

2024

Environmental, Social and Corporate Governance Report

Tangshan Haitai New Energy Technology Co., Ltd.

Tangshan Haitai New Energy Technology Co., Ltd.

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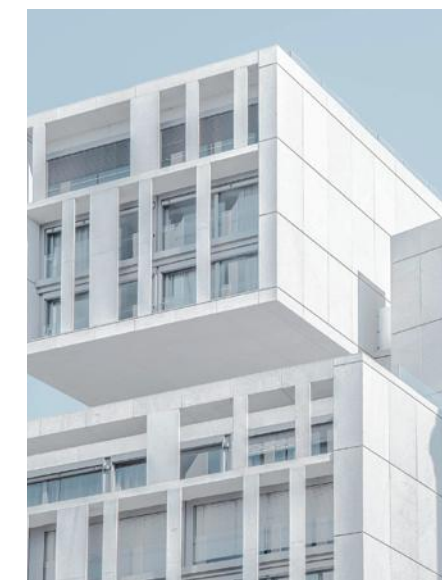
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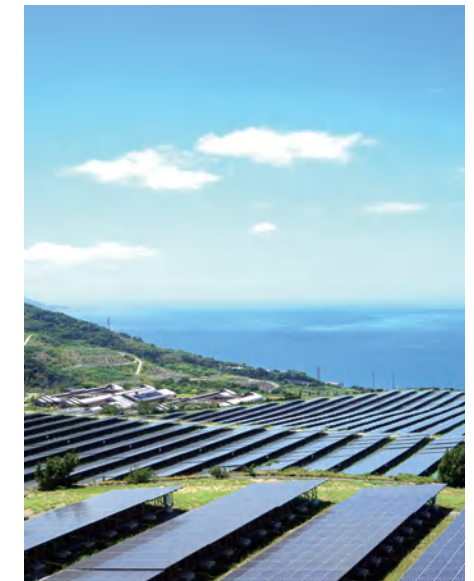
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Regarding This Report

Report Introduction

This report is the "2024 Environmental, Social, and Corporate Governance Report" (referred to as "ESG Report" or "this Report") released by Tangshan Haitai New Energy Technology Co., Ltd. (hereinafter referred to as "Haitai Solar" or "the Company"), reflecting the Company's performance in environmental, social, and corporate governance (referred to as "ESG") aspects in 2024.

Basis of Preparation

This report was prepared concerning the *Beijing Stock Exchange Listed Companies Sustained Supervision Guideline No. 11 - Sustainability Report (Trial Implementation)* and the Global Reporting Initiative's *Sustainability Reporting Standards (GRI Standards 2021)*,. This report highlights Haitai Solar's efforts in advancing ESG initiatives. The preparation of this report adheres to the principles of materiality, quantification, balance, and consistency.

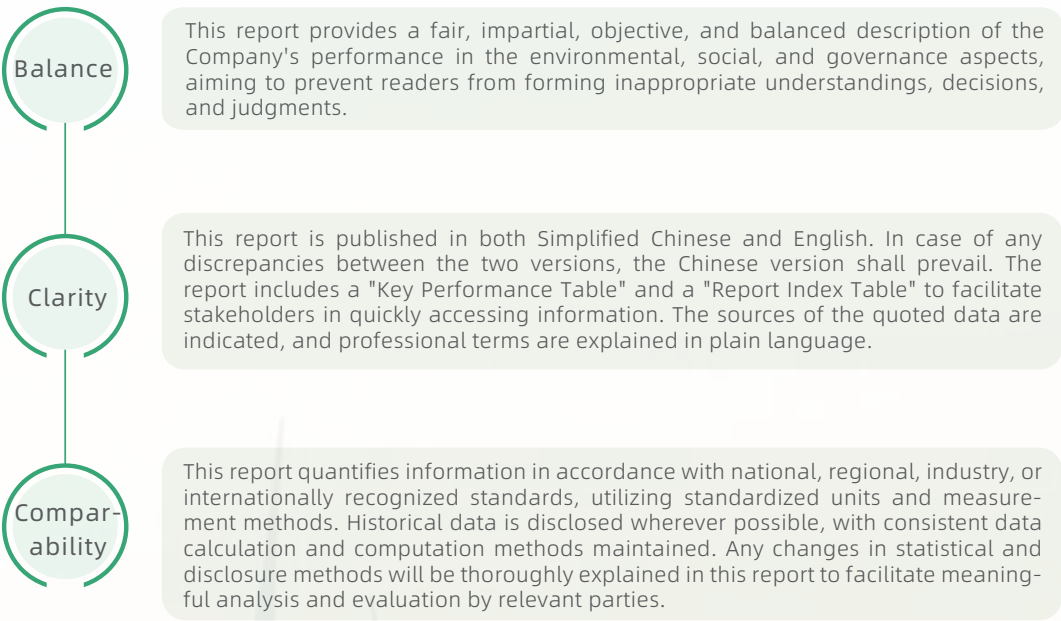
Report Scope and Publication Frequency

The scope of disclosure in this report is consistent with Haitai New Energy's 2024 annual report, covering Haitai New Energy and all its wholly-owned and controlling subsidiaries. This report is an annual report, and unless otherwise specified, the reporting period is from January 1, 2024 to December 31, 2024. To ensure the continuity and comparability of disclosed information, some content may pertain to periods beyond the reporting period. The currency unit referred to in the report is RMB unless otherwise specified.


For the convenience of viewing and quick retrieval, the full name of the Company along with its commonly used abbreviations are organized and listed as follows:

Definition Project		Definition
Haitai New Energy, the Company, we	Means	Tangshan Haitai New Energy Technology Co., Ltd.
Board of Directors	Means	Board of Directors of Tangshan Haitai New Energy Technology Co., Ltd.
Reporting period	Means	From January 1, 2024 to December 31, 2024.
RMB, RMB 10,000	Means	RMB, RMB 10,000


Principles of Report Compilation




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2 Chairman's Address

In the new era of global sustainable development, Haitai Solar consistently upholds the mission of "Committed to providing high-quality products and services, making solar more valuable", committed to promoting the popularization and application of clean energy through technological innovation and responsible practices. We recognize that the long-term development of enterprises relies not only on economic benefits but also on continuous investment in and commitment to environmental, social, and governance (ESG) aspects.

In 2024, Haitai Solar achieved substantial profit growth through precision management and technological innovation. Aligned with the corporate vision of "To become a more valuable green energy intelligent manufacturer", the Company continuously expands its business segments into nine major business segments including PV modules, PV power stations, PV mounting systems, energy storage, hydrogen energy, wind energy, PV cells, graphite electrodes, and battery swapping.. We are committed to providing high-quality products and services.

Haitai Solar has made significant progress in the ESG domain. The Company has reduced carbon emissions in the production process through green manufacturing and eco-designed products. It has improved resource efficiency through responsible procurement and supply chain management. Technological innovation and research collaborations have advanced photovoltaic technology breakthroughs and cost reductions. Compliance governance and employee care have fostered a harmonious, transparent, and sustainable corporate culture. Leveraging its strengths, the Company actively participates in rural revitalization efforts, notably contributing to the photovoltaic project development in Zhangbei County, supporting local clean energy initiatives, and engaging in philanthropic activities. These endeavors not only enhance product quality and services for customers but also contribute to society's green transformation.

Looking ahead, Haitai Solar will continue to prioritize sustainable development, deepen ESG practices, and actively address global challenges such as climate change and resource scarcity. The Company will uphold a dual focus on technological innovation and ethical responsibility, promoting the widespread adoption of green energy technologies to achieve carbon peaking and carbon neutrality goals and build a better world. With social responsibility at the forefront, the Company will seek the optimal balance between economic benefits, social responsibility, and environmental protection. With higher standards, innovative thinking, and practical measures, the Company is prepared to meet the challenges of the times and contribute to global sustainable development with the strength of Haitai Solar.

3 Regarding Haitai Solar

Company Overview

Haitai Solar (Stock Code: 835985), founded in 2006, is a high-tech enterprise focused on green energy. We cover nine major business segments including PV modules, PV power stations, PV mounting systems, energy storage, hydrogen energy, wind energy, PV cells, graphite electrodes, and battery swapping. We are committed to providing systematic and valuable green energy solutions to global customers. Haitai Solar's marketing network covers the globe, and our high-quality products and services are well received by customers worldwide.

In the first quarter of 2025, the Company was recognized as a Tier 1 solar component manufacturer by Bloomberg New Energy Finance. As a smart manufacturer in renewable energy Haitai Solar will drive the development of green energy and lead the transformation of the energy era through technological innovation.



Corporate Vision

To become a more valuable green energy intelligent manufacturer



Corporate Mission

Committed to providing high-quality products and services, making solar more valuable



Core values

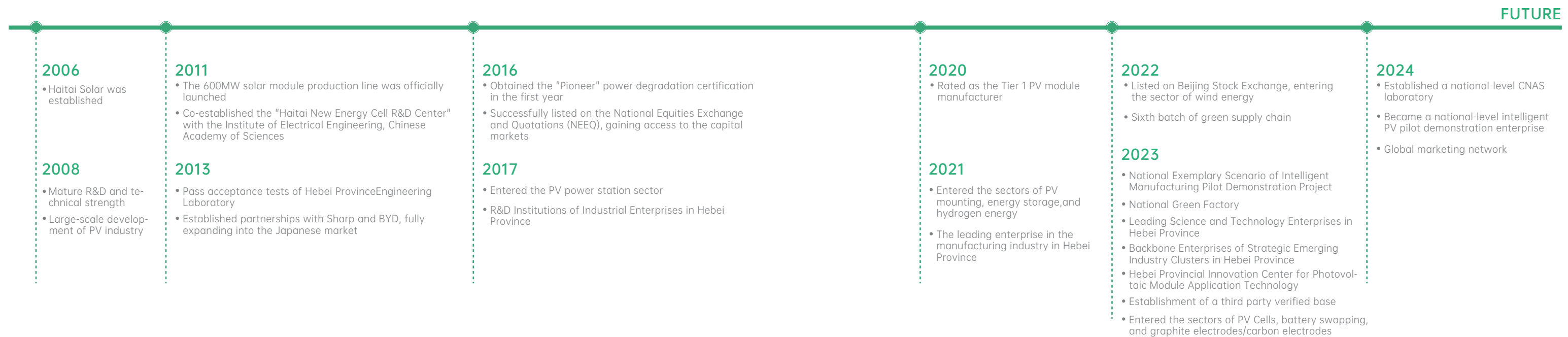
Customer Success: Achieving customer success is achieving our own success.

Open-mindedness: Embrace changes with an open mind to create success together.

Full Commitment: Give full commitment to creating value for customers and contributing to the company's continuous growth.

Pursuit of Excellence: Continuously pursue higher goals under the guidance of our mission and vision.

Development History



◎ Business Layout



90MW Golmud Pioneer Project



130MW Pioneer Base in Ruicheng, Shanxi Province, exclusively supplied by Haitai



20MW Guangdong Energy Foshan Logistics Park Rooftop



100MW Pioneer Project in Baicheng



50MW Project in Hezhang, Bijie, Guizhou



9.9MW 9.9MW in Kyoto, Japan



2.5MW in Germany



13MW in Zaratan, Spain



100MW Agri-photovoltaic Complementary in Muqiao Village, Yinji Township, Xiangyang City



2MW Photovoltaic + Coal-to-Electricity in Hebei



260MW Fishery Photovoltaic Complementary Project in Binzhou



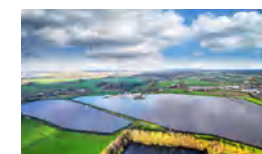
4MW Kangyuan Pharmaceutical



60MW in Yiyang, Hunan



1MW in Lithuania

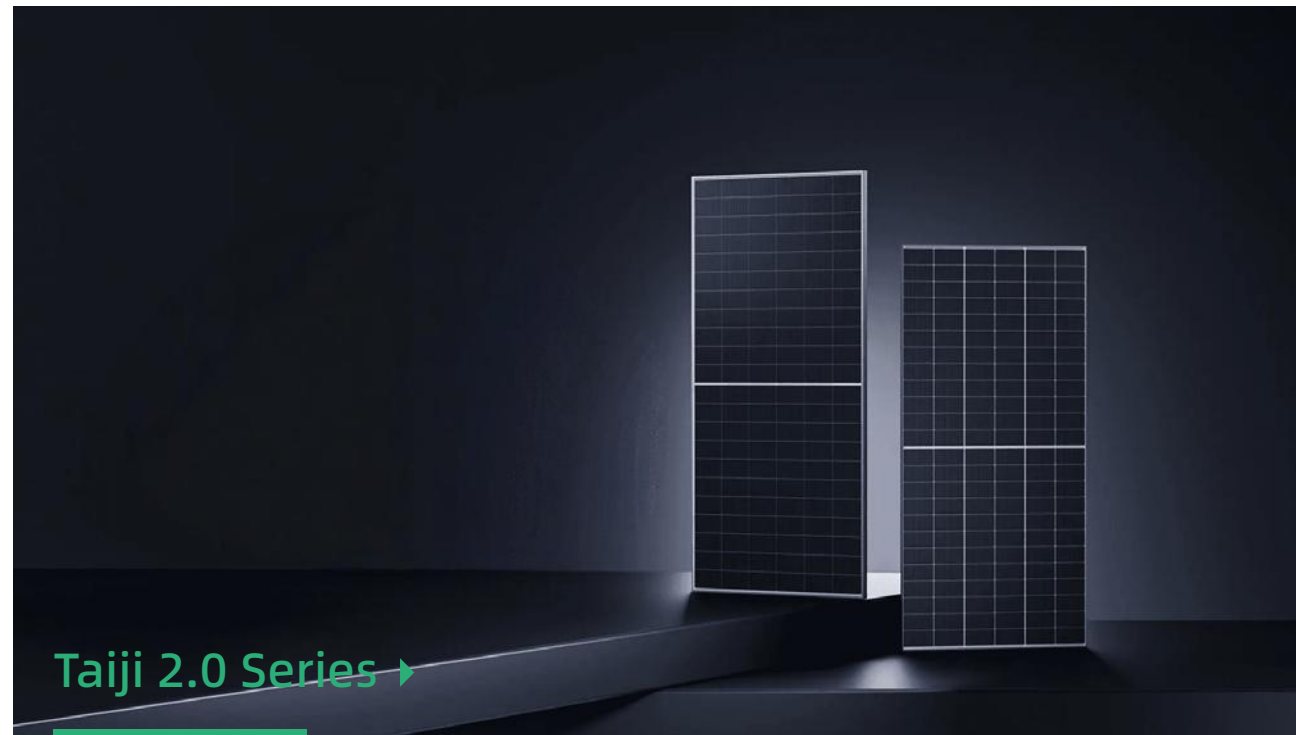


30MW in TOPCon, Netherlands, 675w



2.3MW in Chiba Prefecture, Japan

◎ Product introduction



Taiji 2.0 series single-glass single-crystal high-efficiency photovoltaic modules use N-type TOPCon cell technology and SMBB technology, and have the core characteristics of low attenuation, high power, and high conversion efficiency. Its half-cell design and low temperature coefficient significantly reduce the operating temperature and effectively reduce temperature rise losses; its excellent weak light response ability and anti-hot spot performance ensure stable and efficient power generation performance under complex lighting conditions.

Product advantages

- Low temperature coefficient
- Half-chip design
- High conversion
- Excellent weak light response
- High power
- Excellent anti-hot spot performance
- Low attenuation



Taihe 2.0 series double-glass single-product high-efficiency photovoltaic modules are equipped with N-type TOPCon cell technology and SMBB technology, integrating the core advantages of low attenuation, high power and high conversion efficiency. With a double-glass structure design and a bifacial rate of up to 80%, while achieving back-side power generation gain, it exhibits stronger mechanical strength and extreme environmental adaptability - the performance of acid and alkali corrosion resistance, wind and sand impact resistance, and salt spray erosion resistance are better than traditional modules, providing reliable power generation guarantee for harsh scenes such as high humidity, high salt spray, and dust.

Product advantages

- High bifaciality
- High conversion
- Strong environmental adaptability
- High power
- Corrosion resistance
- Low attenuation

Energy Storage Systems ▶

The energy storage systems comprise three product series: residential energy storage systems, commercial energy storage systems, and container energy storage systems. These products employ high-quality LFP batteries, intelligent BMS systems, modular design, comprehensive multi-level battery protection strategies, and fault isolation measures. They are characterized by high conversion efficiency, long lifespan, low installation costs, and system safety and stability.

Product advantages

Long life, high safety, high efficiency/intelligent digitalization/software and hardware multi-level protection/modular design, easy to expand, install, operate, and maintain.



Outdoor cabinet-type photovoltaic storage integrated machine



Liquid-cooled energy storage battery container system



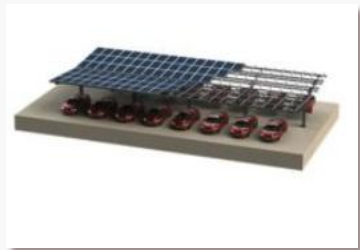
Household inverter



Industrial and commercial energy storage system

Mounting Systems ▶

We have developed four types of mounting systems for different scenarios, including Solar Carport Mounting Systems, Agricultural Shed Mounting Systems, Roof Mounting Systems, and Ground Mounting Systems. Tailoring to specific usage scenarios, we provide customized services considering heat resistance, frost resistance, moisture resistance, and mounting strength for our customers.



Photovoltaic carport bracket system



Agricultural shed bracket system



Roof bracket system



Aluminum alloy ground bracket system



Hot-dip galvanized steel structure ground bracket system



Galvanized aluminum-magnesium steel structure ground support system

Product introduction

Haitai photovoltaic carport bracket system is a new type of photovoltaic building integrated waterproof carport bracket system, suitable for industrial, commercial and household photovoltaic carport bracket solutions.

Product introduction

Haitai agricultural shed bracket system is a bracket system that combines agriculture and photovoltaic systems, suitable for agricultural, fishery and other agricultural and photovoltaic complementary bracket solutions.

Product introduction

Haitai roof bracket system is a multi-style photovoltaic bracket system, suitable for industrial, commercial and household roof bracket solutions.

Product introduction

Haitai aluminum alloy ground bracket system is a traditional and popular bracket system suitable for highly corrosive environments such as coastal areas, suitable for ground bracket solutions for flat land, mountainous areas, and highly corrosive environments.

Product introduction

Haitai hot-dip galvanized steel structure ground bracket system: The main body is designed with all-carbon steel, which is effectively anti-corrosive and can be used for a long time in outdoor environments. It is suitable for large ground bracket solutions for flat land and mountainous areas.

Product introduction

Haitai galvanized aluminum-magnesium steel structure ground support system is a new material photovoltaic support system, suitable for ground support solutions in highly corrosive environments such as flat land, mountainous areas and coastal areas.

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Significant Honors and Awards
(2022-2024)



Award Name	Awarding Entity	Award Year
Top Ten Valuable Companies Listed on the Beijing Stock Exchange	Securities Times	2024
Taxpayer of Large Scale Outstanding Technology Enterprise Outstanding Growth Enterprise	The Communist Party Committee of Yutian County and the People's Government of Yutian County	2024
National-level intelligent photovoltaic pilot demonstration enterprise National-level green factory	Ministry of Industry and Information Technology	2024 2023
National-level exemplary scenarios for intelligent manufacturing pilot demonstration projects	Ministry of Industry and Information Technology	2023
Hebei Province Digital Transformation Maturity Standard Implementation Pilot Enterprise List of Green Supply Chain Management Enterprises	Hebei Provincial Department of Industry and Information Technology	2023 2022
Hebei Province Key enterprise of strategic emerging industry cluster	Hebei Provincial Development and Reform Commission	2023
High-tech enterprise Leading technology enterprise in Hebei Province Hebei Province Photovoltaic Module Application Technology Innovation Center	Hebei Provincial Department of Science and Technology	2023
In 2024, the Company ranked among the top forty enterprises in the electronic information industry in Hebei Province in terms of competitiveness	Hebei Information Industry and Informatization Association	2024
In 2023, the Company was listed among the top one hundred enterprises in electronic information competitiveness in Hebei Province	Hebei Information Industry and Informatization Association	2023
National leading brand in the solar photovoltaic industry in terms of quality National leading enterprise in the solar photovoltaic industry in terms of quality, Nationally stable qualified products in quality inspections	China Quality Inspection Association	2023
Most Influential Brand Award Haitai Solar's Taihe 2.0 series TOPCon Gold Module Award	PV Golden Panther Award Organizing Committee Meyer Solar	2024
2024 PV Guangzhou Strategic Partner 2024 Top-tier Photovoltaic Module Enterprise 2024 Outstanding Photovoltaic Enterprise	World Solar Photovoltaic and Energy Storage Industry Expo	2024
The 13th "Polaris Cup" 2024 Annual Influential Solar Module Brand	Polaris Solar Photovoltaic Network	2024
2024 Solar Innovation Award in Photovoltaic Technology	International Energy Network State Power Energy Research Institute	2024
2024 Global Top 500 New Energy Enterprises	China Energy News and China Energy Economics Research Institute	2024
2023 Annual Golden Bull Entrepreneur Innovation Award 2023 Annual Golden Bull Rising Star Award	China Securities Journal	2024
2024 Extreme Cold Performance Award	China Testing and Certification International Group Co., Ltd.	2024
2024 Annual Advanced Safety Production Unit	Tangshan City Safety Production Association	2025

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ESG Highlights Performance (2024)

Financial
Performance

- Operating income of RMB 3.8 billion

ESG Governance

- Established a three-tier ESG management system with the board of directors as the highest decision-making body;
- Conducted substantive issue investigations and analyses for the first time based on the materiality principle;
- Initiated ESG training for enhanced high-quality corporate disclosures.

Corporate
Governance

- Awarded the "Top Ten Valuable Companies Listed on the Beijing Stock Exchange";
- The board of directors comprises 8 members, including 2 female directors, accounting for 25%; 3 independent directors, accounting for 37.5%;
- Successfully held 6 board meetings with a 100% attendance rate of board members;
- We have gradually improved the construction of the internal control system and achieved a comprehensive improvement in operational efficiency and risk prevention and control capabilities by improving institutional processes, strengthening risk management and improving compliance levels.

Environmental
Aspect

- Total environmental protection investment amounted to RMB 14.18 million;
- Awarded the "National Green Supply Chain Management Enterprise" award;
- Awarded the "National Green Factory" title;
- The production of monocrystalline silicon solar modules (product model HTM525~545MH5-72) was honored as a "National Green Design Product";
- Photovoltaic module products obtained carbon footprint certification;
- Implemented a special energy-saving and emission reduction action plan for 2024, resulting in cost savings of RMB 2.2014 million through energy conservation and emission reduction throughout the year;
- Conducted comprehensive identification and management of climate-related risks and opportunities for the first time;
- Greenhouse gas emissions per million RMB of revenue (Scope 1 and Scope 2) reached 5.24 tons of carbon dioxide equivalent (tce).

Social Aspect

- The total number of R&D personnel in the Company is 213, accounting for 13.02%. The total R&D investment amounted to RMB 140.68 million, representing 3.70% of operating income;
- Collaborated with Tsinghua University on a project for the transformation of key technologies in new photovoltaic energy storage converters;
- Haitai Solar has obtained the IEC 62941 Photovoltaic Module Manufacturer Quality Management System Certification, and both Haitai Solar and its 9 wholly-owned subsidiaries have obtained ISO 9001 Quality Management System Certification;
- The company has a total of 2,510 full-time employees, with females accounting for 34.82%;
- Employees received a total of 1,698 hours of training;
- Completed 1,184 hours of employee safety training;
- Charity donations amounted to RMB 115,000.

Sustainable Development Management

◎ Sustainable Development Concept

Haitai Solar adheres to a sustainable development concept of "initiating green energy sources, leading with innovation, advancing through collaboration for mutual success, and benefiting all parties." This concept deeply aligns and resonates with the corporate mission of "dedication to providing high-quality products and services to enhance the value of solar energy."

Source Green Energy

- Rooted in the fertile soil of energy, the Company is committed to initiating a green future with the concept of "Source Green Energy";

Leading with Innovation and Wisdom

- Adhering to the principle of "Leading with Innovation and Wisdom," the Company meticulously studies innovative achievements to empower global development through Haitai Solar;

Collaboration, progress, and mutual benefit

- Adhering to the covenant of "collaboration, progress, and mutual benefit," the Company joins hands with stakeholders to bravely navigate through the waves of development;

Four-Way Benefit

- Implementing the "Four-Way Benefit" initiative, focusing on social responsibility to strengthen the foundation for the future.

◎ ESG governance framework

Haitai Solar has established a three-tier ESG management system with the Board of Directors as the highest decision-making body. This governance structure, consisting of the "decision-making layer - management layer - execution layer," integrates ESG governance into the Company's daily operational management.

The Company steadfastly implements the "disclosure promotes management" concept. On one hand, it comprehensively and deeply conducts ESG information disclosure work as the cornerstone to construct and continuously optimize ESG strategies and management system architecture, progressively solidifying the foundation for sustainable development, and enhancing the Company's sustainable development potential comprehensively. On the other hand, the Company attaches great importance to ESG risk management, gradually integrating ESG risk management into the Company's daily operational risk control processes, accurately identifying and scientifically evaluating potential ESG risk factors, proactively formulating response strategies, comprehensively fortifying risk defenses, ensuring the Company's steady progress on the path to high-quality development.

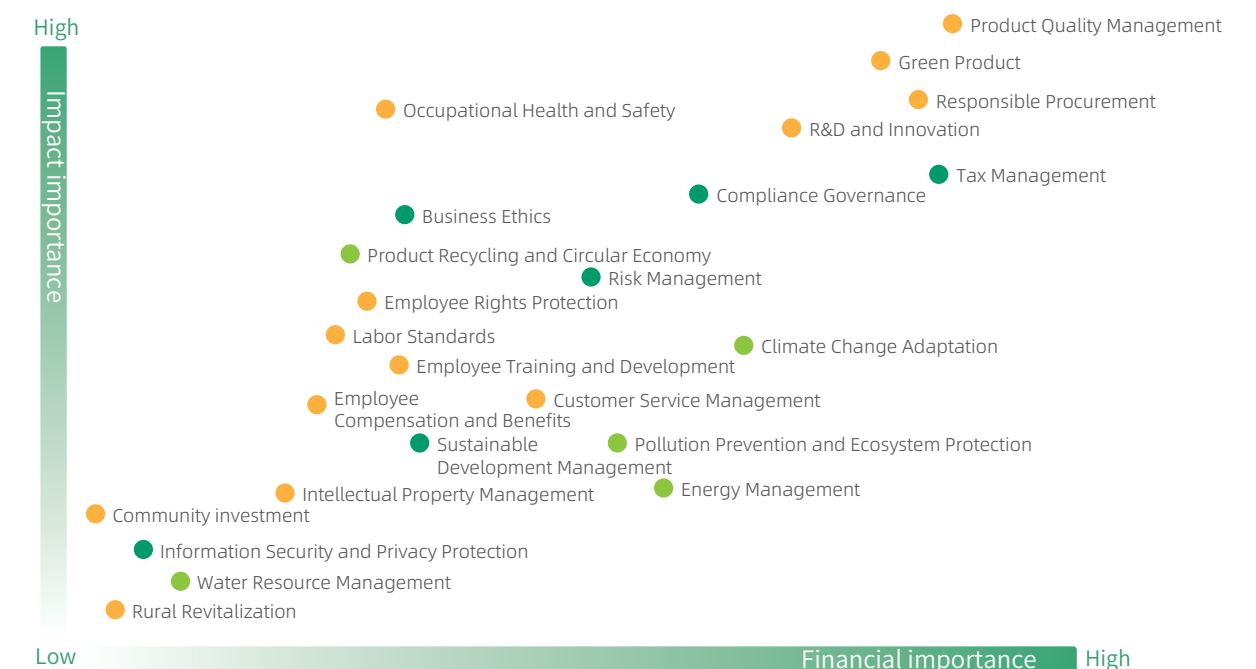
During the reporting period, the Company conducted ESG-specific training and initiated an ESG reporting workshop for the Board members, ESG team members, functional departments, and business unit leaders. The aim was to comprehensively enhance the deep understanding of ESG concepts among the core management and key executive departments of the Company, strengthen their ability to integrate ESG elements into daily operational decisions, and lay a solid foundation for the comprehensive implementation of ESG management practices throughout the entire company in the future.

Decision-making level	Management team	Executive layer
Board of Directors	ESG Committee	Various functional departments and business units
<p>Responsible for overseeing ESG issues such as climate change, safety in production, and regulatory compliance, holding the highest authority and ultimate responsibility in ESG matters;</p> <p>Comprehensively supervising and approving the Company's ESG strategic planning, ESG goal setting, ESG policy formulation, and implementation;</p> <p>Responsible for approving matters related to ESG annual reports and ESG risk and opportunity management.</p>	<p>The Vice President of the Company serves as the team leader, with a Board member as the deputy team leader, responsible for coordinating ESG-related efforts and establishing sustainable development goals for the Company;</p> <p>The Board Secretary and the Director of the President's Office are responsible for drafting the annual ESG work schedule and action plans;</p> <p>The Vice President of the Company and the Manager of the Marketing Department are tasked with continuously monitoring the Company's ESG performance, comprehensively identifying ESG risks and opportunities;</p> <p>The Executive Secretary is responsible for coordinating with various functional departments and business units of the Company to implement the ESG work plan and ensure the execution of ESG initiatives.</p>	<p>Responsible for identifying and evaluating the impact of ESG-related risks, including climate change, on the Company's business operations;</p> <p>Responsible for collaborating with the ESG team to complete ESG information disclosure and enhance ESG management;</p> <p>Regularly report on the progress of ESG goals, provide feedback, summarize, and report on ESG work issues and effectiveness.</p>

◎ Materiality Issue Analysis

Haitai Solar invited various stakeholders to participate in a research project on materiality topics, collecting viewpoints from over 100 internal and external stakeholders. During the reporting period, the Company conducted its inaugural Double Materiality Assessment, comprehensively analyzing the impact of ESG issues on the company's financial performance, as well as its economic, environmental, and social aspects.

The Company presents the overall importance priority of various topics in a matrix format, identifying 24 topics of significance, with 6 topics classified as having a high level of "dual materiality".



Haitai Solar's 2024 Materiality Issue Matrix





● Corporate governance issues ● Environmental issues ● Social issues




The Materiality Issue Matrix is reviewed and confirmed by the Board of Directors. For highly "dual materiality" issues, we comprehensively summarize information related to "strategy," "impacts, risks, and opportunities," "indicators and targets," and emphasize disclosing management practices in the report. Additionally, we will focus on ESG risk management, actively seize opportunities, and promote Haitai Solar's high-quality sustainable development.

Topic	Strategy	Impacts, Risks, and Opportunities	Indicators and Targets	Chapter location
Product Quality Management	Ensuring high reliability and long lifespan of photovoltaic module products through rigorous quality management systems and end-to-end monitoring.	High product quality enhances customer trust and satisfaction, thus elevating the Company's reputation within the market.	Contract fulfillment rate is 100%; customer satisfaction rate exceeds 90% and increases annually.	Innovation-driven, excellence in quality.
Green Product	Dedicated to producing low-carbon, environmentally friendly photovoltaic modules, the Company has obtained certifications for "Green Design Products" and carbon footprint certificates.	Green production may require increased initial investment but aligns with the global trend of sustainable development.	Obtained national-level certifications for "Green Supply Chain" and "Green Design Products".	Clean energy, low-carbon future.
Responsible Procurement	Implementing green supply chain management involves prioritizing suppliers that comply with environmental and social responsibility standards.	Responsible procurement may increase purchasing costs but reduces supply chain risks, enhancing trust from customers and investors towards the company.	The Company considers ESG factors in the processes of supplier admission, assessment, and exclusion.	Synergizing the supply chain for green mutual benefits.
R&D and Innovation	Continual investment in R&D to drive the advancement of photovoltaic technology and enhance cost-effectiveness.	Technological innovation enhances product performance, reduces production costs, and strengthens market competitiveness.	The total R&D investment was RMB 140.68 million, accounting for 3.70% of total revenue.	Innovation-driven, excellence in quality.
Tax Management	The Company strictly adheres to tax laws, optimizes its tax structure to ensure compliance, and reasonably reduces its tax burden.	Compliant tax management reduces corporate tax burden, optimizes financial structure, and enhances profitability.	The tax amount reached RMB 190.03million.	The Path of Sunshine, Steady Progress for Long-Term Achievement.
Compliance Governance	Enhanced compliance management system, optimized internal controls, ensuring operations align with domestic and international laws, regulations, and industry standards.	A robust compliance management system reduces legal risks, enhances corporate reputation, and boosts investor confidence.	Strengthen training and dissemination on anti-corruption and anti-unfair competition.	The Path of Sunshine, Steady Progress for Long-Term Achievement.

◎ Stakeholder Communication

Stakeholders	Expectations and Demands	Communication and Response
 Government and regulatory authorities	Compliance operations Driving industry development Tax compliance Responding to national policies	Participate in policy research and planning; abide by laws and regulations, accept supervision; implement national policies.
 Shareholders and investors	Compliance Operations Information Disclosure Risk Management	Fulfill disclosure obligations, enhance investor communication channels; improve risk management systems and integrate ESG risk management into the Company's overall risk management.
 Customer	Stable production to ensure supply Sustainable supply chain Product quality enhancement Integrity and anti-corruption efforts	Implement strict quality control and monitoring, lean production to ensure supply efficiency and product quality; establish a comprehensive anti-fraud system and processes, and support suppliers in developing their own anti-fraud and anti-corruption policies.
 Employees	Career advancement pathways Compensation and performance system Welfare and care policies Occupational health and safety	Clear career advancement paths and planning; implement equal pay for equal work, provide performance feedback and appeal channels; enrich various employee welfare benefits; improve occupational health and safety management system.

Stakeholders	Expectations and Demands	Communication and Response
 Community and non-governmental organizations	Environmental protection, community investment, philanthropic activities.	Participate in community project collaborations, charity donations, volunteer services, and engage in non-governmental organization conferences.
 Industry association	Promoting industry development, sharing technology and expertise, advocating against monopolies and ensuring fair competition.	Industry exchange seminars; enhancing the Company's risk management in anti-monopoly and fair competition.
 Media	Disclosure of Information Communication and Dialogue	Timely disclose information through official websites, newspapers, online media, and other channels.

01

The Path of Sunshine Steady Progress for Long-Term Achievement

Benchmarking against the UN SDGs



Key Issues

- Compliance Governance
- Risk Management
- Business Ethics
- Tax Management
- Information Security and Privacy Protection

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1 Corporate Governance and Compliance Operations

Haitai Solar consistently regards compliant operations as a solid foundation for the long-term development of the enterprise, adhering to the principles of compliance, efficiency, and transparency in corporate governance. The Company continuously optimizes its governance mechanisms, comprehensively enhances its governance standards and market competitiveness, providing a solid guarantee for achieving sustainable development goals.

Corporate governance philosophy



COMPLIANCE



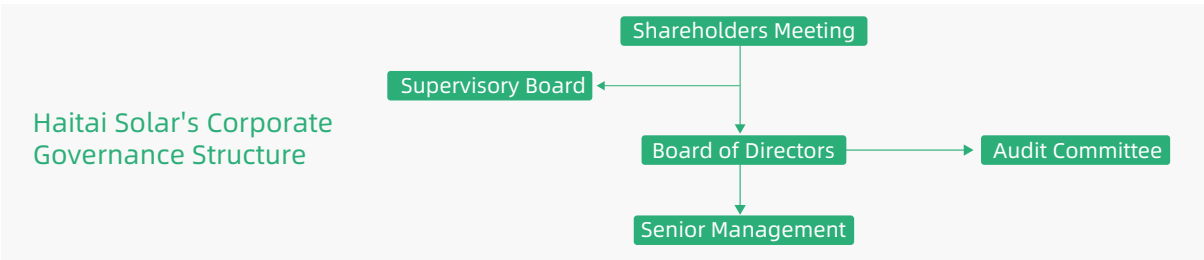
EFFICIENT



TRANSPARENT

◎ Corporate Governance

Haitai Solar strictly adheres to relevant laws and regulations such as the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, *Beijing Stock Exchange Listing Rules (Trial)*, and *Beijing Stock Exchange Continuous Supervision Measures for Listed Companies (Trial)*, to establish an efficient corporate governance structure composed of the shareholders' meeting, the board of directors, and senior management.



The Company formulates and publicly discloses the "Articles of Association," "Rules of Procedure for Shareholders' General Meetings," "Rules of Procedure for Board Meetings," "Rules of Procedure for Supervisory Board Meetings," and "Independent Director Working System," among other relevant regulations. This establishes a clear delineation of rights and responsibilities and a standardized corporate governance mechanism, actively advancing the improvement of the corporate governance structure to ensure that all operational activities are conducted in accordance with the law, compliant, and efficient. The convening, holding, and voting procedures of the Company's shareholders' general meetings, board of directors, and supervisory board strictly adhere to relevant laws and regulations, ensuring that each governance body fulfills its corresponding rights and obligations in accordance with the law. In the process of making significant operational decisions, investment decisions, and financial decisions, the Company consistently follows the procedures and rules stipulated in the "Articles of Association" and related regulations to ensure the transparency and scientific nature of decision-making.

The Company's directors, supervisors, and senior management regularly receive specialized training on regulatory policies, industry trends, risk management, legal compliance, ESG management, etc., from regulatory authorities, industry associations, and internal organizational units. This practice further enhances corporate governance standards, promotes compliant operations and sustainable development, effectively safeguards shareholders' interests, and establishes a solid foundation for long-term value creation for the Company.

◎ Board of Directors' Effectiveness and Diversity

The Board of Directors of Haitai Solar bears the responsibility of formulating strategic decisions, reviewing key matters, and supervising the Company's operations. The Company appoints and dismisses directors and supervisors in accordance with the "Company's Articles of Association", ensuring that the Board of Directors and the Supervisory Board fully exercise their powers, effectively fulfill their duties, and ensure the scientific nature and compliance of corporate governance and major decisions. During the reporting period, the Company successfully held six Board meetings with a 100% attendance rate of Board members, with no director attending less than 75% of the meetings. Board members thoroughly discussed and voted on various proposals to ensure the effectiveness of the Board and to guarantee that corporate decisions are compliant, rigorous, and efficient.

Haitai Solar conducts board elections every three years. When selecting board members, the Company adheres to a meritocracy principle, and actively promotes diversity by achieving equilibrium across professional expertise, skills, cultural, educational backgrounds, age, gender, and other factors, to ensure multidimensional perspective and enhanced decision-making capacity. All independent directors rigorously maintain independence and exercise their fiduciary duties with due diligence, playing a pivotal role in ensuring corporate governance compliance.

During the reporting period, the Company's board of directors consisted of 8 members, including 2 female directors, accounting for 25%; and 3 independent directors, representing 37.5%.

On January 15, 2025, the Company held the first meeting of the fourth Board of Directors, where the proposal to elect members of the Audit Committee of the fourth Board of Directors was reviewed and approved. Independent directors accounted for 66.67% of the Audit Committee.

◎ Core responsibilities	Make strategic decisions	Review key matters	Supervise company operations
	Focus on the long-term and plan the company's development direction and path	Rigorous review and judgment of major company matters	Ensure that the company's daily operations are in line with strategic goals and regulatory requirements
✿ Organizational structure and power protection	Selection and appointment mechanism	Power exercise protection	
	Strictly follow the "Company Articles of Association" and fairly select and appoint directors and supervisors	Fully support the board of directors and the board of supervisors to perform their duties and ensure equal rights and responsibilities	
✿ Change of term and diversity	Change of term cycle	Member selection principles	Gender and the independent director ratio
	The board of directors will be renewed every three years to maintain the vitality and stability of the team	Adhere to the principle of employing people based on their talents, focus on diversity, and cover multi-field experience, skills, and backgrounds	Among the 8 board members, female directors account for 25% and independent directors account for 37.5%, promoting diverse perspectives and independent supervision

Investor Protection

Haitai Solar strictly adheres to relevant laws and regulations such as the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, and the "Company's Articles of Association". The Company designates the Board Secretary as the person in charge of investor relations management, responsible for receiving and addressing inquiries from investors, effectively safeguarding investors' legitimate rights and interests.

The Company maintains close communication with investors through various channels and methods such as the company's official website, official WeChat account, investor hotline, on-site surveys, performance briefings, regular/ad hoc announcements, etc., to address investor inquiries, ensure timely information dissemination and interaction, and fully safeguard investors' right to information. The Company continuously learns advanced investor relations management practices to enhance information transparency and investor service quality, striving to build a more solid investor relationship and establish a reputable image in the capital market. During the reporting period, Haitai Solar conducted a total of 2 performance briefings, receiving a total of 33 investor inquiries, with a response rate of 100.00%.

The Company places a high priority on investor returns, rigorously evaluating annual performance and business development trends comprehensively and thoroughly with a responsible attitude. Cash dividends are distributed accordingly. Haitai Solar's 2023 profit distribution plan was approved at the 2023 Annual General Meeting (AGM) on May 21, 2024. Under this plan, shareholders of record will receive a cash dividend of RMB 2.2 per 10 shares, with a total distribution of RMB 67 204 7.64 million.



Compliance and Communication

·**Compliance with laws and regulations:** Haitai New Energy strictly abides by the "Company Law of the People's Republic of China", "Securities Law of the People's Republic of China" and other laws and regulations and the "Articles of Association" to ensure the standardization of the company's operations and governance.

·**Investor Relations Management:** The Secretary of the Board of Directors is designated to be responsible for investor relations management. Through the official website, public account, hotline, on-site survey, performance briefing, announcement, and other channels, we maintain close contact with investors, answer questions promptly, protect investors' right to know, and transmit information efficiently and transparently.



Interaction and Service

·**Performance Briefing:** Two performance briefings were held during the reporting period, and the response rate to investors' questions reached 100.00%, effectively promoting in-depth interaction with investors.

·**Experience Improvement:** Actively learn advanced management experience, continuously improve information transparency and service quality, and strive to build a stable investor relationship and establish a standardized image of the capital market.

The company answers investor questions at a rate of 100%

100 %



Return and Dividends

·**Attach importance to investment returns:** Attach great importance to shareholder investment returns, rigorously evaluate annual performance and operating trends, and implement cash dividends accordingly.

·**2023 Dividend Plan:** The 2023 annual equity distribution plan was approved by the shareholders' meeting on May 21, 2024, with a cash dividend of RMB 2.2 per 10 shares, a total cash dividend of RMB 67 204 7.64 million, effectively giving back to shareholders.

Total cash dividends in 2023

RMB 67 204 7.64 million

Risk Management and Tax Compliance

Internal Control

Haitai Solar has established an internal control system tailored to the Company's current stage of development. The Board of Directors is responsible for the enhancement and effective implementation of internal controls. The Board has an Audit Committee that is responsible for reviewing the Company's financial information and disclosure, overseeing and evaluating both internal and external audit activities, and other related functions. The Supervisory Board oversees the establishment and implementation of internal control by the Board of Directors. The management is responsible for organizing and leading the daily operation of the Company's internal controls. The Company has established a scientifically effective division of responsibilities and a balancing mechanism, which effectively controls management functions at all levels, providing robust support for the operation and risk management of the Company's various businesses. Furthermore, the Company continually updates and enhances relevant systems according to its development, ensuring the Company's healthy and smooth operation.

The Company conducts an annual internal control self-assessment, encompassing Tangshan Haitai New Energy Technology Co., Ltd. and its subsidiaries, with the total assets of the units within the scope accounting for 100% of the Company's consolidated financial statement assets, and the total operating revenue accounting for 100% of the Company's consolidated financial statement revenue. The assessment scope includes governance and organizational structure, human resources management, corporate culture, financial management, sales and receivables management, external investment management, guarantees and related party transactions, procurement management, physical asset management, research and development, quality management, and information systems. As of the internal control assessment report reference date, the Company has comprehensively reviewed its internal control system and found no significant deficiencies or material weaknesses related to financial or non-financial reporting, indicating effective internal control operation.

Internal control self-assessment scope

- | | | | |
|---|---------------------------------|---------------------------------------|-------------------------|
| ■ Governance and organizational structure | ■ Human resources management | ■ Corporate culture | ■ Financial management |
| ■ Sales and collection management | ■ Foreign investment management | ■ Guarantees and related transactions | ■ Purchasing management |
| ■ Physical asset management | ■ Research and development | ■ Quality management | ■ Information system |

◎ Risk Management

The Company continues to advance its risk management efforts, optimizing risk management mechanisms to enhance risk management capabilities, ensuring effective response to external environmental changes and potential risks, and achieving long-term stable development. Within the Company's risk management framework, the Risk Assessment Team is responsible for comprehensive risk management tasks, including identifying, assessing, controlling, and monitoring potential financial, technical, legal, and operational risks during project implementation. This team is led by the General Manager, leveraging the General Manager's precise control over operational details to ensure that risk management aligns with the Company's business realities.

The key tasks of the Company's Risk Assessment Team include developing risk management plans, conducting risk analysis and assessment, establishing and implementing risk response measures, and regularly reviewing and updating risk assessment strategies. With the effective operation of the risk assessment committee, the Company's project success rate is significantly improved, ensuring the effective safeguarding of project progress.

The Company is dedicated to gradually enhancing its risk management training system to cultivate risk awareness among all employees. By conducting risk management training seminars and promotional activities, the Company aims to encourage employee participation in corporate risk management.

Seminar on International Logistics Laws, Regulations, and Risk



On September 14, 2024, the Legal and Compliance Department of Haitai Solar successfully held a seminar on "International Logistics Laws, Regulations, and Risks" as part of a legal training session. During the training, the legal team not only systematically explained relevant legal knowledge but also conducted in-depth analyses of practical issues through typical case studies. They tailored the training to focus on core topics such as international logistics trade terms, settlement risks, and cargo insurance, considering the specific characteristics of the Company's logistics department. Addressing questions raised by logistics department employees, the legal team engaged in thorough discussions with participants and provided detailed answers. This training effectively enhanced the understanding of international logistics-related laws and regulations among logistics department employees, strengthened legal literacy and compliance awareness, helped the team better identify and mitigate risks in practical work, laid a solid foundation for the stable operation of the Company's logistics business, and further improved the Company's risk management capabilities.

Photo of the Risk Management Training Seminar



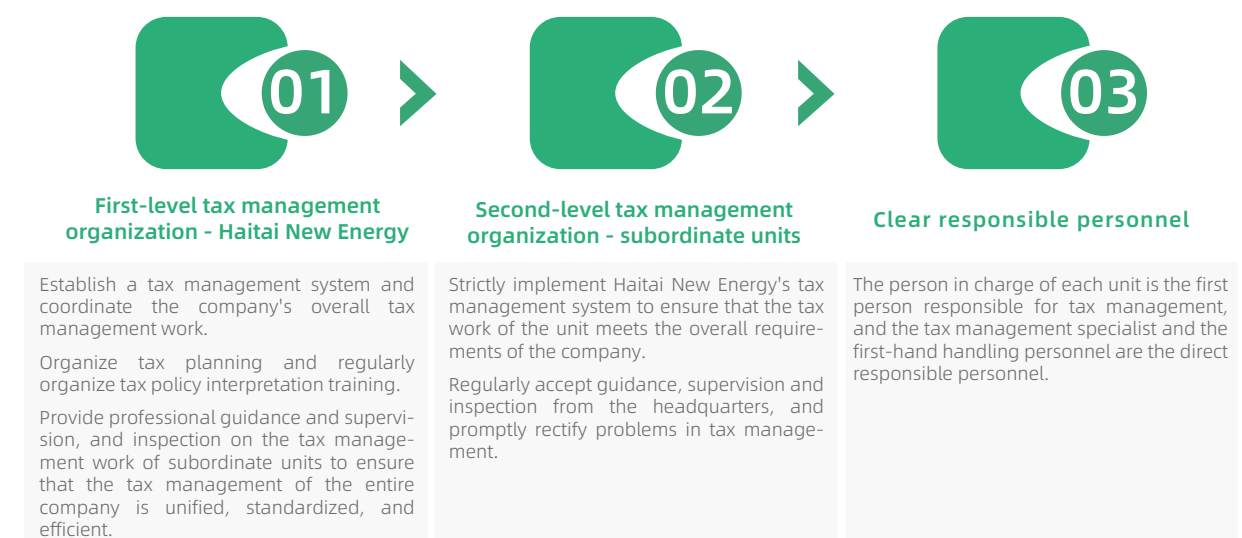
◎ Tax Management

In accordance with the tax laws of the People's Republic of China such as the *Law of the People's Republic of China on the Administration of Tax Collection*, and the *Enterprise Income Tax Law of the People's Republic of China*, the Company has formulated the "Tax Management Measures" based on the actual operational characteristics of Haitai Solar to mitigate tax risks and conduct tax management work for Haitai Solar in a reasonable, legal, and effective manner. Haitai Solar serves as the primary tax management institution responsible for establishing a tax management system, organizing tax planning on the premise of legality and compliance, conducting regular training on tax policies interpretation to ensure synchronization of financial and tax management, and providing professional guidance and supervision for tax management work of subordinate units. The subordinate units of Haitai Solar act as secondary tax management institutions, responsible for implementing Haitai Solar's tax management system and regularly receiving guidance and supervision inspections from the headquarters. The heads of various units within the Company are the primary individuals responsible for tax management, while tax management specialists and frontline staff are the direct personnel responsible for tax matters.

To ensure tax compliance, the Company and its subsidiaries enhance communication between the finance and business departments to thoroughly discuss tax clauses in contracts. The finance department then provides tax advice based on the key contract terms.

The Company and its financial departments of its subsidiaries conduct tax risk identification and management at least once a year, integrating the latest tax policies to analyze tax-related business activities. They comprehensively assess potential tax risks, analyze potential tax liabilities for the Company, formulate tax risk response strategies, establish effective internal control mechanisms, implement corresponding control measures at key control points, and comprehensively manage tax risks. Additionally, the Company and its subordinate units actively cooperate with tax authorities in conducting tax inspections in accordance with the law, and after reviewing the tax inspection conclusions, they develop targeted improvement plans.

Tax management organization setup and responsibilities



3 Code of Business Ethics

Haitai Solar consistently upholds integrity in its operations, prioritizing the establishment of business ethics and actively fulfilling social responsibilities, striving to cultivate a clean and compliant corporate culture. The Company firmly believes that sound business ethics and anti-corruption mechanisms are crucial safeguards for sustainable corporate development. To this end, Haitai Solar continuously strengthens its anti-corruption system, promotes the dissemination of an anti-corruption culture, ensures strict compliance with laws and regulations in its operations, and guarantees that all employees and partners adhere to high ethical standards.

◎ Anti-corruption

1 Anti-corruption management

The Company strictly adheres to relevant laws and regulations on anti-corruption, anti-bribery, anti-fraud, and business ethics in its operating regions. It has established anti-corruption and anti-bribery management systems such as the "Anti-Corruption and Anti-Bribery System" and the "Whistleblowing System," as well as business ethics management systems like the "Haitai Solar Code of Business Conduct."

The Board of Directors of the Company serves as the highest supervisory body for anti-corruption and anti-bribery efforts, while the Audit Department is a permanent entity responsible for organizing and executing the Company's anti-corruption and anti-bribery initiatives to effectively mitigate corruption risks.

Regulatory agency setup



Board of Directors

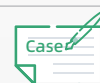
As the highest regulatory agency against corruption, it provides strategic guidance and oversight for the company's anti-corruption work



Audit Department

As a permanent institution, it undertakes the core responsibility of organizing and executing the company's anti-corruption work, and effectively reduces the risk of corruption through professional means and processes

Regulatory Measures Against Corruption and Bribery with Business Partners



Haitai Solar has gradually strengthened its regulatory efforts against corruption, bribery, and fraud with business partners. In its collaboration with suppliers, the Company explicitly includes integrity clauses, requiring suppliers and Company employees to adhere to principles of legality and fairness during cooperation, as well as comply with industry codes of conduct and relevant laws and regulations. For instance, both domestic and international transportation contracts of the Company contain "integrity clauses" and "anti-bribery clauses," stipulating requirements such as "neither party shall offer, request, or accept any bribes." During the reporting period, Haitai Solar did not encounter any litigation or cases related to corruption, bribery, or violations of business ethics.

2 Reporting and Complaint Mechanisms for Anti-Corruption

The Company has established a comprehensive reporting and complaint channel, encouraging and accepting reports or complaints from all employees, partners (customers, suppliers, etc.), and members of the public regarding suspected violations, illegal, or criminal activities. The Company commits to the strictest confidentiality measures for all received reports, ensuring secure control at every stage of information flow. Simultaneously, with a zero-tolerance stance, the Company eliminates any form of retaliation against whistleblowers, providing comprehensive protection to whistleblowers from all angles, ensuring that every individual who stands up for justice can do so without fear of reprisal.

Reporting and Complaint Channels



Reporting Phone
0315-5051825



Reporting Email
shenjibu@htsolargroup.com



Reporting Mailing Address
88 Haomen Road, Yutian County, Tangshan City, Hebei Province

◎ Anti-Unfair Competition

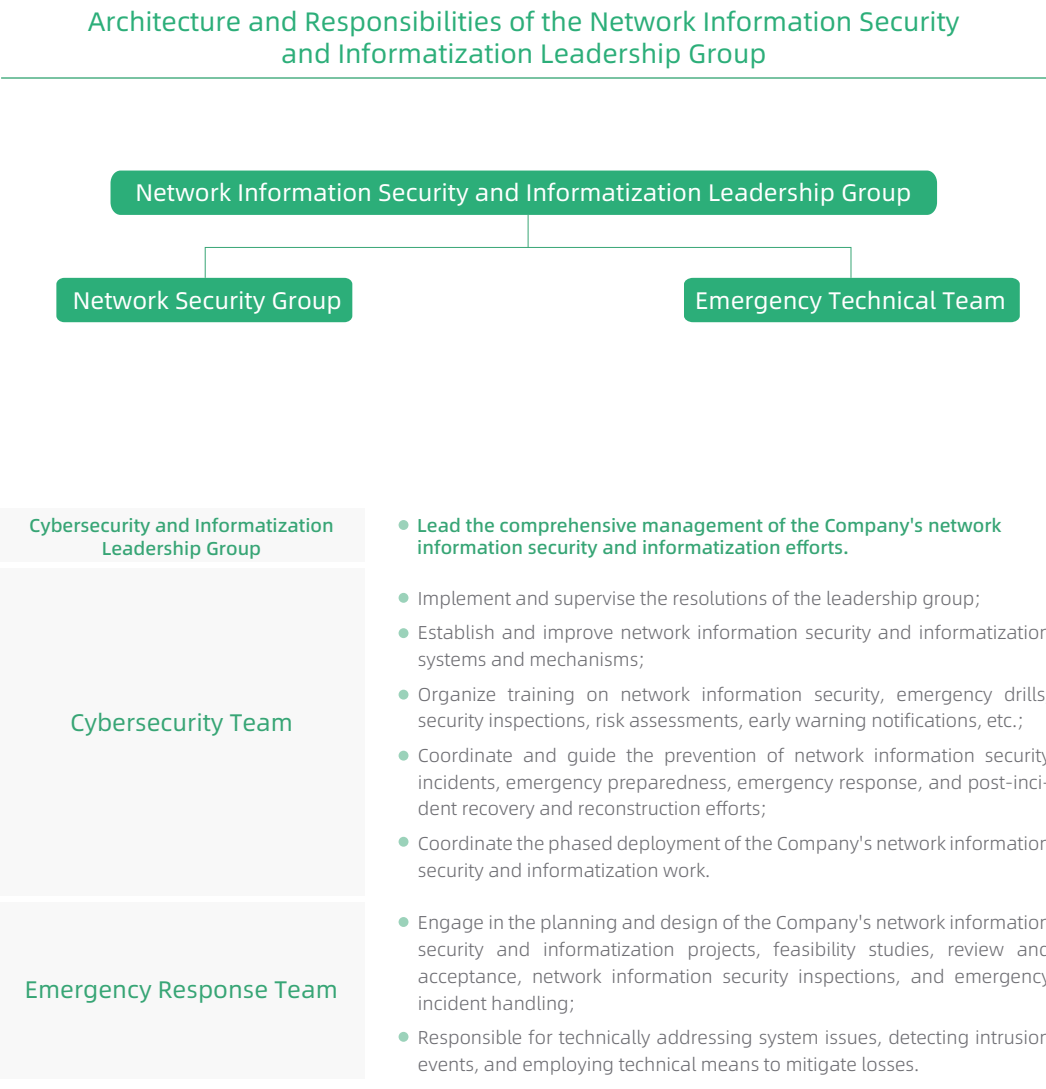
In its business operations, Haitai Solar consistently regards compliance as the cornerstone of corporate development, strictly adhering to relevant laws and regulations such as the *Anti-Unfair Competition Law of the People's Republic of China*. The Company deeply understands that a fair and orderly market competition environment is not only a guarantee for its own development but also a key factor for the healthy and sustainable development of the industry.

The Company places high importance on managing the risk of anti-competitive behavior, continuously monitoring commercial activities to promptly identify and rectify potential anti-competitive risks. Additionally, Haitai Solar has implemented a series of proactive and effective measures. In terms of market expansion, the Company adheres to winning customers through technological innovation, product quality, and excellent service, rather than using unfair means to exclude competitors. In cooperation with partners, the Company upholds principles of fairness, impartiality, and transparency, by establishing detailed cooperation agreements that clearly define the rights and obligations of both parties, eliminating any behaviors that may lead to anti-competitive practices. Furthermore, actively engaging in activities organized by industry associations, collaborating with peers to establish industry standards, and promoting the healthy development of the entire industry. Through these efforts, Haitai Solar not only upholds its own positive image but also contributes to fostering a fair competitive market environment.

4

Information Security and Privacy Protection

Haitai Solar places a high emphasis on information security and privacy protection in its operations, strictly adhering to laws such as the *Data Security Law of the People's Republic of China* and the *Personal Information Protection Law of the People's Republic of China*, actively advancing the construction of an information security management system. To this end, the Company has established a series of related regulations on information security and privacy protection, including the "Network Information Security Management System," and formed a leadership group for network information security and information technology. This group is chaired by the Director of the Company's Information Technology Department, overseeing the comprehensive management of the Company's network information security and information technology.



02

Innovation-driven excellence in quality

Benchmarking against the UN SDGs



Key Issues

- Product Quality Management
- R&D and Innovation
- Intellectual Property Management
- Customer Service Management

R&D and Innovation 39
Product Quality and Service 45

1 R&D and Innovation

As a global green energy manufacturer and innovator, Haitai Solar continuously innovates and actively expands its business scope. The Company is committed to leveraging its comprehensive layout and profound accumulation in the fields of photovoltaics, energy storage, hydrogen energy, and battery swapping technologies. It is pioneering the construction of an integrated independent energy station product system called "solar-energy storage and battery swapping," providing users with unprecedented green and convenient energy experiences. This initiative also helps the Company achieve high-quality sustainable development.

◎ R&D and Innovation Management

Number of R&D personnel

213

R&D personnel account for

13.02 %

The Company continuously enhances its R&D and innovation management system around core business segments, by establishing management documents such as "Product Design and Development Control Procedure" and "Manufacturing Process Design and Development Control Procedure". The Company's Technical Research and Development Center is responsible for coordinating research and innovation work.

Haitai Solar, focusing on renewable energy and committed to driving energy structural reform, places high importance on independent research and development within the enterprise, as well as cultivating innovative capabilities. The Company has a national CNAS laboratory, provincial engineering laboratory, enterprise technology center, technology innovation center, and outdoor verification base. The Company's laboratories continuously monitor international standard developments, actively engage various institutions in international standardization activities, encourage innovation, and adopt advanced testing methods and technologies to drive technological advancement and industrial upgrading within the entire sector.

During the reporting period, the Company's photovoltaic testing center was awarded national CNAS laboratory accreditation and received the TUV SUD witness laboratory qualification. The Company was also honored with an "Excellent" evaluation for the 2024 Hebei Province Enterprise Technology Center. These qualifications and recognitions have provided comprehensive and profound support for the Company's research and development innovation at Haitai Solar. During the reporting period, the Company had a total of 213 research and development personnel, accounting for 13.02% of the total workforce.

Construction of multiple R&D platforms

- National and provincial laboratories
- Enterprise technology center and innovation center
- Outdoor demonstration base



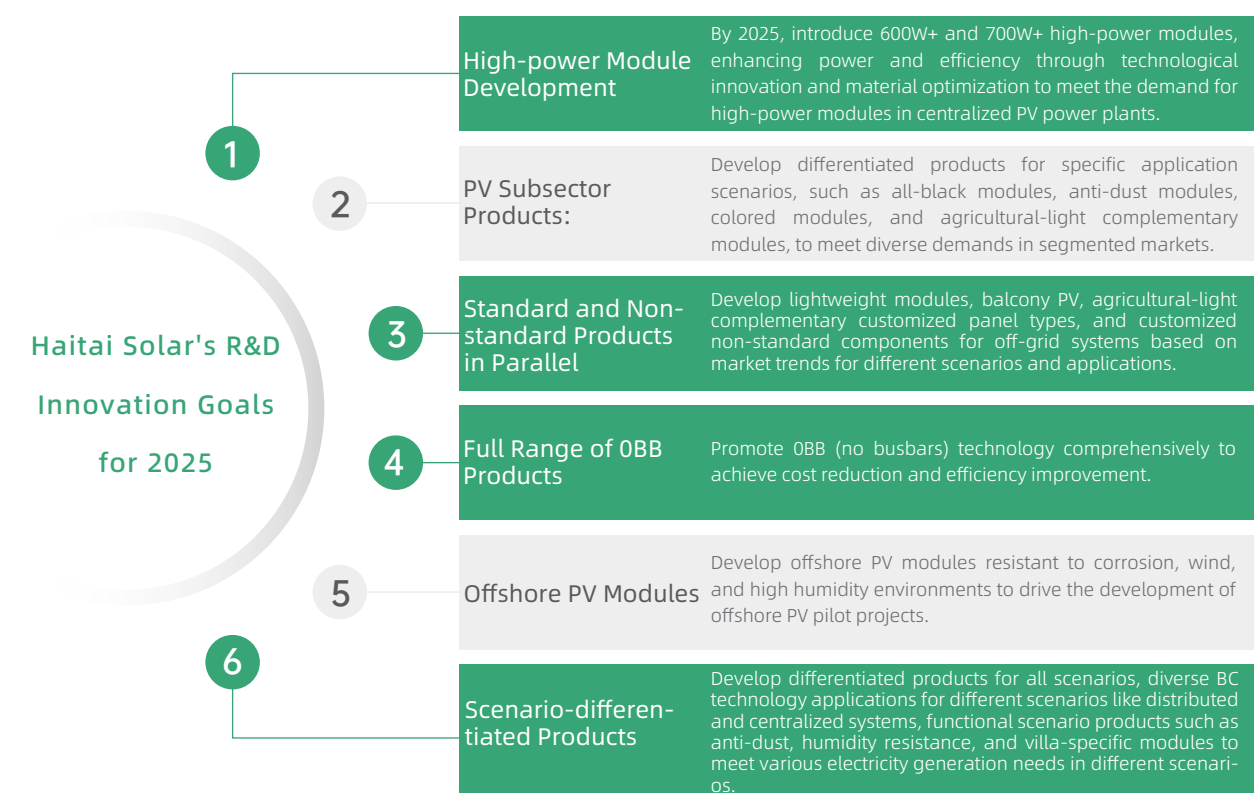
Haitai Solar Photovoltaic Testing Center - CNAS Laboratory Accreditation Certificate



Haitai Solar Photovoltaic Testing Center - Witness Testing Witness Laboratory Certificate

◎ R&D and Innovation Goal

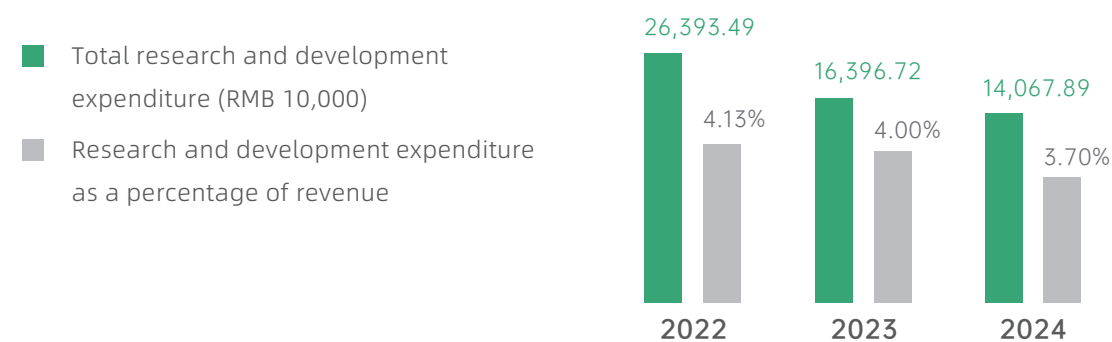
As a national high-tech enterprise focusing on green energy and specializing in the research, development, and manufacturing of photovoltaic modules, Haitai Solar recognizes that continuous innovation is the core driving force behind industry transformation and enhancing the Company's core competitiveness. To this end, the Company has formulated a forward-looking research and development innovation strategic plan, focusing on technological innovation, product diversification, and market adaptability. The aim is to develop efficient, differentiated, and scenario-based photovoltaic products to meet the diverse needs of the global market, thereby promoting industry technological advancement and sustainable development.



During the reporting period, the Company initiated a total of 15 R&D projects, completed 9 projects, with a total R&D investment of RMB 140.68 million, accounting for 3.70% of the operating income. The Company continues to invest in R&D innovation, gradually meeting the urgent market demand for the continuous improvement of photovoltaic module installation technology.

9 R&D projects completed (during the reporting period) | Total R&D investment of RMB 140.68 million | RMB 140.68 million

Haitai Solar's total R&D expenditure and its proportion from 2022 to 2024.



In-Depth Cooperation on Key Technologies for Photovoltaic Hydrogen Storage System Integration between Industry, Academia, and Research



Signing Ceremony Scene

In 2023, the Company established a deep collaboration with Tsinghua University by signing a special agreement on the integration of key technologies for photovoltaic hydrogen storage systems. This led to the establishment of the "Tsinghua University-Haitai Solar Photovoltaic Hydrogen Storage System Integration Joint Research and Development Base." The focus areas include Photovoltaic Energy Storage Converters, Energy Storage Battery Management Systems, Intelligent Early Warning and Maintenance of Photovoltaic Systems, High-Efficiency Hydrogen Production Systems, as well as planning and design technologies for photovoltaic-hydrogen microgrids and energy management systems. The collaboration aims to explore a new cooperative model emphasizing collaborative research and interdisciplinary cooperation to jointly develop cutting-edge integrated solutions for photovoltaic hydrogen storage systems. This initiative aims to enhance the Company's core competitiveness, thereby refining its long-term strategic development direction.

Key Technology Transformation Project of a New Type of Photovoltaic Energy Storage Inverter

In 2024, Haitai Solar once again collaborated with Tsinghua University to undertake a project funded by the central government to guide local scientific and technological development - the Key Technology Transformation Project of a New Type of Photovoltaic Energy Storage Inverter. The project focuses on enhancing the grid-friendliness of the inverter, reducing the complexity of controlling photovoltaic power generation systems, and improving the overall conversion efficiency of photovoltaic charging. The research outcomes are expected to meet or even exceed international advanced levels and address several existing issues from a technical perspective.

R&D and Innovation and Technological Ethics

To standardize the management of technology transfer of the Company, and to motivate and inspire employees' initiative, enthusiasm, and creativity, the Company has formulated the "Organizational Implementation and Incentive Reward System for Technology Transfer," establishing an innovation and entrepreneurship platform to provide resource support for technology transfer, encouraging independent technology transfer, and strengthening coordination in team organization and technical title aspects, providing necessary support and assistance.

The Company is well aware of the significant importance of technology ethics for corporate development and societal progress, and integrates it into the daily work of research and development innovation within the Company.

During the technological research and development phase, the Company conducts rigorous ethical assessments for each new technology and product, considering aspects such as the original intention of the research, potential social impacts, environmental and human health threats, to ensure that the direction of technological development aligns with ethical standards. For instance, in the development of photovoltaic technology, particular attention is given to issues such as land resource utilization and impacts on the ecological environment, aiming to develop more environmentally friendly and efficient technologies to reduce negative impacts on the natural environment.

Haitai Solar adheres to a societal benefit-driven approach in its technological applications, ensuring that the use of technology aligns with human interests and long-term societal development. When providing products and services to customers, the Company fully considers their actual needs and potential risks, offering detailed technical explanations and safety guidance to ensure customers can safely and reasonably utilize the Company's technology and products. Additionally, the Company actively engages in the establishment of industry standards, promoting adherence to unified ethical norms in technological applications across the entire industry.

Haitai Solar has laid a solid foundation for its sustainable development and contributed to the harmonious development of technology and society by placing a high emphasis on and actively practicing technological ethics.

Management and incentive system for the transformation of scientific and technological achievements

Purpose

To standardize the management of the transformation of scientific and technological achievements of the company and stimulate the initiative, enthusiasm, and creativity of employees.

Main measures

- Formulate the "Organization and Implementation of the Transformation of Scientific and Technological Achievements and Incentive Reward System".
- Establish an innovation and entrepreneurship platform to provide resource support for the transformation of achievements.
- Encourage independent transformation of achievements.
- Strengthen coordination in team organization, technical titles and other aspects, and provide necessary support and assistance.

Integration and practice of science and technology ethics in R&D innovation



Ethical assessment in the technology R&D stage

- Conduct strict ethical assessment on the R&D of each new technology and product.
- Consideration factors include the original intention of R&D, possible social impact, potential threats to the environment and human health, etc.
- For example, in the R&D of photovoltaic technology, focus on issues such as land resource occupation and ecological environmental impact, and strive to develop environmentally friendly and efficient technologies.

Ethical orientation in technology application

- Adhere to the social benefit orientation and ensure that the use of technology is in line with human interests and long-term social development.
- When providing products and services to customers, consider the actual needs and risks of customers and provide detailed technical instructions and safety guidance.
- Actively participate in the formulation of industry standards and promote the industry to follow unified ethical standards.

Patent and Intellectual Property Management

Haitai Solar actively establishes an intellectual property management system and has formulated the "Trademark and Patent Rights Management Measures" to standardize the management of the Company's trademark and patent rights. The Company implements refined management practices for patents, trade secrets, trademark rights, domain names, business secrets, and software copyrights from creation, management, application to protection. The Company assigns the Market Department and the Technology Department to jointly oversee patent and intellectual property management, aiming to both rigorously prevent infringement of others' intellectual property rights and fortify the Company's independent intellectual property protection barriers to safeguard its legitimate interests to the fullest extent.

System construction	Formulate the "Trademark and Patent Management Measures" to standardize the company's trademark and patent management work, and implement refined and standardized management of patent rights, technical secrets, trademark rights, domain names, trade secrets, software copyrights, etc., from creation, management, and protection application.
Goal orientation	While strictly preventing infringement of others' intellectual property rights, build a strong protection barrier for the company's independent intellectual property rights, and maximize the protection of the company's legitimate rights and interests.
Assignment of responsibility	The marketing department and the technical department are jointly responsible for patent and intellectual property management.

On the other hand, the Company focuses on key issues such as intellectual property protection and risk management. Specialized training and communication are provided to relevant employees on topics such as patent infringement determination, risk management strategies, and in-depth analysis of typical cases. The aim is to comprehensively enhance employees' awareness of intellectual property protection and create a positive internal atmosphere for the Company's intellectual property protection efforts.

Focus of training and communication	Content of training and communication	Purpose of training and communication
Focus on key issues such as intellectual property protection and risk prevention and control, and carry out special training and special communication for relevant employees	In-depth analysis of patent infringement judgment, risk prevention and control strategies, and typical cases	Strengthen employees' awareness of intellectual property protection in all aspects and create a good internal atmosphere for intellectual property protection in the company

As of the end of the reporting period, the Company held a total of 216 valid patents, with 58 new patents added in 2024; the Company also held 9 software copyrights.

216 valid patents

58 new patents (2024)

9 software copyrights

A Photovoltaic Module Compatible with Battery Technology Iteration



A photovoltaic module compatible with battery technology iteration maintains the classic design dimensions of 1640*992mm and 1957*992mm, while breaking through the original layout design and cell process. It adopts a new emerging design featuring 5-cell strings paired with any mainstream 182 series half-cut/three-cut cells such as TOPCon, BC, HJT, etc. This module serves as an efficient alternative product to outdated modules of corresponding dimensions, safeguarding user rights and increasing user returns.

Patent granted for "A Photovoltaic Module Mounting Device," introducing a new way of installing photovoltaic modules

During the reporting period, the Company was granted a utility model patent for "A Photovoltaic Module Mounting Device." The introduction of this new device has enhanced the stability and aesthetics of photovoltaic module installations, offering users a novel installation experience - quick, safe, and free from worries about instability. Simultaneously, it has brought new opportunities to the solar industry, providing users with more environmentally friendly options, enhancing product accessibility, and achieving a profound integration of modern technology and environmental principles.

2 Product Quality and Service

Quality Management System

Haitai Solar actively advances the establishment of its quality management system by formulating quality-related management systems and procedures such as the "Quality, Environmental, Occupational Health and Safety Management Manual," "Raw Material Incoming Inspection Quality Control Plan," "Component Process Quality Control Plan," and "Non-Conforming Product Control Procedure," standardizing the management of quality control processes within the Company.

The Chairman of the Company serves as the highest supervisory decision-making body for quality management. Quality managers are responsible for establishing, implementing, and maintaining the quality management system on behalf of the Company, organizing, coordinating, and supervising the implementation of the quality management system, verifying and supervising corrective actions by relevant departments, and reporting to the Chairman on the conformity and effectiveness of the quality management system operation. The Quality Manager is responsible for establishing a quality system that meets the requirements of quality assurance capabilities, establishing documented procedures, and ensuring that products meet certification standards and compliance requirements.

As of now, Haitai Solar has obtained the IEC 62941 Photovoltaic Module Manufacturer Quality Management System Certification. Haitai Solar and its 9 wholly-owned subsidiaries have all obtained the ISO 9001 Quality Management System Certification.

Organization and Responsibilities

The Chairman is the highest supervisory decision-making body for quality management.

The Quality Manager Representative is responsible for the establishment, implementation, and maintenance of the quality management system. He needs to organize, coordinate, and supervise the implementation of the system, verify and supervise the relevant departments to correct non-compliant behaviors, and report to the Chairman on the compliance and effectiveness of the quality management system.

The Quality Manager is responsible for building a quality system that meets the quality assurance capability requirements, establishing documented procedures, and ensuring that products meet certification standards and compliance requirements.

Honor certification certificate



ISO 9001 Quality Management System Certification



IEC 62941 Photovoltaic Module Manufacturer
Quality Management System Certification

Enhancing Product Quality

Haitai Solar strictly adheres to quality management system standards and internal quality management manual provisions. Starting from quality prevention and control, the Company ensures product quality by preventing issues, reducing defective products, lowering quality costs, and controlling the production process to ensure stable and reliable product quality within the Company.

Quality policy

Adhere to integrity, innovate boldly, excel in technology, prioritize quality.

Quality objectives

Achieve a contract fulfillment rate of 100%; Customer satisfaction rate exceeding 90%, increasing annually.

Key Measures to Enhance Product Quality

Regulatory Aspects



- Establish and implement quality management system regulations, and promote standardization of quality management.
- Organize internal audits of the quality system, assess the quality management systems of the Company, suppliers, and relevant parties, provide improvement suggestions, and supervise implementation.
- Regularly conduct quality spot checks at various bases, and evaluate the quality management performance of each base regularly.
- Conduct project sampling inspections to promptly identify and resolve potential quality issues.
- Organize quality management education and training to enhance employees' awareness and capabilities in quality management.

Operational Aspects



- Regularly identify and analyze quality-related risks, and propose optimization measures accordingly.
- Comprehensive order review to ensure customer satisfaction.
- Incorporate strict quality requirements into the supplier assessment system.
- Supervise and control quality throughout the entire process from incoming materials to production to finished products to shipment.
- Regularly summarize post-sales quality issues, analyze the causes, propose solutions, and inspect the implementation of similar issue resolutions at various bases to prevent the recurrence of similar quality problems.

◎ Optimizing Customer Service

Haitai Solar has established a series of internal regulations including the "Customer Service Management Procedure," "Customer Satisfaction Survey Management System," and "Customer Return and Exchange Procedure," to standardize the management of after-sales service, customer complaints, product returns and exchanges, customer satisfaction, and other aspects of work. This ensures that all customer complaints, opinions, and suggestions are identified, analyzed, and addressed, thereby enhancing customer satisfaction.

The Company regularly conducts customer satisfaction surveys for both domestic and international clients, diversely gathering customer suggestions and feedback. The Operations Management Department coordinates the analysis of customer satisfaction surveys, identifies core issues and suggestions, and collaborates with various departments to implement corrective and preventive measures. During the reporting period, the Company distributed 80 customer satisfaction survey forms, received 75 responses, and achieved an overall customer satisfaction score of 97 points.

Customer	Scope of Investigation	Investigation dimensions
Domestic customers	A semi-annual sampling of 20% of customer accounts with a recovery rate of 80%.	Product quality, product pricing, communication service, and delivery lead time.
Overseas clients	Every six months, the top 10 and bottom 10 customers based on transaction volume are selected, with a target collection rate of 80%.	

97%

Overall customer satisfaction

In handling customer complaints, the Company's complaint department promptly forwards the complaint details to the Quality Management Center. The Quality Management Center verifies the status of similar products in stock or in production, organizes investigations into similar issues, and arranges for the halt of production, isolation of products in stock, and product recalls as necessary. Additionally, the Company dispatches personnel for on-site investigations and convenes specialized customer complaint meetings. These meetings involve analysis of the root causes of issues by production, technical, and quality control departments. If needed, the issues are escalated to the Quality Director and General Manager for further action, with the Quality Director leading the coordination of specific initiatives. During the reporting period, the Company's product recall rate was 0%.

In terms of responsible marketing, the Company truthfully presents the performance, advantages, and application scenarios of its products, ensuring the authenticity and reliability of product information for customers through rigorous technical data and actual case support, avoiding any exaggeration or misleading statements to safeguard customers' right to information and choice. Additionally, the Company actively engages in various green energy popularization activities and public welfare campaigns, utilizing a combination of online and offline methods to educate the general public on solar energy knowledge, enhance public awareness and acceptance of clean energy, promote the widespread acceptance of green energy concepts, and drive the healthy development of the industry within the ESG framework.

Product information presentation

Truly present product performance, advantages, and application scenarios, supported by rigorous technical data and actual cases, to avoid exaggeration or misleading, and to protect customers' right to know and right to choose

Popular science and public welfare publicity

Actively participate in green energy popular science activities and public welfare publicity, popularize photovoltaic energy knowledge to the public through online and offline methods, enhance the public's cognition and acceptance of clean energy, and promote the healthy development of the industry

0%

Company product recall rate

03

Clean Energy Low-carbon Future

Benchmarking against the UN SDGs



Key Issues

- Sustainable Development Management
- Climate Change Adaptation
- Water Resource Management
- Waste Management
- Energy Management
- Pollution Prevention and Ecosystem Protection
- Product Recycling and Circular Economy

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1 Implementing Green Production

Haitai Solar remains steadfast in pursuing a sustainable development path, propelling the Company towards a new journey of green growth. The Company was awarded the "National Green Factory" in 2023 and recognized as a "Green Supply Chain Management Enterprise" in 2021. These accolades not only signify external recognition of the Company's outstanding environmental management achievements but also serve as compelling evidence of the Company's persistent cultivation of green development concepts, comprehensive optimization of environmental management systems, and profound implementation of energy-saving and emission reduction measures over the years.

Green Product

1 Green design

Haitai Solar integrates green design principles throughout the entire lifecycle of its products, incorporating environmental considerations in research and development, raw material sourcing, production, packaging, and transportation stages. Adhering to the "3R principle" (Reduce, Reuse, Recycle), the Company maximizes efforts to reduce environmental pollution and energy consumption while enhancing the disassembly, recyclability, and reusability of its products and packaging, all while ensuring product quality.

Green Design Concept



Implementing Green Design, Collaborating with Suppliers to Build a Model Clean Supply Chain

Haitai Solar practices green design by prioritizing collaboration with logistics companies that embrace sustainable development principles during the transportation stage. The Company opts for DHL's GoGreen Plus service, which supports the use of sustainable aviation fuel, reducing carbon emissions during transportation. This initiative involves working with suppliers to jointly construct a green supply chain, thereby driving the industry's development in green design.



2 Clean production

Haitai Solar was recognized by the Ministry of Industry and Information Technology as a national-level green manufacturing enterprise in December 2021. It has obtained national-level certifications for "Green Supply Chain" and "Green Design Products". Additionally, in 2023, the Company was accredited as a national-level green factory, marking its leading position in the field of green manufacturing.

At the ecological product level, the Company adheres to the concept of clean production in its manufacturing processes, striving to avoid the use of harmful substances with high quality and standards, achieving the substitution of hazardous materials with safer alternatives. The Company's production of half-cut monocrystalline silicon solar modules (product model HTM525~545MH5-72) has been honored with the "National Green Design Product" award and has obtained certifications from TUV, CQC, CE, UL, BIS, INMETRO, MCS, and CEC, making significant contributions to the development of the solar photovoltaic industry.

The Company addresses various pollution sources by constructing corresponding environmental control facilities in accordance with environmental requirements. It strictly adheres to the principle of synchronous operation and maintenance of environmental facilities and production facilities to achieve a 100% synchronization rate of pollution prevention and control facilities with production facilities, and a 100% compliance rate for pollutant emissions. The Company generates no wastewater during its production process, and its atmospheric pollutant emissions meet requirements with pollutant emission concentrations significantly below standard emission limits.

The Company leverages its product advantages in the field of renewable energy utilization by investing in the construction of rooftop distributed photovoltaic power stations to reduce external electricity consumption.

The Company continuously reduces product carbon footprint by optimizing production processes, utilizing clean energy, and minimizing resource consumption. Moreover, the Company's photovoltaic module products have obtained a Product Carbon Footprint Certificate, indicating a significant breakthrough in reducing carbon emissions and practicing green manufacturing.

The Company is committed to consistently implementing the concept of clean production, increasing research and development efforts, reducing the cost of photovoltaic power generation, providing high-quality green products to society, promoting a green, pollution-free lifestyle, and contributing to sustainable development.



Environmental Management

The total investment in environmental protection is RMB 14.18 million

RMB 14.18 million

Haitai Solar consistently upholds environmental responsibility, strictly adheres to environmental compliance management, integrates the concept of green production throughout the product lifecycle, and deeply embeds it into the Company's daily operations to comprehensively safeguard ecology and production stability. During the reporting period, the Company's total environmental protection investment amounted to RMB 14.18 million.

1 Environmental Management System

Haitai Solar strictly adheres to the laws and regulations of the People's Republic of China, such as the *Environmental Protection Law*, the *Environmental Impact Assessment Law*, and the *Cleaner Production Promotion Law*. The Company progressively enhances its environmental management system, aiming to leverage its inherent advantages in the clean energy sector through top-level design, and to maximize the reduction of the environmental impact caused by the Company's operations.

The Company has developed a series of environmental management-related policies and systems based on the ISO 9001 Quality Management System, ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Management System, and the quality system for photovoltaic module production. These include the "Quality, Environmental, Occupational Health and Safety Management Manual" (referred to as the "Management Manual"), "Hazard Identification, Environmental Factors Evaluation and Control Procedures," and "Environmental, Occupational Health and Safety Performance Monitoring and Measurement Control Procedures," tailored to the Company's specific circumstances. Within the "Management Manual," the Company outlines the "Quality, Environmental, Occupational Health and Safety Policy" and "Quality, Environmental, Occupational Health and Safety Objectives," standardizing the behavior of all employees in terms of quality, environment, and occupational health and safety. The Chairman of the Company is fully responsible for the control of quality, environment, and occupational health and safety, formulating relevant policies, and ensuring the necessary resources for the three systems.

Environmental policy

Advocating pollution prevention to preserve the human environment; enhancing technological innovation to achieve sustainable development.

Environmental objectives

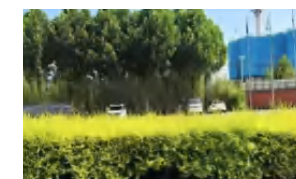
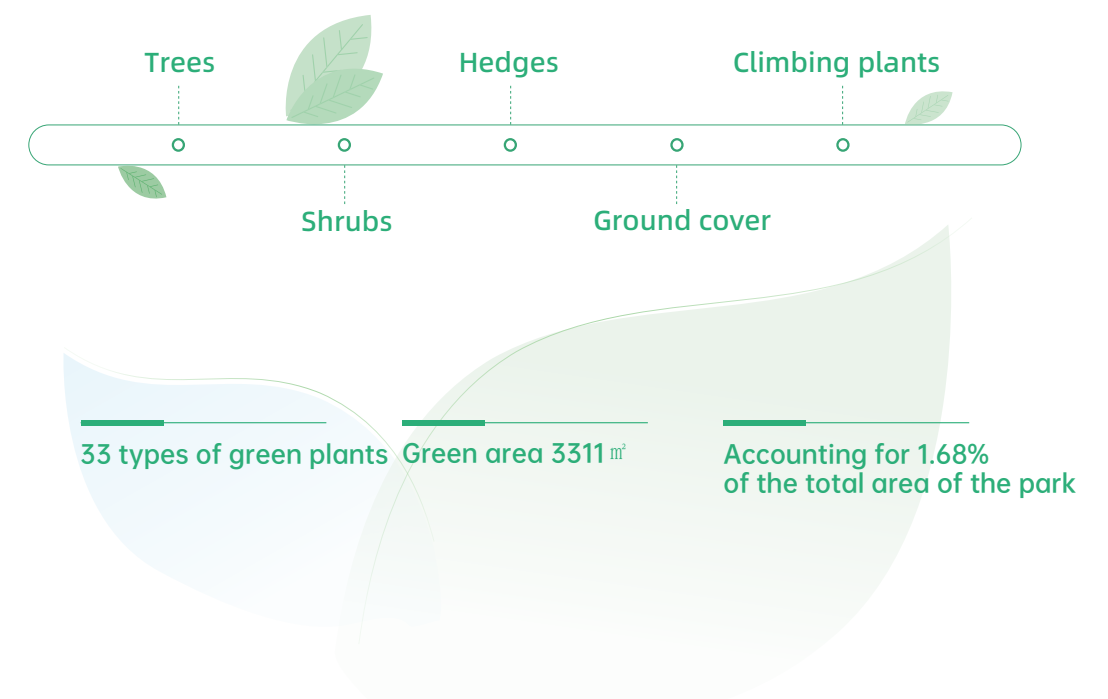
Reduce the consumption of water, electricity, and other energy resources; control the emissions of various types of waste.

2 Green Industrial Park

In the field of ecological environment construction within the industrial park, the Company has formulated and implemented the "Greenery Maintenance Plan" to ensure the health and aesthetics of the park's greenery through scientific management. This plan includes regular fertilization, watering, pruning, proper irrigation and drainage, timely handling of diseased or dead plants with replanting, as well as monthly submission and execution of pest control and prevention plans to ensure overall plant health, lush foliage, and aesthetically pleasing horticultural design.

As of the end of the reporting period, the park's landscaping includes five categories of plants: trees, shrubs, hedges, ground cover, and climbing plants, totaling 33 species distributed across six areas including small wooden cabins, the main building, front and rear of the administrative building, east and west gates, parking lots, and electric vehicle shelters. The green area covers 3,311 square meters, accounting for 1.68% of the total park area.

5 major types of plants in the park



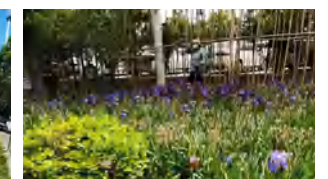
Front Area of the Administrative Building



Rear Area of the Administrative Building



Front Area of the Main Building

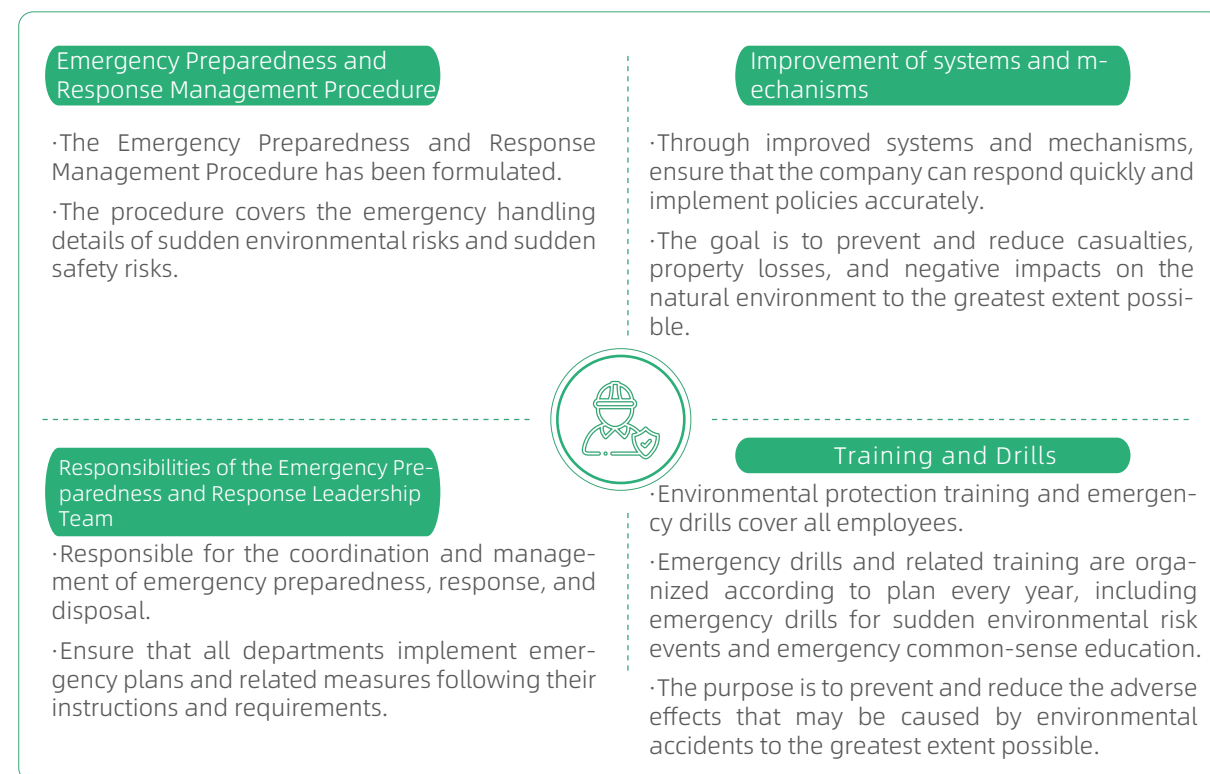


Cabin Area

3 Emergency Response Plan for Sudden Environmental Risk Events

The Company consistently prioritizes risk prevention and emergency response, establishing a mature and comprehensive emergency situation identification and response mechanism, and formulating the "Emergency Preparedness and Response Management Procedures." This comprehensive document comprehensively covers emergency response details for sudden environmental and safety risk events. Through the refinement of systems and mechanisms, the Company can swiftly respond to various emergency situations, implement precise measures, effectively prevent and reduce casualties and property losses, while minimizing adverse environmental impacts.

The Company's Emergency Preparedness and Response Leadership Team is responsible for coordinating and managing emergency preparedness, response, and mitigation. Each department is responsible for implementing emergency plans and related preparedness and response measures as directed and required. The Company conducts environmental protection training and emergency drills for all employees, organizing annual emergency drills and related training as scheduled. Comprehensive emergency drills and emergency knowledge training are conducted for all employees to prevent and minimize adverse impacts in the event of sudden environmental risks within the Company.



© Energy and Resource Management

Haitai Solar attaches great importance to energy management, strictly adhering to relevant laws and standards such as the *Energy Conservation Law of the People's Republic of China*, the *Renewable Energy Law of the People's Republic of China*, and the *Cleaner Production Promotion Law of the People's Republic of China*. The Company has established energy and resource management system documents, including the "Air Conditioning Start-Stop Management Policy," and is gradually enhancing its energy management system.

1 Energy management

Haitai Solar is implementing a comprehensive energy-saving and emission-reduction strategy to achieve overall energy efficiency. The Company actively conducts energy-saving technology upgrades on production facilities and equipment, selects high-efficiency energy-saving production equipment, and upgrades older equipment to reduce energy consumption. By installing smart meters and monitoring devices such as water meters, energy consumption is monitored in real-time to promptly identify anomalies in energy usage and optimize accordingly.

In line with the Company's energy-saving and emission reduction goals and long-term planning, in 2024, the Company initiated a specific energy-saving and emission reduction campaign. It compiled a "Power Efficiency Report," outlining measures such as equipment shutdown, lighting control, air compressor management, air conditioning regulation, water supply pump adjustment, ice machine and circulation pump optimization, Huawei energy storage utilization, and solar power generation. Corresponding personnel were assigned to oversee and implement these energy-saving and emission reduction measures. The cost savings achieved through energy-saving and emission reduction efforts throughout the year amounted to RMB 2.2014 million.

Key energy-saving and emission reduction measures for the year 2024

- Timely inspection and shutdown of production equipment, indoor and outdoor lighting equipment;
- Timely start-up and shut-down of workshop air compressors to prevent leaks;
- Reasonable control of operating hours and temperatures of air conditioning in office buildings, dormitories, and technology buildings, utilizing timed start-up and shut-down for multi-split air conditioning units;
- Collaboration with Huawei Digital Energy to develop the "Tangshan Base Self-sustaining Photovoltaic Power Station Energy Storage Project";
- Utilization of renewable energy sources (self-use of solar photovoltaic power).

Annual cost savings of approximately RMB 2.2014 million

RMB 2.2014 million



Utilization of Renewable Energy

Self generated photovoltaic power generation of

3.0081million kilowatt-hours

As a photovoltaic module manufacturer, Haitai Solar has a natural connection with green and sustainable development concepts. The Company consistently prioritizes the use of clean energy sources and strives to reduce its reliance on traditional fossil fuels. Actively implementing a self-consumption model for photovoltaic power, the Company has installed solar panels at its operational sites. During the reporting period, the Company's self-consumed photovoltaic power generation reached 3.0081 million kilowatt-hours, significantly reducing its dependence on traditional fossil fuels.



2024 Haitai Solar Energy Sector Data

Category	Entity	2024
Natural gas consumption	m ³	0
Diesel consumption	L	11,625.24
Gasoline consumption	L	23,547.36
Purchased Electricity	Kwh	37,147,900
Renewable energy consumption	tce	369.70
Total energy consumption	tce	4,605.42

Note: The data scope is for the parent company of Haitai Solar.

2 Water resource management

Annual water usage decreased by 25.83% during the reporting period

25.83 %

Haitai Solar is dedicated to integrating water conservation principles and practices into every aspect of its production operations, striving to promote the sustainable use of water resources. The Company strictly adheres to local laws and regulations regarding water extraction, usage, and discharge at its operational sites, including the Water Law of the *People's Republic of China* and the *Water Pollution Prevention and Control Law of the People's Republic of China*.

In water management for production, the Company has implemented an advanced variable frequency PID optimized water supply system. This technology, with its precise intelligent control capability, achieves real-time matching of water supply with production demands, effectively reducing unnecessary losses of water resources during transportation, significantly enhancing water use efficiency. Additionally, the Company has established a cooling water circulation system utilizing high-efficiency heat exchange equipment and precise pipeline design. Combined with water quality monitoring and purification technologies, this system ensures the stable operation of cooling water in a closed loop, greatly improving water resource recycling efficiency and reducing dependence on fresh water resources.

Haitai Solar extensively employs human body sensing faucets in the domestic water consumption sector, utilizing smart sensing technology to achieve automated water control, thereby eliminating water wastage due to human negligence and fostering water-saving habits among employees in minute details.

During the reporting period, the Company's water consumption was 114,530 cubic meters, representing a decrease of 25.83% compared to the previous year.

Production water management

- Introduce an advanced variable frequency PID optimized water supply system to achieve precise intelligent control.
- Match water supply with production demand in real time, reduce ineffective losses in the transportation process, and improve water efficiency.
- Establish a cooling water circulation system, use efficient heat exchange equipment, and precision pipeline design.
- Combined with water quality monitoring and purification technology, ensure the stable operation of cooling water in a closed cycle, improve the recycling rate, and reduce dependence on fresh water resources.

3 Management of raw materials and packaging materials

The Company continuously enhances its raw materials and packaging material management system, starting from supplier qualification assessment, raw material incoming inspection, inventory classification and storage, to customized packaging materials based on demand, prioritizing the selection of green and environmentally friendly materials, ensuring stable material supply, reliable quality, and cost control comprehensively.

The Company's production requires various raw materials including solar cells, glass, encapsulant film, backsheet, interconnection ribbon, busbars, junction box, aluminum frame, silicone, potting compound, etc. To ensure product quality and safety, the Company strictly controls the raw materials, achieving a 100% certification rate for raw materials, thereby ensuring stability and reliability in the production process from the source.

Haitai Solar has implemented a series of measures to enhance raw material utilization. The Company has introduced innovative processes in workshops three and four at its Yutian facility, such as the adoption of extrusion molding fixtures, resulting in a saving of 5KG of silicone per barrel. The splicing of adhesive films has further minimized unnecessary wastage, and the tin layer thickness of busbars has been optimally reduced by 40%. In material selection and usage, the Company prioritizes the reduction of toxic substances as a key criterion, ensuring products meet quality standards while aligning with green environmental standards.

The Company upholds environmental protection and conservation principles, implements a mechanism for the recycling of packaging materials. After the product packaging process, plastic film packaging boxes are collected, sorted, and reintroduced into the protective packaging process. Glass and iron pallets are reused for the transportation and storage of raw materials after completing the transportation tasks, significantly reducing the one-time consumption of packaging materials.



© Emissions and Waste Management

Haitai Solar strictly adheres to environmental protection laws and regulations of the People's Republic of China, such as the *Environmental Protection Law*, the *Law on the Prevention and Control of Solid Waste Pollution*, the *Law on the Prevention and Control of Air Pollution*, and the *Law on the Prevention and Control of Water Pollution*. The Company progressively optimizes its waste management system, rigorously conducts emissions and waste management, and advances clean production practices within the organization.

1 Waste management

In the course of production operations, the Company implements strict classification management for different types of waste, ranging from offcuts in photovoltaic module production to waste packaging materials, clearly defining the responsible departments for waste collection, storage, management, and transfer. The Company's waste is categorized into industrial solid waste, household garbage, and no hazardous waste generated. For industrial solid waste and household garbage, the Company engages qualified third-party organizations for unified collection and processing, ensuring minimal environmental impact and promoting resource recycling. Hazardous waste is handled in strict compliance with the hazardous waste transfer manifest system, entrusted to units with professional disposal qualifications, and monitored throughout the process to ensure full legality and compliance at every stage.

Haitai Solar actively implements the concept of resource recycling by significantly reducing resource waste and lowering environmental footprint through systematic recycling measures. The Company has established a comprehensive paper recycling system and issued a "Work Contact Form (A4 Paper Recycling and Reuse)" to all employees, requiring departments and units to classify and recycle waste paper generated during office and production processes, effectively reducing the demand for virgin paper. Additionally, Haitai Solar has implemented a recycling program for trays and packaging boxes, extending the lifespan of logistics packaging through repair and reuse, thus reducing waste generation. These initiatives not only demonstrate the Company's commitment to efficient resource utilization but also make a positive contribution to promoting the development of a circular economy and achieving sustainable development goals. During the reporting period, the Company recycled and reused 8,380 trays, 14,210 packaging boxes, and a total of 490.78 tons of recycled waste.

Total amount of recycled waste

490.78 tons

Waste management

Classification management

Strict classification management is implemented for different types of waste, such as photovoltaic module production scraps and waste packaging materials, and the responsible departments for collection, storage, management, and transfer are clearly defined. Waste is divided into industrial solid waste and domestic waste.

Treatment method

Industrial solid waste and domestic waste: unified recycling and treatment by qualified third-party institutions to achieve resource recycling and minimize negative environmental impact.

2 Management of exhaust gas, wastewater, and noise

The Company conducts regular environmental monitoring, professionally testing aspects such as waste gas, wastewater, noise, and issues corresponding test reports. In the environmental monitoring conducted in the fiscal year 2024, the maximum concentration of non-methane total hydrocarbons in unorganized emissions was 1.03 mg/m³, meeting the concentration limit requirements for unorganized emission monitoring as per the *Emission Standards for Volatile Organic Compounds from Industrial Enterprises*. The daily average discharge concentrations of wastewater for pH value, ammonia nitrogen, suspended solids, five-day biochemical oxygen demand, and chemical oxygen demand all comply with the maximum allowable discharge limits stipulated in the *Comprehensive Wastewater Discharge Standards* and simultaneously meet the inlet requirements of Yutian County Urban Sewage Treatment Plant. The daytime and nighttime noise levels for environmental noise comply with the limit requirements outlined in the *Emission Standards for Industrial Enterprises Boundary Environmental Noise*.

The Company employs Ultraviolet Photolysis Oxidation (UV-O) equipment for treating VOCs generated during production processes, significantly reducing emissions to safeguard ambient air quality. Regarding wastewater discharge, the Company prioritizes eco-friendly raw materials and clean energy, and optimizes production processes to minimize unnecessary water usage. Simultaneously, the Company continuously enhances its wastewater monitoring system, installing monitoring devices at wastewater discharge points within the factory premises and various production workshops to ensure compliant wastewater discharge. In noise management, the Company selects low-noise production equipment, provides employees working in noisy environments with professional noise-canceling earplugs, earmuffs, and other protective gear, while reinforcing employees' self-protection awareness and their ability to correctly use protective equipment.

During the reporting period, the Company's wastewater discharge was 114,500 tons, representing a year-on-year decrease of 25.83%.


Wastewater discharge was

114,500 tons

A year-on-year decrease of

25.83 %

Pollution prevention and control measures



Waste gas emission treatment

Equipped with ultraviolet photolysis and oxidation equipment (UV photooxidation) to treat VOCs generated during the production process, reduce emissions, and ensure surrounding air quality.

Wastewater discharge treatment

Source control: give priority to environmentally friendly raw materials and clean energy, optimize production processes, and reduce unnecessary water use.
Monitoring system optimization: install monitoring equipment at the factory wastewater outlet and drainage nodes of each production workshop to ensure that wastewater is discharged in compliance with standards.

Noise management

Equipment selection: Give priority to low-noise production equipment.
Employee protection: provide employees in noisy environments with professional noise-isolating earplugs, earmuffs, and other protective equipment to enhance employees' self-protection awareness and the ability to use protective equipment correctly.

2 Climate Change Adaptation

Climate change presents both challenges and opportunities. Haitai Solar will continue to uphold the concept of sustainable development, working hand in hand with global partners to jointly build a low-carbon future.

© Climate-related Risk and Opportunity Management

The Company has identified and analyzed climate change risks and opportunities. Risks identified include extreme weather events, regulatory policy changes, and shifts in market preferences that may impact business operations. Concurrently, opportunities arising from growing demand for clean energy, expansion into new markets, and technological upgrades have been recognized. In response, the Company has formulated risk mitigation measures to ensure the maintenance of competitive advantage in addressing the challenges of climate change.

Response to Climate Change Risks and Opportunities

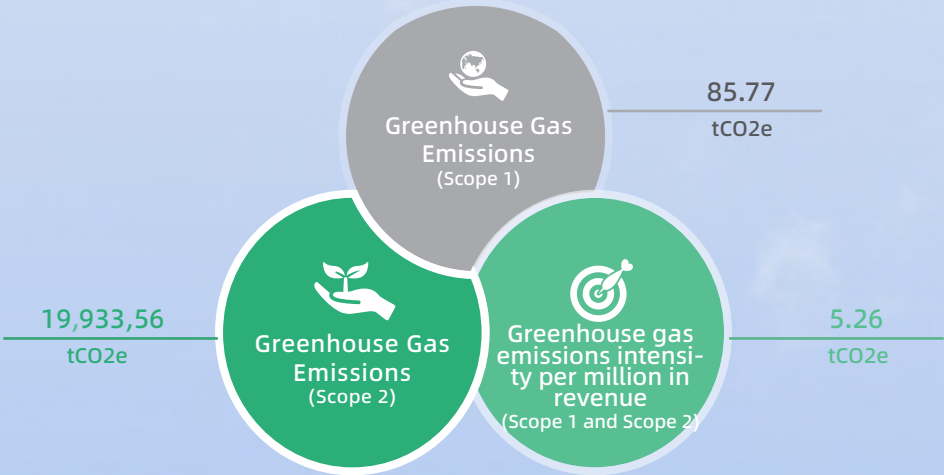
Category	Risk/Opportunity	Specific performance	Potential financial impact	Response measures
Physical risk	Increase in extreme weather events.	Damage to production facilities and supply chains caused by extreme weather events such as floods, typhoons, and high temperatures.	Damaged facilities, supply chain disruptions, and increased production costs.	Enhance disaster-resistant design of manufacturing facilities and supply chain infrastructure; improve emergency response plans.
	Long-term climate change.	Decreased water resources and rising temperatures lead to reduced production efficiency or constrained raw material supply.	Rising production costs lead to decreased supply chain stability.	Optimize water resource management; develop low water consumption production technologies.
Transition risk	Changes in regulations and policies.	Policies such as carbon taxes and emission restrictions raise operational costs.	Incurring compliance costs may lead to legal risks.	Advance deployment of low-carbon technologies; optimize energy structure.
	Market demand changes.	Customers and investors exhibit a significantly enhanced preference for low-carbon products and services.	Products that do not meet the requirements may face elimination, resulting in a decrease in market share.	Accelerate green product R&D; expand sustainable product line.
	Reputation and investment risk.	Heightened societal focus on carbon emissions may lead to reputational damage for companies that fail to respond promptly.	The damaged brand image has led to a decrease in the Company's ability to attract capital and partners.	Enhancing transparency in information disclosure, actively engaging in global climate action.

Response to Climate Change Risks and Opportunities

Category	Risk/Opportunity	Specific performance	Potential financial impact	Response measures
Opportunities	Growing demand for renewable energy.	The global energy transition drive is rapidly increasing the demand for photovoltaic modules and related green technologies.	Increasing market demand presents growth opportunities for the business.	Expand production capacity layout; enhance product efficiency and performance.
	Enhanced competitiveness through technological innovation.	Climate policies drive the rapid development of green energy technologies.	Establishing a technological first-mover advantage in the low-carbon domain.	Increase R&D investment; collaborate with universities and research institutions.
	Energy-saving and cost-reduction operational optimization.	Achieving a reduction in production costs through energy optimization and process improvement.	Increase profit margin.	Promote the Green Factory Initiative; Introduce Smart Management.
	Green finance and policy incentives	Benefiting from government-supported low-interest loans and green bond issuance, the Company enjoys policy incentives.	Increase capital support; reduce financing costs.	Apply for green financial products; accelerate participation in green economic planning.
	Exploring new market opportunities.	Increasing demand for clean energy solutions in developing countries and remote areas.	Expand new sales channels to enhance global influence.	Deepening overseas expansion, providing integrated solutions.

Indicators and Targets

2024 Haitai Solar greenhouse gas emissions data



Note: The data scope is for the parent company of Haitai Solar.

04

Human-Centric Unity in Diversity

Benchmarking against the UN SDGs



Key Issues

- Occupational Health and Safety
- Employee Rights Protection
- Labor Standards
- Employee Training and Development
- Employee Compensation and Benefits

Employee Rights and Development----- 67
Occupational Health and Safety----- 75

1 Employee Rights and Development

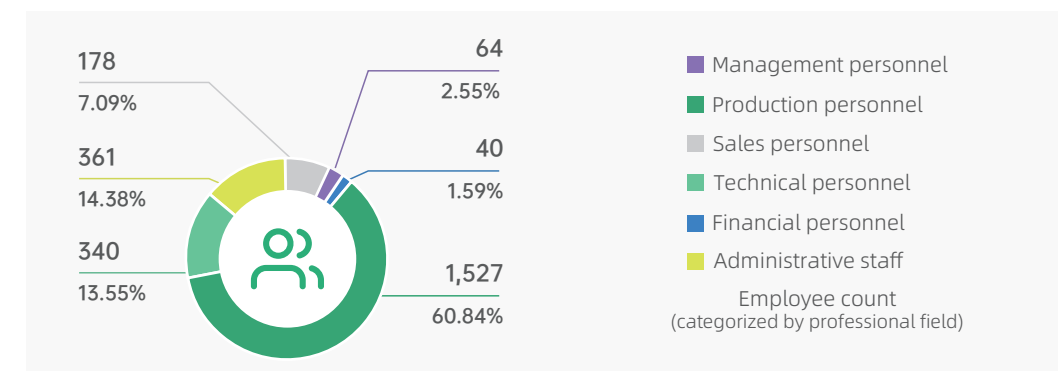
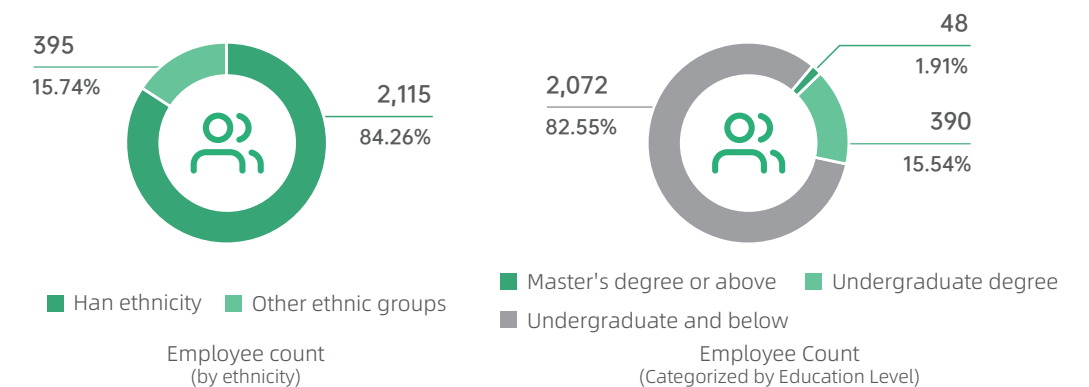
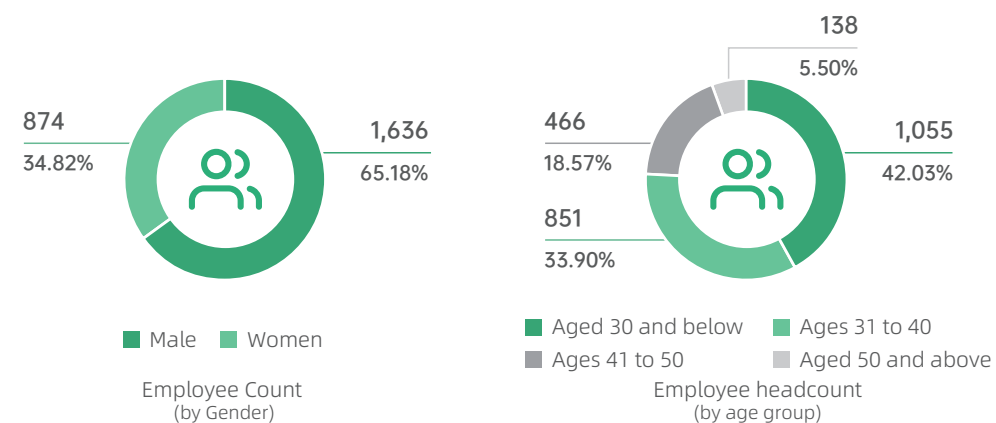
Haitai Solar attaches great importance to safeguarding the legitimate rights and interests of its employees, strictly adhering to the laws and regulations such as the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*. The Company has established a series of internal systems including the "Recruitment Management System," "Human Resources Control Procedures," "Performance Management Methods," and "Haitai Solar Welfare System," which provide detailed regulations concerning employee recruitment, retention, salary advancement, performance evaluation, working hours, and leave, ensuring the protection of employees' legal rights and interests.

Employee Recruitment and Retention

The Company consistently adheres to the principles of "open recruitment, equal competition, internal priority, and job-person matching" in its recruitment process. The Company legally enters into labor contracts with employees, implements a system of full-employee contract management, and avoids incidents that do not comply with labor standards.

As of the end of the reporting period, the Company had a total of 2,565 employees, including 2,510 full-time employees.

The demographic breakdown of all full-time employees categorized by gender, age, education level, and professional category is as follows:



1,325 new employees

1,325



Key personnel retention rate of 80%

80%

To ensure business continuity and team stability, the Company has implemented a series of employee retention measures and regularly monitors and analyzes employee turnover to make improvements in order to further enhance employee retention within the Company.

During the reporting period, the Company hired a total of 1,325 new employees and had 800 employees leave. The Company recruited 70 key personnel (managers at level 7 or above) and achieved an 80% retention rate for key personnel.

Employee Retention Measures

- Conduct interviews with immediate supervisors to ensure the job fit of candidates.
- Onboarding sessions for new employees.
- Implement a mentorship program for recent graduates, incorporating them into the Company's talent development plan and providing performance incentives.
- Conduct performance discussions with employees, supporting performance appeals and feedback.
- Identify and address the actual reasons for employee departures to implement improvement measures.

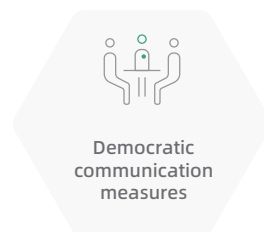
◎ Diversification and Democratic Communication

The Company actively fosters a culture of respect, inclusivity, and diversity within the team, expanding democratic management channels to enhance cooperation and communication. The Company commits to fair and equitable treatment of employees of different nationalities, genders, ages, marital statuses, and cultural backgrounds in all aspects of employee recruitment, promotion, and training, supporting the elimination of all forms of forced labor, child labor, and employment discrimination. The Company maintains a zero-tolerance policy towards any form of workplace harassment, abuse, or threats, actively safeguarding employees, especially women, from unfair treatment and retaliation. During the reporting period, the Company did not encounter any incidents of child labor, forced labor, or other violations of human rights and labor standards.

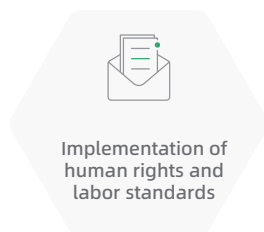
The Company actively engages in democratic communication with employees through regular forums, new employee discussions, and other measures. Additionally, suggestion boxes are placed in various areas of the factory to encourage employees to provide feedback based on facts, including but not limited to suggestions for improving daily management aspects such as food, accommodation, transportation, rationalizing existing work management practices, and reporting incidents of misconduct and abuse of power.



Team Culture and Management Philosophy



Democratic communication measures



Implementation of human rights and labor standards

Employee Forum



On October 28, 2024, to enhance communication between employees and management, improve work efficiency, and strengthen team cohesion, the Company organized an employee forum for new hires. Twelve enthusiastic new employees from various departments actively participated, engaging in discussions with the company's management. They collectively proposed seven suggestions and opinions based on actual circumstances, covering topics such as onboarding guidance, digital transformation, office supplies procurement, and dormitory management. These suggestions were consolidated into a final summary report.

◀ On-site employee symposium

◎ Employee Development and Promotion

The Company conducts comprehensive talent pipeline development, prioritizing internal talent selection. Through vocational skills training, job-specific training, and support for employees' continuing education and academic advancement, the Company enhances employees' theoretical knowledge and practical skills. Additionally, the Company collaborates with local universities, vocational education and technology centers, establishing a "2+2+2" joint integrated training mechanism to comprehensively strengthen the Company's talent pool.

Haitai Solar implements a dual-channel promotion system for job positions and ranks. The promotion system is divided into five major sequences: management, marketing, technology, functional, and operations. Employees can transition between these sequences to facilitate mutual development between employees and the Company.

Position Sequence				
Management Sequence	Marketing Sequence	Technical Sequence	Functional Sequence	Operations Sequence
Chairman				
President				
Vice President				
Director	Marketing Expert	Chief Engineer	Expert	Skills Expert
Manager	Senior Marketing Manager	Senior Engineer	Senior Specialist/Officer	Senior Worker
Supervisor	Senior Marketing Manager	Senior Engineer	Senior Specialist/Officer	Senior Worker
	Intermediate Marketing Manager	Intermediate Engineer	Intermediate Specialist/Officer	Intermediate Worker
	Junior Marketing Manager	Junior Engineer	Junior Specialist/Officer	Junior Worker



Haitai Solar employees are promoted through dual career paths

The Company's Human Resources Department conducts a quarterly training needs assessment and develops quarterly and annual training plans covering all employees. The Company has established an internal training team consisting of the General Manager, Deputy General Managers, HR Officer, and managers. Additionally, the Company regularly hires professional trainers from external training institutions to comprehensively meet employees' training needs. To enhance skills and strengthen fundamentals, the Company designates August and September of each year as "Training Enhancement Months," focusing on employee training to improve work efficiency. During the reporting period, the Company organized a total of 102 training sessions, with the total training hours exceeding 350.

To ensure a smooth succession and continuous empowerment of key leadership positions, the Company has specifically implemented specialized programs such as the Management Trainee Development Program and Successor Planning to comprehensively enhance the leadership qualities of managers within the Company.

102 training sessions
(during the reporting period)

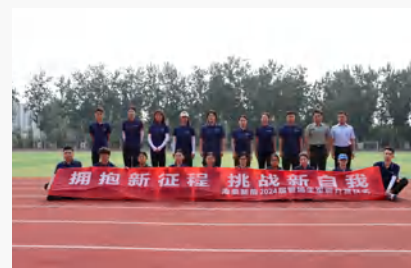
Total class hours
exceeded 350 hours
(during the reporting period)

Management Trainee Development Program

The Company has established the "Management Trainee Development Program," which includes five training stages: team integration, production practice, job rotation learning, targeted training, and targeted development, with a training period of 6 months.



Trainee Program - Internal Job Rotation



Management Trainee Program- Military Training Commencement Management

Succession Plan

To ensure the Company's steady progress on a high-growth trajectory and achieve unified management, rational deployment, and efficient utilization of talent within its operational regions, the Company implements a Successorship Plan. This plan provides rotation and promotion opportunities for quality control, production, and process team leaders and above, as needed, at each base. During the reporting period, a total of 102 individuals were successfully promoted.

Employee Compensation and Performance

The Company has established a "Performance Management Measures" to provide employees with fair and just compensation based on performance evaluation. The Company conducts performance evaluations for all employees quarterly. The Human Resources Department, as the organization and policy implementation body for performance management, is responsible for formulating performance assessment plans and management methods, providing training for assessors, organizing, implementing, and optimizing performance management work, and is primarily responsible for handling improvement suggestions and performance appeals related to performance management work.

After the performance cycle concludes, the Company's Human Resources department calculates all employees' performance appraisal results and provides feedback to the supervisory leaders. Supervisory leaders communicate the performance results to employees and conduct performance discussions. If employees have objections to the performance results, they may file a performance appeal, which will be reviewed and communicated by the supervisory leaders and the Human Resources department.

Haitai Solar Employee Performance Management Program



Employee Benefits and Welfare

In order to enhance employee engagement, increase employee satisfaction, and foster a sense of belonging and identification with the Company, the Company has established the "Haitai Solar Benefits System" applicable to all regular employees. The Company offers various benefits to all employees as outlined in the table below:

The various benefits provided by the company to all employees

Public holidays	·Employees are entitled to national statutory holidays such as New Year's Day, Spring Festival, Qingming Festival, Labor Day, Dragon Boat Festival, Mid-Autumn Festival, and National Day.
Insurance for housing and health	·Pension insurance, medical insurance, unemployment insurance, work injury insurance, maternity insurance, and housing provident fund. ·Conduct an annual health examination and perform occupational hazard detection on employees engaged in occupational hazard operations.
Marriage and Maternity Care	·Employees who register their marriage in accordance with the law are entitled to statutory marriage leave. ·Female employees who give birth in accordance with laws and regulations are entitled to maternity leave and may apply for maternity allowances as stipulated. ·Female employees who give birth in accordance with laws and regulations are entitled to daily breastfeeding leave. For those who give birth to multiple babies, the breastfeeding time shall be implemented in accordance with relevant regulations.

The various benefits provided by the company to all employees

Health and bereavement support	·Employees are entitled to bereavement leave in accordance with the law and may enjoy corresponding leave based on the relationship with the deceased relative and the company's regulations.
Accommodation and meal provisions	·An employee cafeteria has been established, providing a variety of nutritious and flavorful meal options daily. ·The Company provides free dormitory accommodation for employees with housing needs.
Summer Benefits	·The Company provides summer cooling benefits for outdoor workers in high temperatures, including distributing ice cream, swimming tickets, etc.
Team building	·The Company allocates funds for team-building activities aimed at fostering positive team dynamics within departments, such as outdoor team-building exercises, departmental recreational activities, team trips, team dinners, etc. These activities facilitate communication and collaboration, enhancing team cohesion.
Cultural and recreational activities	·The Company regularly organizes birthday celebrations for its employees to convey care and best wishes. ·The Company holds an annual party to review and summarize the year's work, recognize outstanding departments and individuals, enhance team communication, enrich employee recreational activities, and showcase employees' talents.
Travel allowance	·The Company provides a corporate travel platform that covers transportation and accommodation expenses, and offers meal subsidies to employees according to standards.
Education subsidy	·Implement differentiated talent incentive policies, providing tiered educational subsidies based on employees' levels of education.
Professional title certificate subsidy	·Employees who obtain professional qualification certificates after joining the company are entitled to receive subsidies for professional qualifications.
Remote work allowance	·Employees dispatched by the Company to work in a city other than their original work location and outside their home city due to work requirements are entitled to a dispatch allowance.

Haitai Solar Employee Birthday Celebration Events



The Company organizes employee birthday celebrations combined with cultural and sports activities every quarter. During the reporting period, the Company arranged the "Spring Blossoms, Journey to the Mountains and Seas" hiking event at Fenghuang Mountain and the "Chasing Dreams, Feathering Along with You" badminton tournament during the employee birthday celebrations. These activities enriched employees' leisure time, enhancing team cohesion within the Company.

◀ Badminton Tournament

Hiking at Fenghuang Mountain ▼



Haitai Solar consistently provides comprehensive assistance and care for its employees. On the economic front, upon learning of employees facing financial difficulties due to sudden major illnesses, family emergencies, etc., the Company promptly provides relief funds in accordance with relevant regulations or organizes all employees to make charitable donations. In terms of work arrangements, the Company takes into consideration the actual situations of employees facing difficulties, adjusts work tasks and hours reasonably, and on the basis of fair treatment for all employees, provides internal training and promotion opportunities for capable and willing employees in need, assisting them in self-improvement and increasing income sources. During the reporting period, the Company assisted a total of 7 employees in need. Through joint investigations by the Company's Human Resources Department, labor union, and other departments, as well as regular monitoring through employee communication feedback channels, no other employees facing difficulties have been identified.

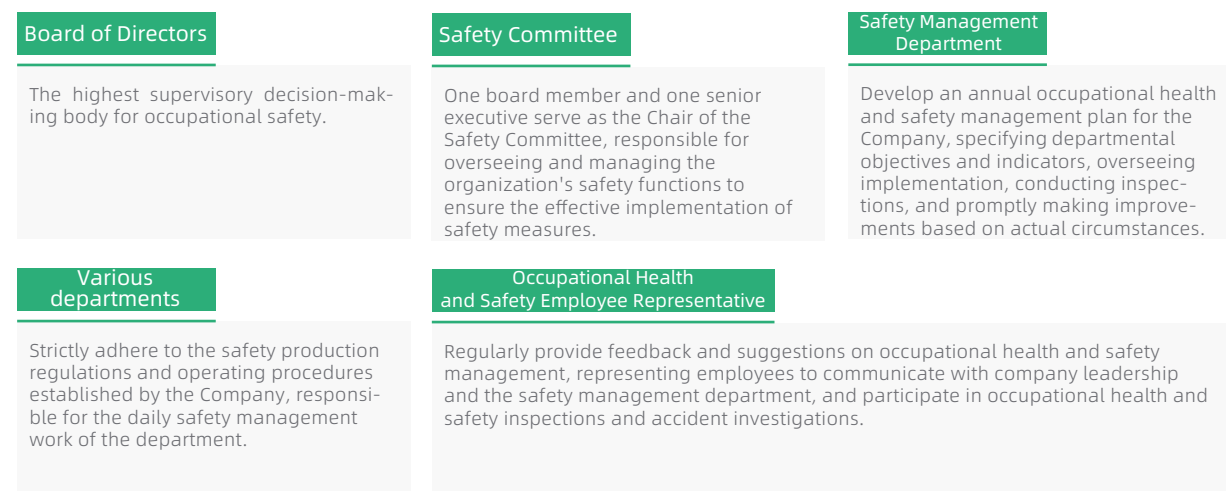
2 Occupational Health and Safety

Haitai Solar prioritizes the health and safety of its employees, strictly enforces the safety production responsibility system, continuously optimizes safety management measures, and strives to provide employees with a healthy, safe, and comfortable working environment.

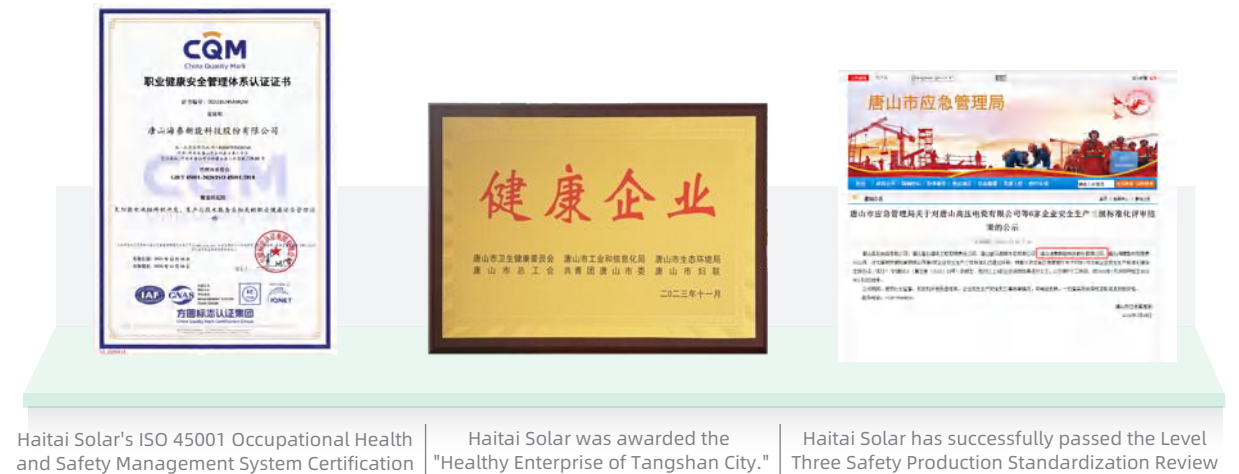
◎ OHS Management System

Haitai Solar strictly adheres to relevant laws and regulations such as the *Work Safety Law of the People's Republic of China* and the *Occupational Disease Prevention and Control Law of the People's Republic of China*. Combining practical safety production work, the Company has established a comprehensive occupational health and safety management system. At the management level, the Board of Directors is clearly defined as the highest supervisory decision-making body for occupational health and safety management. The Company integrates occupational health and safety management into corporate strategic planning and daily operations, incorporating work-related injury performance into the assessment of the Safety Management Department to ensure effective implementation of all measures. At the institutional level, the Company has developed a series of systems and procedural documents such as the "Quality Environment Occupational Health and Safety Management Manual," "Emergency Preparedness and Response Management Procedures," and "Hazard Identification, Environmental Hazard Identification, and Evaluation Control Procedures" to ensure the smooth advancement of safety production work through efficient coordination across all departments within the Company.

Haitai Solar's Safety Production Management Framework



The Company adheres to conducting standardization of occupational health and safety. In 2023, it recertified ISO 45001 certification for Occupational Health and Safety Management Systems. In January 2024, it passed the safety production and standardization review and was awarded the title of a municipal-level Healthy Enterprise.



Haitai Solar's ISO 45001 Occupational Health and Safety Management System Certification | Haitai Solar was awarded the "Healthy Enterprise of Tangshan City." | Haitai Solar has successfully passed the Level Three Safety Production Standardization Review

◎ OHS Goal

In order to further implement the Company's primary responsibility for safety production, effectively prevent various safety production accidents, the Company has formulated the "Environmental Occupational Health and Safety Management Plan and Measures" and established the following objectives.



During the reporting period, the Company's total investment in safety production amounted to RMB 5.70 million, with an occupational disease incidence rate of 0%, zero work-related fatalities, and an occupational injury rate of 0.32%.

◎ OHS Risk Management

The Company continuously optimizes its safety production risk management system and enhances its capability to respond to safety production risks. The Company has established an occupational health and safety risk analysis team to conduct an annual identification, analysis, assessment, response, and control of occupational health and safety risks and opportunities. The team compiles a "Risk and Opportunity Identification, Analysis, Evaluation, and Control Form" in accordance with the Company's regulations to ensure effective follow-up and implementation of relevant work.

Haitai Solar regularly conducts safety production joint inspections, safety production emergency drills, safety month activities, and identifies hazards in areas such as the plant, workshops, hazardous chemical warehouses, and cable trenches. The Company publicly displays information such as "Safety Risk Notification Cards," "Safety Risk Public Notices," and "Safety Risk Distribution Maps," specifying risk response measures and emergency evacuation routes. By providing risk reminders to all employees and enhancing their safety production awareness, the Company significantly reduces safety production risks.

◎ OHS Emergency Management

Haitai Solar has established an emergency response command center led by the General Manager of the Company, responsible for formulating firefighting, safety, and environmental emergency plans, and making decisions on significant emergency response matters. The Company has developed specific emergency plans including "Firefighting and Evacuation Special Emergency Plan," "Comprehensive Emergency Plan for Production Safety Accidents," and "Emergency Plan for Sudden Environmental Incidents." Regular emergency drills are conducted in accordance with these plans to enhance employees' emergency response capabilities. During the reporting period, the Company conducted a total of 4 emergency drills, involving all employees from relevant departments.

The company has formulated emergency plans

"Special emergency plan for fire-fighting and evacuation"

"Comprehensive emergency plan for production safety accidents"

"Emergency plan for sudden environmental incidents"

Fire Emergency Drill Activity

In June 2024, Haitai Solar, in collaboration with the Yutian County Emergency Management Bureau and the Yutian County Fire Rescue Brigade, organized a fire emergency drill activity at the Company. The event included the participation of emergency management officials from 20 townships, street offices, industrial parks, and agricultural parks, as well as team leaders from the county's enforcement teams for on-site observation. The fire emergency drill simulated a fire incident in the production workshop, focusing on emergency evacuation, casualty rescue, fire extinguishing, and other related subjects. Explanations were provided on evacuation signage, emergency lighting, and the proper use of firefighting equipment, with on-site guidance given to employees. This emergency drill enhanced the employees' abilities and qualities in responding to unforeseen circumstances and served as a demonstration and guidance for grassroots emergency management personnel.



Emergency drill site



Emergency drill site



1



2



3

1 Primary Safety Risk Notice Board

2 Safety Risk Notification Card and Safety Risk Disclosure Sign

3 Safety Risk Distribution Chart

◎ OHS Training and Promotion

Haitai Solar is committed to regularly disseminating and training employees in safety production-related knowledge. The Safety Management Department and the Human Resources Department collaborate to develop an annual safety production training plan at the beginning of each year, covering all employees. During the reporting period, key safety production training courses by the Company included safety production goal decomposition, fire extinguisher knowledge training, labor protection equipment training, risk identification and hazard investigation, environmental management, special topics during Fire Safety Month, and the use of Automated External Defibrillators (AEDs). Additionally, to enhance employee safety awareness in daily management, the Company regularly conducts safety inspections and safety month activities, continuously increasing investment in safety production training.

During the reporting period, the Company achieved a 100% coverage rate for employee safety training, with a total training duration of 1,184 hours.

100% coverage rate for employee safety training

100 %

The total training time is 1184 hours

1,184 hours

◎ Occupational Disease Prevention

Haitai Solar has formulated the "Standardized Safety Operating Procedures for Production Safety" in accordance with the *Work Safety Law of the People's Republic of China*, the *Hebei Province Work Safety Regulations*, and other relevant laws and regulations. This document aims to manage job safety operations more targeted, standardized, and operable, standardizing the behaviors of various job types to achieve operational standardization. Additionally, the Company has implemented occupational disease prevention and control measures to maximize the protection of personal safety.

During the reporting period, the Company had a total of 15 specialized operators and 22 specialized equipment operators, all with a certification rate of 100%. The concentration or intensity of all occupational disease hazards in the Company met the requirements, and all relevant personnel met the level of exposure to occupational disease hazards. The Company's occupational health management status was rated as level A, with the comprehensive risk category of occupational disease hazards classified as Class A. The incidence rate of occupational diseases among employees was 0%.

15 special operation personnel

15

100% certified employment rate

100 %

22 special equipment operators

22

Occupational disease incidence rate 0%

0 %

Occupational Disease Prevention Measures

- 01 Develop "Standardized Safe Operating Procedures for Production Safety";
- 02 Regularly hire professional third parties to conduct occupational hazard assessments;
- 03 Establish occupational health monitoring records for all personnel exposed to hazardous factors.
- 04 Organize regular occupational health examinations and annual check-ups for employees.
- 05 Provide employees with personal protective equipment (PPE) such as PU gloves, earplugs, etc..
- 06 Focus on monitoring noise-exposed positions.
- 07 Display occupational hazard warning signs.
- 08 Strictly enforce the requirement for special operations to be carried out by certified personnel, with one person per certificate.

05

Synergizing the Supply Chain for Green Mutual Benefits

Benchmarking against the UN SDGs



Key Issues

- Community Investment
- Rural Revitalization
- Responsible Procurement

Sustainable Supply Chain	83
Facilitating Industry Development	86
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1 Sustainable Supply Chain

Haitai Solar continuously enhances its supply chain management system by establishing management procedures such as Supplier Management Control Procedure, Procurement Control Procedure, and New Material Introduction Control Procedure to ensure the procurement of qualified products and services and to foster stable, mutually beneficial relationships with suppliers.

Supplier Management

Haitai Solar procures products and services in a responsible manner, striving to advance sustainable development in collaboration with suppliers.

The Company considers ESG elements such as business ethics, industry reputation, quality, environment, occupational health and safety, emissions of hazardous substances, and customer service in the supplier admission, review, and removal processes.

Supplier Admission	Conduct preliminary investigations and review suppliers' basic qualifications to establish supplier profiles. The Company conducts pre-admission audits for all suppliers, focusing on their production and operation status, quality management system, environmental management system, and production service capabilities, culminating in a "SupplierOn-Site Audit Report". For Class A suppliers (such as solar cells, back sheets, glass, etc.), on-site audits are mandatory. Suppliers deemed qualified and with new materials evaluations meeting the criteria are included in the "List of Approved Suppliers."
Supplier Evaluation	The Company conducts bi-annual performance evaluations of Class A qualified suppliers, focusing on quality, cost, delivery time, and service. Based on the evaluation results, suppliers are categorized as preferred, qualified, reserve, or unqualified suppliers.
Supplier removal	For suppliers who are deemed unqualified in performance evaluations, or those who repeatedly encounter the same quality issues or significant quality problems, the company will, in accordance with management regulations, terminate their status as suppliers and remove them from the <i>List of Qualified Suppliers</i> .

In its supply chain collaboration, Haitai Solar establishes a fair and transparent procurement process. For SME suppliers, the Company simplifies the bidding process, reduces entry barriers, ensures equal participation in business competition, and provides opportunities for them to showcase their strengths. Additionally, the Company actively engages in technical assistance and experience-sharing activities, dispatching internal professional teams to provide training for the partnered small and medium-sized enterprises in production process optimization, quality management system establishment, and other areas. The goal of this assistance is to help small and medium-sized enterprises enhance operational capabilities and product quality, fostering mutual growth and progress.

Procurement Risk Management

Haitai Solar consistently upholds the concept of sustainable procurement, considering it a crucial agenda within the Company. Accordingly, the Company regularly conducts risk identification, assessment, and management in the field of sustainable procurement and formulates corresponding risk mitigation measures.

Risk Name	Risk Description	Response Measures
Supply risk	Supplier reliability: Suppliers may face financial crises such as bankruptcy or disruptions in their funding chain, impacting regular supply. Market stability: The scarcity of raw materials and market fluctuations will affect the stability of the supply market. Additionally, the competitive landscape within the supplier industry will also influence market stability.	The Company will actively expand its supplier base, increase the number of potential suppliers, and seek to establish partnerships with more qualified suppliers. Stringent qualification and on-site audits will be conducted for newly developed suppliers, followed by initial small-scale purchases to observe their supply capabilities and product quality assurance. For approved suppliers, regular monitoring of their financial status and credit rating will be conducted to assess financial risks. Multiple suppliers will be utilized for the same material, with procurement shares allocated reasonably based on factors such as price, quality, supplier location, and supply stability.
Quality risk	Differences exist in product quality standards among various suppliers, and the quality of products can be affected by whether their quality inspection equipment is regularly calibrated.	Collaborate with suppliers to enhance quality by regularly sharing quality standards and case studies of quality issues, aiding suppliers in quality improvement efforts.
Price risk	Fluctuations in market prices will impact raw material procurement, with price changes in commodities often exerting significant influence on raw material prices across the industry.	The Company conducts real-time monitoring of market price trends for raw materials and products, utilizes price indices, industry reports, and other tools for cost analysis to understand product cost structure. This analysis is used as a basis for negotiating prices with suppliers to secure more favorable procurement prices.
Compliance risk	The terms of the procurement contract may not comply with legal regulations or exhibit imbalances in rights and obligations; suppliers may have legal issues and lack operational legitimacy.	Utilize formal procurement contracts and rigorously review the terms to ensure fairness and legality of rights and obligations for both parties. Thoroughly verify the authenticity and accuracy of information provided by suppliers through public channels to confirm their business qualifications and address any legal issues.

Supplier Empowerment

Haitai Solar focuses on cultivating robust ecological partnerships with its suppliers, seeking mutual development and a win-win interactive environment within the supply chain. The Company implements a supplier quality improvement cooperation mechanism, regularly sharing quality standards and case studies of quality issues with suppliers, providing feedback on product quality reports, and jointly analyzing the root causes of quality issues to assist suppliers in enhancing their quality control capabilities. Through methods such as offering quality training and recommending advanced quality testing equipment, we aid suppliers in rectifying product quality issues.

The Company regularly communicates with suppliers based on the conclusions of supplier audit reports, addressing issues identified during the audit. Suppliers are required to rectify issues following the "Supplier Management Control Procedures," and Haitai Solar may dispatch technical personnel.

Tongwei Group Technical Training Seminar



Haitai Solar and Tongwei Group conducted a technical training seminar, focusing on sharing Tongwei Group's technical highlights and process essentials in the solar energy sector. This event helped fill knowledge gaps for the Company in this field, enriched its understanding of thin-film solar cell production processes, and fostered cooperation and friendship between the two entities.



Technical Training Seminar

Facilitating Industry Development

As a global green energy manufacturer and innovator, Haitai Solar is committed to engaging with industry-leading enterprises and experts to continuously explore new directions for industry development.

Involvement of Haitai Solar in Industry Associations

China Photovoltaic Industry Association	Board Member
Tangshan Federation of Industry and Commerce, Tangshan Chamber of Commerce	Member/Vice President Unit
Hebei Province High-Tech Industry Association	Board Member
Hebei Province Photovoltaic New Energy Association	Member/Vice President Unit
Yutian County Industrial and Commercial Federation	Vice Chairman Unit
Fujian Solar Photovoltaic Energy Storage Chamber of Commerce	Board Member
Hebei Renewable Energy Industry Association	Member Unit
Hebei Province Brand Strategy Promotion Association	Member Unit
Hebei Credit Association	Board Member
China Residential Photovoltaic Brand Promotion Alliance	Member Unit
All-China Federation of Industry and Commerce New Energy Chamber	Executive Vice President Unit
China Photovoltaic Industry Association Household Photovoltaic Professional Committee	Committee Member
Tangshan City Invention Association	Board Member
China Circular Economy Association	Member
China Industry Development Promotion Association for Hydrogen (Hydrogen Promotion Association)	Board Member
Zhangjiakou Energy Industry Development Association	Board Member
Guangdong Solar Energy Association	Member Unit
China Chamber of Commerce for Import and Export of Machinery and Electronic Products	Member
Tangshan Foreign Trade Enterprise Association.	Member/Vice President Unit

Furthermore, the Company actively participates in the development of domestic standards and industry standards. The Company led the formulation of the national standard "Test procedure for materials for photovoltaic modules Part 7-3: Accelerated stress tests - Test method for abrasion of the outer surface of photovoltaic modules," which is equivalent to adopting IEC 62788-7-3:2022. This standard defines a set of test methods for evaluating material and coating abrasion in photovoltaic modules or other solar devices, which can be used to assess the wear resistance of solar devices in terms of cleaning and provides detailed specifications for cleaning equipment such as brushes, filling an industry gap. The Company also participated in the formulation of two national standards, "Design qualification and type approval for terrestrial photovoltaic modules Part 1: Test requirements" and "Design qualification and type approval for terrestrial photovoltaic modules Part 2: Test procedures," which are equivalent to adopting the IEC international standards IEC 61215-1:2021 and IEC 61215-2:2021, respectively. These are among the most critical performance standards related to photovoltaic modules.

In the past three years, we have participated in a total of 10 standard development projects, comprising 1 national standard and 9 group standards. The breakdown is as follows:

Haitai Solar participates in the compilation of standard lists

Crystalline Silicon Solar Photovoltaic Modules Utilizing Insulated Backsheet	National Standards	Participation
Quality Grading and "Front Runner" Evaluation Requirements for Crystalline Silicon Photovoltaic Modules	Group Standard	Participation
Evaluation Standards for Zero-Carbon Factories in the Photovoltaic Industry	Group Standard	Participation
Part 1: General Requirements for Carbon Neutrality Assessment in the Photovoltaic Manufacturing Industry	Group Standard	Participation
Requirements for Carbon Neutrality Assessment of Photovoltaic Industry Products	Group Standard	Participation
Requirements for Recycling and Reusing Discarded Crystalline Silicon Photovoltaic Modules	Group Standard	Participation
Dimensions and Mounting Hole Technical Requirements for Crystalline Silicon Photovoltaic Modules for Ground-Mounted Applications	Group Standard	Participation
Technical Requirements for Localized Edging of Crystalline Silicon Photovoltaic Modules	Group Standard	Participation
Polyvinyl Butyral (PVB) Film for Encapsulating Photovoltaic Modules	Group Standard	Participation
N-Type TOPCon Cell Technology Specifications	Group Standard	Participation

3 Social Welfare and Charity

Haitai Solar pays close attention to the national rural revitalization strategy and actively responds to the national call. The Company has taken the lead in constructing village-level photovoltaic power station projects in Zhangbei County, injecting impetus into the rural revitalization of Zhangbei County and facilitating the region's transition towards green transformation and sustainable development. During the reporting period, the Company made charity donations totaling RMB 115,000.

Zhangbei County Village-Level Household Photovoltaic Project

Haitai Solar photovoltaic modules, with their excellent weather resistance and corrosion resistance, can effectively withstand harsh weather conditions, ensuring the stable operation of the system, making them an ideal choice for distributed photovoltaic projects in the region. Project profits are distributed in a way that combines "public welfare positions + village collective undertakings," maximizing the village collective income, allowing residents to enjoy unlimited solar dividends, truly achieving a triple win of economy, environment, and people's well-being. The Company actively participates in the construction of photovoltaic projects in Zhangbei County, contributing to local clean energy development.



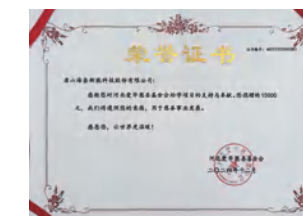
Haitai Solar Awarded the Title of "Compassionate Enterprise"



In 2023, the Company generously donated RMB 100,000 to the Tangshan City Social Assistance Foundation, making a significant contribution to aiding disadvantaged populations, thereby earning the prestigious title of "Compassionate Enterprise."

◀ Haitai Solar: A Compassionate Enterprise

Haitai Solar Establishes a Charitable Scholarship Fund



In 2024, the Company donated RMB 15,000 to a school in Yutian County, Tangshan, Hebei, through the Hebei Aihua Charity Foundation. This fund is specifically designated for the establishment of a scholarship, aiming to assist students from economically disadvantaged families by alleviating their financial burdens in the process of academic development and helping them complete their studies successfully.

◀ Haitai Solar Empowers Education

Collaborative Efforts to Build Beautiful Rural Areas

On August 11, 2022, the inaugural Rural Energy Development Conference opened in Beijing. Haitai Solar was invited to attend the "County-level New Energy Boosting Rural Revitalization" forum, where industry experts discussed new ideas, models, and developments of new energy in county-level areas. Aligned with the dual national strategic goals of "Dual Carbon" action and rural revitalization, by 2025, green and low-carbon modern rural energy systems will be accelerated. Green and low-carbon new models and formats, such as solar photovoltaics will be widely applied, injecting a "green momentum" into the continuous development of county-level economies. Haitai Solar offers a variety of high-efficiency photovoltaic modules to the market, covering a comprehensive range of types with excellent performance, meeting the product performance requirements for diverse applications of distributed photovoltaics in rural households. The Company is dedicated to the research and development of photovoltaic module technology and product upgrades, driving the development of new solar photovoltaic models from the supply side, in response to county-level new energy initiatives supporting rural revitalization.



▲ County New Energy Development Forum

Appendix

1 Key Performance Table

Category	Unit	2022	2023	2024
Economic Indicators				
Revenue	RMB 10,000	638,716.53	410,333.07	380,286.63
Environmental Protection Investment	RMB 10,000	-	-	1,418.19
Research and Development (R&D) investment	RMB 10,000	26,393.49	16,396.72	14,067.89
Safety Production Investment	RMB 10,000	-	-	569.79
Category	Unit	2024		
Environmental Indicators				
Resource Consumption				
Energy				
Gasoline	L	23,547.36		
Diesel Fuel	L	11,625.24		
Natural Gas	m³	0		
Purchased Electricity	Kwh	37,147,900		
Total Energy Consumption	tce	4,605.42		
Renewable Energy Consumption	tce	369.70		
Water Resources				
Water Usage	m³	114,530		
Packaging Materials				
Packaging Material - Paper Category	Ton	1,180		
Waste Management				
Total Amount of Recycled Waste	Ton	490.78		

Category	Unit	2024
Greenhouse Gas Emissions		
Scope 1	tCO2e	85.77
Scope 2	tCO2e	19,933.56
Total (Scope 1 + Scope 2)	tCO2e	20,019.33
Greenhouse gas emissions intensity per million in revenue (Scope 1 and Scope 2)	tCO2e	5.26
Social Indicators		
Employment		
Full-time Employees	Headcount	2,510
Part-time Staff	Headcount	0
Temporary Agency Workers	Headcount	55
Full-time Employees (by Gender)		
Male	Headcount	1,636
Female	Headcount	874
Full-time Employees (by Age)		
Aged 30 and below	Headcount	1,055
Aged 31 to 40	Headcount	851
Aged 41 to 50	Headcount	466
Aged 50 and above	Headcount	138
Full-time Employees (by Ethnicity)		
Han Ethnicity	Headcount	2,115
Other Ethnic Minorities	Headcount	395
Full-time Employees (by Educational Background)		
Master's degree or above.	Headcount	48
Undergraduate degree.	Headcount	390
Sub-bachelor's degree.	Headcount	2,072
Full-time Employees (by Professional Field)		
Management personnel	Headcount	64
Production personnel	Headcount	1,527

Category	Unit	2024
Sales personnel	Headcount	178
Technical personnel	Headcount	340
Financial personnel	Headcount	40
Administrative personnel	Headcount	361
Employee Attraction and Retention		
Newly Hired Employees		
Newly Hired Employees	Headcount	1,325
Newly Hired Employees (by Gender)		
Male	Headcount	913
Female	Headcount	412
Newly Hired Employees (by Age)		
Aged 30 and below	Headcount	728
Aged 31 to 40	Headcount	473
Aged 41 to 50	Headcount	92
Aged 50 and above	Headcount	32
Development and Training		
Number of Employees Trained	Headcount	1,770
Employee Training Percentage	%	70.52%
Total Employee Training Hours	Hour	1,698
Number of Employees Trained (by Gender)		
Male	Headcount	1,182
Female	Headcount	588
Employee Training Percentage (by Gender)		
Male	%	72.25%
Female	%	67.28%

Category	Unit	2024
Total Training Hours for Employees (by Gender)		
Male	Hour	1,040
Female	Hour	658
Specialized Training		
Total Number of Participants in Business Ethics Training	Person-time	70
Total Number of Anti-corruption and Commercial Bribery Training Participants	Person-time	101
Total Number of Safety Training Participants	Person-time	1,365
Total Number of Individuals Trained on the Company's Social Responsibility Policies and Procedures	Person-time	40
Total Number of Participants in Privacy and Data Security Training	Person-time	79
Total Number of Participants in Tax Management Training	Person-time	42
Duration of Business Ethics Training	Hour	70
Anti-corruption and Commercial Bribery Training Duration	Hour	101
Safety Training Duration	Hour	1,184
Duration of Training on Social Responsibility Policies and Procedures	Hour	80
Duration of Privacy and Data Security Training	Hour	135
Duration of Tax Management Training	Hour	84
Health and Safety		
Occupational Health and Safety Performance		
Occupational Injury	Cases	8
Number of Injured Workers	Headcount	8
Occupational Injury Rate	%	0.32%
Number of Work-related Fatalities	Headcount	0
Occupational Disease Incidence Rate	%	0
Community and Philanthropy		
Charity Donation	RMB 10,000	11.50

2

Report Index Table

1.Index of Beijing Stock Exchange Listed Companies Sustained Supervision Guideline No. 11 - Sustainability Report (Trial Implementation)

Dimension	Serial Number	Topic	Index Position
Environment	1	Addressing climate change	3.2 Climate Change Adaptation
	2	Pollutant emissions	3.1 Implementing Green Production
	3	Waste management	3.1 Implementing Green Production
	4	Ecosystems and Biodiversity Conservation	3.1 Implementing Green Production
	5	Environmental compliance management	3.1 Implementing Green Production
	6	Energy utilization	3.1 Implementing Green Production
	7	Water resource utilization	3.1 Implementing Green Production
	8	Circular Economy	3.1 Implementing Green Production
Society	9	Rural revitalization	5.3 Social Welfare and Charity
	10	Social contribution	5.3 Social Welfare and Charity
	11	Innovation-driven	2.1 R&D and Innovation
	12	Technology Ethics	2.1 R&D and Innovation
	13	Supply chain security	5.1 Sustainable Supply Chain
	14	Equal Treatment of Small and Medium Enterprises	5.1 Sustainable Supply Chain
	15	Product and Service Safety and Quality	2.2 Product Quality and Services
	16	Data security and customer privacy protection	1.4 Information Security and Privacy Protection
Governance related to sustainable development	17	Employees	4. Human-Centric, Unity in Diversity
	18	Due diligence	Sustainable Development Management
	19	Stakeholder engagement	Sustainable Development Management
	20	Anti-commercial bribery and anti-corruption	1.3 Code of Business Ethics
	21	Anti-unfair competition	1.3 Code of Business Ethics

2.Index of Sustainability Reporting Standards (GRI Standards 2021)

Indicator Code	Indicator Name	Index Position
2-1	Organizational details	Regarding this Report
2-2	Entities included in an organization's sustainability report	Regarding this Report
2-3	Reporting period, reporting frequency, and touchpoints	Regarding this Report
2-4	Information restatement	Not Applicable
2-5	External assurance	No External Guarantees
2-6	Activities, value chain, and other business relationships	Regarding Haitai Solar
2-7	Employment	4.1 Employee Rights and Development
2-8	Non-employee personnel	4.1 Employee Rights and Development
2-9	Corporate governance structure and composition	1.1 Corporate Governance and Compliance Operations
2-10	Nomination and Selection of the Highest Governance Body	Please refer to the Company's annual report for details
2-11	Chairman of the highest governing body	1.1 Corporate Governance and Compliance Operations
2-12	The role of the highest governing body is to oversee and influence management	1.1 Corporate Governance and Compliance Operations
2-13	Delegation of Responsibility for Managing Impacts	1.1 Corporate Governance and Compliance Operations
2-14	The role of the highest governing body in sustainability reporting	1.1 Corporate Governance and Compliance Operations
2-15	Conflict of interest	Please refer to the Company's annual report for more details
2-16	Communication of key issues	Stakeholder Engagement
2-17	The collective intelligence of the highest governing body	1.1 Corporate Governance and Compliance Operations
2-18	Assessment of the performance of the highest governance body	Please refer to the Company's annual report for more details
2-19	Compensation policy	Please refer to the Company's annual report for further details
2-20	Compensation Determination Process	Please refer to the Company's annual report for more details
2-21	Annual total remuneration ratio	/
2-22	Statement on Sustainable Development Strategy	Sustainable Development Management
2-23	Policy commitment	Full Text

Indicator Code	Indicator Name	Index Position
2-24	Embedded policy commitment	Full Text
2-25	Process of correcting negative impacts	2.2 Product Quality and Service
2-26	Seeking advice and mechanisms for raising concerns	Sustainable Development Management
2-27	Compliance with laws and regulations	Full text
2-28	Member Association	5.2 Facilitating Industry Development
2-29	Methods of stakeholder engagement	Sustainable Development Management
2-30	Collective bargaining agreement	/
201	Economic performance	ESG Highlights Performance (2024)
202	Market Performance	ESG Highlights Performance (2024)
203	Indirect economic impact	ESG Highlights Performance (2024)
204	Procurement practices	5.1 Sustainable Supply Chain
205	Anti-corruption	1.3 Code of Business Ethics
206	Unfair competition practices	1.3 Code of Business Ethics
207	Taxation	1.2 Risk Management and Tax Compliance
301	Materials	3.1 Implementing Green Production
302	Energy	3.1 Implementing Green Production
303	Water Resources and Wastewater	3.1 Implementing Green Production
304	Biodiversity	3.1 Implementing Green Production
305	Emissions	3.2 Climate Change Adaptation
306	Waste materials	3.1 Implementing Green Production
308	Supplier environmental assessment	5.1 Sustainable Supply Chain
401	Employment	4.1 Employee Rights and Development
402	Labor relations	4.1 Employee Rights and Development
403	Occupational Health and Safety	4.2 Occupational Health and Safety
404	Training and Education	4.1 Employee Rights and Development

Indicator Code	Indicator Name	Index Position
405	Diversity and Equal Opportunities	4.1 Employee Rights and Development
406	Anti-discrimination	4.1 Employee Rights and Development
407	Freedom of association and collective bargaining	4.1 Employee Rights and Development
408	Child labor	4.1 Employee Rights and Development
409	Forced labor	4.1 Employee Rights and Development
410	Security practices	Not Applicable
411	Indigenous rights	Not Applicable
413	Local community	5.3 Social Welfare and Charity
414	Supplier Social Assessment	5.1 Sustainable Supply Chain
415	Public policy	5.3 Social Welfare and Charity
416	Customer health and safety	Not Applicable
417	Marketing and branding	2.2 Product Quality and Service
418	Customer privacy	Not Applicable

3

Reader Feedback Form

Dear readers,
Hello!
Thank you for reviewing the "2024 Environmental, Social, and Corporate Governance Report of Tangshan Haitai New Energy Technology Co., Ltd." We sincerely appreciate your evaluation and valuable feedback on this report. Your insights and suggestions are crucial for the continuous improvement of our reporting. Kindly complete the feedback form below to provide us with your comments.

"Feedback Form for the 2024 Environmental, Social, and Corporate Governance Report of Tangshan Haitai New Energy Technology Co., Ltd."

Name:_____

Position:_____

Telephone:_____

Email:_____

- 1.What is your overall assessment of this report?
☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor
- 2.How do you evaluate the accuracy, completeness, timeliness, and clarity of the information disclosed in this report?
☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor
- 3.Do you find the content organization and style design of this report conducive to readability?
☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor

4.What issues are you focused on?

5.Which information do you believe is not reflected in the report and should be understood?

6. Do you have any additional comments on Haitai Solar's performance in the areas of environmental, social, and corporate governance?