



2025

HONGYUAN Green Energy Co., Ltd.
Environmental, Social and Governance Report

The logo for HY SOLAR features the letters 'HY' in a bold, blue, sans-serif font. A green arrow points from the 'Y' to the right. To the right of 'HY' is the word 'SOLAR' in a blue, sans-serif font. The logo is centered within a graphic of overlapping light blue circles and a larger, thick blue ring on the right side of the page.

HY SOLAR

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Sustainability Performance Highlights

Economic & Governance

Revenue:
RMB **7,425.49** million

100%
of suppliers signed procurement contracts incorporating environmental, labor, human rights and anti-corruption clauses

Anti-corruption Risk Inspection coverage of production bases:

100%

No fines non-monetary sanctions or litigation cases related to business ethics and information security;

138
new patents granted during the reporting period.

Environment

100%
of major production bases certified to ISO 14001 Environmental Management System and ISO 50001 Energy Management System

4
certified Green Factories

Environmental investment:
RMB **44.1936** million

Recycled water volume:
150.5680 million tonnes

Renewable energy consumption ratio
45.28%

Social

100%
of major production bases certified to ISO 45001 Occupational Health and Safety Management System

HY Solar (Wuxi) certified to SA8000 Management System

Zero incidents of discrimination, harassment, forced labor or child labor during the reporting period.

Chairman's Message

The world today is at a pivotal stage in the in-depth advancement of the energy revolution. As the global climate governance framework continues to improve, the green and low-carbon transition centered on clean energy is fundamentally reshaping the global energy landscape and development trajectory. In this era-defining process, energy enterprises not only shoulder the critical mission of driving the transformation of energy systems and advancing technological progress, but also assume an increasingly important responsibility in promoting green economic and social development and addressing climate change.

2025 marks the fourth consecutive year that HY Solar has published an ESG report. As an enterprise deeply rooted in the clean energy industry, we have always upheld the mission of "Making Energy Cleaner, Making the World Better," embedding the principles of sustainable development into every aspect of corporate strategy and operational management. While driving the high-quality development of the Company, we actively respond to the pressing global agenda of low-carbon transition and climate governance.

Over the past year, we continued to deepen the construction of our ESG management system and steadily enhance our sustainable development capabilities. In terms of the environment, we persisted in advancing energy conservation, consumption reduction and technological innovation, increased the proportion of green electricity usage, promoted international carbon footprint certification for products across the photovoltaic value chain, and multiple subsidiaries were rated as "Zero-Carbon Factories" and "Green Factories" for consecutive years, continuously reducing the environmental impact of our production and operations. In terms of social responsibility, we remained committed to sharing development outcomes with society, actively participated in community building and public welfare initiatives, and ensured that corporate development and social progress move in tandem. In terms of governance, we continuously improved our corporate

governance structure and ESG management system, strengthened compliance operations and risk control capabilities, and enhanced the standardization and transparency of information disclosure, laying a solid foundation for the Company's long-term and steady development.

Faced with cyclical industry adjustments and changes in the market environment, we have always maintained strategic resolve and adhered to the philosophy of long-termism. On one hand, we continued to pursue scientific and technological innovation and technological upgrading, steadily improving product performance and manufacturing efficiency, accelerating the advancement of intelligent manufacturing and lean management, and continuously strengthening our core competitiveness. On the other hand, we actively expanded into new business areas such as energy storage, accelerated the transition towards becoming a comprehensive energy solution provider, and continuously enhanced our industrial synergy capabilities and global competitiveness.

HY Solar has always adhered to an open and cooperative attitude, working hand-in-hand with global customers, partners and all sectors of society to jointly promote the progress of clean energy technology and the construction of the industrial ecosystem. Looking ahead, HY Solar will continue to take innovation as its engine, green development as its foundation, and responsibility as its cornerstone. We are resolute in pursuing a path of high-quality development — and in creating sustained corporate value while contributing HY Solar's strength towards building a cleaner, lower-carbon, and more sustainable world.

Chairman of HY Solar
Yang Jianliang

About Us

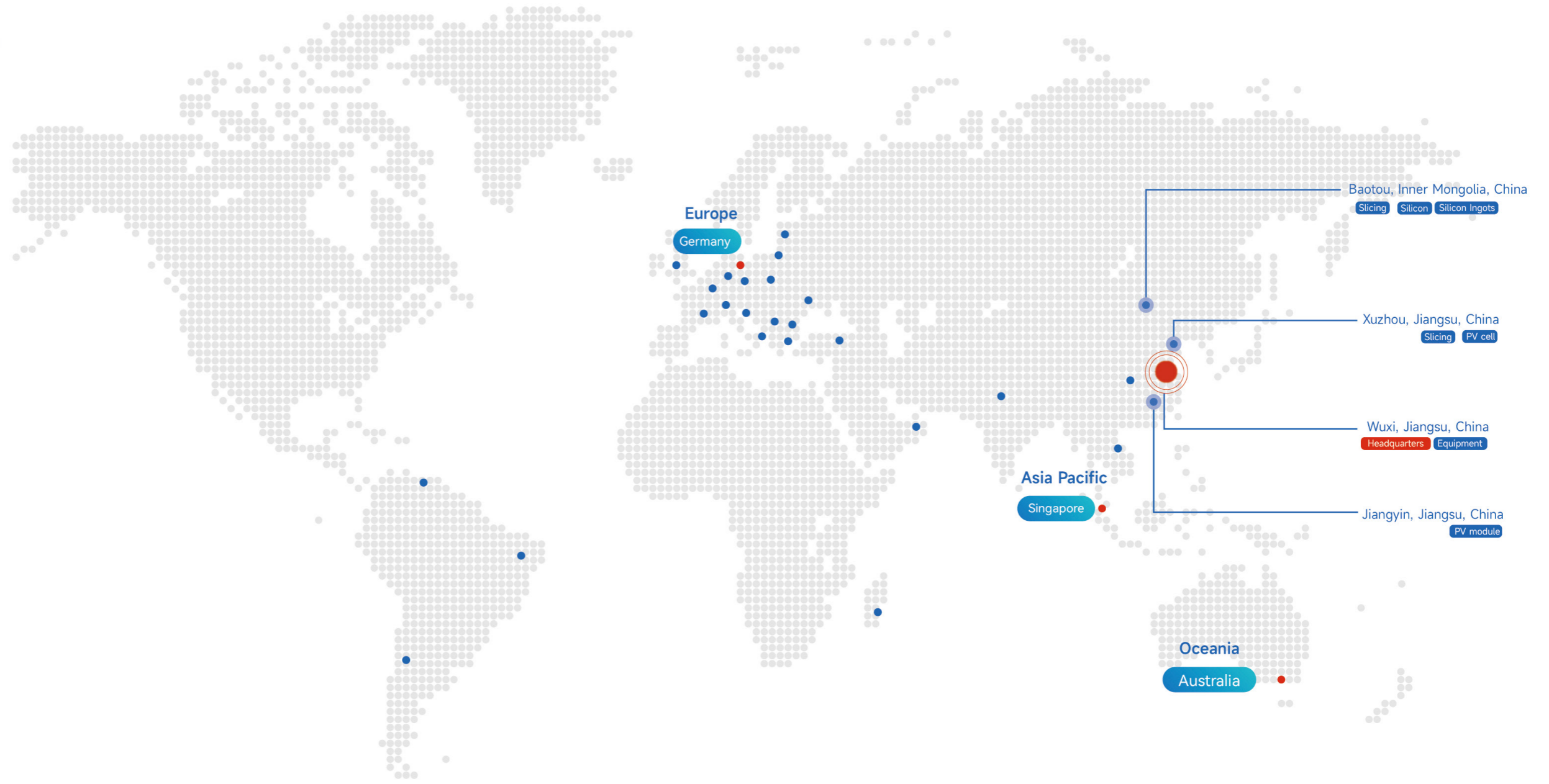
Company Overview

Hongyuan Green Energy Co., Ltd. (referred to as HY Solar), founded in 2002 and headquartered in Wuxi, China, has established itself as a global leader in the green energy sector. The Company was listed on the Main Board of the Shanghai Stock Exchange in 2018 (stock code: 603185). As a comprehensive green energy innovation group, HY Solar focuses on two core business segments: high-end equipment and full-industry-chain photovoltaic (PV) products. Through integrated industrial deployment and continuous technological innovation, the Company has built a strong global competitive presence.

With nearly RMB 30 billion in total assets, the Company has built multiple modern industrial bases in key regions such as Inner Mongolia, Jiangsu, and Anhui. It has established large-scale production capacity across polysilicon, wafers, cells, and modules, achieving a fully integrated, vertical supply chain in the photovoltaic sector.

Recognized for its advanced industrial layout, robust technological capabilities, and strong commitment to sustainability, HY Solar has been repeatedly named among the Top 500 Chinese Manufacturing Enterprises, the Global New Energy 500, and the Hurun China Top 100 Private Energy Companies. The Company has also been honored as a Forbes China Sustainable Innovation Enterprise, with its brand influence and industry leadership ranking among the forefront of the global green energy industry.

Looking ahead, HY Solar remains committed to its development strategy of "Technology-Driven HY Solar, Intelligent Service Solutions" and its corporate vision of "Making Energy Cleaner, Making the World Better." By driving industrial upgrading through innovation and expanding globally to connect the future, HY Solar is dedicated to building a world-class new energy innovation group defined by technological empowerment, green leadership, and intelligent synergy - contributing to the global energy transition and sustainable development.



● Business Footprint

Headquarters

Wuxi, China

Overseas Regional Headquarters

APAC: Singapore EU: Germany

Oceania: Australia

Manufacturing Bases

Equipment: Wuxi, Jiangsu, China Silicon: Baotou, Inner Mongolia, China Silicon Ingots: Baotou, Inner Mongolia, China Slicing: Baotou, Inner Mongolia, China
 Slicing: Xuzhou, Jiangsu, China PV cell: Xuzhou, Jiangsu, China PV module: Jiangyin, Jiangsu, China

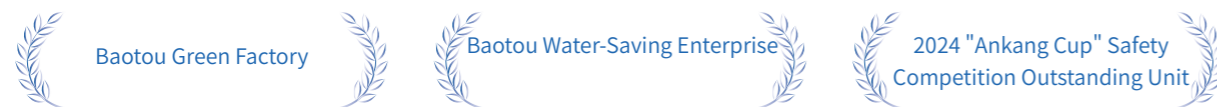
Honors and Recognitions

2025 ESG Ratings EcoVadis Commitment Medal Wind ESG Rating: A Huazheng ESG Rating: A

HY Solar (Group)



Hongyuan Energy (Baotou)



Hongyuan New Material (Baotou)



Hongyuan New Material (Xuzhou)



HY Solar (Wuxi)



Management System Certification Coverage (Major Production Sites)¹:



External Engagements



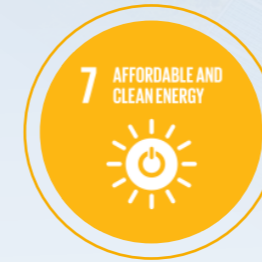
¹ Major production sites include HY Solar, HY Energy(Baotou), Hongyuan New Material (Baotou), HY Solar (Wuxi) and Hongyuan New Material (Xuzhou)

Progress on the United Nations Sustainable Development Goals (UN SDGs)

- Participate in community donations to help the underprivileged
- Generate employment opportunities with fair wage practices
- Strictly implement the occupational health and safety measures
- File health records
- Organize the Safety Month event



- Conduct large-scale employee training
- Manage hiring and promotions on the principle of equality
- Manage and control wastewater discharges from production processes
- Explore measures for water resource treatment and recycling



- Build distributed photovoltaic on plant rooftop
- Provide reliable, efficient and eco-friendly solar products
- Insist on equal pay for equal work
- Join PV CYCLE to build a PV recycling system
- Strengthen supply chain responsibility management
- Conduct climate-related scenario analyses and product carbon footprint certification
- Create a "zero-carbon factory"
- Conduct regular integrity training and promotion
- Formulate a Supplier Code of Conduct
- Establish a risk management mechanism

Stakeholder Engagement

In accordance with international standards and guidelines including the GRI Standards and the AA1000 Stakeholder Engagement Standard, the Company has systematically identified and mapped its key stakeholder groups, including employees, customers and consumers, shareholders and investors, business partners, government and regulatory authorities, NGOs and media, and local communities.

During the reporting period, the Company continuously upgraded its internal communication platforms, introduced and optimized digital collaboration tools including instant messaging systems, MES systems, and human resource management systems, enhancing the timeliness and transparency of information sharing. Regular meeting mechanisms were further strengthened to improve internal information flow and strategic alignment, ensuring the effective implementation of sustainability objectives.

The Company is committed to building stakeholder relationships based on trust and transparency by establishing diverse communication and engagement channels, and maintaining regular and ad-hoc exchanges with various stakeholder groups. Each year, through stakeholder survey questionnaires and other methods, the Company systematically collects the expectations and suggestions of stakeholders regarding its sustainability efforts, identifies and integrates priority topics, and manages related risks and opportunities more effectively. Based on feedback, the Company continuously improves its management practices and discloses relevant progress through ESG reports and other channels.

In addition, the Company regularly evaluates the effectiveness of its stakeholder engagement mechanisms, continuously refines communication processes and tools, enhances interaction quality and responsiveness, and ensures that the concerns of all stakeholders are addressed in a timely, comprehensive, and ongoing manner.

Stakeholder Group	Key Issues of Concern	Engagement Channels
Employees (incl. Trade Unions)	Occupational health and safety Employment and human rights protection Talent development	Employee activities Workers' Representative Congress Training activities Employee handbook HY Solar Voice platform HR system Notice boards Grievance mechanism (hotline and email) Survey questionnaires
		General shareholders' meetings Investor communication platform Investor exchange meetings Performance briefings Information disclosure Survey questionnaires
Shareholders & Other Investors	Corporate governance Business ethics Risk management	

Stakeholder Group	Key Issues of Concern	Engagement Channels
Customers & Consumers	Product quality and safety Responsible supply chain Customer relationship management Information security and privacy protection Product lifecycle management	Offline exhibitions and conferences Customer satisfaction surveys Official website and email Information disclosure Survey questionnaires
Business Partners	Business ethics Information security and privacy protection Responsible supply chain Product lifecycle management Occupational health and safety Employment and human rights protection	Business visits Regular supplier training Supplier audits Official website and email Survey questionnaires
Government & Regulatory Authorities	Corporate governance Business ethics Environmental compliance management Employment and human rights protection Climate change response	Regulatory meetings On-site inspections Information disclosure Survey questionnaires
NGOs & Media	Employment and human rights protection Scientific and technological innovation Business ethics Climate change response Environmental compliance management Energy management Water resource management Pollutant and waste management Biodiversity conservation	Offline exhibitions and conferences Seminars and roundtables Media communications Corporate publications Press releases Information disclosure Survey questionnaires
Local Communities (incl. Residents)	Community relations and charitable initiatives Pollutant and waste management Biodiversity conservation	Factory visit activities Community volunteer activities Public welfare activities Official website and email Survey questionnaires

Materiality Assessment

The Company conducts an annual materiality survey to identify significant sustainability risks, opportunities, and impacts through understanding sustainability trends, topic screening, stakeholder engagement, double materiality analysis, and expert consultation. The Company then improves its management around these topics and integrates the management of sustainability issues into broader business processes to enhance corporate resilience.

Material Topic Screening

Through benchmarking against international standards and initiatives — including the GRI Sustainability Reporting Standards, SASB Industry Standards, and the UN Sustainable Development Goals (UN SDGs) — as well as through analysis of investment and rating institutions, leading peer practices, and the Company's value chain, 19 material topics were identified.

The Company's material topics for 2025 are consistent with those of 2024; certain topics have been revised in their formulation to improve alignment with relevant standards.

2025 Material Topic	2024 Material Topic	Change & Rationale
Corporate Governance	Investor Relations Tax Strategy	Revised wording; topics merged into Corporate Governance
Employment & Human Rights Protection	Employee Rights and Benefits	Revised wording
Talent Development	Human Capital Development	Revised wording
Climate Change Response	Low-Carbon Operations	Revised wording
Environmental Compliance Management	Environmental Management System	Revised wording
Pollutant and Waste Management	Waste and Hazardous Substances Management	Revised wording

Materiality Assessment

The Company recognizes that its operating activities and business relationships may generate actual or potential impacts on the external economy, environment, and society, and that these impacts are equally relevant to its financial performance and long-term development. Accordingly, the Company adopts a double materiality analysis approach, conducting a comprehensive assessment from both the impact materiality and financial materiality dimensions when prioritizing topics.

In identifying material topics, the Company invited representatives of various stakeholder groups and members of its governance bodies to participate in online questionnaire surveys, and sought opinions from external experts on key topics and their contextual background, in order to obtain professional advice on impact identification and management. On this basis, the final materiality matrix was formed, and the priority of key topics such as climate change response was elevated based on assessment results. The outcomes were reviewed and confirmed by the Board of Directors before being disclosed in this report.

For impact assessment, both actual and potential impacts are considered, along with a distinction between positive and negative impact types. Through surveys and analysis conducted across a broad range of stakeholders, the Company systematically mapped the key concerns of different groups and the potential impacts the Company may generate. In assessing negative impacts, the Company considers impact severity (including scale, scope, and irreversibility) and likelihood; in assessing positive impacts, the focus is on impact severity (scale and scope) and likelihood. Based on the composite scoring, topics with higher scores on the impact dimension are classified as high-impact material topics.

Material Topic	Impact Materiality	Impact Type	Primary Impact on Sustainable Development
Climate Change Response	High	Positive	By substituting fossil energy with clean electricity generation, significantly reducing greenhouse gas emissions and advancing the low-carbon transition of the energy mix.
		Negative	Carbon emissions and indirect environmental impacts from the Company's own operations and value chain activities.
Talent Development	High	Positive	Enhancing employee skills and innovation capacity, providing human capital support for renewable energy technology advancement and the Company's long-term development.
Corporate Governance	Medium	Negative	Inadequate governance mechanisms may lead to decision-making errors or compliance risks, affecting the Company's sound operations.
Product Quality and Safety	High	Positive	Providing high-quality, safe, and reliable PV modules and energy products to ensure a stable energy supply.
		Negative	Product quality defects may trigger safety incidents and risks to customer trust.
Responsible Supply Chain	High	Positive	Driving suppliers to comply with environmental and social standards and reducing environmental and human rights risks in the supply chain.
		Negative	Inadequate supply chain management may involve environmental harm from raw materials extraction or labour risks.
Product Lifecycle Management	Medium	Positive	Through module recycling and circular utilisation, improving resource efficiency and reducing the environmental footprint across the full life cycle.
		Negative	Improper disposal of decommissioned modules may cause solid waste and resource wastage.
Business Ethics	Medium	Negative	Improper business conduct may trigger legal risks and reputational damage, affecting fair competition in the industry.
Scientific & Technological Innovation	Medium	Positive	Improving PV conversion efficiency and energy storage technology levels, enhancing the competitiveness of clean energy.
Energy Management	High	Negative	Insufficient energy consumption control in manufacturing may increase operating costs and carbon emission intensity.
Occupational Health and Safety	High	Positive	Strengthened safety management protects the lives and health of employees and enhances corporate stability.
		Negative	Safety operation risks exist in product manufacturing and operations and maintenance, which may lead to accidents.
Employment & Human Rights Protection	High	Positive	Ensuring equal employment and protecting employee rights, promoting long-term stability of both the Company and society.
		Negative	Inadequate management may lead to labour disputes or human rights risks.
Environmental Compliance Management	Medium	Positive	Strict adherence to environmental regulations helps reduce environmental risks and maintain stable company operations.
		Negative	Failure to meet regulatory requirements may result in project suspension risks and local environmental pollution.
Risk Management	Medium	Negative	Insufficient risk identification and control may affect product investment returns and long-term strategy implementation.
Pollutant and Waste Management	High	Negative	Wastewater, exhaust gases, and solid waste generated during production and construction, if poorly managed, will impact the environment.
Customer Relationship Management	Medium	Positive	Improving customer satisfaction and long-term partnerships, enhancing market competitiveness.
		Negative	Untimely service responses or contractual fulfilment issues may damage customer trust.
Water Resource Management	Medium	Negative	High water usage in module production and cleaning; inadequate management may aggravate water resource pressures.
Information Security & Privacy Protection	Medium	Negative	Data breaches or system attacks may affect operational security and customer interests.
Community Relations & Philanthropy	Medium	Positive	Promoting local economic and social development through community investment and public welfare projects.
Biodiversity Conservation	Medium	Positive	Appropriate site selection and ecological restoration can promote comprehensive land utilisation and ecological improvement.
		Negative	Power station construction may occupy land resources and disturb local ecosystems.

Impact Materiality Matrix

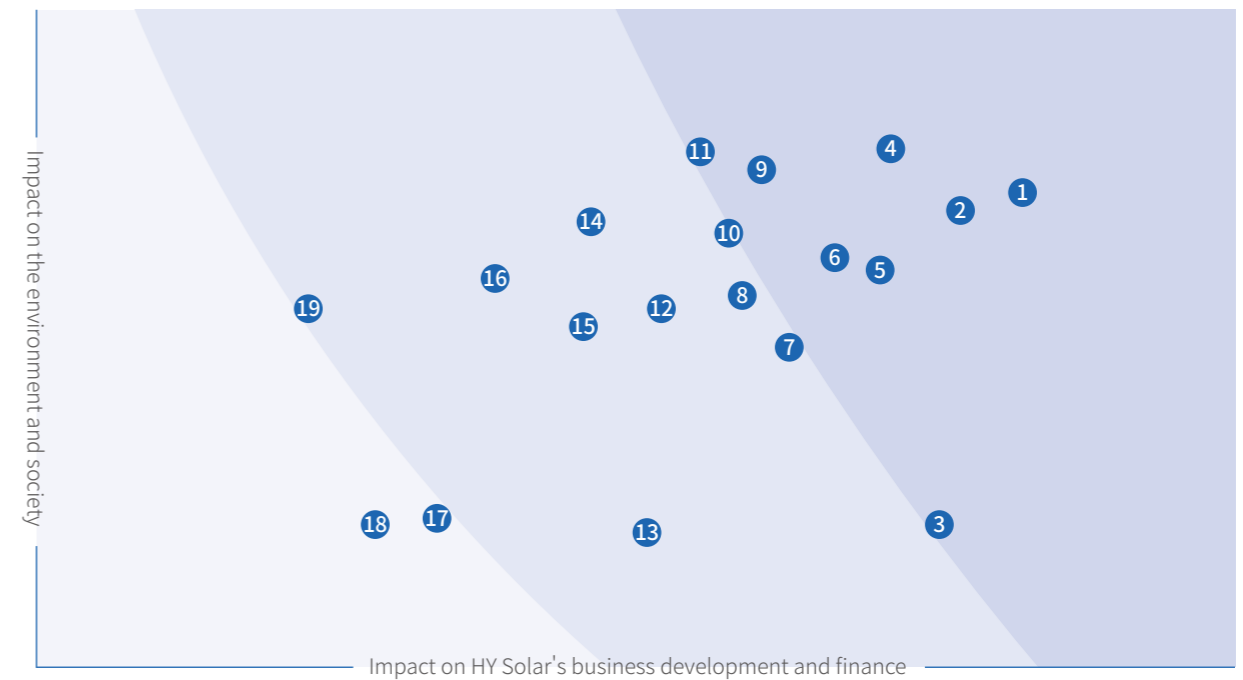


Building on the analysis of the Company's impacts on the external economy, environment, and society, the Company further assessed the financial implications of each material topic, systematically conducting a double materiality analysis. Governance body members evaluated the "financial materiality" of relevant topics from dimensions including costs, revenues, reputational impacts, and potential risk exposure.

Assessment results indicate that climate change response, talent development, corporate governance, product quality and safety, responsible supply chain, and product lifecycle management are the six topics of highest financial materiality. These topics may have significant implications for the Company's operating cost structure, market competitiveness, and brand value, and are closely associated with the Company's long-term profitability and strategic stability.

On this basis, and in conjunction with the impact materiality analysis results, the Company constructed a double materiality matrix, systematically identifying double material topics that have significant implications for both internal company operations and external stakeholders, providing a foundation for strategic decision-making and information disclosure.

Materiality matrix



Negative Impacts

1. Product Quality and Safety
2. Employment and Human Rights Protection
3. Occupational Health and Safety
4. Pollutant and Waste Management
5. Environmental Compliance Management
6. Water Resource Management
7. Energy Management
8. Biodiversity Conservation
9. Customer Relationship Management
10. Climate Change Response
11. Business Ethics
12. Responsible Supply Chain
13. Information Security and Privacy Protection
14. Product Lifecycle Management
15. Risk Management
16. Corporate Governance

Positive Impacts

1. Responsible Supply Chain
2. Scientific and Technological Innovation
3. Product Lifecycle Management
4. Customer Relationship Management
5. Product Quality and Safety
6. Community Relations and Philanthropy
7. Employment and Human Rights Protection
8. Talent Development
9. Occupational Health and Safety
10. Environmental Compliance Management
11. Climate Change Response
12. Biodiversity Conservation

High Materiality Topics

1. Climate Change Response
2. Talent Development
3. Corporate Governance
4. Product Quality and Safety
5. Responsible Supply Chain
6. Product Lifecycle Management
9. Energy Management
11. Employment and Human Rights Protection

Medium Materiality Topics

7. Business Ethics
8. Scientific and Technological Innovation
10. Occupational Health and Safety
12. Environmental Compliance Management
13. Risk Management
14. Pollutant and Waste Management
15. Customer Relationship Management
16. Water Resource Management
19. Biodiversity Conservation

Low Materiality Topics

17. Information Security and Privacy Protection
18. Community Relations and Philanthropy

Governance



- Policy and Commitments 22
- Corporate Governance 23
- Sustainability Management 25
- Risk Management 28
- Business Ethics 28
- Information Security 32

- Independent Directors **43%**
- Female Directors **14%**
- Integrity Training Coverage **100%**
- Confirmed Business Ethics Violations **0**
- Anti-corruption Risk Inspection Coverage **100%**
- Information Security Training Coverage **100%**



Policy and Commitments

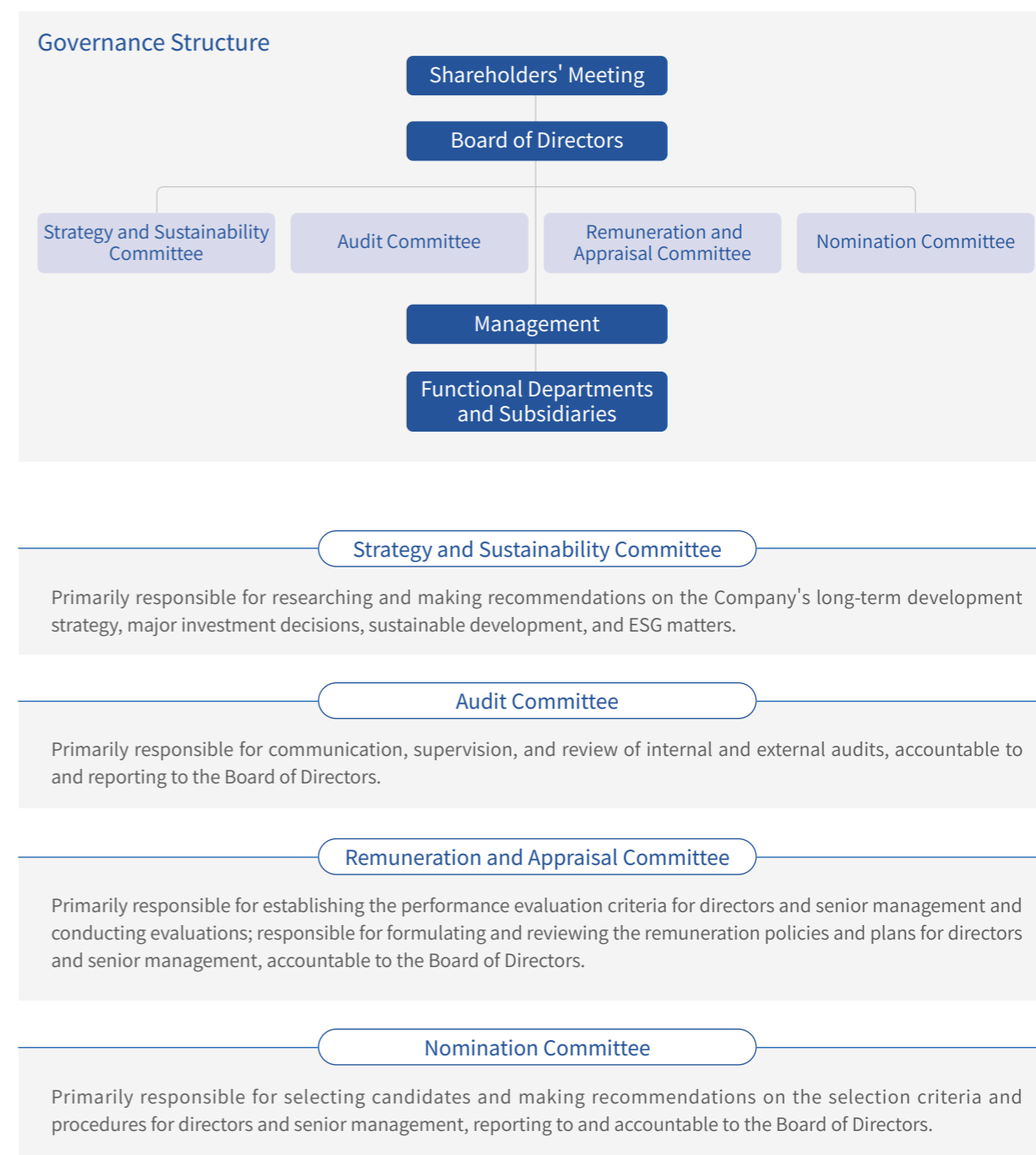
The Company supports the Ten Principles of the UN Global Compact and integrates the concepts of human rights, labor standards, environmental protection, and anti-corruption into its corporate governance and day-to-day operations.

UN Global Compact — Ten Principles

Human rights	Principles	Actions
	<p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p>Principle 2: Make sure that they are not complicit in human rights abuses.</p>	<ul style="list-style-type: none"> Formulate the Employee Handbook and refrain from engaging in any acts that ignore or infringe upon human rights
Labor	Principles	Actions
	<p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p>Principle 4: The elimination of all forms of forced and compulsory labour;</p> <p>Principle 5: The effective abolition of child labour; and</p> <p>Principle 6: The elimination of discrimination in respect of employment and occupation.</p>	<ul style="list-style-type: none"> Establish a diverse communication mechanism such as the Hongyuan Voice Platform, Suggestion Boxes, and Employee Symposiums Establish the Employee Representative Organization and Labor Laws Supervisory Committee Implement rigorous age verification procedures and use the Personnel Registration Form to confirm personnel information Care for female employees and recruit disabled employees
Environment	Principles	Actions
	<p>Principle 7: Businesses should support a precautionary approach to environmental challenges;</p> <p>Principle 8: Undertake initiatives to promote greater environmental responsibility; and</p> <p>Principle 9: Encourage the development and diffusion of environmentally friendly technologies.</p>	<ul style="list-style-type: none"> GHG verification Apply for product carbon footprint certification Build a zero-carbon factory Pave rooftop PV Conduct energy conservation and technological improvement Recover and recycle steam by condensation
Anti-corruption	Principles	Actions
	<p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<ul style="list-style-type: none"> Conduct risk and internal audits Organize integrity series training

Corporate Governance

Corporate governance is a core topic of great concern to investors and capital markets. A sound and transparent governance structure provides an institutional safeguard for enhancing corporate value and achieving long-term stable development. HY Solar strictly complies with relevant laws and regulations and stock exchange regulatory requirements, establishing a corporate governance system comprising the Shareholders' Meeting, the Board of Directors and its specialized committees, and management, forming a decision-making and oversight mechanism with clear responsibilities and effective checks and balances, continuously improving governance standards, and effectively safeguarding the legitimate rights and interests of investors.



The Company convenes and holds General Meetings of Shareholders in accordance with the Company Law, Articles of Association, Rules of Procedure for General Meetings of Shareholders, and other relevant requirements, ensuring all shareholders, especially minority shareholders, enjoy equal status and are able to fully exercise their rights. The Company actively communicates and interacts with investors, values investor feedback, and improves market value management. We keep investors informed of business developments through multiple channels including the "Investor Relations" section of our website, earnings briefings, shareholder meetings, and SSE E-interaction.

The Company standardizes information disclosure standards and fulfills its information disclosure obligations in accordance with the Administrative Measures for Information Disclosure by Listed Companies, Information Disclosure Management System, and other relevant requirements, strictly adhering to the principles of "fairness, impartiality, and openness" to disclose company information truthfully, accurately, completely, and in a timely manner, thereby safeguarding investors' right to know.

78 Announcements Published	4 Results Briefing Sessions	48 Online Investor Questions Answered	Over 600 Investor Phone Communications
1 Annual Shareholders' Meeting	2 Extraordinary Shareholders' Meetings	25 Resolutions Approved	

Directors and Board members are elected in accordance with the Articles of Association, Rules of Procedure of the Board of Directors, and other institutional regulations, faithfully fulfilling their fiduciary and diligent duties, and performing their decision-making and oversight responsibilities in accordance with the law. Independent directors strictly fulfill their duties in accordance with relevant laws and regulations, express independent opinions on material matters, and effectively safeguard the overall interests of the Company and the legitimate rights and interests of minority shareholders. The current Board of Directors consists of 7 directors, including 3 independent directors. The Chairman and senior management are remunerated on an annual salary system, comprising a base salary and performance-based compensation, linked to the Company's operational targets and individual performance.

In terms of director nomination and appointment, the Company adheres to the principle of diversity, comprehensively considering factors such as gender, age, educational background, and professional experience, and optimizing the Board's structure in line with the Company's development strategy and business needs. The current Board includes 1 female director, with members' professional backgrounds spanning enterprise management, marketing, law, finance, and technical manufacturing, possessing rich industry experience and diverse professional capabilities to support the Board's sound and efficient decision-making.

43% Independent Director Ratio	2 Special Meetings of Independent Directors	14% Female Director Ratio
10 Board Meetings	100% Director Personal Attendance Rate	10 Special Board Committee Meetings

Tax Governance

The Company strictly complies with relevant national tax laws and regulations, accurately calculates all taxes and fees, files and pays taxes on time, mitigates tax risks, and accepts inspections and supervision from tax authorities and other relevant departments in accordance with the law. We have formulated and continuously improved the Tax Management System, and newly formulated the Stamp Duty Management Standard, setting specific requirements for tax policy research, tax planning formulation, daily tax affairs management, tax inspections, and risk management.

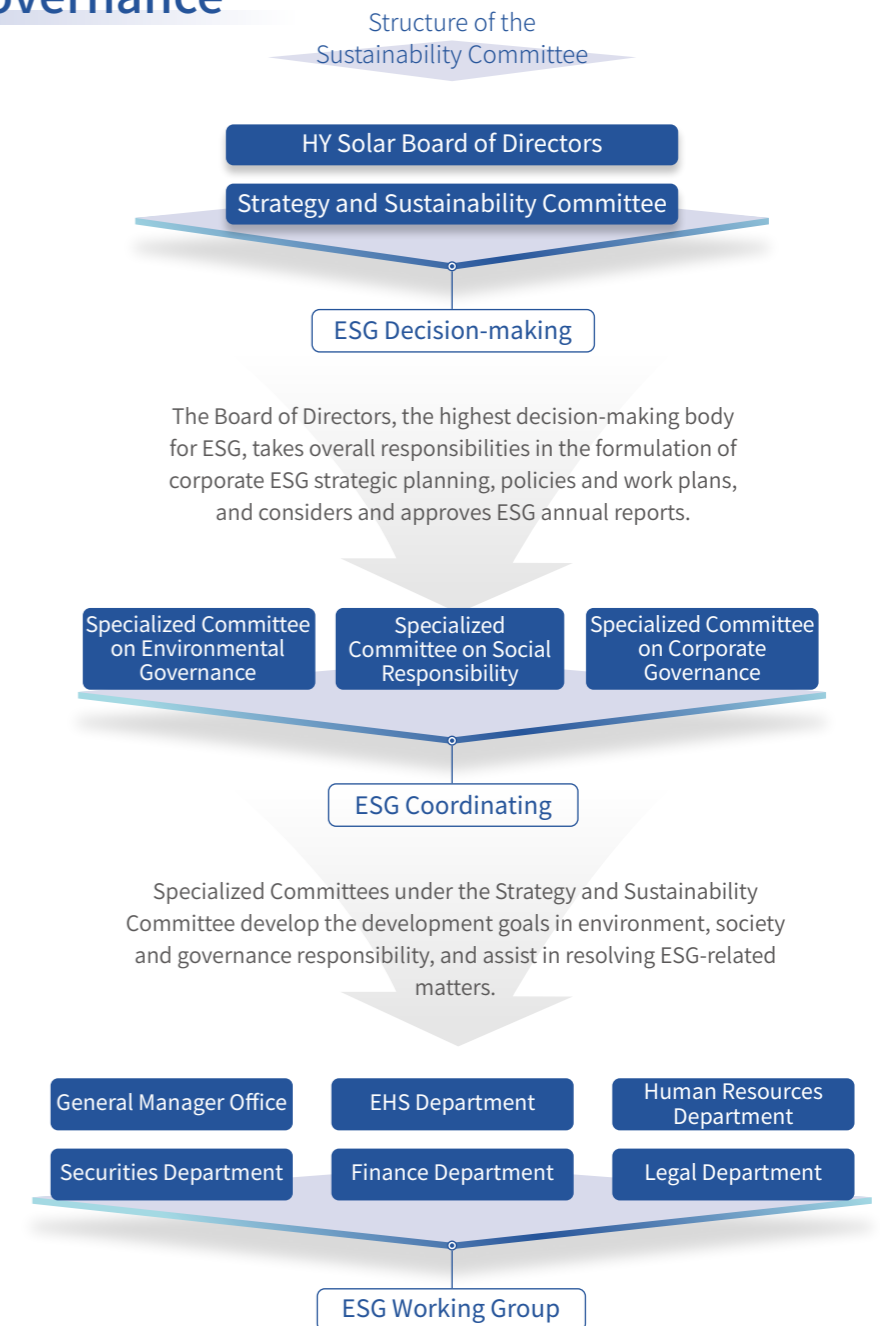
Sustainability Management

Sustainability Governance

The Company continuously upgrades its ESG governance structure and systematically reviews the organizational framework of the Sustainability Committee. The Board of Directors, as the highest decision-making body, reviews and oversees the Company's ESG strategic planning and policy formulation. Senior management serves as the overall lead, coordinating the implementation with clearly defined roles and interface mechanisms across functional departments, and dedicated sustainability positions have been established to facilitate the management and execution of key matters.

In terms of the oversight mechanism, a regular deliberation and reporting system has been established. Third-party institutions are engaged as necessary for phased assessments of ESG performance, with continuous improvement benchmarked against industry leaders.

In terms of capacity building, during the reporting period, members of the Company's governance bodies participated in external training programs including risk management training for Jiangsu provincial state-owned enterprises and listed companies, and a series on high-quality development of listed companies, continuously enhancing governance compliance and risk management capabilities.



The Board of Directors, the highest decision-making body for ESG, takes overall responsibilities in the formulation of corporate ESG strategic planning, policies and work plans, and considers and approves ESG annual reports.




Specialized Committees under the Strategy and Sustainability Committee develop the development goals in environment, society and governance responsibility, and assist in resolving ESG-related matters.

It is composed of various departments of the corporate headquarter, and is responsible for implementing Specialized Committees' objectives, coordinating and promoting the implementation of ESG tasks, preparing annual ESG reports, and strengthening the influence of internal and external sustainable development of the Company.

Sustainability Strategy

Centering on three development directions — environmental sustainability, deepening social responsibility, and improving the governance system — the Company has incorporated climate change and sustainability issues into its medium- and long-term strategic planning.

During the reporting period, the Company systematically collected stakeholder and investor recommendations through multiple channels including industry forums, in-depth client research, strategic supplier dialogues, public welfare partner communications, and regulatory interactions, accumulating 12 valid feedback items, focused primarily on:

 Environmental Accelerating the green transition of the energy structure, expanding green supply chain coverage, and strengthening product lifecycle carbon footprint tracking and disclosure;	 Social Focusing on rural revitalization support, improving occupational health protection standards, and enhancing public welfare project transparency;	 Governance Optimizing ESG information disclosure mechanisms and strengthening compliance and risk control systems.
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In response to these recommendations, the Company established a closed-loop implementation mechanism, formed dedicated working groups, incorporated core issues into the annual ESG plan, disclosed public welfare project progress on an annual basis, and improved disclosure quality.



Sustainability Risk Management

The Company incorporates climate-related risks and other ESG risks into its overall risk management system and, based on the results of the annual double materiality analysis, focuses on high-impact and financially material topics such as "Climate Change Response," "Responsible Supply Chain," "Product Life Cycle Management," and "Employment and Human Rights Protection."

At the institutional level, the Company has established a dynamic risk map and graded response mechanism, formulated institutional documents such as the Business Ethics Code of Conduct and Due Diligence Procedures and the Internal Audit Management Measures, and defined full-process standards for risk identification, assessment, response, and monitoring to achieve closed-loop risk management.

HY Solar (Wuxi) Sustainability Risk Management Practices

Conducted 13 customer audits and 10 external system audits, with a 100% pass rate	Implemented bi-monthly on-site internal audits	Optimized OA system approval processes to strengthen compliance management	Obtained SA8000 Social Accountability Management System certification
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Through the above mechanisms, the Company effectively identifies policy transition risks, market competition risks, supply chain compliance risks, and reputational risks, while seizing growth opportunities arising from increasing demand for clean energy.

Sustainability Targets and Metrics

To drive the implementation of sustainability targets, the Company has established a performance-linked evaluation mechanism, incorporating sustainability tasks into departmental KPI systems to reinforce accountability.

The Company is currently continuously advancing energy conservation, consumption reduction, and green manufacturing practices across the Group, establishing phased implementation targets for green supply chain and carbon footprint disclosure. Going forward, the Company will further refine the climate-related metrics framework, strengthen quantitative management and disclosure of greenhouse gas emissions, energy use efficiency, and supply chain carbon management data, continuously improve information transparency and strategic resilience, and drive collaborative low-carbon transition for both the enterprise and society.

Risk Management

As stakeholder expectations for corporate governance and responsible conduct continue to rise, the Company fully recognizes that systematic and forward-looking risk management is the critical foundation for ensuring sound operations and long-term value creation. The Company has established a comprehensive risk management system covering strategic, operational, and compliance dimensions, incorporating environmental, social, and governance factors into its overall risk framework. The Company's major production sites completed the SMETA 4-Pillar audit during the reporting period and have well-established management systems in place covering labor standards, health and safety, environment, and business ethics.

The Board of Directors, as the Company's highest risk governance body, is responsible for planning and establishing the risk management framework, formulating risk management policies and relevant guidelines, and overseeing the implementation of all risk management measures. Risk management covers multiple areas including quality management, environmental protection, work safety, labor contracts, and merger and acquisition investment, ensuring the safety and stability of key elements such as assets, personnel, production operations, product quality, the ecological environment, and corporate reputation. Under the authorization of the Board of Directors, management is responsible for day-to-day risk management, with functional departments implementing specific control measures according to their respective responsibilities, forming a top-down, hierarchical risk management system.

The Company continuously identifies potential legal, market, and operational risks through regular collection of departmental feedback and convening of risk assessment meetings, evaluating and categorizing them from the two dimensions of severity and likelihood of occurrence. The Internal Control and Compliance Department conducts financial audits, internal control audits, technical renovation project audits, contract audits, and special audits in accordance with the annual audit plan. During the reporting period, 29 internal audits were conducted, covering risk areas such as procurement fairness, reclaimed water reuse, occupational health and safety, and business ethics. As of the end of the reporting period, all issues have been investigated and rectified, achieving closed-loop risk management. In addition, the Legal Department has formulated the Legal Affairs Management System to regulate the Company's business conduct, and regularly conducts legal knowledge training and contract review training to strengthen compliance risk prevention capabilities.

The Company has established an incentive mechanism to reward internal auditors who diligently fulfill their duties, uphold principles, and achieve significant results; employees who provide important case leads are commended and rewarded in accordance with relevant policies, reinforcing a culture of collective oversight.

Through institutional development, internal audits, due diligence, and training empowerment, the Company continuously enhances its risk identification and response capabilities, deeply integrating risk management with corporate strategy, operational management, and sustainability objectives, providing institutional safeguards for the Company's long-term stable development.

Business Ethics

The Company upholds the integrity philosophy of "addressing both symptoms and root causes, prioritizing prevention, and fostering company-wide supervision," embedding the core values of "integrity" and "pragmatism" throughout corporate governance and all business processes. The Company advances the construction of its business ethics system through three dimensions— institutional safeguards, culture building, and whistleblowing mechanisms— to ensure legally compliant operations and the implementation of high professional standards.

Institutional Safeguards

In 2025, the Company newly formulated the Business Ethics Code of Conduct and Due Diligence Procedures, supervised by the Board of Directors and executed by management on a day-to-day basis. The Code applies to all employees of the Company and its subsidiaries and branches (including directors, senior management, temporary employees, and interns), and extends to suppliers, agents, consultants, joint venture partners, and other business partners. All employees must sign an Integrity Commitment Letter and an Information Security Confidentiality Agreement upon joining, and regularly receive anti-corruption and compliance training.



The Company has formulated and implemented the Anti-Corruption and Anti-Bribery Control Procedures, the Business Ethics, Sensitive Transaction Approval and Compliance Audit Management Procedures, and the Anti-Unfair Competition System, covering conflict of interest management, gifts and entertainment approval, donation and sponsorship approval, contract management, supplier management, anti-unfair competition, anti-fraud, and anti-money laundering processes. In addition, all business clients, suppliers, service providers, and contractors must sign the "Supplier Integrity and Compliance Cooperation Commitment Letter," ensuring that external cooperation also meets The Company's business ethics requirements.

During the reporting period, we did not incur any fines, non-monetary penalties, or major integrity/compliance violations due to non-compliance, nor did we face any litigation related to unfair competition.

Cultural Development

Each year, the Audit and Supervision Department conducts training for department heads and supervisors, covering business ethics compliance, integrity management systems, and anti-unfair competition. The Procurement Department regularly disseminates the Company's integrity policies to suppliers.

Through training and day-to-day management, the Company reinforces compliance awareness among all employees, promotes the embedding of a culture of integrity and accountability, and establishes an education, warning, and deterrence mechanism, helping employees define clear boundaries in both mindset and behavior.

Corporate Business Ethics Training

The training analyzes the core content of corporate business ethics from three aspects: legal basis, common issues and legal consequences, and risk prevention and control, covering high-frequency violations and typical cases such as fraud, bribery, and infringement of trade secrets. Two sessions were held in 2025 with a total of 61 participants, primarily targeting supervisor-level and above employees. The training aims to embed business ethics standards into every aspect of business operations, enhancing corporate reputation and strengthening stakeholder trust.



Corporate Integrity Management Legal Practice Training

In 2025, a special training was conducted for supervisor-level and above personnel, explaining legal practices in integrity management from both corporate and individual perspectives, including regulatory background, core principles, key regulations, judicial cases, and risk prevention solutions. A total of 86 supervisor-level and above employees were covered, helping build systematic integrity risk management capabilities.



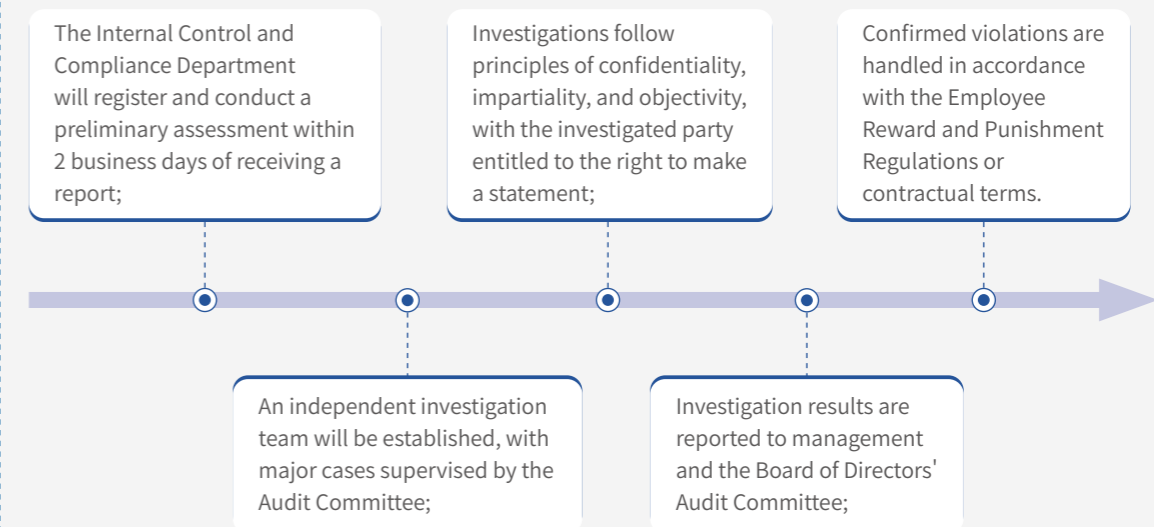
Whistleblowing and Grievance Mechanism

The Company has established an independent and diverse whistleblowing channel. In 2025, we updated the Whistleblowing Acceptance and Investigation System to further improve the internal supervision and risk prevention mechanism, encouraging all employees and stakeholders to participate in corporate governance in accordance with laws and regulations, promptly preventing, detecting, and handling various violations, fraud, and dereliction of duty, safeguarding the Company's asset security and legitimate rights and interests, and maintaining an honest and fair corporate culture.

Grievance Channels

Grievance Email: hongyuanjc@hysolar.com
 Grievance Hotline: 0510-85390590
 Postal Reporting Address: No 158, Nanhuzhong Rd, Binhu District, Wuxi City, Jiangsu Province

Handling Procedure



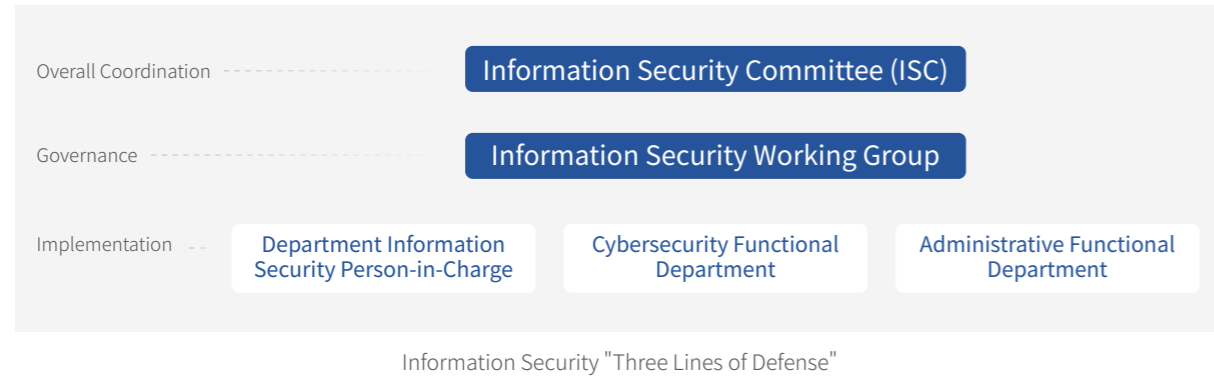
Whistleblower Protection and Incentives

The Company strictly protects the personal information of whistleblowers, prohibits any form of retaliation, rewards verified whistleblowers who provide important leads, and reserves the right to pursue legal action against malicious false reports.

In 2025, the Company received 8 reports related to business ethics and management violations. All were investigated and resolved by the Audit and Supervision Department, demonstrating the effectiveness of institutional enforcement and risk prevention.

Information Security

HY Solar places great importance on information security and data protection, incorporating information security into the key aspects of corporate governance and business operations. Leveraging a comprehensive institutional framework, clear division of responsibilities, ongoing training, and emergency drills, the Company safeguards the security of core business systems, employee and customer data, and guards against potential cyber and information risks.



In 2025, the Company updated and improved its information security management system, with key policies including the Information Security Management System, Information Security Risk Management Procedures, Electronic Document Security System Management System, Information Security Emergency Response Plan, and the Information Security and Privacy Protection Policy.

These policies clearly define information security management responsibilities, processes, and content, regulate data storage, transmission, and access control, and protect the Company's information assets and personal information. In accordance with mature industry security standards, the Company takes legally compliant protective measures to ensure that personal information of employees and customers (including electronic or other recorded information that can identify natural persons) is protected lawfully and in compliance with regulations.

The Company's Information Technology Department serves as the primary department responsible for information security management, overseeing the full process of planning, formulating and revising policies, training, execution, supervision, and evaluation and improvement related to information security management, and is also responsible for emergency response to information security incidents. All departments and workshops are required to implement the policies, cooperate with inspections, participate in training and emergency drills, and ensure the effective implementation of the policies. Information security incidents are classified and handled by type and severity level, with a reward-and-penalty system in place.

The Company continuously enhances security awareness among all employees through training, publicity, and drills:

Training

- In 2025, a total of 12 information security-related training sessions were held, covering personal privacy protection and corporate data asset protection, targeting supervisor-level and above employees.
- The online information security training push rate was 100%, ensuring full employee participation.

Emergency Drills

- Ransomware emergency drills were conducted to verify the effectiveness of the Ransomware Emergency Response Plan, improve the coordination capabilities of the Emergency Response Team (ERT), strengthen cybersecurity awareness among all employees, and verify the reliability of the data backup and recovery processes for digital platforms.
- Through the drills, the Company identified and addressed cybersecurity vulnerabilities, including installing antivirus software, backing up databases to off-site locations, closing external network ports, regularly checking security logs, and isolating suspicious files.

Digital Management and Security Technology

- Hongyuan New Material (Baotou) has advanced the digital upgrade of visitor management, achieving a fully paperless process covering reservation, registration, entry, and departure.
- Visitors' sensitive information (ID numbers and phone numbers) is encrypted for storage and transmission; strict identity authentication and access control are enforced; all operations are logged to ensure data security and traceability.
- In terms of network protection, the Company guards against common attacks such as SQL injection and XSS, and closes unnecessary ports to reduce the risk of unauthorized access.

In 2025, the Company did not experience any customer data breaches or other information security violations. At the same time, the Company detected risks of unauthorized access, information leakage, and weak passwords on some websites, and successfully prevented potential cybersecurity incidents through closing external network mappings and port management.



HY SOLAR

**针对“银狐”黑产办公网
安全防控宣贯**

弘元总部信息化中心（宣）

Information Security Training
on Silver Fox Malware

Value Creation



- Industry Contribution 36
- R&D Innovation 37
- Product Innovation 38
- Product Life Cycle Management 39
- Quality Service 47
- Green Manufacturing 51
- Responsible Supply Chain 53

R&D Investment: RMB **375.92** million

Total cumulative authorized patents reached **426**, with **138** new patents added during the year

5 module product types obtained Product Carbon Footprint Certification Certificates

100% of suppliers signed procurement contracts containing environmental, labor, human rights, and integrity clauses



Industry Contribution

In 2025, HY Solar continued to advance technological innovation and project delivery in the renewable energy sector, achieving significant progress. By the end of the reporting period, the Company successfully delivered multiple projects, including several large-scale photovoltaic projects. Field measurement data shows that the new N-type module products achieved approximately 2.5% to 3% higher power generation compared to traditional N-type module products, fully demonstrating the Company's technological strength in improving photovoltaic module efficiency.

At the same time, the Company actively participated in renowned domestic and international photovoltaic exhibitions, comprehensively showcasing its full-chain photovoltaic products and energy storage business, receiving high recognition from clients at home and abroad, demonstrating the Company's competitiveness and industry influence in the global renewable energy market.



Shanghai, China SNEC 2025 International Photovoltaic Power Generation and Smart Energy Conference & Exhibition



Wuxi, China CREC 2025 China International New Energy Exhibition



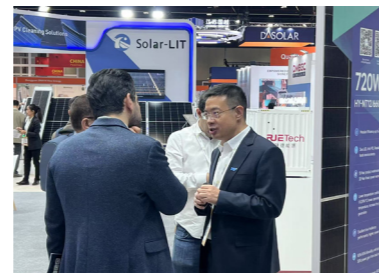
Jinan, China China International Solar Energy Application Conference 2025



Munich, Germany Intersolar Europe 2025



São Paulo, Brazil The Smarter E South America 2025



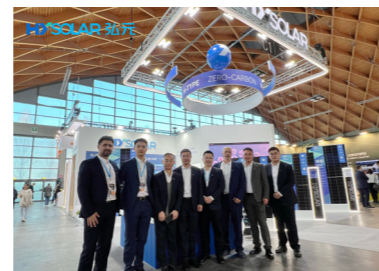
Abu Dhabi, UAE 18th World Future Energy Summit (WFES)



Amsterdam, Netherlands Solar Solutions 2025



Lyon, France BE POSITIVE 2025



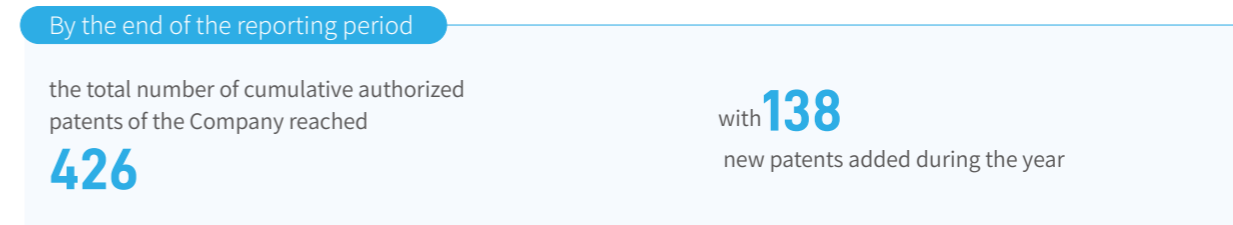
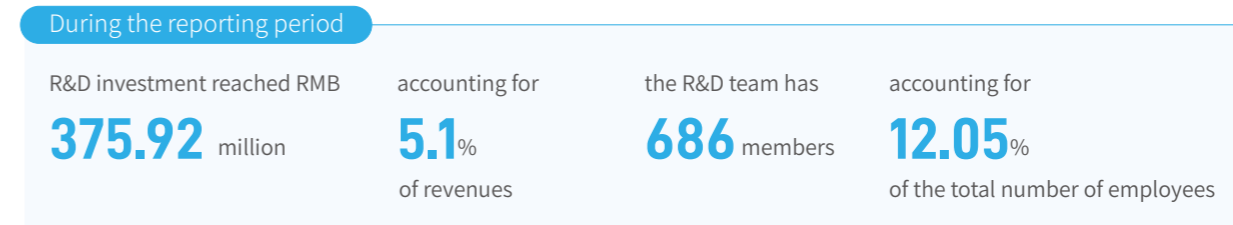
Rimini, Italy KEY ENERGY 2025

Through project delivery and exhibition showcases, the Company not only continuously enhances its own technical capabilities, but also provides practical experience and model cases for industry development, driving technological advancement and market application in the renewable energy sector.

R&D Innovation

R&D Capabilities

The Company invests a certain proportion of its annual operating income in R&D activities, continuously introducing and cultivating high-quality R&D talents, and building a professional R&D team to ensure sustained technological leadership.



Industry-University-Research Cooperation

HY Solar actively carries out research cooperation with multiple well-known universities, introducing new technologies and resources, accelerating the transformation and application of technological achievements, and consolidating its own innovation capabilities.

Industry-University-Research Cases

- Jointly applied with Zhejiang University: Open Competition & Lead Undertaking Project - R&D of Large-Diameter (≥ 12") Magnetic-Free Semiconductor Monocrystalline Silicon
- Jointly applied with Lanzhou University: Key R&D and Achievement Transformation Program (Science and Technology Support for Ecological Protection and High-Quality Development of the Yellow River Basin) Project - R&D of Key Technologies for New-Generation High-Durability Graphite Electrode Columns²
- Jointly applied with Lanzhou University: Science and Technology Plan Project Application - R&D Project of Key Technologies for New-Generation High-Efficiency N-Type Low-Oxygen Monocrystalline Silicon
- Jointly-developed with Nanjing Institute of Technology: N-Type TOPCon High-Efficiency Crystalline Silicon Solar Cell Project. Its proprietary innovative technologies cover three-step boron diffusion doping source feeding, thick-film aluminium oxide passivation, and novel paste systems. Relevant products have been successfully supplied to multiple top-tier industry customers

² The project is still in the approval process.

Product Innovation

Equipment, Silicon Wafer, Cell and Process Upgrades

Equipment Innovation

Independently developed large-size slicing equipment for the semiconductor industry. The 12-inch workpiece swing-type diamond wire slicing machine fills the domestic gap in cutting materials such as silicon carbide and ceramic rods. The 6~8 inch double-workpiece plate simultaneous cutting diamond wire slicing machine can cut two short Ingots at the same time, improving cutting efficiency.



Equipment Innovation

Ultra-Thin Silicon Wafer Innovation

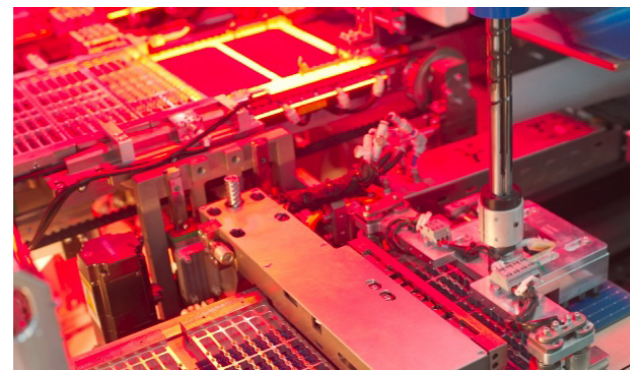
Through continuous optimization of thin diamond wire cutting and low-stress precision control technology, the Company took the lead in realizing the preparation of 40μm ultra-thin silicon wafers, building a solution system covering full-size specifications, balancing high fit, light weight and flexible application needs, and continuously expanding new photovoltaic application scenarios.



Ultra-Thin Silicon Wafer Innovation

Cell Innovation

By optimizing processes such as screen printing, texturing, high square resistance and dense grid design, and introducing efficiency-enhancing paste to improve current collection capacity, the cell conversion efficiency increased by more than 0.2% in 2025.



Cell Innovation

Process Innovation

Through measures such as rational use of internal space of the thermal field and adding thermal insulation materials, the development of low-energy consumption thermal field was realized, which helps to significantly reduce power consumption, thereby reducing the carbon footprint of the industrial chain and extending the service life of equipment.



Process Innovation

Product Life Cycle Management

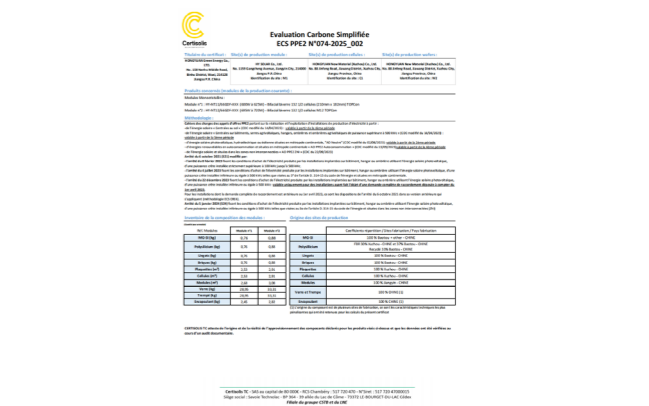
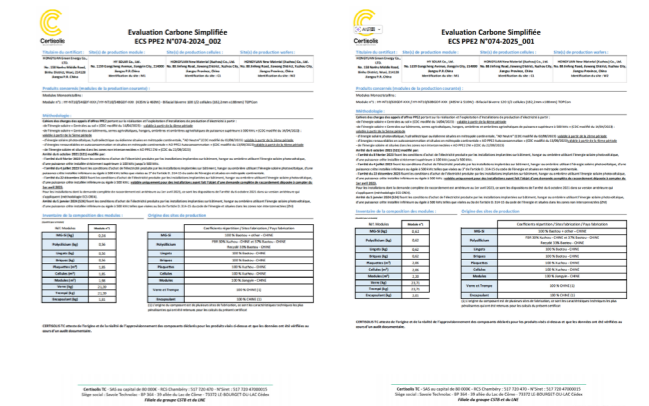
HY Solar places strong emphasis on the environmental impacts across the full lifecycle of its products and actively responds to regulatory requirements for low-carbon product market access in different regions, leveraging the inherent green advantages of the photovoltaic industry. By integrating green and environmentally friendly principles into product design, manufacturing, packaging, transportation, and end-of-life treatment, the Company effectively reduces product-related environmental impacts, lowers product carbon footprints, and contributes to the global green transition.

Product Carbon Footprint Assessment

Amid the accelerating transition of the global photovoltaic industry toward low-carbon development, product carbon footprint has become a key indicator of a company's sustainability capability and international competitiveness, as well as a critical entry requirement for high-standard markets such as the European Union.

HY Solar focuses on decarbonization potential across the full product lifecycle. Using product carbon footprint as a baseline, the Company continuously strengthens its carbon management capabilities and improves its international carbon footprint compliance framework.

By integrating upstream and downstream segments of the photovoltaic value chain, the Company has established a vertically integrated PV industry chain, enabling raw material traceability and lifecycle carbon emissions control. As of the end of the reporting period, the self-developed silicon materials, silicon wafers and cell products of the Company have obtained the LCA full life cycle evaluation certificate awarded by the French Environment and Energy Control Agency (ADEME); the module end has successfully obtained the ECS (Evaluation Carbone Simplifiée) French carbon footprint certificate issued by the authoritative French laboratory Certisolis, which is at the advanced level in the industry. Based on the product carbon footprint results, the Company continuously explores the carbon reduction potential of each link of the product, improves the depth of data certification, and further optimizes the carbon footprint performance. During the reporting period, NT10-54(B)-188, NT10-60(B)-188, NT11-66GDF, NT12-66GDF module products have obtained the ECS French carbon footprint certificate; NT10/78GDF module has obtained the product carbon footprint certification certificate issued by a domestic authoritative third-party institution. The Company has also become a contributing unit to the national standard "Greenhouse Gas – Product Carbon Footprint Quantification Method and Requirements for Photovoltaic Modules", supporting the development of industry carbon assessment standards.



Carbon Footprint Certificate for Photovoltaic Cell Products

Product Development and Design

At the product development and design stage, the Company implements source control and systematically reduces environmental impacts through design process control, structural optimization and lightweighting, raw material sustainability, and hazardous substance control.

Design process control

The Company has established the *Design and Development Control Procedure*, ensuring that EHS departments participate in product development reviews. Environmental risk identification and regulatory compliance requirements are incorporated at the R&D stage to prevent environmental risks at the source.

Structural optimization and lightweighting

The Company promotes easy disassembly and lightweight design, avoids complex structures, and enhances product maintainability. During the reporting period, HY Solar (Wuxi) optimized encapsulation film usage, reducing density by 30 g per cubic meter and lowering consumption of petroleum-based materials.

Raw material recyclability and sustainability

The Company promotes circular use of materials, substitution of environmentally friendly materials, and reduction of chemical usage at the source.

Raw Material Circular Utilization

The Company has formulated Management Specifications for the Utilization of P-type Recycled Silicon Feedstock, Management Specifications for the Utilization of N-type Recycled Silicon Feedstock and Standards for the Recovery and Utilization of Seed Crystals, to standardize the recovery and application of recycled silicon feedstock throughout production processes. Hongyuan Energy (Baotou) selectively collects waste silicon powder and undersize silicon powder generated from manufacturing procedures, and reuses such materials in the main production line of the synthesis workshop to achieve secondary resource utilization of silicon powder. Hongyuan New Materials (Baotou) introduces low-carbon silicon feedstock into silicon feedstock application and cleaning processes, and promotes the application of recycled & recovered silicon feedstock.

Eco-friendly Material Substitution

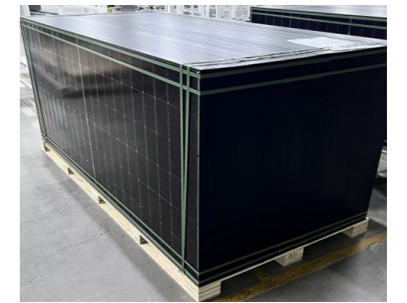
For the selection of solar module frame materials, HY Solar (Wuxi) adopts polyurethane frames with a lower carbon footprint to replace traditional aluminium frames, which significantly reduces the overall product carbon footprint (PCF) of module products.

Source Reduction of Chemicals

Focusing on core processes of solar cell manufacturing, Hongyuan New Material (Baotou) carries out chemical and additive reduction projects, which effectively lowers the demand for virgin silicon feedstock.

Case | Polyurethane Composite Frame Replacing Aluminum Frame Project

Under the policy trend in major global markets that clearly encourages product decarbonization, HY Solar (Wuxi) launched HT series bifacial double-glass modules, using polyurethane composite frames to replace traditional aluminum frames. The production process of traditional aluminum profiles is energy-intensive and has high carbon emission intensity. The carbon emission of aluminum frames is approximately 24.2 kg CO₂/kg. In comparison, the carbon emission value of polyurethane composite frames is 3.7 kg CO₂/kg, which is only 15% of that of aluminum frames, and the overall carbon emissions can be reduced by approximately 85%. Calculated based on unit module power, a carbon reduction of approximately 110 g/W can be achieved, thereby realizing low-carbon performance across the product lifecycle while ensuring structural strength and long-term reliability.



Polyurethane Composite Frame

Case | Reduction of Chemical Auxiliary Materials in Cell Production

In photovoltaic cell production, RCA cleaning, texturing acid cleaning, and alkaline polishing are key processes to ensure cell efficiency, during which multiple chemicals and additives are continuously consumed. To improve material utilization efficiency and reduce environmental burden, Hongyuan New Material (Xuzhou) carried out targeted optimization projects. By introducing new process materials and adjusting process parameters, while ensuring product quality, significant reduction of chemical auxiliary materials at the source was achieved. During the reporting period, chemical consumption per 10,000 cells decreased by 27.7 L, and additive consumption per 10,000 cells decreased by 17.0 L.

Hazardous Substance Compliance Control

The Company incorporates standards such as RoHS into its hazardous substance management processes, establishes strict material entry and control mechanisms, and prohibits the use of materials containing toxic and hazardous substances, thereby reducing potential impacts on the environment and human health at the source.



RoHS Certificates

Indicator	Unit	2025	2024	2023
Total weight of materials used for production and packaging (non-renewable materials)	tonne	83,446.08	6,466.10	3,996
Total weight of materials used for production and packaging (renewable materials)		6,109.27	25,630.13	1,682
Percentage of recycled input materials used for production and packaging (%) ³	%	22	46	48

³ In 2025, the recycled input materials used for the production of the Company's main products and services consisted of packaging materials, and the value represents the average percentage of usage across HY Solar, Hongyuan Energy (Baotou), Hongyuan New Material (Baotou), HY Solar (Wuxi), and Hongyuan New Material (Xuzhou).

Clean Production

The Company improves resource utilization efficiency and reduces greenhouse gas emissions through multiple measures, including energy management, emission reduction initiatives, resource recycling, zero-carbon factory development, supply chain management, and product design optimization, so as to reduce the negative environmental impacts arising from its production and operations. In addition, the Company continues to expand photovoltaic power generation projects and procure green electricity, with a view to increasing the proportion of clean energy used. In 2025, the Company used 6,033,864.56 GJ of renewable energy.

Case | Distributed Photovoltaic Power Generation Project of Hongyuan New Material (Baotou)

Hongyuan New Material (Baotou) installed a distributed photovoltaic power generation project on the rooftops of its plant buildings. Taking into account the specific structural characteristics of cement roofs and color steel tile roofs, differentiated installation solutions were adopted to avoid roof-penetrating construction, thereby ensuring building structural safety and stable waterproof performance. As of the end of the reporting period, the project had utilized a total rooftop area of approximately 95,593 square meters, with a total installed capacity of 23.43 MW, and is expected to generate approximately 23.4203 million kWh of electricity annually. After the project is put into operation, it can effectively replace part of purchased electricity and increase the proportion of clean energy used.



Photovoltaic Project of Hongyuan New Material (Baotou)

Case | 35 MW Distributed Photovoltaic Power Generation Project of HY Solar (Wuxi)

In April 2025, the 35 MW rooftop distributed photovoltaic power generation project of HY Solar (Wuxi) was successfully connected to the grid. By adopting the operating model of "self-generation for self-use, with surplus electricity fed into the grid," the project makes full use of rooftop resources at the plant and installs more than 50,000 self-developed and self-manufactured double-glass modules. According to estimates, the project is expected to generate approximately 35 million kWh of electricity annually, save about 11,025 tonnes of standard coal each year, and reduce carbon dioxide emissions by approximately 29,120 tonnes. Since being connected to the grid, the project has generated a cumulative total of 29,492,644.4 kWh, of which 14,116,695 kWh has been used for self-consumption, effectively reducing the carbon emission intensity of electricity used in production; the remaining electricity has been sold to the grid, generating cumulative revenue of RMB 6,076,688.4.



35 MW Distributed Photovoltaic Project of HY Solar (Wuxi)

Case | Distributed Photovoltaic Power Generation Project of HY Solar

The photovoltaic power station of HY Solar was completed and put into operation in 2019, with a total installed capacity of 1 MW. The project makes full use of idle rooftop space at the plant buildings to provide clean electricity for production and operations. In 2025, the project is expected to generate approximately 1.15 million kWh of electricity in total and reduce carbon emissions by approximately 1,146.55 tonnes.



Photovoltaic Project of HY Solar

Case | Green Power Trading and Renewable Energy Certificate Procurement Across Multiple Sites

The Company actively promotes green transformation at the production end. Through green power trading and renewable energy certificate procurement, it steadily increases the share of clean energy in its manufacturing processes, enabling green electricity to run through the entire manufacturing process of silicon materials, wafers, cells, and modules. During the reporting period, Hongyuan Energy (Baotou) purchased 665 green power certificates, corresponding to a total of 665 MWh, effectively increasing its share of green electricity to 57%; Hongyuan New Material (Baotou) purchased 951,700 green certificates, corresponding to a total of 951,773 MWh. In the third quarter of 2025, in the 2024 China Green Power (Green Certificate) Consumption TOP100 Enterprises List jointly released under the leadership of the China Electricity Council, HY Solar ranked 19th in terms of annual green power consumption scale, successfully joining the forefront of the industry, and was awarded the title of "China Green Power Consumption TOP100 Enterprise." This achievement demonstrates the Company's solid progress in green electricity use, energy structure optimization, and carbon reduction practices.



"China Green Power Consumption TOP100 Enterprise"



Green Power Certificate Trading Voucher of Hongyuan Energy (Baotou)



Green Packaging

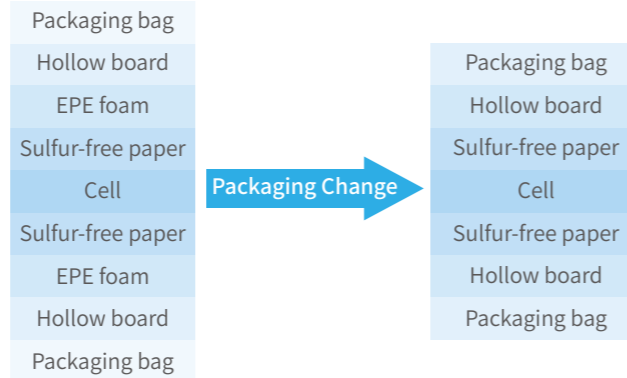
The Company continues to explore green packaging solutions by using recyclable, degradable, and lighter-weight packaging materials, while optimizing product packaging methods. The Company has established a packaging material recycling system and designed recyclable packaging recovery plans to encourage relevant parties to participate in packaging material recycling activities. During the reporting period, the amount of recycled packaging materials used by the Company reached 7,541.86 tonnes.

During the reporting period, the recycling rates of the following major packaging materials of the Company were

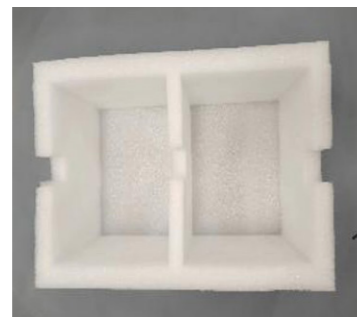
Wooden pallets	EPE foam
20.27%	15.91%

Case | Packaging Optimization Project for Solar Cells at Hongyuan New Material (Xuzhou)

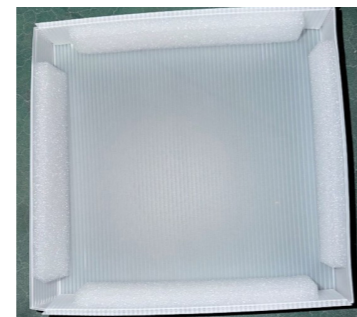
In 2025, Hongyuan New Material (Xuzhou) promoted the recycling and reuse of packaging materials, covering multiple types of packaging materials such as pallets, liners, and inner boxes. For each type of packaging material, Hongyuan New Material (Xuzhou) formulated corresponding recycling standards to ensure that the recycled packaging materials meet the quality level required for reuse. During the reporting period, Hongyuan New Material (Xuzhou) recycled a total of 145.41 tonnes of pallets, 76.78 tonnes of liners, and 241.54 tonnes of inner boxes.



Pallet



Liner



Inner Box

Case | Silicon Material Packaging Optimization Project at Hongyuan Energy (Baotou)

Hongyuan Energy (Baotou) promoted a packaging model combining "carton boxes + PE honeycomb panel boxes," taking into account both packaging protection performance and environmental friendliness. For long-term cooperative customers and fixed logistics routes, a closed-loop process of recycling, cleaning, and reuse of PE honeycomb panel boxes was established to replace single-use packaging, thereby reducing packaging material consumption.

In 2025, the proportion of recyclable packaging materials used by Hongyuan Energy (Baotou) reached **30%**.

A total of **11,000** carton boxes were recycled throughout the year, with a recycling rate of **85%**.

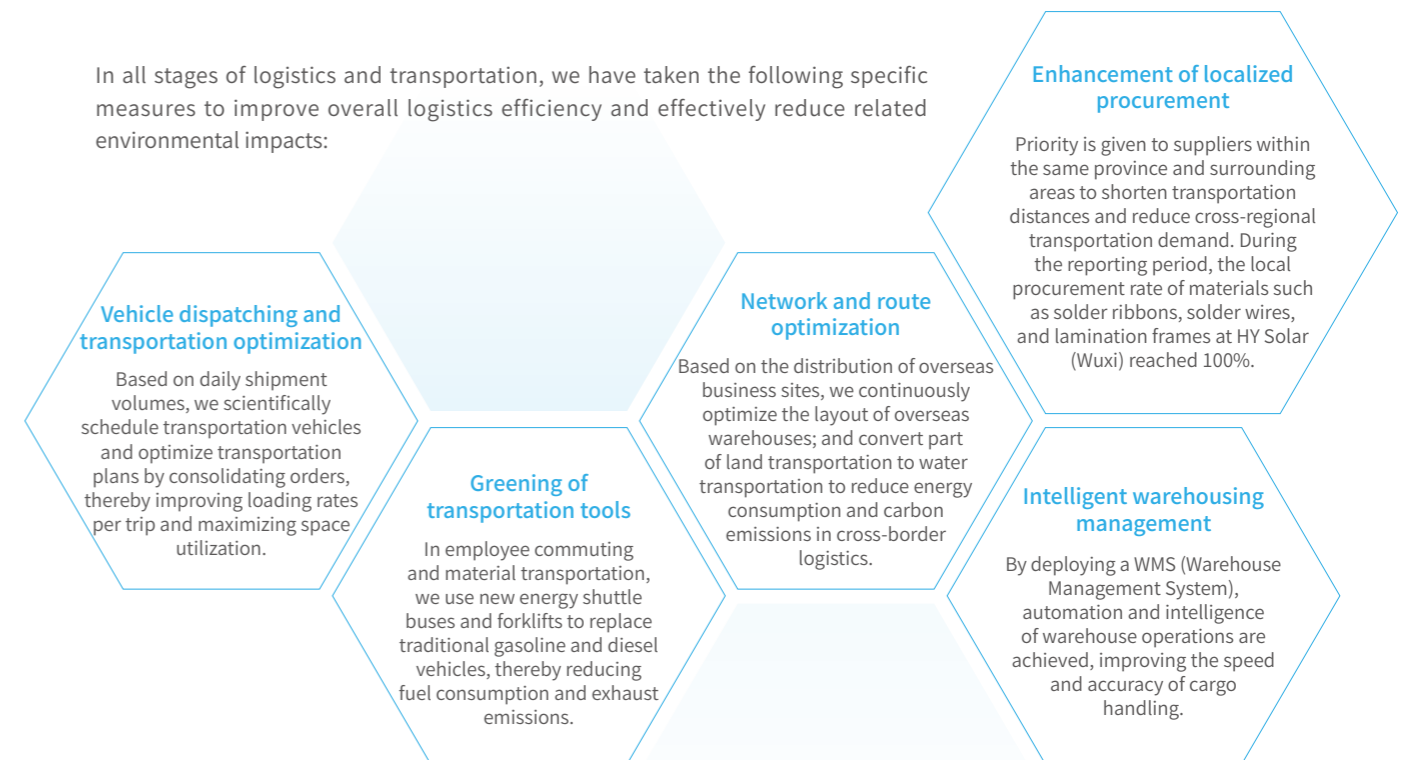
The annual loss rate of honeycomb panel boxes was less than **5%**, covering **60%** of total product shipments.



Polysilicon Packaging: "Carton Box + PE Honeycomb Panel Box" Combination

Green Logistics

In all stages of logistics and transportation, we have taken the following specific measures to improve overall logistics efficiency and effectively reduce related environmental impacts:



Product End-of-Life Disposal and Recycling

Sustainable end-of-life product management is a key part of product lifecycle management, and increasing attention is being paid to it by regulators, photovoltaic companies, industry associations, and other stakeholders. Photovoltaic products have significant green attributes during the use phase, and module materials themselves contain valuable components such as glass and silicon, most of which can be recycled and reused, forming a closed-loop system of resource utilization and effectively reducing environmental pressure.

HY Solar attaches importance to the recycling and reuse of products at the end of their lifecycle. While complying with the relevant laws and regulations of the countries where products are sold, the Company continues to explore and promote recycling and reuse solutions for decommissioned photovoltaic modules. The Company strictly complies with the EU Waste Electrical and Electronic Equipment Directive (WEEE Directive) and has registered as a WEEE member in Germany and France, committing to and ensuring that product disposal methods and recycling rates comply with WEEE requirements. As of the end of 2025, the Company incurred disposal costs for approximately 100 tonnes of waste modules. In addition, the Company actively explores cooperation opportunities with external professional institutions. By becoming a member of the PV CYCLE association, it ensures that its module products can be recycled and reused at the end of their service life, thereby completing the "last mile" of the green value chain of its products.



WEEE Registration Certificates

Quality Service

Product Quality

Product Quality Management

HY Solar strictly complies with the product quality-related laws and regulations of each place of operation. Each base formulates documents such as the Management Manual and Quality Management System according to its own actual production and operation conditions to establish a full-life cycle quality closed-loop management mechanism from supply chain management to after-sales service, proposes and tracks quality objectives, and supervises the quality responsibility of each production and service link. To ensure that quality requirements keep pace with the times, we regularly revise relevant quality management system documents.

By the end of the reporting period, all production bases had obtained ISO 9001 Management System Certification, and most bases had obtained IEC 62941 Photovoltaic Module Quality Management System Certification; there were no product recalls or administrative penalties related to quality.

Product Strategy

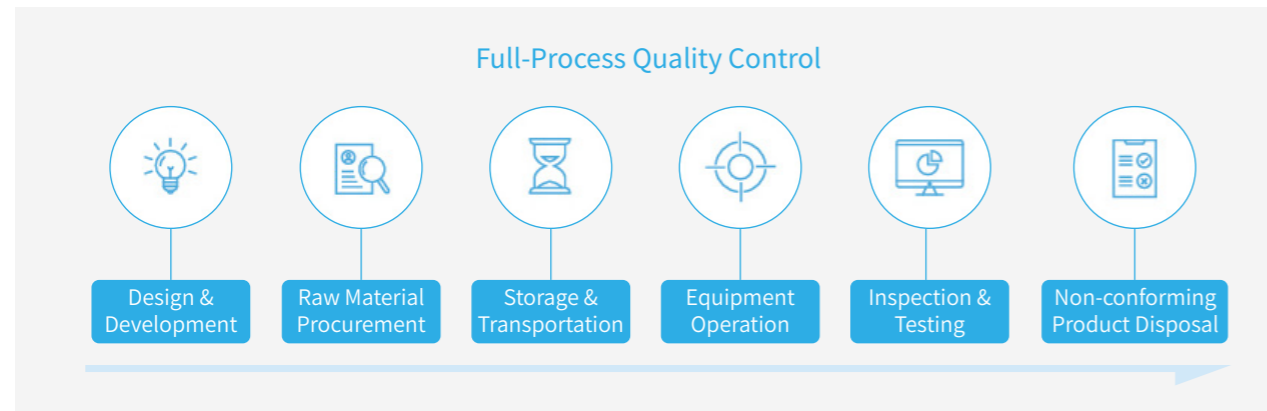
Focusing on the goal of high-quality development, HY Solar has established delivery quality and customer satisfaction as important strategic pillars of quality management, always taking product quality as the core orientation, promoting the in-depth development of the quality management system, and continuously making it deeper, more solid, more detailed and thorough. At the same time, the Company actively promotes the construction of smart factories and informatization, introducing SAP material management system, WMS warehouse management system, MES manufacturing execution system, EAP equipment automation and SPC statistical process control system, realizing the full-process automation and informatization closed loop from raw material warehousing to finished product delivery, providing strong support for the delivery of high-quality products and enhancing the market competitiveness of products.

Risk Management

The Company has established a quality management system covering the entire industrial chain, implementing a full-process control mechanism from design and development, raw material quality control, production process control to finished product reliability testing, to ensure that each link is under quality control and quality objectives are achieved.

Total Industrial Chain Quality Management





Product Quality Assurance Measures

<p>Special Inspection and Reporting</p> <p>Regularly conduct special inspections on raw materials and auxiliary materials, production processes, product quality and on-site management, track the achievement of quality indicators, form inspection result reports, and report and discuss them through weekly and monthly quality meetings, promptly inform and improve non-conformities to ensure product quality.</p>	<p>Promotion of Improvement Projects</p> <p>Continuously promote technological transformation projects to optimize materials, production processes, equipment configuration, etc. During the reporting period, the Company and each production base implemented a total of 657 improvement projects, effectively improving production efficiency, product consistency and delivery quality.</p>	<p>Product Testing and Verification</p> <p>We have built the HY Solar R&D Testing Center, equipped with internationally advanced testing equipment and laboratory management systems. By the end of the reporting period, the laboratory has obtained the China National Accreditation Service for Conformity Assessment (CNAS) Laboratory Accreditation Certificate, and its testing capabilities have been externally authorized and recognized.</p>
<p>Training of Quality Personnel</p> <p>Conduct training and post skill examinations for relevant quality personnel, hold skill competitions from time to time, and organize participation in employee skill competitions to continuously improve the skills of quality personnel from knowledge to practice. During the reporting period, Hongyuan New Material (Baotou) held the 4th "HY Solar Golden Craftsman" Lean Production Skill Competition to commend and encourage outstanding production personnel to continuously improve their skills. During the reporting period, the Company and each production base carried out a total of 416 quality training sessions.</p>	<p>Unqualified Product Control</p> <p>In accordance with the <i>Unqualified Product Control Procedure</i>, identify, isolate, review and dispose of unqualified products to ensure that problematic products do not enter the production or delivery link, and at the same time promote cause analysis and improvement to improve the overall product quality.</p>	<p>Internal and External Audit Supervision</p> <p>Formulate an annual audit plan internally to evaluate the compliance and effectiveness of the quality management system, and actively seek improvement opportunities for the identified deficiencies. At the same time, accept audits from external third-party audit institutions and customers, with a 100% audit pass rate.</p>

Customer Service

HY Solar continuously improves the customer service system, and constantly improves customer satisfaction by optimizing service processes and response mechanisms. Relying on the Customer Service Management Procedure, the Company standardized the management of key links such as factory audit reception, inspection management and customer complaint handling to ensure timely response and closed-loop rectification of problems. At the same time, it regularly invites customers to conduct satisfaction evaluations on product quality, service quality, price and delivery performance, conducts in-depth communication and exchanges with customers, proactively identifies potential improvement spaces, actively adopts reasonable suggestions, and continuously improves the overall service level and brand image.



Customer Complaint Handling

We attach importance to long-term communication with customers and have established an efficient customer complaint handling mechanism. Customers can make complaints or feedback problems through the service hotline (0510 - 85951888), WeChat official account (HY Solar), official website (hysolar.com) and email (hongyuanjc@hysolar.com). During the reporting period, the customer complaint handling rate was 100%.

		
<p>Complaint handling</p>	<p>Failure analysis</p>	<p>Remediation and prevention</p>
<p>Aim to contact clients within 24 hours for initial feedback, and conduct prior consultation on resolution deadlines and non-remedial preventive measures</p>	<p>Adopt an 8D Analysis approach to determine and analyze, and set up a cross-department special task force to analyze, investigate, and deal with the case</p>	<p>Perform permanent improvement with client accreditation, and constantly track product quality management & control to prevent recurrence</p>

Responsible Marketing

HY Solar continuously deepens the concept of responsible marketing, builds a clear and stable brand recognition system, and embeds compliance and integrity throughout the entire marketing promotion process. The Company strictly complies with the Advertising Law of the People's Republic of China and internal systems such as the Responsible Marketing and Consumer Protection Policy, standardizes the production and use of various promotional materials, and effectively protects customers' right to know and right of choice. We provide multi-lingual and detailed product manuals and technical materials to ensure the delivery of true, accurate and complete product information, providing customers with a transparent and reliable product and service experience; standardize the provision of MSDS and product label information for silicon wafers and cells, ensure the completeness and compliance of chemical instructions, and protect customers' rights to know and of safe use. At the same time, the Company standardizes the management of trademark use, advertising placement and market communication behavior by signing authorization letters with distributors, and strengthens channel compliance constraints. During the reporting period, there were no violations involving marketing communication, product and service information and labeling.

Green Manufacturing

HY Solar has always integrated green and low-carbon concept into the entire manufacturing process. Focusing on the national industrialization upgrading and the "dual carbon" strategy, it actively promotes the coordinated development of intelligent manufacturing and low-carbon practices. Through innovative initiatives such as introducing industry-leading equipment, building highly automated and digital production lines, practicing the efficient use of resources and energy, and promoting green supply chain collaboration, it enhances the hard power of green intelligent manufacturing. During the reporting period, the total capacity of our photovoltaic modules reached 4298.90 MW, and the total capacity of the built solar energy system reached 2 MW.

📄 **Case** | HY Solar (Wuxi) Was Rated as a Provincial "Green Factory" and Passed Voluntary Clean Production Acceptance

The HY Solar (Wuxi) module intelligent manufacturing base has carried out systematic layout around green manufacturing, including setting up a special team to promote infrastructure optimization, energy management improvement, clean production implementation and green supply chain construction, and has achieved a number of results such as energy management system certification, greenhouse gas verification, product carbon footprint evaluation and zero-carbon factory evaluation. In November 2025, HY Solar (Wuxi) was selected into the "2025 Jiangsu Provincial Green Factory Shortlist" and rated as a "Jiangsu Provincial Green Factory", reflecting the continuous recognition of the base in green production. In addition, relying on its practices and achievements in energy conservation, carbon reduction, pollution reduction and efficiency improvement, HY Solar (Wuxi) successfully passed the 2025 voluntary clean production audit and acceptance after strict review and on-site inspection, becoming one of the model units promoting industrial green transformation.



HY Solar (Wuxi) Production Base

Case | Hongyuan New Material (Xuzhou) Was Rated as a Provincial "Advanced-Level Smart Factory" and "Green Factory"

Hongyuan New Material (Xuzhou) battery intelligent manufacturing base promotes intelligent manufacturing and green production in a coordinated manner. In terms of intelligent manufacturing, Hongyuan New Material (Xuzhou) has built a unified digital management and control platform through digital integrated management and control of production processes, warehousing and logistics, equipment operation and product quality, realizing full-process collaborative management and intelligent analysis of production, warehousing, equipment, quality and energy and environmental safety. For the production link, AOI intelligent detection cameras are deployed at key nodes of each production line to realize high-precision, fully automatic and online detection of surface defects of cells, and the detection efficiency can be increased by 500% compared with manual detection; RFID and industrial Internet identification resolution are applied to build a "single-chip level" traceability system from raw materials, warehousing, products to operation and maintenance. With these innovative practices, in June 2025, the base won the title of "2025 Jiangsu Provincial Advanced-Level Smart Factory".



Hongyuan New Material (Xuzhou) Battery Production Base

In terms of green intelligent manufacturing, the base has established a sound institutional system and organizational structure in accordance with the General Principles for Green Factory Evaluation (GB/T3613-2018), formulated the Medium and Long-Term Plan for Green Factories, and realized real-time monitoring and refined management of energy consumption through the intelligent energy management platform. Combined with technologies such as waste heat utilization and frequency conversion transformation, it has built an efficient, clean and low-carbon energy system; planned and built a rooftop distributed photovoltaic power station and energy storage system; integrated ecological design into the entire product life cycle, carried out carbon footprint accounting in accordance with international standards, and achieved 100% comprehensive greenization rate of raw materials through lightweight design and environmentally friendly material substitution; established a supplier environmental access mechanism, incorporated indicators such as energy conservation, low carbon and environmental protection into procurement decisions, and promoted green supply chain construction; systematically carried out carbon emission control relying on the ISO 14064 greenhouse gas management system. In November 2025, Hongyuan New Material (Xuzhou) was rated as a Jiangsu Provincial "Green Factory", reflecting its solid progress in green transformation.



Hongyuan New Material (Xuzhou)'s Jiangsu Province Green Factory' Certificate

Case | Hongyuan Energy (Baotou) Won the Municipal "Green Factory" Title

Hongyuan Energy (Baotou) promoted the construction of the energy management system, systematically implemented energy conservation, carbon reduction and water-saving production practices, and effectively improved production quality and efficiency and reduced energy and resource consumption by focusing on green manufacturing. In May 2025, Hongyuan Energy (Baotou) was successfully selected into the "2025 Baotou Municipal Green Manufacturing Demonstration Unit" and rated as a "Baotou Municipal Green Factory", marking that its phased achievements in green manufacturing and sustainable operation have been officially recognized.



Hongyuan Energy (Baotou) Energy Production Base

Responsible Supply Chain

The Company adheres to the concept of sustainable development, incorporates the environmental, social and governance (ESG) responsibilities of the supply chain into the Company strategic management, and ensures the compliance, transparency and sustainability of the supply chain through a systematic and full-process supplier management and supervision mechanism.

HY Solar Supplier Code of Conduct

Human Rights and Fair Working Conditions

Oppose forced labor and child labor, anti-discrimination, occupational health and safety, working hours and wage requirements, freedom of association and collective bargaining rights.

Environmental Protection

Comply with environmental laws and regulations, environmental management compliance, use of natural resources and air pollution, climate change and greenhouse gas emission reduction, waste, wastewater and hazardous substance management, conflict minerals.

Business Ethics

Anti-corruption and commercial bribery, anti-money laundering and terrorist financing, data protection and security, fair competition and anti-monopoly, conflict of interest, tangible property and intellectual property rights, export control and economic sanctions, grievance mechanism and anti-retaliation measures, product quality and safety.

Supply Chain Governance

The Company's Strategy and Sustainability Committee is the highest leading and supervisory body for supply chain policies, responsible for approving strategic directions, supervising implementation progress and regularly listening to work reports. The procurement department of each production base, as the implementation subjects, coordinates with business departments to integrate sustainable procurement and supply chain due diligence management requirements into the full-process business operations to achieve closed-loop management. We have formulated procedural documents such as the Supplier and Contractor Management System, Supplier Procurement Management Specifications, Procurement Management Control Procedures, Supplier Management Procedures, Supplier Audit Evaluation Form, Safety and Environmental Protection Commitment Letter, and Legal Employment Commitment Letter, covering the full-life cycle management of the supply chain.

1 Introduction and Commitment

- All suppliers must sign the Supplier Integrity and Compliance Cooperation Commitment Letter and Integrity and Confidentiality Commitment Letter before cooperation, committing to abiding by the Company's business ethics and sustainable development standards.
- The Company gives priority to selecting partners with good ESG performance, and embeds environmental, labor, human rights and integrity clauses into procurement contracts, with 100% coverage of suppliers.
- On the premise of meeting internal procurement needs, we give priority to carrying out localized procurement, growing together with local suppliers, reducing transportation cycles and reducing environmental impact.

2 Due Diligence

- The business department initiates the Due Diligence Application Form, which is approved by the department head, Internal Control and Compliance Department and Finance Department before implementation.
- A due diligence team is set up according to the scale of cooperation and risk level, and external experts or third-party institutions can be invited to participate in major cooperation.
- The investigation content covers legal compliance, financial health, business ethics, environmental compliance, labor rights and interests, information security and operational capabilities.

3 Risk Assessment and Classification

- The Risk Scorecard is used to quantify the risk of partners, and suppliers are divided into Grade A (low risk), Grade B (medium risk), Grade C (high risk) and Grade D (non-compliant), and differentiated procurement strategies are formulated.
- High-risk suppliers shall rectify non-compliance seek Board approval. Any serious violation of laws and regulations will result in automatic disqualification cone-vote veto.

5 Incentive Mechanism

- The supplier's social responsibility score is closely linked to procurement decisions. Grade A suppliers enjoy order inclination, financial preferential treatment and brand empowerment; Grade B suppliers need to formulate improvement action plans, Grade C suppliers are subject to restricted procurement and strengthened supervision; Grade D suppliers are immediately suspended from cooperation, and can resume cooperation after passing rectification.
- The incentive mechanism encourages green innovation, carbon management and clean production, guiding the overall improvement of ESG performance of the supply chain.

4 Continuous Monitoring and Exit Mechanism

- Establish supplier files, dynamically monitor ESG performance and legal risks, conduct regular reviews of key suppliers and re-sign commitment letters.
- Those who have major violations, data leaks, environmental accidents or safety hazards and refuse to rectify will be immediately terminated from cooperation and included in the blacklist, and will not be re-enabled within 5 years.

Supply Chain Strategy

The ESG performance of suppliers is the core pillar for HY Solar to achieve the goal of "carbon-neutral supply chain". Building a responsible supply chain not only meets compliance requirements, but also cultivates green partners with long-term strategic value, and jointly builds a leading responsible supply chain system in the photovoltaic industry. Through the Supplier Code of Conduct and sustainable procurement policies, the Company embeds ESG standards into supply chain management decisions.



HY Solar commits not to use or sell any conflict minerals or derived products, and also requires suppliers to take active measures to avoid the use of any conflict minerals in products. All mineral materials used by our self-operated mineral processing base come from domestic mineral resource intensive smelters with clear origins and compliant governance, and there is no behavior of violating human rights. In addition, the Company has carried out sustainable procurement training for all procurement personnel every year to improve the supply chain management capabilities of internal responsible persons.

Supply Chain Risk Management

Supply chain risk identification and management are closely combined with the Company's double materiality analysis and materiality assessment results, including:



The Company's Internal Control and Compliance Department continuously monitors supplier compliance files, conducts annual regular audits and unannounced inspections on high-risk suppliers, dynamically identifies risks and triggers re-evaluation. Risk events include reports of violations, sanctions or blacklist events, major accidents, changes in equity and business structure, ensuring the timely implementation of intervention and exit mechanisms.

Supply Chain Indicators and Targets

HY Solar incorporates quantitative targets for sustainable supply chain development into the performance management system.



Supplier evaluation adopts a quantitative scoring system, comprehensively determining the supplier level through high-risk (45% weight), medium-risk (20%) and low-risk (5%) indicators, and implementing incentive or rectification measures accordingly to ensure the overall sustainability, compliance of the supply chain and the Company's brand reputation.

Environment



- Climate Change Response 58
- Environmental Compliance Management 61
- Energy Management 64
- Water Resources Management 66
- Pollutant Emission and Waste Management 67
- Biodiversity 70

Environmental Protection Investment: RMB **44,193,600**

Renewable Energy Consumption: **6,033,864.56** GJ

Recycled Water Volume: **150,568,032.76** tonnes

Energy Efficiency Optimization Projects Implemented: **18** Projects

Water-saving and Water Recycling Projects implemented: **2** Projects

Air Pollutant Emissions Compliance Rate: **100%**

Wastewater Discharge Compliance Rate: **100%**

Environmental Non-compliance Incidents: **0** cases

Share of Renewable Energy Consumption: **45.28%**



Climate Change Response

HY Solar consistently upholds its vision of "making energy cleaner, Making the world better," actively advancing sustainable development through the deep application of green energy and innovative practices.

Against the backdrop of increasingly severe global climate change, photovoltaic enterprises— key pillars of the renewable energy sector— are facing unprecedented challenges and opportunities. As a dedicated industry player, HY Solar fully recognizes the impacts of climate change on the ecological environment as well as economic and social systems. To address this global issue in a scientific and systematic manner, the Company, guided by the recommendations of the Task Force on Climate-related Financial Disclosures and in alignment with the climate-related disclosure requirements under the Shanghai Stock Exchange's Self-Regulatory Guidelines No. 14 for Listed Companies – Sustainability Reports (Trial), is exploring the establishment of a climate management framework across four dimensions: governance, strategy, risk management, and metrics & targets. This framework aims to continuously monitor and assess climate-related risks and opportunities, implement proactive response measures, and drive low-carbon transformation across both the Company and its value chain.

Climate Governance

The Company places high importance on climate-related issues and incorporates them as a key consideration in its operational strategy. Building on its sustainability governance structure, the Company has established a climate governance system led by the Board of Directors. This system guides the Strategy and Sustainability Management Committee in formulating and refining climate-related strategies, while overseeing and reviewing climate action practices to ensure effective top-down management of climate-related risks and opportunities.

At the coordination level, specialized subcommittees under the Strategy and Sustainability Management Committee are responsible for setting environmental targets, including those related to climate change, and supporting implementation. At the execution level, various departments at headquarters jointly ensure the achievement of these targets.

Looking ahead, the Company plans to further strengthen and refine its sustainability governance framework by reviewing regulatory requirements and benchmarking industry best practices, with a focus on clarifying roles and responsibilities, enhancing oversight mechanisms, and improving performance evaluation systems.

Climate Strategy

Aligned with China's "dual carbon" goals, the Company has set carbon neutrality as its long-term objective. Climate strategy is closely integrated into business decision-making, with assessments conducted on the actual and potential impacts of climate change on operations, strategy, and financial planning.

The Company is developing a comprehensive climate strategy covering greenhouse gas emissions management, energy management, resource management, carbon market participation, and system development. By advancing clean technology R&D and optimizing production processes, the Company aims to deliver green, low-carbon photovoltaic products and services, promote low-carbon manufacturing, and build a sustainable ecosystem. It will also continue to explore participation in internationally recognized emissions reduction initiatives and commitments, striving to meet higher standards in climate action.

Climate Risk Management

The Company is actively establishing a climate governance system. Moving forward, it will systematically identify and assess climate-related impacts, risks, and opportunities based on its business characteristics and internal and external operating environment. This includes developing processes for identifying, analyzing, and managing climate-related risks and opportunities.

Climate risk management will be integrated into the existing enterprise risk management framework, enabling continuous monitoring and evaluation of the Company's climate response capabilities and enhancing overall climate resilience.

Hongyuan New Material (Baotou) has already taken the lead in comprehensively identifying climate risk categories, conducting impact assessments, and formulating response measures, laying a solid foundation for the development of the Company's overall climate risk management system.

Climate-related Impact, Risk and Opportunity Management

Risk Type		Impact Analysis	Countermeasures
Acute Physical Risk	Extreme weather, cyclones/hurricanes/typhoons, extreme high temperature, abnormal rainfall, floods, droughts, earthquakes, etc.	<ul style="list-style-type: none"> · May cause failure, operational interruption and damage to production equipment, reduce production efficiency, increase maintenance costs, and damage products. · In extreme cases, power outages may occur, and even plant damage may occur, threatening the life and property safety of staff and customers. · May lead to interruption of production and transportation, affect the production capacity of the Company and suppliers, and result in delayed delivery of products. 	<ul style="list-style-type: none"> · Formulate emergency plans, strengthen emergency monitoring, release information in a timely manner, and conduct emergency drills. · Select more robust raw materials, carry out regular inspection and maintenance, strengthen inspection of external power facilities, and configure backup power supplies. · Allocate emergency supplies, establish rescue teams, conduct emergency drills, and improve the emergency response capabilities of personnel.
Chronic Physical Risk	Temperature change	<ul style="list-style-type: none"> · Temperature change will indirectly affect equipment operation and may lead to equipment failure. Sustained high temperature affects the work efficiency of operators. 	<ul style="list-style-type: none"> · Strengthen workshop ventilation, install air conditioners, fully recover heat energy for heating, distribute heatstroke prevention and cooling materials in summer to reduce workshop temperature and ensure a suitable working environment.
Policy Risk	Increasingly stringent regulations and policies on climate change and carbon emissions	<ul style="list-style-type: none"> · With customers all over the world and factories established in multiple countries, the increasingly stringent requirements of various countries' policies related to climate change and carbon emission will increase the pressure on regulatory compliance. 	<ul style="list-style-type: none"> · Establish a strategic analysis team to track and analyze global policies related to climate change and carbon emission. · Cooperate with third-party institutions to study the potential impact of regional policies and regulations on the business and make adjustments in a timely manner. · Conduct compliance audits and supervision on suppliers, formulate green supply chain goals and management policies, and eliminate high-risk suppliers.
Technology Risk	Competitiveness of low-carbon technologies	<ul style="list-style-type: none"> · Low-carbon has become the mainstream trend of photovoltaic technology development. Fierce market competition requires more resources to be invested in research and development to maintain the leading position in the industry, otherwise the market competitiveness will be lost. 	<ul style="list-style-type: none"> · Establish R&D centres, continue to increase technological investment, and promote low-carbon technological innovation. · Own a number of exclusive core technologies and break through the limitations of traditional technologies.
Legal Risk	Litigation related to net-zero carbon products	<ul style="list-style-type: none"> · Different understandings of the public on the concept of net-zero carbon and the environmental attributes of products may lead to litigation. 	<ul style="list-style-type: none"> · Follow expert advice to ensure that the zero-carbon concept used in product promotion and sales is unambiguous. · Establish a professional legal department to assist the Company in avoiding potential litigation risks.
	Climate change legislation	<ul style="list-style-type: none"> · With the advancement of the "Dual Carbon" goal, China may introduce special laws and regulations to address climate change in the future, putting forward higher requirements for the optimization of the energy structure of the whole society. 	<ul style="list-style-type: none"> · Improve compliance management, strictly implement the requirements of laws and regulations, plan production and pollutant discharge design in advance, and implement upgraded standard management. · Participate in the formulation and drafting of product-related standards. · Rely on product and technological advantages to help customers achieve energy transition and improve customers' environmental performance.

Environmental Compliance Management

Environmental Management System

HY Solar strictly complies with national and local environmental laws and regulations, including the Environmental Protection Law of the People's Republic of China, and places strong emphasis on the environmental impacts of its operations. The Company has established a comprehensive environmental management system.

Each production site has set up a management structure comprising a Safety Production Management Committee, dedicated offices, and departmental safety leadership teams or equivalent bodies. Through internal systems such as environmental responsibility mechanisms and target responsibility agreements, the Company ensures that compliance requirements related to safety, environmental protection, and occupational health are effectively implemented at all levels.

As of the end of the reporting period, all operating sites of the Company had obtained ISO 14001 Environmental Management System certification. In 2025, the Company's environmental protection investment totaled RMB 44.1936 million, covering environmental facility upgrades, hazardous waste disposal, rainwater and sewage pipeline improvements, emergency response rectifications, and environmental monitoring.

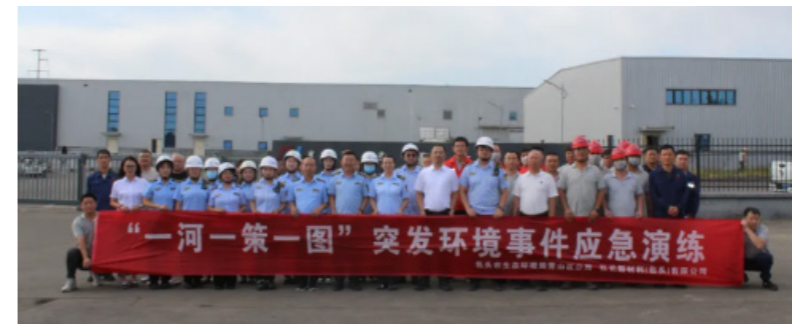
Environmental Risk Management

The Company proactively tracks updates to environmental laws and regulations in its operating regions, conducts regular compliance evaluations, and integrates applicable requirements into internal management systems to effectively mitigate compliance risks.

The Company has established procedures such as the Environmental Aspects Identification and Evaluation Control Procedure and the Hazard Identification and Risk Assessment Procedure. It regularly conducts environmental risk identification, assessment, and control to ensure compliance with environmental standards.

For significant environmental aspects, the Company sets clear targets and metrics, formulates management plans and emergency response procedures, and conducts regular emergency drills to effectively control environmental risks.

During the reporting period, the Company did not incur any administrative penalties due to violations of environmental laws and regulations, nor did it experience any major pollution incidents or environmental non-compliance events.



Emergency Drill for Environmental Incidents



Special Environmental Emergency Drill for Hazardous Chemicals



Environmental Pollution Emergency Response Drill



Emergency Drill for Hazardous Waste Incidents



Waste Oil Leakage Drill

Risk Type	Impact Analysis	Countermeasures
Market Risk	Changes in customer behaviour <ul style="list-style-type: none"> Customers' demand for renewable energy and low-carbon photovoltaic products is gradually increasing Strict requirements on product carbon footprint may cause loss of product orders 	<ul style="list-style-type: none"> Upgrade technologies to improve power generation efficiency, reduce cost per kilowatt-hour, and gradually increase market share Carry out projects such as full life cycle environmental impact assessment and low-carbon product design to optimize product carbon footprint Continuously track and feedback changes in market demand to adjust business plans in a timely manner
Reputational Risk	Increased stakeholder concern and negative feedback <ul style="list-style-type: none"> Stakeholders pay close attention to the green and low-carbon performance of the Company and its products If the Company's claims on climate goals and project implementation are inconsistent with actions, it may lead to reputation damage 	<ul style="list-style-type: none"> Take the lead in the industry to commit to achieving full value chain carbon neutrality Invite third-party institutions to conduct full value chain carbon verification Regularly disclose to the public the completion of the Company's climate change goals and phased action plans

Indicators and Targets

HY Solar aligns with international climate action goals and relevant initiatives, actively responding to the temperature control targets of the Paris Agreement and China's strategic goals of "achieving carbon peak by 2030 and carbon neutrality by 2060."

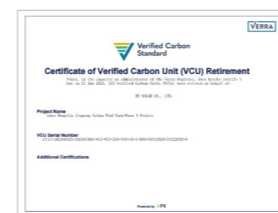
To advance its carbon neutrality objective, the Company has established targets and metrics covering energy, water resources, and waste management. It conducts greenhouse gas (GHG) accounting and management at both organizational and product levels, continuously monitors the progress of key indicators, and effectively promotes climate action practices.

Greenhouse Gas Management

The Company continues to carry out organization-level GHG emissions quantification. During the reporting period, HY Solar (Wuxi) and Hongyuan New Material (Xuzhou) conducted GHG verification for 2024 emissions and developed corresponding GHG improvement actions, supporting the Company's steady progress toward sustainable development.



Type I Four-Star "Zero-Carbon Factory" Certificate of HY Solar (Wuxi)



Carbon Offset Certificate of HY Solar

During the reporting period, HY Solar (Wuxi) passed the "Zero-Carbon Factory" certification audit for the second consecutive year and was awarded the Type I Four-Star Zero-Carbon Factory certification. In accordance with the Zero-Carbon Factory Evaluation Standard, HY Solar (Wuxi) has advanced digitalized energy and carbon management, implemented emission reduction measures, and carried out carbon offsetting initiatives.

In 2025, based on its operational boundary, the Company quantified GHG emissions from natural gas, gasoline, diesel, purchased electricity, and purchased heat. Total Scope 1 and Scope 2 emissions amounted to 2,328,462.33 tonnes of CO₂ equivalent⁴.

⁴ In 2025, following further refinement of the data accounting methodology, the Company newly included purchased heat in its energy consumption and greenhouse gas emissions data.

Environmental Training

The Company focuses on cultivating employees' environmental awareness. Each production base, in line with its annual environmental goals and targets, develops an annual education and training plan to promote both regular and irregular environmental-themed training. Hongyuan New Materials (Baotou) has established the "Environmental Protection Education and Training System" to further integrate environmental training into the internal regulatory system. The Company's training content covers environmental laws and regulations, solid waste management, environmental protection and energy-saving emission reduction, major hazard source management, environmental factor identification, etc. In 2025, the Company successfully conducted 81 environmental training sessions for all employees, with a total of 10,638 employee participations and over 202 hours of training.



Solid Waste Management Training



Training on Environmental Laws and Regulations Interpretation and Wastewater Treatment



Environmental Training by External Experts



General Environmental Training



Energy Management System Training



Quarterly Environmental Training by Departments

The Company & Production Bases	2025 Environmental Targets	Progress in 2025
HY Solar	100% compliance of industrial noise discharge	✓ Achieved
	100% compliance of solid waste & hazardous waste disposal	✓ Achieved
	100% compliance of wastewater and waste gas emission discharge	✓ Achieved
HY Solar (Wuxi)	100% compliance of domestic sewage and rainwater discharge	✓ Achieved
	100% compliance of VOCs discharge	✓ Achieved
	100% compliance of day and night noise discharge	✓ Achieved
	100% compliance of hazardous waste disposal	✓ Achieved
	100% compliance of general solid waste disposal	✓ Achieved
	Zero soil & water pollution accidents	✓ Achieved
Hongyuan Energy (Baotou)	100% wastewater reuse, and 100% compliance of waste gas emission	✓ Achieved
	100% compliance of solid waste & hazardous waste disposal	✓ Achieved
	100% synchronized operation of environmental protection management facilities	✓ Achieved
	100% compliance of plant boundary noise	✓ Achieved
	Zero environmental pollution accidents with media exposure or impact at the municipal level and above	✓ Achieved
	Zero environmental pollution accidents	✓ Achieved
Hongyuan New Material (Baotou)	100% soundness & operations of environmental protection facilities	✓ Achieved
	100% collection of solid waste and hazardous waste	✓ Achieved
	100% compliance rate for environmental protection related training	✓ Achieved
Hongyuan New Material (Xuzhou)	100% compliance rate for pollutant discharge	✓ Achieved
	100% management, control and compliance of environmental emission indicators	✓ Achieved
	100% disposal of environmental protection facility operation abnormality	✓ Achieved
	Zero EHS government penalty incidents	✓ Achieved

Energy Management

HY Solar regards energy management as a key strategic priority and strictly complies with relevant laws, regulations, and standards, including the Energy Law of the People's Republic of China and the Energy Conservation Law of the People's Republic of China.

Each production site of the Company has established an energy management organizational structure, clearly defining management responsibilities at all levels, with the site general manager or senior management serving as the primary accountable person. The Company has developed and continuously improved internal systems such as the Energy Management Manual, Energy Management Policy, and Resource and Energy Conservation Procedures.

Quantifiable energy targets are set and cascaded down to individual workshops, with clearly defined responsible parties and performance evaluation criteria. Based on these targets, the Company formulates energy-saving plans, conducts real-time monitoring through digital platforms, and performs regular progress analysis, forming a closed-loop energy management system.

During the reporting period, all production sites carried out internal audits on energy management, providing a foundation for improving management effectiveness. In 2025, all production sites of the Company successfully obtained ISO 50001 Energy Management System certification.



Hongyuan New Material (Xuzhou) Energy Data Monitoring Platform

To ensure the effective achievement of energy targets and indicators, each production site actively explores and implements energy-saving and efficiency improvement retrofits based on its specific process characteristics, thereby enhancing overall energy utilization efficiency.

In addition, the Company regularly organizes relevant training programs to improve employees' awareness and capabilities in energy management. In 2025, the Company implemented a total of 18 energy efficiency optimization projects.

Case | Energy Efficiency Retrofit Project for Air Conditioning Cooling Towers of Hongyuan New Material (Baotou)

In August 2025, Hongyuan New Material (Baotou) launched an energy efficiency retrofit project for its air conditioning cooling towers. The project involved systematic optimization of 88 cooling towers across three plants. By upgrading the cooling water circulation system, excess cooling generated during production is recovered and reused for cooling supply, thereby reducing the operating time of chillers. In addition, control strategies were optimized to enable flexible switching between cooling and heating, meeting seasonal energy demands of the facilities while lowering chiller load and extending equipment lifespan. Upon completion, the project is expected to achieve annual electricity savings of approximately 24.886 million kWh, equivalent to 2,286 tonnes of standard coal.



Cooling Water Circulation System of Air Conditioning Cooling Towers of Hongyuan New Material (Baotou)

Case | Liquid Nitrogen Recovery and Collection Retrofit Project of Hongyuan New Material (Xuzhou)

During the reporting period, Hongyuan New Material (Xuzhou) implemented a technical retrofit to address liquid nitrogen losses discharged during low-load operation of its air separation unit. A valve was installed on the existing liquid nitrogen return pipeline to recover previously vented liquid nitrogen and reuse it as a qualified product. This project significantly improved resource utilization efficiency, reduced energy consumption and indirect greenhouse gas emissions, saved a total of 185 tonnes of liquid nitrogen, and achieved electricity savings of 35,000 kWh in the second operating cycle.



Liquid Nitrogen Recovery and Collection System of Hongyuan New Material (Xuzhou)

Case | Waste Heat Recovery Project for Air Compressors in Plant Buildings of HY Solar (Wuxi)

In November 2025, HY Solar (Wuxi) implemented a waste heat recovery project for air compressors in its photovoltaic module workshop. The project focused on optimizing the winter heating system in the ground-floor glass storage and feeding areas by installing high-efficiency skid-mounted heat exchange equipment. Waste heat generated during compressed air production is captured and reused for heating, while any shortfall is supplemented by the existing air-source heat pump system to ensure process temperature requirements are met. After implementation, the project is expected to recover 2.9268 million kWh of heat annually and save approximately 975,600 kWh of electricity per year, significantly improving energy utilization efficiency.

Water Resources Management

HY Solar strictly complies with national laws, regulations, and local policies, and has progressively established a comprehensive water resource management system. The Company continuously strengthens water use management and optimizes its water use structure. Its water supply is sourced from municipal tap water networks and fire protection water systems, primarily used for production operations, office activities, and emergency firefighting. During the reporting period, the Company did not cause any negative impact on local water resources in terms of water withdrawal, consumption, or discharge.

The Company places strong emphasis on water resource management. Each production site sets water management targets based on its specific operational characteristics. It actively implements water-saving initiatives such as steam condensate recovery and reuse, and the use of dilute alkaline wastewater in scrubber systems, reducing water consumption at the source and mitigating operational risks related to water scarcity.

In 2025, Hongyuan New Material (Baotou) introduced a municipal reclaimed water substitution project to replace tap water in production systems, thereby reducing the consumption of high-quality freshwater resources. Hongyuan Energy (Baotou) implemented a polysilicon water-saving retrofit project, achieving both condensate recovery and water conservation by recovering surplus steam condensate and reducing evaporation losses from air-cooling spray systems. Owing to its technological advancements and water-saving performance, the project successfully obtained provincial-level "Water-Saving Enterprise" certification.

In addition, the Company promotes water conservation in daily operations. Hongyuan Energy (Baotou) reuses leftover drinking water for cleaning purposes such as mopping floors and wiping desks, while also fostering employee awareness of water conservation. During the reporting period, the Company completed two water-saving and water recycling projects, with a total recycled water volume of 150,568,032.76 tonnes.



Hongyuan Energy (Baotou) Water-Saving Signage



Hongyuan Energy (Baotou) Clean Water Recycling Signage



Pollutant Emission and Waste Management

HY Solar strictly complies with applicable laws and regulations, clearly stipulates management requirements for various pollutant emissions and waste, and has established supporting procedural documents. All functional departments collaborate to implement pollution control and treatment measures, minimizing the impact of production and operations on the ecological environment.

Air Pollutant Management

Air pollutants generated during production mainly include nitrogen oxides (NOx), sulfur oxides (SOx), and particulate matter. In accordance with relevant laws and regulations, the Company has formulated and implemented internal management documents such as the Wastewater, Exhaust Gas and Noise Management Policy and the Wastewater, Exhaust Gas and Noise Control Procedures. At the same time, the Company strictly follows pollutant discharge permit requirements and regularly engages qualified third-party environmental monitoring agencies to conduct testing. Monitoring results consistently comply with national standards. During the reporting period, there were no incidents of excessive air emissions, achieving a 100% compliance rate for air pollutant discharge.

Wastewater Management

The Company strictly complies with applicable legal and regulatory requirements. Each production site formulates appropriate wastewater management procedures based on its operational characteristics and engages third-party professional institutions to regularly monitor key pollution indicators.

At Hongyuan Energy (Baotou), all production wastewater is treated at on-site wastewater treatment facilities and fully reused, achieving zero wastewater discharge throughout the year. For domestic wastewater, canteen wastewater is first pretreated through dedicated oil separation facilities, then combined with general domestic wastewater that has undergone septic tank pretreatment. The combined wastewater is further treated at industrial silicon domestic wastewater treatment facilities to ensure compliance with the Grade III standard of the Integrated Wastewater Discharge Standard before being discharged to the park's centralized wastewater treatment plant for further processing. During the reporting period, the Company achieved a 100% compliance rate for wastewater discharge.

Case | RO Concentrated Water Recovery Project at Hongyuan New Material (Baotou)

During the reporting period, Hongyuan New Material (Baotou) implemented an RO concentrated water reuse project. By adopting a combined process of softening filtration and reverse osmosis, the incoming RO concentrated water is treated through the reverse osmosis system and reused. The treated water quality meets and exceeds municipal tap water standards. The project operates in a fully automated mode, significantly improving wastewater reuse efficiency and effectively adhering to the principles of "water saving, land saving, and investment saving." In 2025, the project achieved water savings of 216,163 tonnes.



RO Concentrated Water Recovery System of Hongyuan New Material (Baotou)

Case | Dilute Alkaline Wastewater Reuse Project for Scrubber Systems at Hongyuan New Material (Xuzhou)

In 2025, Hongyuan New Material (Xuzhou) implemented a technical retrofit to reuse dilute alkaline wastewater for acid gas treatment towers across its three plants. By upgrading process pipelines, dilute alkaline wastewater discharged from the wastewater treatment station is filtered and used to replace surface water, and is then supplied to exhaust gas scrubbers as an absorption solution. This project effectively reduces the consumption of surface water and liquid alkali, realizing resource utilization of wastewater. After completion, the three plants are expected to save approximately 0.49 tonnes of water and 6.23 tonnes of liquid alkali per day. In 2025, the project achieved annual savings of 127,000 tonnes of surface water and 1,520 tonnes of liquid alkali.



Dilute Alkaline Wastewater Reuse for Scrubber Systems at Hongyuan New Material (Xuzhou)

Waste Management

The Company's solid waste mainly includes general industrial solid waste, domestic waste, and hazardous waste. Adhering to the principles of compliant waste management and source reduction, the Company has established internal management systems such as the Solid Waste Pollution Management Policy and the Hazardous Waste Management Policy, systematically standardizing waste classification, storage, and disposal.

Production sites such as HY Solar (Wuxi) refine annual solid waste targets by setting waste generation intensity targets, developing reduction measures, and monitoring progress toward achieving these targets.

Target for solid waste generation intensity of HY Solar (Wuxi) in 2025



General solid waste is centrally classified and stored in the general solid waste temporary storage room and waste residue shed and handed over to qualified units for disposal regularly. Domestic waste is collected through classified dustbins and disposed regularly. The treatment of hazardous waste strictly follows the requirements of laws and regulations and is entrusted to qualified third parties for disposal. Hongyuan New Material (Xuzhou) comprehensively utilizes fluorine-containing sludge, processes it into calcium fluoride particles as raw materials for iron and steel plants, and other sludges are disposed of through incineration for power generation. HY Solar (Wuxi) practices the reduced use of module packaging materials, upgrades cleaning equipment, and cooperates with relevant departments to improve the reuse rate. In addition, the Company conducts training for operators and officers involving hazardous waste once a year, with training records maintained. During the reporting period, there was no accident in which the Company was subject to penalty for its pollutant exceeding the standards or discharged in violation of regulations.

Noise Management

The Company strictly complies with laws and regulations such as the Emission Standard for Industrial Enterprises Noise at Boundary, establishes and implements noise management-related systems, and clarifies departments in charge and management responsibilities. We conducted spot check and maintenance of equipment generating pollution, immediately dealing with any abnormalities; took appropriate blocking and isolation measures for noise sources to ensure that the noise at the plant boundary complied with the standards; and equipped its employees with noise protection devices during operation in the vicinity of noise pollution sources to ensure their physical and mental health, improve their working experience while reducing impacts on the neighboring communities. During the reporting period, the Company received no noise complaints.

⁵ Specific hazardous waste includes waste rags and spent flux.

Biodiversity

The Company attaches great importance to ecosystem and biodiversity protection, strictly abides by laws and regulations such as the Environmental Impact Assessment Law and the Soil and Water Conservation Law of the People's Republic of China, and ensures compliance with control requirements such as ecological protection red lines. Confirmed by environmental impact assessment, the site of the Company and its bases do not involve biodiversity sensitive areas such as ecological protection red lines, nature reserves and important wetlands, and the operation activities have no adverse impact on local biodiversity.

In the site selection stage of new projects, all production bases of the Company include potential ecological impacts in the preliminary assessment, and strictly follow the requirements of ecological protection red lines and territorial space planning; all bases are located in approved industrial parks, avoiding disturbance to the ecosystem from the source; during the construction and operation of the bases, measures such as closed factory building design, rain and sewage diversion, noise control and greening isolation belts are adopted to further reduce potential disturbance to the surrounding environment; in the production and operation stage, the Company continues to promote clean production and pollution prevention measures, strengthens the prevention and control of soil and groundwater environmental risks, and further reduces the indirect impact on the ecological environment and biodiversity through energy conservation and consumption reduction, pollutant emission reduction and efficient resource utilization; an environmental monitoring mechanism is established to ensure that when any ecological impact is found, restoration measures such as vegetation restoration and soil improvement are taken. During the reporting period, there were no significant impacts on biodiversity attributable to the Company's production and operational activities, or its products and services.

In addition, the Company continues to explore diversified "Photovoltaic +" applications. Through the in-depth integration of photovoltaic modules such as fishery cultivation and desert management, the Company promotes the coordinated development of clean energy development, comprehensive resource utilization and ecological restoration.

Case | Fishery-Solar Hybrid Photovoltaic Power Generation Project

In 2025, the Company supplied 65 MW of high-efficiency photovoltaic modules for the Zhenjiang Dantu Rongbing Salt Resource Zone Fishery-Solar Hybrid Project. Leveraging local water resources and solar conditions, the project adopts an integrated "fishery-solar hybrid" model, enabling the coordinated use of surface power generation and underwater aquaculture. While conserving land resources, the moderate shading provided by photovoltaic panels helps reduce water temperature, limit evaporation, and inhibit algae growth, thereby improving water quality and enhancing fishery productivity. After grid connection, the project is expected to generate approximately 74.23 million kWh of electricity annually, saving about 22,600 tonnes of standard coal and reducing CO₂ emissions by approximately 61,800 tonnes, achieving synergistic environmental, ecological, and economic benefits alongside clean energy supply.



Zhenjiang Dantu Rongbing Salt Resource Zone Fishery-Solar Hybrid Photovoltaic Power Generation Project

Case | Photovoltaic Desert Control Project in Arid and Desert Areas

In 2025, the Company installed 508 MW of high-efficiency HT series modules at the southeastern edge of the Tengger Desert in Zhongwei, Ningxia, establishing a local "desert control demonstration project." The project explores an integrated land-use model of "power generation above panels, sand stabilization below panels, and vegetation planting between panels." It is expected to fix approximately 20,000 tonnes of drifting sand annually, and upon full grid connection, generate about 800 million kWh of electricity per year, equivalent to saving 300,000 tonnes of standard coal and reducing CO₂ emissions by 730,000 tonnes annually.

In addition, the Company developed a 509 MW photovoltaic project in the Ulan Buh Desert in Inner Mongolia. By adopting high-efficiency double-glass modules, the project ensures stable power generation while also contributing to windbreak and sand stabilization, providing a sustainable source of clean energy for desert regions.



HY Solar Zhongwei Project, Ningxia



HY Solar Ulan Buh Desert Project, Inner Mongolia

People-Oriented



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No incidents of child labor, forced labor, discrimination, or harassment occurred

No grievances regarding non-compliant employment such as child labor, forced labor, or discrimination were received

100% coverage of employees under collective agreements⁶

100% of employees participated in performance appraisal

Occupational disease incidence rate: **0**



⁶ Statistical scope: Hongyuan New Material (Baotou), Hongyuan New Material (Xuzhou), Hongyuan Energy (Baotou), HY Solar (Wuxi); HY Solar has not yet signed a collective bargaining agreement.



Employee Rights and Interests

Protection of Basic Rights and Interests

HY Solar attaches great importance to the protection of employees' basic rights and interests. It strictly complies with the applicable laws and regulations in the places of operation at home and abroad, such as the *Labor Law of the People's Republic of China*, as well as the relevant conventions of the International Labour Organization. The Company has established a systematic human resource management system covering key links such as employment and contracts, working hours and leave, salaries and benefits, and training and development, ensuring that employment management is legal, compliant, standardized and transparent. At the same time, the Company attaches importance to the construction of employee representative organizations. The Company has a trade union, which participates in the formulation and supervision of relevant company management systems, promotes the collection of employee opinions and the protection of rights and interests, and ensures employees' freedom of association and right to collective bargaining.

On this basis, the Company continues to benchmark against the SA8000 standard, integrating requirements such as the prohibition of child labor and forced labor, the guarantee of a safe and healthy working environment, respect for freedom of association and the right to collective bargaining, anti-discrimination, salaries and benefits, working hours, rest and leave, and overtime into daily operational processes. It improves the grievance mechanism and internal supervision mechanism to promote continuous improvement: currently, HY Solar (Wuxi) has formulated systems such as the *Child Labor Remediation Procedures*. In the event of child labor employment, harassment and abuse, or non-compliant employment, remedial and corrective measures can be promptly initiated to protect the rights and interests of affected employees. By the end of the reporting period, HY Solar (Wuxi) has obtained the SA8000 Social Accountability Management System Certification, further improving the level of social responsibility management; no incidents of child labor, forced labor, discrimination, or harassment occurred in the Company and all its bases; no grievances regarding non-compliant employment such as child labor, forced labor, or discrimination were received.



HY Solar (Wuxi) SA8000 Management System Certification

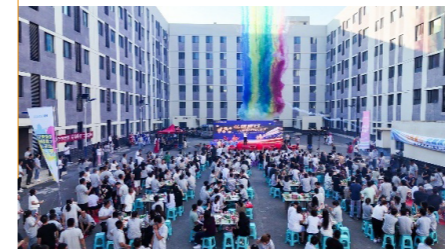
Employee Care and Family Support

HY Solar continuously improves the employee welfare guarantee system, legally pays social insurance and housing provident fund for employees, provides paid annual leave, statutory holidays and diverse welfare leave arrangements, and issues holiday benefits during major festivals and holidays to enhance employees' sense of gain. At the same time, each subsidiary organizes rich cultural, sports and recreational activities, team building and physical and mental health projects according to employees' interests and health needs, including badminton, running, karaoke, gym and stress management training, creating a positive, healthy, united and progressive organizational atmosphere.

The Company pays attention to supporting employees' families and employees in difficulty. It has specially established an employee care fund to provide special financial assistance and consolation to employees with major illnesses or sudden difficulties; each subsidiary continuously improves the treatment of employees according to local actual conditions, adopting supporting measures such as housing assistance and enrollment support for employees' children, to reduce employees' worries and enhance their sense of belonging and team cohesion.

Employee Benefits Overview

- ▶ Holiday Care
- ▶ Leave Policies (including paid annual leave, paid sick leave, etc.)
- ▶ Free Working Meals
- ▶ Commercial Insurance
- ▶ Communication Subsidy
- ▶ Interest Groups
- ▶ Family Life Support
- ▶ Trade Union Activities



Hongyuan New Material (Baotou) Summer Cultural and Art Festival



Hongyuan New Material (Baotou) Reading Sharing Session



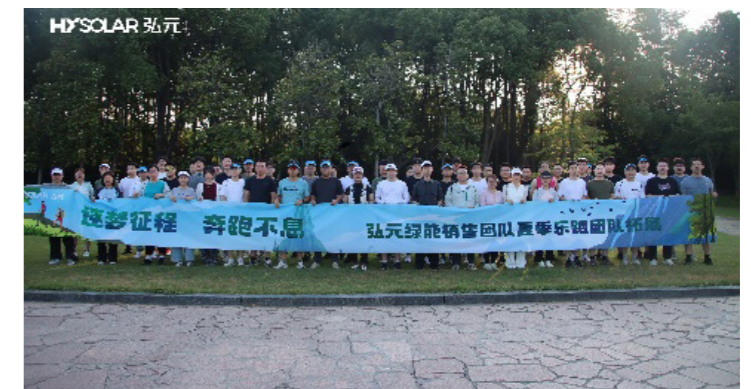
Hongyuan Energy (Baotou) Lantern Festival Activity



HY Solar (Wuxi) Hiking Activity



Hongyuan New Material (Xuzhou) Team Building Activity



HY Solar Running Team Building Activity



Hongyuan Monthly Magazine



Hongyuan Monthly Magazine

Diversity, Equity and Inclusion

HY Solar actively promotes diverse, equitable and inclusive management and pays attention to the rights and interests of employees from special groups. Each base provides various conveniences for its female employees, such as mother-and-baby rooms, rest rooms, post adjustments during pregnancy, female health lectures, free cervical and breast cancer screenings, and Women's Day activities; it provides supporting living facilities such as halal canteens or special microwave ovens for ethnic minority employees to ensure a fair, respectful and diverse working and living environment. The Company recruits disabled employees and provides them with barrier-free access and convenient working facilities. By the end of the reporting period, the Company had 39 disabled employees, accounting for 0.69% of the total number of employees.



Hongyuan Energy (Baotou) Women's Day Activity

Hongyuan New Material (Baotou) Support Visit for Employees in Difficulty

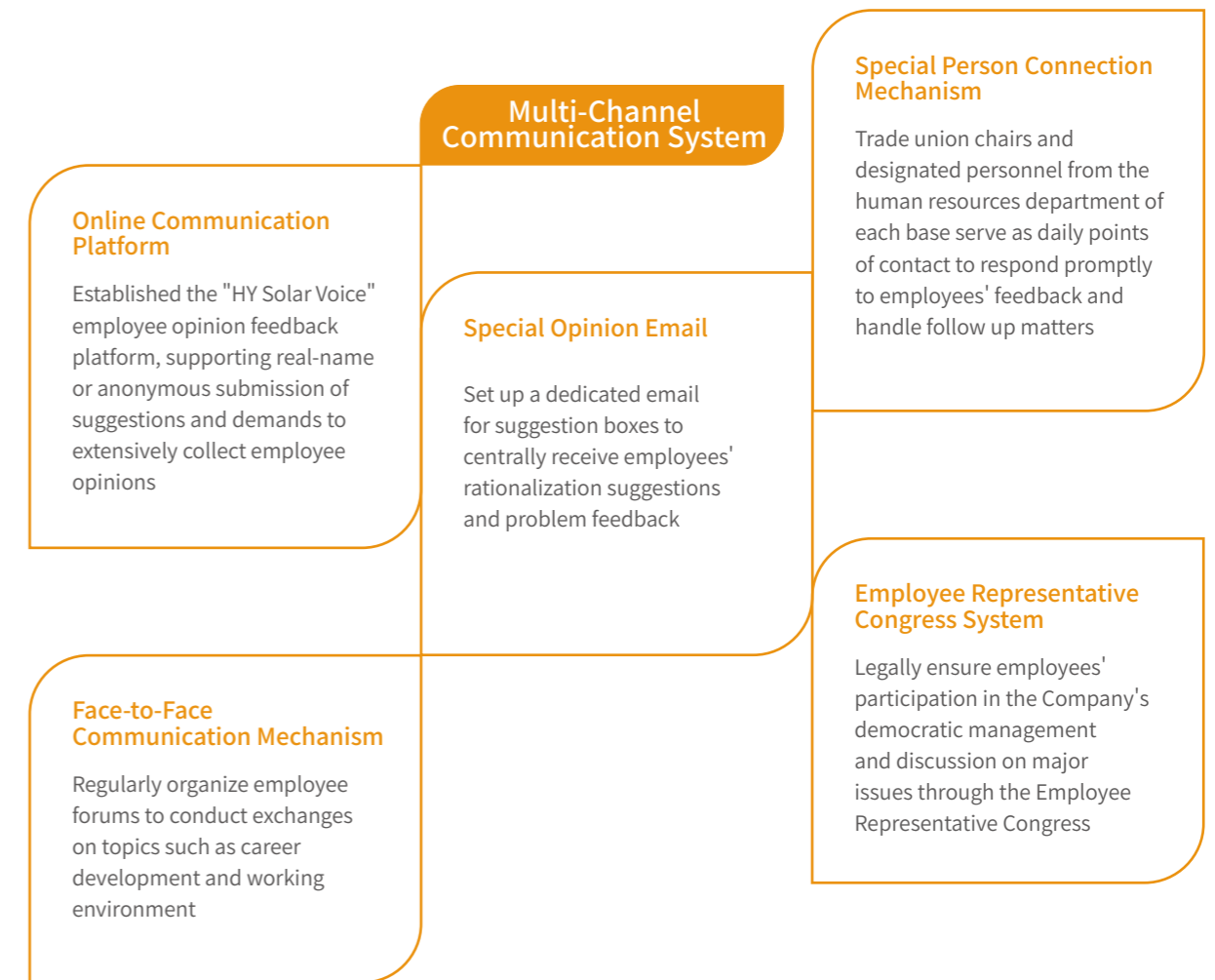
Hongyuan New Material (Baotou) Barrier-Free Access

HY Solar (Wuxi) Women's Day Activity

Hongyuan New Material (Xuzhou) Free Female Cervical and Breast Cancer Screening Activity

Employee Communication

We have built a multi-channel employee communication and opinion feedback mechanism, aiming to ensure the effective transmission of employees' voices, smooth two-way communication channels, and protect employees' right to know, right to participate and right to express.



Online Communication Platform
Established the "HY Solar Voice" employee opinion feedback platform, supporting real-name or anonymous submission of suggestions and demands to extensively collect employee opinions

Multi-Channel Communication System

Special Opinion Email
Set up a dedicated email for suggestion boxes to centrally receive employees' rationalization suggestions and problem feedback

Special Person Connection Mechanism
Trade union chairs and designated personnel from the human resources department of each base serve as daily points of contact to respond promptly to employees' feedback and handle follow up matters

Face-to-Face Communication Mechanism
Regularly organize employee forums to conduct exchanges on topics such as career development and working environment

Employee Representative Congress System
Legally ensure employees' participation in the Company's democratic management and discussion on major issues through the Employee Representative Congress

During the reporting period			
A total of		with a handling rate of	
30		100%	
opinions and feedback were received through platforms such as "HY Solar Voice"			
	The Company and various bases held a total of		with a total of
	3		182
	Employee Representative Congresses		participants.

Talent Development

Talent Governance

The Company has established a standardized management mechanism around employees' career development. The human resources department of each base, as the responsible subject for talent development, is responsible for organizing and implementing recruitment and allocation, training management, performance evaluation and promotion management. The Company has built a talent development and management system centered on the *Talent Management System and Promotion and Demotion Management System*, clarifying career development paths and promotion mechanisms, and connecting with systems such as the *Employee Handbook and Performance Management System*, forming a full-process institutional framework covering "selection - training - evaluation - development" to ensure that the process of employees' career growth is standardized, orderly, fair and transparent. During the reporting period, we optimized and adjusted the salary management structure, improved the rationality and incentive of the salary system, promoted the long-term and stable development of employees.

Talent Strategy

Adhering to the people-oriented development concept, the Company regards talents as an important resource for its sustainable development, and clarifies the positioning and goals of talent development around job requirements and business needs. Guided by the cadre standards and professional talent standards, the Company has built a multi-level training system, supporting the continuous improvement of employees' capabilities through new employee onboarding guidance, job capability improvement, key position training, grass-roots manager development projects and management thematic seminars. The Company advocates that employees take the initiative to plan their career development paths, accumulate experience in practice, and improve their capabilities through the combination of learning and work. Through institutional and resource guarantees, it provides employees with a stable and clear growth platform to promote the coordinated realization of personal development and organizational goals.

Risk Management

To address human capital risks such as key position turnover, capability gaps and mismatched organizational development, the Company has established systematic management measures around talent reserve, training and improvement, performance management and promotion mechanisms to enhance organizational stability and sustainable development capabilities.

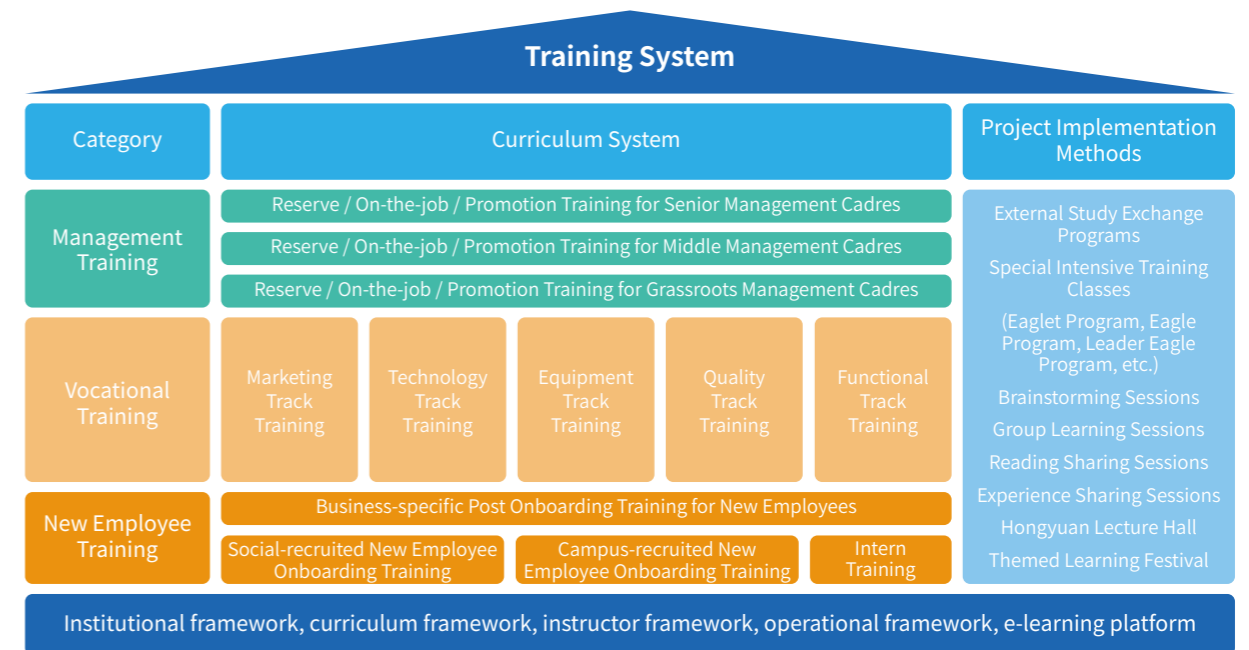
Talent Reserve

In response to the succession risks of key positions and the employment needs brought about by business expansion, each base systematically evaluates the existing core talent pool through annual talent inventory meetings, combined with projects such as 360-degree evaluation and structured behavioral interviews, to identify high-potential talents. In 2025, we further clarified the scope of key positions for the successor plan, revised and improved the successor standards. By establishing a successor talent pool, the Company has clarified the candidates and training paths for key position replacements, reducing the risk of position vacancies.

At the same time, the Company has launched internal transfer and internal recruitment projects to promote the rational flow of talents and the development of composite capabilities, enhancing organizational resilience. During the reporting period, 560 employees were transferred internally, and 115 employees were recruited internally.

Talent Empowerment

The Company actively carries out talent empowerment work to support the improvement of employees' capabilities and career development, providing talent guarantee for the sustainable development of the organization. Combined with job needs and employees' development status, each base formulates annual training plans and job development arrangements, providing employees with continuous learning and growth opportunities. The training content includes new employee onboarding training, professional training and cadre training. In 2025, the Company newly built the "Hongyuan Learning Hall" online learning platform, providing various courses covering professional skills, management capabilities and professional ism, facilitating employees to learn at any time and improve their capabilities independently. During the reporting period, the average training hours per employee were 61.02 hours, with a training coverage rate of 100%.



Training System (Hongyuan New Material (Baotou))

📄
Case | Hongyuan Learning Hall - Online Learning Empowerment Platform

In 2025, HY Solar built the "Hongyuan Learning Hall" online learning platform to provide systematic learning and development support for the Company's employees. The platform covers courses in various fields such as energy storage technology, sales and customer management, laws and regulations, and corporate culture, supporting new employee training, skill improvement, compliance education and job empowerment. Through the integrated functions of "learning, practicing, assessing and managing", employees can learn at any time, take online assessments and feedback opinions, realizing measurable and traceable learning outcomes. The platform also introduces high-quality internal courses to promote knowledge precipitation and experience inheritance, helping employees improve their capabilities and the overall development of the organization.

Case | AI-Enabled Enterprise Management Training

Hongyuan New Material (Baotou) launched an AI training project, providing employees with courses on the application of artificial intelligence in enterprise management, helping employees understand the practical value of AI technology in daily work and business management. Through training, employees can master basic tools and methods, improve work efficiency, and promote the continuous improvement of the digitalization and intelligence level of enterprise management.



Capability Improvement

The Company helps employees master composite skills and improve job adaptability by organizing employees to participate in municipal skill competitions, skill level evaluations, and carrying out on-the-job special training projects such as multi-skilled worker training. Among them, Hongyuan New Material (Xuzhou) jointly carried out industrial robot skill level evaluations with Xuzhou University of Technology, with a total of more than 400 participants, and finally about 200 employees obtained senior worker certificates and about 100 employees obtained intermediate worker certificates. At the same time, each base builds employee bookstores, carries out thematic learning activities and knowledge sharing, encouraging employees to learn independently and continuously accumulate theoretical knowledge and practical experience to improve their professional level and comprehensive capabilities.

Experience Inheritance

Through the "mentor-apprentice" project and technical exchange activities, the Company takes experienced employees as instructors to provide practical guidance and experience sharing for new employees or employees on job rotation. In this way, employees can quickly master key skills in daily work, form the transmission and accumulation of on-the-job experience, and promote knowledge exchange and collaboration between different positions.

Growth Incentives

The Company implements a campus recruitment training project, providing targeted guidance and on-the-job practical opportunities to help young employees adapt to the working environment and job requirements as soon as possible. At the same time, through activities such as selection and recognition of outstanding employees and interviews with model employees, it encourages employees to give full play to their personal potential, establish good professional models, and enhance employees' motivation for career development and investment in work.

Case | "Power of Role Models" Outstanding Employee Selection Activity

In 2025, HY Solar (Wuxi) launched the "Model Employee Interview" activity, selecting employees with excellent performance and practicing corporate values to share work experience and growth stories in the front line. Through demonstration and experience exchange, it encourages employees to learn advanced practices and enhance team cohesion and motivation for career development.



Hongyuan New Material (Baotou) Annual Excellent Employee Selection and Commendation Activity



HY Solar (Wuxi) "Power of Role Models" Selection Activity



HY Solar (Wuxi) Annual Excellent Employee Selection and Commendation Activity



Hongyuan New Material (Xuzhou) Year-End Commendation Conference

Performance Management

The Company clarifies the norms of performance management in the *Employee Handbook*, requiring that performance appraisal must follow the principles of objectivity, fairness, impartiality, openness and two-way communication to ensure that employees' personal goals are consistent with the organizational strategy. Each production base formulates performance indicators according to job responsibilities, and organizes different methods such as probation assessment, cognitive assessment, monthly assessment and year-end performance assessment to continuously monitor and feedback employees' work performance. The performance results are not only used for incentive measures such as annual salary adjustment, bonuses, promotion and selection of excellent employees, but also provide reference for the allocation of training resources and personnel allocation, promoting employees' continuous improvement and capability enhancement, and improving the overall efficiency of the organization and talent stability. During the reporting period, the percentage of employees who received regular performance and career development assessments was 100%.

Talent Promotion

In accordance with documents such as the *Talent Management System* and *Promotion and Demotion Management System*, the Company clarifies career development channels, promotion standards and evaluation processes. Each base conducts promotion assessments and job adjustments according to employees' capabilities, performance and job needs, ensuring a fair and transparent process. Through the promotion mechanism, the Company provides employees with clear development paths and growth opportunities, and combines training and empowerment measures to help employees continuously improve their job competence, realizing the synchronous advancement of personal development and organizational goals.

Occupational Health and Safety

Work Safety Management System

The Company strictly complies with the *Work Safety Law of the People's Republic of China* and applicable laws and regulations in overseas operation locations, adhering to the policy of "safety first, prevention first, and comprehensive management" to protect employees' life and health at work. By establishing an inter-departmental Work Safety Management Committee and a Work Safety Office, covering responsible persons and employee representatives of all operation sectors, it coordinates the investment of safety resources and promotes the implementation of safety management work in all links to ensure that the production environment and working conditions meet safety standards. By the end of the reporting period, the Company and all other bases have successfully passed the ISO 45001 Occupational Health and Safety Management System Certification. Among them, both Hongyuan New Material (Baotou) and Hongyuan New Material (Xuzhou) have obtained the Level 3 Work Safety Standardization Enterprise certification.

The Company also attaches importance to the safety management of suppliers and contractors, and has formulated the *Supplier and Contractor Management System* to ensure the personal safety of external personnel entering the factory such as suppliers.

2025 Key Performance Indicators

Industrial Noise Compliance Status: 100% Compliance	Chemical Leakage Incidents: 0 Incidents	Fire and Explosion Accidents: 0 Accidents
Serious Injury, Disability and Fatality Incidents: 0 Incidents	Coverage Rate of Occupational Physical Examinations & Health Records: 100% Coverage	Occupational Health and Safety (OHS) Emergency Incidents: 0 Incidents
Major and Higher-level Production Safety Liability Accidents: 0 Incidents	Work-related Fatality Incidents Arising from Production Accidents: 0 Incidents	Lost Time Injury Frequency Rate (LTIFR) per 200,000 Working Hours: 0.235

Safety Risk Prevention Measures

The Company has established safety management systems and implementation rules covering hazard identification, safety equipment configuration and hierarchical risk control, providing a standardized and stable safety management environment for production and operation. The Company and each base regularly carry out hazard identification and risk assessment work, dynamically update the hazard list every year, and continuously improve hierarchical control measures to strengthen risk prevention from the source.



In terms of emergency management, the Company and each base have formulated and continuously optimized various emergency plans, organized department-level and company-level emergency drills, and some bases have carried out comprehensive emergency drills in conjunction with external units such as the government and hospitals, continuously improving the ability to respond to emergencies and coordinate disposal. During the reporting period, the Company and all other bases carried out a total of 891 emergency drills, with a total of more than 10,000 participants.

In addition, the Company strengthens process control and risk investigation through regular equipment maintenance and internal and external occupational health and safety supervision and audits. During the reporting period, the total investment in work safety of the Company and all bases exceeded 17.61 million yuan, and no major safety accidents occurred.

Occupational Health Management

The Company strictly complies with the *Occupational Disease Prevention and Control Law of the People's Republic of China* and applicable laws and regulations in overseas operation locations, formulates a series of *Occupational Health Management Systems*, and carries out occupational health management work in accordance with the law. The Company and all bases entrust independent third-party testing institutions to test occupational disease hazards every year to ensure that the working environment meets standard requirements; it establishes occupational health files for employees involved in occupational disease hazards, and organizes pre-employment, on-the-job and post-employment physical examinations to achieve full-cycle health management. The physical examination fees are borne by the Company, effectively protecting employees' health rights and interests. During the reporting period, the incidence rate of occupational diseases was 0.

Physical and Mental Health Management

The Company pays attention to employees' physical and mental health, helping employees relieve work pressure and improve their psychological adjustment ability through activities such as mental health lectures and psychological counseling. At the same time, the Company encourages employees to organize and participate in various sports community activities and fitness exercises, and enhances employees' physical fitness and promotes team communication and cohesion through activities such as ball games and walking. In the meantime, the canteen provides fat-reducing meals and nutritional matching options according to employees' health needs, advocating scientific diet and a healthy lifestyle, helping employees develop good healthy living habits.



Safety Culture

The Company continuously increases the intensity of work safety and occupational health education. The training content covers key areas such as laws and regulations, safety operating procedures, new employee onboarding education, emergency plans, fire management and special operations. Through multi-level training methods such as three-level safety education, special education for special types of work and regular safety education, it ensures that employees systematically master safety knowledge and operating skills. We also pay attention to the safety of external contractors such as construction contractors and suppliers, requiring them to sign a safety agreement and participate in safety training before entering the factory, and take the initiative to assume the responsibility of labor occupational health and safety in the supply chain.

At the same time, the Company and each base organize employees to participate in Red Cross first aid training courses respectively, and some employees have obtained first aid certificates, further improving the on-site emergency rescue ability. Hongyuan Energy (Baotou) also carried out AED first aid practical training in conjunction with hospitals to enhance employees' self-rescue and mutual rescue abilities in emergency situations. In addition, we organize the "Work Safety Month" every year, carrying out a series of activities such as knowledge competitions, practical training and theme comics to improve the safety awareness and emergency disposal ability of all employees.



Community Public Welfare

We actively fulfill our social responsibilities, by embracing the development concept of collaboration and shared benefits with the community. We integrate public welfare initiatives into the entire enterprise operation process, promoting shared growth promotion and progress between the Company and society. During the reporting period, the Company and all production bases invested a total of RMB 453,10 thousand in public welfare. The initiatives engaged 1,344 participants, contributed 280 hours of volunteer service, and benefited 2,472 people.

Community Voluntary and Donation Activities

Combined with local realities, each base continuously carries out community donation and service activities, covering directions such as helping vulnerable groups and improving the environment. Hongyuan New Material (Baotou) has held the "Fraternity One-Day Donation" activity for three consecutive years, carried out public welfare activities such as blood donation and afforestation, and established a police contact point in the production base in cooperation with public security departments to protect the safety of local residents; Hongyuan New Material (Xuzhou) visited poor community residents and nursing homes; Hongyuan Energy (Baotou) carries out community co-construction activities, electricity safety lectures, repainting of convenient seats, voluntary snow removal, voluntary blood donation, voluntary tree planting and other volunteer services, and donated RMB 50,000 to the local Guyang County Red Cross Society.



Education Support

The Company pays attention to the development of education, supporting students' growth and learning by donating 300,000 yuan to the Hongshawan Excellent Education Fund; Hongyuan New Material (Baotou) set up a caring service point during the college entrance examination, providing candidates with cooling supplies such as mineral water and fans to help students take the exam smoothly, reflecting the Company's continuous care for education and the development of young people.



Village-Enterprise Cooperation

HY Solar (Wuxi) actively participates in the "Two-Way Interaction between Villages and Enterprises, Supply and Marketing Cooperation for Common Prosperity" action, maintains a collaborative linkage mechanism with the Jiangshi Village Supply and Marketing Cooperative, and regularly carries out visits and exchanges to understand the local development needs. Combining its actual resources and capabilities, the Company promotes collaborative cooperation between enterprises and villages, and won the title of "Spokesperson for Common Prosperity", whose contributions to rural revitalization have been recognized.

Appendix

About This Report

The 2025 Environmental, Social and Governance Report of HY Solar Co., Ltd. (hereinafter referred to as "this Report" or "ESG Report") is the 4th ESG report of HY Solar Co., Ltd. Its purpose is to fairly and objectively present our goals, management methods, practices and performance in the environmental, social and governance fields to all stakeholders.

Unless otherwise specified, the financial data in this Report are denominated in RMB. The Report is released annually, and the previous report was released in April 2025.

Time Scope

January 1, 2025 to December 31, 2025, with some information slightly extended.

Organization Scope

This Report covers HY Solar Co., Ltd. and its subsidiaries. For the convenience of writing, some entities will appear in the Report by their abbreviations, and the description of their business types and reference relationships is as follows:

Full Company Name	Abbreviation
Hongyuan Green Energy Co., Ltd.	HY Solar, the Company, We
Hongyuan Energy Technology (Baotou) Co., Ltd.	Hongyuan Energy (Baotou)
Hongyuan New Material (Baotou) Co., Ltd.	Hongyuan New Material (Baotou)
HY SOLAR Co.,Ltd.	HY Solar (Wuxi)
Hongyuan New Material (Xuzhou) Co., Ltd.	Hongyuan New Material (Xuzhou)

Compilation Basis

In Accordance With

- Global Reporting Initiative (GRI) Standards 2021
- Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 1 – Standardized Operation
- Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14 – Sustainable Development Report (Trial)

With Reference to

- International Financial Reporting Standards (IFRS) S1 – General Requirements for Disclosure of Sustainability-Related Financial Information
- International Financial Reporting Standards (IFRS) S2 – Climate-Related Disclosures
- Sustainability Accounting Standards Board (SASB) Standards for the Photovoltaic Technology and Project Development Industry
- United Nations Sustainable Development Goals (UN SDGs)
- The Ten Principles of the United Nations Global Compact (UNGC 10 Principles)

Data Sources

The cases and data in this Report are all from the original records of the Company's actual operations or financial reports. Unless otherwise specified, the currency types and amounts involved in this Report are measured in RMB.

Confirmation and Assurance

This Report was approved by the Board of Directors on April 28, 2026. This Report has obtained a "limited assurance" opinion issued by TÜV SÜD Certification and Testing (China) Co., Ltd., see "Assurance Statement".

Report Acquisition

This Report is available in PDF electronic format on:
 Shanghai Stock Exchange website (<http://www.sse.com.cn>)
 Company website (www.hysolar.com)
 HY Solar WeChat Official Account

Contact Information

Contact Address: No 158, Nanhuzhong Rd, Binhu District, Wuxi City, Jiangsu Province
 Contact Phone: 0510-85390590
 Contact Email: pr@hysolar.com

Assurance Statement

ATTESTATION
 ATTESTATO
 ATTESTACIÓN
 BESCHEINIGUNG
 ATTESTATION

Independent Verification Statement



Verification Statement: EIV2 121740 0006 Rev. 00

To the management and stakeholders of HONGYUAN Green Energy Co., Ltd.,

TÜV SÜD Certification and Testing (China) Co., Ltd. (hereinafter referred to as "TÜV SÜD") has been engaged by HONGYUAN Green Energy Co., Ltd. (hereinafter referred to as "HY Solar" or "the Company") to perform an independent third-party verification on its *HONGYUAN Green Energy Co., Ltd. 2025 Environmental, Social and Governance Report* (hereinafter referred to as "the Report"). During this verification, TÜV SÜD's verification team strictly abided by the contract signed with HY Solar and provided verification regarding the Report in accordance with the provisions agreed by both parties and within the authorized scope stipulated in the contract.

This Independent Verification Statement is based on all the data and information collected by HY Solar and provided to TÜV SÜD. The scope of verification is limited to the given data and information. HY Solar shall be held accountable for the authenticity and completeness of the provided data and information (contains assumptions, projections, and/or historical facts).

Scope of Verification

Time frame of this verification:

- ❖ The Report contains the data disclosed by HY Solar during the reporting period from 01/01/2025 to 31/12/2025 including environmental, social and governance data and information, methods for management of material issues, actions/measures and the Company's sustainability performance during the reporting period.

Physical boundary of this verification:

- ❖ The on-site verification sampling took place at below listed location:
HY Solar headquarters, 158 Nanhu Middle Road, Xuelang Sub-district, Binhu District, Wuxi, Jiangsu Province, China.

Scope of data and information for the verification:

- ❖ The scope of verification is limited to the data and information of HY Solar and all companies under its operational control covered by the Report.

The following data and information are beyond the scope of this verification:

- ❖ Any relevant data and information beyond the reporting period;
- ❖ The data and information of HY Solar's suppliers, partners and other third parties; and
- ❖ The financial data and information disclosed in the Report that have been audited by an independent third party are not verified again herein.

Limitations

- ❖ The verification process is conducted in the above scope. Sampling and verification are adopted for the data and information in the Report by TÜV SÜD, and only the stakeholders within the Company are interviewed; and
- ❖ The Company's standpoint, opinions, forward-looking statements and predictive information as well as the historical data and information before 01/01/2025 are beyond the scope of this verification.
- ❖ The verification conclusions are based on the analysis of the data and information collected by TÜV SÜD and may not identify all problems and conditions, nor constitute any guarantee of the credibility or status of the subject of verification.



ID: CCB_EIV_F_10_03E Version: 4 Effective Date: 02 Mar 2026 Page 1 of 3

Independent Verification Statement



Verification Statement: EIV2 121740 0006 Rev. 00

Verification Methodology

This verification process was conducted by TÜV SÜD's expert team with extensive experience in environmental, social and governance and other relevant areas and drew the conclusions thereof. The verification conforms to the following requirements:

- ❖ *International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information, Limited Assurance*
- ❖ *Sustainability Report Verification Operation Rule (CCB_EIV_GR_002E Rev04)*

In order to perform adequate verification in accordance with the contract and relevant assurance standards, and provide reliable verification for the conclusions, the verification team conducted the following activities:

- ❖ Preliminary investigation of the relevant information before on-site verification;
- ❖ Confirmation of the presence of the topics with high level of materiality and performance in the Report;
- ❖ On-site verification review of all supporting documents, data and other information provided by HY Solar; tracing and verification of key performance information;
- ❖ Special interview with the representative of HY Solar's management; and held interviews with the employees related to collection, compilation and reporting of the disclosed information; and
- ❖ Other procedures deemed necessary by the verification team.

Verification Conclusions

According to the verification, we believe that the data and information presented in HY Solar's report are objective, factual and reliable, without systematic problems.

The verification team has drawn the following conclusions on this Report :

Inclusivity	HY Solar has identified the internal and external stakeholders, such as Employees, Shareholders and Other Investors, Customers and Consumers, Governments and Regulatory Authorities, etc., and established a stakeholder communication mechanism to collect the demands of stakeholders on a regular basis.
Materiality	HY Solar has established the identification and prioritization process of material topics determination, identified and assessed the priority of the sustainability topics which are highly related to the industry, and disclosed the governance structure, management approach as well as sustainability performance in corporate operation, therefore the Report's adherence to materiality principle is guaranteed.
Responsiveness	HY Solar has disclosed the management approach and performance of high material topics that stakeholders concern, such as Climate Action, Talent Development, Responsible Supply Chain, Product Lifecycle Management, etc., and has established a communication mechanism, to fully respond to the demands and expectations of stakeholders.
Impact	HY Solar has established Strategy and Sustainability Committee to monitor and guide the Company's efforts in the areas of environmental, social and governance. The Company has implemented a process of material topics impact assessment, based on a comprehensive and balanced understanding, measuring the impact on stakeholders and the organization itself, and disclosing the relevant impact.

Recommendations on Continuous Improvement



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Independent Verification Statement



Verification Statement: EIV2 121740 0006 Rev. 00

❖ The verification team has passed the improvement proposal to the management of HY Solar during the on-site verification process.

Statement on Independence and Verification Capability

TÜV SÜD is a trusted partner of choice for safety, security and sustainability solutions. It specializes in testing, certification, auditing and advisory services. Since 1866, the company has remained committed to its purpose of enabling progress by protecting people, the environment and assets from technology-related risks. Today, TÜV SÜD is present in over 1,000 locations worldwide with its headquarters in Munich, Germany. Through expert teams represented by more than 28,000 employees, it adds value to customers and partners by enabling market access and managing risks. By anticipating technological developments and facilitating change, TÜV SÜD inspires trust in a physical and digital world to create a safer and more sustainable future.

TÜV SÜD Certification and Testing (China) Co., Ltd is one of TÜV SÜD's global branches and has an expert team whose members have professional background and rich industrial experiences.

TÜV SÜD and HY Solar are two entities independent of each other and both TÜV SÜD and HY Solar and their branches or stakeholders have no conflict of interest. No member of the verification team has business relationship with the Company. The verification is completely neutral. All the data and information in the Report are provided by HY Solar. TÜV SÜD has not been involved in preparation and drafting of the Report, except for the verification itself and issuance of this Independent Verification Statement.

Signature:

On Behalf of TÜV SÜD Certification and Testing (China) Co., Ltd.

Wenjun Zhu

TÜV SÜD Certification and Testing (China) Co., Ltd. Technical Certifier

Shanghai, China, 25/03/2026

Note: In case of any inconsistency or discrepancy, the simplified Chinese version "Independent Verification Statement" of this verification statement shall prevail, while the English translation is used for reference only.

Key Performance Table

Economic Performance

Corporate Revenues

Category	Indicator	Unit	2025	2024	2023
Direct Economic Value Generated	Revenue	RMB 10,000	742,548.50	730,236.40	1,185,887.62
	Operating Costs	RMB 10,000	755,996.65	878,480.44	1,135,225.42
Economic Value Distributed	Employee Salaries and Benefits	RMB 10,000	92,615.39	132,743.66	139,131.07

Note: The statistical scope of employee salaries and benefits was updated in 2025 to include short-term compensation, post-employment benefits, termination benefits, and other benefits due within one year. Based on this update, the 2024 and 2023 data have been recalculated and restated. Localized Procurement

Localized Procurement

Indicator		HY Solar	Hongyuan Energy	Hongyuan New Material	Hongyuan New Material (Xuzhou)	HY Solar (Wuxi)
Ratio of Procurement Expenditure in the Province (%)	2025	85	45	75	89	77
	2024	83	30	81	82	71
	2023	81	33	32	58	64

Responsible Supply Chain

Indicator ⁶	Unit	2025	2024	2023
Number of New Suppliers That Signed Statements	Company	171	127	236
Ratio of New Suppliers Evaluated Using Questionnaires Containing Environmental and Social Indicators	%	100	100	100
Number of Suppliers Terminated Due to Identified Significant Environmental/Social Negative Impacts	Company	0	0	0
Number of Suppliers That Received Training/Improvement	Company	2	0	0

⁶ The statistical scope for 2023 and 2024 includes Hongyuan New Material (Baotou), Hongyuan New Material (Xuzhou), and HY Solar (Wuxi) only

Environmental Performance

Greenhouse Gas Emissions

Indicator	Emission Source	Unit	2025 ⁷	2024	2023
Scope 1: Direct Greenhouse Gas Emissions			2,878.10	2,696.33	8,784.70
	Natural Gas	Tonnes of carbon dioxide equivalent	2,515.77	2,251.28	155.38
	Gasoline		207.64	293.74	181.02
	Diesel		154.68	151.31	193.71
Scope 2: Indirect Greenhouse Gas Emissions from Energy			2,325,584.24	2,084,659.81	1,100,561.76
	Purchased Electricity		2,312,806.86	2,084,659.81	1,100,561.76
	Purchased Thermal Energy		12,777.38	/	/
Total Greenhouse Gas Emissions (Scope 1 and 2)			2,328,462.33	2,087,356.14	1,691,841.46
Emission Intensity per 10,000 yuan of Output Value			3.14	2.86	1.43

Energy Use⁸

Indicator	Unit	2025	2024	2023
Total Energy Consumption	tce	455,037.51	386,699.10	381,441.39
Direct Energy Consumption	tce	1,768.34	1,668.79	18,741.62
Indirect Energy Consumption	tce	453,269.17	385,030.31	362,699.77
Total Energy Consumption	GJ	13,324,775.44	11,321,765.91	11,124,566.67
Natural Gas	m3	1,163,527.70	1,045,289.93	13,830,709.00
	GJ	41,431.48	37,221.21	492,490.84
Gasoline	L	93,489.11	133,534.82	141,547.74
	GJ	4,020.03	4,174.95	4,425.47
Diesel	L	57,163.00	56,323.76	95,056.23
	GJ	2,050.57	2,020.46	3,409.87

⁷ The organizational operational boundary for the 2025 reporting year covers HY Solar, HY Solar (Wuxi), Hongyuan Energy (Baotou), Hongyuan New Material (Baotou), and Hongyuan New Material (Xuzhou). During the reporting period, the statistical scope was further refined, and purchased thermal energy was newly included in the Company's energy use and greenhouse gas emissions data.

⁸ In 2025, the statistical scope was further refined, and purchased thermal energy was newly included in the Company's energy use and greenhouse gas emissions data.

Indicator	Unit	2025	2024	2023
Purchased Electricity	kWh	3,655,865,379.00	3,132,874,805.00	2,951,177,915.00
	GJ	13,161,115.36	11,278,349.29	10,624,240.49
Ratio of Purchased Electricity to Total Energy Consumption	%	99.64	99.62	95.50
Purchased Thermal Energy	GJ	116,158.00	/	/
Renewable Energy Consumption	GJ	6,033,864.56	6,318,557.81	1,084,837.00
Energy Consumption Intensity per 10,000 yuan of Output Value	GJ / ten thousand yuan output value	17.94	15.50	9.38

Water Resource Utilization

Indicator	Unit	2025	2024	2023
Total Water Intake	t	8,325,641.41	10,080,437	9,307,220.88
Total Water Discharge		5,046,496.00	6,168,759	4,344,412
Total Water Consumption		3,279,145.41	5,871,043	4,515,265.88
Circulating Water Consumption		150,568,032.76	146,879,278.70	/

Waste Management

Indicator	Unit	2025	2024	2023
Hazardous Waste Generation	t	307.40	660.58	59.64
Hazardous Waste Recovery Rate ⁹	%	40	/	/
General Solid Waste Generation	t	61,422.80	55,638.53	31,760.72
General Solid Waste Recovery Rate ¹⁰	%	100	/	/
Total Waste Generation	t	61,723.24	56,299.11	31,820.36
Compliant Waste Disposal Rate	%	100	100	100

⁹ This indicator was newly collected in 2025 to enhance alignment with the disclosure standards and rating requirements of SASB, EcoVadis, and other frameworks.

¹⁰ Same as above

Social Performance

Employees and Other Workers

Indicator	Unit	2025	2024	2023
Total Number of Full-Time Employees	Person	5,692	6,347	10,804
By Age				
Number of Employees Under 30 Years Old	Person	1,713	2,142	4,544
Number of Employees Aged 30-50 Years Old	Person	3,687	3,919	5,967
Number of Employees Over 50 Years Old	Person	292	286	293
By Ethnicity				
Han Nationality	Person	5,352	6,026	10,260
Other Ethnicities	Person	340	321	544
By Gender				
Number of Male Employees	Person	4,500	4,938	8,427
Ratio of Male Employees	%	79	78	78
Number of Female Employees	Person	1,192	1,409	2,377
Ratio of Female Employees	%	21	22	22
By Education Level				
Doctoral Degree	Person	4	3	3
Master's Degree	Person	61	72	89
Bachelor's Degree	Person	1,090	1,240	1,672
College Degree	Person	2,140	2,242	3,903
High School and Below	Person	2,397	2,790	5,137
By Nationality				
Number of Employees in China	Person	5,686	6,339	10,802
Number of Overseas Employees	Person	6	8	2
Number of Disabled Employees	Person	39	46	82
Total Number of Dispatched Workers	Person	772	857	489
By Gender				
Number of Male Dispatched Workers	Person	609	677	405
Number of Female Dispatched Workers	Person	163	180	84
Return-to-Work Rate After Parental Leave	%	100	100	100
By Gender				
Return-to-Work Rate of Male Employees After Parental Leave	%	100	100	100
Return-to-Work Rate of Female Employees After Parental Leave	%	100	100	100

Indicator	Unit	2025	2024	2023
Retention Rate After Parental Leave	%	97.33	96.43	98.95
By Gender				
Retention Rate After Parental Leave For Male Employees	%	98.61	97.85	98.71
Retention Rate After Parental Leave For Female Employees	%	93.02	89.47	100.00

Labor Human Rights

Indicator	Unit	2025	2024	2023
Number of Discrimination Incidents	Case	0	0	0
Number of Discrimination-Related Lawsuits	Case	0	0	0
Number of Operational Sites with Significant Child Labor Incident Risks	Unit	0	0	0
Number of Operational Sites with Significant Risks of Forced or Compulsory Labor	Unit	0	0	0
Proportion of Security Personnel (Including Outsourced) Who Received Human Rights Training	%	100	100	100

Collective Bargaining Agreements¹¹

Indicator	Unit	2025	2024	2023
Number of Regular Employees Covered by Collective Bargaining Agreements	Person	5,375	5,934	10,373
Coverage Rate of Collective Bargaining Agreements	%	100	100	100

Market Performance

Indicator	Unit	HY Solar	Hongyuan New Material (Baotou)	Hongyuan New Material (Xuzhou)	Hongyuan Energy (Baotou)	HY Solar (Wuxi)
Ratio of Regular Employees' Starting Salary to Local Minimum Wage	Ratio	1	1	1.5:1	1	1.5:1
Ratio of Male Employees' Starting Salary to Local Minimum Wage	Ratio	1	1	1.5:1	1	1.5:1
Ratio of Female Employees' Starting Salary to Local Minimum Wage	Ratio	1	1	1.5:1	1	1.5:1
Proportion of Senior Executives Hired Locally	%	100	0	33	0	32.9

¹¹ Statistical scope: Hongyuan New Material (Baotou), Hongyuan New Material (Xuzhou), Hongyuan Energy (Baotou), HY Solar (Wuxi); HY Solar has not yet signed a collective bargaining agreement.

Career Development and Training

Indicator	Unit	2025	2024	2023
Training Coverage Rate	%	100	100	100
Average Training Hours per Employee	Hour	61.02	25.36	/
Proportion of Employees Participating in Performance Appraisal	%	100	100	100

Occupational Health and Safety

Indicator	Unit	2025	2024	2023
ISO 45001 Certification Ratio of Major Production Bases	%	100	100	100
Number of Deaths Caused by Work-Related Injuries	Case	0	0	0
Number of Work-Related Injuries (Excluding Deaths)	Case	18	53	47
Lost-Time Injury Rate per 200,000 Working Hours	/	0.235	0.437	0.477
Number of Lost Days (Including Work-Related Injuries, Work-Related Deaths, Occupational Diseases, etc.)	Day	3,414	5,220	4,696
Number of Occupational Diseases	Case	0	0	0
Number of Occupational Health and Safety Training Sessions	Time	170	252	243

Community Public Welfare

Indicator	Unit	2025	2024	2023
Public Welfare Investment Amount	RMB 10,000	45.31	51.32	195.87
Number of Public Welfare Service Participants	Person	1,344	/	/
Public Welfare Service Hours	Hour	280	/	/
Number of Beneficiaries	Person	2,472	2,284	384

Index Table of the Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14 – Sustainable Development Report (Trial)

Theme	No.	Topic	Clause	Report Chapter
Environment	1	Climate Change Response	Articles 21 to 28	Climate Change Response
	2	Pollutant Emissions	Article 30	Pollutant Emissions and Waste Management
	3	Waste Disposal	Article 31	
	4	Ecosystem and Biodiversity Conservation	Article 32	Biodiversity
	5	Environmental Compliance Management	Article 33	Environmental Compliance Management
	6	Energy Utilization	Article 35	Energy Management
	7	Water Resource Utilization	Article 36	Water Resource Management
	8	Circular Economy	Article 37	Product Life Cycle Management
Society	9	Rural Revitalization	Article 39	Community Public Welfare
	10	Social Contribution	Article 40	
	11	Innovation-Driven	Article 42	R&D Innovation, Product Innovation
	12	Science and Technology Ethics	Article 43	
	13	Supply Chain Security	Article 45	Responsible Supply Chain
	14	Equal Treatment of Small and Medium-Sized Enterprises	Article 46	
	15	Product and Service Safety and Quality	Article 47	Quality Service
	16	Data Security and Customer Privacy Protection	Article 48	Information Security
Sustainability-Related Governance	17	Employees	Article 50	Employee Rights and Interests, Talent Development, Occupational Health and Safety
	18	Due Diligence	Article 52	Sustainability Management, Risk Management, Business Ethics
	19	Stakeholder Engagement	Article 53	Stakeholder Engagement
	20	Anti-Commercial Bribery and Anti-Corruption	Article 55	Business Ethics
	21	Anti-Unfair Competition	Article 56	Business Ethics

GRI Sustainability Reporting Standards Index

Instructions for Use	Hongyuan Green Energy Co., Ltd. has prepared this report in accordance with GRI Standards for the period from January 1, 2025 to December 31, 2025.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	None

Disclosure	Location	Reason for Omission
GRI 2: General Disclosures 2021 The organization and its reporting practices		
2-1 Organizational details	About Us	
2-2 Entities included in the organization's sustainability reporting	About This Report	
2-3 Reporting period, frequency and contact point	About This Report	
2-4 Restatements of information		The Company has updated the 2024 "Purchased Electricity (gigajoules)" data in this report, primarily due to historical data corrections made during data review. This adjustment does not affect the relevant disclosed conclusions. The Company has also updated the employee salaries and benefits data for 2024 and 2023 in this report, primarily due to the update of the disclosure statistical scope.
2-5 External assurance	Assurance Statement	
Activities and workers		
2-6 Activities, value chain and other business relationships	About Us	
2-7 Employees	People-Oriented	
2-8 Workers who are not employees	People-Oriented	
Governance		
2-9 Governance structure and composition	Corporate Governance	
2-10 Nomination and selection of the highest governance body	Corporate Governance	
2-11 Chair of the highest governance body	Corporate Governance	
2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Management	
2-13 Delegation of responsibility for managing impacts	Sustainability Management	
2-14 Role of the highest governance body in sustainability reporting	About This Report	
2-15 Conflicts of interest	Business Ethics	
2-16 Communication of critical concerns	Stakeholder Engagement	

Disclosure	Location	Reason for Omission
2-17 Collective knowledge of the highest governance body	Sustainability Management	
2-18 Evaluation of the performance of the highest governance body	Corporate Governance	
2-19 Remuneration policies	Corporate Governance	
2-20 Process to determine remuneration	Corporate Governance	
2-21 Annual total compensation ratio		Confidential; involves personal employee information, not disclosed at this time.
Strategy, policies and practices		
2-22 Statement on sustainable development strategy	About Us	
2-23 Policy commitments	Policy and Commitments	
2-24 Embedding policy commitments	Policy and Commitments	
2-25 Processes to remediate negative impacts	Business Ethics	
2-26 Mechanisms for seeking advice and raising concerns	Stakeholder Engagement	
2-27 Compliance with laws and regulations	Corporate Governance	
2-28 Membership associations	About Us	
Stakeholder engagement		
2-29 Approach to stakeholder engagement	Stakeholder Engagement	
2-30 Collective bargaining agreements	Employee Rights	
GRI 3: Material Topics 2021		
3-1 Process to determine material topics	Material Topics Assessment	
3-2 List of material topics	Material Topics Assessment	
GRI 101: Biodiversity 2024		
3-3 Management of material topics	/	Not applicable; all company base project development, construction, and site selection are not located within, adjacent to, or outside protected natural resource areas in biodiversity-rich zones.
101-1 Policies to halt and reverse biodiversity loss	Biodiversity	
101-2 Management of biodiversity impacts	/	Not applicable; all company base project development, construction, and site selection are not located within, adjacent to, or outside protected natural resource areas in biodiversity-rich zones.
101-3 Access and benefit-sharing	Biodiversity	
101-4 Identification of biodiversity impacts	Biodiversity	
101-5 Sites with biodiversity impacts	/	Not applicable; all company base project development, construction, and site selection are not located within, adjacent to, or outside protected natural resource areas in biodiversity-rich zones.

Disclosure	Location	Reason for Omission
101-6 Direct drivers of biodiversity loss	/	Not applicable; all company base project development, construction, and site selection are not located within, adjacent to, or outside protected natural resource areas in biodiversity-rich zones.
101-7 Changes in the state of biodiversity	/	The Company's business activities are primarily located in industrial parks. Initial screening has not identified significant dependencies on or impacts to critical ecosystem services; therefore, a dedicated assessment has not yet been initiated.
101-8 Ecosystem services	/	Not applicable; all company base project development, construction, and site selection are not located within, adjacent to, or outside protected natural resource areas in biodiversity-rich zones.
GRI 201: Economic Performance 2021		
3-3 Management of material topics	Value Creation	
201-1 Direct economic value generated and distributed	Value Creation	
201-2 Financial implications and other risks and opportunities due to climate change	Climate Change Response	
201-3 Defined benefit plan obligations and other retirement plans	Employee Rights	
201-4 Financial assistance received from government	See Company Annual Report	
GRI 202: Market Presence 2016		
3-3 Management of material topics	Value Creation	
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Value Creation	
202-2 Proportion of senior management hired from the local community	/	Information is incomplete; there are many reporting entities, and precise data cannot be disclosed at this time.
GRI 203: Indirect Economic Impacts 2016		
3-3 Management of material topics	About Us	
203-1 Infrastructure investments and services supported	About Us	
203-2 Significant indirect economic impacts	About Us	
GRI 204: Procurement Practices 2016		
3-3 Management of material topics	Responsible Supply Chain	
204-1 Proportion of spending on local suppliers	Responsible Supply Chain	
GRI 205: Anti-corruption 2016		
3-3 Management of material topics	Business Ethics	
205-1 Operations assessed for risks related to corruption	Business Ethics	

Disclosure	Location	Reason for Omission
205-2 Communication and training about anti-corruption policies and procedures	Business Ethics	
205-3 Confirmed incidents of corruption and actions taken	Business Ethics	
GRI 206: Anti-competitive Behavior 2016		
3-3 Management of material topics	Business Ethics	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Ethics	
GRI 207: Tax 2019		
3-3 Management of material topics	Corporate Governance	
207-1 Approach to tax	Corporate Governance	
207-2 Tax governance, control, and risk management	Corporate Governance	
207-3 Stakeholder engagement and management of tax-related concerns	Corporate Governance	
207-4 Country-by-country reporting	/	Not applicable; no country-by-country report is available at this time.
GRI 301: Materials 2016		
3-3 Management of material topics	Product Lifecycle Management	
301-1 Materials used by weight or volume	Product Lifecycle Management	
301-2 Recycled input materials used	Product Lifecycle Management	
301-3 Reclaimed products and their packaging materials	Product Lifecycle Management	
GRI 302: Energy 2016		
3-3 Management of material topics	Energy Management	
302-1 Energy consumption within the organization	Energy Management	
302-2 Energy consumption outside of the organization	/	Information unavailable; upstream and downstream category and activity-related energy consumption data have not yet been collected.
302-3 Energy intensity	Energy Management	
302-4 Reduction of energy consumption	Energy Management	
302-5 Reductions in energy requirements of products and services	Energy Management	
GRI 303: Water and Effluents 2018		
3-3 Management of material topics	Water Resources Management	
303-1 Interactions with water as a shared resource	Water Resources Management	
303-2 Management of water discharge-related impacts	Pollutant Emissions and Waste Management	
303-3 Water withdrawal	Water Resources Management	
303-4 Water discharge	Water Resources Management	

Disclosure	Location	Reason for Omission
303-5 Water consumption	Water Resources Management	
GRI305: Emissions 2016		
3-3 Management of material topics	Climate Change Response	
305-1 Direct (Scope 1) GHG emissions	Climate Change Response	
305-2 Energy indirect (Scope 2) GHG emissions	Climate Change Response	
305-3 Other indirect (Scope 3) GHG emissions	/	Information unavailable; other indirect (Scope 3) GHG emissions data have not yet been collected.
305-4 GHG emissions intensity	Climate Change Response	
305-5 Reduction of GHG emissions	Climate Change Response	
305-6 Emissions of ozone-depleting substances (ODS)	/	Not applicable; the organization's processes, products, and services do not involve ozone-depleting substances (ODS) emissions.
305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Pollutant Emissions and Waste Management	
GRI306: Effluents and Waste 2016		
306-3 Significant spills	Pollutant Emissions and Waste Management	
GRI306: Waste 2020		
3-3 Management of material topics	Pollutant Emissions and Waste Management	
306-1 Waste generation and significant waste-related impacts	Pollutant Emissions and Waste Management	
306-2 Management of significant waste-related impacts	Pollutant Emissions and Waste Management	
306-3 Waste generated	Pollutant Emissions and Waste Management	
306-4 Waste diverted from disposal	Pollutant Emissions and Waste Management	
306-5 Waste directed to disposal	Pollutant Emissions and Waste Management	
GRI308: Supplier Environmental Assessment 2016		
3-3 Management of material topics	Responsible Supply Chain	
308-1 New suppliers that were screened using environmental criteria	Responsible Supply Chain	
308-2 Negative environmental impacts in the supply chain and actions taken	Responsible Supply Chain	
GRI401: Employment 2016		
3-3 Management of material topics	Employee Rights	
401-1 New employee hires and employee turnover	/	Information unavailable; the Company has not collected this data.

Disclosure	Location	Reason for Omission
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Rights	
401-3 Parental leave	Employee Rights	
GRI402: Labor/Management Relations 2016		
3-3 Management of material topics	Occupational Health and Safety	
402-1 Minimum notice periods regarding operational changes	/	Not applicable; this information is not relevant.
GRI403: Occupational Health and Safety 2018		
3-3 Management of material topics	Occupational Health and Safety	
403-1 Occupational health and safety management system	Occupational Health and Safety	
403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety	
403-3 Occupational health services	Occupational Health and Safety	
403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety	
403-5 Worker training on occupational health and safety	Occupational Health and Safety	
403-6 Promotion of worker health	Occupational Health and Safety	
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety	
403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety	
403-9 Work-related injuries	Occupational Health and Safety	
403-10 Work-related ill health	Occupational Health and Safety	
GRI404: Training and Education 2016		
3-3 Management of material topics	Talent Development	
404-1 Average hours of training per year per employee	Talent Development	
404-2 Programs for upgrading employee skills and transition assistance programs	Talent Development	
404-3 Percentage of employees receiving regular performance and career development reviews	Talent Development	
GRI 405: Diversity and Equal Opportunity 2016		
3-3 Management of material topics	Employee Rights	
405-1 Diversity of governance bodies and employees	Employee Rights	
405-2 Ratio of basic salary and remuneration of women to men		Not applicable; involves personal employee information, not disclosed at this time.

Disclosure	Location	Reason for Omission
GRI406: Non-discrimination 2016		
3-3 Management of material topics	Employee Rights	
406-1 Incidents of discrimination and corrective actions taken	Employee Rights	
GRI407: Freedom of Association and Collective Bargaining 2016		
3-3 Management of material topics	Employee Rights	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employee Rights	
GRI408: Child Labor 2016		
3-3 Management of material topics	Employee Rights	
408-1 Operations and suppliers at significant risk for incidents of child labor	Employee Rights	
GRI409: Forced or Compulsory Labor 2016		
3-3 Management of material topics	Employee Rights	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Employee Rights	
GRI410: Security Practices 2016		
3-3 Management of material topics	/	Information unavailable; the Company has not collected this data.
410-1 Security personnel trained in human rights policies or procedures	/	Information unavailable; the Company has not collected this data.
GRI411: Rights of Indigenous Peoples 2016		
3-3 Management of material topics		Not applicable; production bases are not established in areas inhabited by indigenous peoples.
411-1 Incidents of violations involving rights of indigenous peoples		Not applicable; production bases are not established in areas inhabited by indigenous peoples.
GRI413: Local Communities 2016		
3-3 Management of material topics	Community Welfare	
413-1 Operations with local community engagement, impact assessments, and development programs	Community Welfare	
413-2 Operations with significant actual and potential negative impacts on local communities		Not applicable; no operations have actual or potential significant negative impacts on local communities.

Disclosure	Location	Reason for Omission
GRI414: Supplier Social Assessment 2016		
3-3 Management of material topics	Responsible Supply Chain	
414-1 New suppliers that were screened using social criteria	Responsible Supply Chain	
414-2 Negative social impacts in the supply chain and actions taken	Responsible Supply Chain	
GRI415: Public Policy 2016		
3-3 Management of material topics	/	Not applicable; the countries where the organization operates do not involve political contributions.
415-1 Political contributions	/	Not applicable; the countries where the organization operates do not involve political contributions.
GRI416: Customer Health and Safety 2016		
3-3 Management of material topics	Quality Service	
416-1 Assessment of the health and safety impacts of product and service categories	Quality Service	
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Quality Service	
GRI417: Marketing and Labeling 2016		
3-3 Management of material topics	Quality Service	
417-1 Requirements for product and service information and labeling	Quality Service	
417-2 Incidents of non-compliance concerning product and service information and labeling	Quality Service	
417-3 Incidents of non-compliance concerning marketing communications	Quality Service	
GRI418: Customer Privacy 2016		
3-3 Management of material topics	Business Ethics	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Business Ethics	

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Issue	Code	Disclosure Details	Location
Energy Management in Manufacturing	RR-ST-130a.1	Total energy consumed	Energy Management
		Purchased electricity consumed	Energy Management
		Percentage of purchased electricity in total energy consumption	Energy Management
		Renewable energy consumed	Energy Management
		Percentage of renewable energy in total energy consumption	Energy Management
Water Management in Manufacturing	RR-ST-140a.1	Total water withdrawn	Water Resources Management
		Total water consumed	Water Resources Management
		Percentage in areas with high or extremely high baseline water stress	/
	RR-ST-140a.2	Description of water management risks, strategies and practices to mitigate these risks	Water Resources Management
Hazardous Waste Management	RR-ST-150a.1	Hazardous waste generated	Waste Management
		Percentage of hazardous waste recycled	Waste Management
	RR-ST-150a.2	Number of reported hazardous waste spills	Waste Management
		Total volume of reported hazardous waste spills	Waste Management
		Volume of hazardous waste recovered from spills	Waste Management
Ecological Impacts in Project Development	RR-ST-160a.1	Number of project delays related to ecological impacts	Biodiversity
		Duration of project delays related to ecological impacts	Biodiversity
	RR-ST-160a.2	Efforts made in solar system project development to address community and ecological impacts	Biodiversity
Managing Energy Infrastructure Integration and Related Regulations	RR-ST-410a.1	Risks of integrating solar energy into existing energy infrastructure and efforts to manage these risks	Climate Change Response
	RR-ST-410a.2	Risks and opportunities related to energy policy and their impact on integrating solar energy into existing infrastructure	Climate Change Response
Product End-of-Life Management	RR-ST-410b.1	Weight of products sold that are recyclable or reusable	The Company's main product is PV modules, with capacity (MW) as the primary measurement unit; weight-based statistics have not yet been compiled.
		Total products sold	

Issue	Code	Disclosure Details	Location	
		Percentage of products sold that are recyclable or reusable	PV modules are mainly composed of glass, aluminum, and semiconductor materials; theoretically up to 80% by weight is recyclable ¹² . Due to the long product lifecycle, large-scale recycling data have not yet been established.	
		RR-ST-410b.2	Weight of end-of-life materials recovered	Waste Management
			Total weight of end-of-life materials	Waste Management
		RR-ST-410b.3	Percentage recovered	Waste Management
	Percentage of products (by revenue) containing IEC 62474 declarable substances, arsenic compounds, antimony compounds, or beryllium compounds		Not applicable; the Company's products do not involve these substances	
	RR-ST-410b.4	Description of methods and strategies for designing products for high-value recovery	Waste Management	
	Material Sourcing	RR-ST-440a.1	Supply chain risk categories	Responsible Supply Chain
	Activity Metrics	RR-ST-000.A	Total capacity of PV modules manufactured	Green Manufacturing
RR-ST-000.B		Total installed capacity of solar systems	Green Manufacturing	

¹² This recoverable rate is referenced from the technical report Status of PV Module Recycling in IEA PVPS Task 12 Countries 2025 published by Task 12 of the IEA Photovoltaic Power Systems Programme (IEA PVPS Task 12).



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