act done by the employee to provide information regarding any conduct with the employee reasonably believes constitutes mail fraud, wire fraud, bank fraud, securities fraud, a violation of U.S. Securities and Exchange Commission rules or regulations or a violation of U.S. law relating to fraud against stockholders.

### **Australian Whistleblower laws**

By making a disclosure in accordance with this Policy, you may be protected under the Australian whistleblower laws if the type of matter you disclose is protected by those laws. While this Policy principally deals with internal disclosures, the protections afforded by the Australian whistleblower laws

also include some types of disclosure made to external parties, such as legal representatives, to obtain advice or representation about the Australian whistleblower laws, ASIC, APRA or the ATO.

For more information about the Australian whistleblower laws (including how to make a disclosure directly to ASIC or the ATO), see the information available on the ASIC website (including Information Sheet 239 How ASIC handles whistleblower reports and Information Sheet 247 Company officer obligations under the whistleblower protection provisions) and the ATO website.

### **Whistleblower laws outside Australia and U.S.**

You may make a disclosure regardless of where you are or where the conduct is occurring provided the conduct arises in connection with the Company.

If your disclosure concerns the conduct of the Company, Company personnel, or Company operations based outside Australia, you may also have protections and obligations under the whistleblower laws in the country in which you are based.

### **Compliance**

It is your responsibility to understand and comply with this Policy. You will not be excused for any breach of this Policy because you were instructed or influenced to act in a way that constitutes a breach of this Policy. Ignorance will not be accepted as justification for a breach.

If there is an alleged breach of this Policy, it may be investigated. If an investigation discloses that an alleged breach is substantiated, disciplinary action may be taken, which may include a formal warning, suspension, reassignment or demotion, or termination of employment.

### **Modification**

The Company expressly reserves the right to change, modify, or delete the provisions of this Policy without notice.

### **Questions**

This Policy does not cover every possible event or action. There will be circumstances where it is difficult to know what to do. In such cases you are asked to exercise caution and common sense and comply with the underlying principles of this Policy. If you have any questions or doubts about this Policy please direct them to your supervisor, manager, human resource manager, work health and safety representative or a senior manager.

If you have been subject to any conduct that you believe constitutes retaliation for having submitted a violation in compliance with this Policy or for having participated in any investigation relating to a violation, please immediately report the alleged retaliation to the General Counsel, ideally within ten (10) days of the offending conduct. If, for any reason, you do not feel comfortable discussing the alleged retaliation with the General Counsel, please report the alleged retaliation to the Chief Financial Officer at [tim@sharonai.com](mailto:tim@sharonai.com). These individuals will ensure that an investigation is conducted in a timely fashion.

### **Effective Date**

This Policy is effective as of [DATE].