

2025 SUSTAINABILITY REPORT

Ningbo Deye Technology Corporation



Tel: (86)0574-86222335

Fax: (86)0574-86222338

Email: stock@deye.com.cn

Contact Address: No. 26, Yongjiang
South Road, Daqi, Beilun District,
Ningbo City, Zhejiang Province, China



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About This Report

This is the second publicly released sustainability report by Ningbo Deye Technology Corporation (hereinafter referred to as “Deye,” “the Company,” or “we”). Guided by the principles of objectivity, standardization, transparency, and comprehensiveness, this report provides a detailed disclosure of the Company’s sustainability practices and performance for the year 2025.



Reporting Scope

This report covers Deye as the primary entity and includes its subsidiaries. Unless otherwise specified, the scope of this report is consistent with that of the Company’s Annual Report.

Reporting Period

January 1, 2025, to December 31, 2025 (hereinafter referred to as the “Reporting Period”). To enhance the comparability and forward-looking nature of this report, some content may retroactively cover previous years or include forward-looking statements. This report is published annually, in line with the fiscal year.

Basis of Preparation

- SSE Guidelines No. 1 for Self-Regulation of Listed Companies - Standardized Operation issued by the Shanghai Stock Exchange (SSE); SSE Guide No. 4 for Self-Regulation of Listed Companies - Preparation of Sustainability Reports (Revised January 2026) issued by the SSE; SSE Guidelines No. 14 for Self-Regulation of Listed Companies - Sustainability Reporting (for Trial Implementation) issued by the SSE.
- Guidance for Chinese Enterprise Sustainability Reporting (CASS-ESG 6.0) by the China Enterprise Reform and Development Society (CERDS)
- GRI Sustainability Reporting Standards (GRI Standards) by the Global Reporting Initiative (GRI)

Data Notes

The data in this report is sourced from the Company’s operational raw data, publicly available government data, annual financial data, internal statistical reports, third-party surveys, and third-party evaluation interviews. The financial data herein is presented in RMB. In case of any discrepancy with the official financial statements, the latter shall prevail.

Confirmation and Approval

This report was approved by the Company’s Board of Directors on April 8, 2026, and is published concurrently with the Annual Report. The Board of Directors undertakes to oversee the content of this report, ensures that it contains no false records or misleading statements, and assumes responsibility for the truthfulness, accuracy, and completeness of its content.

Definition of Terms

For ease of expression and reading, “the State” and “the Government” in this report refer to the People’s Republic of China and its administrative bodies. The definitions of abbreviations used in this report are as follows:

Term	Definition
Deye, we, the Company	Ningbo Deye Technology Corporation
DEYE ESS	NINGBO DEYE ESS TECHNOLOGY CO., LTD
DEYE INVERTER	NINGBO DEYE INVERTER TECHNOLOGY CO., LTD
Dechu Trade	Ningbo Dechu International Trade Co., Ltd.
Ningbo Deye Environmental Appliances	Ningbo Deye Environmental Appliances Co., Ltd.
Cuiji Technology	Cuiji Technology (Shanghai) Co., Ltd.
Zhejiang Deye Environmental Appliances	Zhejiang Deye Environmental Appliances Co., Ltd. (formerly Ningbo Deye Daily Electrical Appliance Co., Ltd.)

Access to the Report

This report is available for viewing and download on the official website of Deye (<http://www.deye.com.cn>) and the website of the Shanghai Stock Exchange (<http://www.sse.com.cn>).

Feedback

Should you have any comments or suggestions regarding the Company’s sustainability efforts, we welcome your feedback through the following channels to help us continuously improve our reporting.

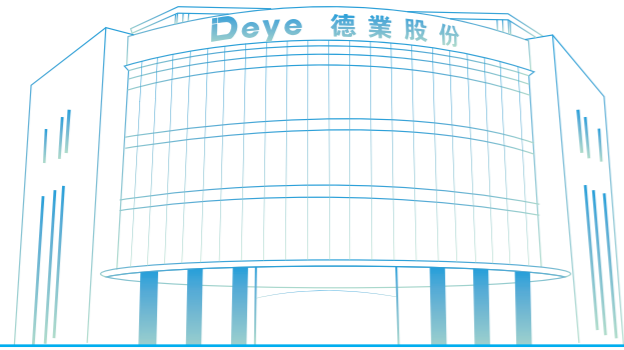
Securities Service Hotline:0574-86222335

Company Website:www.deye.com.cn

Investor Service Fax:0574-86222338

Company Email:stock@deye.com.cn

Contact Address: No. 26, Yongjiang South Road, Daqi, Beilun District, Ningbo City, Zhejiang Province, China



Chairman's Statement

To our esteemed shareholders, investors, partners, friends from all sectors of society, and all members of the Deye team,

Greetings!

On behalf of the Board of Directors and all employees of Ningbo Deye Technology Corporation, I wish to extend our most sincere gratitude to all our stakeholders for their long-standing support and interest in Deye's development. This is the second annual sustainability report released by our company. It comprehensively outlines our achievements in the Environmental, Social, and Governance (ESG) domains throughout 2025. It serves not only as a systematic review of our journey in fulfilling our responsibilities this year but also as our solemn commitment to anchoring long-term value and practicing sustainable development.

As a practitioner with over three decades of deep engagement in the manufacturing industry and nearly a decade in the new energy sector, I have always firmly believed that amidst the historic tide of the deepening global energy transition and the pursuit of "carbon peaking and carbon neutrality" goals, ESG has never been an "optional exercise" for corporate development, but rather a "required course" for high-quality growth. It is the fundamental logic that enables global technology companies to navigate economic cycles and achieve long-term, stable growth. The new energy industry is currently at a critical juncture, characterized by accelerated technological iteration, a restructuring market landscape, and intensifying global competition. Only by deeply embedding the principles of sustainability into our corporate strategy and the entirety of our operations can we forge new paths amidst a changing landscape, create greater environmental and social value while achieving commercial success, and truly practice our corporate tenet of "Virtue as the Foremost, Prosperity in the Enterprise" and deliver on our mission of "A Green Industry for a Better Future."

The year 2025 was a milestone year in Deye's journey. Anchored by our corporate vision to "become a leader in high-end, diversified new energy industries," we maintained a strategic focus on the core new energy sector, with our Inverter and Energy Storage business division surpassing RMB 10 billion in annual revenue. Simultaneously, we advanced our H-share issuance and preparations for listing on the Stock Exchange of Hong Kong, embarking on a new chapter of corporate capitalization and internationalization. During the year, we were honored with the designation of "National Enterprise Technology Center," officially inaugurated the DEYE ESS Technology Research Institute, and moved forward with the 16 GWh Commercial & Industrial Energy Storage production line project in Cixi Binhai. Our "Spring," "Summer," "Autumn," and "Winter" series of energy storage battery packs and our matrix of all-scenario inverter products were continuously enhanced, providing global customers with more efficient and safer integrated solar and storage solutions.



Chairman of the Board, Deye



On the governance front, we have established a four-tier ESG governance structure: the Board of Directors for overall decision-making; the Strategy and Sustainability Committee for research and guidance; the ESG Working Group for coordinated implementation; and our various business units for execution. We have fully integrated ESG factors into our strategic decision-making, risk management, and executive compensation assessment systems.

On the environmental front, as a new energy company, we inherently bear the mission of driving the global green and low-carbon transition. Building upon our achievements as

a "National Green Factory," we continuously improve our ISO 14001 Environmental Management System. We have achieved a 100% sorted disposal rate for solid waste and a 100% compliance rate for environmental emissions, with no major environmental pollution incidents throughout the year, continuously empowering the global net-zero transition through technological innovation.

On the social front, we adhere to the philosophy of "Talent First, Success Shared," providing employees with three major career development paths: management, professional, and technical. We strictly implement the ISO 45001 Occupational Health and Safety Management System and recorded no major work safety accidents or cases of occupational disease during the year. Guided by our ISO 9001, ISO 27001, and ISO 27701 certifications, we achieved a 99.86% customer satisfaction rate for complaint handling. We also donated HKD 5 million to the post-fire reconstruction efforts in Tai Po District, Hong Kong, and RMB 4.128 million to the Common Prosperity Fund in Longshan Town. We continued our philanthropic initiatives, such as educational assistance programs, demonstrating our corporate social responsibility through concrete actions.

The journey ahead is long, but we will reach our destination by staying the course. In 2026, Deye will remain true to our original mission, with technological innovation as our engine and sustainable development as our anchor. We will strive to be not only a trailblazer in our industry but also a dedicated practitioner of social responsibility and a builder of a green future. We will steadily advance towards our goal of becoming a "leader in high-end, diversified new energy industries" and contribute Deye's strength to the global cause of green and low-carbon development and high-quality social progress.

Once again, thank you for your trust and support. I am also deeply grateful to every member of the Deye team for their hard work and dedication.

Advancing with Integrity: Company Overview

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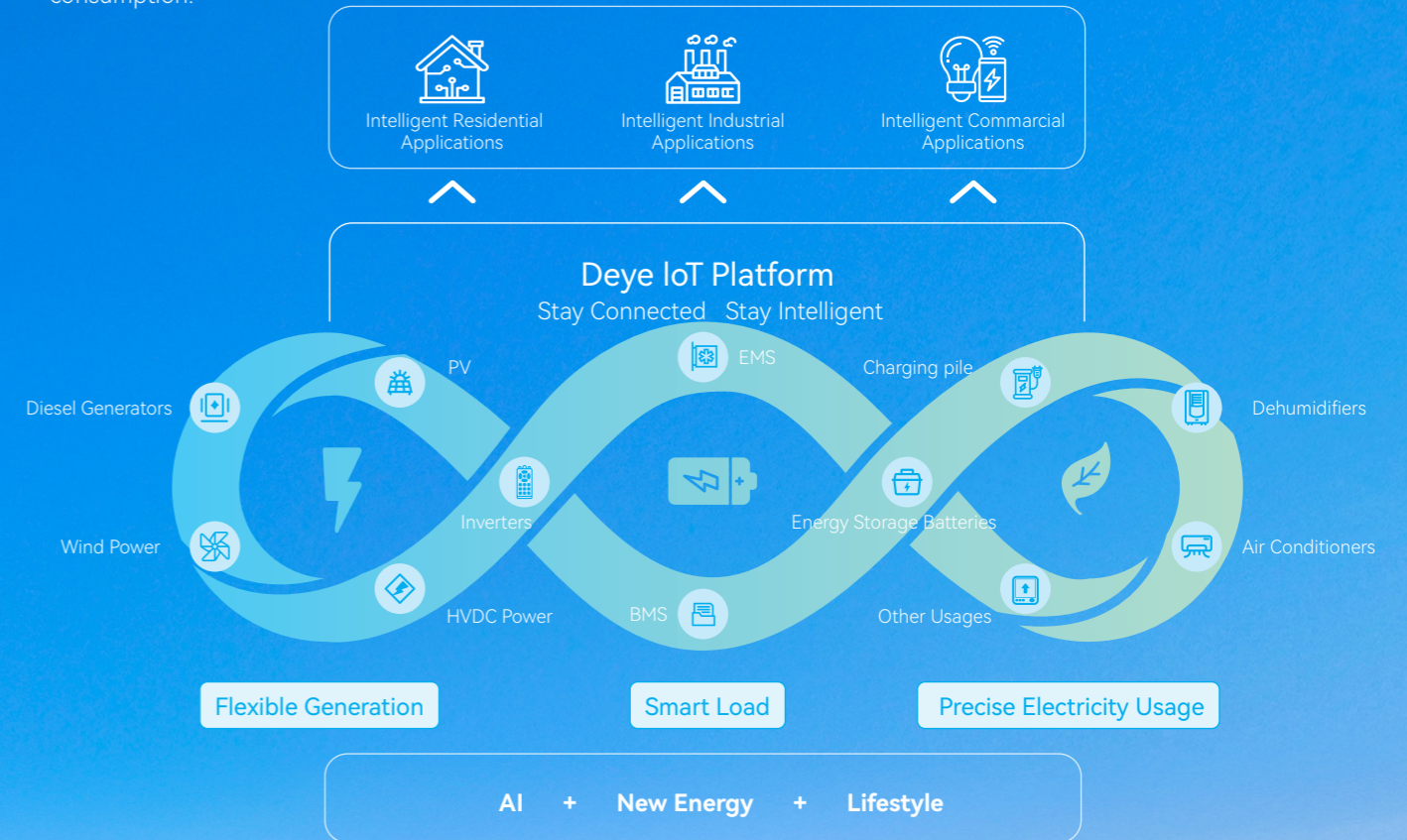
Company Profile

Ningbo Deye Technology Corporation (hereinafter “the Company”, international brand name Deye, stock code 605117) was founded in 2000 and listed on the main board of the Shanghai Stock Exchange in April 2021. The Company is headquartered at No. 26, Yongjiang South Road, Daqi, Beilun District, Ningbo City, Zhejiang Province, China. Deye is a global new energy technology company with end-to-end capabilities spanning research and development, design, manufacturing, sales and service. New energy is the Company’s core growth segment, focused on energy storage inverters, solar inverters and energy storage battery packs. In parallel, the Company has a long established presence in climate control appliances including dehumidifiers, solar air conditioners and heat exchangers. This strategically diversified product portfolio delivers both growth and resilience for the business.

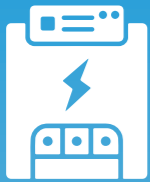
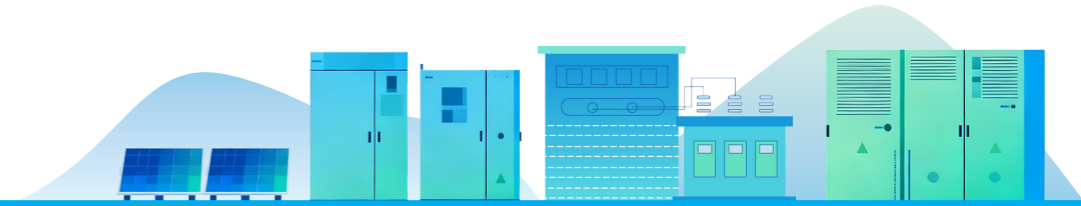
Business Footprint

The Company is strategically focused on its new energy business, and aspires to be a leading integrated solution provider for solar and energy storage products. Its core product range covers energy storage inverters, energy storage battery packs and PV inverters. Serving as a key supplement to the new energy segment, the climate control appliances business maintains steady growth, with primary products including dehumidifiers, solar air conditioners, and heat exchangers. Leveraging its intelligent cloud platform for equipment management and data analytics, the Company has built a diversified and synergistic business system, enabling mutually reinforcing growth between its new energy and climate control appliance segments.

The Company’s product value chain covers the entire customer journey from flexible power generation to precise power consumption:



Product Portfolio



Energy Storage Inverters

The core business of the Company's product portfolio. Energy storage inverters convert direct current to grid-compliant alternating current, with integrated energy storage functionality.

Single Phase Inverter



Three Phase Low-voltage Inverter

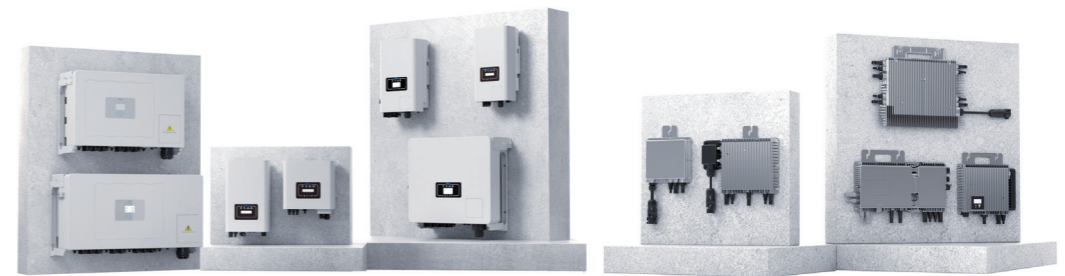


Three Phase High-voltage Inverter



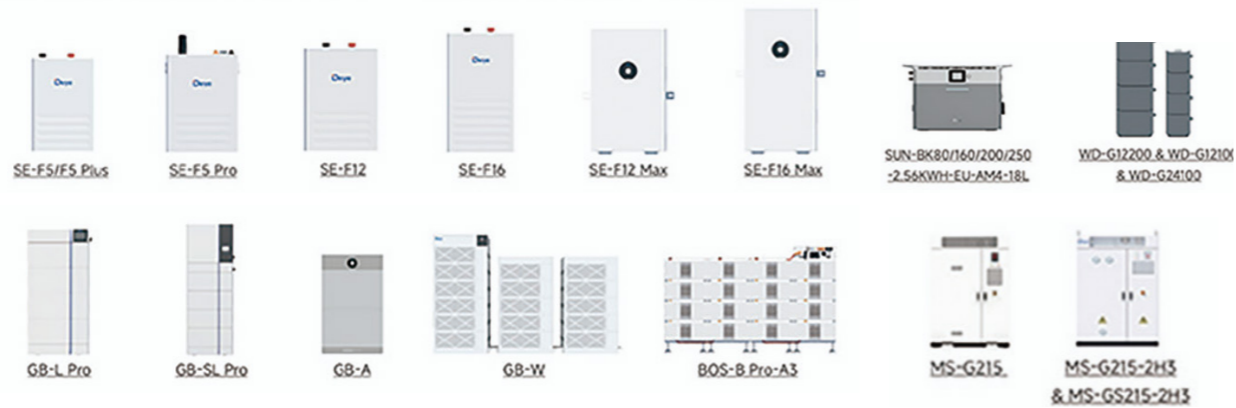
PV Inverters

PV inverter products include string inverters and microinverters. String inverters convert DC power generated by solar modules to AC power, support multi-series parallel connection, and deliver highly efficient energy conversion through multi-channel MPPT. With a power range from 1kW to 136kW, they meet the requirements of residential and small commercial and industrial scenarios.



Energy Storage Battery Packs

The Company provides a full range of energy storage battery packs for diverse application scenarios. The Spring, Summer, Autumn and Winter series are designed for low voltage residential, high voltage residential and Commerce & Industry, portable, and utility scale energy storage respectively, covering all customer requirements. All battery packs are fully compatible with Deye's complete range of energy storage inverters, creating deep market and channel synergy.



Climate Control Appliances

The climate control appliances business principally comprises dehumidifiers, solar air conditioners and heat exchangers. Deye dehumidifiers deliver industry leading performance in humidity control, heat exchange efficiency, operating noise and water resistance, while also delivering high energy efficiency and environmental sustainability.



Corporate Culture

Core Principles

- Corporate Tenet** Virtue as the Foremost, Prosperity in the Enterprise
- Corporate Mission** Drive sustainable development through green technology
- Corporate Slogan** A Green Industry for a Better Future
- Corporate Spirit** Make progress every day
- Core Values** Innovation, Pragmatism, Efficiency, Value
- Corporate Vision** Become the leader in the high-end solar and new energy ecosystem

Development Principles

- Strategy Principle** Leadership in business development
- Technology Principle** Independent R&D, Innovation & Comprehensiveness, and Industry Leadership
- Quality Principle** Quality first, win through excellence
- Production Principle** Lean manufacturing, intelligent production
- Testing Principle** High standards, high requirements, high precision



Operation and Service Principles

- Operation Principle** Centered on quality, aimed at profitability and efficiency
- Customer Principle** Six Manage, Six Support, Enable Customer Success
- Finance Principle** Total cost leadership, high margin operation
- Digitalisation Principle** Digitise business, intelligentise management
- Supplier Principle** Equal and mutual benefit, domestic substitution, close and stable

Employee Development Principles

- Talent Principle** Talent First, Success Shared
- Learning Principle** Build a learning organisation, develop knowledgeable employees
- Employment Principle** Appoint people on their merits, promote the capable while sidelining the mediocre, and value talent with integrity

Party Building Principles

- Party Construction Principle** Love the country and the Party, build and strengthen the enterprise

2025 Milestones

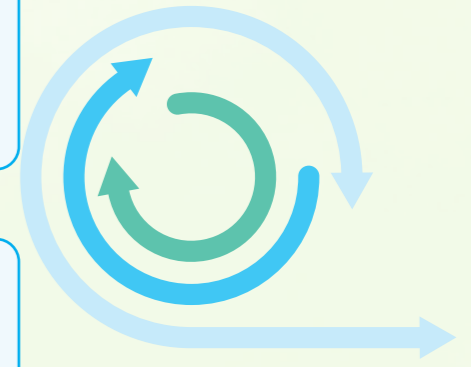
- Hosted new product launch events for smart energy solutions in five Southeast Asian countries, deepening our market presence in South-east Asia and Africa and enhancing regional influence.

- Held the first congress of the Company's Women's Federation and the founding meeting of the Working Committee for the Care of the Next Generation.
- Unveiled and established the DEYE ESS Technology Research Institute at the Longshan Base.
- Honored as a Model Enterprise for Outstanding Contributions at the Beilun District Economic High-Quality Development Conference.



- DEYE ESS was honored among the Top 10 Industrial Enterprises in Cixi and received the Mayor's Quality Award.
- Successfully concluded the 4th Excellent Quality Management Training Camp.
- The Beilun Robotics Industrial Park was officially launched, with our smart manufacturing base for PV inverters concurrently moving in.
- Dechu Trade obtained the Customs AEO (Authorized Economic Operator) certification.

- The company held a Lean Maturity Assessment meeting.
- Launched "Lingsi," our intelligent customer service system, and "Ling-jian," our AI agent product.
- Conducted the 2025 Integrity and Compliance Awareness Campaign.

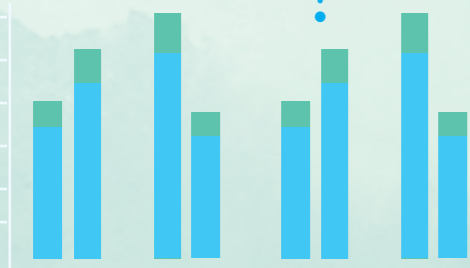


Jan-Mar

Apr-Jun

Jul-Sep

Oct-Dec



- DEYE ESS signed an investment agreement for a 16 GWh commercial and industrial energy storage production line project in the Cixi Binhai Economic Development Zone (to be constructed in two phases).
- DEYE ESS successfully acquired the land use rights for state-owned construction land in the Cixi Binhai Economic Development Zone for RMB 94.078 million.
- DEYE INVERTER successfully acquired the land use rights for state-owned construction land in the Beilun Lingfeng Industrial Park for RMB 45.8021 million.
- Participated in the 2025 Ningbo Talent Day and was recognized as a "Ningbo Advanced Enterprise for Employment Absorption."

- Launched the 10th Lean Practical Training Camp.
- Awarded the title of "National Enterprise Technology Center."

- Hosted a strategic partner bank exchange meeting to deepen bank-enterprise cooperation.
- Invited to attend the Shanghai Cooperation Organisation (SCO) Energy Ministers' Meeting and related events to share innovative practices in green energy.



- The company's production base in Johor, Malaysia, officially broke ground.
- Relocated the heat exchanger, HVAC, and daily electrical appliance divisions from the Longshan Base to the Haiyan Base.
- Launched the 13th Lean Logistics Training Camp at the Haiyan Base.
- The company's industrial fund invested in ZJeagles Comsemi, a leading company in optical interconnect chips.
- Deye's "Lingdiao" system built a Virtual Power Plant (VPP) network in Australia, while our "Yudianbao" (Surplus Power Treasure) feature activated multi-dimensional revenue streams from energy storage.

- Successfully held the Deye Global Distributor Conference in Dubai.
- Planning for the issuance of H-shares and listing on the Hong Kong Stock Exchange.

- Hosted the 2026 Global Supplier Conference.

Awards and Recognitions

Deye



National Enterprise Technology Center



Model Enterprise for Outstanding Contributions



Core Strategic Client of China Merchants Bank

Ranked 52th, Top 100 Comprehensive Enterprises in Ningbo for 2025



Top 100 Enterprise in Electronic Information Competitiveness

Ranked 14th, Top 100 Fastest-Growing Enterprises in Zhejiang Province for 2025

Ranked 21st, Light Industry Category of the 2025 China Brand Value Evaluation

Ranked 10th, Top 100 Competitive Enterprises in Ningbo for 2025

Ranked 29th, Top 100 Manufacturing Enterprises in Ningbo for 2025



Ningbo Advanced Enterprise for Employment Absorption for 2024



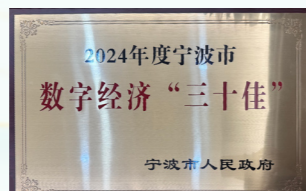
Top 20 Taxpaying Enterprises in Ningbo for 2024



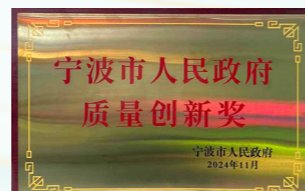
Top 20 Listed Companies in Ningbo for 2024



Top 10 Export Enterprises in Ningbo for 2024



Top 30 Digital Economy Enterprises in Ningbo for 2024



Ningbo Municipal Government Quality Innovation Award

DEYE INVERTER



Global New Energy Brand



Specialized and Sophisticated "Little Giant" SME



Zhejiang Provincial "Little Giant" Enterprise in Science and Technology



Dual awards for "Influential PV Inverter Brand" and "Influential PV-plus-Storage Solution Enterprise"



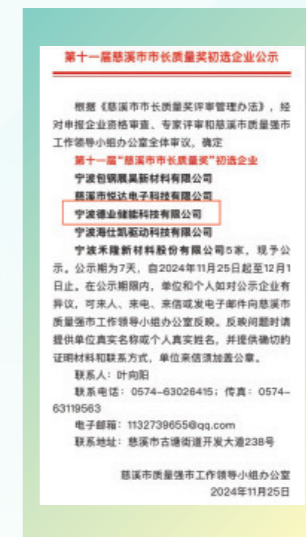
Doctoral Innovation Station

Top 500 National High-tech Enterprises in Zhejiang Province for Innovation Capability in 2025

DEYE ESS



National High-tech Enterprise



Shortlisted Enterprise for the 11th Cixi Mayor's Quality Award



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Deye Leading the Way: Sustainability Governance

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Responded SDGs



Sustainability Governance Structure

Deye deeply integrates sustainability into its core development strategy. We are committed to fully implementing the new development philosophy of innovation, coordination, green development, openness, and shared benefits, incorporating it into all areas and processes of our business operations. Through proactive practices in areas such as production safety, technological innovation, corporate governance, and talent development, we aim to drive the high-quality development of our industry. We are dedicated to contributing to society while promoting environmentally friendly development. To regulate and strengthen our ESG management, the Company has formulated the Sustainability (ESG) Management System and the Working Rules of the Board's Strategy and Sustainability Committee to establish a clear ESG governance structure.

◎ The Company's ESG management system



Board of Directors

The Board of Directors is the leading and decision-making body for ESG matters.

Strategy and Sustainability Committee

The Strategy and Sustainability Committee of the Board of Directors (hereinafter referred to as the Strategy and Sustainability Committee) is the research and advisory body for ESG matters.

ESG Working Group

An ESG Working Group, led by the Company's management and composed of department heads, relevant leaders from subsidiaries, and designated ESG liaisons, has been established. It is responsible for providing assurance and professional support to the Strategy and Sustainability Committee in fulfilling its ESG-related duties. The Securities and Investment Department acts as the lead coordinator for the ESG Working Group.

All Implementing Bodies

All company departments and subsidiaries (hereinafter referred to as Implementing Bodies) are the executive units responsible for implementing ESG initiatives.



- Review and approve the Company's ESG strategies, targets, and policies.
- Approve the Company's ESG report.
- Monitor and review the Company's progress in achieving its ESG targets and related matters.
- Approve and oversee ESG-related risks and opportunities that have a material impact on the Company's business.



- Make recommendations to the Board of Directors on the Company's sustainability and ESG-related policies.
 - Provide guidance on the formulation of the Company's ESG strategy and oversee its ESG affairs.
- As authorized by the Board of Directors:**
- | | | |
|--|--|--|
| Identify and monitor ESG-related risks and opportunities that have a material impact on the Company's business, submit them to the Board for review, and guide management in implementing appropriate response measures. | Conduct research on ESG targets, guide the formulation of these targets and their corresponding implementation plans, periodically review progress, and provide recommendations for actions required to improve performance. | Review the Company's ESG-related disclosure documents, including but not limited to the annual ESG report. |
|--|--|--|



- Implement the Company's ESG development strategy and targets, and organize and arrange for the implementation of ESG work by all implementing bodies.
- Formulate draft ESG targets, strategies, policy documents, relevant topics, phased work plans, and implementation schemes.
- Coordinate with relevant departments to identify and assess ESG-related risks and opportunities and propose appropriate response measures.
- Coordinate with relevant departments to collect and compile ESG information, and prepare the ESG report and related documents.
- Liaise with consulting and rating agencies, organize ESG-related business training, and track ESG policy requirements and trends.
- Summarize challenges and achievements in ESG work, provide timely feedback to the Strategy and Sustainability Committee, and offer recommendations for improvement.



- Responsible for the day-to-day management of ESG-related work in accordance with the Company's ESG strategy and targets, periodically reporting on implementation progress, and submitting ESG information in a timely manner.

The Board of Directors and the Strategy and Sustainability Committee incorporate ESG factors into major strategic decisions and considerations for executive compensation. They also plan to progressively integrate ESG risks into the Company's overall risk management framework. By studying ESG risks and opportunities, we combine ESG management with the Company's decision-making, operations, and development to continuously create integrated value, ensuring the Company's stable and long-term development.

Sustainability in Practice

To comprehensively enhance our ESG governance capabilities and strengthen the foundation of sustainable development, the Company conducts regular ESG training. The training is closely aligned with industry policies and the Company's development strategy. It covers core topics such as the principles of ESG, compliance management requirements, and the fulfillment of social responsibilities. It aims to enhance the ESG awareness and practical skills of all employees, promoting the deep integration of ESG concepts into all aspects of our production, operations, resource integration, and risk control. This helps the Company solidify its industry position with superior ESG performance and achieve a synergy of economic, environmental, and social benefits.

Case Study Specialized ESG Training


During the reporting period, the Company organized a specialized ESG training session for key personnel from all departments, providing attendees with a systematic overview of core ESG concepts and implementation requirements. The training focused on core ESG concepts, domestic and international policies, regulations, and disclosure standards, analysis of typical ESG risk cases, and the multi-faceted value that ESG management brings to high-quality corporate development. This laid a solid foundation for the standardized preparation of our report.



Training Session in Progress

Stakeholder Engagement

The Company values the rights and interests of its stakeholders, including shareholders, customers, employees, and suppliers. Through various communication channels, we seek to understand and respond to their key ESG concerns, working together to advance the Company's high-quality and sustainable development.



Shareholders

Key Concerns
Investment Returns
Legal and Compliant Operations
Investor Relations Management

Communication Channels and Frequency

- Shareholders' Meetings (Annual and ad hoc)
- Earnings Calls (Quarterly)
- Annual/Interim/Quarterly Reports (Periodic)
- Other Ad Hoc Announcements (As needed)
- SSE e-interview (Real-time)
- Investor Hotline, Email, and Official Website (As needed)




Government and Supervisory Bodies

Key Concerns
Compliant Operations
Policy Compliance
Environmental Protection
Fulfillment of Social Responsibilities

Communication Channels and Frequency

- Disclosure of periodic reports and ad hoc announcements (As needed)
- Telephone and Email (As needed)
- In-person Meetings (As needed)



Customers

Key Concerns
Product Quality
Protection of Customer Rights and Interests
Customer Privacy Protection

Communication Channels and Frequency

- Daily Communication (Real-time)
- Online Customer Service System (Real-time)
- Customer Satisfaction Surveys (Periodic)



Employees

Key Concerns
Protection of Employee Rights and Interests
Career Development Paths
Compensation and Benefits

Communication Channels and Frequency

- Internal Communication Platforms (As needed)
- Face-to-face Communication (As needed)
- Employee Satisfaction Surveys (Periodic)




Community and Non-profit Organizations

Key Concerns
Ecological and Environmental Protection
Community Support

Communication Channels and Frequency

- Charitable Donations and Targeted Assistance (As needed)
- Exchange Visits and Communication (As needed)



Suppliers

Key Concerns
Supply Chain Integrity
Green Procurement

Communication Channels and Frequency

- Supplier Training (As needed)
- Business Visits (As needed)
- Telephone and Email Communication (As needed)




Industry Associations and Research Organizations

Key Concerns
Industry Technology Innovation

Communication Channels and Frequency

- Industry Conferences (As needed)
- Site Visits (As needed)



Media

Key Concerns
Media Response
Information Transparency

Communication Channels and Frequency

- Media Interviews (As needed)
- Telephone and Email (As needed)

Double Materiality Analysis

In accordance with the SSE Guidelines No. 14 for Self-Regulation of Listed Companies – Sustainability Reporting (for Trial Implementation) and the SSE Guide No. 4 for Self-Regulation of Listed Companies – Preparation of Sustainability Reports (Revised January 2026), and with reference to the Global Reporting Initiative (GRI) Standards, standards of major rating agencies (such as MSCI ESG Ratings), and the Sustainability Accounting Standards Board (SASB) Standards, the Company periodically organizes and consolidates its annual material topics. This is achieved through methods such as internal ESG working group discussions, external consultations, and stakeholder questionnaires. Considering the characteristics of our industry, we analyze and confirm the “impact materiality” and “financial materiality” of each topic. We then rank the identified material topics based on double materiality to create a double materiality matrix, which drives the development of the Company’s ESG strategy.

Step 1 Understand the Company Context

- Analyze the macroeconomic environment based on global megatrends and domestic industrial development trends.
- Analyze the Company’s industry context.
- Analyze the Company’s business model.
- Identify the Company’s stakeholders and the impacts, risks, and opportunities it faces.

Step 2 Initial Topic Screening

- We establish a universe of sustainability topics by referencing the standards of major rating agencies (e.g., MSCI, Wind’s materiality topics), the Sustainability Accounting Standards Board (SASB), and topics relevant to domestic and international peers.

Step 3 Materiality Assessment of Topics

Impact Materiality Assessment

- Drawing upon the results of stakeholder surveys from previous years, we analyze the significant actual or potential positive or negative impacts of each sustainability topic on the economy, environment, and society.

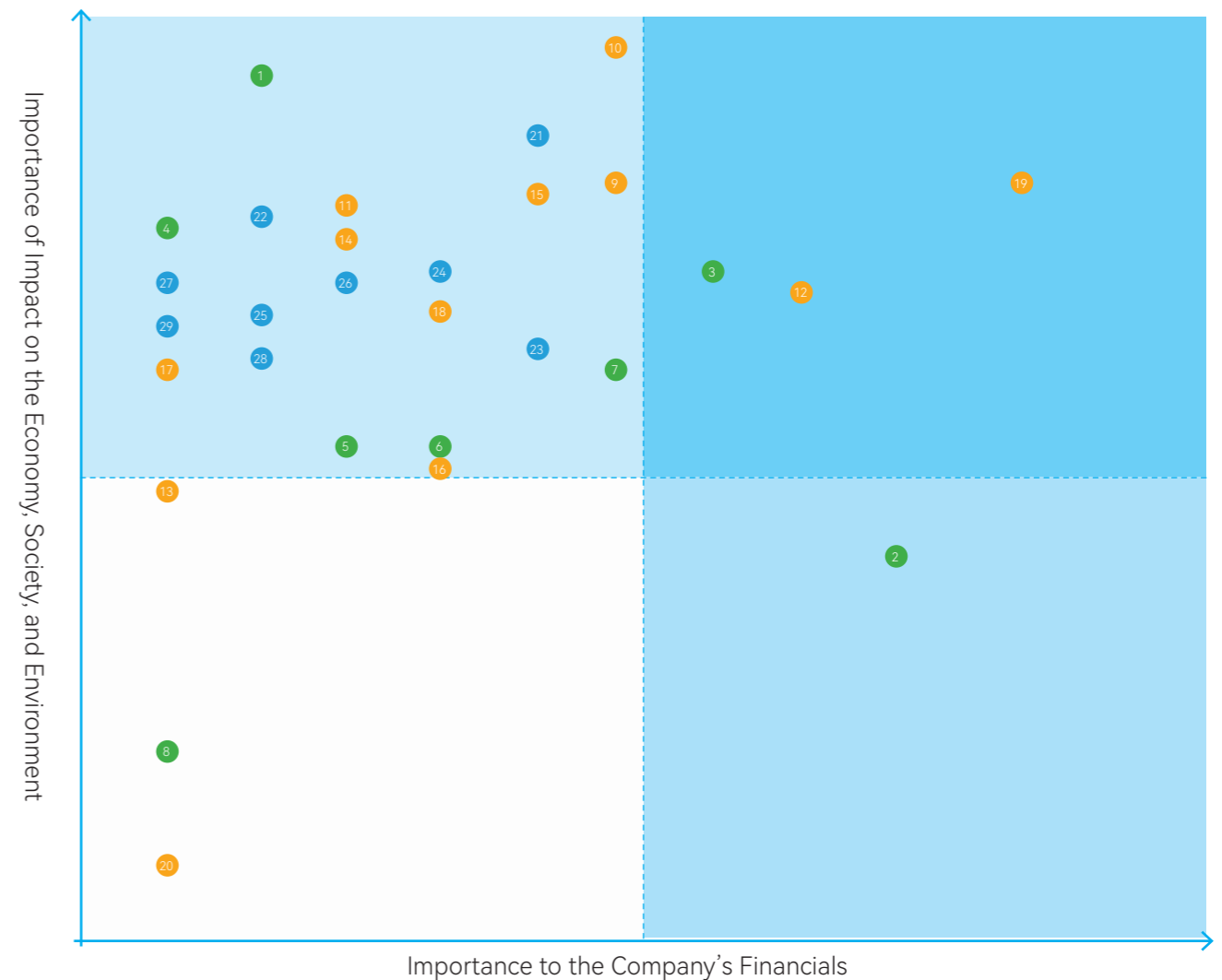
Financial Materiality Assessment

- We identify and assess the risks and opportunities associated with each topic by analyzing impacts, dependencies, and other factors, combined with expert judgment. The evaluation is based on indicators such as the likelihood and financial impact of these risks and opportunities. We review each topic with expert judgment to determine its financial materiality. Throughout this process, we maintain communication with various business departments to ensure a comprehensive assessment.

Step 4 Topic Confirmation

- We generate lists of impact-material and financially-material topics and ensure their transparent, balanced, and complete disclosure in this report.

Double Materiality Matrix



- | | | |
|---|---|---|
| 1 Environmental Compliance Management | 11 Employee Training and Development | 21 Standardized Corporate Governance |
| 2 Climate Change Response | 12 Innovation-Driven Development | 22 Protection of Shareholder Rights and Interests |
| 3 Energy Use | 13 Technology Ethics | 23 Risk Management |
| 4 Circular Economy | 14 Protection of Customer Rights and Interests | 24 Anti-Bribery and Anti-Corruption |
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Sustainable Development Goals

Deye is committed to sustainable operations. In response to the United Nations Sustainable Development Goals (SDGs), we closely integrate our corporate development with the SDGs, dedicating ourselves to our own sustainable growth and contributing to the global sustainability agenda.

Double Materiality Topics

Innovation-Driven Development, Responsible Supply Chain Management, Energy Use

Financially Material Topics

Climate Change Response

Relevant Topics

Technology Ethics, Equal Treatment of SMEs, Ecosystem and Biodiversity Protection

Impact Material Topics

Environmental Compliance Management, Water Resource Use, Circular Economy, Pollutant Emissions, Waste Management, Occupational Health and Safety, Protection of Legitimate Employee Rights and Interests, Employee Training and Development, Protection of Customer Rights and Interests, Product Safety and Quality, Social Contribution, Rural Revitalization, Information Security and Customer Privacy Protection, Standardized Corporate Governance, Protection of Shareholder Rights and Interests, Risk Management, ESG Governance, Anti-Bribery and Anti-Corruption, Anti-Unfair Competition, Stakeholder Engagement, Due Diligence, Tax Compliance

Notes: 1. The Company's activities do not have an adverse impact on biodiversity or endangered species; therefore, "Ecosystem and Biodiversity Protection" is classified as a Relevant Topic. 2. The Company's core business does not involve scientific research or technological development in sensitive areas such as life sciences or artificial intelligence ethics; therefore, "Technology Ethics" is classified as a Relevant Topic. 3. The Company treats Small and Medium-sized Enterprises (SMEs) equally and has no cases of overdue payments to them; therefore, "Equal Treatment of SMEs" is classified as a Relevant Topic. 4. While the Company does not conduct dedicated ESG due diligence, it continuously carries out risk management work to identify and assess potential negative impacts from its operations. For details, please see the "Risk Management" chapter.

Our Actions



We support rural revitalization, aid education, and make charitable donations to improve livelihoods in underdeveloped regions and promote common prosperity.



We guarantee equal employment and development rights for women, provide maternity benefits, build platforms for their growth, and eliminate gender discrimination in the workplace.



We focus on the R&D and promotion of photovoltaic (PV) and energy storage products, advancing the widespread adoption of clean energy and contributing to the green transformation of the global energy structure.



We continuously increase R&D investment, tackle core new energy technologies, optimize our industrial layout, and promote the synergistic upgrading of the industrial chain.



We build a green production system, advance material recycling, create a green supply chain, and practice low-carbon operations throughout the entire product lifecycle.



We adhere to compliant operations, perfect our corporate governance system, strengthen anti-corruption management, and build a transparent and standardized operational mechanism.

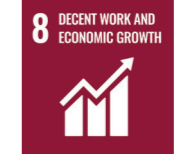
Our Actions



We enhance our occupational health management system, conduct health check-ups for all employees, and provide safety training to safeguard their physical and mental well-being.



We build water recycling systems, promote water-saving technologies and equipment, and manage water use meticulously to improve water resource efficiency.



We protect the legitimate labor rights of our employees, provide diverse career development paths, and drive regional economic growth through industrial development.



We adhere to the principle of equal employment, eliminate all forms of workplace discrimination, and ensure equal development opportunities for employees from all backgrounds.



We establish a climate change response system, promote low-carbon operations, and leverage new energy technologies to contribute to global carbon neutrality goals.



We deepen collaboration among industry, academia, and research, and work with supply chain partners and non-profit organizations to jointly advance sustainability practices through multi-party engagement.



Upholding Integrity and Compliance: Standardized Governance

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Responded SDGs



Party-Building Leadership

The Company consistently integrates Party-building work into all aspects of its production and operations. We steadfastly leverage the leading role of Party-building, continuously strengthening the construction of Party organizations and promoting the deep integration of their work with the Company's business management. This allows the Party's guiding principles to continuously inject strong momentum into the Company's development.

Organizational Construction

The Company continuously improves its accountability system for Party-building work. We have formulated and implemented the Detailed Rules for the Implementation of the Party-Building Accountability System, establishing a responsibility structure where the Party Committee provides unified leadership, the Secretary holds overall responsibility, committee members implement the "one post, dual responsibilities" principle, and grassroots Party organizations handle specific implementation. This drives the comprehensive and strict governance of the Party to a deeper level.

Principles

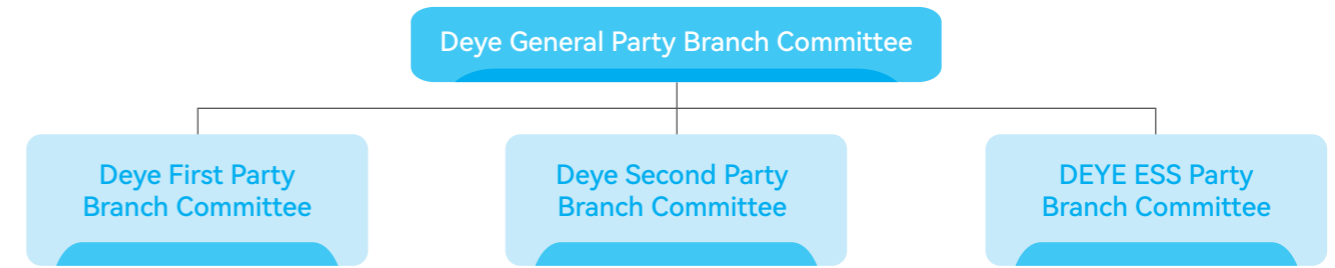



五星級基層黨組織
中共宁波市组织部
二〇二五年四月

Five-Star Grassroots Party Organization

- 1 Adhere to the Party's leadership and strengthen political construction.
- 2 Adhere to the principle that the Party must manage itself and exercise comprehensive and strict self-governance.
- 3 Adhere to focusing on the central task and serving the overall development agenda.
- 4 Adhere to the unity of rights and responsibilities, ensuring that any failure of duty is investigated and accountability is strictly enforced.
- 5 Adhere to classified guidance and focus on practical results.

In terms of institutional guarantees, the Company has established systems for responsibility list management, deliberation and decision-making, performance reporting and evaluation, inspection and supervision, and assessment and reporting. We have integrated Party-building work into the annual performance appraisal system, linking it to the appointment, removal, and evaluation of cadres, as well as performance management. This forms a closed-loop management mechanism of responsibility implementation, supervision, and accountability.



Key Performance

During the reporting period, the Company had **1** General Party Branch. We held a total of **24** Party committee meetings. There are currently **60** Party members.

Party Discipline and Ideological Construction

The Company adheres to the Party's political construction as its overarching principle, deeply integrating Party-building work into the entire process of corporate governance and business management. During the reporting period, by deepening theoretical education, standardizing internal Party activities, and optimizing our organizational structure, we have continuously strengthened the sense of discipline and responsibility among Party members and enhanced the cohesion and effectiveness of our Party organizations. At the same time, the Company actively promotes the deep integration of Party-building with business operations. We encourage Party members to play a vanguard and exemplary role by engaging in volunteer services and social responsibility practices, fostering a corporate culture of integrity, and leading the Company's high-quality development with high-quality Party-building.

Case Study Optimizing the Party Organization Structure by Establishing the Second Party Branch

As the Company continues to expand, to further enhance the coverage and organizational strength of our Party-building work, the Company approved the establishment of the Second Party Branch on April 29, 2025, further optimizing our Party organization structure. The establishment of the new branch has effectively strengthened the Party organization's ability to manage and serve its members, aligning Party-building work more closely with the practical needs of our business development and promoting a tighter integration between Party-building and the Company's production and operations.




Case Study

Deepening Regional Joint Party-Building to Promote Community Co-construction and Co-governance

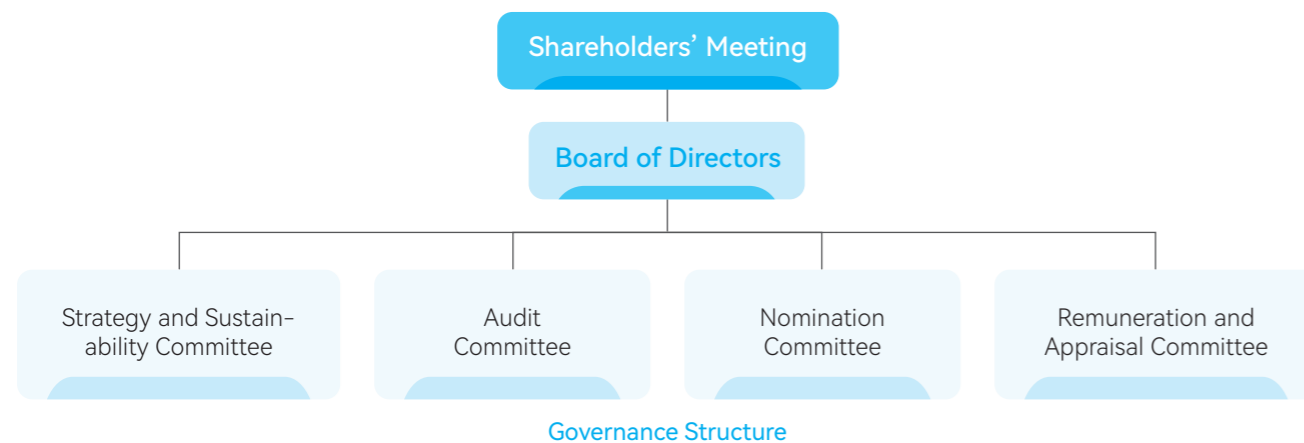
The Company's Party organization actively participates in regional joint Party-building initiatives, periodically organizing Party members to take part in volunteer activities within the community, such as environmental clean-ups, policy awareness campaigns, and support for those in need. Through these joint Party-building efforts, the Company has further strengthened communication and collaboration with the community, promoting resource sharing and synergistic development. While serving society, we also enhance the influence and social value of our corporate Party-building work.



Corporate Governanc

The Company strictly complies with relevant laws and regulations such as the *Company Law*, the *Securities Law*, and the *Code of Corporate Governance for Listed Companies*. We continuously improve our corporate governance structure and have established, and constantly refine, a system of internal management and control which we strictly implement.

The Company has established a comprehensive governance structure. The Shareholders' Meeting, the Board of Directors, and the management team have clear and well-defined responsibilities. Through effective collaboration, they have formed a governance system that sets direction, makes decisions, strengthens oversight, and ensures implementation, continuously promoting the Company's standardized and efficient operation.



Shareholders' Meeting

The Shareholders' Meeting, composed of all shareholders, is the Company's highest organ of authority and exercises decision-making power over the Company's major matters in accordance with the law. The Shareholders' Meeting is primarily responsible for electing and replacing directors, reviewing the Board of Directors' reports, reviewing profit distribution plans and plans for making up losses, deciding on increases or decreases in the Company's capital, reviewing major transactions and external guarantee matters, deciding on major events such as mergers, divisions, and dissolutions, and

passing resolutions on amendments to the Articles of Association. The Company's shareholders' meetings are divided into annual shareholders' meetings and extraordinary shareholders' meetings. The annual meeting is held once a year. To safeguard shareholders' rights, meetings can be held through a combination of physical meetings and online voting, ensuring that shareholders can exercise their rights to be informed, to participate, and to vote.

Board of Directors

The Board of Directors is the Company's operational decision-making body and is accountable to the Shareholders' Meeting. Directors are elected by the Shareholders' Meeting for a term of three years and are eligible for re-election. The Board is responsible for executing the resolutions of the Shareholders' Meeting, fulfilling its duties of operational decision-making and management supervision in accordance with the law, and making decisions on the Company's operational management and development strategy.

During the reporting period, the directors strictly complied with the provisions of laws, regulations, and the Articles of Association in the performance of their duties. They lawfully fulfilled their duties of loyalty and diligence to ensure that the Company's business activities were legal and compliant and to protect the interests of all shareholders.

Specialized Committees of the Board »»

The Company's Board of Directors has established four specialized committees: the Strategy and Sustainability Committee, the Audit Committee, the Remuneration and Appraisal Committee, and the Nomination Committee. The specialized committees are accountable to the Board of Directors and perform their duties in accordance with the Articles of Association and their respective charters. They provide professional advice and support for the Company's major decisions to ensure the objectivity and fairness of the decision-making process.

Key Performance



The Company held **3** shareholders' meetings, at which a total of **20** proposals were reviewed and approved.

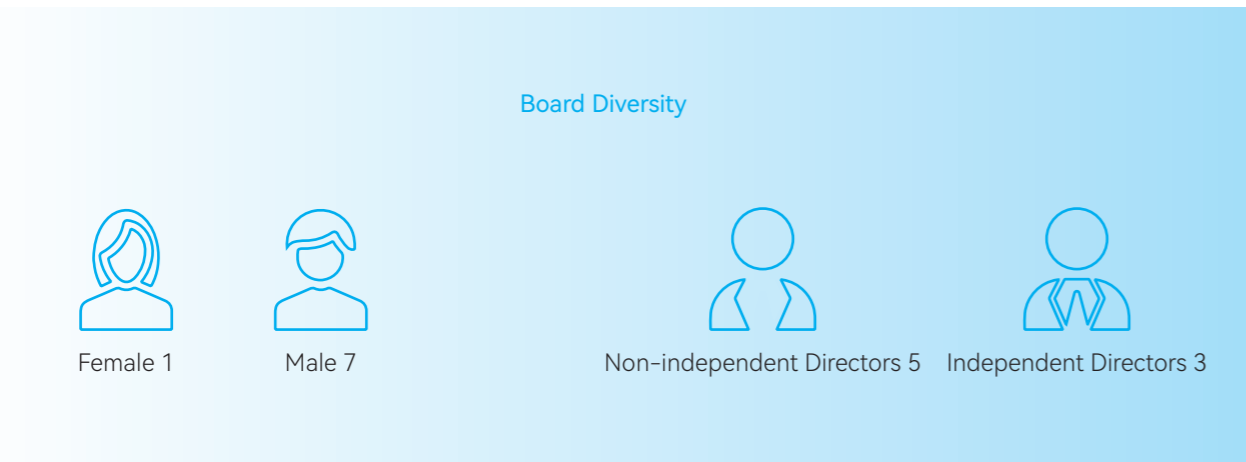
The Company held **10** Board meetings. The attendance rate of Board members was **100%**. A total of **73** proposals were reviewed and approved.

The Strategy and Sustainability Committee met **4** times, the Audit Committee met **5** times, the Remuneration and Appraisal Committee met **8** times, and the Nomination Committee met **2** times.

Board Diversity »»

To improve our corporate governance structure, the Company's Board of Directors has established a Nomination Committee, which is responsible for researching the selection criteria and procedures for directors and senior management, as well as selecting and reviewing the qualifications of candidates. During the selection process, the committee comprehensively considers candidates' professional ethics, expertise, industry experience, and professional capabilities, promoting a diverse composition within the Board to support the Company's sound decision-making and standardized governance. The Company values diversity among its Board members in terms of age, cultural and educational background, professional experience, and skills.

Currently, the Board of Directors consists of 8 members, including 3 independent directors, who account for 37.5% of the Board. Each independent director possesses extensive professional background and work experience in various fields such as finance, financial services, and law, providing a strong foundation for the Company's decision-making.



Board Independence »»

The Company places a high value on the independence of its Board of Directors, viewing it as a crucial foundation for ensuring standardized corporate governance and enhancing the quality of decision-making. In accordance with relevant laws and regulations, the Company has formulated and implemented the Working System for Independent Directors, which clearly defines the qualifications, nomination procedures, duties, and safeguards for independent directors, ensuring they can perform their duties independently and impartially. Independent directors play a role in decision-making, providing oversight and checks and balances, and offering professional counsel. They focus on important matters involving the interests of the Company and its shareholders, proactively safeguarding the overall interests of the Company and the legitimate rights and interests of minority shareholders. This provides strong support for enhancing the Board's governance level and decision-making quality.

Evaluation of Board Effectiveness »»

The Company regulates the operation of the Board in accordance with the Articles of Association and the Rules of Procedure for the Board of Directors. These rules clearly stipulate matters such as the convening and procedures of Board meetings, the setting of agenda items, voting methods, and the recording of minutes. A Board meeting requires the attendance of more than half of all directors to be held. Directors are expected to express their opinions independently and prudently after thoroughly reviewing the meeting materials and to participate in voting in accordance with the law. Matters for deliberation by the Board require the approval of more than half of all directors to form a resolution. The implementation of these decisions is ensured through standardized meeting minutes and resolution execution mechanisms, which guarantees the standardized operation and effective decision-making of the Board at an institutional level.

Director and Executive Compensation

In accordance with relevant laws and regulations and the Articles of Association, the Company has formulated and implemented the Management Measures for the Remuneration and Appraisal of Non-Independent Directors and Senior Management. This establishes a standardized remuneration and appraisal system for directors and senior management, creating an incentive and restraint mechanism that aligns with the Company's governance structure. The Board has a Remuneration and Appraisal Committee, which is responsible for researching and formulating compensation plans and appraisal standards for directors and senior management, as well as supervising and evaluating their performance.

During the reporting period, the Company disclosed the 2025 compensation plan for directors and senior management and completed the relevant review procedures in accordance with the law. Non-independent directors and senior management are on an annual salary system, with compensation composed of a base salary, an annual bonus, and special awards. Independent directors receive a fixed stipend. By refining the mechanism that links compensation to performance, we continuously strengthen a management system that balances incentives with accountability. This promotes diligent performance by the management team and drives the Company's long-term, stable development.

Investor Relations Management and Shareholder Rights

The Company places great importance on investor relations management. We have formulated and implemented the Investor Relations Management System and the Information Disclosure System to regulate our information disclosure and investor communication mechanisms, ensuring that relevant information is disclosed in a true, accurate, complete, timely, and fair manner. The Company legally protects the legitimate rights and interests of investors, continuously enhances the transparency of its information disclosure, and promotes a full understanding and fair valuation of the Company's investment value by the capital market.

Information Disclosure

The Company places a high value on its information disclosure work. In accordance with laws and regulations such as the Company Law, the Securities Law, and the Administrative Measures for the Information Disclosure of Listed Companies, we have formulated and implemented the Information Disclosure Management System to regulate our information disclosure management processes. The Company strictly adheres to the principles of truthfulness, accuracy, completeness, timeliness, and fairness in its information disclosure, disclosing periodic reports and ad hoc announcements in accordance with the law to ensure all investors have equal access to information. The Board of Directors bears overall responsibility for the Company's information disclosure. The Board Secretary is responsible for organizing the implementation and coordinating with the Securities and Investment Department to carry out specific information disclosure affairs. At the same time, the Company continuously monitors media reports and market information, strengthens the management and confidentiality of inside information, prevents the risk of insider trading, and constantly enhances the transparency of its information disclosure and the standard of its operational compliance.

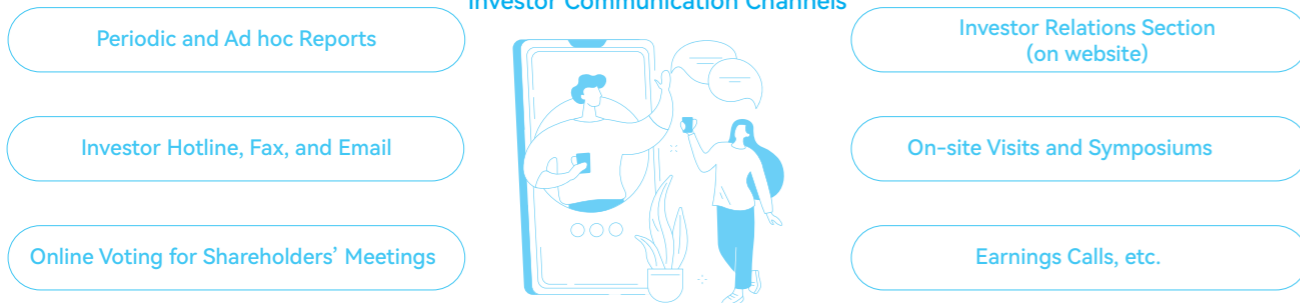
Capital Market Communication and Reputation Management

To strengthen our communication and reputation management within the capital market, the Company has established standardized investor relations management and information communication mechanisms in accordance with the Investor Relations Management System. The Company continuously monitors media reports and market information and maintains communication with investors through various channels, including the stock exchange’s interactive platform, the company website, the investor hotline, and earnings calls, while fulfilling its information disclosure obligations in accordance with the law. For matters that may attract market attention or trigger disclosure obligations, the Company promptly investigates and responds in accordance with the law. The Company’s Securities and Investment Department is responsible for the specific implementation of investor relations management. The Board Secretary, as the person in charge, coordinates all related work to ensure that information disclosure is true, accurate, complete, and fair, continuously enhancing capital market transparency and the Company’s reputation management.

Investor Relations Management

The Company is continuously improving its investor relations management. Through various communication channels such as periodic information disclosures, an investor hotline, a dedicated investor relations section on our website, on-site visits, and tours, we strengthen interaction and engagement with investors, ensuring the timeliness, accuracy, and completeness of information delivery. The Company attaches great importance to protecting the legitimate rights and interests of its minority shareholders. We safeguard investors’ rights to be informed, to participate, and to vote, and continuously improve information transparency and communication efficiency. We are committed to building long-term, stable, and mutually-trusting investor relationships to promote a fair reflection of the Company’s value.

Investor Communication Channels



Key Performance



During the reporting period, the Company disclosed **4** periodic reports and **121** ad hoc reports. We hosted over **218** on-site investor visits. We responded to **77** questions on the SZSE Interactive Platform, held **3** open investor communication meetings, and answered over **211** investor calls.

Case Study Holding Earnings Calls

To further strengthen communication and engagement with investors, the Company has continuously enhanced its investor relations management. On May 26, 2025, we held the 2024 Annual and Q1 2025 Results Briefing. On September 18, 2025, we held the 2025 Interim Results Briefing. On December 16, 2025, we held the Q3 2025 Results Briefing. During these events, the Company addressed numerous questions of concern to investors, providing clarifications for shareholders and promoting their understanding of and confidence in the Company.



Shareholder Return

The Company has formulated a shareholder dividend return plan and profit distribution plans. We distribute cash dividends to reward our investors, which enhances their confidence and loyalty and promotes the Company’s long-term development.

Cash Dividend Information	Unit	2023	2024	2025
Cash Dividend per Share (tax inclusive)	RMB/Share	2.10	3.80	3.01
Total Cash Dividends Paid (tax inclusive)	RMB (10,000s)	90,316.98	245,383.22	274,049.84

Compliant Operations and Risk Management

Compliant Operations

Deye has always adhered to the philosophy that “Compliance Creates Value.” We are committed to building a comprehensive, multi-level compliance system. Through institutional development, effective implementation of measures, cultural cultivation, and reinforcement in specialized areas, we ensure that all our business activities operate soundly within the framework of laws, regulations, and business ethics.

Compliance Management System »»

The company has established a compliance management structure with clear roles and responsibilities and has formulated a system of policies for key areas such as contract management, data privacy, advertising, and trade secret protection. By clarifying the compliance duties of functional departments—including the Finance Department, Quality Management Department, Marketing Risk Control Department, and Audit and Risk Control Department—we embed compliance requirements into the entire contract lifecycle and all business segments. This ensures that all business activities are well-documented and evidence-based, comprehensively strengthening the foundation of our compliant operations.

Compliance Management Measures »»

The Company proactively identifies and manages compliance risks through systematic risk assessments. We continuously strengthen our compliance management foundation by implementing measures such as improving internal access controls and monitoring mechanisms, launching a digital document management process, standardizing the use of licensed software, and enhancing the review of marketing and promotional content. By integrating compliance into our daily operations, we ensure the stable and healthy development of our business.

Building a Compliance Culture »»

The Company places a high priority on enhancing compliance awareness among all employees. During the reporting period, we organized multiple professional compliance training sessions.

Case Study Specialized Training on “Trade Secrets”

On March 14, 2025, the Company invited the Beilun Public Security Bureau to conduct a specialized training session on “Trade Secrets” for our employees. The training targeted key departments, including R&D, marketing, and legal, effectively enhancing employees’ understanding of the scope of trade secrets, confidentiality measures, and legal liabilities. This has significantly strengthened the Company’s information security defenses.



Photo from Deye Site



Photo from DEYE ESS Site



Photo from Cuiji Technology Site

Key Performance



During the reporting period, the Company conducted **8** legal training sessions, **4** internal risk training sessions, and **4** anti-bribery and anti-corruption training sessions. A total of **600** employees participated in legal training, **148** in internal risk training, and **148** in anti-bribery and anti-corruption training, with a total training duration of **100** hours.

Import and Export Compliance Management »»

To address the increasingly complex international trade control requirements, the Company has formulated the Compliance Review System for Prohibited Products. This system clarifies the responsibilities of the procurement, sales, customs, legal, and internal audit departments in import and export business. We have established a full-cycle review mechanism covering pre-transaction, in-transaction, and post-transaction stages, which includes supplier/customer screening, con-

tract term review, goods-inward inspection, and customs declaration review. We strictly adhere to national regulations, such as the Control List of Administrative Measures for Administration on Import & Export Licensing of Dual-use Items and Technologies, to ensure our import and export products do not fall into prohibited categories, effectively mitigating compliance risks related to national security, public health, and the ecological environment.

Risk Management

Deye has established a systematic risk management framework. Through clearly defined Three Lines of Defense and a regular risk assessment and monitoring mechanism, we effectively identify, evaluate, and respond to various operational risks.

Risk Management System »»

The Company has established a systematic, multi-layered risk management framework. In accordance with the Articles of Association and the Internal Audit Work System, the Company has an Internal Audit Department that reports to the Board’s Audit Committee and conducts audit and supervision activities independently. At the operational level, the Company has built a risk management responsibility system centered on the “Three Lines of Defense” (with business unit leaders as the First Line of Defense, internal process controls as the Second Line of Defense, and independent internal audit as the Third Line of Defense). This ensures that risk control requirements are integrated into all business processes.

Risk Control Management »»

During the reporting period, the Audit and Risk Control Department led a comprehensive risk assessment covering all business segments. Through extensive research across the Inverter Business Division, the Energy Storage Business Division, and the Home Appliance Platform, we identified 126, 56, and 44 risk items, respectively. From these, we distilled the core and high-risk items that could impact our strategic objectives. Based on the assessment results, targeted improvement recommendations were proposed, such as “establishing a country-specific compliance guidance checklist,” “implementing a digital document management system,” and “establishing a compliance monitoring system for mass-produced products.” We ensure that these risk mitigation measures are assigned to specific departments for implementation. The execution of these measures is integrated into our annual work plans and dynamic monitoring mechanisms to ensure that risk control work is effectively carried out.

Risk Management Training »»

To embed the concept of risk management into our business practices, the Company continuously conducts relevant training.



Case Study Specialized Training on Integrity and Risk Management

In 2025, the Company organized specialized training on integrity and risk management in batches for personnel in high-risk positions, such as sales and procurement. The training focused on two key areas: first, interpreting regulations on integrity and providing warnings through typical case studies to clarify codes of conduct and disciplinary red lines; and second, systematically explaining the risk management framework and the practical methods for identifying and controlling common business risks. This training effectively enhanced the risk prevention awareness and compliance capabilities of personnel in key positions, further reinforcing employees' ideological commitment to discipline and law. It has laid a solid foundation for the Company's continuous efforts to build a strong compliance culture.



Photo from the training session on May 24



Photo from the training session on August 6



Photo from the training session on September 22



Photo from the training session on November 15

◎ Tax Management

The Company strictly complies with all tax laws and regulations in the jurisdictions where it operates and is committed to lawful and compliant tax planning and filing. In accordance with the Articles of Association, the Company has formulated a rigorous financial accounting system to standardize its tax management procedures. To navigate the complex tax environments arising from our global operations, the Company conducts an annual financial risk assessment for each business entity and engages professional tax firms to perform tax risk evaluations, ensuring the accuracy and compliance of our tax handling. In response to international tax reform trends, such as the implementation of the "Two-Pillar" global tax agreement, the Company continuously monitors policy changes and proactively assesses their potential impact on our tax burden to safeguard the Company's overall interests.

◎ Related-Party Transactions

The Company strictly adheres to all applicable laws, regulations, and regulatory requirements, including the *Company Law*, the *Securities Law*, the *Code of Corporate Governance for Listed Companies*, and the Stock Listing Rules of the Shanghai Stock Exchange. We have formulated the Management System for Related-Party Transactions, which clearly defines the criteria for identifying related parties, the pricing principles for related-party transactions, and the corresponding approval procedures and disclosure requirements. The Company implements classified management for related-party transactions. Depending on the type and monetary value of the transaction, it is subject to the approval of either the Board of Directors or the shareholders' meeting. Related directors and related shareholders strictly adhere to the recusal mechanism by abstaining from voting on such matters.

Business Ethics

Deye has always adhered to the management principle of "clear rules, strict enforcement, and accountability for all violations." We have built a business ethics governance system that covers all business processes to ensure the Company operates in a legally compliant, honest, and efficient manner.

◎ Anti-Bribery and Anti-Corruption

The Company has established a robust governance mechanism for anti-bribery and anti-corruption. We have formed a comprehensive anti-corruption management system that covers all employees and processes, built upon six key dimensions: institutional framework, risk management, audit and supervision, education and training, oversight and inspection, and whistleblower protection.

Integrity Management System »»

The Company has designated the Audit and Risk Control Department as the core functional department for integrity management. It is responsible for supervising the professional conduct of leaders in all company departments and affiliated units to ensure they exercise their power impartially and fulfill their duties diligently. At the same time, the Company has formulated and implemented the Supervision and Inspection Management System, which explicitly prohibits actions such as accepting gifts, embezzlement of company assets, and misappropriation of funds. We also require employees to sign confidentiality agreements, strengthening institutional constraints.



Anti-corruption Risk Management »»

The Audit and Risk Control Department conducts in-process supervision and post-event audits in high-risk areas such as bulk material procurement, engineering projects, bidding and tendering, and external investments. It periodically carries out routine or special inspections to identify and assess integrity risks. The Company maintains a risk register, identifies key processes and positions, and formulates response measures for identified risks. These measures include suspending the duties of individuals involved, sealing relevant case materials, and suspending business and payments with implicated partners to ensure risks are controlled.

Anti-corruption Audits »»

In accordance with company policy, the Audit and Risk Control Department regularly conducts special audits and routine supervision. This includes key activities such as bulk material procurement, engineering and project construction, asset disposal, external investments, and bidding and tendering activities within affiliated units. For any management issues discovered during audits, supervisory recommendations are issued, and remediation is required within a specified time-frame, creating a closed-loop management process. The Audit and Risk Control Department pursues accountability for violations, implementing administrative and financial penalties to ensure that policies are fully enforced.

Anti-corruption Education »»

To strengthen employees' integrity awareness, the Company regularly conducts compliance and integrity training to fortify their ideological defense against corruption.

Case Study Specialized Integrity Training

In 2025, the Company conducted specialized training for new employees from the spring and fall hiring seasons with the theme "Integrity and Self-Discipline." The training covered basic concepts of corruption and the importance of building a culture of integrity. Through case studies and policy education, the training enhanced the integrity awareness of new employees and their commitment to adhering to rules and discipline, effectively combining cautionary education with cultural development.



Photo from the training session

Anti-corruption Risk Control »»

The Company strengthens integrity risk control in key areas and positions through a combination of routine supervision and special inspections. In accordance with the Supervision and Inspection Management System, the Audit and Risk Control Department conducts in-process supervision and post-event audits of business activities such as bulk material procurement, engineering project construction, and bidding and tendering. It also conducts regular supervision and audits of various information systems, server permissions, data security, system logs, and user behavior to prevent data leakage and professional misconduct. At the same time, the Company focuses on personnel management. We require new employees to sign confidentiality agreements that clearly define their obligations. We also conduct departure audits for employees leaving core sensitive positions to assess the risk of information leakage. Through these measures, we have built a multi-dimensional integrity supervision system covering business, technology, and personnel.

Reporting and Whistleblower Protection »»

The Company has established the Employee Professional Red Lines Management Guidelines and a multi-channel reporting mechanism. We have set up reporting channels including a telephone hotline, an email address, our official WeChat account, and employee suggestion boxes to encourage employees and the public to report violations, either by name or anonymously. The Company strictly protects the confidentiality of whistleblowers' information, and retaliation is strictly prohibited. At the same time, any instances of malicious reporting or extortion will be dealt with severely. Cases constituting a crime are transferred to judicial authorities in accordance with the law. Disciplinary measures include administrative action, financial penalties, and legal accountability.

Anti-Unfair Competition

The Company adheres to legal and compliant operations and has established a sound antitrust compliance governance system. It has set up an Antitrust Compliance Committee and clearly defined the responsibilities of each department to ensure that antitrust requirements are integrated throughout the entire process of decision-making, execution, and supervision. The Company has formulated and implemented the Antitrust Compliance Management System, which explicitly prohibits horizontal monopoly agreements, vertical monopoly agreements, the abuse of a dominant market position, and any concentration of undertakings that has not been declared in accordance with the law. It also strictly controls activities such as the exchange of competitively sensitive information and participation in industry association activities.

The Company places great importance on building a culture of fair competition and compliance. The Antitrust Compliance Committee regularly organizes antitrust compliance training and awareness activities, prepares training materials, and promotes the integration of antitrust compliance requirements into the job responsibilities of all business and functional departments. Through continuous compliance education, the Company is committed to enhancing employees' understanding of the basic principles of antitrust law, the management of competitively sensitive information, and the standards for cooperation with distributors. This helps prevent monopolistic agreements and acts of unfair competition, ensuring that the Company's business activities always adhere to fair and legal market principles.

During the reporting period, the Company was not involved in any litigation or subject to any major administrative penalties arising from acts of unfair competition, nor were there any incidents involving illegal or non-compliant activities such as monopoly agreements or abuse of a dominant market position.





Embracing Green: Our Ecological Responsibility

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Responded SDGs



Climate Change Response

Governance

The Company's Strategy and Sustainability Committee and its subordinate ESG Working Group coordinate the Company's climate change response efforts. Working in coordination with the Safety and Environmental Management Department, they periodically identify and assess climate-related risks and opportunities facing the Company in its operations, oversee company-wide carbon emissions, and are progressively integrating climate change response into the Company's strategic planning.

Strategy

Risk Type	Description of Risk	Financial Impact	Time Horizon	Magnitude of Impact	Likelihood	Response Measures
Policy and Legal Risk	Against the backdrop of global carbon neutrality, overseas markets are introducing carbon tariffs. If these tariffs cover the Company's products, it could increase export costs and compliance pressure.	Carbon tariffs could increase operating costs and require the Company to bear a portion of the carbon tax, impacting net profit.	Medium-to Long-term	Medium	Medium	<ul style="list-style-type: none"> Consider conducting carbon footprint verification for relevant products and strengthen the management of product carbon emission information. Enhance training on laws, regulations and compliance, and closely monitor policy developments.
Market Change Risk	Downstream customers and end markets may demand products with lower carbon and emission profiles. Failure to meet these expectations in a timely manner could affect product competitiveness.	Increased R&D expenditure on low-carbon technologies could impact the Company's net profit.	Short- to Medium-term	High	Low	<ul style="list-style-type: none"> Consider optimizing the product structure to reduce carbon emissions, aiming to progressively meet relevant market expectations and thereby mitigate potential business impacts.
Physical Risk - Acute	Our core production bases are primarily located in Ningbo, Zhejiang (a coastal region). Extreme weather events such as heavy rainfall, typhoons, and heatwaves could disrupt production or the supply chain, affecting normal operations.	Supply chain disruptions could increase procurement costs. Business interruptions and facility repair costs could impact the Company's net profit.	Short- to Medium-term	Medium	Medium	<ul style="list-style-type: none"> Enhance monitoring of climate change trends and weather forecasts; Conduct environmental risk assessments; Formulate emergency response plans for environmental incidents; Raise employee awareness of prevention measures.

Risk Type	Description of Risk	Financial Impact	Time Horizon	Magnitude of Impact	Likelihood	Response Measures
Physical Risk - Chronic	Rising temperatures and changes in rainfall patterns may affect our operational activities, for example, by increasing the demand for electricity and cooling to maintain suitable temperatures.	Increased electricity consumption will directly raise manufacturing and administrative expenses, increasing the Company's operating costs.	Medium-to Long-term	Medium	Medium	<ul style="list-style-type: none"> Consider progressively optimizing the energy structure to alleviate cost pressures from growing energy demand.

Opportunity Type	Description of Opportunity	Financial Impact	Time Horizon	Magnitude of Impact	Likelihood	Response Measures
Products and Services	The energy transition driven by climate change response presents long-term development opportunities for our photovoltaic (PV) and energy storage businesses, expanding our market space.	Increases market share and sales revenue, enhances profitability, and strengthens brand loyalty.	Medium-to Long-term	High	High	<ul style="list-style-type: none"> Conduct regular market research to ensure product development accurately matches consumer demand. Seize opportunities in new energy products, actively expand business, and develop relevant products.

Notes: We define the time horizons—short-term, medium-term, and long-term—as 1-3 years, 3-5 years, and over 5 years, respectively. We define the magnitude of impact—high, medium, and low—as having a severe, moderate, or minor impact on the Company's production and operations, respectively. We define likelihood—high, medium, and low—as highly likely, likely, or unlikely to occur, respectively. The same definitions apply throughout this report.

Impact, Risk, and Opportunity Management

The Company manages the risks, opportunities, and corresponding impacts arising from climate change through a three-step process: identification, assessment, and response.



We identify the physical risks, transition risks, and opportunities facing the Company by referencing the recommended disclosure framework of the Task Force on Climate-related Financial Disclosures (TCFD). Based on our specific circumstances and with reference to national laws, regulations, policy requirements, and domestic and international sustainability trends, we define and describe the risks and opportunities that climate change presents to the Company.

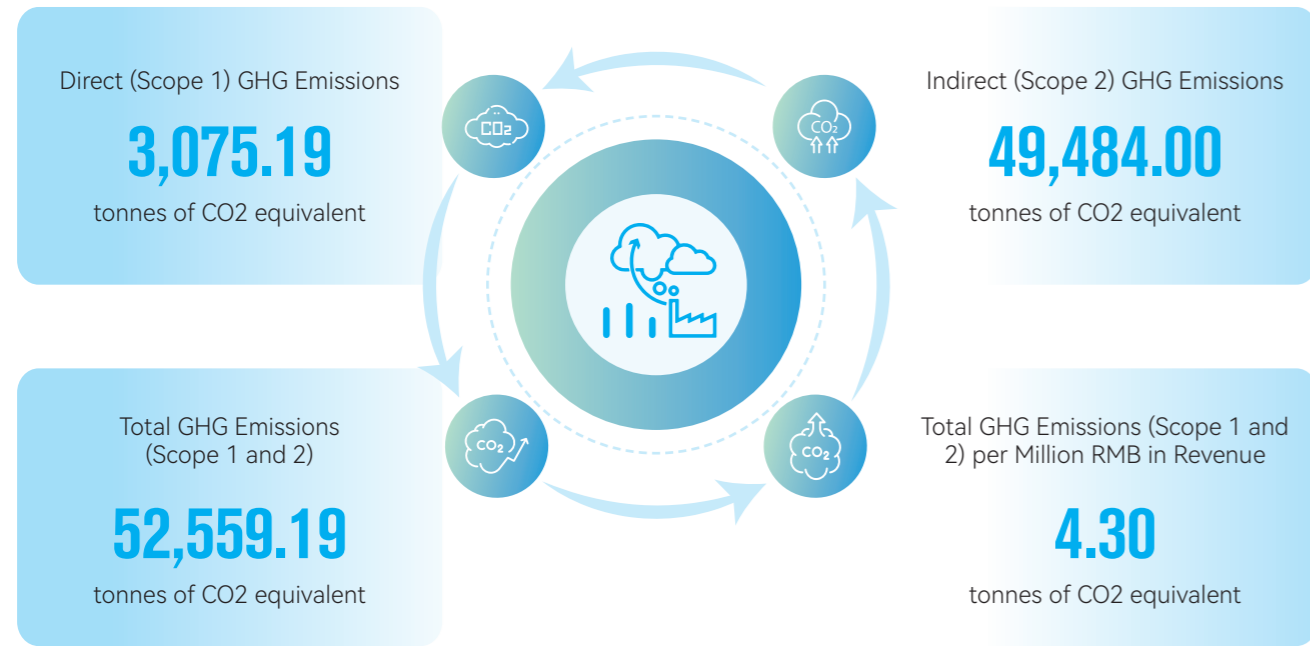


We evaluate each identified risk or opportunity to determine its primary climate-related drivers, its potential primary financial impacts, and its time horizon.



We formulate response measures to ensure the Company has sufficient capabilities and resources to address climate change risks and seize climate change opportunities.

Indicators and Targets



Notes: The carbon emissions data covers only Deye and its subsidiaries: DEYE INVERTER, DEYE ESS, Zhejiang Deye Environmental Appliances, and Ningbo Deye Environmental Appliances. Greenhouse gas emissions from natural gas and electricity consumption were calculated in accordance with the GHG Protocol Tool for Energy Consumption in China (Chinese) published by the Greenhouse Gas Protocol. GHG emissions from gasoline and diesel consumption are not included due to their negligible contribution.

Environmental Compliance Management

Deye adheres to an environmental management philosophy of “prioritizing protection, focusing on prevention, applying comprehensive governance, encouraging public participation, and ensuring accountability for damages.” Our environmental management policy is guided by “legal compliance as the foundation, ecological protection as the goal, and sustainable development as the fundamental principle.” We strictly comply with national and local laws and regulations concerning the ecological environment, continuously strengthen full-process environmental control and risk prevention, earnestly fulfill our environmental management responsibilities, and ensure our production and operations proceed in a green and orderly manner.

Environmental Management System

The Company has formulated a series of standard documents, including the Environmental Protection Management System, the Environmental Protection Statistics Management System, the Environmental Protection Records Management System, and the Environmental Facility Operation Management System, creating a comprehensive policy framework that covers the entire environmental management process. We strictly implement an environmental protection target responsibility system, cascading environmental indicators down to departments and individual positions to ensure that work is well-documented and responsibilities are clearly defined. The Company has established a structure where the Safety and Environmental Management Department leads the formulation of corporate environmental plans and targets, supervises the implementation of environmental work across the company, and coordinates the supervision and management of all environmental affairs. This department also ensures the statistical collection, filing, and safekeeping of environmental data and records, guaranteeing that environmental information is authentic, reliable, and traceable. These efforts drive the standardized and regulated implementation of the Company’s environmental management work.

During the reporting period, Deye and its subsidiaries—Zhejiang Deye Environmental Appliances, DEYE INVERTER, and DEYE ESS—all held ISO 14001 Environmental Management System certification. Furthermore, in 2023, the Company was honored with the “National Green Factory” title, which fully reflects our professional capabilities and industry-leading position in environmental management.



National Green Factory



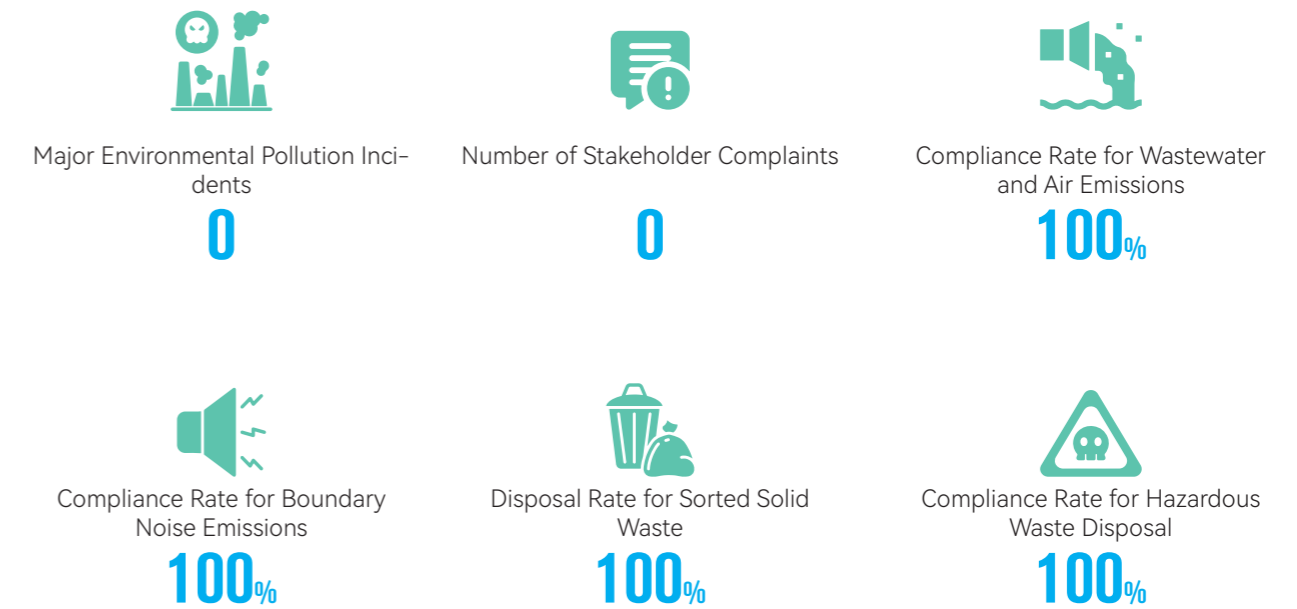
Indicators and Targets

Indicator	Unit	2025
Total Environmental Protection Investment	RMB (10,000s)	30.70
Number of Environmental Training Sessions	Sessions	12
Number of Participants in Environmental Training	Person-times	209
Total Hours of Environmental Training	Hours	26
Hazardous Waste Disposed	Tonnes	48.56
Hazardous Waste Disposal Intensity	Tonnes/million RMB in revenue	0.0040
Non-hazardous Waste Disposed	Tonnes	996.57
Non-hazardous Waste Disposal Intensity	Tonnes/million RMB in revenue	0.0815
Air Emissions	Tonnes	19.84
Air Emissions Intensity	Tonnes/million RMB in revenue	0.0016
Wastewater Discharge	Thousand tonnes	164.70
Wastewater Discharge Intensity	Thousand tonnes/million RMB in revenue	0.0135

Notes: Data for air emissions, wastewater, and waste covers Deye and its subsidiaries DEYE INVERTER, DEYE ESS, Zhejiang Deye Environmental Appliances, and Ningbo Deye Environmental Appliances.

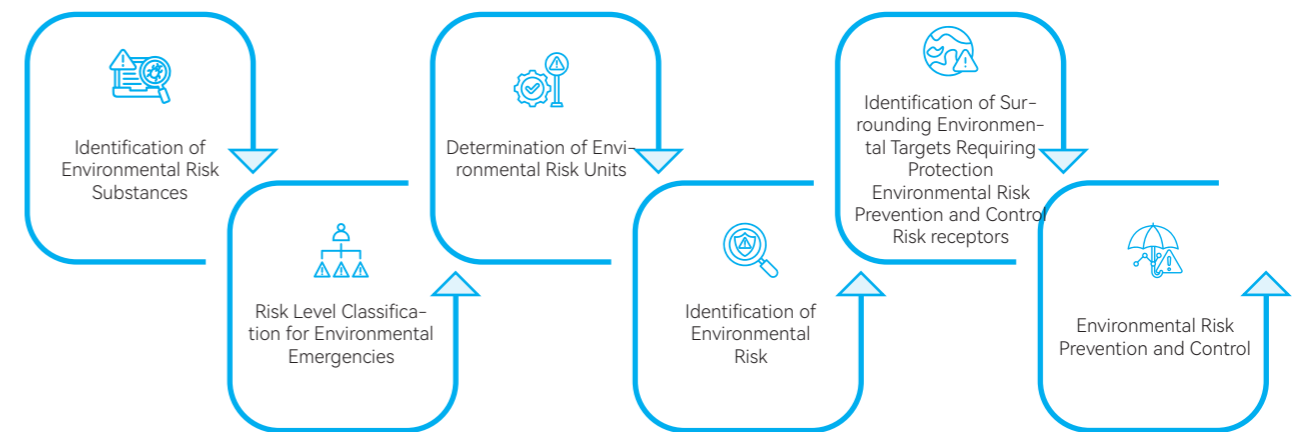
Focusing on core environmental management requirements, the Company sets clear annual environmental targets. We concentrate on key areas such as pollution prevention and control, compliant emissions, and waste management to drive continuous improvement in our environmental performance. During the reporting period, all of the Company's environmental targets were met.

Environmental Targets »



Environmental Risk Management

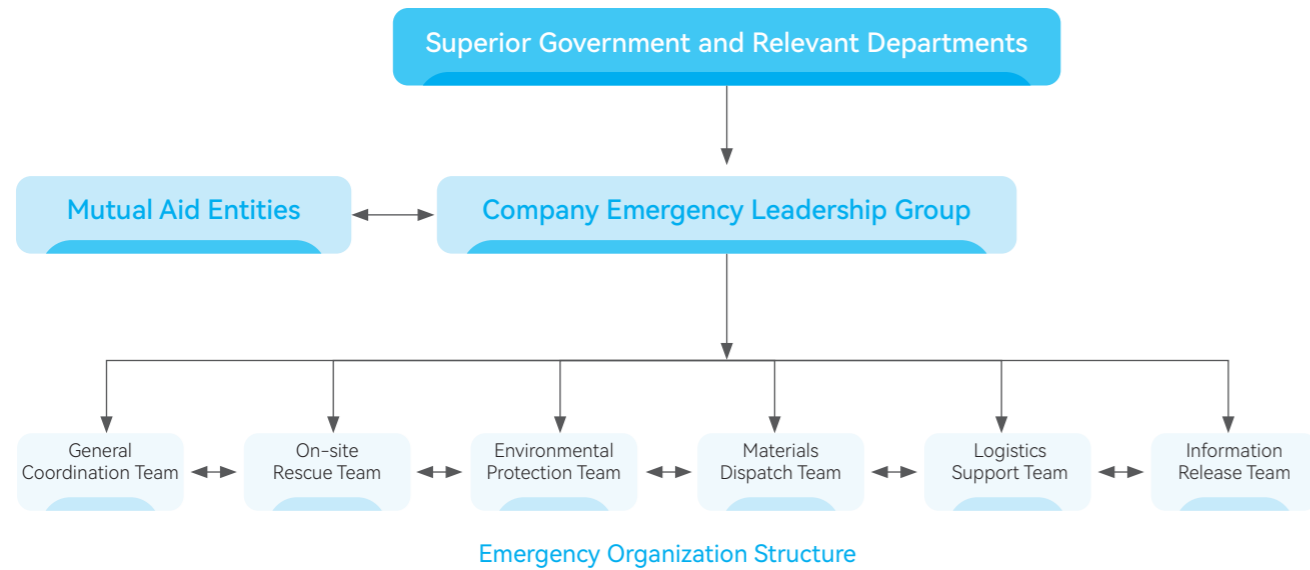
In accordance with the Method for Grading Risks of Corporate Environmental Emergencies, the Company has established a systematic environmental risk identification process. This process covers the identification of environmental risk substances, risk level classification, determination of risk units, and comprehensive assessment, allowing us to fully identify environmental impact factors in our production and operations. Based on our assessment, the Company's environmental event risk level is classified as "General Environmental Risk," and we have identified the surrounding sensitive environmental targets that require protection.



Environmental Risk Identification Process

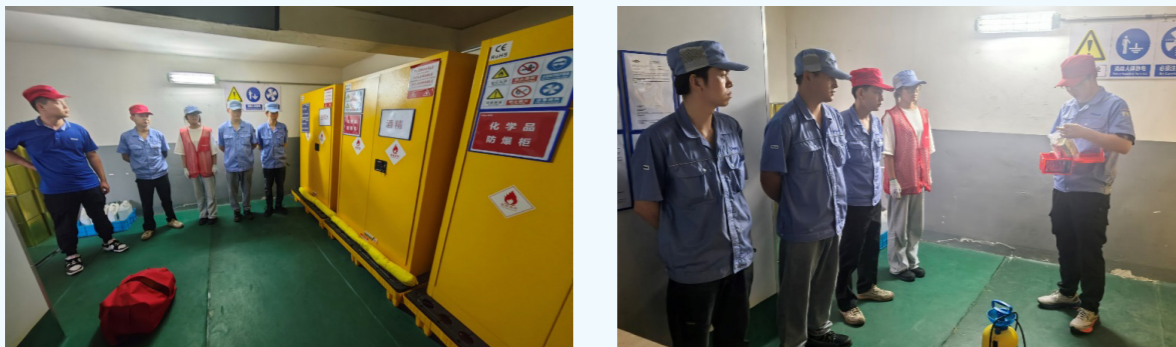
Emergency Plan and Drills »»

The Company has formulated the Emergency Plan for Environmental Incidents, establishing a full-process environmental emergency plan system that covers risk warning, emergency response, emergency handling, and post-event recovery. This includes a tiered response mechanism for on-site and off-site incidents. At the same time, we have established a professional emergency organizational structure, equipped with emergency supplies for firefighting, personal protection, and leak containment, and have signed mutual aid agreements with external entities to solidify our emergency response foundation. Furthermore, the Company regularly conducts emergency training and practical drills for all employees, focusing on optimizing response procedures for typical scenarios such as chemical leaks and fires, thereby continuously enhancing our ability to respond quickly and scientifically to environmental emergencies.



Case Study Chemical Leak Emergency Drill

On June 30, 2025, the Company organized a chemical leak emergency response and evacuation drill with relevant management and personnel participating. The drill simulated a scenario where a 25kg drum of alcohol was damaged, causing a chemical leak. The exercise followed a clear sequence: briefing on the procedure, demonstrating the use of protective and response equipment, activating the alarm, and then proceeding in groups to contain the leak area with dikes, adsorb and collect the spilled material, and safely evacuate personnel. Key points regarding drill operations, personal protection, and leak control were also emphasized.



On-site during the drill

Hazard Identification and Monitoring »»

During daily operations, the Company conducts routine supervision and inspections for environmental hazards in all production workshops, establishing a “inspection-registration-rectification-review” closed-loop management mechanism. During the reporting period, DEYE ESS coordinated and conducted 12 special environmental inspections, 1 comprehensive environmental monitoring session, and 36 environmental hazard inspections, achieving full coverage of key environmental work areas such as production zones, environmental protection facilities, and discharge points. Environmental monitoring covers all aspects, including wastewater, air emissions, noise, and solid waste. All monitored indicators met national and local emission standards. In 2025, 4 general-level environmental hazards were identified, with no major environmental problems or violations. For the identified hazards, DEYE ESS established a rectification ledger and implemented closed-loop management. All issues have been 100% rectified. At the same time, we have refined our environmental operating procedures and record-keeping systems based on common issues to prevent similar hazards from recurring at the source.



Crack in flexible pipe connection



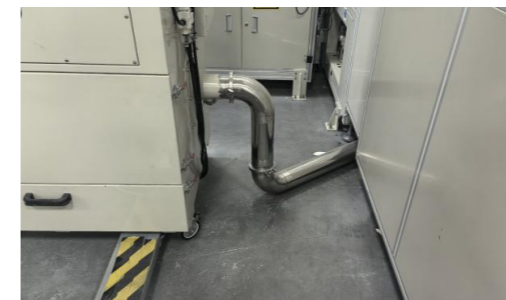
Deformed pipe in an environmental facility



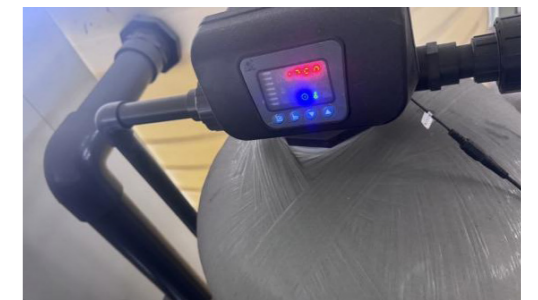
Abnormal operation of wastewater treatment sand filter



After pipe repair



After replacement of the facility pipe



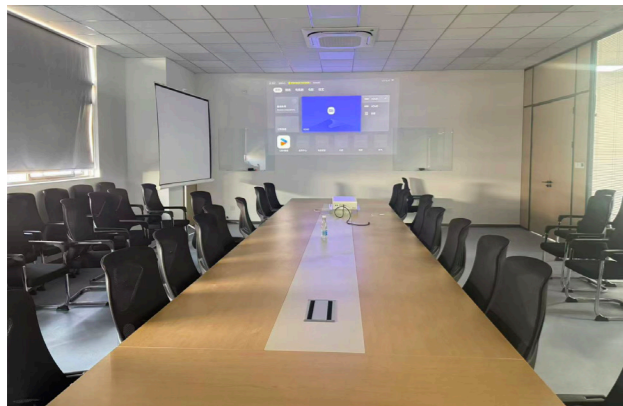
After restoration of normal operation of the sand filter

Environmental Training

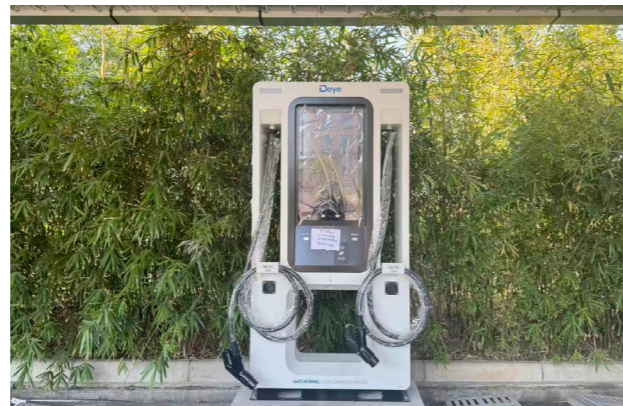
The Company views environmental training as an important tool for enhancing employees' environmental awareness and implementing the requirements of our management system. In the process of building and improving our environmental management system, we continuously conduct environmental protection education for all employees, constantly reinforcing their sense of environmental responsibility. This serves as a critical cornerstone for the strict implementation of all environmental management system requirements, ensuring the system's continued stable and efficient operation.

Green Office

The Company is committed to the philosophy of a green office, building a resource-conscious office ecosystem through digitalization, energy conservation, and recycling. In terms of Paperless Upgrades, we mandate the circulation of internal documents through our office automation (OA) system and utilize digital displays for meetings in place of paper materials. By tracking monthly printing volumes and setting reduction targets, we continuously reduce paper consumption. In terms of Energy Saving and Consumption Reduction, our office areas are equipped with motion-sensor lights and smart sockets. We have established a reminder system for pre-shutdown equipment checks and strictly enforce air conditioning temperature standards, setting them at no lower than 26°C in summer and no higher than 20°C in winter to minimize energy waste through meticulous attention to detail. In terms of Resource Recycling and Green Commuting, we promote a "trade-in" program for office supplies and prioritize the procurement of eco-friendly materials such as recycled paper and biodegradable stationery. Additionally, we provide free EV charging stations for employees to actively encourage green and low-carbon commuting, thereby building a comprehensive, eco-friendly, and resource-efficient office environment.



Paperless Office



Free EV Charging Stations

Waste Gas Management

In our daily production and operations, waste gas is primarily generated from key processes such as reflow soldering, wave soldering, spray coating lines, and laser cutting in the workshop. The main pollutants include particulate matter, non-methane hydrocarbons (NMHC), and sulfur dioxide (SO₂). To address different types of waste gas, the Company has installed corresponding treatment facilities, including activated carbon adsorption, water spray scrubbing, and catalytic combustion systems. These systems provide specialized treatment, and the entire process complies with all relevant environmental laws, regulations, and emission standards. To ensure compliance, the Company regularly commissions qualified third-party organizations to conduct waste gas monitoring. This strengthens the end-to-end management of emissions, ensuring that all discharge indicators consistently meet required standards.

Wastewater Management

Wastewater generated from the Company's daily operations mainly consists of domestic sewage and industrial wastewater from processes like coating lines and wet polishing spray towers. The primary pollutants include suspended solids (SS), ammonia nitrogen (NH₃-N), and nitrogen oxides (NO_x). For all types of wastewater, the Company adopts a two-stage treatment model: on-site pre-treatment + deep treatment at the industrial park's wastewater treatment plant. Industrial wastewater undergoes pre-treatment to meet requisite standards before being discharged into the industrial park's sewage system. To guarantee the effectiveness of our treatment, we regularly commission qualified third-party organizations to test wastewater quality. This ensures that all discharges comply with national and local standards, continuously strengthening our framework for compliant wastewater discharge.

Solid Waste Management

The Company has established a comprehensive Waste Management System, which clearly defines the roles and responsibilities of each department. The Safety and Environmental Management Department oversees the entire process; the Security Department manages the outsourced disposal of general waste and the administration of storage areas; the Finance Department leads the compliant outsourcing process for hazardous waste; and waste-generating departments are responsible for the sorted collection and standardized storage of all waste. Through standardized management of the entire process—from sorted collection and designated storage to compliant disposal—we effectively prevent environmental pollution from waste, ensuring full compliance with national environmental laws and regulations. Furthermore, we implement differentiated disposal strategies for different types of waste. Hazardous waste is handled in strict accordance with compliant disposal procedures, while for non-hazardous waste, priority is given to resource recovery and recycling. This dual approach achieves both standardized and volume-reduced waste management.

Waste Category	Type of Waste	Disposal Method
Hazardous Waste	Waste oil residue, waste lubricating oil, dewatered sludge, waste volatile oils, etc.	Entrusted to qualified and licensed units for disposal. Material Safety Data Sheets (MSDS) are provided, and the Hazardous Waste Transfer Manifest is retained. The disposal process is tracked as necessary.
Non-hazardous Waste	Scrap metal, waste packaging materials, etc.	After sorted collection, domestic waste is outsourced for disposal by the Security Department. Recyclable materials are either reused internally or sold to recycling companies.

◎ Ecosystem and Biodiversity Protection

Given that the core business of Deye focuses on the research, development, and manufacturing of climate control appliances, thermal management components, and new energy storage equipment, all of the Company's operational bases are located within established industrial parks and are not adjacent to ecologically sensitive areas or nature reserves. Our production and operational processes do not involve the direct extraction of natural resources, significant changes in land use, or interference with wildlife habitats. Therefore, biodiversity protection is not considered a material issue within our current environmental management system. Nevertheless, the Company strictly adheres to all national environmental protection laws and regulations, ensuring our operations have no adverse impact on the surrounding ecosystem. Concurrently, the Company plans to introduce an ecological risk assessment mechanism into its supply chain management, continuously monitoring the environmental performance of our suppliers to promote eco-friendly development collaboratively with partners up and down the value chain.



Efficient Resource Utilization

Deye places great importance on the sustainable use of resources. We are guided by an energy management philosophy that prioritizes “sustainability as its core, efficient utilization to reduce waste, innovation, employee-wide participation and education, regulatory support and compliance, and technological advancement for energy supplementation and reuse”. Our water resource management is based on the principles of “environmental protection, conservation, and sustainability”. These philosophies underpin our comprehensive, multi-level resource management and control mechanism. Through systematic initiatives such as promoting renewable energy, implementing smart management systems, executing diverse water-saving measures, and strengthening energy and water conservation awareness among all employees, the Company continuously optimizes resource allocation, enhances overall resource utilization efficiency, reduces waste, and steadily advances its green and low-carbon transition.

◎ Resource Utilization Management System

The Company has formulated policies such as the Energy Management System and the Regulations on Energy Saving and Consumption Reduction, establishing a four-level energy management system that covers the Company, business units, departments, and production workshops. An Energy Management Leading Group has been established to coordinate overall energy conservation efforts and lead the implementation of energy management policies and compliance requirements. Concurrently, each unit refines its implementation rules, promotes new energy-saving technologies, and conducts employee training on energy conservation, creating a collaborative energy management network with full employee participation. Simultaneously, we have established a scientific assessment, evaluation, and incentive mechanism for energy conservation. Through regular energy audits, real-time monitoring of energy use, and a system for data aggregation and reporting, we continuously optimize energy allocation, reduce waste, and steadily improve energy efficiency.

Furthermore, the Company has established a water resource management system centered around the Water Resource Management Policy, which covers all internal water-use activities and clearly defines water conservation responsibilities at all levels. Through initiatives like promoting water-saving technologies, optimizing water-use equipment, and strengthening awareness campaigns, we advance a more refined and standardized approach to water management. Organizationally, the Equipment Department is designated as the core responsible unit, tasked with the overall coordination of water metering, monitoring, and the maintenance of water systems. Meanwhile, all other units implement specific water management rules within their respective areas, effectively standardizing water use throughout all processes, preventing waste, and ensuring the scientific, efficient, and sustainable use of water resources.

◎ Indicators and Targets

Indicator	Unit	2025
Purchased Electricity Consumption	kWh	88,096,852
Purchased Electricity Consumption Intensity	kWh / million RMB in revenue	7,207.03
Natural Gas Consumption	m ³	1,422,249
Natural Gas Consumption Intensity	m ³ / million RMB in revenue	116.35
Water Consumption	Thousand tonnes	385.30
Water Consumption Intensity	Thousand tonnes/million RMB in revenue	0.03
Packaging Material Usage	Tonnes	11,295.43
Packaging Material Intensity	Tonnes/million RMB in revenue	0.92
Total Energy Consumption	tce	12,554.14

Notes: Data on energy consumption, water consumption, and packaging material consumption includes Deye and its subsidiaries: DEYE INVERTER, DEYE ESS, Zhejiang Deye Environmental Appliances, and Ningbo Deye Environmental Appliances.

Energy-Saving Measures

The Company implements comprehensive energy-saving and carbon-reduction transformations focused on key areas such as energy structure transformation, energy efficiency improvement, and production process optimization, all tailored to our specific production scenarios to ensure effective implementation.



Construction of the 399.26 kW PV project at the Ningbo Beilun 246 Base



Construction of the 5.88 MW PV project at the Haiyan Base



Construction of the 6 MW PV project at the Ningbo Longshan Base

Green Transformation of Energy Structure

We are comprehensively promoting the substitution with clean energy and upgrading to low-carbon equipment. Grid-connected photovoltaic (PV) power generation systems have been installed on the rooftops of all our factory buildings. The Longshan base is equipped with a PV energy storage system. The total installed capacity of the energy storage stations at our headquarters and the Longshan base is 2 MW. These systems alleviate pressure on the power grid and reduce costs through peak-valley charging and discharging. In logistics, we have replaced traditional fuel-powered forklifts with electric ones, eliminating exhaust emissions and noise pollution while also reducing maintenance costs.

Precise Improvement of Energy Efficiency

We have implemented energy-saving retrofits across all applicable scenarios. All traditional lighting has been upgraded to LED fixtures, and sectional switches have been installed for zoned management, reducing lighting energy consumption by approximately 30%. We have introduced a smart air conditioning control system that automatically adjusts its operational state based on indoor-outdoor temperature differences and personnel density, lowering air conditioning energy consumption by about 30%. Concurrently, production equipment is being upgraded to models with variable frequency (VF) or servo drives, and a smart energy management system has been implemented for dynamic control.

Energy Saving through Production Process Optimization

A heat recovery system has been installed for our aging rooms. This system expels excess heat in the summer and recovers hot air for heating in the winter; the five systems achieve an estimated energy cost saving of approximately RMB 552,000 during the winter. We use bi-directional source testing equipment to feed the energy from battery discharge back into the power grid (with a conversion efficiency of over 88%). The aging test process has been optimized to a “discharge-charge-discharge” model, reducing energy loss by 0.36 kWh per product.



The 1 MW Energy Storage Station in Cixi Longshan



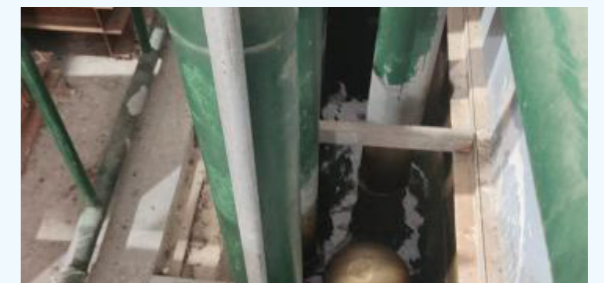
The 1 MW Energy Storage Station at the Beilun Headquarters

Water-Saving Measures

The Company has established a three-pronged water conservation system that integrates facility upgrades, water recycling, and refined management. We have implemented a series of targeted water-saving initiatives in key areas such as domestic water use, equipment cooling, and landscape irrigation. These measures effectively reduce water consumption and waste, steadily improving water resource utilization efficiency. The Company’s primary source of water is the municipal supply. Over 80% of this water is used for domestic purposes, approximately 10% for production processes, and the remainder for landscaping and other uses. Through technological retrofits, the Company has achieved the recycling and reuse of water resources. This is complemented by a refined management mechanism to prevent leaks, spills, and drips, creating an end-to-end water conservation management framework and putting the concept of sustainable water use into practice.

Case Study Retrofit for Equipment Cooling Water Recycling

To address freshwater loss in the original cooling water system, the Company has constructed a new cooling circulation system at its Longshan base and other sites, utilizing high-efficiency circulation pumps, closed-loop cooling towers, and an underground reservoir. With a storage capacity of 800 cubic meters, this system enables the complete recycling and reuse of cooling water, minimizing the consumption of fresh water.



Facilities for recycling equipment cooling water

Case Study Rainwater Harvesting and Utilization

Leveraging the abundant rainfall in the Ningbo region, the Company has built a rainwater harvesting and irrigation system using its underground stormwater drainage network. The system's reservoir has a capacity of 80 cubic meters. The collected rainwater is primarily used for non-production purposes such as landscape irrigation and ground washing, significantly reducing the demand for fresh water.



Rainwater storage reservoir

Case Study Upgrading to Water-Saving Fixtures in All Areas

The Company has fully equipped the restrooms in its office and production areas with water-saving fixtures, including low-flow faucets, sensor-activated flush toilets, and water-saving foot-pedal flushers. This reduces water waste at the point of use and enhances the efficiency of domestic water consumption.

Case Study Refined Metering and Control

The Company has installed water meters at all key water consumption points and implemented a system of designated personnel for management. Through regular meter readings and comparative data analysis, we can promptly identify abnormalities in water use and quickly address any leaks or drips, ensuring that water consumption in each branch remains at a reasonable level.

Material Utilization

The Company places a high value on the management of packaging and raw materials throughout the product lifecycle. Leveraging our automated production scheduling system, we achieve precise coordination between material supply and production pace, ensuring stable and orderly operations. To advance the low-carbon transition in our production and packaging processes, the Company focuses on key raw materials such as plastic pellets, copper pipes, and aluminum foil. Through diverse pathways—including optimizing product structural design, innovating packaging solutions, and promoting material recycling—we continuously enhance resource utilization efficiency. Our goal is to create green packaging and products that possess both environmental attributes and market competitiveness.

- 1

During the product design phase, structural optimization has led to a 5% reduction in the gram weight of individual injection-molded parts, reducing material consumption at the source.
- 2

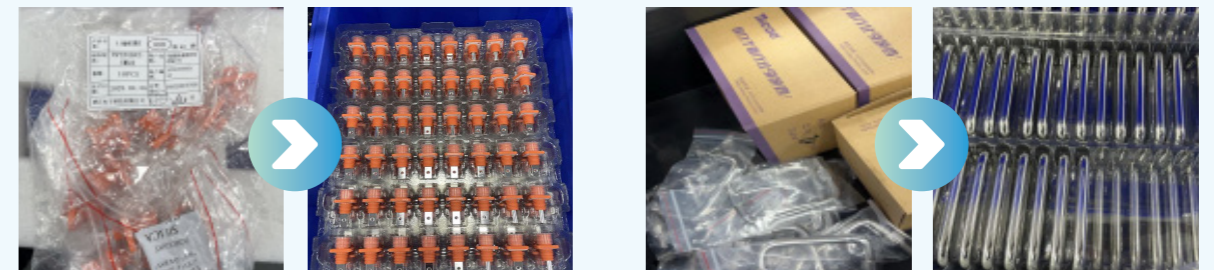
In the manufacturing process, we continuously optimize equipment and strengthen mold management to steadily improve the product yield rate, thereby reducing material waste from defective products.
- 3

A material recycling mechanism has been established. Through the collection, cleaning, and pulverization of non-conforming products, we enable the reuse of plastic pellets in secondary production, significantly increasing material recycling efficiency.
- 4

For packaging materials, we select eco-friendly Kraft linerboard that has passed RoHS standard testing. This material is made from wastepaper and wood pulp, reducing the content of hazardous substances and embodying our green material philosophy from the selection stage.

Case Study Improvement of Material Packaging Methods

The Company applies tools such as Value Stream Mapping (VSM), Standardized Work, and Value Engineering (VE) to standardize and simplify its material packaging methods. By replacing traditional cardboard boxes and foam with recyclable blister trays, we have effectively increased the recycling rate and space utilization of packaging materials, achieving both efficient material use and an upgrade to green packaging.



Blister trays replacing cardboard boxes and foam



Creating Industrial Value Through Sci-Tech Innovation

Innovation-Driven Development	63
Safeguarding Quality and Safety	71
Protection of Customer Rights and Interests	77
Data Security and Customer Privacy Protection	81
Responsible Supply Chain	86

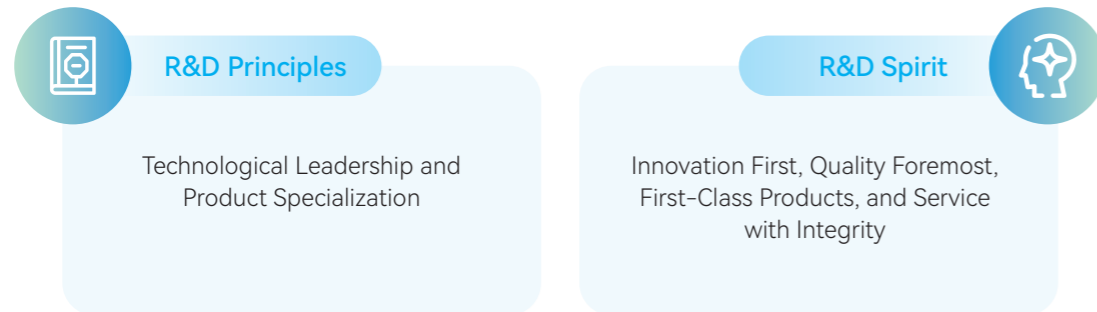
Responded SDGs



Innovation-Driven Development

Governance

Deye has established a series of management systems that cover the entire innovation process, including the Design and Development Management Procedures, R&D Project Management System, Management Measures for Innovation and Entrepreneurial Technology, Performance Appraisal and Incentive Measures for R&D Personnel, Training and Development System for Scientific and Technological Talent, Management Measures for Talent Introduction, and the System for the Organization, Implementation, and Incentivization of Commercializing R&D Achievements. These systems ensure that our R&D work is conducted in a standardized, orderly, and systematic manner. Spanning the entire R&D chain, these systems cover key stages from project initiation and R&D implementation to commercialization and innovation incentives, creating an efficient, transparent, and well-regulated innovation management system. All subsidiaries have established comprehensive R&D management structures and highly efficient operational mechanisms. By coordinating collaborative innovation among their various R&D institutions, we have cultivated outstanding capabilities in independent research, development, and technological innovation.



The Company continuously deepens its technological R&D and independent innovation, for which it has won multiple professional awards and industry honors. These achievements have effectively solidified our core technological competitiveness while actively promoting the green development and industrial transformation of our sector.



Strategy

Risk Type	Description of Risk	Financial Impact	Time Horizon	Magnitude of Impact	Likelihood	Response Measures
Technological Risk	During the development of new technologies, unforeseen technical bottlenecks may arise, potentially leading to project failure or delays.	Loss of R&D investment, project delays affecting market share and revenue, and increased operational costs.	Medium-to Long-term	High	Medium	<ul style="list-style-type: none"> Recruit high-level scientific research talent and improve the talent development system. Enhance the Company's overall R&D capabilities and innovation resilience.
Policy and Legal Risk	The Company's technological R&D, product promotion, and commercial operations must strictly comply with domestic and international laws, regulations, and policies. Dynamic updates to these regulations can pose challenges to compliant operations.	Project suspension, administrative penalties, or increased costs from legal proceedings, leading to direct financial losses and reputational damage.	Short- to Medium-term	High	Medium	<ul style="list-style-type: none"> Enhance training on laws, regulations and compliance, and closely monitor policy developments. Enhance the Company's compliance management capabilities, rapidly assess the impact of policy changes, and promptly adjust corporate strategy to ensure operational compliance.

Opportunity Type	Description of Opportunity	Financial Impact	Time Horizon	Magnitude of Impact	Likelihood	Response Measures
Product Innovation Opportunity	Technological innovation provides a key opportunity for product upgrades and iterations. By adopting new technologies, new materials, and new processes, the Company can launch more efficient, eco-friendly, and safe and stable innovative products. This allows us to better meet the increasingly diverse needs of consumers, thereby enhancing market competitiveness.	Increases market share and sales revenue, enhances profitability, and strengthens brand loyalty.	Medium-to Long-term	High	High	<ul style="list-style-type: none"> Increase R&D investment, promote cross-departmental collaboration, and foster a culture of open innovation. Conduct regular market research to ensure product development accurately matches consumer demand. Deepen collaboration with scientific research institutions to improve the efficiency and speed of industrializing scientific and technological achievements.



◎ Impact, Risk, and Opportunity Management

The Company has established a sound R&D risk assurance system that covers the entire management process, including risk identification, assessment, and monitoring. This system provides a solid foundation for our technological innovation and R&D activities, effectively stimulating innovation vitality and continuously strengthening our core competitive advantages.



Risk Identification

The Company regularly conducts risk identification to catalog various potential risks throughout the R&D and innovation cycle, with a key focus on areas such as technological iteration, policies and regulations, market demand, and supply chain security. Through industry research and trend analysis, we accurately grasp the technological frontiers and development trends in the new energy and climate control appliance sectors, and we uniformly incorporate any uncertainties that could affect the achievement of our R&D goals into our risk management framework.



Risk Assessment

For all identified risks, we conduct a comprehensive assessment based on their probability of occurrence, frequency, and potential impact, and we implement risk classification and prioritization. Leveraging a multi-dimensional risk assessment system, we establish robust risk warning mechanisms and develop specialized response plans for high-priority risks in key areas.



Risk Monitoring

We have established a dynamic risk monitoring mechanism. Through real-time data tracking, periodic technical reviews, and regular internal and external communication, we accurately track the evolution of risks, ensuring that our R&D planning remains aligned and responsive to market dynamics.



Risk Management


Based on the results of risk identification and assessment, we define our risk management priorities and continuously optimize our innovation management processes and related systems. We adopt four types of risk response strategies: avoidance, transfer, mitigation, and acceptance. These strategies are applied dynamically based on the risk category and assessment, constantly enhancing our ability to respond to unexpected risks. This helps the Company maintain continuous innovation and steady development in a fiercely competitive market.



◎ Indicators and Targets

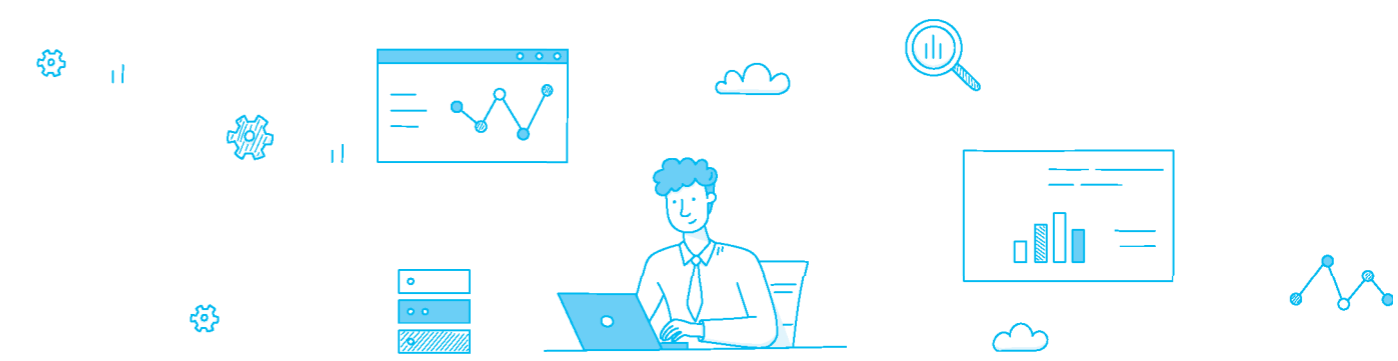
Category	2025 Target	2025 Achievement	2026 Target
Scientific & Technical Personnel	Recruit 135 new personnel	Achieved	Recruit 120 new personnel
R&D Facilities	Add 150 square meters of R&D space for equipment placement and testing.	Achieved	Add 200 square meters of R&D space for equipment placement and testing.
R&D Equipment	Invest RMB 4 million in new equipment.	Achieved	Invest RMB 4 million in new equipment.
R&D Achievements	Undertake 1 municipal-level scientific research project, apply for 60 invention patents and 110 utility model patents, publish 1 academic paper, initiate 125 internal R&D projects, and achieve commercialization of R&D results.	Achieved	Apply for 50 invention patents and 80 utility model patents, formulate 1 industry standard, initiate 125 internal R&D projects, and achieve commercialization of R&D results.
Economic Target	Achieve RMB 400 million in new product sales revenue.	Achieved	Achieve RMB 700 million in new product sales revenue.

Key Performance



During the reporting period, the Company's total R&D investment reached RMB

562.0960
million, accounting for 4.60% of its operating revenue.



Indicator	Unit	2025
Cumulative Number of Authorized Patents (Patents within validity period)	Items	542
Cumulative Number of Authorized Invention Patents	Items	50
Cumulative Number of Utility Model Patents	Items	367
Cumulative Number of Authorized Design Patents	Items	125
Cumulative Number of Software Copyrights	Items	146
Cumulative Number of Trademarks	Items	167
Total Number of R&D Team Members	People	868
R&D Personnel as a Percentage of Total Employees	%	14.39

Measures to Encourage R&D Innovation

Incentives for Innovation and R&D »»

The Company and its subsidiaries have created a comprehensive, multi-level incentive system for innovation and R&D, designed to precisely stimulate the innovative vitality and creative potential of our scientific and technical personnel. At the project R&D level, we have established a special performance bonus fund for R&D. Projects are classified into five grades based on technical difficulty, completion quality, and economic benefits, with total award amounts ranging from RMB 5,000 to RMB 150,000. The final bonus amount is determined by assessing performance across three dimensions: progress, quality, and cost control. At the commercialization level, special awards are given to teams or individuals for innovative achievements such as receiving science and technology progress awards at various levels, technical innovation awards, key new product certifications, and project approvals. For instance, a national-level Science and Technology Progress Award carries a bonus of RMB 10,000, while an international-level Technical Innovation Award is rewarded with RMB 20,000. Simultaneously, we integrate diverse incentive methods, including compensation, equity incentives, career planning, and promotions. By deeply linking innovative contributions to employee salaries, benefits, and career development, we have built an incentive mechanism that covers the entire chain of patent creation, project R&D, and commercialization. This continuously drives the efficient output and application of innovative achievements.

Collaborative R&D Mechanism »»

To further enhance the Company’s innovation capabilities and R&D level, while also contributing to the improvement of teaching quality and research capabilities at universities, the Company actively promotes university-enterprise cooperation and deep integration of industry, academia, and research. This is guided by the cooperative principles of “complementary advantages, resource sharing, mutual benefit, and common development.” The Company has formulated the Management Measures for Industry-Academia-Research Cooperation. We work hand-in-hand with universities and scientific research institutions to deepen collaborative innovation, with the core goal of achieving a “win-win for both university and enterprise.” We have achieved significant results in joint technology R&D, professional talent cultivation, and the commercialization of research outcomes.

Case Study Industry-Academia-Research Cooperation Project

DEYE INVERTER has co-established a joint development laboratory with Nanjing University of Aeronautics and Astronautics, focusing on pre-research and development of cutting-edge photovoltaic technologies. The two parties have collaboratively developed 7 projects. As of the end of 2025, 3 projects have been successfully completed, 2 of which have been successfully commercialized into inverter-related products. Additionally, 2 invention patents have been applied for.



Signing ceremony for the cooperation project



Participation in Standards Development »

The Company actively participates in the development of industry standards across multiple dimensions, covering key areas such as air conditioners, dehumidifiers, heat pumps, and photovoltaics. By contributing our core technologies, we help drive the standardized and high-quality development of the industry. As of 2025, the Company has led or participated in the development of 32 standards (leading 4, participating in 28). Among these, 23 have been officially released as industry standards, and 9 are in progress. This portfolio includes 1 international standard, 8 national standards, 12 industry standards, and 11 group standards.

Product	Standard Category	Representative Standard
Dehumidifier	International Standard	IEC International Standard: Performance testing methods for household and similar use dehumidifiers
		GB/T 29319-20XX Technical rule for grid-connected PV power system
Heat Pump, PV, Dehumidifier, Air Conditioner	National Standard	GB/T 19964-20XX Technical requirements for connecting photovoltaic power stations to power systems
		GB/T 19411-2024 Dehumidifiers
		GB/T 22257-20XX Mobile air conditioners
		Kitchen air conditioners
		Minimum allowable values of energy efficiency and energy efficiency grades for dehumidifiers
		20242200-Q-469 Minimum allowable values of energy efficiency and energy efficiency grades for crystalline silicon photovoltaic modules and inverters
		GB/T 46340-2025 Green product evaluation - Photovoltaic modules and inverters
		NB/T 10776-2021 Air-source heat pump water heaters for household and similar purposes in low ambient temperatures
Heat Pump, Dehumidifier, Mold, etc.	Industry Standard	QB/T 5688-2022 Household dehumidifiers
		JB/T 14013-2020 Technical conditions of integrated circuit cutting die
		T/CAS 342-2020 Household dehumidifiers
Dehumidifier, Air Purifier, etc.	Group Standard	T/GIEHA 022-2020 Brand evaluation - Healthy air conditioners
		T/ZJXH 0009-2022 Management specification for disinfection and sterilization in rehabilitation rooms

Intellectual Property Protection

The Company places a high degree of importance on the protection of intellectual property. We have formulated the General Principles of the Intellectual Property Management System to establish a standardized, end-to-end IP management framework. This system effectively protects the Company's core technological achievements and continuously elevates the level of standardization in our intellectual property management.

Intellectual Property Management Measures »

 Appointment of IP Specialists

- The Company and each of its subsidiaries have appointed dedicated Intellectual Property (IP) Specialists. These specialists work full-time with our R&D departments and collaborate with professional agencies to promptly advance IP filings, effectively protecting the Company's core technologies and innovative achievements.

 End-to-End Tracking of R&D Projects

- Our IP Specialists track R&D projects throughout their entire lifecycle. They efficiently handle the registration, filing, application, and registration of patents and computer software copyrights. They also assist R&D personnel in refining technical solutions, identifying key technological innovations, and rigorously reviewing the content of patent application documents.

 Intellectual Property Due Diligence

- In key business activities such as procurement and sales, we conduct IP due diligence. Through cross-departmental collaboration, external professional research, and specialized workshops, we effectively mitigate the potential risk of our products infringing upon the intellectual property rights of others.

 Strengthening IP Contract Management

- During collaborations and transactions, we sign comprehensive IP-related contracts that clearly define the rights and responsibilities of all parties, preventing IP disputes at the source.
- We conduct regular reviews and assessments of contract performance to ensure that all agreed-upon terms are executed as stipulated.

 Intellectual Property Training

- The Legal Department regularly conducts IP training in various formats, both online and offline, to strengthen the IP protection awareness of our R&D personnel.
- We periodically invite external professional experts to conduct specialized IP training for personnel in relevant positions, such as the legal and R&D departments.



Safeguarding Quality and Safety

Deye has established a robust product and service quality management system architecture. This system covers all subsidiaries and production workshops, laying a solid foundation for ensuring the stability and reliability of our product quality.

Quality Management System

In accordance with the Quality Management Systems — Requirements, the Company has compiled a Quality, Environment, and Occupational Health and Safety Management Manual. Concurrently, each subsidiary and production workshop has developed a series of supplementary management tools tailored to their specific business characteristics, including the Quality Management Department’s Management Documents, Quality Management Department’s Record Forms, and Quality Management Department’s Guidance Documents. These tools ensure that our quality management processes are implemented in a standardized and refined manner.

During the reporting period, the Company and its subsidiaries—Zhejiang Deye Environmental Appliances, DEYE INVERTER, and DEYE ESS—all completed their quality management system audits and obtained ISO 9001 Quality Management System certification.



Quality Management System Certificate (Deye)



Quality Management System Certificate (Zhejiang Deye Environmental Appliances)



Quality Management System Certificate (DEYE ESS)



Quality Management System Certificate (DEYE INVERTER)

Product Quality Training

To systematically enhance the quality management awareness, professional technical skills, and practical capabilities of both our company and our partners, the Company has built a diverse and systematic special training system. This system allows us to conduct targeted training programs that cover the entire quality control process.



Introduction to the Battery PACK Process Flow



Comprehensive Analysis of the Lithium Battery Production Process



Training on Switched-Mode Power Supplies (SMPS)



Introduction to Common SMT Components and Their Orientation



Identifying Common and Similar DIP Components



Component Identification

Case Study Launch of the Excellent Quality Management Training Camp

On March 31, 2025, the Company held the launch meeting for its fourth Excellent Quality Management Training Camp. This training focused on four core modules, covering key content such as Minitab data analysis, Measurement System Analysis (MSA), Statistical Process Control (SPC), and the principles of sampling inspection. The training aimed to tangibly enhance the practical application skills of the participants, supporting their continuous growth and professional advancement in the field of quality management.



Training Session in Progress

Quality Management Indicators and Targets

To reinforce the implementation of quality management responsibilities and improve the quality management level of each business unit, the Company has established a monthly performance evaluation and ranking mechanism for the heads of quality in its business units. The evaluation targets include personnel at the director level and above in the quality departments of the Inverter, Energy Storage, Daily Electrical Appliances, and HVAC business units. The total score is 100 points, divided into external quality indicators (60%) and internal management indicators (40%). Data is submitted monthly, and the results are graded into four levels (A, B, C, D) and incorporated into the annual performance appraisal. The indicator weights and target values are dynamically adjusted in line with the Company's strategy. The core performance indicators and targets for the heads of quality in each business unit are as follows:

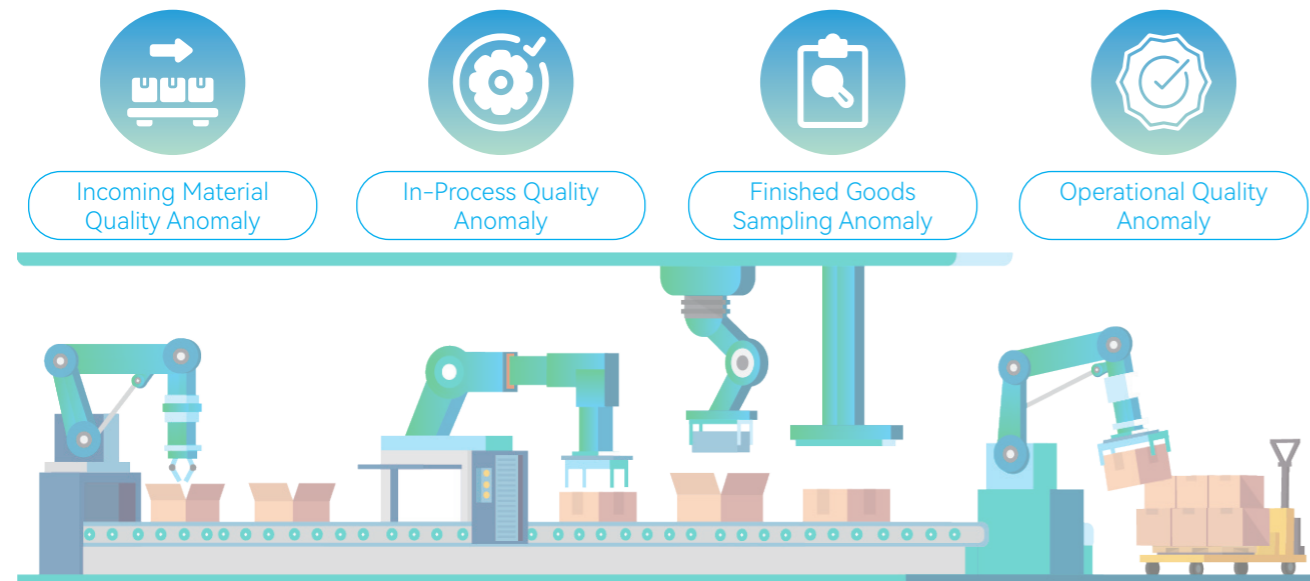


Product Quality Control

The Company has formulated policy documents such as the Management Procedure for Quality Anomaly Traceability and Performance Evaluation, the Quality Anomaly Handling Procedure, and the Management Process for Rework of Non-Conforming Products. By leveraging a systematic quality anomaly traceability mechanism, performance evaluation criteria, and standardized problem-handling protocols, we continuously strengthen end-to-end control over product quality, steadily improving product stability and customer satisfaction with our products and services.



The Company has established a quality anomaly handling mechanism that covers all stages: incoming materials, in-process, finished goods, and operations. Through clearly defined trigger conditions and standardized handling procedures, we achieve rapid response and closed-loop management of quality issues, continuously ensuring stable product quality.



Trigger Condition

Incoming materials fail inspection
Major issues that cannot be accepted by concession

Cosmetic defect rate $\geq 5\%$ or functional defect rate $\geq 3\%$
Missing work instructions
A recurring issue appears for 3 consecutive days

Finished goods fail random inspection

Failure to follow work instructions
Incomplete work instructions
Use of non-conforming raw materials

Handling Procedure

- Implement isolation and control for the non-conforming products.
- Incoming Quality Control (IQC) reports the anomaly to the Procurement Department.
- Require the supplier to submit a corrective or improvement plan within 2 days.
- IQC implements tightened inspection for the next 3 batches of incoming materials and conducts continuous tracking.

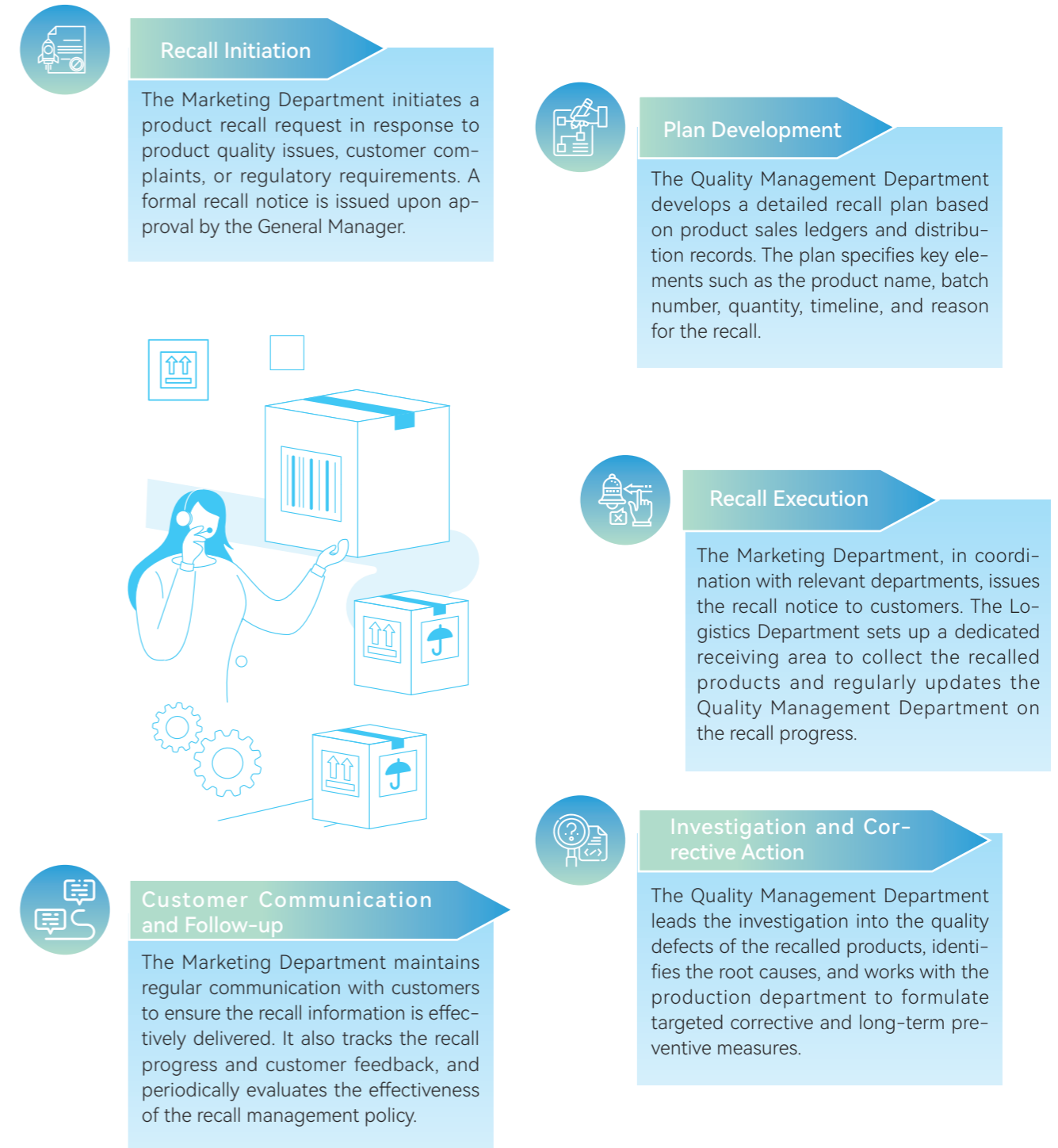
- Initiate line-stop for improvement measures if necessary.
- In-Process Quality Control (IPQC) issues an anomaly feedback form.
- The Engineering, Production, and Quality Control departments jointly analyze the cause and implement corrective actions.
- Require a long-term improvement plan to be submitted within 2 days.

- Outgoing Quality Control (OQC) isolates the non-conforming products.
- Issue a finished goods anomaly feedback form.
- The production unit reworks the products on the same day and provides an analysis of the findings.
- Implement tightened inspection on the reworked products.

- Notify the responsible unit to carry out improvement work.
- If the anomaly recurs, IPQC issues an anomaly feedback form.
- The responsible unit submits a corrective plan on time; the Quality Control department tracks and confirms the entire process.

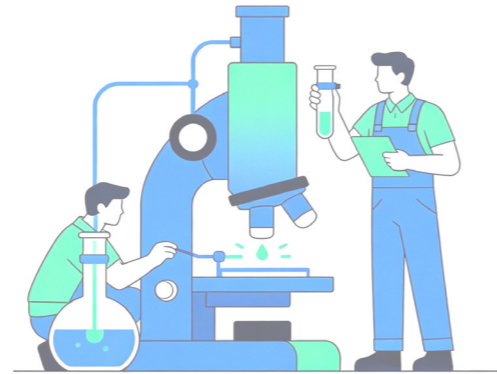
Product Recall

The Company has formulated the Product Recall Management Regulations. Through a cross-departmental coordination mechanism, we accurately trace the flow of affected products, simultaneously develop a scientific recall plan, and implement it efficiently to ensure that affected products are handled properly. The Company and its subsidiaries continuously and actively cooperate with the annual quality supervision and spot checks conducted by national regulatory authorities and local market supervision agencies. We use the inspection results as a guide to continuously iterate and improve our end-to-end quality control system. During the reporting period, the Company had no product recall incidents arising from product quality or safety issues.



Green Design

We deeply integrate green and low-carbon principles into our product lifecycle design, advancing our green design practices by focusing on high energy efficiency, eco-friendly material selection, modular integration, safety and reliability, and ease of disassembly and recycling. For our new energy products, such as energy storage and PV inverters, we employ designs featuring high power density, low-loss topology, and efficient thermal management to significantly enhance energy conversion efficiency. Concurrently, we implement lightweight, modular, and highly compatible structures to extend product lifespan and reduce resource consumption. In our climate control appliances segment, which includes dehumidifiers, solar air conditioners, and heat exchangers, we prioritize high energy efficiency, low noise operation, eco-friendly refrigerants, and low-VOC materials. Our products comply with international environmental standards like RoHS, and we optimize their heat exchange and air duct structures to minimize energy consumption during use. Through these green design initiatives, we reduce the environmental footprint of our products at the source and across their entire lifecycle, empowering the widespread adoption of green energy and making low-carbon lifestyles a reality.



Protection of Customer Rights and Interests

Deye has always been guided by the core principle of protecting the legitimate rights and interests of our customers. We have established diverse communication channels and an efficient mechanism for responding to requests and complaints, we strictly adhere to our commitment to compliant operations, and we continuously optimize our after-sales support system.

Customer Management System

The Company places a high degree of importance on the development of its customer service and after-sales management systems. We have issued two core policy documents, the Customer Service Management System and the After-Sales Service Management Standards, which provide a solid foundation for the standardized and regulated enhancement of our service quality. The Company has established an end-to-end mechanism of “Needs Collection – Rapid Response – Solution Implementation – Iterative Optimization” to tangibly improve the customer service experience and our level of professional service. This service system is consistently guided by customer needs, balancing both service efficiency and professional depth. By continuously optimizing product and service details, we solidify our benchmark for “customer-centric” service.

Case Study Training for Quality Inspection Staff

The Company organized three training sessions for quality inspection staff on March 10, April 7, and November 3, 2025. The training focused on enhancing quality requirements, standardizing on-site execution in workshops, and managing production safety. It also covered the reporting of customer complaints, root cause analysis, implementation of improvement measures, and the establishment of long-term preventive mechanisms. This training effectively enhanced the practical skills and proactive risk awareness of our quality inspection personnel, improved the efficiency of rapid response and closed-loop resolution for customer complaints, and further solidified the quality stability of our outgoing products, thereby laying the talent foundation for continuously safeguarding customer rights and optimizing the Company’s quality control system.

Customer Complaint Management

To standardize the management of customer complaints, the Company has formulated and implemented core management documents, including the Customer Complaint Management System, the Customer Request Response Mechanism, and the Complaint Case Classification and Grading. The Company adheres to a complaint handling philosophy of “Standardized Processes, Timely Resolution, Exceeding Expectations, and Ensuring Customer Satisfaction.” We have established a complete customer complaint management system and handling process, achieving end-to-end closed-loop management from the receipt of complaint information to its resolution, feedback, and continuous improvement.

Customer After-Sales Management Process



Comprehensive Information Collection

We comprehensively cover and efficiently collect customer complaints through multiple channels, including our customer service hotline, official online complaint platform, official Weibo and WeChat accounts, the Deye Smart App, and domestic and international e-commerce platforms.



Rapid Response Mechanism

Customer feedback is categorized as either General Feedback or Major Complaints. General feedback is handled within 48 hours, while major complaints are responded to within 24 hours. We adhere to a service policy of “prompt handling, serious attention, and strict execution” to efficiently address customer requests.



After-Sales Service Upgrade Mechanism

In addition to traditional technical guidance, repair, and replacement services, we further optimize our after-sales mechanism to address customer needs, effectively enhancing customer satisfaction. Simultaneously, we carry out targeted technical improvements and product upgrades based on customer feedback, continuously optimizing product performance and user experience.



Intelligent Closed-Loop Management System

The Company deploys an automated after-sales system to facilitate the intelligent management of service processes. By regularly analyzing customer feedback data, we accurately identify service pain points to drive the optimization of product design and service processes. We have also established a closed-loop improvement mechanism to prevent the recurrence of similar customer issues at the source, thereby safeguarding customer rights.

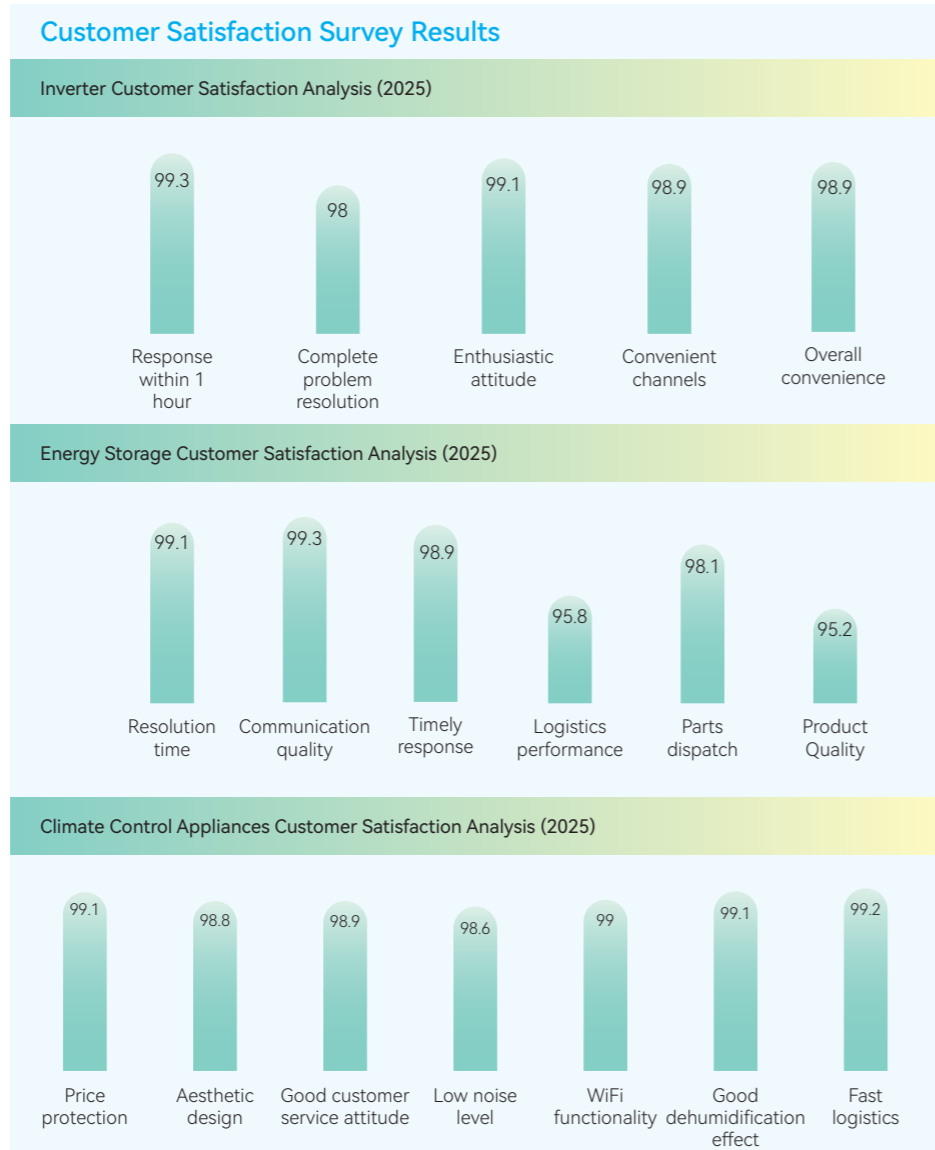
Key Performance

During the reporting period, the Company collected a total of **87** pieces of customer feedback, developed **37** improvement plans, and achieved a handling satisfaction rate of **99.86%**.

Customer Satisfaction

The Company consistently views customer satisfaction as the core indicator for measuring service quality. To this end, the Company has formulated and continuously optimizes policy documents such as the Customer Satisfaction Evaluation Procedure and the Satisfaction Survey Form to systematically collect and analyze customer feedback and to regularly conduct customer satisfaction surveys.

During the reporting period, the Company's Inverter, Energy Storage, and Climate Control Appliances business units conducted customer satisfaction surveys by implementing differentiated proportional sampling strategies for different customer groups.



Responsible Marketing

The Company has established a comprehensive marketing management system, which includes documents such as the Marketing Management System, Guidelines for Compliant Advertising, Regulations on Organizing Online and Offline Marketing Activities, and Principles and Systems of Responsible Marketing. Adhering to a core strategy of being "consumer-centric," we leverage a systematic and standardized operational model to continuously enhance our brand credibility and overall market competitiveness, thereby putting the concept of responsible marketing into practice.

Market Segmentation Strategy

We conduct market segmentation based on consumers' differentiated needs regarding corporate social responsibility. This allows us to precisely target each sub-market and enhance the differentiated value of our products and services, thereby increasing our core market competitiveness.

Cooperation with Non-Profit Organizations

We establish regular cooperation mechanisms with non-profit organizations. Through strategic alliances, we achieve resource integration and complementary advantages, enabling deep involvement in social responsibility projects and building a positive brand image and broad social recognition for the Company.

Government Incentive Policies

We leverage "consumer-centric" pull-type incentive policies introduced by the government to optimize the external development environment for our social responsibility projects. This enhances the Company's innovation capabilities and execution efficiency in the field of responsible marketing.

We have built a responsible marketing framework driven by consumer needs. This includes establishing a customer knowledge management system and a quality evaluation mechanism for social responsibility projects, allowing us to strategically design the layout of our responsible marketing projects based on consumer demand.

Consumer Needs-Oriented Strategy

Review of Promotions and Transparency of Marketing Information

We have established a strict review mechanism for promotional content to ensure that all external marketing and promotional information is authentic, legal, and meets social responsibility requirements. This enhances the transparency of marketing information, reinforcing corporate credibility and social recognition.

Based on the Guidelines for Compliant Advertising and other policies, we have established a compliance management system for advertising across all channels. This system clearly defines prohibitions on content, the compliance review process, and liability for violations, ensuring that all marketing and promotional information is truthful, legal, and socially responsible, thereby protecting consumer rights and the Company's brand image.

Compliant Management of Advertising

Employee Training on Responsible Marketing

We conduct regular training on the knowledge and practical skills of responsible marketing. This deepens employees' understanding of responsible marketing principles and enhances their skills, ensuring the effective execution of and full participation in responsible marketing activities.

We formulate quantifiable and actionable social responsibility marketing goals and conduct regular performance evaluations. This provides a clear direction, standards, and an evaluation mechanism for our responsible marketing activities.

Goal Setting and Evaluation for Social Responsibility Marketing

Screening of Social Responsibility Projects

We select social responsibility projects that are highly aligned with the Company's core values. This ensures that their implementation not only supports business objectives but also promotes the Company's long-term development, while actively responding to broad societal concerns and expectations.

Case Study Commercial Advertising Compliance Training

On March 1, 2025, the Company conducted a training session on commercial advertising compliance. The training focused on the core aspects of compliance, providing a systematic explanation of the Advertising Law, the Administrative Measures for Internet Advertising, and other relevant laws and regulations. It covered prohibitions on false advertising, the use of absolute terms/superlatives, and illegal content. The session also clarified the compliance requirements and identifiability standards for internet advertising and live-streaming marketing, and detailed the advertising review process, legal liabilities, and credit-based disciplinary mechanisms. Furthermore, it interpreted regulatory trends for 2025, such as “no penalty for first-time minor violations” and “service-oriented law enforcement,” to help relevant personnel accurately avoid advertising compliance risks.

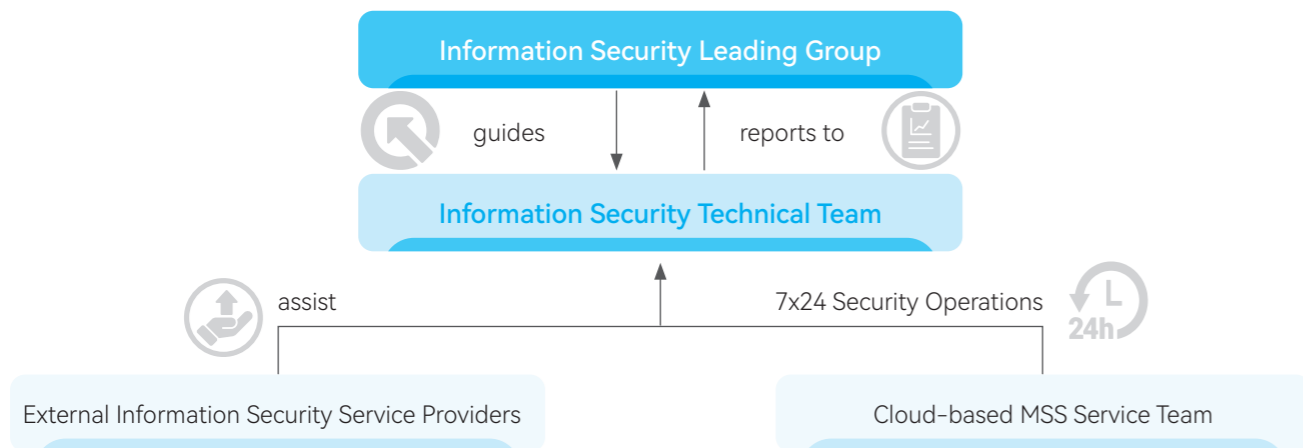


Training Session in Progress

Data Security and Customer Privacy Protection

Data Security Management System

Deye places a high degree of importance on data security and customer privacy protection. We strictly comply with national laws and regulations such as the *Cybersecurity Law*, the *Data Security Law*, and the *Personal Information Protection Law*, and we fully implement all requirements from regulatory authorities regarding network and data security, continuously promoting the standardized and regulated development of our information systems. The Company has established a Data Compliance Committee as the highest decision-making body within our data compliance management system. It is responsible for reviewing and approving data compliance policies and strategies, and for coordinating resources to ensure the achievement of compliance objectives. At the implementation level, the Company has formed a dedicated Information Security Leading Group and a technical team. They are specifically responsible for the implementation, daily operations, and emergency response related to our information security policies and strategies.



At the policy level, the Company has formulated systems covering the entire data lifecycle, including the Digital Information Security Management Policy and the Guidelines for Data Security and Personal Information Protection. These documents define the objectives, scope, responsibilities, and core principles of our information security management, ensuring that all data security governance activities have a clear and documented basis.

During the reporting period, the Company successfully obtained ISO 27001 Information Security Management System certification and ISO 27701 Privacy Information Management System certification.



Privacy Information Management System Certificate

Information Security Management System Certificate



◎ Data Security Risk Management

To effectively respond to risks such as cyberattacks, computer virus infections, and data transmission vulnerabilities, the Company has established an end-to-end emergency management system in accordance with the Information Security Incident Management Policy.

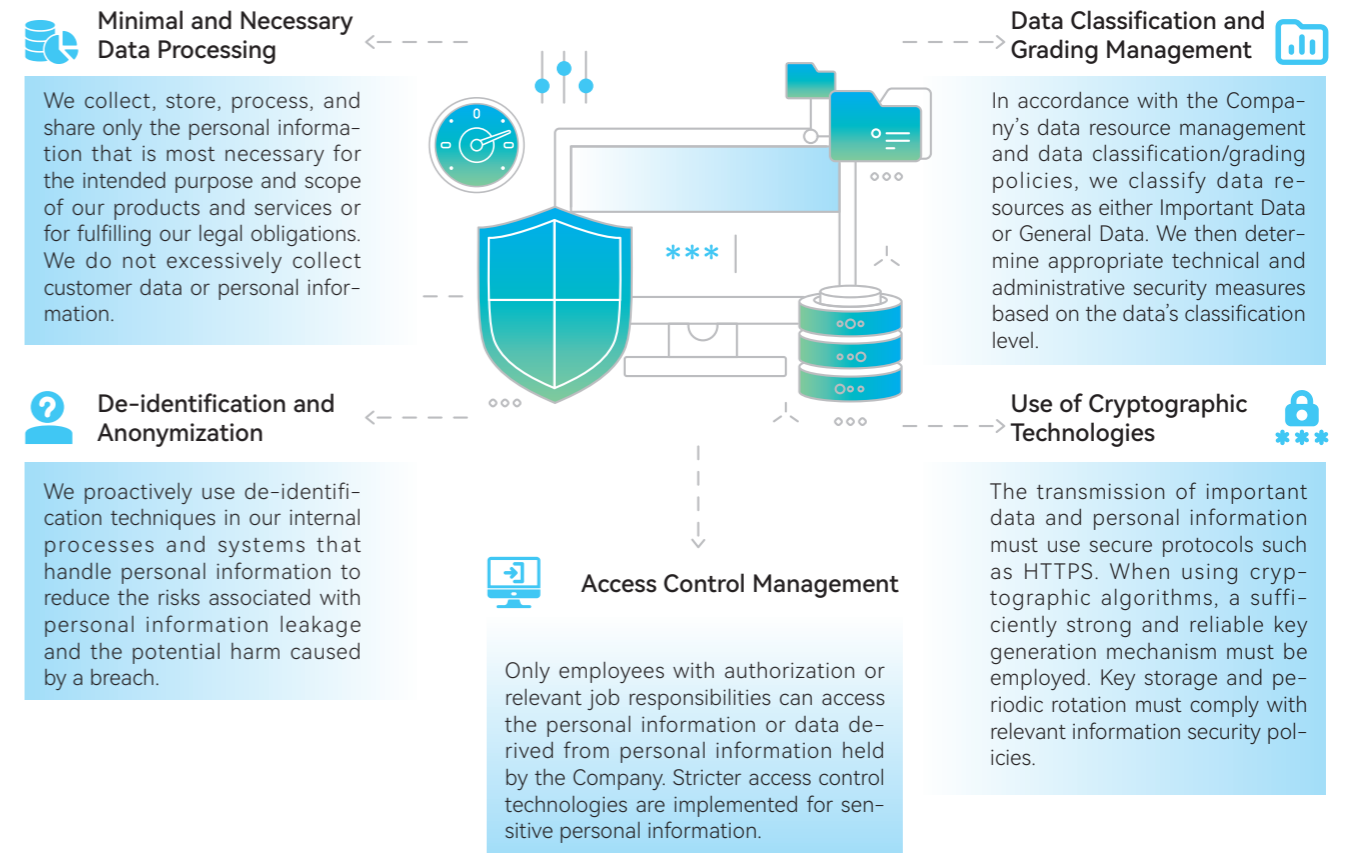


Furthermore, we integrate security requirements into system development. At the initiation phase of any new or modified product, service, information system, or business process, a data compliance and security risk analysis must be conducted jointly by the business, legal & risk control, R&D, and information security teams. A risk assessment report must be generated and approved before implementation. This ensures that security control requirements are identified and embedded in advance throughout all stages, including requirements, design, coding, and testing.



◎ Data Security Practices

The Company employs a variety of control measures to ensure that the internal processes of our products, services, or systems comply with data compliance requirements.



Additionally, the Company organizes mandatory information security and data protection training for all employees at least once a year to enhance their risk prevention awareness and capabilities.

Case Study Information Security Educational Video Campaign

During the reporting period, the Company produced a series of short videos covering six key topics: ransomware protection, email security management, cybersecurity compliance, Wi-Fi usage management, data leakage prevention, and password security management. These videos were used to educate employees on information security and enhance company-wide security awareness.

Indicator	Unit	2025
Number of Data Security / Customer Privacy Protection Training Sessions	Sessions	6
Total Duration of Data Security / Customer Privacy Protection Training	Hours	0.5
Coverage Rate of Data Security / Customer Privacy Protection Training	%	99
Digital Construction Investment	RMB (10,000s)	1,022.95
Number of Customer Information Leakage Incidents	Cases	0
Specific Monetary Amount Involved in Customer Privacy Leakage Incidents	RMB (10,000s)	0
Number of Information Security and Privacy Protection Violation Incidents	Incidents	0

Customer Privacy Protection

The Company strictly protects users' personal information, effectively safeguarding the privacy rights of employees, customers, suppliers, and other relevant parties.

Customer Privacy Protection Measures



1

We strictly fulfill our obligation of notification and consent. Before collecting or using customers' personal information, we clearly and comprehensively disclose the purpose, method, and scope of processing and ensure that we have obtained the customer's voluntary consent. We have established and maintain accessible channels for customers to submit and process requests to exercise their rights, legally guaranteeing their rights to know, decide, access, rectify, and erase their personal information.

2

We implement classified and graded management for customers' personal information, adopting stricter protection measures such as encrypted storage and access restrictions for sensitive personal information like financial accounts, location tracking data, and transaction information. We adhere to the principle of data minimization, strictly limiting the use of personal information to the scope necessary to achieve the initial purpose related to the service. After the business function ceases or the retention period for customer information expires, we will securely delete or anonymize the relevant information in accordance with the law.



3

If we need to engage a third party to process customer information for business purposes, we will conduct a strict assessment of their data protection capabilities beforehand and use contracts and other means to clearly define their protection responsibilities and obligations.

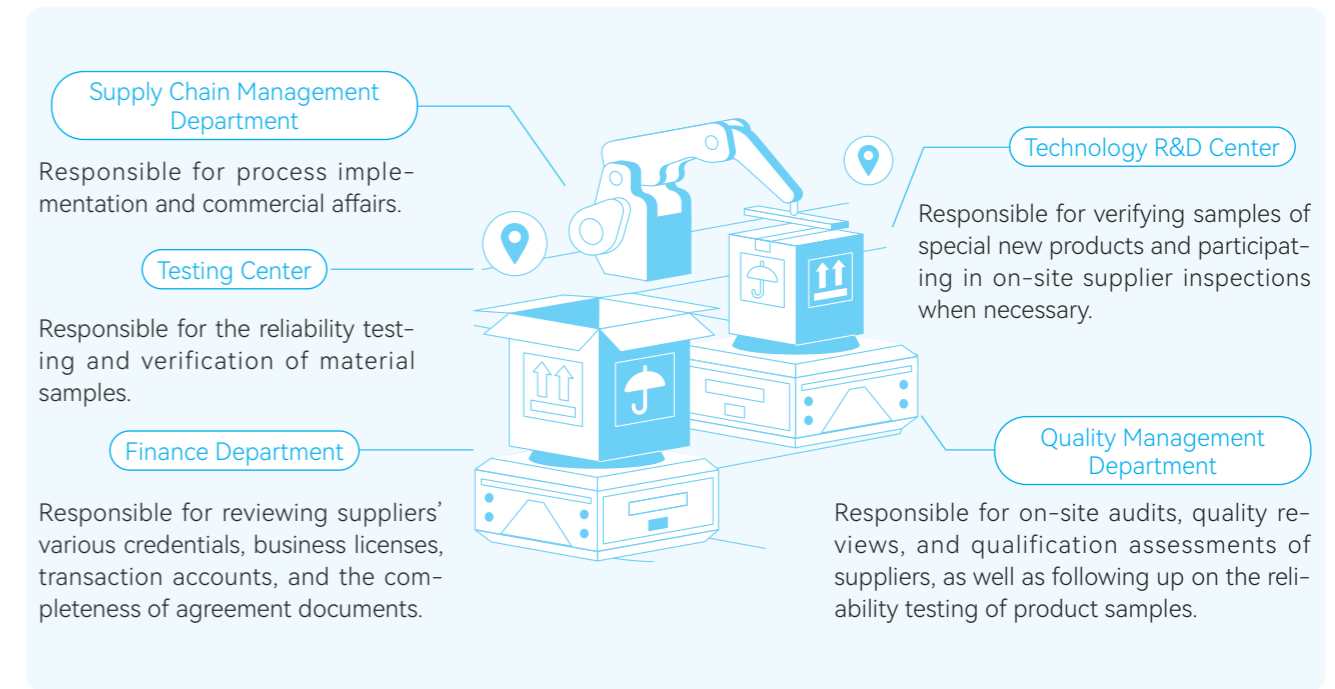


Responsible Supply Chain

Deye is committed to building a sustainable and responsible supply chain. We prioritize cooperation with partners who share our values. Through contractual obligations, regular assessments, and capacity building, we jointly manage environmental and social risks, promoting transparency, compliance, and value co-creation throughout the entire chain.

Governance

In accordance with policies such as the Supplier Management Regulations and the Management Regulations for Production Material Procurement, the Company's subsidiaries have each established a supply chain management system with clear responsibilities and defined processes.



Strategy

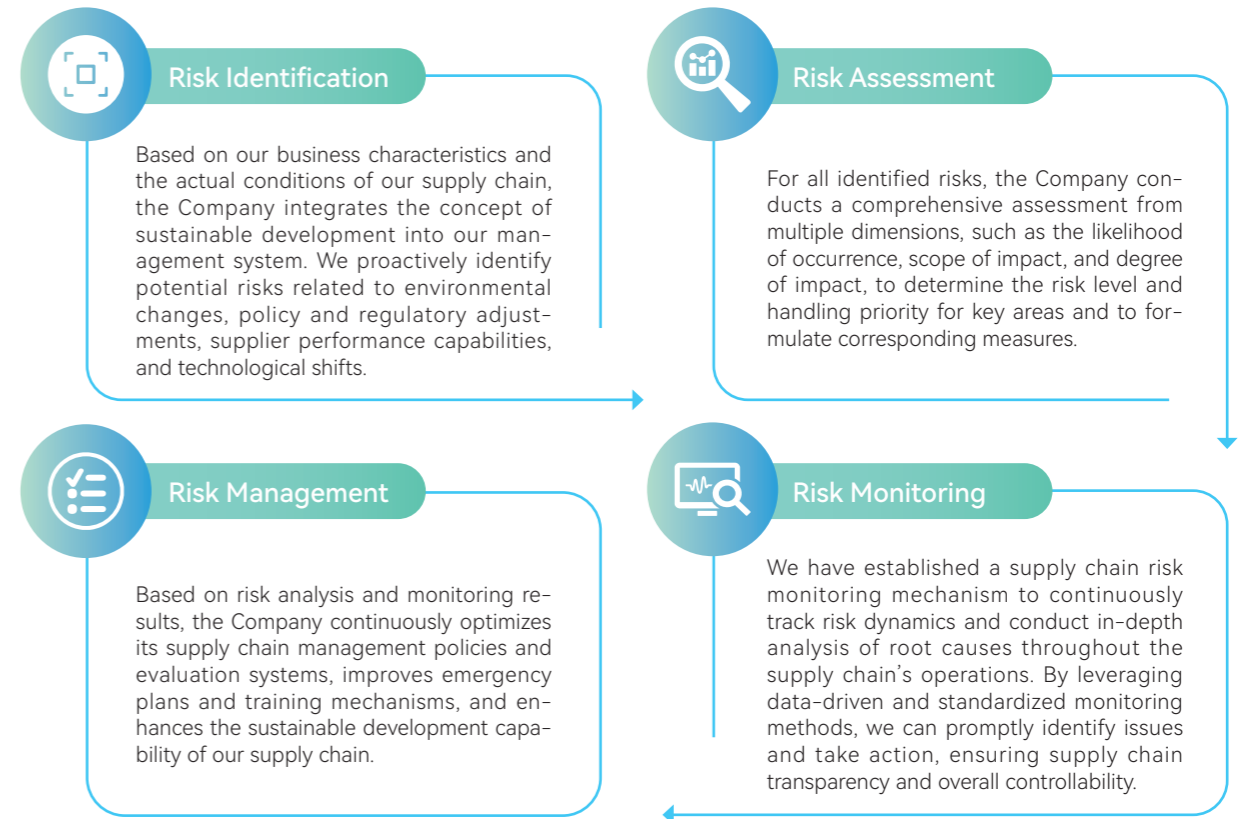
The Company and its subsidiaries provide strong assurance for supply chain security by identifying potential risks and opportunities throughout all stages of the supply chain and proactively developing defensive and emergency measures.

Risk Type	Description of Risk	Financial Impact	Time Horizon	Magnitude of Impact	Likelihood	Response Measures
Geopolitical Risk	Tensions in international relations, policy changes, or regime shifts can adversely affect market access, strategic layout, and supply chain stability, exacerbating cost fluctuations.	Affects the development and layout of the Company's international business; hinders supply chain stability.	Medium-term	High	Medium	<ul style="list-style-type: none"> Conduct geopolitical risk assessments, expand supply chain diversification, and enhance resilience through regional supply chain networks.
Management Risk	Disruption in the supply of critical materials can pose a direct threat to production continuity and product delivery.	Increased costs due to emergency procurement; compensation for breach of contract.	Medium-to Long-term	High	Medium	<ul style="list-style-type: none"> Deepen on-site audits and continuous performance evaluations of key suppliers. Establish a list of fully vetted alternative suppliers.

Opportunity Type	Description of Opportunity	Financial Impact	Time Horizon	Magnitude of Impact	Likelihood	Response Measures
Digital Transformation	The application of advanced information technology can enhance the intelligence of the Company's supply chain management and improve its adaptability to market changes.	Optimize operational efficiency, reduce overall costs, and increase revenue and profitability.	Medium-to Long-term	High	High	<ul style="list-style-type: none"> Deepen the digital layout of the supply chain and comprehensively increase the integration of information technology in management processes. Optimize and upgrade the SRM (Supplier Relationship Management) system and the MOM (Manufacturing Operations Management) supply platform to improve supply chain transparency and collaborative efficiency.

Impact, Risk, and Opportunity Management

The Company strictly reviews supplier qualifications, identifies and assesses potential supply chain risks, and adopts targeted prevention and control measures to maintain the stability and security of our supply chain.



Indicators and Targets

Guided by the principles of sustainable development, the Company is continuously enhancing the transparency, collaboration, and resilience of its supply chain. We are committed to promoting accountability and performance improvement across all segments of the supply chain to build a secure, robust, and sustainable supply chain ecosystem.

Indicator	Unit	2025
Total Number of Suppliers	Suppliers	1,025
Signing Rate of Supplier Integrity Agreements	%	100



Supplier Lifecycle Management

In accordance with internal supplier management regulations, the Company has established a comprehensive supplier lifecycle management system that covers onboarding, screening, classification, evaluation, and exit/change management.



Onboarding

The Supply Chain Management Department sources potential suppliers through various channels and sets specific requirements. For original manufacturers, we prioritize industry benchmarks and require them to have ISO 9001 or other quality system certifications. For distributors, we require valid authorization certificates. For trading companies, we review proof of their legitimate trading channels.

For prospective suppliers, we conduct due diligence, including credential reviews, supply channel verification, and on-site audits, documenting the results in records such as the Supplier Information Survey and Registration Form.

Screening

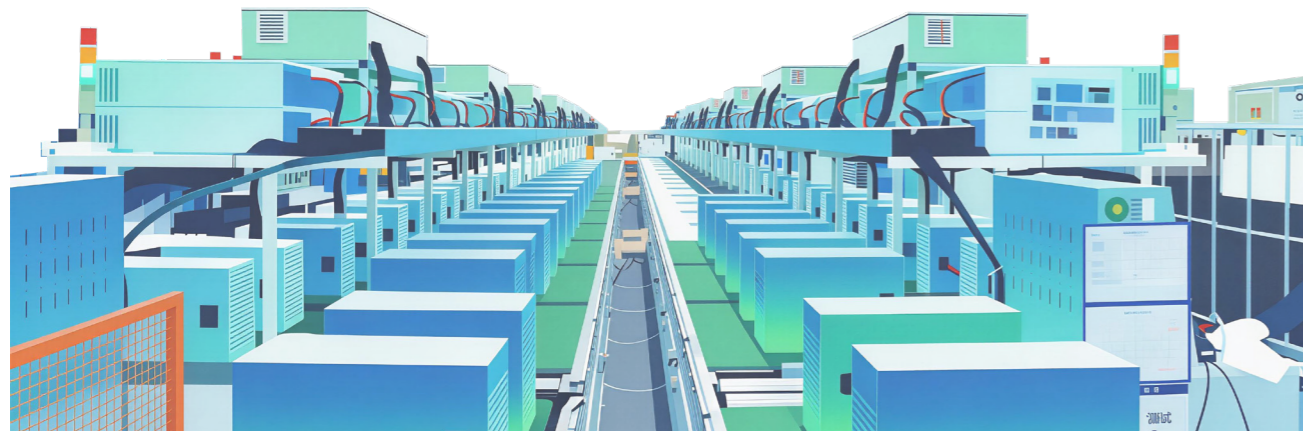


Evaluation and Classification

During our cooperation, we monitor supplier quality and performance throughout the entire process. We conduct supplier performance evaluations based on indicators such as quality, delivery, cooperation, and service, recording the results in the Supplier Performance Evaluation Form. Suppliers are graded based on their scores, and the Qualified Supplier List is dynamically updated according to the latest evaluation results.

We require suppliers who fail to meet our standards to implement corrective actions. If they still fail to qualify after rectification, their supplier status will be revoked. Information on terminated suppliers is recorded and announced by the Supply Chain Management Department, and a restriction is placed on the timeframe for their re-engagement.

Exit and Termination



Supply Chain Integrity

To foster a transparent and integrity-based business environment, the Company and its subsidiaries have established a supply chain integrity and compliance management system with both internal and external controls. Externally, we sign an Integrity Agreement with our partner suppliers, which clearly defines the integrity responsibilities and behavioral boundaries for both parties in all aspects of business dealings. Internally, we require all relevant procurement personnel to sign an Employee Integrity Pledge and organize employee integrity training. This reinforces their awareness of integrity and ensures that all company employees adhere to professional ethics and firmly resist any form of corruption in procurement activities.

Case Study

Procurement Training

On November 10, 2025, DEYE INVERTER organized a procurement training session. Through theoretical explanations and case study analysis, the training enhanced the procurement team's understanding and practical application of internal rules and regulations. This laid a solid foundation for continuously building a professional, efficient, and transparent procurement team.



Training Session in Progress

Green Supply Chain

The Company and its subsidiaries actively promote integrated Environmental and Occupational Health & Safety (EHS) management. We stipulate in our Quality Assurance Agreement that materials supplied by relevant suppliers must comply with various international and domestic environmental directives. Concurrently, through formal agreements such as the Notification to Related Parties, suppliers explicitly commit to complying with the Company's requirements, managing environmental and safety risks, and jointly promoting the green and sustainable development of the supply chain.



- Properly store hazardous substances to prevent incidents such as leaks or fires during storage and transportation.
- Ensure that emissions (waste gas, noise, and wastewater) from transport vehicles comply with national standards.
- Supplier personnel must follow instructions and properly wear personal protective equipment (PPE) when on the Company's premises.
- Raw materials and equipment provided by suppliers must comply with all relevant environmental and safety regulations.

Responsible Supply Chain

The Company requires relevant suppliers to sign the Code of Conduct – Conflict Minerals Clause, strictly requiring them to conduct supply chain due diligence to ensure that the materials they procure and use do not directly or indirectly finance conflicts in the Democratic Republic of Congo (DRC) or its neighboring countries.

Additionally, in our cooperation agreements, the Company and its subsidiaries explicitly require suppliers to: Prohibit any form of forced labor, strictly forbid the hiring or use of child labor, and completely eliminate any discriminatory practices in employment, thereby effectively safeguarding the legal rights of all employees; Provide a safe and healthy working and living environment for all employees. Through these contractual clauses, we strengthen our suppliers' awareness of social responsibility and co-create a sustainable cooperative ecosystem.

Furthermore, the Company places great importance on building ESG compliance within its supply chain. We strictly adhere to relevant domestic and international laws, regulations, and industry standards, integrating environmental, social, and governance (ESG) requirements into the entire supplier lifecycle management process and continuously strengthening the defense line for compliant supply chain operations.

Case Study Specialized Training on ESG Compliance Management in the Corporate Supply Chain

On June 9, 2025, the Company and its subsidiaries separately organized specialized training sessions for their supply chain departments on "ESG Compliance Management in the Corporate Supply Chain." The training covered legislative trends in ESG for supply chains both domestically and internationally, as well as risk response strategies. This effectively enhanced the teams' ability to identify and manage environmental, social, and governance risks within the supply chain, laying a solid foundation for building a sustainable supply chain compliance system.



Photo from the training session



Supplier Communication and Training

The Company is committed to establishing a collaborative mechanism of shared learning and mutual progress with suppliers. Through technical exchanges, joint quality improvements, and other means, the Company conveys its standards and requirements, while actively listening to and incorporating the advanced experience of supply chain partners to achieve consistency and mutually beneficial development with outstanding partners.

Case Study Technical Exchange Meeting

On May 22, 2025, DEYE INVERTER held a technical exchange meeting with Infineon, further deepening the existing technical collaboration between the two parties and reaching a consensus on forward-looking product development and supply chain coordination, thereby laying a solid foundation for continuously strengthening strategic mutual trust, jointly driving technological iteration, and improving industrial chain resilience.



Meeting Scene

Supply Chain Resilience Building

The Company adheres to establishing long-term and stable partnerships with suppliers to jointly address market challenges and share development achievements.

Case Study Supplier Conference

On December 6, 2025, the Company held a supplier conference themed "Gathering Momentum to Empower, Connecting the Future," emphasizing the continuous strengthening of supplier optimization management and deepening collaborative innovation in research and development to meet the rapidly growing market demand of the Company's diversified businesses.



Conference Scene



Upholding Virtue and Benevolence: Symbiosis and Shared Prosperity

Protection of Employee Rights and Interests	95
Employee Training and Development	109
Occupational Health and Safety	111
Community Public Welfare	120

Responded SDGs



Protection of Employee Rights and Interests

Deye consolidates the foundation for the protection of employee rights and interests. It strictly complies with national labor laws and regulations such as the Labor Law and the Labor Contract Law, establishes an employee rights protection system covering recruitment standards, compensation and benefits, career development, and other dimensions, practices the employment philosophy of “appointing people on their merits, promoting the capable while sidelining the mediocre, and valuing talent with integrity”; it effectively safeguards the legitimate rights and interests of employees, and consolidates the foundation for corporate development.

◉ Labor Relations Management

Employee Recruitment Management »»

To standardize and improve the talent selection mechanism, the Company has formulated the Recruitment Management System, the Organizational Structure and Staffing Management System, the Cadre Management System, and the Measures for the Management of Pre-employment Candidate Information Verification, thereby establishing a standardized recruitment management system covering all employees and clarifying the responsibilities of the Human Resources Department, employing departments, and management in the recruitment process.

The Company’s recruitment practices adhere to the principles of fairness, equality, and voluntariness. It widely attracts talents through diversified recruitment channels such as campus recruitment, social recruitment, and internal recruitment, with processes strictly following the full-chain standard of “demand submission—information release—resume screening—interview evaluation—employment approval—background investigation—pre-employment health check—onboarding registration.”

Diversified Recruitment Channels



Case Study Campus Recruitment

In September 2025, the first phase of the Company’s autumn campus recruitment concluded successfully. During the 45-day intensive recruitment period, the Company’s campus recruitment team visited six strategic cities, Beijing, Wuhan, Xi’an, Hefei, Lanzhou, and Qinhuangdao, covering more than 30 key universities, and successfully held 11 presentation sessions and 28 job fairs, receiving more than 3,000 student visits in total. In this phase, more than 1,000 valid resumes were received, of which over 45% were from candidates with master’s degrees or above, and the proportion of students from Project-211 and above key universities reached 60%, hitting a record high and fully demonstrating the Company’s brand influence and attractiveness among outstanding graduates.



Wuhan University



Wuhan University of Technology



Xidian University



Xi’an Jiaotong University

Offline Campus Presentations

The Company’s recruitment activities are based on the annual staffing plan, with the Human Resources Department coordinating the formulation of recruitment plans, which are implemented upon approval by the Chairman or Vice Chairman. The recruitment interview process implements a tiered interview mechanism, with the Human Resources Department assessing general competencies and employing departments evaluating professional capabilities; for key positions and management sequences, final interviews with senior management are added, and employment decisions must be approved by corresponding levels to ensure the standardization and fairness of the recruitment process. For management and professional positions, background investigations covering work history, adverse social records, litigation records, lending risks, and other aspects must be conducted prior to employment to ensure the authenticity of information.

Key Performance



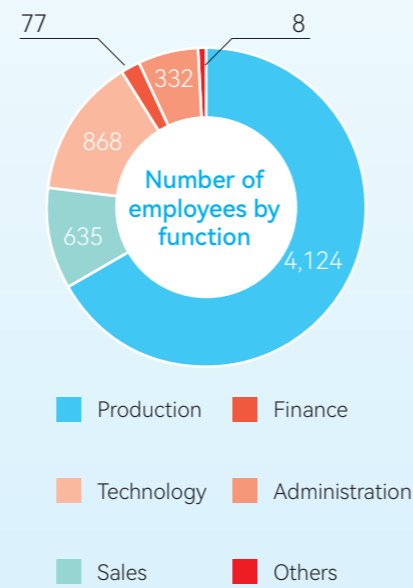
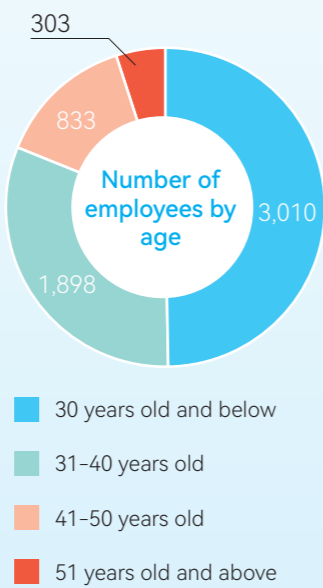
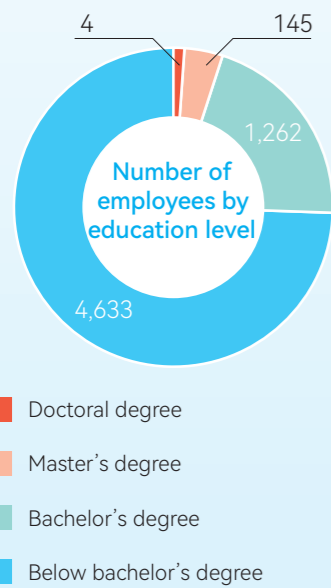
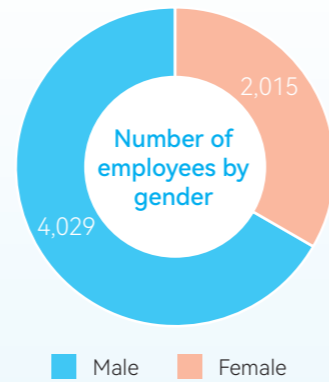
Number of employees with signed labor contracts **6,044** People Labor contract signing rate **100** %



Employee Composition

Total number of employees

6,044 People



Equality and Diversity »»

The Company places great importance on diversity, equality, and inclusion. It has formulated the Human Rights Protection System, which designates the Human Resources Department as the primary implementing and supervising body of human rights policies and explicitly prohibits discrimination, forced labor, child labor, workplace harassment, and other behaviors to protect the basic human rights of every employee and respect employees' diverse backgrounds such as race, ethnicity, gender, age, religious belief, and disability status. It is committed to creating an open and inclusive workplace culture. During the reporting period, no incidents of child labor, forced labor, human trafficking, or employee discrimination in violation of Company policies or relevant laws and regulations occurred.

The Company strictly complies with national legal provisions and never employs any child under the age of 16; during the recruitment process, the Company rigorously verifies and retains employees' age certification documents. If any accidental employment of child labor is discovered, the Company will immediately take remedial measures to ensure their safe return to their families and provide humane support for their education and living needs. For juvenile workers aged 16 and above but under 18, the Company strictly implements the Provisions on Special Protection for Juvenile Workers, including but not limited to prohibiting engagement in high-risk operations and arranging health check-ups.

The Company ensures that all employees are voluntarily employed, strictly prohibits any form of forced labor, debt labor, bonded labor, or involuntary prison labor, respects employees' freedom of movement, and grants employees the right to freely terminate employment relationships after fulfilling statutory notice obligations.

Basic Principles of the Company's Human Rights Protection

Respect for Human Rights

Recognize and respect the inherent dignity and rights of all employees as individuals.

Equal Opportunity

Provide equal opportunities for all qualified individuals in recruitment, promotion, development, and remuneration.

Zero Tolerance

Adopt a zero-tolerance stance toward any form of discrimination, harassment, forced labor, and child labor.

Continuous Improvement

Regularly review and improve the Company's practices and performance in human rights protection.

To ensure the effective implementation of human rights protection, the Company has established relevant complaint and whistleblowing channels and regularly supervises policy implementation through internal audits and employee satisfaction surveys, among other means. Employees may report relevant human rights violations through channels such as direct supervisors, department heads, and the Human Resources Department, either by real name or anonymously; the Company undertakes to strictly maintain confidentiality of whistleblowers and the investigation process, strictly prohibits any retaliation against employees making good-faith reports, and severely punishes any retaliatory behavior. Once violations of human rights policies are verified, the Company will impose disciplinary measures on violators based on the severity of circumstances, including warnings, suspension, demotion, and termination of labor contracts, and will transfer cases to judicial authorities when necessary.

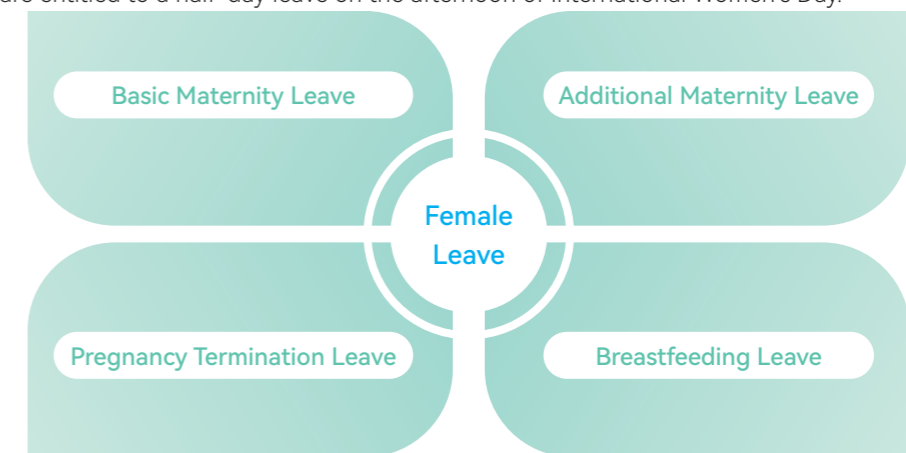
Human Rights Complaint and Whistleblowing Hotline

Human Resources Department
0574-86228838



Protection of Women's Rights and Interests »»

The Company has formulated the Employee Leave Management System, the Labor Discipline Management System, and the Retiree Management Measures, creating an equal, safe, and friendly working environment for female employees through a sound institutional system. In terms of leave protection, the Company strictly implements national and local regulations and provides comprehensive maternity support for female employees. To demonstrate special care for female employees, women are entitled to a half-day leave on the afternoon of International Women's Day.



In terms of workplace safety protection, the Company explicitly classifies sexual harassment as a serious disciplinary violation, and once verified, offenders may be dismissed, thereby establishing a solid safeguard for the rights and interests of female employees. At the same time, for eligible female employees applying for post-retirement reemployment, the Company will make a decision within 15 working days, providing a pathway for female employees willing to continue working.

Case Study International Women’s Day Care Initiative

In March 2025, on the occasion of the 115th International Women’s Day, to enhance female employees’ sense of belonging, happiness, and fulfillment, and to allow all female employees to enjoy a fulfilling, pleasant, and meaningful holiday, the Company distributed over 2,300 blanket gift sets to all female employees in appreciation of their hard work.



Gift Set Collection Scene



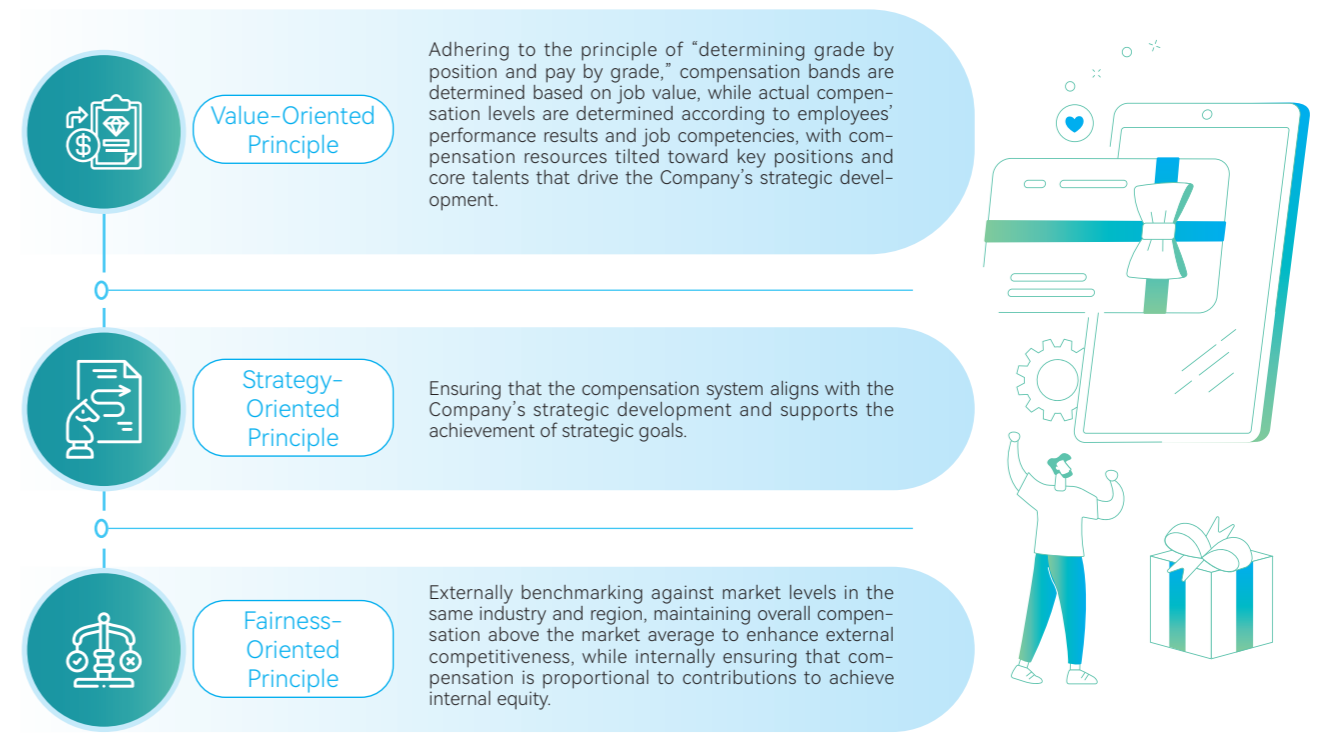
DEYE ESS Women's Federation

Compensation and Benefits Management

Compensation Management System »

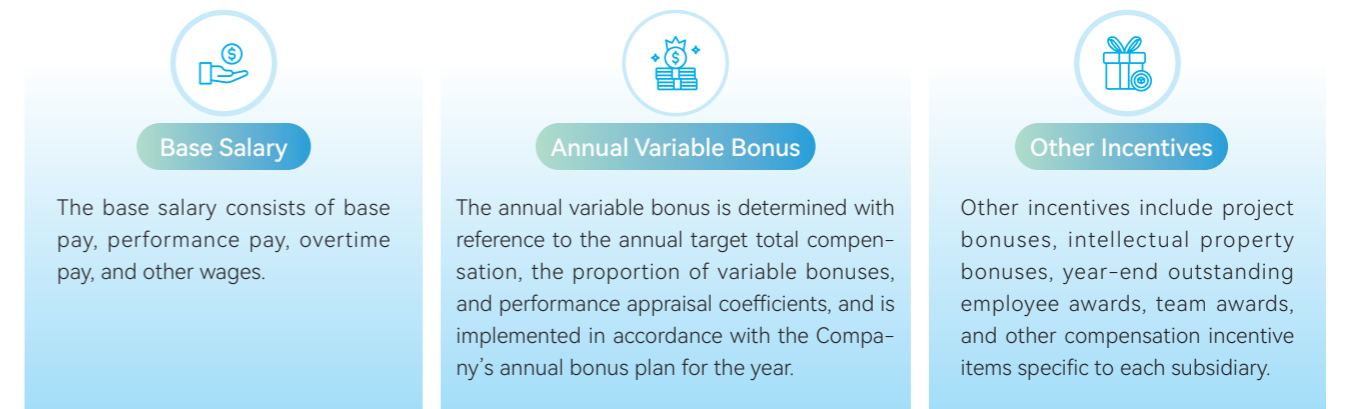
The Company has formulated and implemented the Compensation Management System to build a compensation framework based on job value and oriented by performance, fully stimulating employees’ motivation.

Three Core Principles of Compensation Management



Employee compensation mainly consists of annual base salary and annual variable bonuses. The annual base salary is determined based on job grade and individual employee circumstances and is paid monthly; the annual variable bonus is directly linked to the Company’s overall performance and individual performance appraisal results and is distributed before the Spring Festival each year, reflecting both incentive effectiveness and fairness. To ensure the continued competitiveness of the compensation system, the Company evaluates compensation levels annually based on factors such as business performance, industry compensation benchmarks, and changes in macroeconomic indicators, and adjusts the compensation framework for each grade in a timely manner.

Employee Compensation Structure



Performance Appraisal and Appeals »

Through the Performance Management Measures and the Cadre Management System, the Company sets differentiated appraisal content and weightings for different job categories, ensuring that appraisal methods are aligned with job characteristics and enabling accurate measurement of the value contributions of employees in different positions. The appraisal cycle covers quarterly, semi-annual, and annual periods, and appraisal methods include KPIs, work reporting, 360-degree evaluations, training hours, etc., which are flexibly combined and applied according to job categories.

Principles of Performance Appraisal

Principle of Objectivity and Fairness

Evaluation and appraisal are based on actual work performance to avoid the influence of personal emotional factors.

Principle of Seeking Truth from Facts

Evaluation and appraisal are based on actual work processes and factual results to avoid subjective assumptions.

Principle of Differentiation

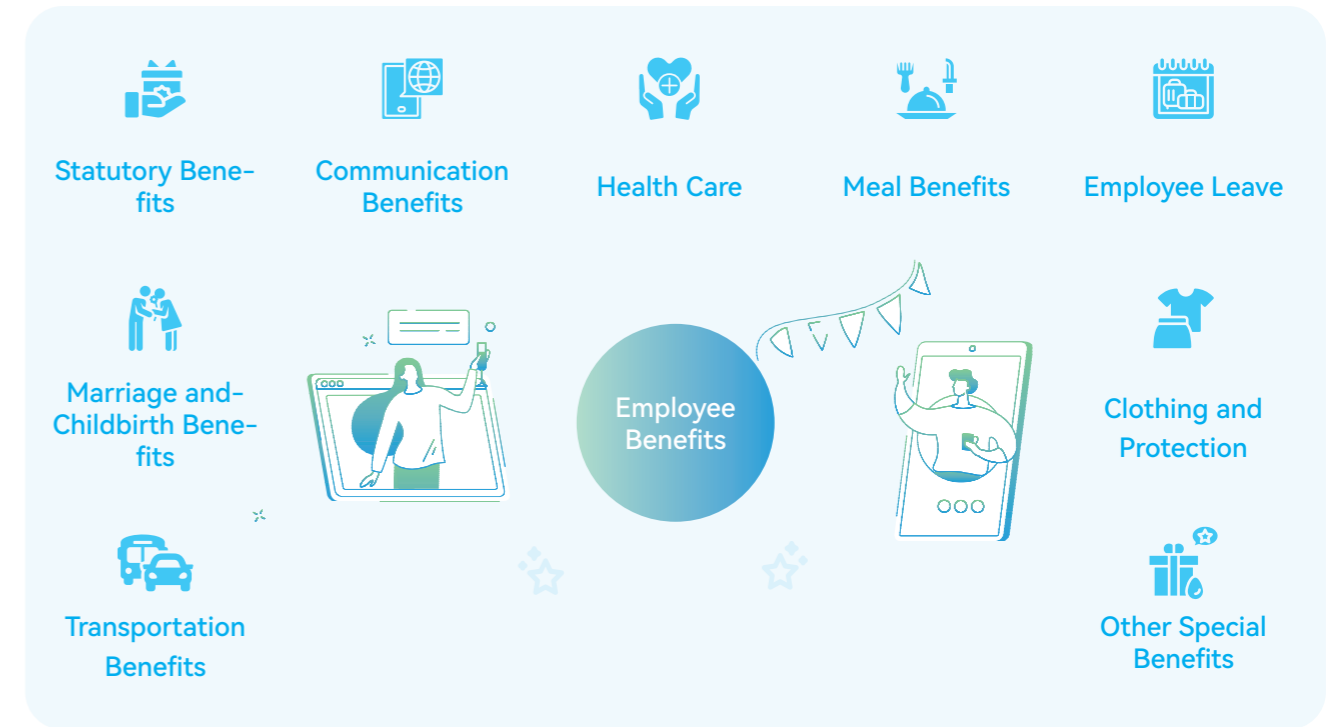
Based on actual work performance, differentiated ratings are assigned to employees with varying levels of contribution, with high performance granted to employees who demonstrate strong capabilities and make significant contributions to the organization.

The Company has established comprehensive information communication and performance appeal channels. After performance results are announced, supervisors at all levels must provide feedback to employees within 7 days and conduct performance interviews with employees rated as “unqualified” or “needs improvement,” focusing on performance outcomes, capability strengths, improvement directions, and career development; interview records are tracked and retained by the Human Resources Department. If employees have objections to performance results, they may submit a written appeal to the Human Resources Department, which will investigate, coordinate, and provide recommendations; such recommendations shall take effect upon approval by the General Manager (or the Director/Head of the Human Resources Department).



Benefits System »

The Company has formulated the Employee Benefits Management Measures, the Social Insurance Management System, and the Employee Leave Management System, establishing a multi-dimensional employee benefits system covering statutory benefits, bonus incentives, paid leave, housing and meal subsidies, transportation and communication allowances, and health care, thereby effectively safeguarding employee rights and interests. To attract talent and motivate employees, the Company will, in accordance with strategic development needs, study and introduce long-term incentive measures such as equity incentives in due course.



Case Study Employee Benefits

During the reporting period, in recognition of the hard work of all employees, the Company distributed year-end benefits, birthday gifts, and various festive benefits (e.g., for the Mid-Autumn Festival), aiming to improve employee well-being and enhance their sense of belonging and happiness.



Distribution of Dragon Boat Festival Benefits



Year-End Employee Benefits



Birthday Gifts



Holiday Benefits



Mid-Autumn Festival Benefits

Employee Care and Communication

Employee Activities »

Focusing on employees' sense of belonging and well-being, the Company actively organizes a variety of employee activities to create a healthy, positive, and collaborative workplace atmosphere.

Case Study May Fourth Youth Day Hiking Activity

On May 11, 2025, the Company organized 50 young employees to participate in the May Fourth Youth Day hiking activity themed "Spring Encounter · Youth Together" at Dongqian Lake in Ningbo. The activity featured hiking, self-service barbecue, and fun team games; employees relaxed during lakeside walks, strengthened connections through barbecue cooperation, and ignited passion through team challenges, demonstrating the vigorous and uplifting spirit of Deye's young workforce.



Activity Scene

Case Study Lingfeng Industrial Community Park Run

On March 30, 2025, the Company organized two teams to participate in the 3rd Lingfeng Industrial Community Industrial Workers Park Run. During the race, team members encouraged each other and cooperated seamlessly, enhancing solidarity and mutual support among colleagues, showcasing a positive and enterprising spirit, and injecting new vitality into corporate culture development.



Activity Scene

Case Study Traditional Festival DIY Handcraft Activities

Through hosting traditional festival DIY handcraft activities, Deye deeply integrates traditional culture with corporate culture. This allows employees to experience the charm of festivals through hands-on creation and strengthens team cohesion through collaborative interaction, effectively increasing employees' sense of belonging and identity, injecting vivid and dynamic connotations into corporate culture construction, and demonstrating the Company's emphasis on and care for employees' spiritual and cultural life.



Activity Scene

Case Study 2025 "Deye Spring" New Year Gala Dinner

On January 20, 2025, the "Deye Spring" 2025 Annual New Year Gala Dinner of Deye was grandly held. It not only showcased the multifaceted talents and vibrant spirit of Deye employees but also effectively strengthened team cohesion and collective sense of honor, injecting warm and solid momentum into corporate culture development and highlighting the Company's recognition of employees' hard work and humanistic care.



2025 Deye Spring New Year Gala Dinner

Employee Assistance »»

The Company pays attention to employees experiencing living difficulties and provides necessary support and assistance through various channels. The Company continuously optimizes its employee care mechanism; in cases of major illness, accidental incidents, family changes, and other special difficulties, employees may report their situations to the Company, which will, upon verification, provide corresponding assistance based on actual needs, thereby effectively fulfilling corporate social responsibility.

Case Study Charitable Donations

Upon learning that an employee's family members had fallen seriously ill one after another, the Company promptly initiated a charitable donation proposal, to which employees responded actively with enthusiastic donations. A total of 3,384 employees participated, raising RMB 226,950.3 in donations, conveying care and warmth through tangible actions.



Case Study Fundraising for Medical Assistance

After learning that an employee was suffering from a serious illness (end-stage bilateral renal failure), the Company promptly initiated a charitable donation proposal, and employees responded actively, with total donations reaching RMB 40,813.25.



Democratic Management and Communication »»

The Company actively fosters an open, transparent, and inclusive communication atmosphere, ensures smooth channels for employee expression, and allows every employee's voice to be heard and respected. The Company has established and improved a multi-level employee feedback mechanism, through which employees may at any time express suggestions and demands regarding attendance, wages, working environment, and other aspects via communication email, communication QR code, employee satisfaction surveys, and employee communication service studio, among other channels. The Company will promptly optimize management processes and improve relevant systems based on employee suggestions and demands to effectively respond to employee concerns. At the same time, the Company will continue to optimize democratic management mechanisms, expand employee participation channels, and enable employees to gain a stronger sense of participation, fulfillment, and belonging in the Company's development.



Employee Satisfaction »»

To comprehensively understand employee demands and continuously optimize management mechanisms, the Company regularly conducts employee satisfaction surveys, using scientific and objective data collection and analysis to listen to employees' authentic perceptions regarding working environment, compensation and benefits, workload, corporate culture, and other dimensions.

Employee Training and Development

Deye places emphasis on employee training and development, supports learning and growth at different stages, comprehensively enhances employee quality, and consolidates the talent foundation for sustainable development.

Employee Training

Training System »

The Company has formulated the Employee Training Management System and the Management Measures for University Graduate Development, establishing a training management system centrally administered by the Human Resources Department, covering all functional departments and subsidiaries. As the department in charge of training, the Human Resources Department is responsible for overall planning, organization and implementation, supervision, and evaluation of all training activities of the Company and its subsidiaries, including the establishment of training systems, formulation of annual plans, management of training resources, and tracking of training effectiveness.

The Company attaches importance to the development of university graduates by providing growth guidance, business knowledge, and job skills training. Training is tailored to the majors, career plans, and interests of newly recruited university graduates. It adopts a mentorship model for targeted development to help them fit into the Company as quickly as possible.



Induction Training

Company history, corporate profile, business policies, working environment; organizational responsibilities, work safety, operational conditions of departments; Company systems, attendance regulations, and precautions; introduction to departmental offices and supervisors



On-the-Job Training

Study and master job-specific skills to enhance professional competence



Specialized Training

Select outstanding cadres to attend external professional training; invite internal or external lecturers for education and training

Key Performance



Investment in employee training **34.35** RMB (10,000s)

Training Measures »

The Company provides diversified and targeted training for employees at different positions and stages, supporting their growth into high-quality talents aligned with the Company's strategic development needs. Meanwhile, the Company actively promotes the development of an internal trainer team by recruiting individuals with rich experience and professional expertise to serve as lecturers, driving the continuous improvement of organizational learning capabilities.

Case Study Leadership Training

On May 12, 2025, the Company conducted a lean operation indicator breakthrough training camp themed "Learn Lean, Use Lean, Grow in Improvement, Benefit from Improvement," with six project teams participating. It aimed to help employees transition from producers to operators, enhance professional capabilities and leadership, and cultivate successors for key positions.



Training Camp Scene

Case Study Second Session of 2025 University Graduate Induction Training Camp

In July 2025, the Company conducted a university graduate induction training camp. The training innovatively established a "3+1+2" progressive training system, including 3 days of general courses, 1 day of specialized job training, and 2 days of practical exercises and outdoor team building, accelerating the role transition of new employees.



Induction Training Camp

◎ Career Development

The Company has formulated the Sequence and Rank Management System, establishing three development pathways and eight major sequences, clearly defining career development paths, promotion and advancement standards, qualification criteria, and related processes, expanding employee development space, encouraging in-depth development within professional fields while promoting cross-disciplinary and cross-functional growth to achieve mutual empowerment between the employees' personal development and the Company's business development.

Three Development Pathways	Eight Development Sequences
Management Pathway	Management Sequence
Professional Pathway	R&D Sequence, Marketing Sequence, Production and Operations Sequence, Supply Chain Sequence, Quality Sequence, Professional Functional Sequence
Skill Pathway	Operational Sequence

Transfers between the Company's management sequence and professional sequence shall be implemented in accordance with the Cadre Management System to ensure standardized and orderly talent mobility. Internal transfers follow the principle of "same grade, same pay"; when employees transfer across pathways, their grades and compensation are matched according to the grade standards of the new position to protect employees' legitimate rights and interests.

Occupational Health and Safety

Deye always regards employee health and safety as the cornerstone of sustainable development. It adheres to the safety policy of "safety first, prevention foremost, comprehensive management," practices the occupational health concept of "focusing on employee health and eliminating occupational hazards," and, supported by systematic construction, establishes a safety management network covering all employees, processes, and scenarios.

◎ Occupational Health and Safety Management System

The Company has formulated systems such as the Work Safety Management System, the Work Safety Reward and Punishment Management System, and the Occupational Disease Prevention and Control Management System, establishing and improving the occupational health and safety management system and continuously deepening work safety management practices through a systematic management model. To ensure the legality and applicability of safety management systems, the Company continuously conducts identification, acquisition, review, and updating of relevant documents such as work safety laws and regulations, standards, and other requirements.

As of the end of the reporting period, the Company, DEYE INVERTER, DEYE ESS, and Zhejiang Deye Environmental Appliances had been certified with ISO 45001:2018 Occupational Health and Safety Management System.



◎ Occupational Health and Safety Risk Management

Risk Management Mechanism »»

The Company implements hierarchical control over occupational health and safety risks. It has established a risk control mechanism of "full participation and categorized measures," covering various scenarios including routine operations, non-routine activities, equipment and facility operations, and natural disasters.

In accordance with the Risk Assessment Management System, the Company conducts full-process management of risk identification, assessment, monitoring, and control.

During the risk identification stage, each business unit evaluates operational activities using Job Hazard Analysis (JHA) and evaluates equipment and facilities using Safety Check List (SCL), completing hazard and risk assessment record forms. The scope of risk identification covers routine and non-routine activities, personnel behavior, raw material transportation, equipment and facilities, emergency situations, disposal and dismantling, surrounding environments, and natural disasters.

The Company has established an evaluation team composed of supervisory leaders, functional department heads, and engineering and technical staff with practical experience. Using operational risk analysis methods (risk matrix), identified hazards are scientifically classified based on the likelihood of occurrence and the severity of consequences, so as to take effective or appropriate control measures and reduce or control risks to a tolerable level.



The Company implements a graded and categorized risk control mechanism and conducts regular risk evaluations. For major risks, the Company implements a “one risk, one plan” control strategy, specifying responsible departments, rectification timelines, and acceptance criteria.

Emergency Management »

Based on risk identification and assessment results, the Company has developed emergency response plans covering 10 types of emergencies, including fire, vehicle injury, mechanical injury, and container explosion, defining emergency organizational structures, response procedures, and handling measures to ensure rapid response in emergencies and protect production safety and employee health.

Case Study Fire Evacuation Emergency Drill

On October 13, 2025, Zhejiang Deye Environmental Appliances organized 330 employees to conduct a fire evacuation emergency drill and learn fire safety knowledge. It enhanced familiarity with evacuation routes and proficiency in the use of fire extinguishers, and strengthened employees’ awareness of fire safety and self-rescue and mutual rescue capabilities.



Fire Safety Knowledge Learning



Evacuation Drill Scene

Case Study EPE Warehouse Firefighting Emergency Drill

On June 10, 2025, Zhejiang Deye Environmental Appliances carried out a firefighting emergency drill at the EPE warehouse, with 20 employees participating. It aimed to improve workers’ emergency response speed and firefighting capabilities in the event of an EPE fire. After the drill, the commander-in-chief conducted an on-site summary evaluating response time and operational proficiency, identifying that some employees were not proficient in fire hose deployment techniques and the wearing of firefighting suits. Subsequent targeted training will be strengthened in fire hose usage and firefighting suit donning to ensure all employees master emergency skills and enhance overall emergency awareness and response capabilities.



Firefighting Emergency Drill Scene

Hazard Identification »

To prevent risks before they arise, the Company has formulated the Safety Risk Inspection Management System and the Hazard Identification and Rectification Management System, and actively conducts comprehensive inspections of key areas such as factory premises and dormitories through a three-level inspection mechanism of “routine inspections—special inspections—holiday supervision,” promptly organizing rectification of identified hazards to form closed-loop management and continuously improve safety levels.

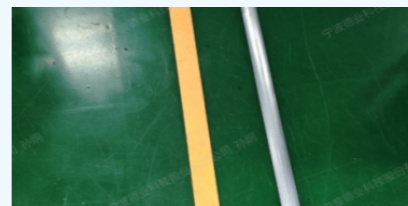
Case Study Monthly Hazard Inspection

In October 2025, the Company conducted a routine monthly hazard inspection, identifying a total of 51 general hazards, all of which have been rectified, and relevant responsible persons were penalized in accordance with regulations.



Lack of protective measures for wiring

Lack of labeling for hazardous chemicals



After rectification

After rectification

Key Performance



In 2025, the Company identified a total of **1,829** hazards through daily safety inspections, equipment checks, monthly special inspections, and pre-holiday inspections, etc., of which **1,828** have been rectified, achieving a rectification rate of **99.95%**.

Indicators and Targets

Work Safety

Indicator	2025
Number of work safety accidents	0 Accidents
Number of work-related fatalities	0 People
Total number of work-related injuries	0 People
Working hours lost due to work-related injuries	0 Hours
Lost time injury frequency rate (LTIFR) per million hours worked	0%
Hazard identification and rectification rate	99.95%
Number of safety emergency drills	19 Drills
Investment in work safety	1,510.03RMB (10,000s)
Proportion of work safety investment to operating revenue	0.12%



Safety Education and Training

Indicator	2025
Total investment in safety training	3.01 RMB (10,000s)
Number of safety training sessions	517 Session
Number of participants in safety training	7,757 Person-times
Total duration of safety training	383,936 Hours
Average duration of safety training per capita	63.52Hours/Person
Coverage rate of safety education and training	100%
Coverage rate of safety risk protection training	100%

Occupational Health

Indicator	2025
Certification rate of special workers	100%
Amount invested in work safety liability insurance	3.42 RMB (10,000s)
Coverage rate of work safety liability insurance	10%
Detection rate of occupational hazard factors	100%
Incidence rate of occupational diseases	0%
Employee health examination coverage rate	100%

Work Safety Measures

Safety Accident Management »»

The Company has formulated the Work Safety Accident Investigation and Handling Management System, establishing standardized accident handling procedures covering reporting, response, investigation, handling, and improvement.

After a safety accident occurs, the person involved or the discoverer must immediately report it level by level; in cases involving serious injuries, fatalities, or major risk incidents, the unit head must report to government regulatory authorities within one hour after receiving the accident information. The responsible department must promptly initiate emergency response procedures, prioritizing rescue of the injured, situation control, and site protection; major accidents shall be uniformly directed by an on-site command team led by the General Manager.

Relevant departments shall complete a preliminary investigation within three working days and submit a preliminary Accident Report to the Safety and Environmental Protection Department; the Safety and Environmental Protection Department organizes on-site investigations, identifies causes, determines responsible parties, proposes handling opinions and preventive measures, revises and improves the accident report, and copies it to the Human Resources and Administration Department.

Accident handling follows the principle of "four non-negotiables," with responsible persons subject to disciplinary actions, and criminal liability pursued in accordance with the law where applicable. The Company classifies accidents into Category I, Category II, Category III, and Category IV accidents, and sets corresponding penalty amounts for responsible persons of each category, while clearly defining criteria for aggravated penalties to ensure appropriate accountability. On this basis, the Safety and Environmental Protection Department is responsible for accident statistics and analysis, integrating lessons learned into risk management, continuously identifying risk points and improving preventive measures, thereby forming closed-loop management.

Category I Accident	Extraordinarily serious accident/emergent environmental incident
Category II Accident	Major accident/significant accident/occupational diseases confirmed by authorized medical institutions
Category III Accident	General accident/environmental rectification order
Category IV Accident	Minor accident/near-miss incident

Special Cases

Concealment of accidents results in an upgrade of one level from the original accident level

Accidents involving related parties within the factory site and off-site traffic liability accidents result in a downgrade of one level from the original accident level



Training and Cultural Development »»

In compliance with laws and regulations such as the Work Safety Law and the Law on the Prevention and Control of Occupational Diseases, the Company has established a three-level safety education system and a specialized education system, and promotes the development of occupational health and safety culture through activities such as “Safety Rationalization Proposals,” “Work Safety Month,” and “Ensuring Safety, Promoting Production” to foster a positive atmosphere of valuing life and health.

Case Study Traffic and Fire Safety Training

On September 15, 2025, the Company’s Safety and Environmental Management Department engaged all warehouse and logistics personnel in specialized training on traffic and fire safety in the finished goods warehouse of Building A. The training covered traffic safety, fire safety, prevention of extreme weather, precautions for the use of special equipment, and emergency response capabilities; it helped employees systematically master relevant safety knowledge and operational standards and enhanced the safety awareness and emergency response capabilities of frontline workers.



Training Session in Progress

Case Study Work Safety Month Activities

In June 2025, the Daily Electrical Appliances organized a series of “Work Safety Month” activities themed “Everyone Practices Safety, Everyone Knows Emergency Response.” The activities covered multiple dimensions including safety culture promotion, specialized training, hazard identification, and emergency drills. They aimed to enhance overall safety awareness and emergency response capabilities.



Safety Culture Promotion Banners



Accident Case Study Learning

Safety Management of Related Parties »»

The Company has formulated the Safety Management System for Outsourced Contractors for the management of outsourced contractors, implementing strict entry mechanisms; outsourced contractors must provide business licenses, work safety permits, relevant work qualification certificates (such as for working at heights and hot work), and operation certificates for special workers, all of which are reviewed one by one by the Security Department. Those failing to meet qualification requirements are strictly prohibited from entry. A Safety Agreement for Outsourced Contractors is signed to clearly define the safety responsibilities of both parties, scope of work, safety requirements, accident handling methods, and liability for breach of contract. The agreement serves as an annex to the contract and comes into effect simultaneously with the main contract. On-site operations are standardized by appointing safety supervisors and clarifying penalties for violations.

Hazardous Chemicals Management »»

In accordance with regulatory requirements such as the Regulations on the Safety Management of Hazardous Chemicals, the Company has formulated and implemented the Management System for the Storage and Use of Hazardous Chemicals, clearly defining responsibilities. The Safety and Environmental Protection Department is responsible for the comprehensive supervision of hazardous chemicals, including supplier qualification review, safety inspections of storage locations, and organization of emergency drills; each user department is responsible for daily management implementation, including registration of receipt and use, on-site usage standards, and disposal of waste chemicals. At the same time, the system specifies penalties for violations, imposing negative incentives ranging from 50 to 1,000 points on responsible persons and management persons who violate regulations.

Rural Revitalization

Rural revitalization is an important pathway to promoting common prosperity and a key support for achieving social progress in all respects. The Company has incorporated rural revitalization into the core practice areas of its corporate social responsibility by continuously participating in rural construction and industrial development projects to support rural economic improvement and coordinated social development through tangible actions.

Case Study Supporting Rural Development

In June 2025, the Company actively engaged in rural revitalization projects by donating RMB 4.128 million through the Cixi Charity Federation, specifically allocated to the "Common Prosperity Fund" of Longshan Town, and repeatedly carried out the "Deye Warms the New Spring for Thousands of Households by Benefiting the Blessed Longshan" visitation and consolation activities. It supported local common prosperity initiatives through concrete actions and actively fulfilled corporate social responsibility.

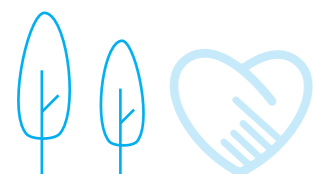


Other Donations				
Donation Date	Recipient	Amount(RMB)	Donation Type (Cash/In-kind)	Description
Feb. 2025	Tongshan County Red Cross Society	80,000.00	Cash	Student Aid and Scholarship program at Tongshan No. 1 Middle School
Mar. 2025	Tongshan County Charity Federation	100,000.00	Cash	Renovation of the cultural hall for Group 4, Zhaitou Village, Jiugongshan Town
Mar. 2025	Guanzong Temple, Ningbo	15,400.00	In-kind	Dehumidifiers
Apr.2025	Rugby and bulletjie rugby	11,037.68	Cash	Rugby match jersey
Jun. 2025	Children's Cancer Foundation, Singapore	55,783.00	Cash	Donation to the Children's Cancer Foundation, Singapore
Jul. 2025	National University of Singapore	281,435.00	Cash	Donation to the Institute of Policy Studies (IPS) at the National University of Singapore
Aug. 2025	Ningbo Olympic Sports Center Operation Management Co., Ltd.	400,000.00	Cash	Event sponsorship and advertising
Dec. 2025	Uy Ban Mat Tran To Quoc Viet Nam TP. HCM	273,528.18	Cash	Donation to the Government of Vietnam for natural disaster relief in Vietnam
Dec. 2025	National University of Singapore	109,138.00	Cash	Donation to support the Institute of Policy Studies (IPS) and the "Singapore Perspectives 2026" project

Key Performance



During the reporting period, the Company's total external donations for social and public welfare amounted to RMB **10.0043** million, of which RMB **4.128** million was allocated to poverty alleviation and rural revitalization.





Letter of Appreciation for Supporting Ecological and Environmental Protection Public Welfare

Ningbo Beilun "Two Mountains" Environmental Protection Foundation



Plaque of Appreciation for Supporting the "Blazing Heart" Charity Fund

Ningbo Beilun District Charity Federation



Letter of Appreciation for Donation

Ningbo Beilun District Charity Federation



"Caring Enterprise"

Ningbo Beilun District Charity Federation



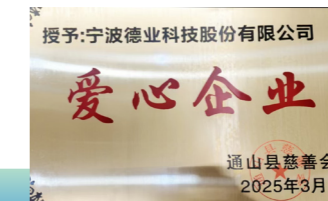
Letter of Appreciation for Support to the Sichuan Earthquake Disaster Area

Ningbo Beilun District Charity Federation



2024 Charitable Donation Caring Enterprise

Ningbo Beilun District Charity Federation



"Caring Enterprise"

Tongshan Charity Association

Data Tables and Notes

◎ Governance Performance

Issue	Quantitative Indicators	Unit	2025
Business Performance	Operating Revenue	RMB (10,000s)	1,222,374.35
	Net Profit	RMB (10,000s)	316,865.60
	Earnings Per Share (EPS)	RMB/share	3.51
Party Building Leadership	Number of Company Party Committees (including the primary one)	Committees	1
	Number of Party Committee Meetings Held	Times	24
	Number of Party Members	People	60
Compliance, Governance & Internal Control	Shareholders' Meetings		
	Total Number of Shareholders' Meetings Held	Times	3
	Number of Extraordinary Shareholders' Meetings Held	Times	2
	Items Reviewed and Approved	Items	20
	Board of Directors		
	Total Number of Board Meetings Held	Times	10
	Items Reviewed and Approved	Items	73
	Board Member Attendance Rate	%	100
	Number of Board Members	People	8
	By Role		
	Independent Directors	People	3
	Non-Independent Directors	People	5
	By Gender		
	Male	People	7
	Female	People	1

Issue	Quantitative Indicators	Unit	2025
Compliance, Governance & Internal Control	Specialized Committees of the Board		
	Number of Strategy & Sustainability Committee Meetings	Times	4
	Number of Nomination Committee Meetings	Times	2
	Number of Audit Committee Meetings	Times	5
	Number of Remuneration & Appraisal Committee Meetings	Times	8
Investor Relations Management	Investor Communication		
	Number of On-site Visits from Investors	Times	218
	Number of Questions Answered on SZSE Interactive Platform	Times	77
	Investor Open-Day Events Held	Times	3
	Information Disclosure		
	Investor Calls Answered	Times	211
	Number of Periodic Reports Disclosed	Reports	4
	Number of Ad-hoc Reports Disclosed	Reports	121
	Shareholder Returns		
	Cash Dividend per Share (tax inclusive)	RMB/share	3.01
Total Cash Dividends Paid (tax inclusive)	RMB (10,000s)	274,049.84	

Environmental Performance

Issue	Quantitative Indicators	Unit	2025
Climate Change Response	Total Greenhouse Gas (GHG) Emissions	tCO ₂ e	52,559.19
	GHG Emissions Intensity	tCO ₂ e / RMB million in revenue	4.30
	Direct (Scope 1) GHG Emissions	tCO ₂ e	3,075.19
	Indirect (Scope 2) GHG Emissions	tCO ₂ e	49,484.00
Environmental Management	Total Environmental Protection Investment	RMB (10,000s)	30.70
	Number of Environmental Training Sessions	Sessions	12
	Number of Participants in Environmental Training	Person-times	209
	Total Hours of Environmental Training	Hours	26
Emissions and Waste	Hazardous Waste Disposed	Tonnes	48.56
	Hazardous Waste Disposal Intensity	Tonnes/million RMB in revenue	0.0040
	Non-hazardous Waste Disposed	Tonnes	996.57
	Non-hazardous Waste Disposal Intensity	Tonnes/million RMB in revenue	0.0815
	Air Emissions	Tonnes	19.84
	Air Emissions Intensity	Tonnes/million RMB in revenue	0.0016
	Wastewater Discharge	Thousand tonnes	164.70
Efficient Resource Utilization	Wastewater Discharge Intensity	Thousand tonnes/million RMB in revenue	0.0135
	Purchased Electricity Consumption	kWh	88,096,852
	Purchased Electricity Consumption Intensity	kWh / million RMB in revenue	7,207.03
	Natural Gas Consumption	m ³	1,422,249
	Natural Gas Consumption Intensity	m ³ / million RMB in revenue	116.35
	Water Consumption	Thousand tonnes	385.30
	Water Consumption Intensity	Thousand tonnes/million RMB in revenue	0.03
	Packaging Material Usage	Tonnes	11,295.43
Packaging Material Intensity	Tonnes/million RMB in revenue	0.92	
Total Energy Consumption	tce	12,554.14	

Social Performance

Issue	Quantitative Indicators	Unit	2025
Innovation-Driven Development	R&D Investment	RMB (10,000s)	56,209.60
	R&D Investment as a Percentage of Main Business Revenue	%	4.60
	Total Number of R&D Team Members	People	868
	R&D Personnel as a Percentage of Total Employees	%	14.39
	Cumulative Number of Authorized Patents (Patents within validity period)	Items	542
	Cumulative Number of Authorized Invention Patents	Items	50
	Cumulative Number of Authorized Utility Model Patents	Items	367
	Cumulative Number of Authorized Design Patents	Items	125
	Cumulative Number of Software Copyrights	Items	146
	Cumulative Number of Trademarks	Items	167
Safeguarding Quality and Safety	Product Recall Rate	%	0
Data Security & Customer Privacy Protection	Number of Data Security / Customer Privacy Protection Training Sessions	Sessions	6
	Total Duration of Data Security / Customer Privacy Protection Training	Hours	0.5
	Coverage Rate of Data Security / Customer Privacy Protection Training	%	99
	Digital Construction Investment	RMB (10,000s)	1,022.95
	Number of Customer Information Leakage Incidents	Cases	0
Responsible Supply Chain	Specific Monetary Amount Involved in Customer Privacy Leakage Incidents	RMB (10,000s)	0
	Number of Information Security and Privacy Protection Violation Incidents	Incidents	0
	Total Number of Suppliers	Suppliers	1,025
	Signing Rate of Supplier Integrity Agreements	%	100

Issue	Quantitative Indicators	Unit	2025
Protection of Employee Rights and Interests	Total number of employees	People	6,044
	Number of employees with signed labor contracts	People	6,044
	Labor contract signing rate	%	100
	Number of employees by region		
	China	People	5,951
	Overseas	People	93
	Number of employees by gender		
	Female	People	2,015
	Male	People	4,029
	Number of employees by age		
	30 years old and below	People	3,010
	31-40 years old	People	1,898
	41-50 years old	People	833
	51 years old and above	People	303
	Number of employees by Education Level		
	Doctoral degree	People	4
	Master's degree	People	145
	Bachelor's degree	People	1,262
	Below bachelor's degree	People	4,633
	Number of employees by function		
	Production	People	4,124
	Technology	People	868
	Sales	People	635
	Finance	People	77
	Administration	People	332
	Others	People	8
	Employee Training		
Investment in employee training	RMB (10,000s)	34.35	

Issue	Quantitative Indicators	Unit	2025
Occupational Health & Safety	Work Safety		
	Number of work safety accidents	Accidents	0
	Number of work-related fatalities	People	0
	Total number of work-related injuries	People	0
	Working hours lost due to work-related injuries	Hours	0
	Lost time injury frequency rate (LTIFR) per million hours worked	%	0
	Hazard identification and rectification rate	%	99.95
	Number of safety emergency drills	Drills	19
	Investment in work safety	RMB (10,000s)	1,510.03
	Proportion of work safety investment to operating revenue	%	0.12
	Safety Education and Training		
	Total investment in safety training	RMB (10,000s)	3.01
	Number of safety training sessions	Sessions	517
	Number of participants in safety training	Person-times	7,757
	Total duration of safety training	Hours	383,936
	Average duration of safety training per capita	Hours/Person	63.52
	Coverage rate of safety education and training	%	100
	Coverage rate of safety risk protection training	%	100
	Occupational Health		
	Certification rate of special workers	%	100
	Amount invested in work safety liability insurance	RMB (10,000s)	3.42
	Coverage rate of work safety liability insurance	%	10
	Detection rate of occupational hazard factors	%	100
	Incidence rate of occupational diseases	%	0
	Employee health examination coverage rate	%	100

Index Table

Section	Subsection	GRI Standards	CASS-ESG 6.0: Guidance for Social Responsibility Reporting in China	SSE Guidelines No. 14 for Self-Regulation of Listed Companies - Sustainability Reporting (for Trial Implementation)
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	Business Footprint	/	/	/
	Product Portfolio	/	/	/
	Corporate Culture	2-6	P3.2	/
	2025 Milestones	/	/	/
	Awards and Recognitions	/	P3.3	/
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	Sustainability in Practice	/	G1.1	/
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Section	Subsection	GRI Standards	CASS-ESG 6.0: Guidance for Social Responsibility Reporting in China	SSE Guidelines No. 14 for Self-Regulation of Listed Companies - Sustainability Reporting (for Trial Implementation)
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	Safeguarding Quality and Safety	416/417	S3.3	Article 47
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Feedback Form

Thank you for reading the 2025 Sustainability Report of Ningbo Deye Technology Corporation. To improve Deye’s performance in environmental, social, and corporate governance aspects, further enhance the Company’s sustainable development capabilities and standards, and strengthen communication with all sectors of society, we sincerely hope that you can provide valuable opinions and suggestions on our work and this report despite your busy schedule, and share your feedback with us through the following methods.

Tel: [0574-86222335](tel:0574-86222335)

Email: stock@deye.com.cn

Your Information

Name: _____ Tel.: _____

Organization: _____ Email: _____

Multiple Choice (Please tick ✓ in the appropriate box)

1. What is your overall evaluation of Deye’s 2025 Sustainability Report:

Good Average Needs Improvement Not Applicable

2. How do you evaluate Deye’s performance in customer service?

Good Average Needs Improvement Not Applicable

3. How do you evaluate Deye’s performance in technological innovation?

Good Average Needs Improvement Not Applicable

4. How do you evaluate Deye’s performance in corporate governance?

Good Average Needs Improvement Not Applicable

5. How do you evaluate Deye’s performance in workforce development?

Good Average Needs Improvement Not Applicable

6. How do you evaluate Deye’s performance in social welfare?

Good Average Needs Improvement Not Applicable

7. How do you evaluate Deye’s performance in sustainable supply chain management?

Good Average Needs Improvement Not Applicable

8. Do you have any other comments on Deye’s ESG performance?
