信義光能控股有限公司
XINYI SOLAR HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code：00968

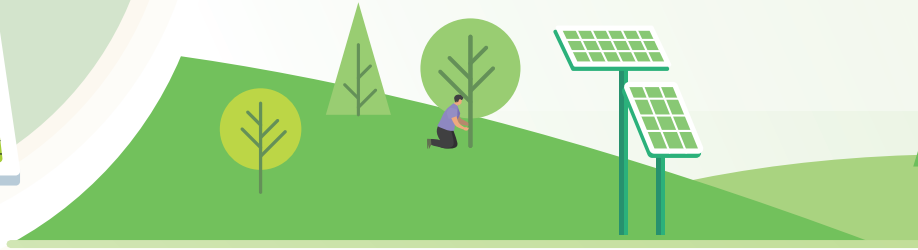
LEADING GREEN NEW ENERGY

XINYI SOLAR

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2025

Contents



About the Report

OVERVIEW

This report is the tenth environmental, social and governance ("**ESG**") report published by Xinyi Solar Holdings Limited ("**Xinyi Solar**," the "**Company**," or "**we**") and its subsidiaries (the "**Group**"). This report is an annual report. Adhering to the principles of materiality, quantitative, balance, and consistency, it comprehensively explains the Group's management approaches and performance in environmental, social, and governance aspects in 2025, aiming to provide valuable information to various stakeholders. This report should be read in conjunction with the "Corporate Governance Report" in the Company's 2025 Annual Report. This report is published in both Chinese and English, respectively, and is available for download on the website of the Company (www.xinyisolar.com) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk). In case of any discrepancy between the different language versions, the Chinese version shall prevail.

REPORTING SCOPE

This report sets out the ESG performance of Xinyi Solar Holdings Limited and its subsidiaries from 1 January 2025 to 31 December 2025 (the "**Reporting Period**"). Some content may trace back to previous years or extend to 2030. The report covers wholly-owned and non-wholly-owned subsidiaries located in China, Malaysia, Indonesia, and Canada, and their core businesses, including: (i) production and sales of solar glass; and (ii) renewable energy business, consistent with the definitions in the Company's 2025 Annual Report. Economic and employee-related data includes the Company's wholly-owned subsidiary in Indonesia and a 52%-owned non-wholly-owned subsidiary in Yunnan Province, China; however, since these projects were still under construction or had not yet commenced production as of 31 December 2025, the associated resources consumed and waste emitted were very limited; and therefore, environmental data for these projects has not been included in the Reporting Period. In the future, the inclusion of such data will be considered based on the extent of their impact on the Group's overall environmental performance.

REPORTING FRAMEWORK

This report has been prepared in accordance with the mandatory disclosure requirements and "comply or explain" provisions of the Environmental, Social and Governance Reporting Guide (the "**ESG Reporting Guide**"), set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"). Meanwhile, this report has been prepared with reference to the "Sustainability Reporting Guidelines" of the Global Reporting Initiative (GRI standards), while referencing and responding to the "Sustainability Accounting Standards for the Solar Technology & Project Developers Industry" issued by the Sustainability Accounting Standards Board (SASB) of the United States, and indicators from leading domestic and international ESG rating questionnaires.

The Group's disclosures regarding the identification, response, and management of risks and opportunities arising from climate change mainly refer to the recommendations of the Task Force on Climate-related Financial Disclosures ("**TCFD**"). Based on communication during the Reporting Period with various key stakeholder groups – including the Stock Exchange, the Carbon Disclosure Project ("**CDP**"), the Hong Kong Quality Assurance Agency, institutional shareholders, and ESG analysts – we have further optimised and enhanced the standards of the Group's climate information disclosure.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements, which are forecasts and assumptions made based on the current state of the Group's business, the industry, and the market, and do not guarantee future performance. The Group's performance may be affected by market risks, uncertainties, and factors beyond the Group's control. Hence, actual results may differ from the assumptions and related statements made in this report.

REVIEW AND APPROVAL

This report has been reviewed by the Sustainable Development Management Committee (the "**SDM Committee**") and approved by the Board of Directors of the Company (the "**Board**") before its publication on 30 April 2026.

CONTACT AND ENQUIRIES

The Group highly values the opinions and feedback of key stakeholder groups and uses them as a basis to continuously improve the Group's ESG performance and disclosure standards. If you have any comments or feedback on this report or the Group's ESG strategy, please feel free to contact us via the following channels:

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Board Statement

As a leading global solar glass manufacturer and a leading renewable energy project operator in China, Xinyi Solar's business expansion is of great significance to the global promotion of energy transition and the achievement of carbon neutrality. The Group upholds the "Two Enhancements and One Reduction" strategy, actively expanding solar glass production capacity while increasing the installed capacity of renewable energy. We strive to effectively reduce unit energy consumption and emissions during the solar glass production process, aiming to maximise the positive impact and reduce the negative impact on society and the environment. In addition, the Group hopes to convey the concept of "GREEN" to the value chain and community through its own participation and promotion, so as to contribute to the creation of a green and sustainable future.

To effectively advance ESG initiatives, the Company has established an ESG management framework centred on the Board, the SDM Committee, and the ESG Working Group. The clear division of responsibilities at each level ensures the efficient advancement of ESG work. As the highest decision-making body for ESG matters, the Board is primarily responsible for formulating the Company's ESG strategy, planning ESG initiatives, receiving reports on the progress of ESG initiatives and major matters, and reviewing and evaluating relevant progress and issues. During the year, the Board reviewed and evaluated several policies and systematically assessed the achievement of various ESG performance targets, ensured the effective implementation and execution of the Company's ESG strategy, faithfully fulfilled its duties, and further enhanced the Company's ESG governance standards.

The Group's ESG strategy covers five key areas:

- Governance for sustainable development
- Resilience to climate change
- Ecologically-friendly and sustainable business model
- Engaging with the value chain and community
- Nurturing talents for long-term development

The Board will perform its duties with dedication and actively advance various ESG initiatives across the five key areas, striving to elevate governance standards and foster sustainable development for the enterprise, the value chain, and society.

Message from our Chairman and CEO

International geopolitical conflicts continue to disrupt the global energy landscape. Blocked energy transportation and drastic fluctuations in the oil and gas markets have once again alerted the world to the supply chain vulnerability and geopolitical risks caused by excessive reliance on traditional fossil fuels. This has also sounded an alarm for us to practice ESG concepts and promote sustainable development. The instability of traditional energy systems not only shocks the global economic order but also restricts the resilience of long-term high-quality development. Promoting green and low-carbon transition and vigorously developing clean energy, such as photovoltaics ("**PV**") and wind power, has long surpassed the scope of simple environmental protection, which has become an inevitable choice for ensuring energy security, consolidating the foundation, and fulfilling social responsibilities. Standing at a new point of development, we always believe that sustainable development and green energy transition are not only key measures to deal with external uncertainties but also the core path for enterprises to practice their mission and achieve long-term value and win-win outcomes with society.

Guiding the industry's transition to green manufacturing and assisting in the achievement of industry sustainable development and global carbon neutrality goals is the responsibility and mission that Xinyi Solar has always shouldered. As a leader in the solar glass industry, Xinyi Solar unswervingly practices the business philosophy of "Green Environmental Protection, Sustainable Development," implements the "Two Enhancements and One Reduction" and "GREEN" ESG strategies, and is committed to improving the environmental performance within its own operations, enhancing business resilience to climate change, and working hand-in-hand with employees, value chain partners, and all sectors of society toward a sustainable future.

In 2025, despite the complex and volatile external environment, the Group made satisfactory progress toward its established sustainability goals. In the field of environmental protection, Xinyi Solar's greenhouse gas emission intensity, energy consumption intensity, and water consumption intensity per unit of solar glass product decreased by 10.7%, 9.4%, and 18.1%, respectively. In terms of social responsibility, Xinyi Solar actively upholds its commitment to the "Ten Principles", deeply integrating them into the Group's strategic planning and policy formulation, cultural development and promotion, and all aspects of daily operations. We ensure that the spirit of the Global Compact is effectively fulfilled and advocated not only within our own operations but also in the process of value chain collaboration and community engagement.

We are delighted that Xinyi Solar's dedicated efforts in the ESG field have been highly recognised by international and local authoritative organisations, which has also become a powerful driving force for us to continue to excel and improve. Xinyi Solar has been selected for five consecutive years as one of the "Global 100 Most Sustainable Corporations in the World" by Corporate Knights, a Canadian media and investment research company. Meanwhile, Xinyi Solar is also a constituent of a number of ESG indices of MSCI ("**MSCI**"), Hang Seng ("**HSI**") and **F**inancial Times Stock Exchange ("**FTSE**") in the UK. In addition, the Group outperformed its industry peers in international and local sustainability ratings such as CDP, Standard & Poor's ("**S&P**"), MSCI, Institutional Shareholder Services group of companies ("**ISS**"), and HSI.

On our road to sustainable development, we will continue to uphold the mission of "Leading Green New Energy," actively promote ESG practices, and firmly seize the development opportunities in the new energy industry. With the sustainable and high-quality development of our solar glass and renewable energy businesses, we will make an even greater contribution to the global green energy transition.

Dr. LEE Yin Yee, S.B.S.
Chairman and Non-executive Director

Mr. LEE Shing Put, B.B.S.
Executive Director and Chief Executive Officer

30 April 2026

2025 Sustainability Highlights

OPERATIONS

Total revenue in 2025

RMB 20.86 billion

Total assets at 31 December 2025

RMB 56.92 billion

BUSINESS

Solar glass

Production capacity in operation

21,400 tonnes/day

- Solar glass sold during the period is sufficient to produce approximately **178** GW of modules. The green electricity generated by such modules is equivalent to bringing **1.34** million tonnes carbon dioxide emission reductions to the planet annually

Renewable energy projects

Total approved grid-connected capacity exceeds

6.2 GW

- Total power generation for the reporting year was nearly **6.98** billion kWh, equivalent to a reduction in carbon dioxide emissions of approximately **5.742** million tonnes

ENVIRONMENT

Energy consumption intensity of finished products

12.66 kWh/sqm

Decreased by 9.4% year-on-year

Water consumption intensity of finished products

0.008 cubic metres/sqm

Decreased by 18.1% year-on-year

Domestic sales

92.2%

used iron pallets

GHG emission intensity of finished products

4.08 kg CO_2e/sqm

Decreased by 10.7% year-on-year

Water recycling rate

96.8%

Reduction in NO_x, SO_2 and particulates emissions increased to

94.8%, 87.2% and 97.1%, respectively

CO_2 emission reductions from renewable energy power generation increased by 57.8%

SOCIAL

Total employee training hours

69,636 hours

Number of work-related fatalities during the year

0 people

Customer satisfaction

96

Charitable donations

RMB 14.059 million

Provision of education funds for children of employees

RMB 740 thousand

Corruption litigation incident	Proportion of independent directors	Proportion of female directors
0	33.3%	11.1%

GOVERNANCE

We strive to enhance the Group's positive impact and reduce its negative impact in areas related to SDG 7, SDG 8, SDG 9, SDG 12, and SDG 13.
During the Reporting Period, all activities of the Group related to production, operation, and value chain management remained consistent with the SDGs

Awarded "Prime" Status in ISS ESG Corporate Rating [Note] for four consecutive years

Included in the FTSE4Good Index series for five consecutive years

Climate Change Questionnaire: Grade B
Water Security Questionnaire: Grade B-

Hang Seng Index ESG Rating: Grade A

S&P Global Corporate Sustainability Assessment (CSA) 2025: 39 points

Extel
(formerly "Institutional Investor")

"Best Environmental, Social and Governance" and "Best Corporate Board" awards, voted by the sell-side for enterprises in the Industrials (including Infrastructure) sector

Corporate Knights

Named one of the "Global 100 Most Sustainable Corporations in the World" for five consecutive years

Industry and Information Technology Department of Anhui
Advanced-level Smart Factory of Anhui Province

Industry and Information Technology Department of Jiangsu
Green Factory of Jiangsu Province

China Electricity Council
Top 100 Green Power Consumers in China

SOCIAL RECOGNITION

Notes: For Prime Status, please refer to the ISS website: https://www.issgovernance.com/esg/ratings/corporate-rating/

About Xinyi Solar

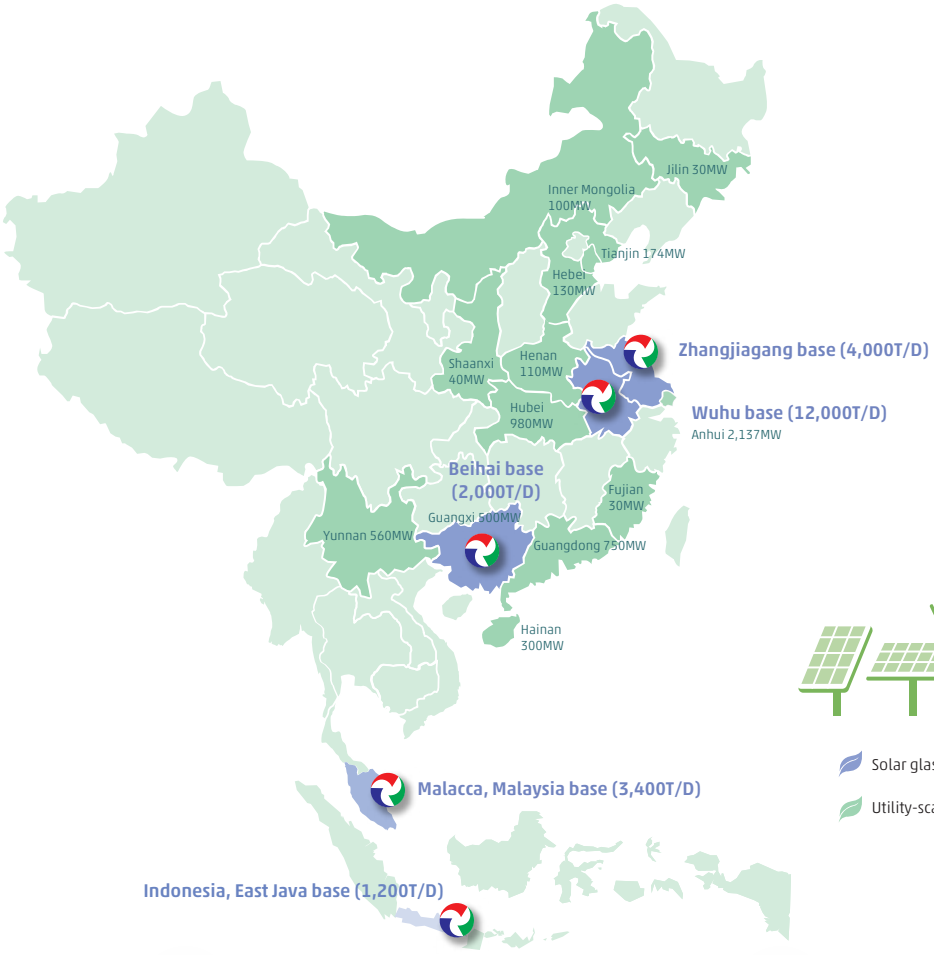
Xinyi Solar is a world-leading solar glass manufacturer, listed on the Main Board of the Hong Kong Stock Exchange on 12 December 2013 (Stock Code: 00968.HK). The Group specialises in the research and development, manufacturing, sales, and after-sales service of solar glass. Major products include ultra-clear patterned solar glass (raw and tempered), anti-reflective coating solar glass, and back glass. The Group provides diversified, high-quality and low-carbon solar glass products for major PV module manufacturers in the world. As of 31 December 2025, the Group has established several large-scale solar glass production bases both domestically and internationally, located in Wuhu of Anhui Province, Beihai of Guangxi Zhuang Autonomous Region, Zhangjiagang of Jiangsu Province, the PRC and Malacca in Malaysia, with an operating capacity of 21,400 tonnes/day. In January 2026, Xinyi Solar's first production line in Indonesia commenced operations.

Since 2014, the Group's business has extended to the solar farm segment, participating more directly in the global energy transition and carbon neutrality process by supplying green electricity to society. As of 31 December 2025, the total approved grid-connected capacity of solar farm projects held by the Group reached 6,245 Megawatt ("**MW**")[Note], including 5,841 MW utility-scale farm projects and 404 MW distributed projects, making it the largest private solar farm owner and operator in China.

Following the successful spin-off and listing of Xinyi Energy Holdings Limited ("**Xinyi Energy**") (Stock Code: 03868.HK) in 2019, the Group continued to be engaged in the development and construction of solar farm projects, while the operation and management of renewable energy projects was attributed to Xinyi Energy, in which the Group held a 50.75% equity interest as of 31 December 2025. The Group optimises its capital cycle through the "Build-Sell-Hold by Xinyi Energy" model, thereby achieving continuous growth in installed capacity. As of 31 December 2025, the solar farm projects held by the Group through Xinyi Energy amounted to 4,785 MW.

Note: Includes two projects accounted for using the equity method, totaling 274 MW.

Business distribution and business model



Solar glass business

Upstream: raw materials (soda ash, silica sand, etc.) and energy supplier

Solar glass production

Downstream: solar module manufacturers

Upstream transportation: Ship/land transport

Downstream transportation: Ship/land transport

Solar farm business

Understanding module efficiency to facilitate the design of solar farms and the selection of modules

Establishing strategic relationships with module customers to identify end-user needs early and drive new product development

Upstream: suppliers of solar modules, inverters, supporting frames, etc.

Development and construction of solar farm projects

Downstream: state-owned grid enterprises/electric companies/electricity consuming enterprises

Upstream transportation: land transport

Operation and management of solar farms by Xinyi Energy

"Strive for self-improvement, spreading goodness across the world" is the core value that Xinyi Solar has always adhered to. In addition to pursuing greater economic and environmental benefits within its scope of operations, the Company remains steadfastly committed to its corporate responsibilities towards its employees, the value chain, society, and the planet. It formulates and optimises strategies with the overall interests of society and key stakeholders in mind, and brings benefits to a broader range of stakeholder groups through effective actions.

Sustainability Philosophy

We support

United Nations Sustainable Development Goals

SUSTAINABLE DEVELOPMENT GOALS

Ten Principles of the UN Global Compact

WE SUPPORT UN GLOBAL COMPACT

CORPORATE GOVERNANCE

Xinyi Solar strictly complies with relevant regulations, such as "the Corporate Governance Code" (the "**CG Code**") of the Hong Kong Stock Exchange, to improve its corporate governance. The Company's 2025 Corporate Governance Report has been published in the Company's 2025 Annual Report and is recommended to be read in conjunction with this section.

Philosophy

In terms of corporate governance, the Group adheres to the "STRC": (Systematic, Transparent, Reliable, and Considerate). The Group strictly complies with the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, and actively refers to and adopts local/international best practices recommended by the Hong Kong Stock Exchange to continuously enhance governance standards.

Systematic

- With legal basis
- About international standardised management systems
- Improve internal risk control and monitoring systems

Transparent

- Well-established internal control system
- Strong external supervision
- Strengthen efforts in anti-corruption and enhance governance transparency

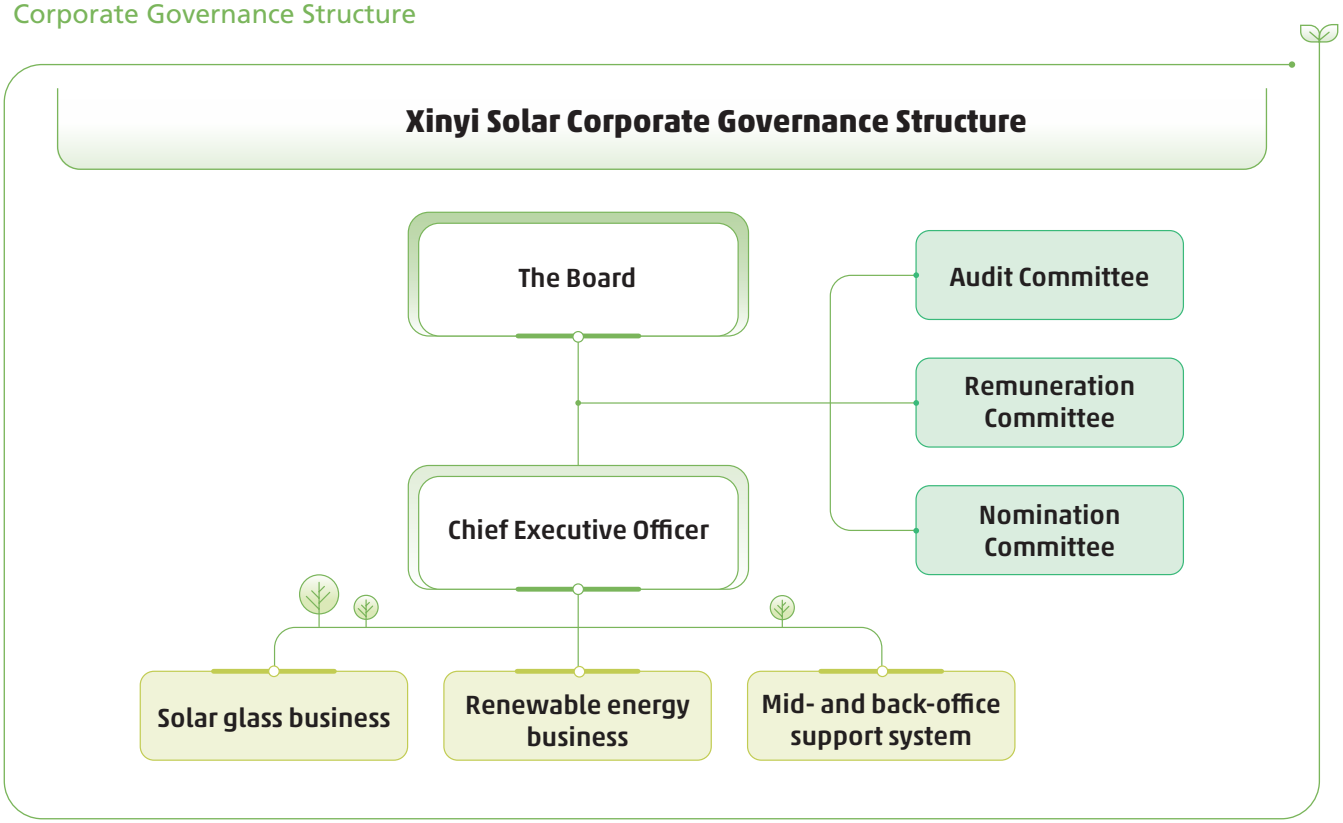
Reliable

- Rigorous quality control
- Long-lasting customer relationships
- Attaching importance to information security and intellectual property protection

Considerate

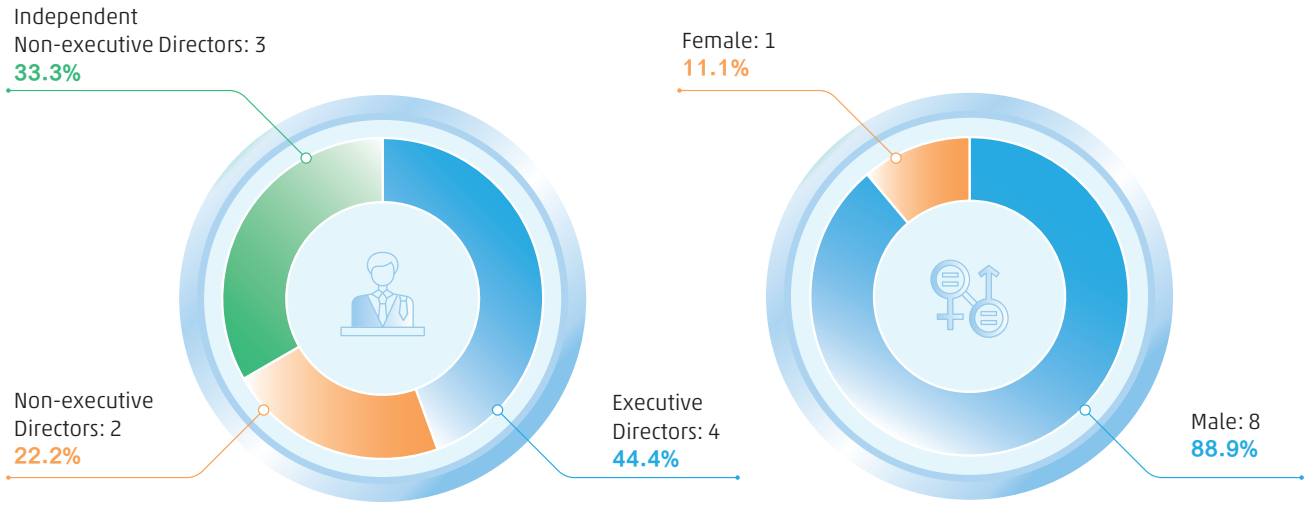
- Responsible procurement
- Suppliers supervision
- Guaranteed stable supply

Corporate Governance Structure



Composition of the Board

During the Reporting Period, the Board of Directors of Xinyi Solar consisted of nine members, including four executive Directors, two non-executive Directors and three independent non-executive Directors. The Group recognises that a diverse Board of Directors not only contributes to the Group achieving balanced and sustainable development, but also assists in attaining established strategic objectives and ensuring that the Group maintains a leading industry position. We have established mechanisms related to the "Board Diversity Policy", incorporating diversity (including but not limited to factors such as gender, age, culture, and ethnicity) into the considerations for appointments, and conducting a comprehensive assessment of factors such as a candidate's educational background, industry experience, skills and expertise, professional knowledge, and years of service as a director. The Board currently has one female member, and the proportion of female directors is 11.1%.



Information on Board Members

	LEE Yin Yee	TUNG Ching Sai	LEE Shing Put	LEE Yau Ching	LI Man Yin	CHU Charn Fai	LO Wan Sing	KAN E-ting	LEONG Chong Peng
	Chairman and Non-executive Director	Vice Chairman and Non-executive Director	Vice Chairman and Executive Director	Executive Director	Executive Director	Executive Director	Independent Non-executive Director	Independent Non-executive Director	Independent Non-executive Director
Audit Committee							Member	Member	Chairperson
Nomination Committee	Chairman	Member					Member	Member	Member
Remuneration Committee	Member	Member					Chairman	Member	Member
Board tenure (year)	14	14	12	14	12	3	12	12	3
Age	73	60	48	50	71	56	78	43	52
Solar glass industry experience	✓	✓	✓	✓	✓	✓			
Solar farm industry experience		✓	✓	✓		✓			
International exposure								✓	✓
Financial expertise						✓			✓
Legal expertise								✓	
Digital and technology			✓					✓	
Compliance and corporate governance	✓	✓	✓	✓	✓	✓	✓	✓	✓
Currently holding executive leadership or directorship positions in other listed companies	✓	✓	✓	✓			✓		

Remuneration of the Board and Senior Management

The remuneration of executive Directors and senior management of Xinyi Solar consists of fixed remuneration and variable remuneration, which is determined in accordance with the relevant terms of the service agreements entered into with the Company. Remuneration is performance-oriented, where the variable remuneration of executive Directors and senior management, including bonuses and share options is linked to individual performance. The Company conducts annual performance evaluations of its executive Directors and senior management. The evaluation criteria includes financial and operational performance metrics, such as sales revenue, profit, payment collection rate, production energy consumption and yield of finished products; they also include other non-financial metrics, such as integrity, safety, quality management, and employee turnover rate. Final remuneration is determined based on performance scores.

Internal Control and Risk Management

Internal control and risk governance framework

Xinyi Solar has established a company-wide risk governance framework to ensure that risk management is effectively integrated into every aspect of the Company's operations, thereby safeguarding the stable conduct of all its business activities. Meanwhile, we also take into account the operational independence of the risk governance framework to ensure that risks are managed from an objective and holistic perspective.

Board of Directors	With full responsibility for the risk management and internal control systems and review of their effectiveness, the Board evaluates and determines the nature and extent of the risks for the Group to be willing to assume in achieving its strategic objectives and establishes and maintains appropriate and effective risk management and internal control systems
Audit Committee	Comprising 3 independent non-executive Directors, it monitors the design, implementation and supervision of the risk management and internal control systems. Under the authorisation of the Board, it is responsible for the continuous supervision of the Group's risk management and internal control systems, as well as reviewing the effectiveness of the systems annually and making recommendations to the Board in a timely manner
Internal Audit Team	The internal audit team analyses and independently assesses the adequacy and effectiveness of the Company's risk management and internal control mechanisms, assigns relevant personnel to be responsible for identifying and monitoring the risk and internal control matters of the Group, and reports audit results and follow-up measures directly to the Audit Committee

Xinyi Solar encourages all employees, including senior management and department heads, to participate in the risk management process. Meanwhile, we have incorporated Key Performance Indicators (KPIs) related to risk management, such as compliance management, occupational health and safety, and human rights, into our performance appraisals to ensure the effectiveness of risk management.

Risk management process

Information collection	Risk identification	Risk assessment	Risk response	Supervision and improvement
Collection of risk cases, risks from external industry changes, policy documents, process deficiencies, reports and complaints	Identify risk categories and determine the departments responsible for response	Assess from dimensions such as the probability of risk occurrence, legal consequences, and corporate impact to classify risk levels	Formulate response plans for each risk level, and report high-risk matters to higher authorities	Implement in accordance with the approved scheme, follow up on the implementation status, and conduct assessment and review of the rectification results

The internal audit team has conducted a review and an internal audit of the risk management of the solar glass and renewable energy businesses for 2025, and written reports of the audit results and recommendations have been submitted to the Audit Committee for discussion and review. As of 31 December 2025, based on the results of the internal control review and the Audit Committee's assessment of those results, no material deficiencies were identified in the risk management and internal control systems.

STAKEHOLDER ENGAGEMENT

Stakeholder Identification and Communication

Xinyi Solar regards the needs and interests of key stakeholders as an important basis for formulating and optimising its sustainability strategy. In view of the characteristics and preferences of different stakeholder groups, we provide them with diverse communication channels to express their opinions. Through regular and timely communication, we gain a full understanding of our key stakeholders' expectations and concerns regarding the Group's sustainable development, and we use these expectations as a key reference for our ongoing improvement and development.

Key Stakeholders	Key Communication Channels	Key Areas
Government and regulators	• On-site visits • Official correspondence • Online real-time monitoring systems • Information disclosure	• Corporate governance and business ethics • Environmental governance and protection • Business model (sustainable and resilient) and innovation • Production management and product responsibility • Value chain development • Talent team building and management
Shareholders/ potential investors	• Annual General Meeting • Information disclosure • On-site visits • Questionnaires and feedback	• Corporate governance and business ethics • Environmental governance and protection • Business model (sustainable and resilient) and innovation • Production management and product responsibility • Value chain development

Stakeholder Engagement

Key Stakeholders	Key Communication Channels	Key Areas
Employees	• Company policies and systems • Regular group/departmental meetings • Employee performance appraisals • Employee training • Employee satisfaction surveys • Interviews/employee suggestion box • President's mailbox • Questionnaires and feedback • Internal publications • Multimedia (social media platforms such as official accounts, etc.)	• Talent team building and management • Community engagement
Suppliers/Business partners	• Product Procurement/Project tendering • Cooperation plans/Field visits • Supplier qualification and periodic audits • Telephone/Email/Meetings • Social media • Questionnaires and feedback	• Corporate governance and business ethics • Value chain development • Business model (sustainable and resilient) and innovation • Production management and product responsibility
Customers	• On-site visits • Customer service hotline • Questionnaires and feedback • Publications/Other promotional leaflets • News reports/Announcements • Social media	• Corporate governance and business ethics • Environmental governance and protection • Business model (sustainable and resilient) and innovation • Production management and product responsibility • Value chain development
Community and public	• Environmental assessments • Coordination meetings • Public welfare activities • News reports/Official website • Corporate official accounts • Telephone calls/Visits	• Community engagement • Environmental governance and protection • Business model (sustainable and resilient) and innovation • Production management and product responsibility

DOUBLE MATERIALITY ASSESSMENT

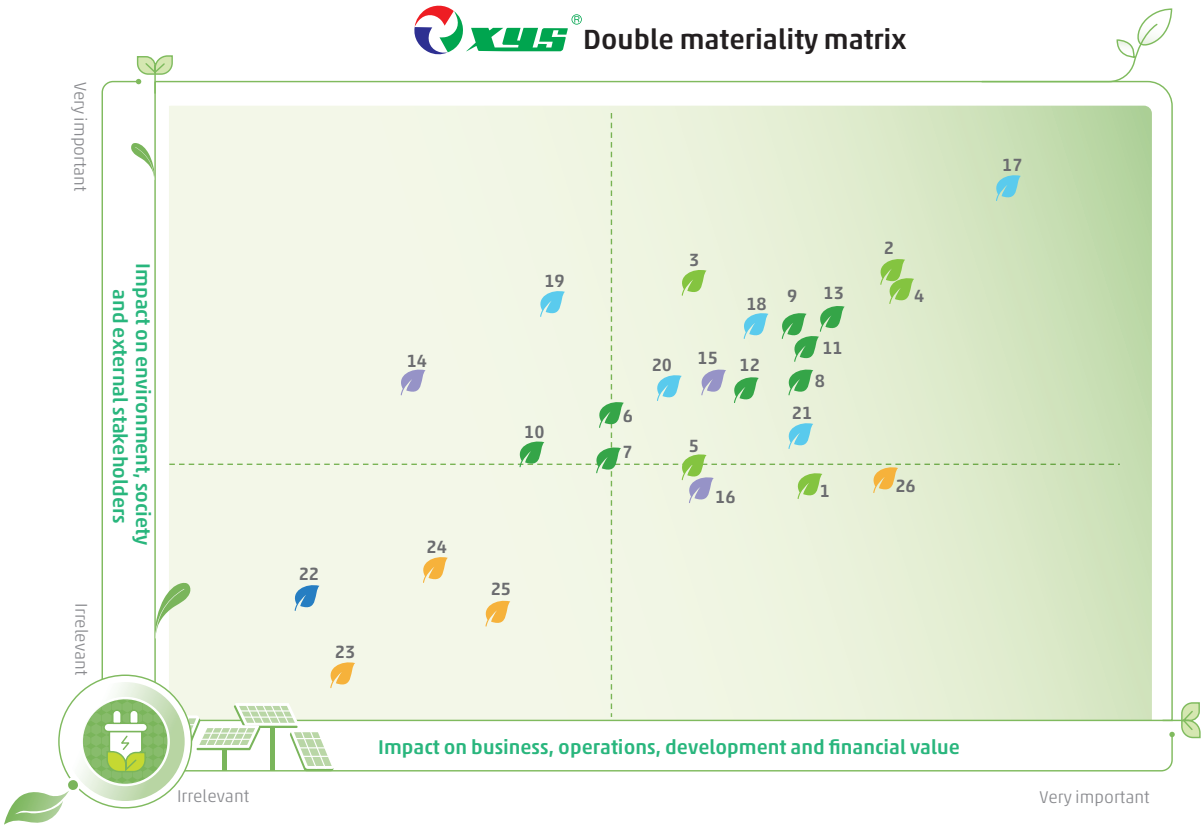
To comprehensively address challenges that may arise from changes in internal and external factors, Xinyi Solar has developed a list of issues and conducted a double materiality assessment, incorporating both the financial materiality of each issue and the significance of its environmental, social, and economic impacts into the assessment framework. Materiality issues are systematically assessed on an annual basis.

Xinyi Solar Double Materiality Assessment Process

Identifying relevant issues	Conducting double materiality assessment and prioritisation	Confirming analysis results
Taking the following factors fully into account, a list of materiality issues are developed: • Hong Kong Stock Exchange "Materiality Matrix – by Sector and Aspect" • Business operations, industry characteristics, and changes in internal and external environments • SASB Materiality Map and "Sustainability Accounting Standard for the solar technology & project developers industry" • Focus areas of major international ESG rating agencies	• Internal assessment of the impact of relevant issues on the Group's business operations and financial value • Communicate with key internal and external stakeholders to understand how they assess the potential impact of relevant issues on their respective groups, the environment, and society • Present the results of the double materiality assessment in a materiality matrix	• The results of the double materiality assessment are presented to the SDM Committee, which reviews, validates, and confirms the materiality issues, and reports to the Board for its final approval • Conduct targeted disclosure and ESG performance enhancement guided by the analysis results

Stakeholder Engagement

Based on the above steps, we identified a total of 26 materiality issues during the Reporting Period. We have formulated management strategies to address these materiality issues and continuously enhanced our management standards to better respond to and mitigate internal and external risks that may impact the Company's operations and stakeholders.



Changes in Materiality Issues

Category		2025 materiality issues	Change in issues	2024 materiality issues
Corporate governance and business ethics	1	Corporate governance	Integration	Governance structure Board diversity Supervision of the Board over ESG matters Sustainable development goals Information disclosure and transparency
	2	Business ethics and compliance	Integration	Law-abiding business Business ethics
	3	Anti-unfair competition	No change	Anti-unfair competition
	4	Anti-corruption and integrity management	No change	Anti-corruption and integrity management
	5	Risk management and internal control	New	
Environmental governance and protection	6	Energy management	No change	Energy management
	7	Ecological impacts and biodiversity conservation	No change	Ecological impacts and biodiversity conservation
	8	Hazardous and non-hazardous waste management	No change	Hazardous and non-hazardous waste management
	9	Environmental compliance	No change	Environmental compliance
	10	Greenhouse gas emission and management	No change	Greenhouse gas emission and management
	11	Emission and control of air pollutants (such as NO_x, SO_2 and particulates)	No change	Emission and control of air pollutants (such as NO_x, SO_2 and particulates)
	12	Packaging materials consumption and environmentally friendly packaging	No change	Packaging materials consumption and environmentally friendly packaging
	13	Water resource management	Integration	Water resource management Water resource risks and responses
Business model (sustainable and resilient) and innovation	14	Response to climate change	Integration	Board supervision and climate information disclosure Responses to climate risks Physical impacts of climate change on business Business resilience
	15	R&D and innovation	Adjusted wording	R&D investment (low-carbon technology)
	16	Patent and intellectual property protection	No change	Patent and intellectual property protection
Production management and product responsibility	17	Product quality and safety	No change	Product quality and safety
	18	Product life cycle management	Integration	Product life cycle management Product carbon footprint management

Stakeholder Engagement

Category		2025 materiality issues	Change in issues	2024 materiality issues
Value chain management	19	Supply chain management	Integration	Supply chain management Establishment of sustainable supply chain Procurement efficiency Supply chain risk identification and monitoring
	20	Customer relationship management	Integration	Sales and after-sales service management Customer management and complaint handling mechanism
	21	Information security	No change	Information security
Community engagement	22	Community contribution and participation	No change	Community contribution and participation
Talent team building and management	23	Talent recruitment and retention	Integration	Employment compliance Employee benefits and talent incentives
	24	Employee engagement, diversity and inclusion	No change	Employee engagement, diversity and inclusion
	25	Training and career development	No change	Training and career development
	26	Occupational health and safety	Integration	Work safety management Employee health and safety

ESG RISK IDENTIFICATION AND ASSESSMENT

Xinyi Solar has integrated ESG risk management into its existing risk management and internal control system to effectively identify, assess, prioritise and manage material ESG risks relevant to the Group's operations. The procedures are as follows:

Risk identification and compile of risk list

Analyse macro trends, key sustainable development topics and industry concerns relating to the Company's business, screen relevant ESG risks and compile an ESG risk list

Risk assessment and prioritisation

Risks are scored based on two dimensions, "severity of impact" and "likelihood of occurrence". Risk levels are determined accordingly. Significant risks are identified across the environmental, social and governance aspects

Confirmation and management of material risks

Report the aforementioned ESG risks for review by the Board of Directors. Formulate and implement corresponding risk mitigation measures, and incorporate ESG risks into risk management procedures

Based on ESG risk assessment outcomes, the Group has identified the following material ESG risks critical to its operations during the Reporting Period, and regularly reviews relevant control measures to ensure effective risk mitigation.

Material ESG Risk	Risk Level	Corresponding Sections for Management Measure
Supply chain management risk	Medium	Engaging with the value chain and community
Environmental governance and protection risk	Medium	Ecologically-friendly and sustainable business model
Product quality and safety management risk	Medium	Engaging with the value chain and community
Occupational health and safety management risk	Medium	Nurturing talents for long-term development
Operational compliance risk	Medium	Governance for sustainable development
Technology and innovation risk	Low	Engaging with the value chain and community

Governance for Sustainable Development

Focused Issues

- Business ethics and compliance
- Anti-unfair competition
- Anti-corruption and integrity management
- Risk management and internal control

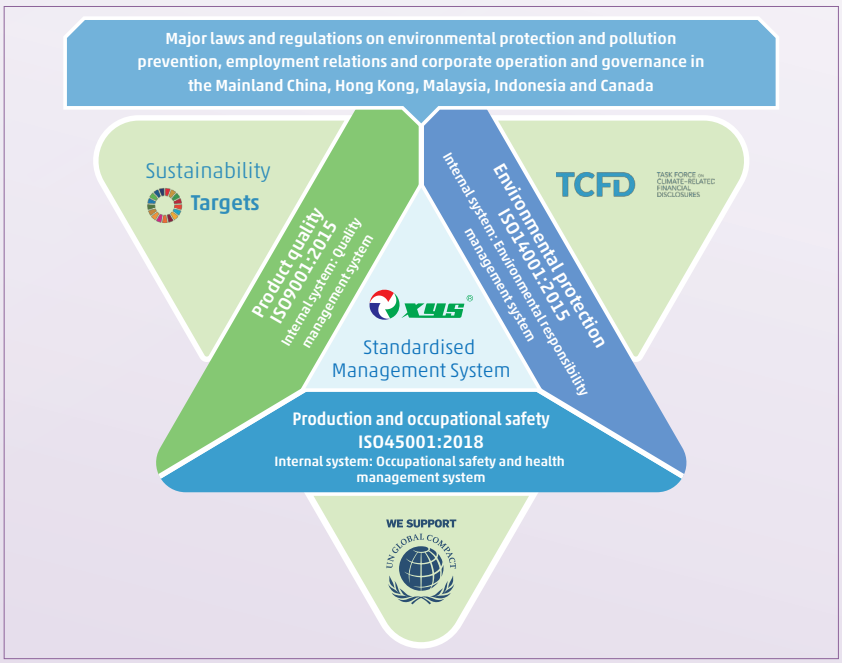
Adhering to the principle of harmonious development across social, environmental, and economic dimensions, Xinyi Solar has established a foundation of exemplary corporate governance, efficient risk management, and strict adherence to business ethics. Through long-term commitment and pragmatic implementation, the company has explored sustainable development pathways aligned with its core business and fully implemented its sustainability strategy across all operational areas.

At the same time, the Group actively supports the United Nations Sustainable Development Goals and the Ten Principles of the Global Compact, using compliant and ethical business practices as a foundation to empower the value chain and contribute to the collective achievement of sustainable development by society and the global community.

SUSTAINABILE DEVELOPMENT APPROACH

Xinyi Solar strictly abides by the laws and regulations of the countries and regions where it operates. Based on the ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System, and ISO 45001:2018 Occupational Health and Safety Management System, it has constructed a "Three-in-One" corporate standardised management system and completed the relevant certifications to ensure that the Group's governance model and control mechanisms in areas such as product quality and safety, environmental protection and pollution prevention, and occupational health and safety comply with international norms. During the Reporting Period, the Group conducted all operations in strict accordance with established standards and procedures, remained subject to oversight by the Board of Directors and its specialised committees, ensured the legality and compliance of its business operations, and safeguarded the interests of its stakeholders.

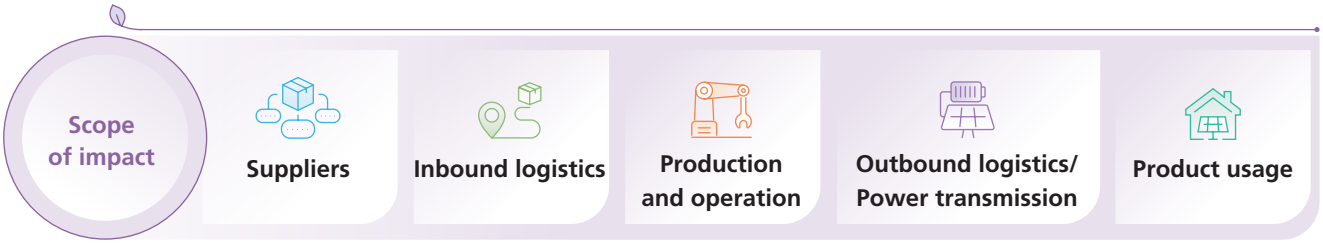
The Group has consistently adhered to the philosophy of promoting the coordinated development of social, environmental, and economic benefits. Building on a foundation of excellent corporate governance, efficient risk management and control, and strict adherence to business ethics, the Group explores sustainable development pathways aligned with its core businesses and fully implements its sustainable development strategy. At the same time, the Group actively support the United Nations Sustainable Development Goals and the Ten Principles of the Global Compact, using compliant and ethical business practices to drive sustainable development across its value chain and society as a whole. The Group proactively draws on industry best practices, continuously optimises its action plans, and mitigates potential risks, and integrates the concept of sustainable development into every aspects of its operations, laying a solid foundation for long-term, high-quality development.

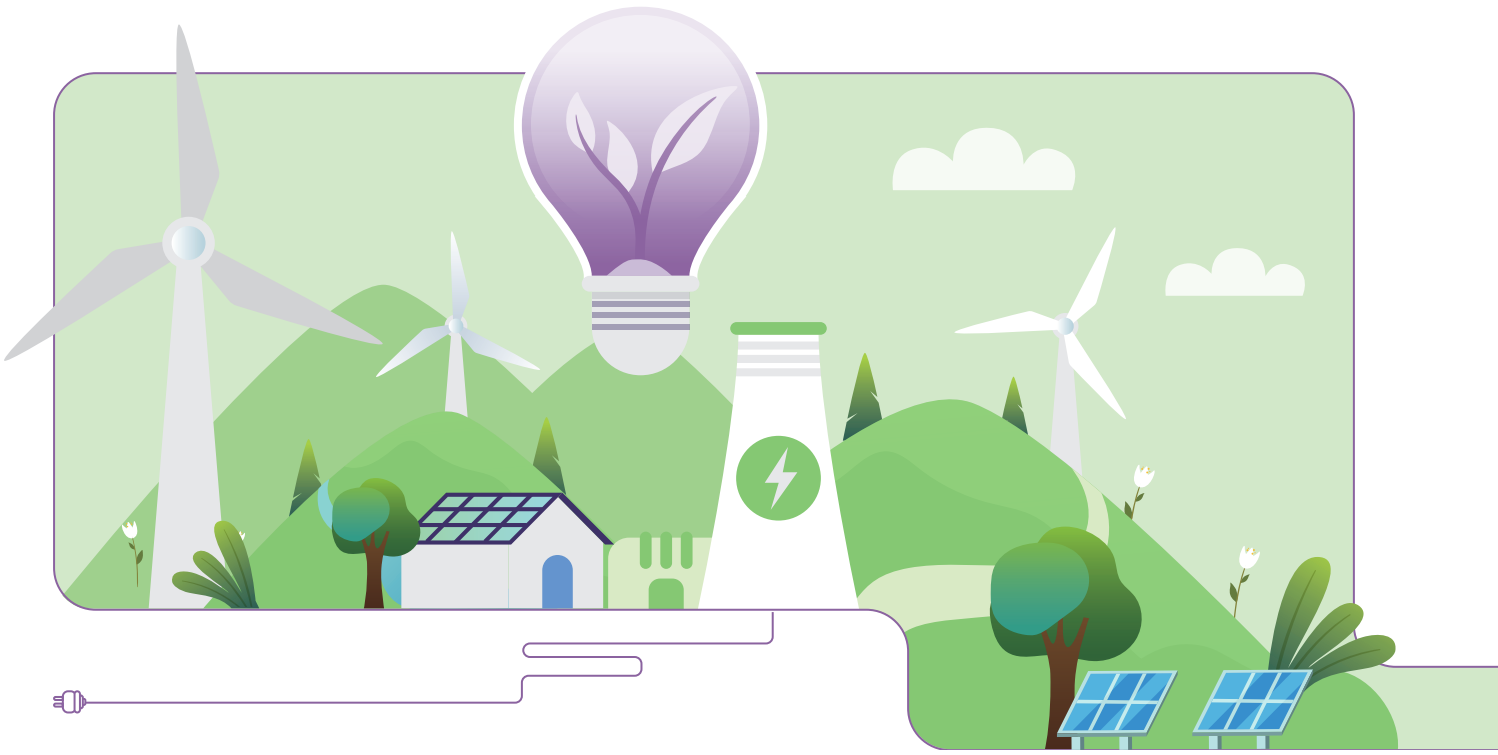


RESPONDING TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

In addressing global challenges such as climate change, resource scarcity, and poverty, Xinyi Solar has consistently upheld its responsibilities as a global corporate citizen. As a world-leading solar glass manufacturer and a leading renewable energy power generation operator in China, we are committed to protecting the environment and fulfilling our social responsibilities. By aligning with the United Nations Sustainable Development Goals (UN SDGs), we continuously refine our ESG management strategies to ensure steady growth of our business while contributing to the well-being of humanity.

As a member of the PV industry, the Group has spared no effort in promoting the global adoption of PV power generation to gradually reduce the share of traditional energy sources in power generation, thereby facilitating the global green and low-carbon energy transition and supporting the achievement of climate action and related sustainable development goals. Meanwhile, in our production, operations, and value chain cooperation, we also further enhance our positive impact and avoid/reduce negative impacts as much as possible in other influential SDG areas by formulating and actively practicing quantifiable sustainable development goals and principles, so as to support the achievement of relevant SDGs. Based on the results of the value chain SDGs impact analysis, the Group has established corresponding corporate sustainability goals, including quantifiable five-year targets and long-term action goals.





SDGs	Value Chain Impact Scope	Our Actions	Our Goals	Our Progress
13 CLIMATE ACTION **Take urgent action to combat climate change and its impacts**		• Identify climate risks and key response strategies, and enhance climate risk response capabilities • Actively adopt energy-saving and consumption-reduction measures to reduce greenhouse gas emissions during the production process • Reduce the greenhouse gas emission intensity in the transportation process by increasing the use of water transport for raw materials and reducing land transport • The solar glass sold during the Reporting Period is sufficient to supply approximately 178 GW of modules, and the green electricity generated by such modules annually is equivalent to reducing carbon dioxide emissions by nearly 134 million tonnes for the planet • With a portfolio of solar farm projects totaling over 6.2 GW, the PV power generation during the reporting year was approximately 6.98 billion kWh, which can meet the annual electricity needs of over 2.32 million households	• XSG 1: Strive to achieve a 9% reduction in greenhouse gas emission (Scope 1+2) intensity per square metre of solar glass products by 2029 compared to 2024 • XSG 2: Increase investment in renewable energy and strive to achieve a 50% increase in CO_2 emissions reductions corresponding to the annual power generation of the solar farm projects held by the Group by 2027 • XSG 3: Fully support the achievement of carbon neutrality by 2050 in most countries globally by increasing solar glass production capacity and the scale of solar farm projects	• Greenhouse gas emission (Scope 1+2) intensity per square metre of solar glass products decreased by 10.7% compared to 2024 • Target was achieved ahead of schedule in 2025, and therefore we set New XSG 1: Aim to reduce greenhouse gas emissions (Scope 1 and 2) per square metre of finished solar glass product by 7% by 2030 compared to 2025 • With a portfolio of renewable energy power generation projects exceeding 6.2 GW, PV power generation during the reporting year amounted to approximately 6.98 billion kWh, corresponding to carbon dioxide emission reductions of approximately 5.742 million tonnes, representing an increase of CO_2 emission reductions of 57.8% compared to the base year (2022) • The target was achieved ahead of schedule in 2025. Accordingly, a new XSG 2 target has been formulated: Continue to expand our renewable energy business and aim to increase the annual electricity generation from solar and wind farms managed and operated by the Group by 2030, resulting in a 10% increase in CO_2 emissions reductions compared to the base year (2025) • The solar glass production base in Indonesia is expected to commence production in the first quarter of 2026 • Due to changes in China's renewable energy feed-in tariff policy, the construction of solar farms slowed down in 2025, but the team remains committed to identifying and developing new projects with potential

SDGs	Value Chain Impact Scope	Our Actions	Our Goals	Our Progress
12 RESPONSIBLE CONSUMPTION AND PRODUCTION Ensure sustainable consumption and production patterns		• Promote clean production and manufacturing by adopting methods such as optimising the energy mix, exploring energy-saving potential, and strengthening intelligent control • Construct a supply chain ESG management system to promote further standardisation and systematisation of supplier ESG management • Reduce the energy consumption intensity, water consumption intensity and the usage density of packaging materials per unit of solar glass products, and enhance the efficiency of denitrification, desulfurisation, and dust removal during the production process	• XSG 4: Strive to reduce energy consumption per square metre of finished solar glass products by 9% by 2029 as compared with 2024 • XSG 5: Adopt strict standards to regulate and manage waste gas emissions, striving to outperform national standards • XSG 6: Source and use water resources in a responsible and sustainable manner to further improve the utilisation rate of recycled water, and strive to minimise waste except normal evaporation and losses from sedimentation ponds • XSG 7: Strive to achieve a 28% reduction in water consumption per square metre of finished solar glass products by 2028 compared to 2023 • XSG 8: Strive to use iron pallets instead of wooden pallets for 92% of products for domestic sale by 2028 • XSG 9: Procure in a responsible and sustainable manner, and regulate the conduct of suppliers through quality, environmental protection, and safety agreements • XSG 10: Except for temporary increases caused by incidental factors (such as an increase in construction waste due to the construction of new production bases or new production lines), the goal is to maintain a downward trend in the unit hazardous and non-hazardous waste generation intensity of solar glass products over the next five years by reducing material consumption, strengthening recycling, and improving the yield rate of finished products	• Energy consumption intensity decreased by 9.4% compared to the base period (2024) • The target was achieved ahead of schedule in 2025. Accordingly, a new XSG 4 target has been formulated: Aim to reduce energy consumption per square metre of finished solar glass products by 8% by 2030 compared to 2025 • The emission reductions of SO_2, NO_x and particulates (smoke and dust) were 94.8%, 87.2% and 97.1%, respectively • Water recycling rate was 96.8% • Water consumption intensity decreased by 18.1% year-on-year. The 2025 target has been achieved ahead of schedule, so a new XSG 7 target has been set. The goal is to reduce water consumption per square metre of finished solar glass products by 15%-20% by 2030 compared to 2025 levels • Utilisation rate of iron pallets for domestically sold products: 92.2%, The target has been achieved ahead of schedule. Accordingly, a new XSG 8 target has been formulated: Increase the usage rate of iron pallets for domestic sales products to 95% by 2030 • Purchases were made from a total of 2,300 suppliers, 100% of which complied with the Group's supplier development and management practices • Total non-hazardous waste generated decreased by 11.5%, and non-hazardous waste generated per unit of finished product decreased by 11.7%

SDGs	Value Chain Impact Scope	Our Actions	Our Goals	Our Progress
7 AFFORDABLE AND CLEAN ENERGY **Ensure access to affordable, reliable, sustainable and modern energy for all**		• Reducing the solar glass cost per watt of modules helps lower the construction costs of solar farm projects • Provide green electricity to society through solar farms • Utilising residual heat from the solar glass production process to generate electricity, and using distributed solar power to replace part of the demand for purchased electricity, thereby increasing the proportion of renewable energy used	• XSG 11: Protect the health and safety of employees, striving to achieve the ultimate goal of zero harm • XSG 12: Promote community co-prosperity and development, and actively contribute in economic, environmental, and public welfare aspects	• Work injury rate: 0.56 • No work-related fatalities • Generated direct economic value exceeding RMB21.32 billion • Contributed economic value of RMB19.26 billion to society and the upstream value chain, including charitable donations of RMB14.059 million
8 DECENT WORK AND ECONOMIC GROWTH **Promote long lasting, inclusive and sustainable economic growth, full and productive employment and decent work for all**		• Continuously improve the talent management system, including strengthening the oversight by the Board of Directors, the Management Committee, and other specialised committees; optimising systems; adopting effective incentive measures; ensuring the safety and health of employees; and ensuring that they are treated equitably, fairly and without discrimination, and providing competitive remuneration • Adhere to the principles of sustainable development in supply chain management, establish a sound supplier management system, and strictly implement standardised processes for the screening of new suppliers and the periodic assessment of qualified suppliers	• XSG 13: Protect local natural resources and biodiversity during the development and construction of solar farms, and adhere to the construction of environmentally friendly solar farms	• No new solar farms were connected to the grid in 2025, but the Group remains committed to identifying and developing new projects with potential

SDGs	Value Chain Impact Scope	Our Actions	Our Goals	Our Progress
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE **Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation**		• Incorporate regional climate factors and extreme climate changes in recent years into the site selection and design of solar farm projects to further enhance the projects' resilience to natural hazards • Ensure a stable supply of green electricity for local communities while preventing and mitigating losses caused by natural disasters • Support the realisation of high-efficiency and low-carbon production of solar glass, as well as the research and development of low-carbon products	• XSG 14: Promote the optimisation and enhancement of solar glass production technologies and products through continuous R&D investment, thereby assisting in cost reduction and efficiency improvement of PV power generation, and promoting local sustainable industrial development through the deployment of more efficient and environmentally friendly solar glass production lines, enhancing the contribution of green industry to local tax revenue • XSG 15: Select, design, and develop renewable energy projects with full consideration of the impact of climate factors, and enhance the project's resilience to climate risk, thereby ensuring a more stable supply of green electricity to meet the community's electricity needs	• During the Reporting Period, R&D expenditure was nearly RMB600 million, and the tax contribution of the solar glass business was RMB129.9 million • During the Reporting Period, electricity loss caused by natural risk factors accounted for less than 0.1% of total power generation

SUSTAINABLE DEVELOPMENT GOVERNANCE STRUCTURE

Leveraging its robust ESG governance structure, Xinyi Solar effectively integrates ESG management strategies into its business operations. As the Group's highest governing body for sustainability matters, the Board of Directors exercises comprehensive oversight over the management activities across environmental, social, and corporate governance domains, thereby ensuring the sustainability strategy and principles are effectively communicated from the top down and incorporated in business decisions at all levels. As the coordinating body day-to-day management, the SDM Committee, operating under the authority and oversight of the Board of Directors, is responsible for managing all practical matters related to environmental, social, and climate issues, leading the implementation of sustainability goals, and reporting regularly to the Board of Directors.

	ESG Structure	ESG Responsibilities
Highest Governing Body	**Board of Directors**	(1) Formulate, review and optimise the Group's sustainable development strategy (2) Supervise the work of the SDM Committee (3) Review internal ESG risk assessment and control mechanisms and their effectiveness (4) Review sustainability goals and check progress (5) Identify key sustainability issues and ensure their effective implementation (6) Approval of the ESG Report
Management	**SDM Committee**	(1) Formulate and optimise ESG action plans and targets (2) Review ESG risks and assess the effectiveness of response measures (3) Ensure that the Group's sustainable development philosophy and objectives implemented at all levels and across all systems and functional departments (4) Guide and supervise the work of the ESG working group
Coordination Level	**ESG Working Group**	(1) Collect, consolidate and disclose various ESG initiatives and performance indicators of the Group (2) Report key stakeholders' concerns to the SDM Committee and assist in conducting materiality assessment (3) Continuously enhance professional knowledge and skills related to ESG and information disclosure
Execution Level	**ESG Execution Departments**	(1) In accordance with job responsibilities and authority, carry out the specific implementation of relevant ESG policies and targets

To supervise and review the implementation of ESG management strategies, the Company continuously evaluates ESG priorities and reviews work progress through the SDM Committee. During the Reporting Period, the SDM Committee reviewed and examined the materiality assessments, the achievement of environmental targets (including targets related to energy consumption, carbon emissions, waste, and water resources, etc.), and other significant ESG matters.

To enhance the awareness and commitments of the management team and employees on environmental and social benefits, and to proactively place environmental and social benefits on par with economic benefits, ESG quantitative indicators have been incorporated into the performance evaluation framework for the remuneration system of the Company's management, relevant departments, and employees. These indicators include production safety, environmental performance and compliance, occupational safety and health, and integrity. The Company has established incentive mechanisms to commend employees who have contributed to the ESG initiatives of Xinyi Solar.

BUSINESS ETHICS AND COMPLIANCE

As a member of the United Nations Global Compact (UNGC), Xinyi Solar solemnly commits to fully adhering to the Ten Principles of the United Nations Global Compact. The Group strictly complies with the prevailing laws and regulations of China and the countries and regions where its businesses operate. The Group has formulated and implemented internal management standards such as the "Xinyi Group Integrity Management System" to resolutely eliminate any form of commercial bribery, extortion, fraud, money laundering, monopoly, and unfair competition. The Group maintains a zero-tolerance stance towards all acts that violate business ethics. At the same time, the Group applies the same compliance standards for its suppliers and partners, making every effort to ensure that all business operations are carried out in an orderly and compliant manner in accordance with the law, thereby securing steady growth in a fair and competitive market environment. During the Reporting Period, Xinyi Solar did not incur any fines or settlements resulting from unfair competition, conflicts of interest, money laundering, or insider trading and did not face any litigation or material administrative penalties arising therefrom.

The Company also focuses on managing risks related to business ethics in its external donation activities. During the Reporting Period, the Company made no direct or indirect political donations. All charitable donations were approved through the proper charitable approval process and were carried out in accordance with the laws and regulations of the jurisdictions where the recipient organisations are located.

Integrity Management

The Group strictly prohibits all forms of corruption and bribery, strictly complies with the anti-corruption and anti-bribery laws and regulations of the countries and regions where it operates, adheres to the working principle of "prevention first, supplemented by investigation and prosecution", and continuously builds an integrity and compliance system where one "dares not, cannot, and do not want to engage in corruption". The Group has established an Internal Control Centre directly led by the Chief Executive Officer, which independently carries out work such as integrity awareness training, conduct supervision, and investigation, and resolution of complaints in accordance with the "Integrity Management System".

To strengthen safeguards against corruption risks and prevent directors, senior management, and personnel in key positions from abusing their authority for personal gain or violating the principles of fairness and impartiality, the Group, in accordance with the "Conflict of Interest Management System", requires relevant personnel to declare conflicts of interest annually to identify potential risks in a timely manner and effectively protect the legitimate rights and interests of the company, its shareholders, and its employees.

Integrity Risk Prevention and Control

Xinyi Solar continues to strengthen its integrity risk, prevention and control efforts, establishing effective mechanism, to prevent and manage such risks. The Company proactively address integrity risks at the sources of its operations, effectively restricts and supervises the exercise of authority, drives the continuous improvement of management systems and business processes, continuously enhances the ability to prevent corruption, thereby promoting higher standards of management. During the Reporting Period, the Internal Control Centre carried out annual integrity inspections in accordance with the provisions of the "Integrity Management System" and actual operational needs. It conducted screening interviews with key functional departments such as procurement, sales, and finance in strict accordance with the prescribed sampling ratio based on the proportion of personnel. At the same time, through in-depth field research, it identified potential integrity risks and hidden dangers in key businesses and projects. The review has not identified any integrity-related circumstances that constituted a serious violation of the applicable laws and regulations of the place of business and had a material impact on the Group.

Integrity Awareness and Training

The Group attaches great emphasis to integrity awareness campaigns and training, providing integrity training to all new employees and requiring staff in key departments and critical positions to participate in integrity training annually. During the Reporting Period, the Internal Control Centre arranged 30 group-wide integrity training sessions, with a total of 867 employees in key positions participating in both group-level and company-level training, achieving 100% coverage of personnel in key departments and positions. Integrity training primarily focuses on the company's integrity-related rules and regulations, using typical case studies as an entry point. The content covers legal provisions, corporate integrity culture, common violations of integrity policies, the integrity management system, and whistleblowing procedures. Employees participating in the training are required to submit reflections on integrity and pass written examinations. Meanwhile, the "Integrity Xinyi" WeChat official account is used to promote daily ethical conduct and provide case analyses to all employees.

Whistleblowing Investigation System

To encourage the Group's employees and external partners to participate in the Group's integrity oversight system and actively report violations such as corruption and occupational crimes, we have formulated the "Whistleblower Protection and Reward System". The system clearly defines reporting requirements, the scope of reporting, investigation procedures, and whistleblower protection measures. It emphasises the protection and rewards for whistleblowers and fully safeguards their rights and interests through rigorous procedures and effective measures.

The Internal Control Centre is a dedicated department responsible for investigations and reports directly to the Chief Executive Officer, ensuring the independence of its work through its organisational structure. Our employees and external partners may submit reports anonymously through multiple channels. The Company will also keep strict confidentiality of the whistleblowers' personal information throughout investigation process and fully protect the rights and interests of all parties involved.

Whistleblowing Report Handling and Investigation Procedures

- Reporting material shall be received, and the Internal Control Centre shall verify the authenticity of reported matters
- The Internal Control Centre appoints a special investigation team to review relevant cases
- Investigation and disposal shall be completed within 30 days in principle, with a maximum time limit of 60 days. All relevant case documents shall be filed and kept in independent dossiers by the Internal Control Centre
- Employees who violate integrity regulations or are suspected of duty-related crimes shall be notified internally and publicly via email and the "Integrity Xinyi" WeChat official account after case closure

Reporting Channels

Reporting Hotline: (86) 0553-2660777, (86) 15178586699
Online: "Integrity Xinyi" WeChat official account
Others: Contact Internal Control Centre personnel or report in person to the Company's Internal Control Centre staff

Xinyi Solar strictly prohibits any form of retaliation against whistleblowers. The following are the measures to prevent retaliation and procedures for addressing such incidents:

- Neither the whistleblowing hotline nor the "Integrity Xinyi" WeChat official account requires whistleblowers to provide identity information or other such details.
- During the investigation of a reported incident, the personal information of the whistleblower and all reporting materials provided by the whistleblower shall be kept strictly confidential.
- The Company will determine whether the whistleblower has been subjected to any form of retaliation after the conclusion of the investigation into the report. Upon confirmation of such incidents, the Company will take strict disciplinary action against the individuals involved.

To encourage employees to combat commercial bribery, the Group has implemented a reward program under which all or part of the bribery amount will be awarded to the employee. Additionally, the employee will be publicly recognised by name on the "Integrity Xinyi" WeChat official account and added to the talent pool, where they will receive priority consideration for promotion, salary adjustment, performance awards, and professional title evaluations.

Supplier Integrity Management

"Reputation First" is the core value upheld by the Group. Conducting business with integrity is the foundation of our enterprise and a fundamental principle for maintaining market order. To ensure that the conduct of our suppliers aligns with our expectations, the Group has formulated the "Supplier Code of Conduct" to clearly specify the relevant provisions applicable to all suppliers in any country and region to prevent conflicts of interest and corruption. To foster a fair, impartial, and mutually beneficial business environment, Xinyi implements comprehensive integrity management throughout the entire process with its suppliers:

Commercial negotiation	Suppliers are required to participate in integrity training organised by the Group and embrace Xinyi's culture of integrity
Contract execution	Signing of the "Supplier Integrity Agreement", the "Notification letter on 'Integrity in Operations, Mutual Benefit and Win-Win'" and the reply letter regarding familiarisation with the "Xinyi Group List of Dishonest Entity", and undertake to strictly complying with laws and regulations during business transactions, eliminate any form of bribery, while proactively monitoring and reporting any illegal acts or disciplinary violations discovered during the course of our cooperation
Violation of the "Supplier Integrity Agreement" and/or occurrence of dishonest conduct in business cooperation	The supplier will be included in the list of untrustworthy entities, all business cooperation will be immediately terminated, and it will be prohibited from participating in the Group's tendering, procurement, and business cooperation for a prescribed period. Upon the expiry of the restriction period, the supplier must undergo a re-assessment before being reinstated on the list of approved partners. If the supplier is listed on the list of untrustworthy entities again, its eligibility for cooperation will be permanently revoked

The Group encourages all suppliers adopt standards that exceed legal and regulatory requirements to prevent bribery and corruption within their own organisations, and to work together with the Group to foster a business environment characterised by integrity and fairness. During the Reporting Period, there were no confirmed instances of contracts with business partners being terminated or not renewed due to corruption or non-compliance.

Anti-unfair Competition

The Group strictly abides by the relevant provisions of "the Anti-Unfair Competition Law of the People's Republic of China" and "the Competition Act 2010" of Malaysia, as well as the Group's code of business ethics. Adhering to the principles of voluntariness, equality, fairness, and integrity, the Group consciously maintains the order of market competition and strictly prohibits any form of unfair competition in business activities. The Group has implemented effective internal monitoring and preventive measures to ensure standard business conduct and is subject to supervision by national and local authorities. During the Reporting Period, the Group was not aware of any legal proceedings against it relating to anti-competitive or monopoly conduct.

In addition to regulating its own business conduct to ensure legality, compliance and adherence to ethical standards, the Group has also clearly outlined guidelines and expectations for suppliers by issuing the "'Integrity in Operations, Mutual Benefit and Win-Win' Notification Letter" and the "Supplier Integrity Agreement". The Group firmly opposes all acts that undermine fair cooperation and seek to gain improper benefits through unfair means – including forgery, adulteration, false advertising, infringement of trade secrets, predatory pricing, and commercial defamation – during the bidding, procurement, and contract fulfillment processes.

All suppliers are required to sign a confirmation letter stating that they are aware of the Group's "zero tolerance" policy toward unfair competition and dishonest business practices. Suppliers found to have violated the principles of fair dealing must refund the full purchase price, bear compensation and legal liabilities. They will also be included in the list of dishonest entities and lose their eligibility to participate in the Group's tendering, procurement, and commercial cooperation for a designated period. During the Reporting Period, there were no confirmed incidents of contract termination or non-renewal resulting from supplier's violations of the principles of fair dealing.

Tax Strategy

Paying taxes in accordance with the law is a basic requirement for enterprises to fulfill their social responsibilities. As a responsible taxpayer, Xinyi Solar strictly adheres to the principle of lawful tax payment, faithfully fulfilling its tax filing and payment obligations as stipulated by relevant domestic and international laws and regulations, and contributes to local economic and social development through compliant tax practices. To ensure the standardised, orderly, and efficient operation of the Company's tax management, the Group has assigned designated professionals to oversee tax management and tax risk control. These professionals proactively engage in major business initiatives such as overseas business expansion to evaluate the tax efficiency of investment structures and business operation models, providing expert support for the Company's business decision-making. The information related to income tax expenses disclosed in the Group's financial statements and notes has been independently audited by an external auditing institution, and the information disclosure is true, transparent, and objective. During the Reporting Period, the Group had no overdue tax payments and did not experience any material tax compliance violations.

Resilience to Climate Change

Focused Issues

- Response to climate change

Xinyi Solar follows the disclosure recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and The Hong Kong Stock Exchange to comprehensively identify the risks and opportunities posed by climate change, thereby establishing management strategies and action plans to address climate change. We actively promote technological innovation and management process optimisation, and avoid unnecessary energy consumption and enhance energy utilisation efficiency through measures such as equipment upgrades and technical transformations. Meanwhile, we continuously explore opportunities to utilise renewable energy and are committed to achieving a win-win situation that balances environmental and economic benefits through a variety of initiatives. In addition, the Group has set climate targets and monitors progress toward these targets, conducting quantitative analysis and regular detailed reviews.

GOVERNANCE

Xinyi Solar attaches great importance to climate change governance, continuously refining internal management mechanisms and methods to enhance the effectiveness of its climate change governance efforts. The Company has established a climate governance framework, with the Board of Directors serving as the highest governing body. Under this framework, a SDM Committee has been formed, chaired by the Chief Executive Officer, which reports its work to the Board on a regular basis. The ESG Working Group is subordinate to the SDM Committee and assists it in advancing climate risk management initiatives.

Board of Directors	– Formulate, regularly review and optimise the Group's long-term climate strategy and climate policy – Establish internal mechanisms for climate management – Oversee the SDM Committee's management of climate-related matters
SDM Committee	– Formulate, regularly review and update five-year climate targets – Implement the Group's long-term climate strategy – Formulate action plans for climate-related risks and opportunities, and conduct regular reviews and refinements to ensure the implementation of the Group's climate policy in daily operational practices – Supervise climate goals and the progress of climate actions, including the formulation of annual goals and the supervision of detailed implementation at all levels; evaluate the reasonableness of and timely update climate goals and optimise action plans based on the progress of the five-year climate goals and the effectiveness of climate actions
ESG Working Group	– Provide regular updates to the SDM Committee on the progress of climate actions, progress towards climate targets, and the latest changes in identified material physical and transition risk parameters – Coordinating the implementation of climate actions at the operational level – Collect and review data on key environmental performance indicators and related progress on a quarterly basis – Compile relevant resources, including the latest laws, regulations and policies, as well as international and industry best practice requirements, for the reference of the SDM Committee and the Board – Continuously enhance professional knowledge and skills related to climate risk management and information disclosure

In addition, we provided climate change training to Board members through initiatives such as external expert knowledge sharing, supporting them in acquiring the expertise necessary to effectively manage and oversee climate change-related issues. To ensure the effective implementation of these measures, we have incorporated climate-related quantitative metrics into the performance evaluations of relevant management personnel to incentivise and recognise their contributions to climate action. Nine percent of the annual Key Performance Indicators (KPIs) for the Group's middle and senior management are related to climate action and targets.

Each year, the Group's internal audit team submits an annual risk management and internal control report to the Audit Committee, which includes an assessment and review of environmental and climate-related risks. During the reporting year, based on the results of the internal control review and the Audit Committee's assessment of those results, no material deficiencies were identified in the climate-related risk management and internal control systems.

STRATEGY

In response to climate change, the Group upholds the philosophy of preparing for the future, deepening its involvement in the PV industry, and is committed to managing climate-related physical and transition risks. Meanwhile, the Group actively seizes the opportunities presented by climate change and the global energy transition, and fully supports the achievement of global carbon neutrality goals.

Legal compliance	Comply with current climate management-related laws, regulations and policies in business operations, and pay close attention to their updates and changes
Based on PV	Focusing on the PV industry, we actively improve the production capacity of solar glass and the grid-connected capacity of solar farms to facilitate the achievement of global carbon neutrality
Proactive emission reduction	Actively take measures such as energy saving and consumption reduction, yield improvement and application of renewable energy in business operations to reduce carbon emission intensity, provide highly efficient and low-carbon products to meet end-user needs and seize climate opportunities
R&D and innovation	Continuously carry out R&D and innovation, and seek new technological breakthroughs to achieve long-term carbon emission reduction and ultimately carbon neutrality
Enhanced disclosure	Improve the level of climate information disclosure with reference to international and local best practices, strengthen communication with key stakeholders on climate risk management, climate actions and goal progress. While maintaining information transparency, we actively guide internal and external stakeholders to enhance climate risk awareness and proactively enhance climate defense capabilities

List of Climate Risk and Opportunity

Drawing on the TCFD disclosure framework and feedback from stakeholders, the Company has optimised its key climate risk response measures through systematic identification, materiality analysis, and financial impact assessment, thereby supporting the transition to a low-carbon economy. Through climate scenario analysis, the Company has identified the following significant climate risks and opportunities.

Risk/Opportunity Type	Key Categories	Specific Risk/Opportunity
Physical risk	Acute risk	Extreme weather such as typhoons, floods (caused by extreme precipitation), thunderstorms, rainstorms, etc.
	Chronic risk	Changes in temperature and precipitation
Transition risk	Policy and legal risk	Carbon price increase (carbon emissions trading)
		Tightening of regulatory policies
	Technology risk	Transition to low-carbon emission technologies
	Market risk	Full lifecycle carbon emission management of PV products (EU carbon tariff, low-carbon PV modules)
		The consumption and absorption of renewable energy during the low-carbon transition of China's power system
	Reputational risk	Trade disputes (PV supply chain traceability)
Transition opportunity	Resource efficiency	Energy efficiency improvements
	Energy source	Use of low-emission and renewable energy
	Products and services	Shifts in consumer preferences

Resilience to Climate Change

Climate Scenarios and Key Parameters

An internal assessment has confirmed that the internal scenarios disclosed in the Group's 2021 ESG Report remain applicable for analysing and assessing of the Group's climate risks and opportunities for 2025, as well as its corporate strategic resilience. The Group has developed its internal scenarios based on the International Energy Agency's ("**IEA**") "Net Zero by 2050: A Roadmap for the Global Energy Sector", the Working Group I report of the IPCC Sixth Assessment Report, and the climate scenarios published by the Network for Greening the Financial System (NGFS). It has considered the impact of physical risks and transition risks on the Group's production and operations, business layout, and long-term development under a neutral scenario, a positive scenario (below 2°C), and an ideal scenario (1.5°C). For specific assumptions regarding these scenarios, please refer to pages 42 to 47 of the "Environmental, Social and Governance Report 2021".

Based on the key assumptions for the physical environment, socio-economic environment, and energy environment under different scenarios, the Group expects that the likelihood and impact of physical risks will decrease from the neutral scenario to the proactive scenario to the ideal scenario, while the likelihood and impact of transition risks will increase. Therefore, the Group identifies relevant physical risk parameters in the neutral and positive scenarios, and identifies relevant transition risk parameters in the proactive and ideal scenarios, and ranks them in descending order of likelihood and impact:

<table>
<tr><th></th><th>Neutral Scenario</th><th>Positive Scenario (<2°C Scenario)</th><th>Ideal Scenario (1.5°C Scenario)</th></tr>
<tr><td>Physical risk parameters</td><td colspan="2">• Number of days of extreme weather (typhoons, floods, etc.) and direct economic losses throughout the year, such as equipment replacement, insurance, etc.
• Annual precipitation days (tracked and compared with annual solar radiation and annual power generation)
• Number of days with extreme high temperatures throughout the year
• Baseline water stress at business locations</td><td>Not applicable</td></tr>
<tr><td>Transition risk parameters</td><td>Not applicable</td><td colspan="2">• Global annual PV newly installed capacity (grid integration capacity of different markets)
• Global trade policy (product carbon footprint, supply chain traceability)
• Renewable energy power market trading in China (trading mechanism, percentage of spot trading, pricing)
• Carbon pricing (trading mechanisms and prices in China's carbon market, carbon tax policies and prices in Europe and other regions)
• China's energy efficiency, energy consumption, and environmental protection and control policies</td></tr>
</table>

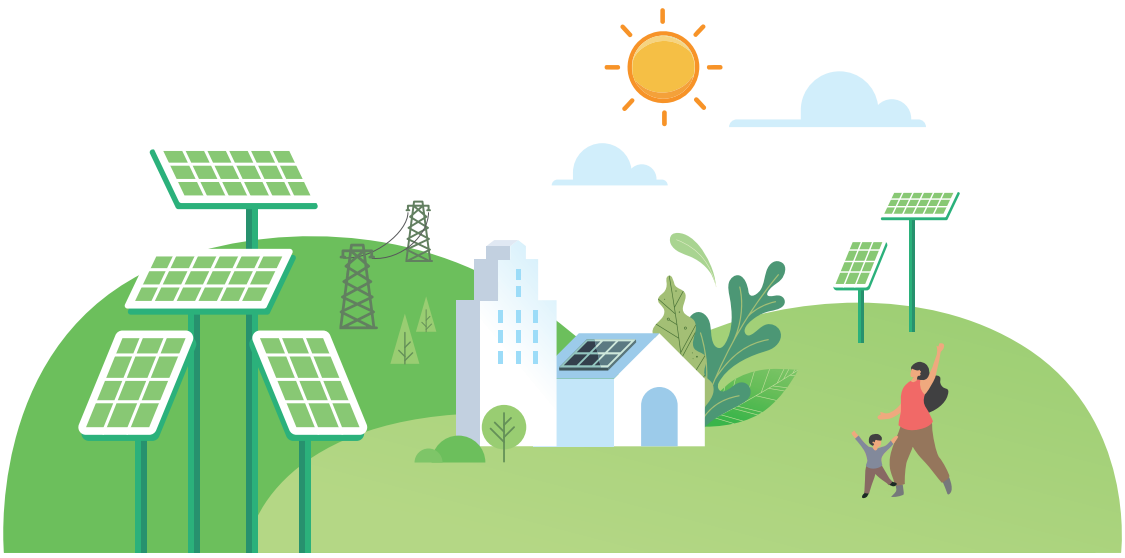
The Group primarily adopts on a neutral scenario, which anticipates changes in the physical, socio-economic, and energy environments based on currently announced climate policies. By combining qualitative assessments with historical data analysis, the Group has identified climate risks with a higher probability of occurrence that could affect its operations and/or finances, based on a comprehensive evaluation of four key factors: likelihood, impact, adaptability, and resilience.

For the projection of transition risks, particularly in terms of likelihood and impact, reference has been made to changes in the socio-economic and energy environments under scenarios ranging from proactive to ideal. Climate risks that have been identified and have had, or may have, a material impact on the Group's business and/or finances have been disclosed in this report. The Group has also adopted corresponding response measures and actions, and has fully considered the flexibility of its response strategies under different climate scenarios. The financial impact section primarily consists of qualitative disclosures, supplemented by historical data and quantitative metrics presented in the form of case studies. We have conducted scenario analyses on climate-related risks and opportunities over the short term (0 - 3 years), medium term (3 - 10 years), and long term (10 - 50 years) under various scenarios.

Physical Risk

As the frequency and severity of extreme weather events continue to increase, the production and operations of enterprises, as well as the stability of raw material supply, will be affected. Based on the assumptions for the physical environment under a neutral scenario, global temperatures are projected to rise by 2°C by 2060, with the frequency of extreme high temperature weather increasing several to dozen times compared to the current levels, and the intensity of extreme precipitation weather also increasing significantly.

Affected by climate change, the frequency and intensity of extreme weather events are expected to increase significantly, which is projected to have a more pronounced impact on the Group. The primary impacts of physical risks on the Group's core business are summarised as follows:



Resilience to Climate Change

Acute physical risk	
Climate-related risk	Extreme weather events such as typhoons, floods (caused by extreme precipitation), thunderstorms, and rainstorms
Impact term	Short, medium and long term
Impact	Medium to high
Probability of occurrence	Medium to high
Value chain impacts	Operations
Business impacts	Solar glass business 1) Causing damage to production facilities and equipment 2) Impact on production, raw materials and finished products 3) Disruptions to upstream suppliers and downstream logistics 4) May affect the construction progress of the project Renewable energy business 1) May lead to malfunctions of power generation equipment or affect power generation efficiency 2) Increase operational and maintenance risks, and have an impact on the safety and health of employees 3) May affect the progress of project development and construction
Financial effects	Solar glass business 1) Damage to or scrapping of production facilities and equipment results in asset impairment and may affect production, thereby impacting revenue. 2) Raw materials, finished products and equipment may be damaged, thereby increasing production costs and capital expenditure 3) Increase in transportation costs 4) The Company's projects under construction may be affected, and the launch of new production lines may be delayed, thereby affecting the Company's operating revenue Renewable energy business 1) Asset impairment due to early retirement of equipment 2) Equipment failure leading to increased operating costs 3) Revenue reduction due to affected power generation efficiency 4) Increase in capital expenditure; changes in grid-connection scale and timing may affect revenue for the year
Mitigation measures	1) Formulate extreme weather emergency plans to minimise the impact on the Company's production safety, and make specialised capital budget and preparations for extreme weather conditions 2) Enhance the safety awareness of construction personnel in implementing safe construction standards and procedures, and strengthen construction quality, safety risk control, and emergency response work under extreme weather conditions 3) Solar glass business: • Monitor raw material inventory levels and reasonably arrange procurement to ensure sufficient stock to mitigate the impact of short-term extreme weather factors • Enhance the integrated transport capacity of water and land transportation 4) Renewable energy business: • Assess the probability and impact of climate risks with reference to historical data; consider extreme weather risks when designing solar farm projects; and select solar modules and auxiliary materials with high protection performance to enhance the capacity of power plants to respond to extreme weather. • Conduct 24-hour centralised remote monitoring by leveraging an electronic monitoring platform to effectively identify abnormal conditions and address them promptly, thereby reducing economic losses

Chronic Physical Risk	
Climate-related risks	Changes in temperature and precipitation
Impact term	Medium and long term
Impact	Low
Probability of occurrence	Medium to high, with the declining degree of impact and probability of occurrence from the neutral scenario to the positive scenario to the ideal scenario
Value chain impacts	Operations
Business impacts	1) As temperatures rise, the risk of heatstroke among employees during production and operational processes increases, posing a threat to the health and safety of employees and impacting operational efficiency 2) Air-conditioning systems, cooling systems, etc. require the consumption of more energy to maintain normal operations 3) For the renewable energy power generation business, prolonged rainy weather will lead to a decrease in power generation
Financial effects	1) A decline in production efficiency and a decrease in power generation will lead to a decrease in operating revenue 2) Increased energy consumption in air-conditioning and cooling systems leads to higher operating costs 3) Flexible scheduling, provision of protective equipment and medications, and heat allowances have driven up labor costs
Mitigation measures	1) Develop heatstroke prevention and cooling measures for hot weather, including adjusting work schedules and hours, and providing heatstroke prevention supplies and medications, to ensure employee health 2) Compare the power generation performance of renewable energy projects across different regions and compile historical data to provide a reference for the site selection of new power plants 3) Improve power generation efficiency through efficient operation and maintenance to mitigate the impact of prolonged rainy weather

Resilience to Climate Change

Transition Risks

The Group's core business aligns with the global energy transition trend and has a positive impact on achieving carbon neutrality goals, mitigating global climate change, and enhancing the climate resilience. Therefore, under the neutral scenario, the transition risk are not expected to have a negative impact on the Group's core business operation and development. Even the positive scenario (below 2°C scenario) and the ideal scenario (1.5°C scenario), the Group will not face risks or pressures related to business transformation. On the contrary, to achieve the global energy structure envisioned the ideal scenario and reach carbon neutrality, the demand for the Group's core products – solar glass and PV power generation – is expected to increase significantly.

The production of solar glass inevitably produces greenhouse gas emissions due to the consumption of energy and raw materials. However, most of the Group's solar glass production capacity located in China. As the PV industry is strongly supported by national policies and the Group's performance in energy consumption, greenhouse gas emissions and other environmental metrics far exceeds than of its peers; therefore, even if the Group's operations were to face stricter environmental efficiency requirements under an ideal scenario, this would not affect the Group's sustainable development and core competitiveness.

Based on positive scenario and ideal scenario, the Group has assessed the challenges that the transformative trends in policies, laws and regulations, technology, market and reputation may pose to the development of its core business and has identified potential major risks. For the potential risks identified, the Group has adopted effective preventive/mitigating measures:

Policy and Legal Risk	
Climate-related risks	Carbon price increase (carbon emissions trading)
Impact term	Medium and long term
Impact	No impact under the neutral scenario, with the impact escalating from the positive scenario to the ideal scenario
Probability of occurrence	Escalating from the positive scenario to the ideal scenario
Value chain impacts	Upstream and operations
Business impacts	1) Currently, China's national carbon trading market covers the power, cement, steel and electrolytic aluminium sectors. In the nine regional carbon trading markets, solar glass is classified as a high energy-consuming industry and is expected to be included in China's national carbon trading market in the future; however, provided that the Group maintains industry-leading carbon emission intensity, its inclusion would not have a material impact on its business 2) Under the ideal scenario, the IEA anticipates that China's carbon costs could rise to USD200/tonne by 2050.In 2025, the average trading price of China's carbon emission quota is approximately RMB62.36/tonne, and the year-end closing price is RMB72.63/tonne, which is significantly lower than the IEA's forecast. Based on the assumption that future carbon compliance costs will rise, the Group must take more proactive measures to ensure that the annual reduction in carbon intensity is no less than 2%, or achieve decarbonised production through the research and development of furnace technology
Financial effects	1) No substantial financial impact is anticipated under the current mechanism 2) Under the ideal scenario, the introduction of stricter requirements for product carbon intensity or changes to the carbon emission quota mechanism may lead to increased R&D costs and capital expenditure (transition to low-carbon/decarbonisation furnace technologies). If the R&D of low-carbon/decarbonisation furnace technologies fail, this may result in higher production costs
Mitigation measures	1) Set up a carbon management team to improve the Group's carbon emissions management 2) Collect the Group's carbon emissions data to provide a basis for setting Science-Based carbon reduction Targets (SBTi) in the future 3) To ascertain the Group's current carbon emission intensity and identify feasible future carbon reduction pathways for Scope 1, Scope 2 and Scope 3 emissions, the Group's mainstream solar glass products have obtained ISO 14067:2018 Carbon Footprint Certification 4) Improve production efficiency and yield rates to reduce carbon emissions per unit of product 5) Launching distributed rooftop PV power generation and residual heat generation projects at production bases while continuing to promote supply chain emission reductions 6) Set five-year quantitative targets to reduce the carbon intensity of solar glass products and establish effective incentive mechanisms to improve carbon intensity performance 7) Explore the feasibility of low-carbon/decarbonisation furnace technology (such as the use of hydrogen) and increase related research and development efforts

Resilience to Climate Change

Policy and legal risk	
Climate-related risks	Tightening of regulatory policies
Impact term	Medium and long term
Impact	Escalating from neutral scenario to positive scenario and to ideal scenario
Probability of occurrence	Escalating from neutral scenario to positive scenario and to ideal scenario
Value chain impacts	Upstream and operation
Business impacts	1) As China implements a dual-control policy on energy consumption, the additions of solar glass production capacity in different provinces are subject to the energy consumption quotas. With the strict enforcement of the capacity risk alert mechanism, the approval process has become longer and more difficult 2) The National Development and Reform Commission issued the "Benchmark and Standard Energy Efficiency Levels in Key Industries", driving the industry to improve energy efficiency and strive to meet benchmark levels. Existing projects are encouraged to adopt green and low-carbon technologies and equipment, increase efforts on energy-saving and carbon-reduction, and enhance the industry's overall energy efficiency 3) The Ministry of Ecology and Environment and local ministry of ecology and environment are enforcing stricter standards and strengthening oversight in areas such as air pollutant emissions, automated monitoring of major polluting entities, and hazardous waste. Environmental regulations not only constrain new capacity expansion but also drive enterprises to increase investment in pollution control measures, thereby reducing the generation of pollutants and waste
Financial effects	1) Increased uncertainties regarding production capacity plans and extended expansion cycles may have an impact on expected revenue performance 2) Increase in capital expenditure (e.g. investment in environmental protection equipment) 3) Increase in costs (such as operation of environmental protection equipment, increase in market price of electricity and raw materials)
Mitigation measures	1) Actively monitor changes in industry policies and respond promptly to potential policy updates 2) Increase reasonable investment, implement emission reduction measures, enhance energy consumption management, and meet policy requirements 3) Expand overseas production capacity. The Group has experience in overseas expansion and, in the long term, will not be constrained by policy controls in China. Two new solar glass production lines under construction in Indonesia are expected to commence operations in 2026

Technical risk	
Climate-related risks	Transition to low-carbon emission technologies
Impact term	Medium and long term
Impact	No impact under the neutral scenario, escalating from the positive scenario to the ideal scenario
Probability of occurrence	Escalating from the positive scenario to the ideal scenario
Value chain impacts	Operation
Business impacts	1) Under the ideal scenario, global carbon dioxide emissions from the energy and industrial sectors must be reduced by 40% over the next 10 years. This may require currently energy-intensive industries to reduce carbon emissions as soon as possible by increasing research and development investment. Currently, solar glass furnace production technology remains heavily reliant on fossil fuels. If policies become more stringent, the Group may need to increase investment in R&D to drive the transformation of production technology and achieve decarbonisation targets. Taking into account current hydrogen prices, the supply and stability of low-carbon hydrogen fuels (such as green hydrogen), and production safety, hydrogen is not yet suitable to serve as the primary fuel for the commercial production of solar glass
Financial effects	1) Increase in research and development costs 2) Decrease in operating income 3) Accelerated depreciation of energy-intensive equipment and asset impairment
Mitigation measures	1) Low-carbon technology innovation based on market demand and reasonable avoidance of market risks 2) The Group is the only enterprise in the solar glass industry with its own research institute, and is the industry leader in both technology and new product research and development. Therefore, even if the transformation to lower-carbon technology is needed in an ideal scenario, the risk will be lower than that of its peers, and it is more likely to achieve technological breakthroughs ahead of its peers 3) Conducting energy-saving upgrades to enhance equipment efficiency

Resilience to Climate Change

Market risk	
Climate-related risks	Full life cycle carbon emission management of PV products (EU carbon tariff, low carbon PV modules)
Timeframe of impact	Short, medium and long term
Severity	Escalating from neutral scenario to positive scenario and to ideal scenario
Probability of occurrence	Escalating from neutral scenario to positive scenario and to ideal scenario
Value chain impacts	Operation and downstream
Business impacts	The EU has launched a pilot phase for the Carbon Border Adjustment Mechanism (CBAM), with full implementation scheduled for 2026. During the pilot phase, importers are only required to declare relevant information and are not required to purchase certificates; once formal taxation begins in 2026, importers will be required to purchase certificates, with prices expected to be based on the average auction price of quotas under the EU Emissions Trading System (EU ETS).Although the scope of the scheme is currently limited to six major high-carbon-emitting industries, it is expected to cover all sectors and industries covered by the EU ETS by 2030. Furthermore, glass products have been included within the scope of taxation under the US Clean Competition Act (CCA). With implementation of carbon tariff policies in Europe and the US, it is expected that more regions will follow and introduce similar policies The French Energy Regulatory Commission has introduced new requirements for the Simplified Carbon Assessment (ECS) of PV modules in the "Tendering Regulations Relating to the Construction and Operation of Renewable Energy Facilities" (AO PPE2 PV Sol), with standards for product carbon footprints becoming increasingly stringent; It has also explicitly stipulated that all PV projects with an installed capacity exceeding 100 kWp shall undergo mandatory ECS assessment and provide a carbon footprint certification report issued by a professional body. In the Asian market, the South Korean government has taken the lead in introducing a carbon certification system for PV modules. The Department of Foreign Trade of the Ministry of Commerce of China issued the Requirements for Low-Carbon Evaluation of Export Photovoltaic Modules (Draft for Comment), stipulating that the carbon footprint of exported PV modules shall not exceed 415 $kgCO_2$/KWp
Financial effects	1) To reduce carbon footprints, there may be a greater preference for green electricity, driving up the price of green electricity 2) Carbon cost of exporting products will be increased after the PV industry is incorporated into the EU's carbon tariff mechanism 3) Product carbon footprint certification costs 4) Increase in research and development costs (low-carbon/decarbonisation furnace technology, low-carbon products)
Mitigation measures	1) Reduce carbon intensity per unit of product through measures such as lowering energy and electricity consumption per unit, improving yield rates, increasing the proportion of distributed PV power generation and residual heat power generation in the total electricity consumption, and selecting lower-carbon raw materials or energy sources. Given that the Group's carbon emission intensity is significantly lower than the industry average, the competitiveness of the Group's products will be further enhanced should module manufacturers raise their requirements for the carbon intensity of solar glass products in the future 2) The Group leads the industry in furnace technology and low-carbon product research and development, and is the only enterprise in the industry with its own research institute. It is expected that the Group will continue to maintain its competitive edge in technological and product research and development in the future

Market risk	
Climate-related risks	Consumption issues of renewable energy in the process of low-carbon transformation of China's power system
Impact term	Short and medium term
Impact	Escalating from neutral scenario to positive scenario and to ideal scenario
Probability of occurrence	Escalating from neutral scenario to positive scenario and to ideal scenario
Value chain impacts	Operation
Business impacts	1) Driven by policy support and a sharp decline in module prices, China's new grid-connected PV capacity reached approximately 317 GW in 2025. However, as a large number of renewable energy projects have been connected to the grid, some regions have faced more pronounced consumption challenges than in previous years 2) Increasing energy storage facilities and advancing grid upgrades can enhance the grid's capacity to absorb renewable energy, but they still take time to implement. Therefore, in the short term, if the minimum requirements for renewable energy absorption are maintained, the actual consumption capacity of regional grids may affect the allocation of construction quotas for new renewable energy projects, making it more difficult for the Group to secure new quotas 3) Given that the renewable energy sector is currently in the early stages of transitioning from a full-volume guaranteed purchase mechanism to a market-based mechanism, and that trading mechanisms remain to be refined, enterprises may face uncertainty regarding grid-connected electricity volumes and electricity prices when complying with local policies and grid requirements
Financial effects	1) Decrease in revenue due to limited grid consumption capacity, a reduction in the scale of new renewable energy projects connecting to the grid, and the uncertainty surrounding feed-in volumes and electricity prices resulting from market-oriented power trading mechanisms. In the short term, these impacts may intensify; however, in the long term, as the grid undergoes transformation and upgrading and energy storage technologies are adopted, consumption issues are expected to be resolved 2) Increase in costs (energy storage costs, purchased electricity costs, labour costs) 3) Increase in research and development costs due to the development and refinement of solar power forecasting systems 4) Increase in capital expenditure due to increase in energy storage ratio
Mitigation measures	1) When investing in new renewable energy projects, looking for areas with strong demand for electricity and high power consumption industries can provide better protection for the future power absorption of the project, the supply-demand balance of electricity sales in the market, and the stability of electricity prices. When developing power generation projects, the Group attaches great importance to the electricity supply and demand conditions at the project sites. Projects are mainly distributed in Class II and Class III resource areas with high electricity demand. During the Reporting Period, with the continuous substantial growth in new energy installed capacity, the proportion of new energy power generation has risen accordingly. Power loss of the Group caused by power curtailment increased to 9%, remaining below the industry average 2) The Group possesses a professional development and construction team capable of effectively controlling the development and construction costs of power plants 3) We are actively establishing a professional power trading team and developing and improving a solar power forecasting system, laying the foundation for projects to participate in spot market trading and secure reasonable returns

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Reputational risk	
Climate-related risks	Trade disputes (PV supply chain traceability)
Impact term	Short and medium term
Impact	Escalating from neutral scenario to positive scenario and to ideal scenario
Probability of occurrence	Escalating from neutral scenario to positive scenario and to ideal scenario
Value chain impacts	Upstream and operation
Business impacts	1) Climate change is driving global enthusiasm for investment in renewable energy, whilst countries are also stepping up protection for local enterprises with the aim of promoting the development of domestic solar manufacturing industries. Given that the production capacity located in China and owned by Chinese manufacturers has already accounted for over 95% of the global solar glass production capacity, there will be no actual impact on the operation 2) With the continuous advancement of PV supply chain traceability, the demand for solar glass in overseas regions will be greatly increased. As of the end of 2025, the solar glass production capacity in overseas regions only accounted for approximately 11% of the total global solar glass production capacity. Consequently, the supply and demand of solar glass products in overseas regions is expected to be more favorable than that in China for the foreseeable future, which will have a positive impact on the prices and profit margins in overseas regions
Financial effects	1) Increase in selling expenses (e.g. imposing trade tariffs) with effective avoidance of trade tariffs for individual countries or regions by flexibly arranging different production bases to supply products overseas. During the Reporting Period, the Group incurred no additional tariff expenses 2) Increase in capital expenditure, accelerate overseas production expansion 3) Increase in revenue and overseas product profit margin
Mitigation measures	1) As over 95% of the global solar glass production capacity is located in China or is under Chinese manufacturers' control, even with the imposition of trade tariffs, it would not be fully borne by solar glass manufacturers and there is a high probability that it will be passed on to customers 2) The Group has overseas production bases and actively adopts overseas capacity expansion strategies, which can effectively diversify the risks and reduce the impact of trade disputes 3) The increasing uncertainty in the trading environment will significantly increase customers' demand for non-China product supply, thereby further enhancing the competitiveness of the Group's overseas production bases. If trade disputes and supply chain traceability continue, the Group expects its overseas sales of solar glass to maintain a premium and better profit performance than the domestic market in the foreseeable future

Climate-Related Opportunities

In recent years, the frequent occurrence of climate-related disasters such as extreme heat, floods, droughts, wildfires and severe tropical cyclones has posed a serious threat to the lives and property of millions of people worldwide, and caused billions of dollars in economic losses. Against this backdrop, accelerating the global energy transition, expanding investment in renewable energy and driving a comprehensive low-carbon transformation of the economic system have become urgent priorities.

Types of Opportunities		Impact Term	Impact	Probability of Occurrence	Value Chain Impacts	Business Impact	Financial Effect
Resource efficiency	Energy efficiency improvements	Medium and long term	Low to medium	High	Operation	• The solar glass industry is a energy-intensive industry; companies that adopt advanced energy-saving technologies are better positioned to meet regulatory requirements regarding energy consumption	• Implementing comprehensive energy efficiency improvement measures can help companies reduce the production cost per unit of finished solar glass, delivering long-term benefits
Energy efficiency	Use of low-emission and renewable energy	Short, medium and long term	Low	High	Operation	• Using low-carbon energy sources and increasing investment in and utilisation of renewable energy may help businesses optimise their energy mix and accelerate the transition to a low-carbon economy	• Investing in renewable energy can reduce a company's energy and carbon costs
Products and services	Shifts in consumer preferences	Short and medium term	Medium to high	High	Upstream, operation and downstream	• PV module manufacturers have high requirements for the solar glass in terms of its light transmittance, impact resistance, weather resistance and carbon emissions; and producing high-performance solar glass may help enhance the company's competitiveness	• High-Quality, high-performance and low-carbon PV products are likely to boost sales volume and revenue for solar glass products, bringing economic benefits to the Company

RISK MANAGEMENT

Xinyi Solar has established a traceable and assessable climate change risk management system in accordance with the disclosure recommendations and requirements of the TCFD. We have identified short-, medium- and long-term physical and transition risks, as well as opportunities related to energy, products and services. Physical risks include acute and chronic risks, whilst transition risks encompass policy and legal, technological, market and reputational risks. To optimise resource allocation and improve climate-related risk management efficiency, we have integrated climate change risk management processes into the Company's overall risk management framework. We conduct proactive assessments of identified climate change risks and formulate effective management measures to ensure that these risks remain within manageable limits.

Established the list of climate change risks and opportunities	Analysing climate change risks and opportunities based on the TCFD framework and industry best practice, and discuss with risk owners on the list of climate change risks and opportunities
Analysis and identification of climate change risks and opportunities	Clarifying applicable specific climate change risks and opportunities based on analysis of industry features and input from stakeholders and external experts. Selecting climate scenarios to analyse the Company's future climate change risks and opportunities and developing management strategies and implementation plans, following the principles of high comparability and balanced science-based approach
Assessment and management of climate change risks and opportunities	Assessing the possibility, impacts, adaptability and resilience of climate change risks and opportunities to prioritise relevant management strategies

Addressing Climate Risks

The climate crisis and energy crisis have become critical, urgent and widely scrutinised environmental issues worldwide, exerting a profound impact on global industrial development and the achievement of sustainable development goals. Xinyi Solar attaches great importance to these issues, proactively taking targeted actions to continuously enhance its resilience to climate change, thereby contributing to global climate governance and the energy transition process.

In response to acute climate risks such as extreme heat and extreme precipitation, the Company has formulated detailed contingency plans and standardised response measures to ensure the continuity of core business operations and minimise the potential impact of acute climate risks on operations. To proactively address the various challenges and development opportunities presented by the climate transition, the Group continues to focus its efforts at the operational management level by constantly optimising its energy consumption structure, strengthening end-to-end control of greenhouse gas emissions, and enhancing operational efficiency through refined management, thereby further strengthening its low-carbon competitiveness. In terms of technological innovation and industrial upgrading, the Group is continuously improving the performance of its solar glass products; meanwhile, we are focusing on the iterative transformation of furnace production technology, exploring low-carbon and decarbonisation production pathways to help achieve decarbonisation targets in the production process.

Procurement

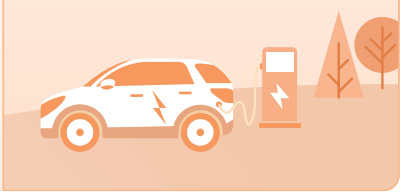
1. Prioritise raw material suppliers who embrace green principles

Production

1. Identify energy-saving potential
2. Implement technical improvement schemes
3. Optimise the energy structure and establishing an energy management system
4. Actively promote the "replacement of wooden pallets with steel pallets" and paperless packaging to reduce the use of packaging materials per unit of solar glass products
5. Purchased green electricity. During the Reporting Period, the Group purchased more than 544,000 green certificates

Logistics

1. Prioritise low-carbon and environmentally friendly transportation methods
2. Prioritise logistics suppliers who embrace green principles



METRICS AND TARGETS

Xinyi Solar has consistently been proactive in disclosing its greenhouse gas (GHG) emissions. Our GHG emission metrics cover the Scope 1 and Scope 2 emissions associated with solar glass production, as well as the emissions intensity. As PV power generation requires only a small amount of purchased electricity to maintain continuous operation of the equipment (solar farms cannot generate electricity at night), the GHG emissions generated by our renewable energy business operations have no material impact on the Group's total emissions. According to data disclosed by Xinyi Energy, a subsidiary in which the Group holds 50.75% stake, the GHG emissions from its renewable energy operations amount to less than 1% of the carbon dioxide emission reductions saved by its electricity generation; therefore, this data has not yet been included in the Group's total emissions. The categories of Scope 3 GHG emissions disclosed by us this year include Category 1 (purchased goods and services), Category 3 (fuel and energy-related activities), Category 4 (upstream transport and distribution) and Category 9 (downstream transport and distribution). The GHG reported are carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O), with carbon dioxide being the primary greenhouse gas for 2025.

Our Methodologies

Standards adopted	"GHG Protocol Corporate Accounting and Reporting Standard" (2004) "GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard" (2011)
Measurement methods	Operational control
Operational boundaries	Three production sites in China: Wuhu of Anhui, Beihai of Guangxi and Zhangjiagang of Jiangsu One production site in Malaysia

In 2025, out of the fifteen categories in Scope 3, we identified eleven categories that are relevant to our business. The remaining categories are not relevant to our business.

Category	Relevant or not	Methodology and Activity Data
1. Purchased goods and services	Yes	**Average-data method** Data on the type and quantity of purchases collected from internal systems
2. Capital goods	Yes	**Spend-based method** Annual expenditure data collected from internal systems
3. Fuel- and energy-related activities not included in Scope 1 or Scope 2	Yes	**Average-data method** Data on fuel and electricity consumption during production processes collected from internal systems
4. Upstream transportation and distribution	Yes	**Distance-based method** Data on procurement volumes, types and geographical breakdown collected from internal systems
5. Waste generated in operations	Yes	**Waste-type-specific** Data on the quantities of operational waste by category, collected from internal systems
6. Business travel	Yes	**Spend-based method** Annual expenditure data on air and rail travel collected from internal systems
7. Employee commuting	Yes	**Distance-based method** Data on employee numbers, travel patterns and average travel distances collected from internal systems
8. Upstream leased assets	No	Excluded – does not involve upstream leasing operations
9. Downstream transportation and distribution	Yes	**Distance-based method** Data on sales volume, transport type and sales region breakdown collected from internal systems
10. Processing of sold products	No	Excluded – Processing of sold products is minimal/negligible
11. Use of sold products	Yes	Excluded – Solar glass generates minimal or negligible greenhouse gas emissions during use
12. End-of-life treatment of sold products	Yes	**Average-data method** Data on the volume of sold products and packaging materials collected from internal systems
13. Downstream leased assets	No	Excluded – does not involve downstream leasing operations
14. Franchises	No	Excluded – does not involve franchising activities
15. Investments	Yes	Investment – Specific approach

Greenhouse Gas Emissions Data

Scope	Unit	Source of Emission Factors	2025	2024	2023
Scope 1	Tonnes of CO_2 equivalent	Emission factors from the "Greenhouse Gas Accounting Framework" for cross-sectoral tools	4,970,184	5,432,651	4,490,174
Scope 2 (location-based)	Tonnes of CO_2 equivalent	Ministry of Ecology and Environment and National Bureau of Statistics issued the "Announcement on the Publication of 2022 Electricity CO_2 Emission Factors"	1,022,995	1,237,107	1,220,056
Scope 1+2	Tonnes of CO_2 equivalent		5,993,179	6,669,758	5,710,230
Scope 3	Tonnes of CO_2 equivalent		4,403,693	1,179,446 Note	N/A
Category 1	Tonnes of CO_2 equivalent	China Products Carbon Footprint Factors Database	2,818,444	N/A	N/A
Category 3	Tonnes of CO_2 equivalent	"Special Series on Common Scope 3 Emission Factors for Chinese Enterprises 2025"	1,216,435	N/A	N/A
Category 4	Tonnes of CO_2 equivalent	"Special Series on Common Scope 3 Emission Factors for Chinese Enterprises 2025"	147,110	N/A	N/A
Category 9	Tonnes of CO_2 equivalent	"Special Series on Common Scope 3 Emission Factors for Chinese Enterprises 2025"	221,704	N/A	N/A
Scope 1+2+3	Tonnes of CO_2 equivalent		10,396,872	7,849,204	N/A

Note: Include only Category 1, 4, and 9; no separate figures are provided for each category

In 2025, we expanded the scope of Scope 3 GHG emissions (see below) and reported on the major categories separately.

Category 1: The scope of the statistics has been expanded to include more relevant raw materials

Category 3: The data covers upstream emissions from purchased fuel and purchased electricity, as well as losses associated with transmission and distribution (T&D), and is disclosed for the first time in 2025

The categories disclosed above account for more than 95% of the Group's estimated total emissions under Scope 3. We will consider whether to disclose data for other categories separately in the future, taking into account materiality, relevance, and the resources and time required to collect and compile the data.

Greenhouse Gas Emissions Metrics and Targets

To ensure that our climate change response efforts can be effectively measured, the Group has established metrics for monitoring and control, and has set corresponding targets based on these indicators. Based on our actual circumstances, we have identified climate-related risk indicators related to GHG emissions and established relevant targets. To ensure the successful achievement of the target, the SDM Committee compiles a summary of the GHG emission targets and performance on a half-yearly basis, and reviews them annually and assesses whether any revisions are necessary.

XSG 1: Aim to reduce the GHG emissions (Scope 1+2) per square metre of solar glass product by 9% by 2029 compared to 2024

Target type	Intensity
Target	To reduce GHG emissions from own operations
Target period (2029)	4.16 kg CO_2 equivalent/m^2
Base period (2024)	4.57 kg CO_2 equivalent/m^2
2025	4.08 kg CO_2 equivalent/m^2

XSG 1

XSG 2: Increase investment in renewable energy, strive to achieve a 50% increase in CO_2 emissions reductions corresponding to the annual power generation of the solar farm projects held by the Group by 2027 Note

Target type	Absolute
Target	To provide more green electricity for the society and offset the GHG emissions in the production process of solar glass
Target period (2027)	5,459.8 thousand tonnes
Base period (2022)	3,639.8 thousand tonnes
2023	4,149.8 thousand tonnes, an increase of 14.0% compared to the base year
2024	5,245.4 thousand tonnes, an increase of 44.1% compared to the base year
2025	5,742.3 thousand tonnes, an increase of 57.8% compared with the base year

XSG 2

Note: Compared to the base period (2022)

XSG 3: To support most of the countries in the world to achieve carbon neutrality by 2050 by increasing our solar glass production capacity and scaling up the capacity of our solar farm projects

Target type	Qualitative
Target	To reduce CO_2 emissions
Target Progress	The GHG emission of a single piece of solar glass used in a 182 series 630W monofacial module is only 11kg and the green electricity generated by the module will result in approximately 13.1 tonnes [Note] of CO_2 emissions reduction over a 25-year life cycle. Therefore, solar glass production makes a positive contribution to advancing the global energy transition and mitigating climate change. Furthermore, as module efficiency improves, the gap between the carbon reduction achieved through power generation and the carbon emissions resulting from production will widen further. In 2025, the greenhouse gas emission generated from solar glass production accounted for only 0.08% of the CO_2 emission reduction brought by the power generation of the PV module throughout its full life cycle During the Reporting Period, the Group's solar farm projects generated 6.98 billion kWh of electricity, equivalent to a reduction of CO_2 emissions of approximately 5.742 million tonnes In 2025, the CO_2 emission reduction from the annual power generation of the Group's solar farm projects was equivalent to 95.8% of the CO_2 emissions from solar glass production in the same period

XSG 3

Note: Based on an assumption of 1,189 effective utilisation hours per year

As the XSG1 and XSG2 GHG reduction targets have been achieved ahead of schedule, the Group has proposed new targets below.

New XSG 1: Achieve a reduction of 7% in greenhouse gas emissions (Scope 1+2) intensity per square metre of finished solar glass product by 2030, as compared to 2025

Target type	Intensity
Target	To reduce GHG emissions from own operations
Target period (2030)	3.79 kg CO_2 equivalent/m^2
Base period (2025)	4.08 kg CO_2 equivalent/m^2

New XSG 1

New XSG 2: Continue to expand the scale of renewable energy business, and strive to achieve a 10% increase in annual CO_2 emission reductions attributable to solar and wind power projects managed and operated by the Group by 2030, as compared to base year (2025)

Target type	Absolute
Target	To provide more green electricity for the society and offset greenhouse gas emissions generated in the production of solar glass
Target period (2030)	6,316.5 thousand tonnes
Base period (2025)	5,742.3 thousand tonnes

New XSG 2

Ecologically-Friendly and Sustainable Business Model

Focused Issues

- Environmental compliance
- Life cycle management
- Hazardous/non-hazardous waste disposal and management
- Emission and control of air pollutants (such as NOx , SO_2 and particulates)
- Water resource management
- Packaging materials consumption and environmentally - friendly packaging
- Ecological impacts and biodiversity conservation
- Energy management

13 CLIMATE ACTION

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Adhering to its corporate mission of "Leading green new energy", Xinyi Solar has been deeply rooted in the PV industry for over a decade. It has grown into a world-leading solar glass manufacturer, as well as a leading private developer and owner of renewable energy power generation projects in China, playing a vital role in the global energy transition and the journey towards carbon neutrality.

While supplying high-quality solar glass products to the global market and contributing to the achievement of global carbon neutrality targets, the Group consistently integrates environmental responsibility into every stage of its production and operations. We are committed to continuously reducing environmental impacts and resource consumption of our operations, with a particular focus on promoting energy conservation and emissions reduction in the solar glass production process. We systematically manage the carbon footprint across the entire product lifecycle to drive green and sustainable development throughout the entire supply chain.

In the field of renewable energy generation projects, the Group adheres to an "environmentally friendly" development philosophy, strictly controls ecological disturbance during the development and construction of solar farms and strengthens biodiversity conservation. Through standardised and responsible operational management, we facilitate the conversion of green power resources into local social, environmental and economic benefits, achieving a synergistic win-win outcome between ecological conservation and regional development.

ENVIRONMENTAL COMPLIANCE

Xinyi Solar strictly complies with the "Environmental Protection Law of the People's Republic of China" and the relevant environmental laws and regulations of the countries and regions where it operates overseas. The Group has established an environmental responsibility management system centred on the ISO 14001 Environmental Management System, which is continuously optimised to ensure the systematic and standardised nature of environmental management. To standardise and systematise environmental management, the Company has formulated a series of specialised policy documents, including "the Environmental Protection Management System", "Waste Management Regulations", "Responsibility System for the Prevention and Control of Environmental Pollution from Industrial Solid Waste", and "Management System for Automatic Monitoring Equipment of Pollution Sources", and implemented full-process closed-loop management of wastewater, exhaust gas and solid waste, ensuring that all pollutant emissions are compliant and controllable.

In 2019, the Group obtained a pre-issuance green finance certification from the Hong Kong Quality Assurance Agency. To ensure the consistency of environmental management standards, all subsequently established solar glass production bases strictly adhere to the same environmental management and protection standards. During the Reporting Period, all operational solar glass production bases of the Group successfully passed compliance audits and fully met all requirements of the Hong Kong Quality Assurance Agency's Green Finance Certification Program.


证 书
ISO 14001:2015

ISO 14001:2015 Environmental Management System Certification

To strengthen the coordination of environmental management, the Group has established a dedicated PV Environmental Protection Office, which is fully responsible for coordinating environmental management across the entire solar glass production process. A regular reporting mechanism has been established, whereby core environmental performance indicators and progress are submitted to the ESG Working Group on a quarterly basis, alongside targeted optimisation and improvement proposals. This provides scientific evidence and robust support for the SDM Committee in carrying out environmental management oversight and decision-making.

To improve the environmental supervision and control mechanisms and ensure that the management of exhaust gases, wastewater and all types of waste meets and exceeds statutory emission standards, the Group has established dedicated environmental management teams at each production base. These teams carry out routine inspections and maintenance of key environmental treatment equipment and emission monitoring equipment to ensure their stable operation. Meanwhile, dedicated environmental protection officers have been appointed to establish regular communication channels with local ecological and environmental regulatory authorities. This enables timely tracking of the latest environmental policies and regulatory requirements, ensuring that all environmental indicators fully comply with relevant national and local standards, and continuously enhancing the Group's environmental management standards.

The Group regularly undergoes external audits by authoritative third-party certification bodies to ensure the compliant operation of its environmental management system and its continued compliance with international standards. During the Reporting Period, the Group's environmental expenditures exceeded RMB72.48 million. The production bases which obtained ISO 14001:2015 Environmental Management System certification successfully completed their annual surveillance audits.

EMISSIONS AND WASTE MANAGEMENT

Xinyi Solar has established a mechanism for the dynamic identification and updating of environmental laws and regulations to ensure compliance throughout its operations. In accordance with the relevant environmental regulations of the countries, regions and industries in which it operates, the Group has formulated specific management regulations and procedural documents to define the management requirements for various types of emissions and waste, and enforces the strictest standards for the control of pollutant emissions and treatment.

Air Pollutant Emissions

During the Reporting Period, the Group fully implemented the "Emission Standards for Air Pollutants in the Glass Industry" (GB 26453-2022), whilst applying stricter local standards in regions with concentrated production capacity. The Wuhu Jiangbei Production Base met the Class A emission standards for the flat glass and electronic glass industries (SO_2≤ 50 mg/m³, NO_x≤ 200 mg/m³, particulate matter ≤ 10 mg/m³), whilst the Zhangjiagang Production Base passed the Class A performance enterprise assessment.

Applicable Standards

Production bases in China:

- "Comprehensive Emission Standard for Air Pollutants (GB 16297-1996) (National Standard)"
- "Comprehensive Air Pollution Control Plan for Industrial Furnaces and Kilns (National Standard)"
- "Emission Standard for Air Pollutants from the Glass Industry" (GB 26453-2022) (Industry Standard) or the local standards of Anhui Province, Jiangsu Province, Tianjin Municipality and Guangxi Zhuang Autonomous Region, whichever is stricter

Production base in Malaysia:

"Environmental Quality Act 1974"

Key Pollutants

SO_2, NO_x and particulates (smoke and dust). Of these, SO_2 and NO_x are primarily generated during the melting process, whilst particulates (smoke and dust) is generated across all processes from raw material feeding to finished product packaging

Measures

- Use of natural gas as a clean fuel
- Adopting oxygen-enriched combustion technology to reduce pollutant emissions
- Install desulphurisation, denitrification and dust removal equipment, along with backup systems, to ensure the continuous and stable operation of treatment facilities
- Strengthen the operation and maintenance management of dust collectors to reduce fugitive dust emissions from the workshop
- Regular water sprinkling within the industrial park to suppress dust and minimise the impact of road dust
- Routine cleaning, maintenance, inspection and repair of environmental protection equipment, as well as component replacement, are carried out to facilitate the upgrading of facilities
- Optimise catalyst arrangement and carry out regular replacements to enhance denitrification efficiency

Monitoring and Management

- Led by the environmental protection officer, with the Equipment Department, Calendaring Production Department and third-party O&M units assuming their respective responsibilities, daily self-inspections and emission monitoring are carried out
- Each production site installs a Continuous Emission Monitoring System (CEMS) in accordance with regulatory requirements to enable real-time digital monitoring
- During CEMS malfunctions, repairs are carried out strictly within the statutory time limits; if repairs are not completed within the deadline, a third-party monitoring agency is commissioned to conduct manual sampling and monitoring, with data reported in accordance with regulations

During the Reporting Period, the Group implemented strict standards to regulate exhaust gas emissions, with emission levels exceeding current national and local standards. Emissions reductions for SO_2, NO_x and particulates (smoke and dust) were 94.8%, 87.2% and 97.1%, respectively.

Wastewater Discharge

Applicable Standards

Production bases in China:

- Class III standards of the "Comprehensive Standards for Wastewater Discharge" (GB8978-1996), or the higher of the local standards

Production base in Malaysia:

- Compliance with Class A standards of "the Environmental Quality (Industrial Effluents) Regulations 2009"

Key Pollutants

Production cycle effluent, domestic sewage

Measures

- Wastewater from tempered glass production process is treated and reused; utilising filter presses, water purifiers and high-efficiency water treatment chemicals to enhance water recycling rates
- Non-reusable production effluent, rainwater and domestic sewage are collected centrally, undergoing pre-treatment via sedimentation, filtration, septic tanks and grease traps, and are then discharged in compliance with regulations to the municipal sewage treatment plant

Monitoring and Management

- Production and equipment departments monitor wastewater discharge parameters at predetermined intervals; environmental protection officers and department heads conduct reviews and supervision
- The production base in China has installed an online wastewater monitoring system, enabling 24-hour continuous monitoring and connection to regulatory authorities; the Malaysian base regularly submits water sample analysis reports to regulatory authorities
- We regularly commission qualified third-party organisations to conduct quarterly spot checks on the main discharge point, on-site pollution sources and the wastewater treatment system; monitored parameters include pH, CODCr, BOD_5, suspended solids, ammonia nitrogen, and animal and vegetable oils

Hazardous Waste

Applicable Standards

Production bases in China:

"Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste" (Revised in 2020)

"Technical specification for setting identification signs of hazardous waste" (HJ1276-2022)

"Control of Environmental Pollution by Solid Wastes" (GB18597-2023)

"National Catalogue of Hazardous Wastes" (2025 Edition)

"Management Measures for Hazardous Wastes Movement"

Production base in Malaysia:

"Environmental Quality (Scheduled Waste) Regulations 2005"

Major pollutants

Major hazardous wastes include spent denitrification catalysts, used packaging drums, mineral oil, waste paint, used paintbrushes and gloves, waste chemical reagents and spent activated carbon, etc.

Measures

- Establish a comprehensive hazardous waste management system in accordance with regulations, with each department responsible for sorting, collecting, storing in accordance with regulations, and transferring to designated facilities
- Develop a hazardous waste management plan and file it with the local ecological and environmental protection authorities
- Recyclable and reusable waste packaging drums shall be handed over to manufacturers for compliant recycling

Hazardous Waste Management

- The hazardous waste storage facility operates under a system of scheduled access and designated personnel; pre-treatment must be completed prior to storage to strictly prevent environmental risks such as leakage or spillage

Non-hazardous Waste

Applicable Standards

Production bases in China:

"Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes" (Revised in 2020)

"Standard for pollution control on the non-hazardous industrial solid waste storage and landfill" (GB18599-2020)

Production base in Malaysia:

"Environmental Quality (Scheduled Waste) Regulations 2005"

Major Pollutants

Major non-hazardous wastes include sewage sludge (glass powder), desulphurisation gypsum, potash, dust, raw material waste ash, construction waste, cullet, waste packaging materials, etc.

Measures

In accordance with relevant regulatory requirements, a waste management system has been established to manage waste. Each department shall collect, sort and store waste within its jurisdiction in designated areas in accordance with applicable regulations and internal policies.

Management of Non-Hazardous Waste

- Construction waste: Recycle and reuse by the manufacturer
- Dust and sludge: Reduce discharge of solid wastes through reusing after deep processing, engage qualified agencies to dispose those which is unfit for reuse
- Disqualified and broken glass: reuse in production processes
- Domestic refuse: Collected and cleared by sanitation service agents
- Discarded packaging materials and discarded electronic equipment: Recycle/dispose by legal means

Control Requirements

- General solid waste is sorted and stored at designated locations; relevant departments maintain management ledgers, and the Materials Control Group oversees and manages the process

RESOURCE MANAGEMENT

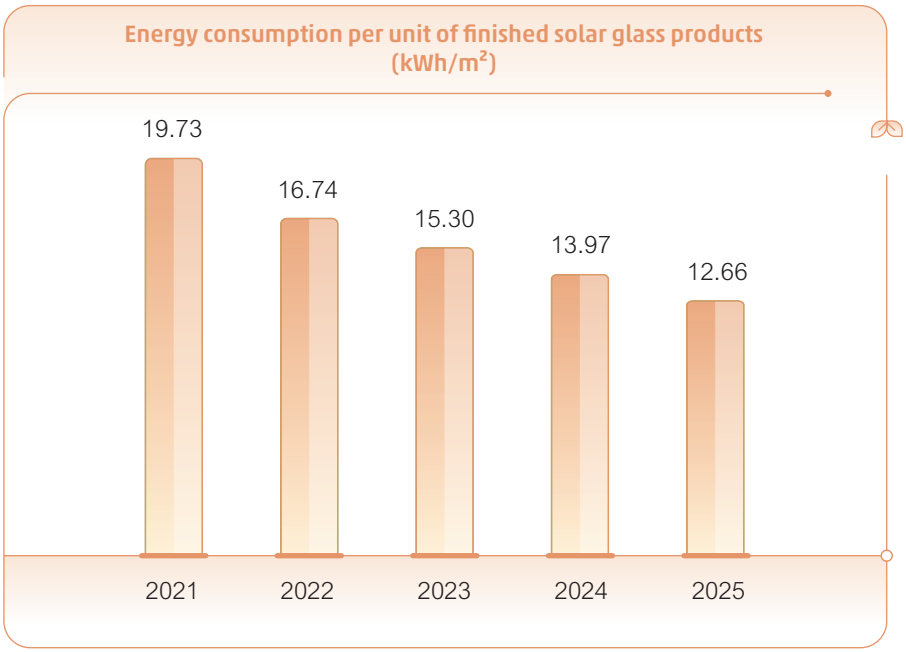
Energy Management

The energy sources involved in Xinyi Solar's production and operations primarily include natural gas and electricity. The Group reduces its impact on the climate by effectively lowering its carbon intensity and continuously improving energy efficiency.

	Measures	Corresponding Environmental Benefits of the Measures	Performance in 2025
Effectively reducing the ex-factory carbon intensity	Using natural gas as the primary production fuel	• When supplying furnace with the same calorific value, carbon emissions from natural gas are 27% lower than those from heavy fuel oil [Note], which effectively reduces the original carbon density of solar glass products	• The Group continued to use natural gas as the primary production fuel during the Reporting Period • GHG emissions intensity per unit of finished solar glass (measured in square metres) decreased by 9.0% year-on-year
	Use of new energy vehicles and forklifts	• Reducing the use of petrol and diesel to lower atmospheric pollutant and Scope 1 GHG emissions	• During the Reporting Period, the production bases at Wuhu, Zhangjiagang and Beihai all utilised electric forklifts • Despite increased production volumes, diesel consumption at the production bases at Zhangjiagang and Beihai fell by 1.1% and 9.0% year-on-year respectively
	Optimising the energy mix through the utilisation of residual heat and rooftop distributed PV power generation	• Increasing the proportion of clean energy and reducing purchased electricity to lower Scope 2 GHG emissions	• During the Reporting Period, residual heat power generation accounted for approximately 21.3% of the Group's total electricity consumption for solar glass production, equivalent to a reduction in carbon emissions of 498,000 tonnes • As of the end of the Reporting Period, production sites had cumulatively installed 325.5 MW of PV power generation systems, which accounted for approximately 12.1% of the Group's total electricity consumption for solar glass production, equivalent to a reduction in carbon emissions of 282,000 tonnes
	Purchased green electricity	• Increasing the proportion of clean energy and reducing Scope 2 GHG emissions	• The Group procured over 540,000 green certificates • During the Reporting Period, the Wuhu Jiangnan Production Base was selected for the China Top 100 Green Electricity Consumption List, empowering the dual carbon goals through green practices

Note: Calculated based on a calorific value of 9,000 kcal/m^3 for natural gas and 9,600 kcal/L for heavy fuel oil

	Measures	Corresponding Environmental Benefits of the Measures	Performance in 2025
Continuously improving energy efficiency	Advancing technical renovation plans and implementing effective energy-saving measures	• Continuously optimising production processes, furnace and production line designs to improve product yield and reduce energy consumption • Measures such as upgrading production and environmental protection equipment, improving operational efficiency, rationally reducing equipment usage frequency, and optimising process parameters have reduced natural gas and electricity consumption on production lines	• Energy consumption per unit of finished solar glass (per square metre) decreased by 9.4% year-on-year
	Strengthening digital and intelligent monitoring and control	• Leveraging digital systems to monitor and analyse electricity consumption data from workshops and equipment, as well as energy consumption data from production sites in real time, whilst identifying energy-saving potential in facilities and equipment and proposing practical energy-saving solutions	• The Wuhu Jiangnan Production Base and the Zhangjiagang Production Base have been recognised as an "Advanced-Level Smart Factory" in Anhui Province and a "Green Factory" in Jiangsu Province respectively
		• Establishing an energy management system, and utilising digital twin, panoramic display and 3D visualisation technologies to realise centralised processing of operational data from power generation units, energy storage equipment and electrical loads. By forecasting PV and residual heat output alongside electricity demand, the system can autonomously formulate "follow-up" charging and discharging strategies for energy storage, thereby achieving coordinated operation of "generation, grid, load and storage"	• The Zhangjiagang Production Base generates over 180,000 MWh of clean energy annually. Following the commissioning of a large-scale self-balancing microgrid and flexible dispatch via the energy management system, it is projected to save over RMB90million in electricity costs annually and reduce carbon dioxide emissions by approximately 179,000 tonnes



Water Resource Management

Effective water resource management is crucial to the sustainable development of corporate operations and the ecological environment.

All production bases have established corresponding standard operating procedures for water management to regulate water usage during production operations and continuously improve water resource efficiency. During the Reporting Period, no major water-related non-compliance incidents occurred at any of Xinyi Solar's major operational bases.

Water Risk Assessment

Xinyi Solar's water consumption is primarily derived from processes such as raw material mixing, equipment cooling, residual heat power generation, and washing and cleaning during tempering in solar glass production. Water used in production and operations mainly comes from natural water sources, recycled water and municipal water supplies. During the Reporting Period, there were no significant direct or indirect impacts on water resources resulting from changes in water abstraction, consumption or discharge volumes.

Xinyi Solar actively implements water resource risk management initiatives. We utilise tools developed by the World Resources Institute (WRI) to regularly identify and assess the water resource risk levels and water stress conditions at all solar glass production bases, and use the results of these assessments as a reference for setting water conservation targets.

Ecologically-Friendly and Sustainable Business Model

Geographical Location	Water Resource Risk Level	Groundwater Pressure Level
Zhangjiagang	High	Medium-High
Wuhu Jiangnan	Medium-High	Low
Wuhu Jiangbei	High	Very high
Beihai	High	Medium-high
Malacca	Low-Medium	Low
Indonesia	Very high	Low-Medium

The assessment results indicate that most of Xinyi Solar's production bases are exposed to medium-to-high levels of flood and water quality risks, and these risk levels are projected to continue rising in the future. In terms of water stress, only one production base is located in an area with high or extremely high baseline water stress. We are actively promoting the implementation of measures such as water recycling and water-saving upgrades, and establishing and refining monitoring mechanisms and emergency response plans to support sustainable practices.

Strengthening water usage analysis

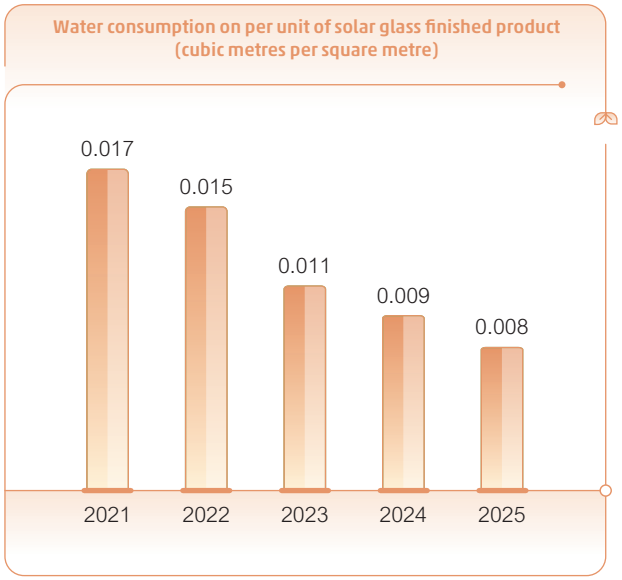
Conduct statistical analysis on water consumption-related data indicators to identify key areas for water conservation

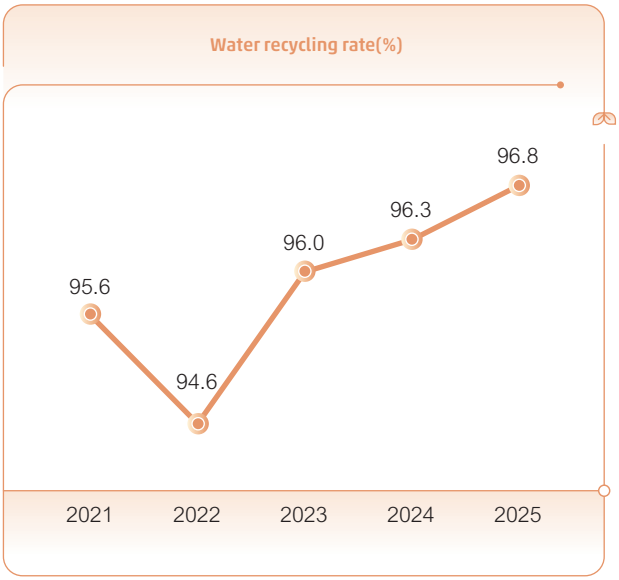
Optimising water-saving processes

Improve and upgrade equipment and processes in production to enhance water efficiency. During the Reporting Period, water consumption per square metre of solar glass decreased to 0.008 cubic metre

Promoting water recycling

Actively carry out process system transformation projects. During the Reporting Period, the Group's water recycling rate increased to 96.8%





Packaging Materials

The use of recyclable packaging materials reduces environmental impact at source. Xinyi Solar continuously optimises packaging design to enhance the recyclability of packaging materials.

We actively promote the "replacement of wooden pallets with steel pallets" and paperless packaging to reduce the amount of packaging material used per unit of solar glass product. To address the issue of matching steel pallet dimensions with different product sizes, we have optimised paperless packaging designs to ensure that eco-friendly packaging does not compromise product appearance, transport, storage or usage. By 2025, the usage rate of steel pallets for domestic sales products has increased to 92.2%, whilst the packaging material consumption per unit of finished products has decreased by 2.3% year-on-year to 59.7 grams per square metre.

Biodiversity Conservation

Xinyi Solar deeply recognises that biodiversity is integral to human well-being and forms a vital foundation for human survival and development. As a practitioner of green transformation within the new energy sector, we strictly adhere to the ecological protection red line system, conducting biodiversity conservation and land use assessments at key junctures such as project planning, construction, and production operations, striving to minimise the impact of our business operations on biodiversity.

Ecologically-Friendly and Sustainable Business Model

To identify potential biodiversity risks in the company's production and operational processes, Xinyi Solar has carried out a biodiversity risk assessment.

Assessment Tool

Using the WWF Biodiversity Risk Filter (WWF Risk Filter)

Assessment Dimensions

Assess the extent to which Xinyi Solar's operational activities depend on the ecosystem and the impacts they have on the ecosystem

Assessment Result

Evaluate the biodiversity risks faced by the solar glass production bases from multiple dimensions. The assessment results show that the risk level is moderate

Biodiversity Conservation Measures

- The Group strictly complies with the "Law of the People's Republic of China on Environmental Impact Assessment" and relevant laws and regulations. Prior to the construction of solar glass production bases and solar/wind power generation projects, we will commission professional environmental assessment agencies to conduct comprehensive surveys and assessments of the ecological environment surrounding the projects, ensuring that the area does not involve rare or endangered species of wild flora and fauna in the area, and that the construction and operation of the projects will not cause significant alteration or destruction to the local flora and fauna habitats. Furthermore, the impact on land, air and water environments are controllable and comply with all relevant national and local environmental protection and ecological conservation laws and regulations. The Group prepares environmental impact reports in accordance with established procedures. After public consultation and expert review, the reports are submitted to the local ecological and environmental bureau
- Strictly monitor and manage the discharge of exhaust gases, wastewater and waste to ensure no adverse impact on the natural ecological environment

Solar Glass Production Base	All bases are situated within industrial parks on designated industrial land. They do not fall within ecological protection zones critical for water conservation, biodiversity preservation or marine ecological stability, nor are they located in ecologically fragile areas prone to soil erosion or desertification. Upon completion of the production site construction, we will enhance greening within the site, gradually restore and increase the biomass within the site , and improve the quality of the ecological environment
Solar/Wind Farm Projects	We adhere to a sustainable development model based on "Coexistence with society and the environment" in the development, construction and operation of renewable energy projects. During site selection and surveys, we effectively avoid ecological red line areas and other resource protection zones to prevent the project from impacting or damaging the habitats of rare and endangered flora and fauna; during design and development, we adapt to local conditions, selecting the development model that best matches the native environment and implementing effective measures to minimise alterations and impacts on the native environment (land, air, and hydrology). After construction is completed, we restore vegetation and improve the environment through a series of measures. During operation, the project involves no consumption of fossil fuels and causes no adverse impact on the ecological environment. Solar power plant projects actively explore the "PV+" model to achieve the protection and improvement of the ecological environment, the full utilisation of resources and space, and the creation of a win-win situation for the economy, the environment and society Environment: • Efficiently utilising the space beneath solar panels to cultivate shade-loving plants and animals, thereby improving the ecological environment whilst enhancing overall economic benefits • Through various 'PV+' development models, such as fishery-PV, agriculture-PV and floating solar power plants in subsided coal mining areas, the local environment is restored and improved to ensure compliance with regulatory requirements • Agriculture-PV/fishery-PV complementary solar farm projects account for approximately 64% (based on cumulative grid connection capacity as of the end of 2025) Economy: • Cumulative fixed asset investment in renewable energy projects exceeded RMB21.1 billion • Revenue from renewable energy operations was RMB2.994 billion • Tax contribution from renewable energy operations was approximately RMB367 million • Tax contribution per megawatt was approximately RMB63,000 Society: • In 2025, PV power generation reached approximately 6.98 billion kWh, sufficient to meet the annual electricity needs of over 2.325 million households. This is equivalent to reducing coal-fired power generation by approximately 5.742 million tonnes of carbon dioxide emissions, effectively reducing the consumption of non-renewable resources and mitigating the pollution caused by coal-fired power generation to the atmospheric and aquatic environments, thereby safeguarding the health for more local residents

PRODUCT LIFE CYCLE MANAGEMENT

Xinyi Solar places great emphasis on the environmental benefits and ecological value of its products. We have established a product life-cycle management system covering research and development, procurement, production, transportation, use and recycling. By integrating technological innovation with smart manufacturing, we develop products with high environmental adaptability, continuously providing solutions for the global energy transition that are both cost-affective and environmentally friendly.

Design and R&D

- Prioritise the selection of environmentally friendly and resource-abundant raw materials, striving to minimise potential environmental impacts at the source
- Improve the light transmittance, mechanical strength, and other performance parameters of solar glass, helping PV modules increase their lifetime power generation and delivering more significant carbon reduction benefits to society

Procurement

- Strictly screen suppliers, giving preference to partners with strong environmental credentials and a commitment to sustainable development, ensuring that procured raw materials meet green standards
- Build global supplier channels to ensure supply stability, enhance procurement efficiency, and improve the environmental performance of upstream processes

Production

- Use natural gas as a production fuel to reduce carbon emissions
- Continuously optimise energy-saving and emission-reduction measures, increase investment in research and development, and steadily improve production efficiency and yield rates, thereby effectively reducing product carbon intensity and enhancing other environmental benefits
- Continuously invest in research and development of glass furnace technologies, striving to overcome the current dependence on fossil fuels and support the decarbonisation of solar glass production at the source

Transportation

- In product transportation, rationally plan logistics routes and prioritise low-carbon, environmentally friendly transport modes, such as increasing the use of waterway transportation and highway-railway collaborated transportation
- Give priority to logistics partners that practice green principles, jointly building a green transportation chain

Usage

- Strictly monitor quality in accordance with ISO9001:2015. Solar glass products have obtained China Compulsory Certification (CCC) and comply with RoHS and REACH standards
- No carbon emissions are produced during the use of solar glass products. As an essential component of PV modules, solar glass enables considerable CO_2 emission reductions for society through solar power generation

Recycling

- The theoretical recyclability rate of solar glass products is no less than 90%, and the theoretical reuse rate reaches 95%, so theoretically, the possibility of recycling is high. The PRC is still in the phase of researching and developing technical standards, establishing responsibility mechanisms, and constructing and refining recycling systems. Consequently, large-scale industrial applications have not yet been implemented

Engaging with the Value Chain and Community

Focused Issues

- R&D and Innovation
- Patent and intellectual property protection
- Supply chain management
- Customer relationship management
- Information security
- Community contribution and participation

Suppliers, customers and the community are key stakeholder groups for Xinyi Solar, providing indispensable support for the company's pursuit of sustainable development. In our business collaborations and community-building initiatives, we consistently uphold the principle of mutual benefit. Through responsible procurement, the provision of high efficiency, low-carbon products, and the active application of our business expertise in community development, we share our sustainability principles with our suppliers, customers and other business partners. We advocate for all parties to embrace a shared set of values, jointly drive the low-carbon transition of the value chain, and help communities enhance their climate resilience.

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

Supplier Management System

Xinyi Solar places great importance on its business collaborations with suppliers and partners, continuously optimising its supplier management system, strengthening supplier audit processes, and consistently improving procurement standards. The Group has established, and regularly reviews and refines, its sustainable procurement policy that covers standardised processes and criteria for the assessment, selection, management and evaluation of suppliers across non-economic domains such as the environment, social issues (including human rights protection) and governance (including business ethics), as well as the criteria for eligible products and services. It requires the department responsible for centralised procurement, administrative staff at subsidiaries, and all employees involved in procurement decision-making to comply with the relevant policies. Furthermore, when selecting suppliers, products and services, they must incorporate the Group's established Human Rights Policy, "Conflict Minerals Procurement Policy", "Supplier Code of Conduct", "Stakeholder Safety Management Regulations", "Integrity Management System" and other agreements related to sustainable procurement.

Supplier Structure in 2025

Total number of suppliers: **2,300**

Suppliers in China: **2,061** accounting for **89.6%** of the total

Overseas suppliers: **239** accounting for **10.4%** of the total

Through the formulation and oversight of sustainable procurement policies, the Group is committed to:

1) Ensuring that suppliers understand and comply with the Code of Conduct
2) Encouraging suppliers to adopt best practices in areas such as the environment, occupational safety and health, human rights and labour standards, and business ethics, thereby assisting the Group in building a sustainable supply chain and achieving other sustainable development goals
3) Prioritising and standardising the management of suppliers' sustainability performance
4) Identifying potential sustainability risks within the supply chain and promptly formulating appropriate policies to address them

Management Processes

Assessment	**Initiation of the audit:** Submission of a request for assessment and basic supplier information **Preliminary review:** Review documents provided by the supplier, such as business licences and management system certificates, and conduct assessments across dimensions including business qualifications, business ethics, environmental protection, occupational health and safety management, production management, and legal and labour standards **On-site audit:** - Based on the audit checklist, conduct on-site verification of each item against the qualification certificates and management system documents submitted by the supplier during the preliminary audit stage. On-site audits for new suppliers employ a combined qualitative and quantitative assessment approach: should the on-site audit reveal fundamental issues such as unfair competition, industry monopolisation, corruption, or violations of human and labour rights, the onboarding process will be immediately terminated and the supplier will not be approved; quantitative assessment is conducted by applying established evaluation criteria and scoring standards to generate a numerical score - The Group has established 50 detailed assessment indicators and scoring criteria covering corporate qualifications, production and supply capacity, quality management, service quality, cost competitiveness and ESG-related areas, with ESG-related indicators accounting for over 40% of the total. New suppliers must achieve an A rating in the assessment before they can be directly included in the "List of Qualified Suppliers"
Onboarding	- Requirements: Suppliers that pass the audit must simultaneously sign the "Supplier Integrity Agreement", the "Notice on Integrity in Business Operations and Mutual Benefit", and a confirmation letter acknowledging their familiarity with the "Xinyi Group Blacklist" - All other things being equal, the Group will give priority to suppliers that demonstrate greater leadership in ESG management and performance, such as those that have made explicit sustainability commitments and established relevant management policies
Assessment	Suppliers on the "List of Qualified Suppliers" are subject to monthly, quarterly and annual assessments: - Monthly assessment focus on factors such as products, services, quality and supply capacity; ESG categories such as environmental protection and occupational health and safety account for a relatively low proportion of the score. This process is primarily managed by the procurement departments of each subsidiary - Quarterly and annual assessments place greater emphasis on performance in ESG areas; the annual assessment is organised and implemented centrally by the Group's centralised procurement department - Based on the assessment results, suppliers who fail to meet standards multiple time in a row during monthly assessments, or who fail to meet standards in quarterly or annual assessments, will be subject to measures such as guidance and improvement, rectification, and termination - Suppliers with strong ESG performance will be given preference or receive a higher allocation of procurement budgets
Elimination	– Suppliers who fail to meet standards even after rectification will have their supplier status revoked and their business relationship terminated – Suppliers who breach the "Supplier Integrity Agreement" or engage in dishonest conduct during business cooperation will be placed on a list of dishonest entities. The Group will immediately terminate cooperation with them and prohibit them from participating in tendering, procurement and other related business activities for a specified period. Upon expiry of the restriction period, suppliers must pass a re-assessment to regain their eligibility for cooperation; if they are placed on the list of dishonest entities again, their eligibility for cooperation will be permanently revoked

Supplier Code

Xinyi Solar is committed to practising responsible business conduct and expects the same from its suppliers. We adhere to "the principles of the United Nations Global Compact (UNGC)" and, through the "Supplier Code of Conduct", clearly set out our requirements for suppliers in key areas such as legal compliance, business ethics, quality management, labour rights, occupational health and safety, and environmental protection.

Core Elements of Xinyi Solar's Supplier Code of Conduct	
Defending human rights	• Adopt a zero-tolerance policy for bonded labour, illegal trade, slavery or child labour, and require the proof of **voluntary employment** • **Treat employees with dignity and respect**, and prohibit corporal punishment, threats of violence or other forms of harassment or abuse • Guarantee the **freedom of association** of employees • Ensure that the products or materials to the Group do not contain any materials manufactured or procured from the Democratic Republic of Congo or other neighbouring countries, and signing of the "**Conflict Minerals Procurement Policy**" is required to commit to the Group's sustainable procurement policy
Environmental protection	• Comply with local environmental laws and regulations, and **provide proof of compliance with local regulations or best practices (such as ISO14001 certification or local equivalent certification)**, and **shall sign the "Green Environmental Protection Agreement"** to commit to the sustainable procurement policy of the Group
Compliance with laws and regulations	• Strictly comply with laws and regulations including but not limited to labour, occupational safety and health, intellectual property, anti-corruption and environmental protection
Labour standards	• Take necessary measures to ensure that **the age of employees meets the requirements of the laws and regulations of the place where the business located** • Ensure reasonable working hours in accordance with laws and regulations, and safeguard employees' rights to rest and leave • Uphold the principles of **fairness, impartiality and equality**; eliminate workplace discrimination; ensure that **employees' wishes are fully respected** in all aspects of the employment process, including recruitment procedures, contract terms, remuneration and benefits, career progression, termination of contracts and retirement; **and implement non-discriminatory employment measures** • In addition to statutory wages and benefits, encourage suppliers to provide remuneration and benefits to employees that exceed local industry standards • Establish **occupational safety and health management systems**, provide employees with personal protective equipment and implement safety supervision to ensure a safe and hygienic working environment. For suppliers providing meal and accommodation benefits, ensure their safety and hygiene. Suppliers must sign the "Related Party Safety Production and Environmental Protection Agreement", committing to comply with the "Related Party Safety Management Regulations" of the Group
Business ethics	• Suppliers are prohibited from offering, supporting, soliciting or accepting bribes in any form (directly or indirectly) as a means of facilitating or rewarding business transactions with the Group. All suppliers must **sign the "Supplier Integrity Agreement"** with the Group • Respect and protect the Group's **intellectual property rights** and refrain from engaging in any activities that infringe upon the Group's intellectual property rights • Avoid conflicts of interest

The "Supplier Code of Conduct" sets forth the Group's fundamental requirements for suppliers to fulfill their responsibilities. It also outlines the standards we expect suppliers providing products or services to the Group to communicate and implement throughout their supply chains. In key areas such as the protection of human and labour rights, integrity and honesty, occupational health and safety, and environmental management, the Group imposes stricter requirements on suppliers, who must sign additional agreements to ensure they meet higher standards. The Group will encourage more suppliers to adopt higher standards in their own operations and supply chain management in these key areas by prioritising procurement or increasing purchase volumes.

Based on the results of regular assessments during the reporting year, the Group urges suppliers to effectively fulfil the environmental and safety commitments set out in the "Supplier Code of Conduct" and in contractual terms, and to strictly comply with the requirements of agreements and policies regarding the protection of human and labour rights, integrity and honesty, occupational health and safety, and environmental management. At the same time, the Group encourages suppliers to convey the Group's sustainability philosophy to their own supply chains, to conduct supply chain management in accordance with the same principles, and to regulate the conduct of their own suppliers by the same standards.

Global footprint and enhancing supply chain resilience

Xinyi Solar is committed to building and strengthening its supply capabilities across different regions globally, whilst continuously optimising channel distribution to mitigate fluctuations in supply capacity and price cost variations in any single region, and the impact of climate or other external factors on raw material supply and logistics. Natural gas, soda ash and silica sand are the three major core cost components of solar glass production. The Group's natural gas supply operates on a direct supply model, with stable supply channels established at each production base; for core raw materials such as soda ash and silica sand, the Group has established a global supply network across multiple regions to enhance supply stability and cost efficiency. The Group manages the procurement of production raw materials through an ERP system, with both domestic and overseas procurement managed via a single monitoring platform. This system fully leverages the Group's channel and scale advantages; through comprehensive price comparisons and centralised procurement, it ensures resources are acquired at reasonable prices. Concurrently, by integrating internal resources to establish and gradually refine a global supply chain system, it mitigates procurement risks arising from regional policy changes. Furthermore, it facilitates more efficient raw material inventory management for the Group, enabling real-time monitoring of stock levels across all production bases to ensure inventories are maintained at appropriate levels.

During the Reporting Period, the Group's supply chain resilience was further enhanced through the diversification of core raw material resources, improvement in processing capabilities, as well as the further refinement of global procurement channels. Although the climate has been volatile and extreme weather events have occurred frequently in recent years, no climate-related supply chain disruptions occurred during the Reporting Period, and the impact of climate change on the supply chain remains manageable in the short to medium term. Going forward, the Group will continue to strengthen the stability of raw material supply, enhance control over logistics and transportation, and improve cost efficiency through various measures, including building resource reserves, establishing long-term strategic partnerships, and upgrading processing and logistics capabilities, with a view to establishing and gradually improving the resilience of its supply chain in the face of climate change. The Group maintained a 100% contract fulfilment rate during the Reporting Period.

SUSTAINABLE CUSTOMER RELATIONSHIPS

Excellence in Quality

Xinyi Solar strictly monitors product quality at every stage, establishing a comprehensive quality management system and quality control procedures, undertaking external quality certification, fostering a culture of quality awareness, and enhancing product quality standards.

Quality management system

Solar glass is primarily used as the front and back sheets of PV modules, providing critical protection for the cells within the modules. Therefore, the quality of solar glass has a significant impact on maximising the service life of the cells and minimising the degradation rate of the PV modules. IEC and TÜV standards set explicit limits on the degradation rate of PV modules over a 25-year period. As such, customers pay particular attention to the quality of solar glass products and have established strict standards for performance parameters. The Group attaches great importance to product quality and reputation, strictly adheres to the "Product Quality Law of the People's Republic of China" and relevant laws and regulations in the regions where it operates, and has established a rigorous and comprehensive internal quality management system. This system is based on the ISO 9001:2015 quality management system standard, encompassing the formulation of quality management systems such as the "Quality Control Manual", the implementation of quality management measures, and the provision of quality training. In 2025, a total of 26 quality management system documents were revised or newly introduced. The revisions primarily focused on relevant quality control standards, incoming material inspection standards and related operational guidelines.

Xinyi Solar Quality Control Process

Source control	- Origin and quality control, selection of raw materials - Sampling and testing of raw materials prior to production
Production process	- Quality Control Department specialists monitor the production process and critical stages to ensure compliance with the Group's regulations and standards - Automated monitoring systems provide real-time surveillance, enabling the prompt detection of anomalies and the implementation of corrective measures
Finished product testing	- The Quality Control Department is responsible for overseeing the production department to ensure that standardised testing procedures are carried out on finished products - The Quality Control Laboratory is responsible for conducting functional tests on products to ensure that all products have passed all performance tests, including bubble and mechanical strength tests, prior to dispatch

In addition to finished product testing, the Group has established and strictly enforces a regular re-inspection process for glass in stock to ensure that all performance indicators comply with the internal controls and customer standards. For non-conforming items that fail finished product, stock or shipment inspections, the Group implements the "Non-conforming Product Management Procedure", under which the Quality Control Department oversees the handling of such products to ensure that substandard items are never delivered. Whilst prioritising product quality, the Group standardises delivery processes in accordance with internal regulations, strictly adheres to delivery deadlines, and ensures timely delivery through seamless communication among sales, production, and logistics departments, thereby effectively safeguarding customer interests.

We have established a quality management inspection mechanism with clearly defined responsibilities to ensure the efficient and comprehensive implementation of our quality management system. Furthermore, all our production sites regularly undergo and pass both internal audits and external assessments of the quality management system, promptly identifying weaknesses and non-conformities within the management system, rectifying them and monitoring progress, thereby comprehensively ensuring the suitability, adequacy and effectiveness of the quality management system. During the Reporting Period, 100% of the Group's operational production bases have obtained ISO 9001:2015 Quality Management System Certification and continue to maintain the effective operation of the quality management system. Xinyi Solar's various product have obtained numerous domestic and international certifications, including RoHS, REACH, China Compulsory Certification (CCC), Power Product Certification (PCCC) and Carbon Footprint Verification Statements, ensuring that product quality consistently meets industry standards and customer expectations. During the Reporting Period, the Company did not experience any product recalls or other adverse incidents relating to product quality and safety.

ISO 9001:2015 Quality Management System Certification

RoHS Certification

REACH

China Compulsory Certification (CCC)

Carbon Footprint Verification Statement

Electrical Product Certification (PCCC)

Quality training

Xinyi Solar continuously promotes the development of a quality culture by establishing an annual quality training programme and conducting quality training activities. These include training on the job responsibilities of quality control officers, inspection standards, customer standards, and the fundamentals of quality management systems, thereby enhancing the professional skills of on-site quality inspection personnel. Furthermore, the Group has established a quality performance appraisal mechanism to oversee all quality control measures on production lines in accordance with established regulations. Through regular monitoring and inspections, and by strictly enforcing relevant assessments under this mechanism, we further enhance quality awareness among all staff. Key quality training topics during the Reporting Period included the 8D problem-solving method, the seven QC tools, quality control standards, quality testing methods, and the analysis of customer complaints and effective countermeasures.

Customer service

The Group is committed to enhancing customer satisfaction. It has set up Customer Service Centre and formulated a set of procedures and policies such as "Domestic Sales and Service Management Procedures", "Export Sales and Service Management Procedures", "Quality Complaint Management Procedures" and "Solar Customer Complaint Assessment Rules". In accordance with the these procedural standards, the Group ensures high-quality customer service and communication, responding to customers' requests in the first instance promptly.

Receive complaint information → Verify complaint details → Conduct root cause analysis → Accept customer complaints → Compile 8D reports → Review and approve → Respond to customers

Upon receiving customers' feedback regarding product quality issues, after-sales service staff must respond within the specified timeframe in accordance with the internal policies and take measures to mitigate the negative impact on customers. If the request involves a product return, the after-sales service staff and quality engineers must communicate with the customer in accordance with the return operation procedure within the specified timeframe. After jointly analysing the urgency of the customer's feedback, they must make appropriate arrangements as soon as possible according to the negotiation results. Once the issue is resolved, they should provide an analysis and improvement report according to customer needs and provide feedback to the production department and the responsible supervisor.

We conduct regular customer satisfaction surveys to gather feedback on product usage, suggestions, and specific needs from the perspectives of glass quality, packaging quality, delivery, transportation, and service quality. We use this information to develop improvement and enhancement plans aimed at continuously increasing customer satisfaction. In 2025, Xinyi Solar achieved a customer satisfaction score of 96.

Responsible Marketing Management

The Company treasures its brand image. All marketing materials undergo multiple levels of review by relevant internal departments before release and must be approved by key authorised managers to ensure that all marketing activities comply with the laws and regulations, social norms, and business ethics requirements of the countries and regions where the business is conducted. The Company provides training to its marketing staff to ensure that they can provide customers with clear and accurate product information when promoting products. Throughout the product promotion process, the Company did not make any exaggerated descriptions or promotions. During the Reporting Period, the Company did not experience any incidents of non-compliance with marketing laws or regulations.

R&D and innovation

Xinyi Solar strictly complies with local laws and regulations and industry guidelines, The Group has established a technology R&D management system, refined the organisational structure and R&D project development process, and ensured efficient implementation of R&D activities, thereby providing strong support for technological innovation and market competitiveness. The Group has established an Enterprise Technology Centre in Anhui Province, leading multiple major R&D projects. The Group has repeatedly won national, provincial and municipal awards for scientific and technological progress, and has participated in the drafting of multiple national, industry and association standards. During the Reporting Period, the Group participated in the formulation of three standards.

Industry standards co-developed by Xinyi Solar

"Anti-reflective coated glass for photovoltaic modules" (JC/T 2170-2013)
(《太陽能光伏組件用減反射膜玻璃標準 (JC/T 2170-2013)》)
"Solar Glass – Part 1: Ultra clear patterned glass" (GB/T 30984.1-2015)
(《太陽能用玻璃第1部分:超白壓花玻璃 (GB/T30984.1-2015)》)
"Siliceous materials for photovoltaic glass" (JC/T 2314-2015)
(《光伏玻璃用硅質原料 (JC/T 2314-2015)》)
"Light weight thermally strengthened glass" (GB/T 34328-2017)
(《輕質物理強化玻璃 (GB/T 34328-2017)》)
"Photovoltaic glass – Accelerated aging test method under multi-factor coupling conditions" (GB/T 34179-2017)
(《光伏玻璃　多因素耦合環境加速老化試驗方法 (GB/T 34179-2017)》)
"Test and evaluation methods for light transmittance property of cover glass for crystalline silicon photovoltaic module" (GB/T 37240-2018)
(《晶體硅光伏組件蓋板玻璃透光性能測試評價方法 (GB/T 37240-2018)》)
"Glass for solar cell module" (JC/T 2001-2009)
(《太陽電池用玻璃 (JC/T2001-2009)》)
"Test method for optical of properties of photovoltaic glass" (GB/T 30983-2014)
(《光伏用玻璃光學性能測試方法 (GB/T30983-2014)》)
"Solar Glass – Part 2: Transparent conductive oxide coated glass" (GB/T 30984.2-2014)
(《太陽能用玻璃:第2部分:透明導電氧化物膜玻璃 (GB/T30984.2-2014)》)
"The norm of energy consumption per unit products for glass products and cast stone" (GB 21340-2019)
(《玻璃和鑄石單位產品能源消耗限額 (GB21340-2019)》)
"Materials for crystalline silicon photovoltaic modules – Part 1: front cover glass" (T/ZBH 017-2020)
(《晶硅光伏組件用材料第1部分面板玻璃 (T/ZBH 017-2020)》)
"Materials for crystalline silicon photovoltaic modules – Part 2: rear cover glass" (T/ZBH 018-2020)
(《晶硅光伏組件用材料第2部分背板玻璃 (T/ZBH 018-2020)》)
"Test method for compressive properties of glass materials and products" (GB/T 43874-2024)
(《玻璃材料及其製品室溫壓縮性能試驗方法 (GB/T43874-2024)》)
"Test method for spectral transmittance of quartz glass" (GB/T 43892-2024)
(《石英玻璃光譜透射比試驗方法 (GB/T 43892-2024)》)

Engaging with the Value Chain and Community

Developing innovative products

As a leading private solar farm developer and operator in China. The Group has been involved in the development and construction of solar farm projects since 2012, and has therefore maintained a keen market sense over the long term. The unique business model enables the Group to develop and deploy new product in the market at an early stage, to optimise and transform production equipment in an orderly manner to match the demand for new products, and to satisfy customers' ever-evolving product needs, thereby forming closer strategic cooperative relationships with customers. During the Reporting Period, the Group maintained its competitive advantage in the thin glass and large-format glass markets while continuously improving light transmittance, durability, weather resistance and abrasion resistance. Our new products, including ultra-high-transmittance coated glass, dust-proof and integrating coated glass, and ultra-high-reflection enamelled glass, have been well received by customers. Our R&D expenditure in 2025 was approximately RMB0.6 billion, mainly for the research and development of solar glass production technology, equipment and products.

Industry–Academia–Research collaboration

Through deepening industry–academia–research collaboration by consolidating innovative resources, Xinyi Solar drives technological progress and industrial upgrading in the solar glass industry. This collaborative model not only accelerates the commercialisation and application of research outcomes, but also injects strong momentum into the Group's sustainable development. During the Reporting Period, the Company worked with key customers and domestic universities to advance product development, applied new technology research and talent development.

Xinyi Solar, in collaboration with the School of Materials Science and Engineering at Anhui University of Science and Technology

Collaborate on initiatives such as deepening the integration of industry, academia, and research, jointly tackling key technological challenges, and fostering the collaborative development of high-level talent, thereby contributing to the innovative development of materials science and the high-quality transformation of the glass industry.

Intellectual Property Protection

To promote technological innovation, develop independent intellectual property rights, encourage employees inventions and innovations, protect patent rights and enhance market competitiveness, Xinyi Solar has developed internal systems, regulations such as "Intellectual Property Management Measures" in accordance with laws and regulations such as the "Patent Law of the People's Republic of China", the "Trademark Law of the People's Republic of China" and the "Copyright Law of the People's Republic of China". These regulations standardise intellectual property creation, application, protection, risk prevention, and dispute resolution, and comprehensively enhance the management of trademarks, patents and copyrights.

The Group's Technology R&D Centre oversees patent management. A group-level task force has been established and dedicated personnel has been designated in each subsidiary for patent applications, management and protection. In the event of intellectual property infringement, the Group will firmly safeguard its own and its employees' legitimate rights through legal channels, and will strengthen intellectual property protection by leveraging the professional expertise of external specialists, patent agents and legal practitioners. While strictly safeguarding its own intellectual property rights, the Company also conducts intellectual property risk control over supply chain partners, respects and protects their intellectual property rights. As at the end of the Reporting Period, the Group has accumulated 323 authorised patents. During the Reporting Period, 98 new patent applications were filed and 47 authorised patents were granted, and there were no pending patent litigations.

To raise employees' awareness of intellectual property protection, the Group has organised targeted training for key departments including production and technology, covering the basics of patents, application procedures, and techniques for identifying and drafting patent.

The Group has established comprehensive incentive mechanisms covering the entire process of patent application, patent awards, special projects and patent licensing. For innovative patents that effectively enhance production efficiency, economic returns and environmental performance in the context of solar glass manufacturing, development, construction and operations of solar and wind farm, rewards are granted to inventors or teams at different stages according to patent type under the "Intellectual Property Management Measures". During the Reporting Period, the Group distributed approximately RMB124,000 in patent rewards.

INFORMATION SECURITY MANAGEMENT

Information Security Management System

The World Economic Forum has identified cyber security as one of the top ten risks likely to impact the global economy over the next two years. The Group's materiality assessment results also reflected a noticeable increase in stakeholders' attention to information security. With the advancement of green and low-carbon operations, the use of internal office automation (OA) systems, enterprise resource planning (ERP) systems and business intelligence (BI) systems, and the broader implementation of information management to support different business departments and operation processes, information security has gained full recognition and heightened attention throughout the Group.

The Group strictly complies with laws and regulations such as the "Cybersecurity Law of the People's Republic of China", the "Data Security Law of the People's Republic of China" and the "Personal Information Protection Law of the People's Republic of China". Referencing the ISO/IEC 27001:2022 Information Security Management System and ISO/IEC 20000-1:2018 Information Technology Service Management System standards, we have formulated "Information Security Management System", "Information Technology Service Management System" and "Information Security Rewards and Penalties Regulations". By establishing an information security management framework at both managerial and technical levels, the Group has solidified the foundation for our information security work. During the Reporting Period, the Group revised the "Information Security Management System" and issued dedicated policies. The Information Technology Centre has conducted unified security management over software and hardware as well as information, services, people and patents. All relevant employees and external partners are required to strictly comply with the policies and regulations to prevent information security violations and leakage risks. The Group has also set quantifiable information security objectives, and the Information Technology Centre regularly reviews and evaluates implementation progress.

ISO/IEC 27001:2022 Information Security Management System Certification

ISO/IEC 20000-1:2018 Information Technology Service Management System Certification

The Information Technology Centre has established a tiered information security organisational structure. The Information Security Management Committee serves as the highest decision-making body, providing overall guidance, driving progress, and overseeing the Group's information security work. Under the Committee is the Information Security Management Office (Information Security Office), which implements management responsibilities in accordance with the principle of "Who oversees is responsible". The Information Security Office has established an Executive Working Group to implement various information security initiatives in line with practical circumstances.

Information Security Audits

Xinyi Solar mobilises both internal and external resources to ensure information security.

Internal	External
Establish an internal audit mechanism within the information security management system. Conduct at least one routine internal audit, management review and internal risk assessment every year.	Every three years, engage independent third-party professional assessment institutions to conduct security assessments of the Group's information systems and provide recommendations for strengthening security, and issue a cybersecurity risk assessment report to help the Group optimise its information systems and enhance security management and cybersecurity construction.

During the Reporting Period, the Information Technology Centre continued to advance system-building for its security management system, conducting one internal audit and one external audit. The external audit strictly adhered to international standards and are conducted by professional institutions, ensuring the professionalism and authority of audit work. Meanwhile, the Information Technology Centre successfully completed security compliance assessments for nine key systems; while the remaining systems have been registered. These efforts have comprehensively enhanced the security compliance of the Group's information systems, providing a solid foundation for stable business operations.

Information Security Culture Building

The Group places great emphasis on fostering a culture of information security. By establishing mechanisms for information security communication, education, and incentives and disciplinary measures that cover all employees, we have integrated a culture of information security – one that emphasises "full participation and shared responsibility"– into our corporate culture. This approach enhances information security awareness among all employees and continuously improves the overall management competitiveness of the enterprise.

Training mechanism	• The Group strictly implements the "Information Security Rewards and Penalties Regulations" and provides all employees with training related to cyber security and information security. The training covers information security laws and regulations, fosters information security awareness, explains the Group's information security management system, outlines security standards and guidelines for the workplace, and reviews case studies of information security incidents. These measures are designed to strengthen information security awareness among all employees and prevent information security incidents caused by employees' disregard for information security protocols and procedures
Rewards and penalties mechanism	• Encouraging employees to value and protect the Company's information assets and act strictly in accordance with the established management policies • Departments or individuals that consistently adhere to information security management systems and service procedures, protect the Group's information assets, and effectively prevent the loss, misuse, or theft of such assets – and demonstrate outstanding performance in information security management – may be eligible for annual recognition and bonus points in performance evaluations • For employees who discover and report severe information security incidents such as unauthorised disclosure, theft of confidential company information, or who take effective measures to prevent the spread of the impact of sudden information security incidents, they may receive a cash reward • Any employee who violates information security management policies, causes an information security incident, or results in direct economic losses or the disclosure of company confidential information – including, but not limited to, supplier and customer data, employee personal information, and intellectual property data – as well as any employee who intentionally damages or deletes information system data, or evading information security oversight, shall be subject to disciplinary actions ranging from a warning to termination of the employment contract, depending on the severity and impact of the information security incident. For incidents involving violations of national laws and regulations, legal liability will be strictly pursued in accordance with the law. All disciplinary actions shall adhere to the principles of legality, timeliness, transparency, and fairness
Emergency drills	• Conduct an annual cybersecurity drill for critical systems, using a scenario where a cybersecurity attack causes system malfunctions as the core scenario, to simulate the entire process of handling cybersecurity incidents and comprehensively enhance the emergency response capabilities of both full-time and part-time security personnel

The Information Technology Centre has established a vulnerability early-warning and remediation mechanism. It issues vulnerability early-warning reports on a monthly, irregular basis. Potential security vulnerabilities are identified through manual penetration testing and vulnerability scanning. Based on the severity and scope of the vulnerabilities, the Information Technology Centre classifies the risks, develops targeted remediation plans, and tracks and verifies remediation effectiveness to ensure timely and effective handling. This comprehensively improves the security protection capability of the information systems, reduces security risks and ensures stable business operation.

Privacy Management

The Group attaches great importance to information security and privacy protection. Based on policies such as the "Information Security Management System", we have strengthened security management throughout the entire data lifecycle to ensure data confidentiality and integrity, and to effectively protect the privacy security of both external and internal stakeholders.

Technical protection & access control	• Encrypt mobile phones and computers of key personnel involved in R&D and finance, set encrypted file transfer procedures, and reduce the risk of information leakage
Physical security management	• Implement strict access control for confidential equipment in workshops, company archives and R&D centres. Unauthorised personnel must follow an approval procedures and be accompanied by designated staff member to enter these areas
Commercial confidentiality & information protection	• We manage customer data in strict accordance with the requirements of the "Confidentiality Policy." Sales contracts include confidentiality clauses to protect customer information and privacy, and internal policies also regulate the legitimate use and effective management of customer information by sales departments to ensure customer information security and prevent leakage. Important customer archives and records are treated as first-class archives and managed by the Group's archives office • Where the Company collects and uses personal information, it must disclose the rules governing such collection and use, clearly state the purposes, methods and scope of collected information, and obtain consent from the individuals concerned • Personal information collected through the information systems is stored and transmitted in encrypted form, and necessary measures are implemented to ensure security of such information and prevent its leakage, damage or loss

During the Reporting Period, the Group's information systems experienced no major failures, and there were no great/significant information security incidents such as commercial secrets or sensitive information leakage.

SOCIAL WELFARE AND COMMUNITY ENGAGEMENT

"Spreading goodness across the world" is the Group's unwavering founding principle. As a corporate citizen, we gain resources from society to develop and grow. We should also actively fulfil our corporate social responsibility to promote sustainable social development. This not only includes actively organising and participating in various volunteer activities, community services and charitable initiatives, but also requires us to leverage our unique business expertise and strengths to contribute across all relevant areas towards building a society characterised by high climate resilience, mutual care, fairness and justice, and environmental sustainability.

Xinyi Solar responds to the national rural revitalisation strategy by fully leveraging its corporate resources to support rural economic development and improvements in people's livelihoods.

Guangdong Province "Hundred Counties, Thousand Towns, and Ten Thousand Villages High-Quality Development Project" and "Jinji Youpin" Green Hennery

Exploring a "PV + architecture" demonstration model

A replicable rural revitalisation model: A 5MW solar photovoltaic system installed on the roofs of poultry sheds not only meets the electricity needs of the poultry farm but also enables the generation and self-consumption of green power, with surplus electricity fed into the grid. This maximises the utilization of spatial and land resources, harnessing the synergistic benefits of "PV + agriculture". In its first year, the project is projected to generate 6 million kWh of electricity, equivalent to a reduction of 4,938 tonnes of CO_2 emissions from coal-fired power generation

Engaging with the Value Chain and Community

A Zero-Carbon Demonstration Project Integrating Beautiful Rural Development: The Xinyi Zero-Carbon Clean Energy Science Education Centre in Wanji District

Xinyi Solar has partnered with local government authorities to establish the Xinyi Zero-Carbon Clean Energy Science Education Centre in Wanji District, leveraging the Group's core technologies and resource advantages within the new energy industry chain. By 2025, the Xinyi Zero-Carbon Clean Energy Science Education Centre in Wanji District had hosted a cumulative total of 48 scheduled visits, welcoming nearly 1,700 visitors, with students accounting for approximately 70% of the total. Through the implementation of these activities, the centre has achieved a deep integration of science popularisation with education, cultural heritage, and youth exchange, effectively fulfilling corporate social responsibility and contributing to sustainable social development and talent cultivation

Special events:

- "Smart Innovation for the Future: Protecting Intellectual Property" thematic study tour
- 2025 Wanzhi District "Intangible Cultural Heritage Science Popularisation + Nature Integration" outreach initiative
- "Science and Innovation in Jianghuai, Ink-Washed Huizhou" Anhui-Hong Kong Youth Exchange Program

Xinyi Solar encourages its employees to actively participate in community activities, putting corporate social responsibility into practice through concrete actions and contributing to the building of a harmonious community. The Group pays close attention to the needs of the elderly living alone, children, low-income groups and disaster-affected populations, as well as the development of rural areas where our solar farms are located, and actively organises or participates in local charitable activities.

Xinyi Solar made a donation of HKD5 million to support those affected by the fire at Wang Fuk Court, Tai Po, Hong Kong, to help them get through the difficult time, assist in relief efforts and recover from the disaster and return to normal life

Volunteers from the Wuhu Xinyi Charity Foundation, the labour union of Xinyi Group's Wuhu Industrial Park, and the Wuhu Industrial Park Party Branch visited the Dangtu County Nursing Home to interact warmly with the residents, gain a thorough understanding of their daily needs, and provide both material assistance and emotional support

Since establishing the Xinyi Volunteer Team in 2021, the Hong Kong subsidiary has organised annual volunteer service activities for its employees in collaboration with local charitable organisations. Senior management has also actively participated, putting into practice the Xinyi philosophy of "Spreading goodness across the World" by wholeheartedly caring for and personally assisting vulnerable groups. During the Reporting Period, the Company continued to participate in charitable activities such as the Kowloon Lok Sin Tong's Lunar New Year, Dragon Boat Festival, and Mid-Autumn Festival food and blessing bag distribution events for the elderly, as well as the Community Chest's Casual Dress Day event

During the Reporting Period, the Group's charitable donations and in-kind contributions totalled RMB**14.059** million.

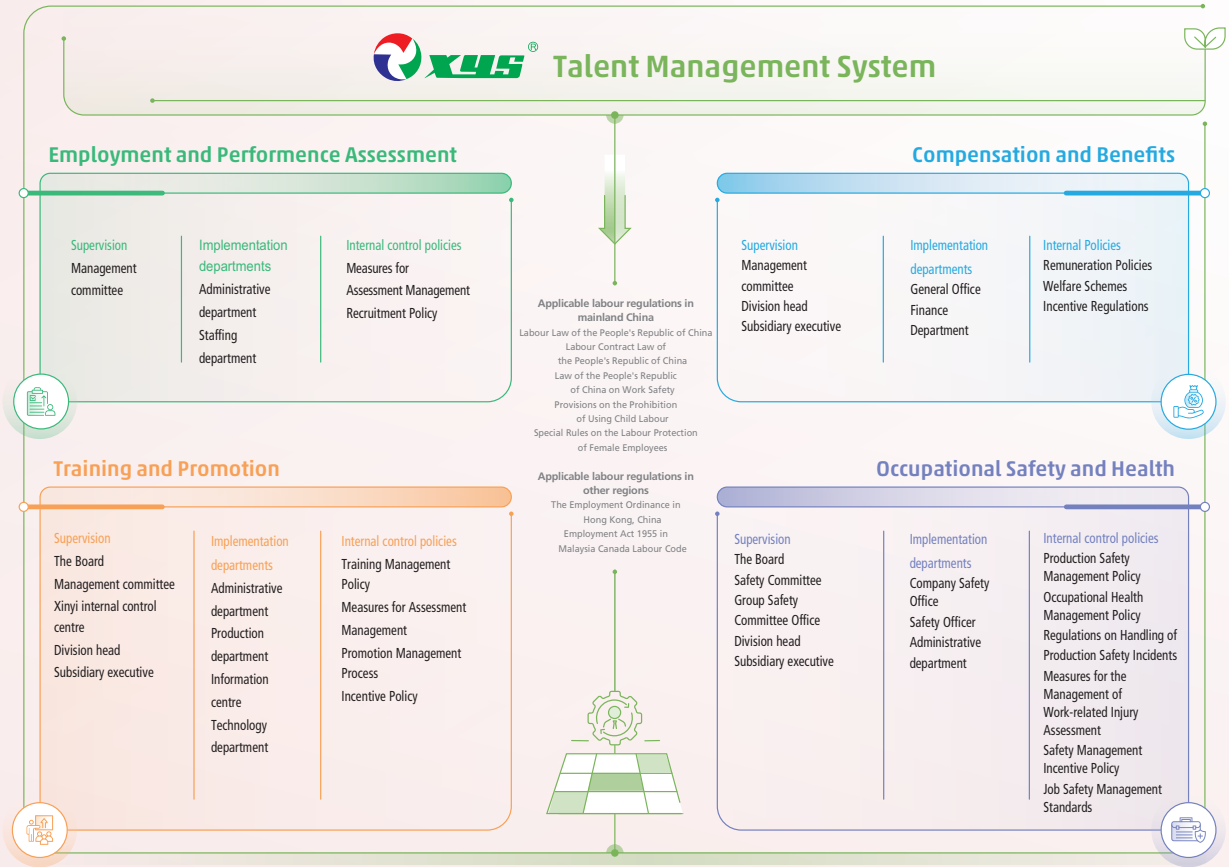
Nurturing Talents for Long-term Development

Focused Issues

- Talent recruitment and retention
- Employee engagement, diversity and inclusion
- Training and career development
- Occupational health and safety

8 DECENT WORK AND ECONOMIC GROWTH

Xinyi Solar adheres to a "people-oriented" talent philosophy and regards employees as the core driving force for the Group's sustainable development. The Group strictly complies with relevant laws and regulatory requirements in the locations where the business operates, and has established and continuously improved its internal talent management system by draining industry conventions, local standards, and international best practices. The system is structured around four core modules: employment and performance evaluation, compensation and benefits, training and promotion, and occupational health and safety. It is implemented by relevant functional departments and is subject to oversight and management by the Board of Directors, the Management Committee, and dedicated committees/organisations, with a commitment to fostering an equal, diverse, inclusive, and safe and healthy work environment.



EMPLOYEE EMPLOYMENT

Compliant Employment

Xinyi Solar strictly complies with laws and regulations such as the "Labour Law of the People's Republic of China", the "Labour Contract Law of the People's Republic of China", the "Employment Ordinance" of Hong Kong, the "1955 Labour Ordinance" and "the 1967 Factories and Machinery Act" of Malaysia, and other relevant regulations in the jurisdictions where the business operates. We have formulated a series recruitment, employment and talent management policies and systems that clearly define and standardise principles governing recruitment and termination, thereby safeguarding employees' lawful rights and interests. With systems as our safeguards, we strictly prohibit the employment of child labour and forced labour, eliminate unfairness and discrimination in the recruitment and employment process, and create a fair and transparent competitive environment for every candidate.

Talent Recruitment

Xinyi Solar regards talent recruitment as a crucial component of its workforce development and is continuously refining its recruitment system and management processes. We adhere to a proactive recruitment strategy, effectively managing workforce mobility, and leverage refined talent management to drive the achievement of our corporate development goals. At the same time, in accordance with the company's overall talent assessment requirements, we utilise multiple channels to combine campus recruitment with external hiring, thereby attracting high-caliber, high-potential talent.

- Organising campus recruitment and graduate training programmes to ensure a stable talent pipeline
- Providing internal job transfer opportunities to motivate employees to unleash their potential
- Offering retention opportunities for outstanding interns to become full-time employees
- Establishing internal referral mechanisms to improve recruitment efficiency and cultivate employees' sense of ownership
- Building and organising online recruitment activities to embrace new technologies, develop new channels and attract talent globally

In terms of campus recruitment, we are working with universities to jointly develop talent recruitment channels. The Company has established school-enterprise cooperation partnerships with multiple universities of higher education. Regarding external recruitment, Xinyi Solar continues to prioritise the hiring of local talent. During the Reporting Period, we continued to advance local hiring for overseas projects; we have already increased the recruitment of local talent in Malaysia and will soon do the same in Indonesia, which will help promote local economic development and improve the quality of life for local communities.

EMPLOYEE RIGHTS AND BENEFITS

Protection of Rights and Benefits

Xinyi Solar complies with the "Labor Law of the People's Republic of China", the "Law on the Protection of Minors of the People's Republic of China", the "Law on the Protection of Women's Rights and Interests of the People's Republic of China", the "Trade Union Law of the People's Republic of China", and other relevant regulations in the regions where it operates. The Group actively adheres to international human rights and labor initiatives and standards, including the "Ten Principles of the Global Compact", the "Universal Declaration of Human Rights", and the "International Labour Organisation's Declaration on Fundamental Principles and Rights at Work". It has established internal guidelines such as the "Xinyi Solar Human Resources Management Policy" to implement the "people-oriented" philosophy in every aspect of talent management.

The Group determines employment terms through equal and amicable communication and negotiation, including job roles and professional requirements, standard working hours, compensation and benefits, non-competition agreements, confidentiality provisions and contract termination clauses, thereby safeguarding the interests of both employees and the Group. After both parties clearly define their respective rights and obligations and acknowledge the employment terms in written form, the employment relationships are confirmed through the signing of written employment contracts. During the Reporting Period, the Group's labour contract signing rate was 100%.

Xinyi Solar strictly complies with laws and regulations including "the Trade Union Law of the People's Republic of China". The Group has formulated the Trade Union Management System and improved its trade union mechanism to effectively safeguard the legitimate rights and interests of employees. The Group's trade union serves all staff members. In line with actual business operations, it acts as a key two-way communication channel between the company and employees, as well as an open, equal and impartial platform for internal communication. We fully gather and promptly respond to employees' demands through trade union activities, staff forums, employee satisfaction surveys and other channels.

Our Commitments

- The use of child labour, forced labour or involuntary labour is strictly prohibited
- We respect and protect employees' right to organise and their freedom to join trade unions
- It is strictly prohibited to discriminate or treat employees unequal based on factors unrelated to their personal qualities or the knowledge, skills and experience required for their positions

Xinyi Solar places a high priority on safeguarding and protecting employee rights. We firmly oppose any form of child labour or forced labour, strictly prohibit the signing of contracts involving slavery, forced labour, debt bondage, or indentured labour, and resolutely prohibit any form of involuntary labour. We strictly prohibit any form of discrimination based on gender, race, nationality, religious beliefs, skin color, age, disability, marital status, or any other grounds, as well as any form of workplace sexual harassment. During the Reporting Period, we conducted human rights assessments and due diligence for all employees. The Group received no internal complaints and was not subject to any government penalties.

Key Issues	Mitigation Measures	Findings
Prohibition of child labour	• During the recruitment process, we rigorously verify the identity of applicants and comply with the laws and regulations of the relevant country or region to ensure that no workers under the minimum employment age are hired	During the Reporting Period, the company did not receive any internal complaints or face any government penalties
Prohibition of forced labour	• Respect and protect employees' right to terminate their employment contracts, and ensure that employees receive the entitlements due to them upon termination in accordance with the terms of employment, including but not limited to wages and share options • Establish a reasonable work schedule system and strictly comply with statutory working hour regulations in the locations where the business operates. Office staff typically follow a standard 8-hour workday, whilst production staff work according to actual production and operational requirements • Should extended working hours be required, we ensure that employees' wishes are respected and that such arrangements comply with the laws and regulations of the business location; overtime allowances will also be provided	During the Reporting Period, the company did not receive no internal complaints or face any government penalties
Eliminating discrimination and providing equal employment opportunities	• Provided that the allegations are substantiated, employees may file complaints using their real names through channels such as the local office, the Affairs Supervision Group, the Group Office, the Internal Control Centre, or the CEO's email. The Group undertakes to strictly observe the principle of confidentiality regarding the names of all parties involved and the details of all complaints • We handle employment, performance appraisal, remuneration, benefits, training, promotion and other related matters strictly in accordance with the internal policies and procedures established by the Xinyi Solar Talent Management System, ensuring compliance with applicable local laws and regulations, and preventing employees from facing unequal treatment in any employment-related matters due to factors such as race, ethnicity, nationality, age, gender, religious beliefs or marital status	During the Reporting Period, the company did not receive any internal complaints or face any government penalties
Freedom of association	• Trade unions have been established at all production sites, ensuring that all employees have the right to participate in the unions and to convey their opinions, suggestions and concerns to the Group through the unions	During the Reporting Period, the Company did not receive any internal complaints or face any government penalties
Provision of a healthy and safe working environment	• A Work Safety Committee has been established to implement primary safety responsibilities at all levels • Special inspections are carried out on implementation of workplace safety, working conditions and occupational health • Safety training is conducted on a regular basis	During the Reporting Period, the Company did not receive any internal complaints or face any government penalties

Remuneration and Benefits

Xinyi Solar strictly complies with local labour laws and regulations in the jurisdictions where the business operates. We formulate and strictly implement the "Compensation Policy", "Benefits Policy" and "Incentive Policy" to provide employees with a competitive package while compensation ensuring fairness and equity. The Company has established a comprehensive remuneration package comprising fixed salary, short-term incentives and long-term equity incentives to attract, retain and motivate talent.

Salary and bonuses	Basic salary, Position-based salary
Short-term incentives	Economic performance, environmental performance, special incentives, technology awards, etc.
Medium-to-long-term incentives	Equity incentives

To motivate and retain key talent, the Company continuously upgrades the "Performance Management System". Using this as a framework, we established key performance indicators tailored to different departments and individual employees, ensuring that the indicators are targeted, objective and measurable. Xinyi Solar follows the principle of equal pay for equal work, offering fair remuneration based on job role, performance and capabilities. We regularly monitor and analyse compensation indicators to safeguard every employee's rights and ensure that employees holding the same job titles, with similar experience and work performance, receive equal compensation.

Nurturing Talents for Long-term Development

Comprehensive welfare and support schemes can significantly improve employee satisfaction and loyalty, thereby helping the Company attract and retain talent. Xinyi Solar has developed the "Benefits Policy" to regulate welfare measures and set standards. In addition to statutory benefits, the Company also provides employees with welfare programmes covering health protection, livelihood security, work incentives, holidays and festivals and cultural development, addressing their different physical, mental and health-related needs.

Employee's benefits Statutory [Note]	Health-related	Festival & cultural related	Work incentive-related	Livelihood security-related
Pension insurance Health insurance (including maternity insurance) Unemployment insurance Workers' compensation insurance Housing provident fund Statutory holidays	Health check-ups Occupational health check-ups Critical illness insurance Business travel insurance	Holiday benefits Team-building activities Staff birthday parties	Night shift allowance Additional paid annual leave	Communication allowance Travel allowance Meal allowance Housing benefits Education fund Mutual aid fund

Note: Subject to local requirements where the employee is hired

In the Reporting Period, through the Xinyi Education Fund, **185** employees' children received an education grant of RMB**740,000**.

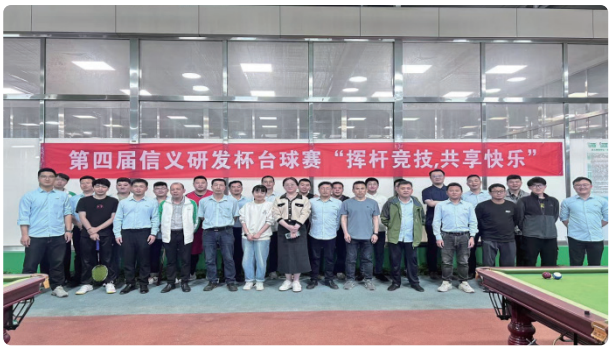
Employee Care

Xinyi Solar strives to build a healthy, comfortable and enjoyable working and living environment for employees. The Group continues to improve internal communication mechanisms and actively carries out diversified employee care initiatives, enabling employees to truly experience the Company's care and concern, thereby further enabling their sense of belonging and team cohesion.

The physical and mental well-being of employees deserves full attention. We actively encourage employees to adopt healthy lifestyles and, through proactive communication by the trade union, effectively manage and alleviate employees' psychological stress, gradually building a culture of mental health, while organising a variety of in-person employee activities.

Nurturing Talents for Long-term Development

In addition, the Group firmly believes that health is the foundation for employees to lead productive lives and perform effectively at work. Therefore, we consistently organise employee activities and educational campaigns to encourage staff to pay closer attention to their health, gradually adopt a healthy lifestyle, develop a habit of regular exercise, and ultimately maintain good physical health.



During the Reporting Period, the Group organised a wide variety of health promotion activities at multiple production bases, including basketball, badminton and billiards competitions, as well as marathon and walking events. In the Wuhu R&D centre, we have provided employees with fitness facilities and offered exercise classes – such as yoga and dance – designed to help relieve physical and mental stress with the aim of encouraging employees to stay active in everyday life. This not only helps improve employees' physical fitness, but also alleviates work pressure and maintains emotional well-being.

The Group conducts company-wide employee satisfaction surveys every year. These surveys thoroughly analyse the impact of the work environment on employees. The employee satisfaction surveys can help identify potential risks in advance, protect employees' rights and interests, and motivate employees' enthusiasm for work. In 2025, we conducted employee satisfaction surveys covering six dimensions. The purpose is to listen to employees' genuine feelings and feedback regarding their work, and to implement targeted improvements based on common issues. During the Reporting Period, employee satisfaction was nearly 80.0%.

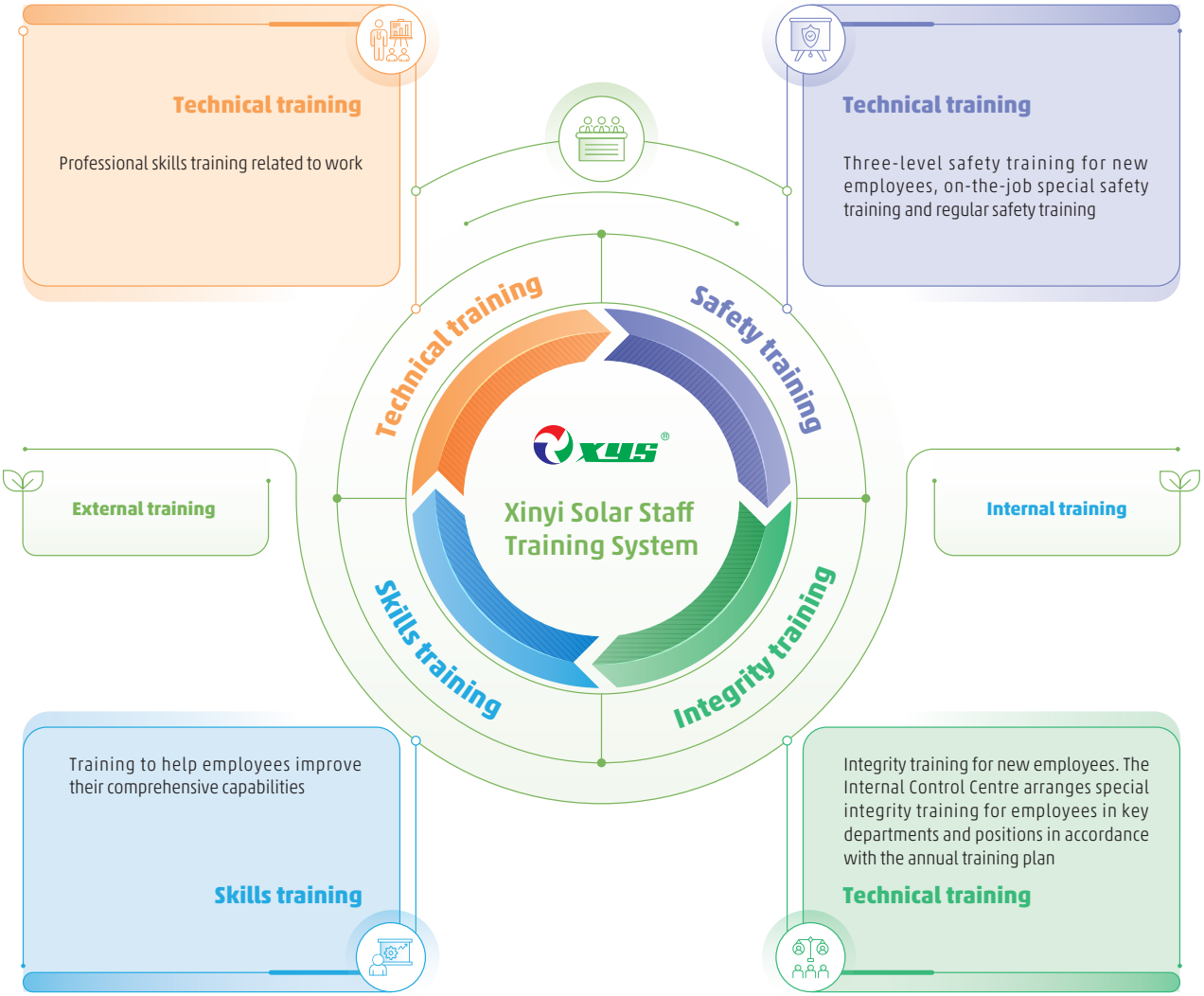
TALENT CULTIVATION AND DEVELOPMENT

Xinyi Solar attaches great importance to the training and professional development of its employees. We are continuously building an all-round talent development system to support employees' career growth and professional development, and to strengthen our talent pool within the industry.

Talent Capability Development

Systematic training is crucial for employees to improve professional skills and overall capabilities and to achieve their career development goals. The Group has established a "Training System" that addresses various dimensions, including the company's long-term development, customer needs, legal compliance requirements, and employees' personal development needs. This system is broadly divided into two categories: technical training and skills training. Technical training encompasses vocational skills training, personal skills training, integrity training, and environmental protection training. In particular, vocational skill training aims to help employees enhance professional capabilities to meet job requirements and deepen their understanding of job responsibilities. Safety training and integrity training strengthen employees' safety awareness and integrity awareness through case studies, interpretation of Group management systems and integrity culture promotion, encouraging employees to voluntarily comply with the Group's relevant regulations on workplace safety and integrity management. Through skill training, the Group also aims to promote the concept of "learning throughout life", provide appropriate training resources and encourage employees to continuously learn to enhance their overall capabilities and achieve self-improvement. Skill training topics include laws and regulations, leadership, time management, business writing and communication skills, digital skills and business etiquette. For specialised trades and positions, the Group strictly conducts skill assessments and regular reviews in accordance with national laws and regulations and industry requirements, ensuring all relevant personnel hold valid certification. In 2025, the Group conducted total of 69,636 training hours with an average of approximately 9.0 hours per employee, and annual training expenditures amounted to of approximately RMB336,000.

Nurturing Talents for Long-term Development

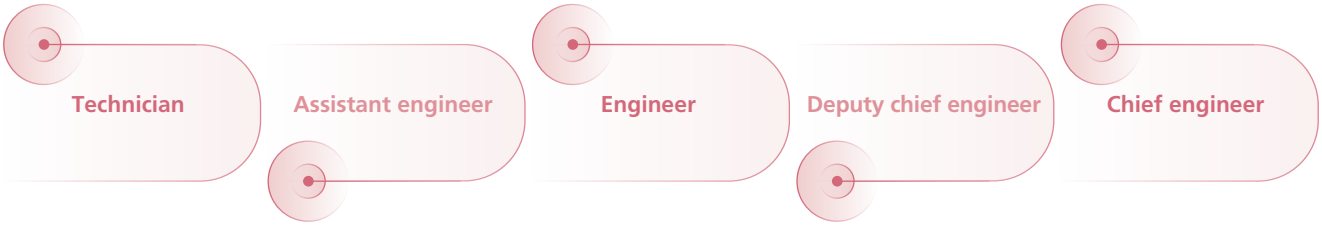


At the same time, we encourage employees to provide feedback on training content and internal trainers through the "Training Evaluation Form" so that we can promptly understand employees's opinions on training arrangements and effectiveness, continuously optimise the training system and further improve training quality. Furthermore, by establishing a team of internal trainers, the Group fully taps into and utilises internal talent resources to promote the transmission and sharing of corporate culture, professional knowledge, and practical experience, thereby facilitating the internalisation of external knowledge and the consolidation and sharing of internal knowledge.

Promotion Assessment

Xinyi Solar upholds the philosophy of "appointing the capable based on merit". By building and continuously improving promotion mechanisms, we provide all diligent employees with diversified career growth pathways and sufficient room for development, ensuring they have equal opportunities for promotion and career advancement. In promotion assessment, the Group adopts multi-dimensional and comprehensive evaluation and screening methods to ensure fairness and diversity. Based on employees' performance and potential, we have designed a variety of diversified career development paths to ensure that every employee can identify development direction and set goals that align with their individual aspirations.

Technical Staff Promotion Pathway



Management Staff Promotion Pathway

Xinyi Solar implements diverse performance appraisal mechanisms tailored to different job categories to comprehensively and objectively measure employees' work performance. Each year, we conduct performance evaluations for all employees to ensure that every individual's hard work and contributions are fairly recognised. For managers, we help them gain a more comprehensive understanding of their management effectiveness, thereby enhancing their leadership capabilities. Administrative and management staff must not only focus on production and economic indicators, but also on the Group's sustainable development. They are committed to improving ESG performance within their respective management domains (including safety, environment, social responsibility, and compliance management) to advance the Group's long-term objectives. During the Reporting Period, ESG performance accounted for 15-25% of the performance appraisal for relevant middle and senior management.

OCCUPATIONAL HEALTH AND SAFETY

Xinyi Solar integrates safety considerations deeply into every aspect of production and operations. We will continue to uphold the safety management philosophy of "Putting people first, valuing life and cherishing health", and continuously improve our environment, health and safety management system to ensure a healthy and safe working environment for our employees and suppliers.

Occupational Health and Safety Management

Xinyi Solar strictly complies with domestic and international laws and regulations, including the "Work Safety Law of the People's Republic of China", the "Law of the People's Republic of China on the Prevention and Control of Occupational Diseases", and Malaysia's "Factories and Machinery Act 1967". We have established a robust work safety management system and formulated a series of regulations, including the "Work Safety Management System", the "Occupational Health Management System", the "Safety, Fire Safety and Occupational Health Education and Training Management System", and the "Personal Protective Equipment Management System", to standardise requirements for work safety and occupational health management, comprehensively identify and control safety and health risks, and ensure that safety and health standards remain consistently under control.

The Safety Committee serves as the Group's highest supervisory and decision-making body for workplace safety, reporting directly to the Group's Chief Executive Officer. It coordinates the identification of hazard sources, risk assessment and tiered control measures. The Group implements a two-tier safety management structure, establishing both the Safety Committee Office and Safety Management Offices within each legal entity to ensure the implementation of safety management responsibilities at every level.

Indicators	Unit	2024	2025
Work-related deaths	cases	0	0
Work-related injuries	cases	67	43
Work-related injury rate	%	0.69	0.56
Total lost workdays due to work-related injuries	days	2,218	1,400

The Group strictly enforces the occupational health and safety regulations in all regions where it operates, building an occupational health and safety management system in accordance with ISO 45001:2018. We standardise occupational health management and the end-to-end control of personal protective equipment, continuously optimises the work environment, effectively prevent occupational health hazards, and ensure the safety and well-being of employees. At the same time, the Group has clearly defined the supervisory, implementation, and evaluation responsibilities of all organisational levels. Through specialised training and performance assessments, the Group continuously enhances employees' occupational health literacy and safety awareness.


证 书

ISO 45001:2018 Occupational Health and Safety Management System Certification

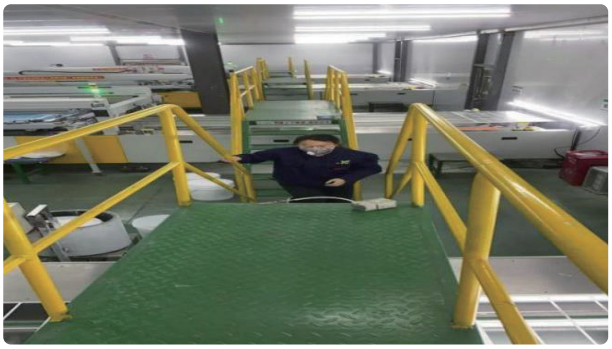
Nurturing Talents for Long-term Development

In its day-to-day management, the Group has strengthened efforts across five key areas to enhance occupational health management and provide employees with more comprehensive protection:

Legal Compliance	• Compliance with local laws and regulations relating to occupational safety and health • Arranging and supervising occupational health and safety management activities in accordance with the "Occupational Health Management System"
Strict Oversight	• The Company's occupational safety and health efforts are subject to supervision and management by the Safety Committee and the Group Safety Committee Office • Establish individual occupational health management records for employees, and the dedicated safety officers responsible for occupational health management have all obtained the "Certificate of Qualification for Enterprise Occupational Health Management Personnel" and possess the necessary management qualifications • For workplaces subject to extreme weather conditions, such as high temperatures or where work may place a physical strain on employees, the company reasonably adjusts working hours and work arrangements, and formulates and implements specific protective measures for special work processes • Occupational Health and Safety Representative: Responsible for collecting employees' views and suggestions regarding occupational health, work safety and labour protection, and for providing regular feedback to senior management • Multiple channels including trade unions and suggestion boxes: Put forward opinions and demands on the Group's occupational health management systems, relevant work and protective measures
Training and Awareness	• Carry out occupational health training: Popularise the identification of occupational disease hazards, key protection guidelines and control specifications for various posts, thereby enhancing employees' health and safety awareness and ensuring strict compliance with regulations and standard operating procedures • Establish an Employee Care Team: Conduct daily fixed-point publicity activities on occupational health, labour protection and work safety within the factory

Labour Protection 	• Fully fulfil the obligation to inform employees of occupational health hazards. Through methods such as signing notification forms, posting job-specific hazard notices, installing warning signs and providing on-site explanations, employees are clearly informed of the nature of hazards, protective requirements and emergency response procedures. As of the end of the Reporting Period, the signing rate for employees in positions with occupational contraindications was 100% • Provide adequate personal protective equipment (PPE) in accordance with job requirements and conduct specialised training on its use to ensure that employees wear and use it properly • For workplaces involving high-temperature operations, high-workload tasks and specialised processes, the Company reasonably adjusts work schedules, formulates and implements specific engineering and personal protective measures to continuously reduce occupational exposure risks and physical strain • Each year, we commission qualified third-party institutions to conduct testing for occupational health hazards – including noise, high temperatures, and air quality – at our production sites to ensure that the intensity and concentration of these hazards comply with and consistently exceed national and local occupational health standards. We conduct an assessment of the current status of occupational hazards at least once every three years, enabling dynamic risk management and iterative optimisation of the system
Health Protection 	• Pre-employment and annual health check-ups are provided to ensure employees are kept fully informed of their health status • For employees in specific positions, we strictly enforce comprehensive occupational health examinations covering the entire employment cycle – before starting work, during employment, and upon leaving the position – and maintain comprehensive occupational health surveillance records for employees • By purchasing critical illness insurance, we further strengthen employees' health coverage and effectively mitigate the impact of serious illnesses on employees and their families

Occupational Health Examinations



On-site Sampling for Occupational Health Hazard Assessment

The Company has always attached great importance to employee safety and occupational health management. During the Reporting Period, the Company did not experience any production safety accidents of a significant or higher level, nor were there any cases of occupational disease. All occupational health and safety risks were fully under control, and the Company continues to provide a safe, healthy and secure working environment.

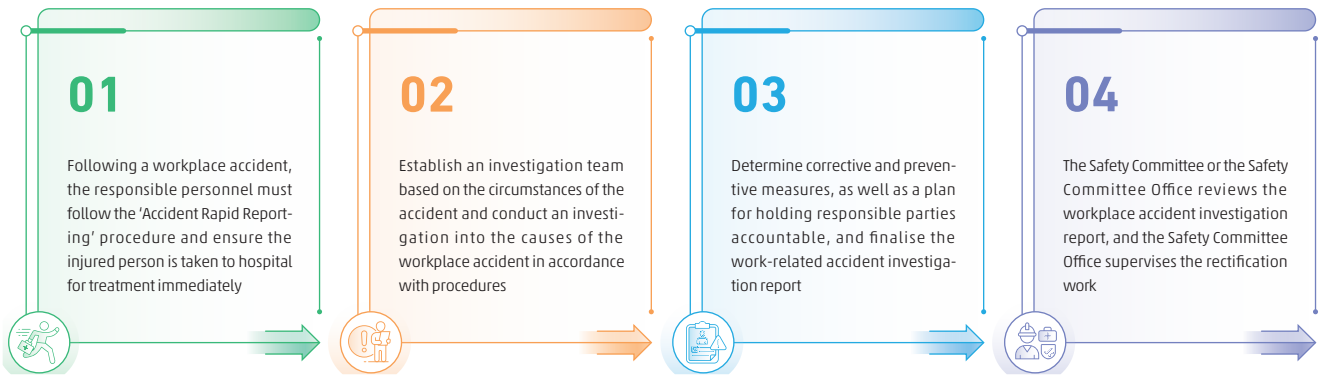
Safety Risk Prevention

Since 2021, the Group has fully implemented a new safety management framework and has been vigorously advancing the development of its production safety management system. The Group's Safety Committee has strengthened the enforcement of regulations, continuously refined management measures, and promoted the institutionalised, standardised, and meticulous operation of occupational safety and health initiatives. We strictly implemented the dual-prevention mechanism of risk classification and control alongside hazard identification and rectification, standardised the identification, assessment, and classification management of hazard sources, and, in accordance with the provisions of the "Hazard Source Identification and Risk Classification Control System," prioritised the strengthening of safety controls in high-risk areas.

The Group enforces job responsibilities in accordance with the "Job Safety Management Standards", clearly defining operating procedures, safety requirements, equipment operation and maintenance protocols, and standards for third-party operations. It has established a three-tier safety inspection mechanism covering daily, weekly, and monthly checks, with time-bound rectification of identified hazards and closed-loop tracking. Daily inspections are supervised by the Safety Office, while the results of weekly and monthly inspections are reported to the Safety Committee to ensure that management has an accurate understanding of risk trends and the effectiveness of corrective actions.

To further standardise safety risk prevention for major hazardous sources, effectively prevent and mitigate safety risks, resolutely curb major safety accidents during the storage and use of hazardous chemicals and ensure the stable operation of the Group's production and business activities as well as the safety and health of its employees, the Group has formulated the "*Management System for Major Hazardous Sources*". This system clarifies the division of responsibilities for key positions in production and operations, technical management, and on-site operations; standardises supervision procedures and daily control requirements; and specifies tasks such as risk notification and safety training. At the same time, the Group strictly enforces the "High-Risk Operations Management System", comprehensively strengthening safety management and supervision throughout the entire process of hazardous operations, effectively preventing and reducing the occurrence of safety accidents, and making every effort to ensure the personal safety of workers.

The Group has established standardised procedures for handling workplace accidents. Upon the occurrence of an accident, we immediately provide medical treatment to the injured, conduct investigations and implement remediation measures. During the Reporting Period, there were no fatal workplace accidents involving employees. The procedure for investigating workplace accidents is as follows:



Safety Culture Development

Based on the nature of its business and operational needs, and in accordance with relevant laws and regulations, the Group has developed safety production and occupational health training programs for professionals at all levels, with a focus on enhancing the safety awareness and professional capabilities of relevant management personnel.

1 Extensive publicity

- Each production site has fostered a strong culture of workplace safety through measures such as hanging themed banners, posting promotional posters, and distributing informational materials
- Through a combination of team morning meetings, case studies and practical drills, we have conducted in-depth analyses of the root causes of accidents, further reinforcing 'red line' awareness and 'bottom line' thinking, and effectively enhancing the safety literacy and risk prevention capabilities of all staff

2 Advanced training

- Principal safety officers, full-time safety management personnel, operators of special operations, and operators of special equipment have all undergone training and obtained certification in accordance with national regulations; 100% of new employees have completed pre-employment training
- By formulating training plans, defining training scope, issuing training notices and evaluating training outcomes, we comprehensively enhance managers' and employees' knowledge of health and safety matters and their understanding of relevant laws and regulations
- In 2025, the Group provided a total of approximately 28,527 hours of new employee safety training, specialised safety training, and routine safety training, with 27,833 participants

3 Conducting the "Work Safety Month" campaign

- We continue to deepen safety education and training efforts, with a focus on organising specialised study sessions such as "Analysis of Typical Production Safety Accident Cases" and "How to Effectively Conduct Hazard Identification and Rectification"
- A series of emergency drills were organised to simulate scenarios such as fires, electric shocks, confined space operations, heatstroke and mechanical injuries
- We organised a "Safety Consultation Day", setting up information desks, distributing promotional materials and providing on-site Q&A sessions to widely disseminate knowledge on daily emergency precautions, including fire safety, drowning prevention and electrical safety. We also patiently addressed employees' concerns regarding workplace safety and emergency management

4 Establish a safety management incentive scheme

- Implement the "Safety Management Incentive Scheme" to establish an incentive mechanism, encouraging departments and staff to improve workplace safety performance, with the aim of gradually reducing and ultimately preventing safety incidents caused by human error

Safety Management of Stakeholders

In addition to ensuring its own safety production, stakeholder safety management is an important part of the Group's safe production activities. Once cooperation relationships are established with stakeholder, their safety management performance will have a tangible impact on the Group's safety performance. Therefore, the Group is committed to strengthening stakeholder safety management, with a goal of building a safety community and realising sustainable safe production together. The Group strengthens the safety management of stakeholders such as suppliers, contractors and other external teams and individuals involved in the Group's production and business operations. We implement a safety production accountability system for personnel at all levels and in all categories. The Group strictly executes the "Stakeholder Safety Management System":

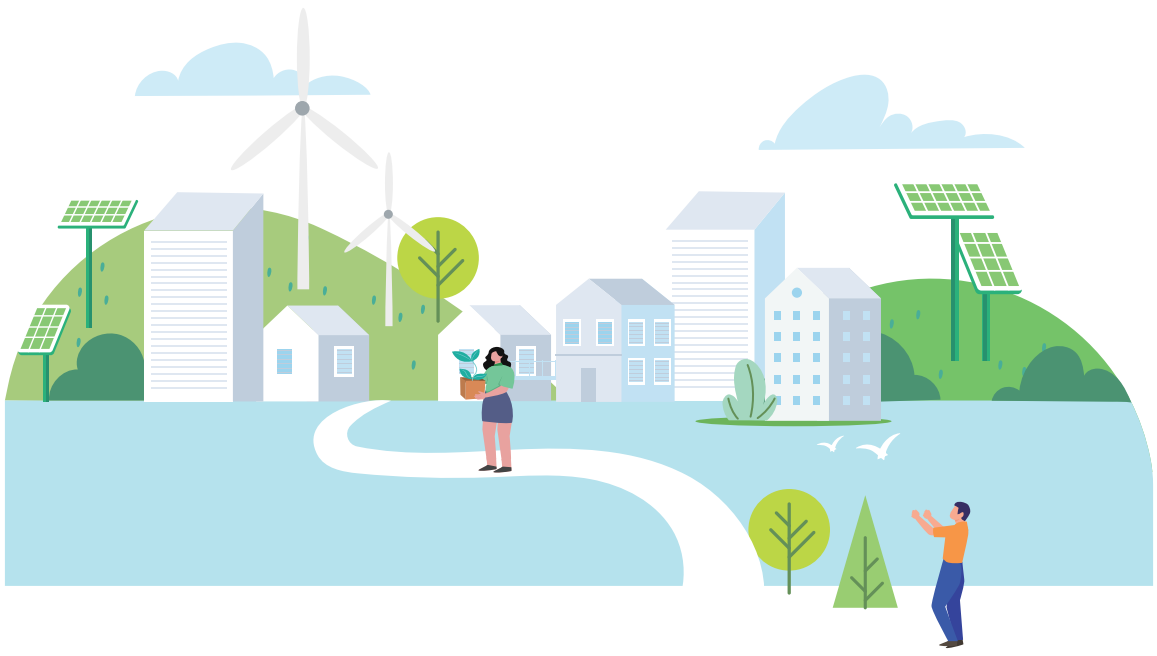
(1) Require stakeholders to sign the "Stakeholder (Party B) Safety Production and Environmental Protection Agreement", clarifying safety management responsibilities of both parties

(2) Strictly review stakeholders' safety management systems, safety training systems and technical qualifications for external work personnel, and require stakeholders to provide safety education and training to their employees

(3) Stakeholders must provide sufficient labour protection equipment for their employees and purchase labour insurance for them

The Company's Safety Office oversees and inspects the implementation of all relevant requirements by stakeholders, while the Group's Safety Committee Office reviews stakeholder safety management documents, construction operations and technical plans, relevant qualifications, employment insurance and safety training implementation.

During the Reporting Period, no major or higher-level production safety accidents occurred among stakeholders.



Key Performance Indicators

This section presents the Group's performance in 2025 across business development, governance, economy, environment, employment and social aspects. Unless otherwise stated, the data collection and calculation methods used in this Report are consistent with the Hong Kong Stock Exchange's "Reporting Guidance on Environmental KPIs" and "Reporting Guidance on Social KPIs". They adhere to the principles of quantification and consistency, providing quantifiable KPIs performance and ensuring the comparability of current year data with historical data.

Where calculation methods and/or reference factors require special clarification, notes will be provided. Unless otherwise stated, the data presented in this section represent full-year figures for relevant fiscal year or figures as of 31 December. In the event that historical figures have been restated, corresponding notes and explanations will be provided. In accordance with the recommendations of the Hong Kong Stock Exchange, and in compliance with the disclosure requirements for key performance indicators set forth in the Hong Kong Stock Exchange's "ESG Reporting Guidelines", the Group has also actively referenced other international best practices and industry-specific reporting standards, including the GRI Standards and the SASB's "Sustainability Accounting Standards for the Solar Technology and Project Development Industry", to provide supplementary disclosures for certain applicable indicators and other key performance metrics.

Business Performance Sustainable Business Development	2025	2024	2023
New solar glass production capacity (tonnes per day)	**0**	4,400	6,000
Solar glass production capacity in operation (tonnes per day) (as at 31 December)	**21,400**	23,200	25,800
Capacity ratio in areas with high and extremely high baseline water pressure (%)	**16.7**	0	0
New grid-connected capacity of renewable energy business (MW)	**0**	300	1,094
Number of new projects delayed due to ecological impacts	**0**	0	0
Cumulated grid-connected capacity of renewable energy business (MW) (as at 31 December)	**6,245**	6,244	5,944
Total fixed asset investment in grid-connected and under-construction renewable energy projects (as at 31 December) (RMB million)	**21,148**	21,232	19,944
Annual electricity generation capacity of renewable energy business (million kWh)	**6,977.3**	6,389.1	5,036.2

Governance Performance Business Ethics	2025	2024	2023
Number of anti-corruption training sessions (sessions)	**30**	33	33
Number of employees receiving anti-corruption training (persons)	**867**	756	508
Percentage of employees receiving anti-corruption training [Note 1] (%)	**11.6**	7.8	4.6
Percentage of employees in key departments and positions receiving anti-corruption training [Note 2] (%)	**100**	100	100
Average hours of anti-corruption training [Note 3] (hours)	**1.40**	1.24	1.08
Concluded legal proceedings regarding corrupt practices brought against the Group or its employees (cases)	**0**	1	0
Confirmed case of termination or non-renewal of contracts with business partners [Note 4] due to corruption offences (cases)	**0**	0	0
Confirmed case of termination or non-renewal of contracts with business partners [Note 4] due to breach of the principle of good faith and fair trading (cases)	**0**	0	0

Notes:

(1) Percentage of employees receiving anti-corruption training = number of employees receiving anti-corruption training during the Reporting Year/total number of serving employees at the end of the year

(2) Percentage of employees in departments/positions identified by the Internal Control Centre as having potential corruption risks in their daily work and business development, such as sales, purchasing, finance, project development, who received anti-corruption training during the Reporting Year

(3) Average hours of anti-corruption training = hours of anti-corruption training/number of employees trained during the Reporting Year

(4) Suppliers that provide products/services to the Group/partners having dealings with the Group in the corresponding year

Key Performance Indicators

Product Responsibility	2025	2024	2023
Product recyclable ratio [Note 1] (%)	**98-100**	98-100	98-100
Product reusability ratio [Note 2] (%)	**95**	95	95
Weight of product recovered during the Reporting Year [Note 3] (tonnes)	**N/A**	N/A	N/A
Percentage of total sales [Note 3] (%)	**N/A**	N/A	N/A
Proportion of products that contain IEC 62474 declarable substances/arsenic-containing substances/beryllium compounds/antimony compounds (%)	**0**	0	0

Notes:

(1) According to the explanatory notes of the "Physical Method for Recycling and Treatment of Crystalline Silicon PV Modules", 100% recovery rate of solar glass can be achieved by different treatment methods, where only mechanical crushing treatment method will lead to 98% qualified recovery rate, while other methods can achieve 100% qualified recovery rate

(2) The figure is an estimate. According to the research by UK-base organisation GreenMatch, the glass reuse rate in crystalline silicon modules can reach 95%. With reference to "General Technical Requirements for the Recycling and Reuse of PV Modules in China"(GB/T39753-2021), solar glass can be used directly in the production of PV modules after processing if it is recycled as intact glass and the parameters such as light transmittance can meet the standard requirements for solar glass for modules. Therefore, the Group believes that the overall reusability of the products is high, but it is not possible to reach 100% because of the wastage during processing, so 95% is a reasonable estimate

(3) Since solar glass is a component of PV modules, the recovery and reuse of solar glass from end-of-life PV modules constitutes a key step in the recycling process. According to the "General Technical Requirements for the Recycling of PV Modules in China" (GB/T39753-2021), end-of-life PV modules should be handed over to qualified organisations for dismantling and processing, and the recycling and processing organisations should comply with the "Technical Specification on the Environmental Protection of Centralised Zone for Dismantling, Utilisation and Disposal of Waste Electrical and Mechanical Products (Trial)" (HJ/T181-2005). As photovoltaic module recycling in China is still in the stage of development and exploration of technical standards and has not yet formed a large-scale industry. According to the current regulations of China on the main responsibilities of recycling entities and the qualification of processing enterprises, solar glass manufacturers do not assume the main responsibility and do not have the corresponding qualification to provide the services. Therefore, the Group has not provided the services for the recovery of solar glass from end-of-life PV modules by the end of 2025

Sustainable Supply Chain	2025	2024	2023
Number of suppliers (units)	**2,300**	3,959	3,136
By geographical region (%)			
Mainland China	**2,061 (89.6%)**	3,608 (91.1%)	2,878 (91.8%)
Outside Mainland China	**239 (10.4%)**	351 (8.9%)	258 (8.2%)
Percentage of suppliers meeting standards regular assessment [Note] (%)	**100**	100	100

Note: Such figure refers to the periodic assessment pass rate of suppliers providing product/services to the Group during the corresponding financial year

Customer Management	2025	2024	2023
Percentage of products sold or shipped that have to be recalled due to safety and health concerns (%)	**0**	0	0
Complaint cases related to products and services (cases)	**63**	139	192
Complaint handling rate [Note] (%)	**100**	100	100
Customer satisfaction (score)	**96**	95	95

Note: Complaint handling rate = number of complaint cases handled in accordance with the Group's internal procedures with the outcome recognised by the customers/total number of complaint cases received in the corresponding financial year

Key Performance Indicators

Economic Performance Sustainable Capital Investment and Income	2025	2024	2023
Total capital investment by asset class [Note] (RMB million)	**2,531**	4,705	8,955
Share of capital investment in PV industry (%)	**100**	100	100
Revenue by asset class [Note] (RMB million)	**20,861**	21,921	24,164
Solar glass production and sales [Note]	**17,832**	18,820	21,359
Renewable energy power generation and sales [Note]	**2,994**	3,017	2,691
Others [Note]	**35**	84	114
Share of green revenue [Note] (%)	**99.8**	99.6	99.5

Note: In accordance with the FTSE Russell's Green Revenues Classification System, the Group's two core businesses (solar glass manufacturing and renewable energy business are classified under the green sectors of "solar equipment" and "energy production – solar energy", respectively

Other Key Financial Indicators	2025	2024	2023
Direct economic value			
Produced [Note 1] (RMB million)	**21,324**	21,962	24,339
Allocated [Note 2] (RMB million)	**19,258**	21,381	21,881
Retained [Note 3] (RMB million)	**2,066**	581	2,458
Earnings performance			
Consolidated revenue (RMB million)	**20,861**	21,921	24,164
Consolidated net profit attributable to shareholders (RMB million)	**845**	1,008	3,842
Earnings per share – basic (RMB cents)	**9.29**	11.27	43.17
Dividend per share (HK cents)	**5.00**	10.00	22.50
Asset positions			
Net assets value attributable to shareholders (RMB million)	**29,832**	29,052	29,138
Bank and cash balance (RMB million)	**5,158**	973	3,534
Bank loans (RMB million)	**12,168**	11,640	9,573
Net gearing ratio (%)	**20.1**	31.0	17.5
Current ratio	**1.53**	1.14	1.15

Notes:

(1) The direct economic value produced includes revenue, other income, other losses, net, impairment losses of financial and contract assets, share of results of investments accounted for using the equity method, finance income as disclosed in the consolidated income statement

(2) The direct economic value allocated includes cost of sales, selling and marketing expenses, administrative and other operating expenses, finance costs, income tax expense and dividend as disclosed in the consolidated income statements

(3) Direct economic value retained = Direct economic value produced - Direct economic value allocated

Environmental Performance Environmental Performance of Solar Glass Business	2025	2024	2023
Greenhouse gas emissions			
Total greenhouse gas emissions (Scope 1+2+3) Note 1 **(tonnes of CO_2 equivalent)**	**10,396,872**	7,849,204	N/A
Total greenhouse gas emissions (Scope 1+2) (tonnes of CO_2 equivalent)	**5,993,179**	6,669,758	5,710,230
Direct greenhouse gas emissions (Scope 1) Note 2	**4,970,184**	5,432,651	4,490,174
Indirect greenhouse gas emissions (Scope 2) Note 3	**1,022,995**	1,237,107	1,220,056
Indirect greenhouse gas emissions (Scope 3) Note 4	**4,403,693**	1,179,446	N/A
Greenhouse gas emissions intensity (kg of CO_2 equivalent/m^2 of finished product)	**4.08**	4.57	4.99
Direct greenhouse gas emissions intensity (Scope 1)	**3.36**	3.69	3.91
Indirect greenhouse gas emissions intensity (Scope 2)	**0.72**	0.87	1.08
Air pollutants management			
Nitrogen oxides (NO_x)			
Emissions (tonnes)	**3,029**	4,036	4,285
Emission reduction Note 5 (%)	**94.9**	93.9	92.6
Sulphur dioxide (SO_2)			
Emissions (tonnes)	**1,224**	1,571	1,593
Emission reduction Note 5 (%)	**87.2**	85.6	83.2
Particulates (smoke and dust)			
Emissions (tonnes)	**137**	171	186
Emission reduction Note 5 (%)	**97.1**	96.8	95.7

Environmental Performance Environmental Performance of Solar Glass Business	2025	2024	2023
Energy management			
Total energy consumption (MWh)	**18,641,431**	20,464,638	17,540,379
Direct energy consumption [Note 6]	**16,748,701**	18,203,182	15,395,782
i) Share of non-renewable energy (%)	**94.34**	94.82	95.18
Natural gas	**94.28**	94.75	95.12
Gasoline/diesel	**0.07**	0.07	0.06
ii) Share of renewable energy [Note 7] (%)	**2.05**	1.71	1.41
iii) Share of self-produced energy [Note 8] (%)	**3.61**	3.47	3.41
Indirect energy consumption [Note 9]	**1,892,730**	2,261,456	2,144,597
Share of energy consumption from renewable energy sources (%)	**1.84**	1.52	1.24
Share of energy consumption from grid-supplied electricity (%)	**10.15**	11.05	12.23
Total energy consumption intensity (kWh/m² of finished product)	**12.66**	13.97	15.31
Direct energy consumption	**11.33**	12.38	13.40
Indirect energy consumption	**1.33**	1.59	1.91

Key Performance Indicators

Environmental Performance Environmental Performance of Solar Glass Business	2025	2024	2023
Water Management			
Total water consumption [Note 10] (million m^3)	**10.774**	13.112	12.153
By usage			
Production water consumption [Note 11]	**10.215**	12.481	11.641
Domestic water consumption [Note 12]	**0.559**	0.631	0.512
By source			
Natural water resources	**8.260**	10.223	9.210
Municipal water supply (third-party water supply)	**2.515**	2.889	2.943
Capacity ratio in areas with high/extremely high baseline water pressure (%)	**16.7**	0	0
Utilisation rate of recycled water (%)	**96.8**	96.3	96.0
Water consumption intensity (m^3/m^2 of finished product)	**0.008**	0.009	0.011
Total amount of sewage discharge [Note 13] (million m^3)	**4.054**	5.024	6.240
Packaging material management			
Total amount of packaging materials used (tonnes)	**84,972**	86,737	74,317
Wood, wood slats and wood pallets	**38,010**	33,845	29,746
Paper and paper boxes	**30,723**	39,835	32,066
Plastic, plastic stripes and plastic tapes	**16,120**	12,946	12,401
Other packaging materials	**119**	111	104
Packaging materials consumption intensity (g/m^2 of finished products)	**60**	61	66
Utilisation rate of iron pallets [Note 1] (%)	**92.2**	86.9	N/A

Environmental Performance Environmental Performance of Solar Glass Business	2025	2024	2023
Waste management			
• **Hazardous waste**			
Total amount of hazardous wastes generated (tonnes)	**343.7**	310.8	188.4
Compliant disposal rate of hazardous waste [Note 14] (%)	**100**	100	100
Hazardous waste intensity (g/m² of finished product)	**0.24**	0.22	0.17
• **Non-hazardous waste**			
Total amount of non-hazardous wastes generated (tonnes)	**126,881**	143,390	129,629
Non-hazardous waste intensity (g/m² of finished product)	**89.1**	101.0	115.4

Notes:

(1) This represents newly disclosed data for 2024, with no relevant data disclosures for 2023

(2) Direct emissions (Scope 1) are greenhouse gas emissions generated from solar glass furnaces resulting from the combustion of fuel (natural gas) and the decomposition of raw materials in the production of solar glass, calculated according to the formula recommended in the "Accounting Methods and Reporting Guide on Greenhouse Gas Emissions of Enterprises Producing Flat Glass in China"

(3) Indirect emissions (Scope 2) are greenhouse gas emissions indirectly generated from the Group's consumption of externally purchased electricity. In calculating indirect greenhouse gas emissions for 2025, reference is made to the national average carbon dioxide emission factor for electricity as stated in the "Announcement on the Release of 2022 Electricity Carbon Dioxide Emission Factors" released by the Ministry of Ecology and Environment and the National Bureau of Statistics in December 2024, standing at 0.5336 kg CO_2/kWh. In calculating indirect greenhouse gas emissions for 2024, reference is made to the national average carbon dioxide emission factor for electricity as stated in "2021 Electricity Carbon Dioxide Emission Factor" report released by the Ministry of Ecology and Environment and the National Bureau of Statistics in April 2024, standing at 0.5568 kg CO_2/KWh. In calculating indirect greenhouse gas emissions in 2023, reference is made to the latest national grid average emission factor of 0.5703 tonne CO_2/MWh as specified in the Notice of the Management of Greenhouse Gas Emissions Reports for Electric-generating Corporates 2023-2025 issued by the Ministry of Ecology and Environment on 7 February 2023

(4) Data disclosed for the first time in 2024, with no relevant data disclosures for 2023. Scope 3 greenhouse gas emissions are classified, accounted for and reported on indirect emissions in "the value chain in accordance with the Greenhouse Gas Protocol": Corporate Value Chain (Scope 3) Accounting and Reporting Standard (《溫室氣體核算體系:企業價值鏈 (範圍3) 核算與報告標準》). The calculation of scope 3 greenhouse gas emissions is based on the Group's actual circumstances and the characteristics of the industry in which it operates and is assessed using data collected from internal stakeholders and industry data estimates

(5) Reduction in air pollutants emissions = (1 – Such type of air pollutant emissions/Amount generated) × 100%

(6) In accordance with the recommendations of the "Reporting Guidance on Environmental KPIs", the Group has included internally generated energy from equipment owned/controlled by the Group (i.e., electricity generated from residual heat power generation equipment and rooftop distributed PV power generation equipment) when accounting for direct energy consumption

(7) Energy consumption from renewable energy refers to the electricity generated by the Group's rooftop distributed PV power generation equipment used in solar glass production

(8) Self-generated energy refers to the electricity generated by the residual heat generation equipment owned by the Group and used in the production of solar glass

(9) Indirect energy consumption represents indirect energy purchased from external sources and consumed by the Group, i.e. electricity supplied by local power companies

(10) Water consumption refers to the amount of fresh water intake, which mainly consists of tap water supplied by local municipal water utilities (third-party water supply) and natural water resources (seawater, river water, etc.)

(11) Production water consumption is calculated based on the amount of fresh water intake consumed in production, i.e., it is equivalent to total water intake, excluding recycled water consumption

(12) Domestic water consumption is calculated based on the usage shown on the water bills for the residential area and is allocated proportionally according to the number of employees in that area

(13) Total amount of sewage discharge is the volume of effluent discharged which is treated internally by the Group in compliance with the applicable laws and regulations of each production base and then carried to the local municipal sewage treatment plant through designated sewage pipes

(14) Qualified enterprises were engaged for temporary storage and disposal of hazardous waste in strict accordance with the procedures and requirements for disposal of hazardous waste under the applicable laws and regulations of each production base. Therefore, the compliant disposal rate of hazardous waste was 100%

Environmental Performance of Renewable Energy Business [Note1]	2025	2024	2023
Annual power generation of solar farms (million kWh)	**6,977.3**	6,389.1	5,036.2
Equivalent to standard coal savings [Note 2] (thousand tonnes)	**2,109.9**	1,926.9	1,514.4
CO_2 emission reduction [Note 2] (thousand tonnes)	**5,742.3**	5,245.4	4,149.8
Electricity demand of households to be met [Note 3] (thousand households)	**2,325.8**	2,129.7	2,098.4
Equivalent to the number of trees planted (million)	**249.7**	228.1	180.4

Notes:

(1) Solar energy is a form of renewable energy source and the PV power generation process does not involve the consumption of energy and water, and therefore produces virtually no air pollutants and wastewater discharge. The Group presents the environmental performance indicators of its renewable energy business separately to more clearly illustrative the positive environmental benefits derived from of the green electricity generated by the Group's renewable energy projects during the corresponding years

(2) The figures are calculated based on the annual conversion factors of the corresponding year provided in the "Annual Report on the Electricity Industry in China" published by the China Electricity Council

(3) 2025 and 2024: According to the data released by the National Energy Administration in 2024, the per capita household electricity consumption was approximately 1,000 kWh. Assuming that each household has three people, the annual electricity consumption of each household is 3,000 kWh. The data in 2023 is calculated based on 2,400 kWh of annual electricity consumption for each household.

Employment Performance Employee Overview	2025	2024	2023
Number of employees	**7,712**	9,645	11,063
By employment type [Note 1] (%)			
Contract employees	**100**	N/A	N/A
Employees under other employment arrangements, including rehired retirees, part-time workers and temporary agency worker	**0**	N/A	N/A
By gender of contract employees (%)			
Female	**20.1**	21.5	21.1
Male	**79.9**	78.5	78.9
By age group of contract employees (%)			
≤30	**31.3**	34.4	40.0
31-40	**39.7**	38.4	35.4
41-50	**21.6**	20.8	19.4
≥51	**7.3**	6.4	5.2
By educational attainment of contract employees [Note 1] (%)			
Master's degree or above	**0.5**	N/A	N/A
Bachelor's degree	**8.6**	N/A	N/A
College degree or below	**90.9**	N/A	N/A
By geographical region of contract employees [Note 2] (%)			
Mainland China	**81.8**	85.1	89.8
Malaysia	**13.0**	13.8	9.9
Indonesia [Note 2]	**4.9**	0.8	N/A
Other regions	**0.3**	0.3	0.3

Employment Performance Employee Overview	2025	2024	2023
By employment category of contract employees (%)			
Senior management	**0.4**	0.4	0.4
Middle management	**1.7**	1.5	1.0
General employees	**97.9**	98.2	98.6
By nationality of contract employees [Note 1] (%)			
Chinese	**83.1**	N/A	N/A
Others	**16.9**	N/A	N/A
Total newly hired contract employees [Note 1]	**728**	N/A	N/A
By gender of newly hired contract employee [Note 1] (%)			
Female	**9.2**	N/A	N/A
Male	**90.8**	N/A	N/A
Proportion of Female Employees in Management Positions [Note 1] (%)			
Senior Management	**6.9**	N/A	N/A
Middle management	**7.5**	N/A	N/A
General employees	**20.4**	N/A	N/A

Notes:

(1) Data newly disclosed in 2025, not disclosed in 2024 and 2023

(2) Data newly disclosed in 2024, not disclosed in 2023

Employment Performance Employee Overview	2025	2024	2023
Turnover rate of employees [Note 1] **(%)**	**24.4**	46.0[Note 2]	28.4
By gender (%)			
Female	**23.5**	31.7	28.2
Male	**24.6**	32.8	28.5
By age group (%)			
≤30	**35.7**	49.5	37.1
31-40	**21.6**	27.7	26.2
41-50	**17.4**	21.2	19.7
≥51	**11.7**	8.2	8.8
By geographical region (%)			
Mainland China	**24.7**	47.4	29.1
Malaysia	**30.8**	34.7	22.6
Indonesia [Note 3]	**2.9**	98.7	N/A
Other regions	**8.3**	3.6	20.0

Notes:

(1) Turnover rate = Number of resigned employees in the category/total number of employees in the category at the end of the Reporting Period

(2) During the Reporting Period, several production lines were shut down due to market demand, resulting in a reduction in staffing and a corresponding increase in the relevant ratio

(3) Data newly disclosed in 2024, not disclosed in 2023

Training and Development	2025	2024	2023
Total hours of training received by employees (hours)	**69,636**	116,338	88,138
Average hours of training received by employees [Note 1] (hours)	**9.0**	12.1	8.0
By gender (hours)			
Female	**9.1**	10.2	8.0
Male	**9.0**	12.6	8.0
By employee category (hours)			
Senior management	**1.3**	0.4	1.4
Middle management	**2.2**	20.1	5.1
General employees	**9.2**	12.0	8.0
Number of employees trained	**59,724**	77,733	75,349
By gender (%)			
Female	**23.0**	21.7	24.9
Male	**77.0**	78.3	75.1
By employment category (%)			
Senior management	**0.1**	0.01	0.06
Middle management	**0.4**	0.69	0.53
General employees	**99.5**	99.30	99.41

Training and Development	2025	2024	2023
Training coverage ratio			
Number of employees who received training and coverage ratio Note 2 and 3	**6,776 (87.9%)**	10,545 (109.3%)	11,014 (99.6%)
Coverage ratio by gender category Note 2 and 3 **(%)**			
Female	**81.9**	123.4	119.4
Male	**89.4**	105.5	94.2
Coverage ratio by employee category Note 2 and 3 **(%)**			
Senior management	**29.0**	14.3	25.6
Middle management	**57.9**	52.5	70.7
General employees	**88.6**	110.5	100.1

Notes:

(1) Average hours of training received by employees = Total hours of training received by employees / Total number of employees at the end of the Reporting Period

(2) Training coverage ratio of different employee categories = Number of employees trained in the category / Total number of employees in the category as of the end of the Reporting Period

(3) The number of employees trained refers the actual number of employees trained in the Reporting Period, each individual is counted only once, without duplication. Due to the drop in market demand, several production lines were suspended during the Reporting Period, resulting in a reduction in staffing levels. Any relevant employees who received training during the Reporting Year are included in the total number of employees trained, even if they were no longer employed at the year-end, and therefore the training coverage ratio may exceed 100%

Occupational Safety and Health Performance	2025	2024	2023
Number of work-related fatalities [Note 1] (cases)	**0**	0	0
Work-related fatal accident rate [Note 2]	**N/A**	N/A	N/A
Number of work-related injuries [Note 3] (cases)	**43**	67	78
Work injury rate [Note 4]	**0.56**	0.69	0.71
Number of workdays lost [Note 5]	**1,400**	2,218	2,331
Number of workdays lost due to work-related injuries per 100 full-time employees equivalent [Note 6]	**18.2**	23.0	21.1
Number of occupational disease (cases)	**0**	0	0
Total hours of safety training (hours)	**28,527**	37,713	31,525
Number of employees trained	**27,833**	31,610	29,595

Notes:

(1) The definition of work-related fatalities is consistent with the relevant local labour laws in the jurisdiction where the business is located

(2) The Work-related fatal accident rate is calculated according to the requirements of GRI 403: Occupational Health and Safety 2018 Disclosure Item 403-9

(3) Based on the definition under the relevant labour laws in the places where the Group operates, excluding the traffic accidents while commuting to and from work on transportation not provided by the Group or minor workplace injuries

(4) Work injury rate is the number of reported work-related injuries per 100 full-time equivalent employees

(5) Workdays lost represents the absence for one or more workdays lost due to work-related injuries (including the day of injury)

(6) Workdays lost due to work-related injuries per 100 full-time equivalent employees (or the rate of workdays lost) = total workdays lost / total working hours × annual working hours per 100 full-time equivalent employees. Annual working hours per 100 full-time employees equivalent is calculated by referencing to the standard working hours required by the local labour laws in each of the locations where our business operates

Social Performance	2025	2024	2023
Charitable donations (RMB'000)	**14,059**	6,262	16,643
Proportion of fishery-PV/agricultural-PV complementary power generation projects [Note] (%)	**63.6**	63.6	66.7

Note: Combining PV power generation with aquaculture/agriculture cultivation, providing an effective way to help local farmers and fishermen increase their income. Each 100-mu of agricultural-PV complementary project can provide the stable employment for about 12 farming households

Applicable Laws and Regulations and Compliance

ESG Indicator	Application Laws and Regulations	Compliance	Internal Policies
Aspect A1: Emissions Aspect A2: Use of Resources Aspect A3: The Environment and Natural Resources Aspect A4: Climate Change	"Environmental Protection Law of the People's Republic of China" "Environmental Protection Tax Law of the People's Republic of China" "the Law on Prevention and Control of Noise Pollution of the People's Republic of China" "Water Pollution Prevention and Control Law of the People's Republic of China" "Air Pollution Prevention and Control Law of the People's Republic of China" "Soil Pollution Prevention and Control Law of the People's Republic of China" "Marine Environment Protection Law of the People's Republic of China" "Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution" "Water Law of the People's Republic of China" "Energy Conservation Law of the People's Republic of China" "Cleaner Production Promotion Law of the People's Republic of China" "Law of the People's Republic of China on Environmental Impact Assessment" "Wild Animal Protection Law of the People's Republic of China" "Malaysia Environmental Quality Act 1987 (馬來西亞《1987年環境素質法令》)" "Malaysia Environmental Impact Assessment Guidelines 1990 (馬來西亞《1990年馬來西亞環境影響評估指南》)" "Malaysia Environmental Impact Assessment Guidelines 1994 (馬來西亞《1994年環境影響評估指南》)"	During the Reporting Period, the Group was not aware of any non-compliance with relevant laws and regulations that have a significant impact on the Group relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	"Environmental Management System" "Solid Waste Management System"
Aspect B1: Employment Aspect B4: Labour Standards	"Labor Law of the People's Republic of China" "Labor Contract Law of the People's Republic of China" "Employment Promotion Law of the People's Republic of China" "Social Insurance Law of the People's Republic of China" "Special Rules on the Labor Protection of Female Employees" "Provisions on Special Protection of Minor Workers" "Minimum Wage Regulations" "Regulations on Management of Housing Provident Fund" "Basic Standards for Enterprise Internal Control" "Hong Kong Employment Ordinance" "Malaysia Employment Act 1955 (馬來西亞《1955 年勞工法令》)" "Malaysia Factories and Machinery Act 1967 (馬來西亞《1967 年工廠與機械法》)" "Canada Labour Code（《加拿大勞動法》）"	During the Reporting Period, the Group was not aware of any non-compliance with relevant laws and regulations that have a significant impact on the Group relating to compensation and dismissal, recruitment, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	"Labour Relations Management System" "Attendance Management System" "Remuneration and Benefits Management System" "Trade Union Management System"

ESG Indicator	Application Laws and Regulations	Compliance	Internal Policies
Aspect B2: Health and Safety	"Labor Law of the People's Republic of China" "Safety Production Law of the People's Republic of China" "Prevention and Control of Occupation Diseases Law of the People's Republic of China" "Fire Control Law of the People's Republic of China" "Regulations on the Reporting, Investigation and Disposition of Work Safety Accidents" "Interim Provisions on the Investigation and Control of Safety Accidents" "Regulation on Work-Related Injury Insurance" "Provisions on the Administration of Occupation Health at Workplaces" "Classification and Catalogue of Occupational Disease" "Malaysia Occupational Safety and Health Act 1994 (馬來西亞《1994年職業健康與安全法》)"	During the Reporting Period, the Group was not aware of any non-compliance with relevant laws and regulations that have a significant impact on the Group relating to providing a safe working environment and protecting employees from occupational hazards	"Work Safety Management System" "Fire Safety Management System" "Safety Management System for Related Parties" "Typhoon and Rainstorm Emergency Response Plan"
Aspect B3: Development and Training	"Labor Law of the People's Republic of China" "Trade Union Law of the People's Republic of China"	–	"Xinyi Group Social Professional Title Evaluation Management Policy"
Aspect B5: Supply Chain Management	"Civil Code of the People's Republic of China" "Law of the People's Republic of China on Bid Invitation and Bidding"	–	"Guidelines on Suppliers' Conduct"
Aspect B6: Product Responsibility	"Cybersecurity Law of the People's Republic of China" "Data Security Law of the People's Republic of China" "Personal Information Protection Law of the People's Republic of China" "Patent Law of the People's Republic of China" "Trademark Law of the People's Republic of China"	During the Reporting Period, the Group was not aware of any non-compliance with relevant laws and regulations that have a significant impact on the Group relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	"Sales Management System" "Information Security Management System" "Confidentiality System" "Information Security Reward and Punishment" "Management Measures" "Intellectual Property Management Measures" "Logistics Management System"

Applicable Laws and Regulations and Compliance

ESG Indicator	Application Laws and Regulations	Compliance	Internal Policies
Aspect B7: Anti- corruption	"Company Law of the People's Republic of China" "Anti-Unfair Competition Law of the People's Republic of China" "Company Ordinance of Hong Kong" "Prevention of Bribery Ordinance in Hong Kong" "Competition Ordinance in Hong Kong" "Malaysian Anti-Corruption Commission Act and Amendments (馬來西亞《反貪污委員會法令》及其修訂案)" "Malaysia Competition Act 2010(馬來西亞《競爭法令2010》)"	During the Reporting Period, the Group was not aware of any non-compliance with relevant laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering	"Xinyi Group Integrity Management System" "Ten Integrity Regulations for Xinyi Employees" "Measures for rejecting bribery rewards of Xinyi Group" "Conflict of Interest Management System" "Bribery Receiving Management System" "Whistleblower Protection and Reward System"
Aspect B8: Community Investment	"Charity Law of the People's Republic of China" "Law of the People's Republic of China on Donations for Public Welfare"	–	"Caring Fund Management System"

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Strategy			
Climate-related risks and opportunities	N/A	Strategy	36-37
Business model and value chain	N/A	Strategy Climate scenarios and key parameters Physical risk Transition risk	36-37 38 39-41 42-48
Strategy and decision-making	N/A	Strategy	36
Financial position, financial performance and cash flows	N/A	The assessment of the expected financial impact involves long-term macroeconomic variables, uncertainties regarding policy scenarios and complex modelling assumptions. As the Group requires further time to collect and organize data and to design models, this report does not provide a comprehensive quantitative assessment of the financial impact; however, a qualitative analysis of the impact has been carried out	39-49
Climate resilience	N/A	The Group has provided a qualitative analysis regarding climate resilience assessments. Based on considerations of cost-effectiveness, resource utilization, and the availability of relevant data that is both reasonable and substantiated, this report does not include a quantitative analysis of climate scenarios. The Group will assess the feasibility of gradually introducing climate scenario analysis, taking into account its business characteristics, data infrastructure and resource constraints	39-49
Risk management			
Risk management	N/A	Risk management Addressing Climate Risks	50 51

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Part D: Climate-related Disclosures			
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Greenhouse gas emissions	N/A	Greenhouse gas emissions data Greenhouse gas emissions metrics and targets Due to practical challenges such as the feasibility of data collection and the definition of statistical scope, the Group has not yet disclosed complete Scope 3 greenhouse gas emissions data. In the future, we will gradually improve our Scope 3 disclosures	52-54
Climate-related transition risks	N/A	Transition risks	42-48
Climate-related physical risks	N/A	Physical risks	39-41
Climate-related opportunities	N/A	Climate-related opportunities	49
Capital deployment	N/A	The relevant investments form part of the Group's overall daily business activities, such as production and operations, technological upgrades, emissions reduction and energy conservation. It is difficult to accurately distinguish the financial amount aimed at addressing climate-related risks and opportunities. The Group will continue to assess the feasibility of establishing statistical and disclosure mechanism	N/A
Internal carbon prices	N/A	The company has not yet implemented or applied internal carbon prices in its decision-making processes	N/A
Remuneration	N/A	Remuneration of the board and senior management Sustainability governance structure	36 29
Industry-based metrics	N/A	The Group is still assessing its performance against applicable and comparable industry benchmarks so that no relevant disclosures are included in this report	N/A
Climate-related targets	N/A	Greenhouse gas emissions metrics and targets	55-57
Applicability of cross-industry metrics and industry-based metrics	N/A	The Group is still assessing applicable and comparable cross-industry and industry-based indicators so that no relevant disclosures are included in this report	N/A

信義光能控股有限公司
XINYI SOLAR HOLDINGS LIMITED