

**GOODWE**

**GoodWe | Technologies Co., Ltd.**

Social Responsibility Report

**2023**



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# About this Report

This report is the third Social Responsibility Report released by GoodWe Technologies Co., Ltd. Under the principles of objectivity, transparency, and comprehensiveness, it discloses GoodWe Technologies Co., Ltd.'s sustainability practice and achievements thoroughly and truthfully, focusing on topics of stakeholders' concerns.

## Preparation basis

This report is prepared according to the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange (February 2023 Revision)*, the *Self-regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 1 - Standardized Operations (December 2023 Revision)*, and the *Guidelines Regarding Environmental, Social, and Corporate Governance Disclosure for Companies Listed on Shanghai Stock Exchange (Consultation Paper)*. It also extensively refers to the *Sustainability Reporting Standards* of the Global Reporting Initiative (GRI). This report also draws on the topics of ESG ratings that are being monitored by MSCI (Morgan Stanley Capital International), a leading global rating agency, and references the United Nations' 2030 Sustainable Development Goals (SDGs), combining them with the current development status of GoodWe Technologies Co., Ltd.

## Reporting period

The reporting period ranges from January 1 to December 31, 2023, the same with that of the 2023 annual financial report.

## Reporting scope

The report takes GoodWe Technologies Co., Ltd. as the subject and includes all its subsidiaries within the scope of its consolidated financial statements. Unless otherwise specified, the currency in this report is RMB.

## References

For the convenience of presenting and reading, "GoodWe Technologies Co., Ltd." is referred to as "GoodWe," the "Company," and "we/us" in this report. As business subjects, GoodWe's branches and subsidiaries are referred to with their abbreviation.

## Languages

This report is published in simplified Chinese and English. In the event of ambiguity between the two versions, the simplified Chinese version shall prevail.

## Confirmation and approval

Upon confirmation by the management, this report is approved by the Board of Directors and released on April 24<sup>th</sup>, 2024.

## Access and contact information

This report comes in simplified Chinese and English for readers. For online browsing or downloading this report, please visit GoodWe's official website ([www.goodwe.com](http://www.goodwe.com)) or Shanghai Stock Exchange's website ([www.sse.com.cn](http://www.sse.com.cn)).

We value the opinions of our stakeholders. Please feel free to contact us in the following ways. Your comments will help us further improve this report and our social responsibility management.

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# Chairman's Message

In 2023, amidst a year of uncertainty and change, GoodWe continued to thrive as we navigated through an intricate and challenging landscape, both domestically and internationally. Collaborating closely with our valued customers, partners, employees, and communities, we remained steadfast in our commitment to strengthening our position in the new energy sector. Together, we have played our part in driving green transition forward in the economy and society.

## ■ Adhere to Compliant Governance, Jointly Ensure Steady Operation

One of our key focuses in 2023 was on enhancing our corporate governance practices to ensure stability and reliability in our operations. This involved refining our corporate governance framework, strengthening compliance systems, optimizing internal policies, and providing extensive training sessions on business ethics. To reinforce these efforts, we established the Sustainable Development Research Institute, dedicated to devising and implementing strategies focused on Environmental, Social, and Governance (ESG) principles. We conducted 221 online and offline stakeholder engagement events, through which we gained valuable insights that contributed to the enhancement of our ESG governance system.

## ■ Focus on Innovative Research, Empower Smart Energy

Our commitment to innovation and research and development (R&D) remained unchanged. We revamped our R&D incentive mechanism, deepened collaborations with universities and research institutes, and fortified our intellectual property protection measures. With an investment exceeding RMB 400 million in 2023, we directed our efforts towards developing technologies in areas such as power electronics, photovoltaic (PV) building materials, energy storage, and smart energy management. This investment enabled us to expand and refine our product portfolio, introducing premium and competitive new products such as the ET series three-phase HV hybrid inverters and the new XS series residential inverters. Additionally, we have steadily promoted the integration of "I-I Integration System (industrialization and informatization)", leveraging information technology to strengthen our control over quality.

## ■ Empower Industrial Ecology, Lead Zero-Carbon Future

Forging open and inclusive partnerships with key stakeholders such as customers, partners, and suppliers, we aim to drive the transformation and advancement of the industrial ecosystem for a sustainable future. In 2023, our commitment to exceptional customer service was recognized with the attainment of the five-star commodity after-sales service certificate, the highest accolade within the certification system. This achievement is a testament to our professional customer services and effective response to customer complaints. In pursuit of a sustainable supply chain, we urged our suppliers to conserve energy and cut carbon emissions, and were awarded the EcoVadis copper certificate.

## ■ Unleash Photovoltaic Potential, Drive Clean Development

Aligning with the national "dual carbon" goals, we remain steadfast in driving global energy transition. This commitment is demonstrated through our actions across management systems, production processes, and resource utilization practices. In 2023, our goals were achieved pertaining to hazardous waste management, environmental compliance, and occupational health management. We underwent rigorous annual audits conducted by certification organizations for ISO 14001 Environmental Management System, ISO 50001 Energy Management System, and ISO 45001 Occupational Health and Safety Management System. Furthermore, we prioritized energy conservation and emission reduction throughout our production processes while actively exploring the potential of clean energy sources. As a result of these efforts, we were honored with distinctions such as the "Green Supply Chain Management Enterprise" and the "Green Factory".

## ■ Embrace Human-Centered Spirit, Share Green Growth

As a responsible enterprise, we are deeply committed to fostering the professional growth and well-being of our employees, while also contributing to the enhancement of livelihoods and economic prosperity within our surrounding communities. In 2023, guided by the principle of "hard-worker-oriented", we safeguarded the rights and well-being of our employees. The initiatives included the establishment of comprehensive employee training programs and the introduction of internal regulations such as the *Management Regulations on Safety Risks*, and the *Management Regulations on Identification and Elimination of Hidden Safety Hazards*. Driven by our vision to expand access to PV power for residential and public facilities, we collaborated with local partners to initiate the construction of PV plants for households, villages, and schools, with a total investment of millions in this field.

Through thirteen years of sustained efforts, GoodWe has evolved into a dynamic and socially responsible leader in the PV inverter industry. Looking ahead, GoodWe remains steadfast in fulfilling our environmental and social responsibilities, joining hands with global partners to advance smart energy initiatives and pave the way for a zero-carbon future.

# About GoodWe

## Company Profile

GoodWe Technologies Co., Ltd. (SSE STAR Market: 688390) was founded in 2010, and became the first PV inverter and smart energy solution company to be listed on the Shanghai Stock Exchange's Science and Technology Innovation Board (STAR Market) in 2020. Headquartered in Suzhou New District, we have expanded our presence globally by establishing subsidiaries in Germany, the United Kingdom, Australia, the Netherlands, South Korea, Japan, the United States, Poland, Spain, Singapore, and other countries and regions. Our overarching goals are to digitalize and intelligently transform every power station, and to deliver comprehensive smart energy solutions in the future.

Specializing in renewable energy conversion, energy storage, and smart energy management, we focus on the R&D, production, and sales of new energy and power supply equipment, including solar energy and energy storage solutions. Our aim is to reduce power costs and enhance power efficiency across residential, industrial, commercial, and utility-scale projects. Our core business segments encompass grid-connected PV inverters, energy storage PV inverters, smart data collectors, and the Smart Energy Management System (SEMS). Presently, we offer over 20 series of grid-connected and energy-storage PV inverter products, spanning a power range from 0.7 to 350 kW.

To implement our global strategic initiatives and maintain our leadership position in the global energy storage market, GoodWe has remained dedicated to enriching and enhancing its PV inverter product portfolio and other product lines catering to diverse requirements while advancing research and development in energy storage technologies. Additionally, we leverage cutting-edge technologies such as the Internet of Things (IoT), big data, and cloud computing to achieve an integrated service model for smart management. In response to the ongoing global energy transition, we are committed to collaborating with power grids, communities, and customers to drive the world towards a smarter energy future.

GoodWe has garnered widespread recognition at home and abroad for its excellent product quality, solidifying its influence within the industry. In 2023, we actively participated in the International Forum on Energy Transitions, and industry exhibitions staged in key locations such as the United States, Germany, Brazil, and Australia. At these events, we showcased our Smart Energy Management Platform and a range of smart energy generation, storage, and charging solutions tailored for residential, industrial, commercial users, and zero-carbon parks. With our commitment to delivering high-quality products, maintaining a stellar corporate reputation, and cultivating professional teams, GoodWe has established long-term partnerships with esteemed companies such as CHN ENERGY, POWERCHINA, China Energy Engineering, Trina Solar, Zhongcheng Energy, and Infineon. In the future, we will continue to work with our upstream and downstream partners in the industrial chain to foster a mutually beneficial energy ecosystem.

Total number of employees

3,633

Number of R&D employees

1,023

Number of countries/regions where our products are sold

>100

Operating revenue in 2023

RMB 7.353 billion

## Corporate Culture

**Core value** Create Together, Win Together



### Mission

We are determined to become a major driving force in the global energy transition, building a sustainable future.



### Vision

Driving the World's Smart Energy Future



### Values

- Customer-centric, hard-worker-oriented, and persevering
- Believe in mindfulness and perseverance
- Truth-seeking, practical, professional, and reliable
- Smart, optimistic, resilient, introspective, and self-disciplined
- Respect, collaborate, and share

## 2023 Highlighted Events

### January

- GoodWe Power Supply Technology (Guangde) Co., Ltd. and GoodWe Guangde Smart Energy Demonstration Zone were listed in the third batch of smart PV pilot demonstration enterprises by the Ministry of Industry and Information Technology.
- GoodWe released the Smart Energy Management Platform 2.0 (We Platform).

### March

- GoodWe was included in 2022 Top 200 Chinese Building Material Enterprises, 2022 Top 100 Chinese Innovative Building Material Enterprises, and Top 100 Chinese Private Building Material Enterprises.
- GoodWe released the 320 kW ultra-high power inverter.
- GoodWe was among the first partners with Baidu Yiyan.
- GoodWe ranked first globally among Chinese enterprises in terms of low-capacity (below 30 kW) PCS shipments in 2022.

### May

- GoodWe held the groundbreaking ceremony for the Phase I of Guangde New Energy Industrial Park.

### July

- GoodWe achieved strategic cooperation with Yuxiu Capital Holdings
- GoodWe joined the Suzhou virtual power plant circle.

### February

- The world's first GoodWe PV building materials display center was put into service
- GoodWe was awarded the 10<sup>th</sup> Annual Most Influential PV Inverter Enterprise, the Best Residential Energy Storage Solution Award, and the Most Influential Photovoltaic Construction Enterprise by Solarbe.com.
- GoodWe signed the cooperation agreement with Suzhou New District Hi-tech Industrial Co., Ltd., boosting smart energy development in Suzhou.

### April

- GoodWe participated in the market-based 12 MW distributed PV power trading pilot project in Suzhou.
- GoodWe launched the PV settlement center.

### June

- GoodWe was included in the first green building material enterprises dedicated to rural markets in Guangdong.
- GoodWe attended InterSolar Europe, a global solar power grand conference, and showed three major smart solutions to energy generation, storage and charging.

### August

- GoodWe was honored as the Best Employer and the Most Employee-friendly Employer in Suzhou.
- GoodWe completed the main structure works for its smart energy building
- GoodWe hosted the Solar Power Forum with GREENPV.

### December

- GoodWe launched the Sustainable Development Research Institute.
- GoodWe was selected in GlocalIN Top 50 Technology Faces of China's Global Enterprises.
- GoodWe unveiled the Phecda series PV external sun-shading systems applicable to building facades.

### November

- GoodWe was approved as the national industrial design center by the Ministry of Industry and Information Technology.

### October

- GoodWe constructed the power plant for Ping'an Primary School in Xiaotuoluo Miao Village, Guanzhai Township, Zhijin County, Bijie City, Guizhou Province, which was a public welfare project.
- Pegatron's distributed PV power plant was commenced.

### September

- GoodWe had its presence at the Solar Power International (RE+), and showed its outstanding performance to the North America's market.

## 2023 Highlights

### Environmental

Passed ISO 14001 Environmental Management System and ISO 50001 Energy Management System certifications

PV capacity in GoodWe's Guangde Industrial Park

**3.2 MW**

Annual power generation capacity

**2.569 million kWh**

Put Shanghai PV building materials display center into service, with installed capacity totaling

**10.9 kW**

Annual power generation capacity

**12,000 kWh**

Attained carbon footprint certificates for

**16 products**

Product Declaration (EPD) certificates for

**2 products**

Total GHG emissions in Scope 1 and Scope 2

**9,123 tons of carbon dioxide equivalent**

### Governance

Proportion of independent directors

**42.86%**

Proportion of female directors

**28.57%**

Established the Sustainable Development Research Institute

Meetings of the Board of Directors

**10**

Shareholders meetings

**6**

Meetings of the Board of Supervisors

**8**

Proportion of employees signing the *Integrity Commitments*

**100%**

Number of anti-corruption training sessions

**44**

Number of anti-corruption trainees

**1,430**

### Social

Proportion of employees signing labor contracts

**100%**

Proportion of employees enjoying the social insurance package

**100%**

Number of employees receiving the equity-based incentive

**>300**

Total hours of training received by employees

**144,852**

Hours of training per employee

**40**

Number of trainees

**64,533**

Total hours of volunteering services

**160**

Number of power plants donated

**8**

Investment in public welfare projects for rural revitalization

**>RMB 1 million**

R&D investment

**>RMB 400 million**

Number of new patents

**133**

Completion rate of after-sales complaint handling in the domestic market

**94.5%**

Number of new software copyrights

**6**

Customer loyalty

**93.2 points**

Customer satisfaction

**93 points**

Passed EcoVadis copper certification

Number of industry organizations we joined newly

**2**

## 2023 Awards and Honors

 <p><b>The Brand of the Year</b> Trendy Brand 2023 (Poland)</p>	 <p><b>Best Technical Service Support Award</b> SolarQuarter</p>	 <p><b>2022 Top Volume Solar Inverter Manufacturer in Australia</b> Sunwiz</p>
 <p><b>2022 China Excellent Residential/Commercial and Industrial Inverter Brand</b> Century New Energy Network, and Organizing Committee of China residential PV Power Conference</p>	 <p><b>2022 China Top 100 Renewable Energy PV Inverter Enterprise</b> Jiangsu Province Renewable Energy Industry Association</p>	 <p><b>Excellent Green Communication Case Award</b> hxny.com, and 2022 China Energy Communication Conference</p>
 <p><b>2023 GREENPV Technological Innovation Award</b> China ECO PV Alliance</p>	 <p><b>2023 OFweek Excellent PV Inverter Enterprise</b> OFweek</p>	 <p><b>CESC 2023 Top 10 PCS Supplier</b> China (Jiangsu) International Energy Storage Conference</p>
 <p><b>CREC 2023 - China Top 10 Distributed PV Inverter Brand</b> Organizing Committee of China (Wuxi) Renewable Energy Conference and Exhibition</p>	 <p><b>2023 Small and Medium-power Bidirectional Converter Supplier of at the EESA 10<sup>th</sup> China International PV, Energy Storage and Charging Industry Conference</b> China Leader Energy Storage Alliance (EESA)</p>	 <p><b>2023 PV Inverter Enterprise with the Most Influence in China</b> Photovoltaic Green-ecosystem Organization (PGO)</p>
 <p><b>2023 Influential BIPV Solution Enterprise</b> GUANGFU.BJX.COM.CN</p>	 <p><b>2023 Influential PV Inverter Brand</b> GUANGFU.BJX.COM.CN</p>	 <p><b>GGII New Energy Pioneer Award</b> GGII</p>

**The 6<sup>th</sup> AVE Award - 2022 China Renewable Energy Power Generation System Sector - Leading Enterprise**

Organizing Committee for the Selection of Renewable Energy Power Generation Systems

**The 6<sup>th</sup> AVE Award - 2022 China Renewable Energy Power Generation System Sector - Green and Low-carbon Pioneer**

Organizing Committee for the Selection of Renewable Energy Power Generation Systems

**The 6<sup>th</sup> AVE Award - 2022 China Renewable Energy Power Generation System Sector - Premium Energy Storage Converter Brand**

Organizing Committee for the Selection of Renewable Energy Power Generation Systems

**The 6<sup>th</sup> AVE Award - 2022 China Renewable Energy Power Generation System Sector - Premium PV Inverter Brand**

Organizing Committee for the Selection of Renewable Energy Power Generation Systems

**Excellent Distributed PV Manufacturer**

Organizing Committee of the 7th Distributed Energy Seminar

**2023 Top 10 Distributed PV Inverter Brand  
2023 Top 10 PV Building Solution Brand  
2023 Top 10 PV Inverter Brand**

Energy Research Institute of in-en.com

**2023 Top 10 Energy Storage PCS Brand  
2023 Top 10 Commercial and Industrial Energy Storage Brand**

Energy Research Institute of in-en.com

**2022 Smart PV Application Demonstration Enterprise**

Jiangsu PV Industry Association

**PVBL 2023 Global PV Energy Storage Product Design Award**

Century New Energy Network, and Photovoltaic Brand Lab (PVBL)

**Top 100 Global PV Brand with the Most Value**

Century New Energy Network, and Photovoltaic Brand Lab (PVBL)

**PV Energy Storage Solution Enterprise with the Most Influence**

Solarbe.com

**PV Building Material Enterprise with the Most Influence**

Solarbe.com

**PV Inverter Enterprise with the Most Influence**

Solarbe.com

**2023-2024 China New Energy Pioneer for International Development**

New Energy Alliance

**2023 China Distributed PV Energy Storage Integrated Innovation Brand**

China Industrial & Commercial and Residential PV Brand Alliance

# 01

## Corporate Governance

Recognizing the paramount importance of operational compliance, Good-We has prioritized the development and maintenance of its compliance management system in pursuit of high-quality development. We have diligently refined our corporate governance framework and implemented stricter oversight of business ethics by actively seeking constructive insights from all stakeholders. Besides, we have assumed and fulfilled our social responsibility while aligning our efforts with the Sustainable Development Goals (SDGs) outlined by the United Nations, reaffirming our dedication to sustainable development.

■ Corporate Governance Framework

■ Business Ethics

■ Complaint Operations

■ Stakeholder Engagement



## 1.1

# Corporate Governance Framework

## Board of Directors

GoodWe has diligently developed and refined its corporate governance framework, meticulously outlining the duties and powers of governing bodies such as the Shareholders Meeting, the Board of Directors, and the Board of Supervisors to meet the expectations of investors. We uphold strict adherence to the *Company Law of the People's Republic of China*, the *Law of the People's Republic of China on Securities*, and the *Code of Corporate Governance for Listed Companies*. In line with these legal documents, we have formulated a series of in-house management regulations including the *Rules of Procedure for the Shareholders Meeting*, the *Management Regulations on Related Transactions*, the *Management Regulations on External Guarantees*, and the *Management Regulations on Outward Investment*.

In accordance with the *Measures for the Administration of Independent Directors of Listed Companies* issued by the China Securities Regulatory Commission, we also have introduced the *Working Rules of Independent Directors*. This document delineates the qualifications, duties, powers, obligations, nomination, election, and changes pertaining to independent directors. A corporate governance framework with clearly defined duties and powers will facilitate scientific decision-making regarding development planning and investment and enhance the effectiveness of decision implementation.

### Shareholders & Shareholders Meeting

- Our Shareholders Meeting is subject to the *Rules Governing the Listing of Stocks on the STAR Market of the Shanghai Stock Exchange*, and the *Articles of Association*. And we ensure the procedures for convening, holding, deliberating, voting, and decision-making meet statutory requirements.
- During the reporting period, the Company convened 6 shareholders meetings, and adopted 20 resolutions.

### Directors & Board of Directors

- The Board of Directors consists of the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee, and the Strategy Committee. The four special committees execute their functions according to applicable in-house regulations to support scientific decision-making vigorously. The Company sets up the Board of Directors as per laws and regulations, with a time limit of no more than 3 years per term and the option for re-election upon term expiration.
- During the reporting period, the proportion of independent directors was 42.86%, and that of female directors 28.57%. The Company convened 10 meetings of the Board of Directors, and adopted 44 resolutions.

### Supervisors & Board of Supervisors

- The Company sets up the Board of Supervisors in accordance with applicable laws and regulations such as the *Rules of Procedure for the Board of Supervisors*, and the *Articles of Association*. The Board of Supervisors is responsible for overseeing the financial position of the Company, and the legality and compliance of the directors and the senior management in performing their duties.
- During the reporting period, the Company convened 8 meetings of the Board of Supervisors, and adopted 26 resolutions.

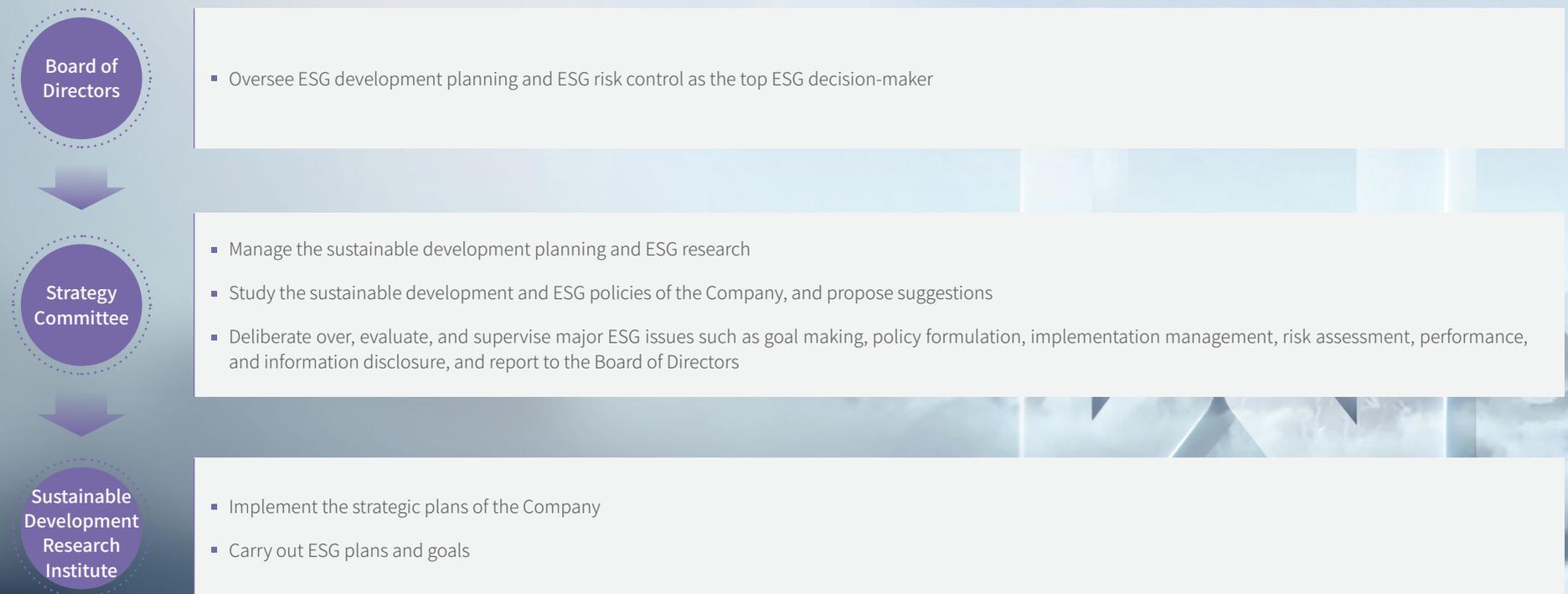
### Indicators

Shareholder meetings	Percentage of independent directors	Meetings of the Board of Directors	Meetings of the Board of Supervisors
6	42.86%	10	8
Resolutions adopted by shareholder meetings	Percentage of female directors	Resolutions adopted by meetings of the Board of Directors	Resolutions adopted by meetings of the Board of Supervisors
20	28.57%	44	26

## ESG Management

In pursuit of strategic development and sustainable competitiveness, we revised the *Implementation Rules of the Strategy Committee* in 2023. This updated document provides further clarity on the sustainability planning and ESG oversight responsibilities of the committee. It empowers the committee to propose suggestions on the Company's sustainable development and ESG policies, evaluate major ESG issues, and report findings to the Board of Directors.

In 2023, we established the Sustainable Development Research Institute and appointed the institute director to oversee strategic planning, as well as ESG management and implementation. Each department at all levels has been assigned specific ESG tasks and is subject to performance appraisal. So does the director of the institute, and employees in ESG-related positions.



## 1.2 Business Ethics

We strictly abide by the *Oversight Law of the People's Republic of China* and the *Regulations of the People's Republic of China on the Punishment of Corruption*, underscoring our unwavering commitment to upholding ethical business practices. We have implemented reporting and complaint mechanisms, maintained integrity and self-discipline records, and introduced stringent integrity standards and management requirements for our subsidiaries and employees. Besides, a law-abiding, honest, clean and effective workplace has been fostered to safeguard the rights and interests of the country, the Company and all stakeholders.

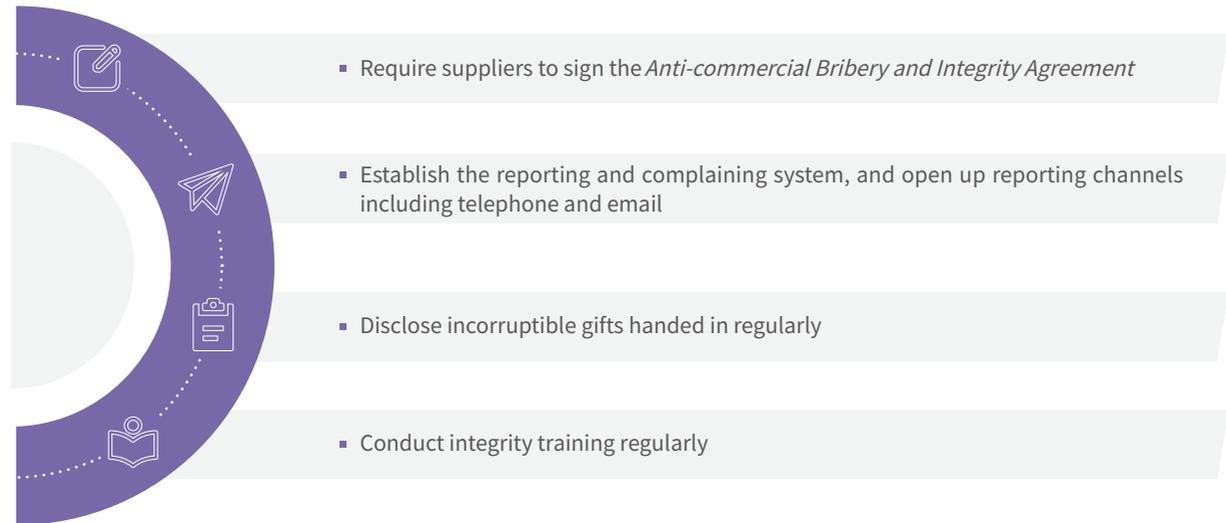
### Business Ethics Management System

GoodWe has implemented a comprehensive business ethics management system, fostering adherence to ethical standards among our employees, suppliers, and other stakeholders. Additionally, we have developed the *Control Procedures of Business Ethics*, and the *Control Procedures of Anti-corruption and Anti-bribery*. Our suppliers are mandated to endorse the *Anti-commercial Bribery and Integrity Agreement*. Furthermore, we have established multiple reporting channels to uphold transparent governance within the Company. Notably, 100% of employees signed the *Integrity Commitments* during the reporting period.

#### During the reporting period

# 100%

of Goodwe employees signed the *Integrity Commitments*



Business Ethics Management Measures

### Smooth Reporting and Complaining Channels

The Company has established a comprehensive reporting and complaint system. All stakeholders are encouraged to report any misconduct by the Company or its employees that violates laws and regulations. This is facilitated through dedicated reporting telephone lines and email channels, including a newly established "GoodWe" reporting email. Additionally, the Company promptly and effectively investigates and addresses reported cases, and updates whistle-blowers on the investigation outcomes. To safeguard the rights and interests of whistle-blowers, the Company has instituted measures to ensure the strict confidentiality of their information. This includes refraining from disclosing the whistle-blower's identity or department without their consent and utilizing voice alteration technology during phone communications.

#### Reporting Channels

Address: No. 90 Zijin Rd., New District, Suzhou, China

Tel: 0512-62396791

E-mail: GOODWE-Admin@goodwe.com



## Training on Business Ethics

GoodWe has organized online and offline anti-corruption and integrity training sessions to foster a culture of integrity and combat corruption. In 2023, we organized training sessions to reinforce awareness among all employees and mitigate regulatory violations and disciplinary issues. During the reporting period, there were no corruption events.

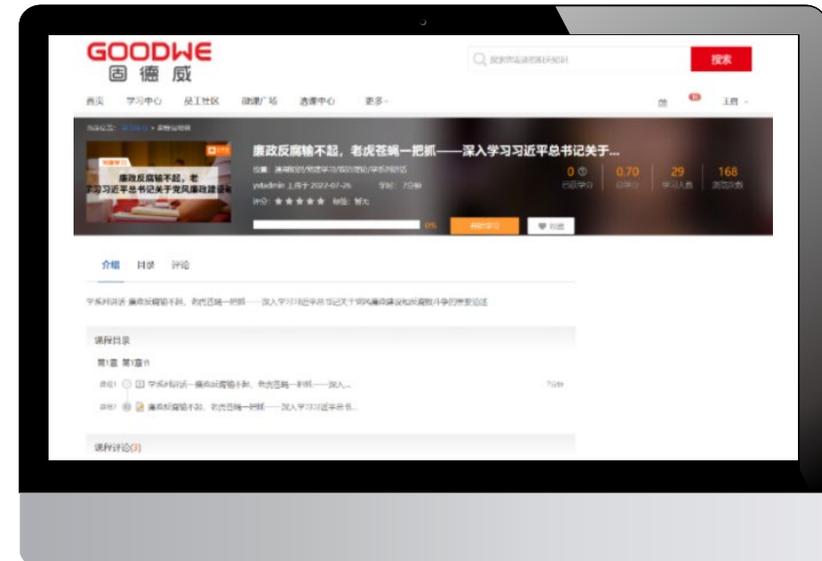
Indicator	2021	2022	2023 <sup>1</sup>
Number of anti-corruption training sessions	12	12	44
Number of anti-corruption trainees	459	692	1,430



During the reporting period

there were **no**  
corruption events

<sup>1</sup>The training data of Guangde Industrial Park was included in the anti-corruption training statistics of GoodWe in 2023.



Online Training Course of Business Ethics



Site of Training Session Themed "Taking Integrity and Self-discipline Records"

## 1.3

# Complaint Operations

## Compliance Management System

GoodWe has laid down internal compliance management regulations, such as the *GoodWe Internal Control Manual*, to systematically oversee organizational structure, development strategy, human resources, social responsibility, corporate culture, and communication. The Social Responsibility Department is responsible for assessing risks, creating a risk control matrix to aid departments in monitoring risks, and strengthening corporate sustainability efforts.

GoodWe devises annual audit plans aligned with the compliance regulations of the Shanghai Stock Exchange and the recommendations of the Audit Committee. The Company engages third-party audit firms to execute a closed-loop process, encompassing internal control audits, draft preparation, feedback, and follow-up actions. Furthermore, GoodWe remains committed to enhancing its compliance system, promoting employee compliance awareness, and fostering a culture of compliance.

GoodWe has introduced a well-established compliance training mechanism. Based on this, the Company has conducted regular training sessions on compliance management policies, regulations, internal controls, and compliance measures. These sessions aim to enhance the compliance awareness of all employees. Through these training initiatives, we reinforce adherence to the Company's compliance requirements and collaborate with employees to attain our compliance goals.

## Information Disclosure Management

GoodWe has formulated the *Management Regulations on Information Disclosure* to define information disclosure requirements and submission procedures in line with the *Rules for the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchange*, and the *Measures for the Administration of Information Disclosure by Listed Companies*. This initiative is aimed at guaranteeing the accurate, timely, fair, and comprehensive disclosure of information. By doing so, we aim to foster a transparent and trustworthy image as a listed company while safeguarding the interests of shareholders.



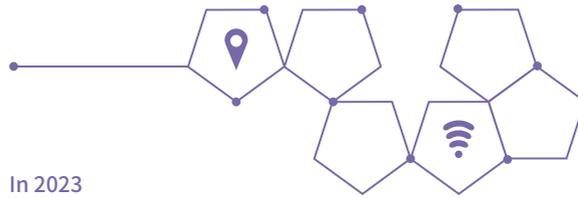
# Information Security

We continuously reinforce the awareness of information security and protection among all employees to mitigate the risks of information and data leakage, as well as other security incidents. In accordance with the *Cybersecurity Law of the People's Republic of China*, we have implemented stringent information and data management practices to ensure compliance with relevant laws and regulations. During the reporting period, we have updated several in-house regulations, including the *Management Regulations on Information-based Projects*, the *Regulations on Classified Management of Data Assets*, the *Regulations on Classified Management of Information Security in Operations*, and the *Regulations on Information Security Goals and Effectiveness Measurement*. These revisions have further enhanced the institutional framework for information security management. We have intensified efforts to regulate personnel, equipment, and systems to bolster our information security management practices. In 2023, we passed the ISO 27001 Information Security Management System certification.

GoodWe proactively implements measures to prevent, identify, evaluate, and respond to potential information security risks on a regular basis. We continually enhance our capabilities in information security management and response to security incidents. Furthermore, we have launched training courses on information security management awareness through the WE-learning online platform, offering employees access to fundamental knowledge and best practices in information security. In 2023, we conducted 3 training sessions on information security awareness, with a total of 778 trainees participating.



Online Training Courses on Information Security Management Awareness

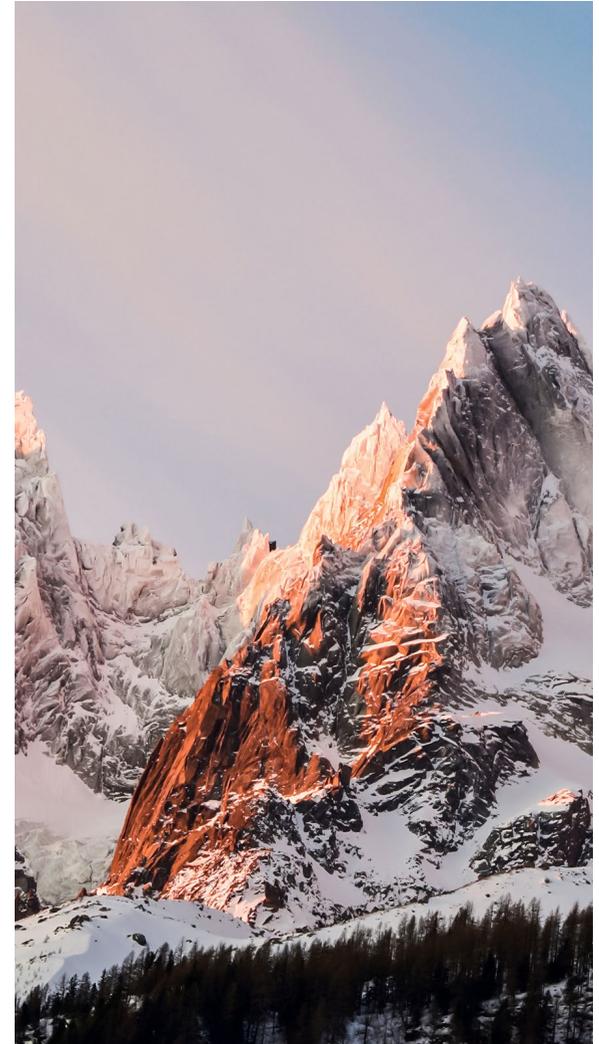


Information security awareness training sessions

3

Number of participants

778



ISO 27001 Information Security Management System Certificate

# 1.4 Stakeholder Engagement

Highlighting the significance of collaboration with stakeholders, GoodWe engages proactively with investors, governments, regulators, shareholders, and employees through diverse channels. This approach allows us to gain a comprehensive understanding of their needs and expectations, enabling us to enhance the Company's ESG system.

## Management of Investor Relations

GoodWe continues to refine internal management regulations such as the *Management Regulations on Investor Survey and Media Interview Reception*, and the *Management Regulations on Investor Relations*. Through channels such as the investor hotline, email correspondence, the SSE E-interaction (sns.sseinfo.com), and face-to-face meetings, we foster healthy and transparent communication with investors.

Indicator	Data	
Communication with shareholders	Teleconferences	59
	On-site inspections	96
	Strategy meetings	40
	Performance presentations	3
	Roadshows	23

## Communication with Stakeholders

We engage extensively with shareholders to understand their expectations and demands, using this insight to optimize our business expansion and operational models for mutual benefit with stakeholders. The expectations, demands, and communication methods employed with stakeholders in 2023 are outlined below.

Stakeholders	Expectations and demands	Communication methods
 Governments and regulators	<ul style="list-style-type: none"> <li>Compliance and risk management</li> <li>Business ethics</li> <li>Pollutant management</li> <li>Biodiversity conservation</li> </ul>	<ul style="list-style-type: none"> <li>Policies and instructions</li> <li>Work reports</li> <li>Information submission</li> <li>On-site inspections</li> </ul>
 Shareholders and investors	<ul style="list-style-type: none"> <li>Compliance and risk management</li> <li>Corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders meeting</li> <li>Meetings with investors</li> <li>Surveys and roadshows</li> <li>Information disclosure</li> <li>Telephone and email communication</li> </ul>

Stakeholders	Expectations and demands	Communication methods
 Customers	<ul style="list-style-type: none"> <li>Product quality and safety</li> <li>R&amp;D and innovation</li> <li>Privacy protection</li> <li>Customer services</li> </ul>	<ul style="list-style-type: none"> <li>Visits to customers</li> <li>Customer complaints</li> <li>Customer satisfaction surveys</li> <li>Telephone and email communication</li> </ul>
 Employees	<ul style="list-style-type: none"> <li>Protection of employee rights and interests</li> <li>Equal opportunities and diversity</li> <li>Employee training and development</li> <li>Remuneration and benefits</li> <li>Occupational health and safety</li> </ul>	<ul style="list-style-type: none"> <li>Employee representative communication</li> <li>Internal communication platforms</li> <li>Employee satisfaction surveys</li> <li>Care visits</li> </ul>
 Suppliers and partners	<ul style="list-style-type: none"> <li>Intellectual property protection</li> <li>Industrial cooperation and development</li> <li>Sustainable supply chain</li> <li>Business ethics</li> </ul>	<ul style="list-style-type: none"> <li>Bidding meetings</li> <li>Surveys and visits</li> <li>Exchange and cooperation</li> <li>Industrial forums</li> </ul>
 Communities and the public	<ul style="list-style-type: none"> <li>Community engagement and contribution</li> <li>Cyclic utilization of resources</li> <li>Response to climate change and energy conservation</li> <li>Use and management of water resources</li> <li>Biodiversity conservation</li> </ul>	<ul style="list-style-type: none"> <li>Volunteering services</li> <li>Public welfare activities</li> </ul>

## Analysis of Material Topics

The Company has cross-identified the issues related to its own sustainable development and the issues of high concern to stakeholders, sorted out the issues that may have an impact on the Company's sustainable development, and screened out 22 topics by combining with the Company and industry developments. Among these, 7 topics are deemed of high importance, 11 topics of moderate importance, and 4 topics of low importance.

Compared with 2022, the topic of "performance growth", which will be explained in our annual financial report, is removed; the topic of "employee care" has been combined into the topic of "remuneration and benefits"; the topic of "operational transparency" has been combined into the topic of "corporate governance"; the topic of "energy conservation and consumption reduction" has been merged with the topic of "response to climate change" and renamed as "responding to climate change and energy conservation"; and the topic of "product and service quality" was split into two topics, "product quality and safety" and "customer services".

In addition, the Company adjusted the wording and importance of some topics based on industry developments and the performance of peers. This report primarily focuses on disclosing topics of high importance, as outlined in the material topic matrix below.

**Topics of high importance**

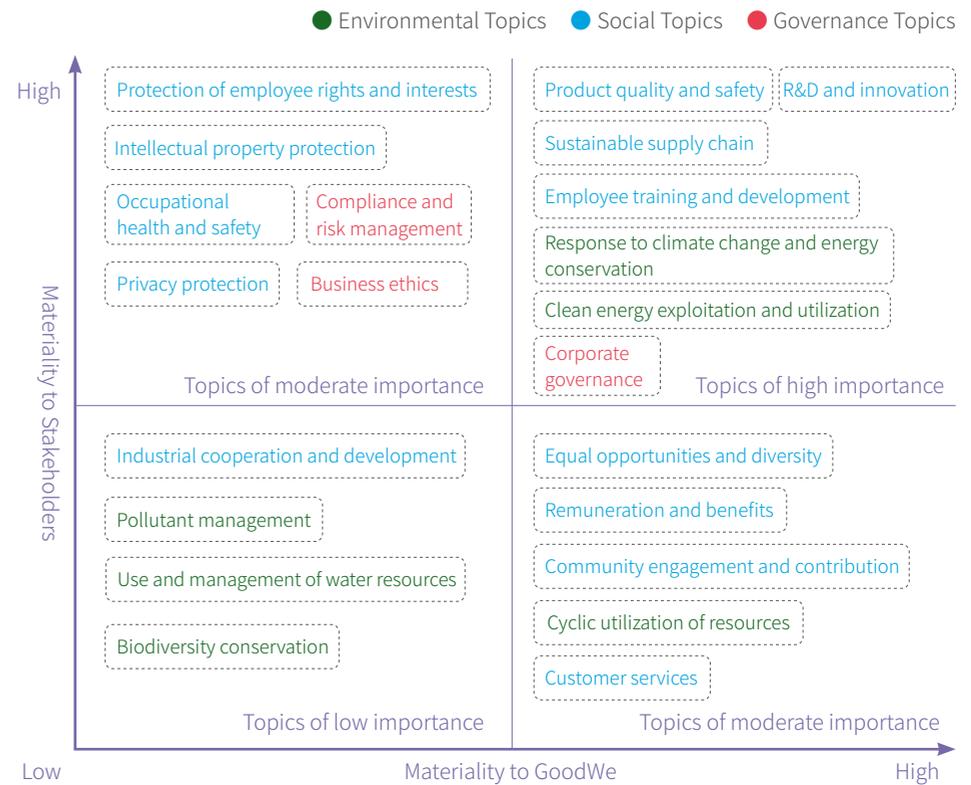
- 1 Product quality and safety
- 2 R&D and innovation
- 3 Sustainable supply chain
- 4 Employee training and development
- 5 Response to climate change and energy conservation
- 6 Clean energy exploitation and utilization
- 7 Corporate governance

**Topics of moderate importance**

- 8 Protection of employee rights and interests
- 9 Intellectual property protection
- 10 Occupational health and safety
- 11 Compliance and risk management
- 12 Privacy protection
- 13 Business ethics
- 14 Equal opportunities and diversity
- 15 Remuneration and benefits
- 16 Community engagement and contribution
- 17 Cyclic utilization of resources
- 18 Customer services

**Topics of low importance**

- 19 Industrial cooperation and development
- 20 Pollutant management
- 21 Use and management of water resources
- 22 Biodiversity conservation



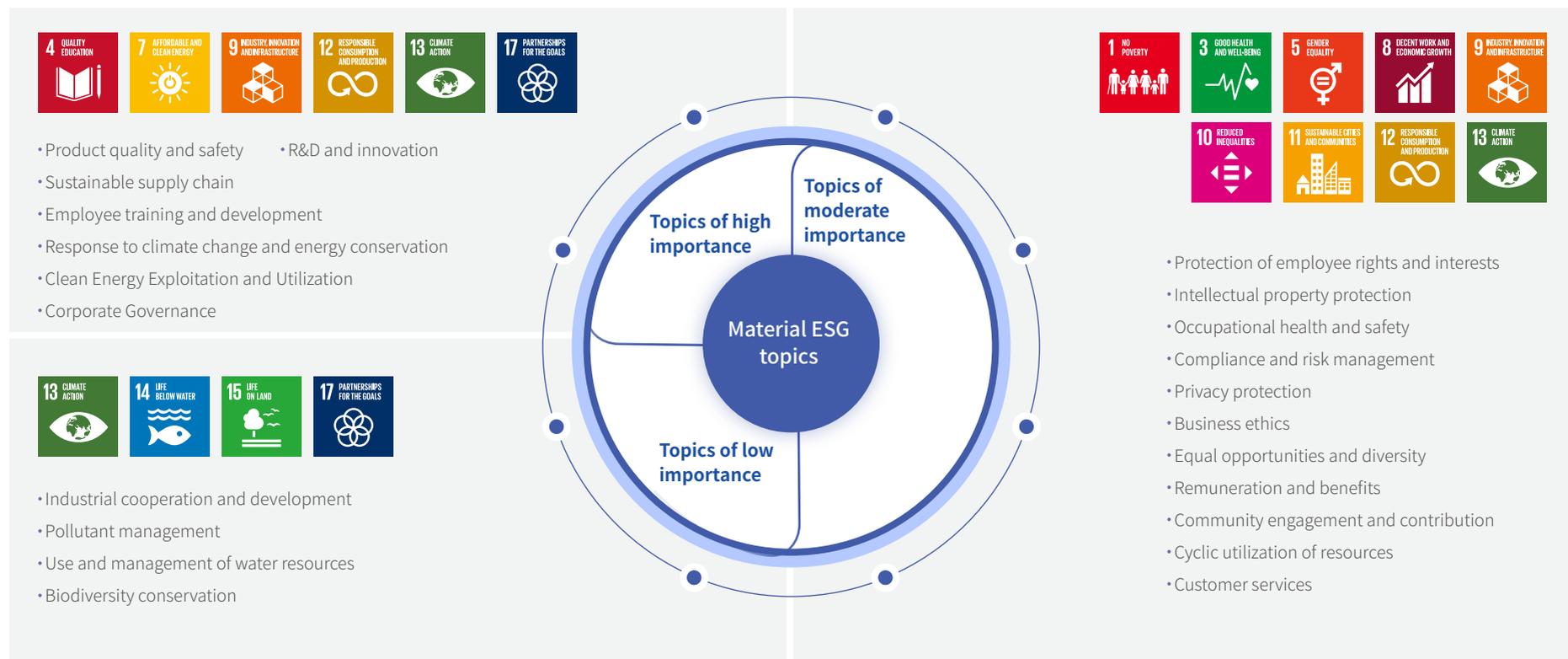
GoodWe's Material Topic Matrix

## Contribution to SDGs

We have also joined the UN Global Compact and pledged to support its ten principles in the areas of human rights, labor standards, environment and anti-corruption. Global smart energy stakeholders are enlisted to join us in safeguarding clean water, clear skies, and pristine landscapes, thereby contributing to the sustainability of future generations.

We have identified 14 core goals that are closely related to SDGs, considering value creation for stakeholders, as well as our current operational conditions and strategic development direction. We are committed to allocating resources and enhancing our capabilities to contribute to a sustainable future.

The material topics we have identified are highly aligned with SDGs, and the corresponding relationships are as follows:



# 02

## Product Responsibility

As a premier provider of power equipment and smart energy management solutions, GoodWe places innovation at the forefront of our product development. We have invested significantly in expanding our R&D initiatives, broadening our business verticals, and strengthening our R&D capabilities. In response to the challenges posed by global warming, we are steadfast in our commitment to delivering sustainable smart energy solutions. Apart from our innovation-driven approach, we have enhanced our quality management system and implemented rigorous quality control measures to ensure the safety and reliability of our products, thereby maximizing their value.

- Innovation Drive
- Intellectual Property Protection
- Quality Assurance
- Integration of Informatization and Industrialization



## 2.1

# Innovation Drive

## R&D System

To boost sustainable business growth, we have established and maintained a comprehensive R&D system. This system encompasses the R&D process, platform, and management, built upon adherence to various external standards such as IEC 62109, IEC 61000, EN 50549-1, and VDE 4105. Additionally, we have delineated clear R&D responsibilities to facilitate systematic and standardized R&D practices.

Our vision of "Promoting Energy Transformation and Driving the World's Smart Energy Future" depends on innovation-driven development. To this end, we concentrate our technological research and development efforts on power electronics, new energy control, energy management, energy storage conversion, as well as the collection, storage, and application of mass data. We continuously explore and capitalize on new development opportunities to establish a comprehensive innovation-driven development framework. Through years of exploration and dedication, we have solidified our product research and development capabilities and expanded our product lines. Currently, our product portfolio encompasses residential, commercial, and industrial PV inverters, batteries, and PV building materials.



## R&D Talent Pool

GoodWe has implemented R&D incentives and training programs to foster the innovative spirit of our employees and enhance their R&D capabilities. These initiatives provide solid support for the Company's R&D and innovation-driven development endeavors. As of the end of the reporting period, our R&D talent pool comprises 1,023 members, accounting for 28.16% of the company's total workforce.

Our employees are encouraged to stay abreast of technological advancements through various channels and provided with access to an R&D learning platform and training sessions to continuously enhance their R&D and innovation capabilities. This will foster the transformation of R&D efforts into tangible innovation accomplishments. In recent years GoodWe has significantly increased investment in the research and development of clean energy technology and equipment. In 2023 alone, our R&D investment exceeded RMB 400 million.

## Innovation and R&D Cooperation

GoodWe has proactively forged strategic partnerships with esteemed institutions, including universities and research institutes, to collectively drive technological breakthroughs and propel industry advancement. Since 2015, we have initiated collaborative projects with esteemed institutions such as Zhejiang University, Shanghai Jiao Tong University, and Soochow University. Furthermore, we have established a national postdoctoral research workstation and have achieved numerous high-quality scientific research and innovation milestones. Amidst industry-university-institute collaboration, we closely monitor industry-university-institute activities and trends, seizing opportunities within the industry to contribute to energy development.

### GoodWe's Engagement in the *PV Inverter EMI Simulation Modeling Research Program*

In May 2023, GoodWe cooperated with Fuzhou University on the *PV Inverter EMI Simulation Modeling* research program, helping the establishment of an electromagnetic simulation model. This simulation model enables us to identify EMI sources early, make planning and take rectification measures against problems found timely, which shortens program development time and cuts costs.

This program provides engineers with a simulation platform for continuous learning and verification, and with procedures for EMI expertise learning, which reduces learning costs for engineers, and enhances program development efficiency.

### GoodWe's Collaboration on the *Technology R&D for Optimizing Stability of the Distributed Connection System to Low-voltage Grid Research Program*

In July 2023, GoodWe collaborated with Nanjing University of Aeronautics and Astronautics on the *Technology R&D for Optimizing Stability of the Distributed Connection System to Low-voltage Grid* research program. This program focuses on the stability of the distributed system covering both grid-tie inverters and grid-forming inverters, and introduces the advanced system modeling approach to ensure the accuracy of the system model from low/medium frequency section to high frequency section, and lower the risk of shutdown caused by the failure of overcurrent due to inverter instability, which enhances distributed system stability significantly.

## R&D Achievements

GoodWe consistently shares the fruits of our R&D and innovation efforts with society, contributing to energy transformation and GHG emission reduction. During the reporting period, we made remarkable progress and breakthroughs in product innovation.

In 2023, we introduced the ET 30 three-phase hybrid inverter series, offering enhanced functionality and greater power compared to traditional products. Additionally, we unveiled a new BAC commercial and industrial integrated cabinet (100 kWh), featuring a modular design that enables temperature management and offers flexible capacity expansion, as well as easy installation and maintenance. Furthermore, we launched the new-generation XS G3 low-capacity single-phase product, distinguished by its appliance-like appearance, ingress protection rating of IP66, and low operating noise of 20 dB.

### GoodWe New ET G2 Three-phase HV Hybrid Inverter

The ET G2 Series is the latest iteration of the ET Series and has been specially designed to accommodate households' increasing demand for electricity consumption while delivering additional benefits that cater to flexible residential needs. This inverter features an elegant and sleek design that can harmonize beautifully with the house's aesthetic. With the addition of 12kW and 15kW higher power capacities, the ET G2 is now equipped to deliver even more powerful generation, allowing for optimal energy harvesting. It supports parallel connections with up to 6 units, ideal for expanding energy needs. Additionally, smart load control, 100% unbalanced output, and a focus on system reliability and safety enable versatile and sustainable applications.



### GoodWe ESA Outdoor Commercial and Industrial Integrated Cabinet

GoodWe's ESA 30kW/60kWh all-in-one outdoor cabinet, designed for small to medium size commercial and industrial (C&I) energy storage applications, is a compact, easy-to-install, and high-performance turnkey solution energy storage system. Within the IP55 protected cabinet consists of built-in energy storage battery, inverter, BMS, air-conditioning unit, and fireproof and explosion-proof devices. The modular design minimizes impact from local failures all allows quick and easy replacement of modules. Multiple cabinets can be connected in parallel to expand the size of the energy storage system, enabling flexible configurations.



### GoodWe New DNS G3 PV Inverter

The GoodWe DNS G3 series inverter is specially designed for single-phase residential applications. Integrated with high-current input and DC input oversizing capabilities, the series can bring you optimized power generation and make substantial returns. With its lighter and fanless house fit-in compact design, the DNS G3 inverter provides a reliable power supply yet runs at a super quiet operation below 25dB. The inverter also takes safety measures including optional Arc Fault Failure Interrupter (AFCI) and Type II Surge Protection Device (SPD) on both sides to protect the system from electrical fire and lightning hazards in extreme environments for guaranteed safety.



### GoodWe Lynx D HV Battery

GoodWe's Lynx D Series is a high-voltage lithium battery specially designed for residential applications with superior performance. Compatible with GoodWe residential energy storage inverters, Lynx D Series comes with one-stop-shop solutions saving you considerable time and effort. This versatile system serves effectively in scenarios focused on self-consumption and backup power needs. With its sleek and modern design, it seamlessly blends into residential settings. The installation and commissioning have been made quicker and easier than ever with a user-friendly plug and play wiring system. Moreover, Lynx D batteries are engineered to support a mix of old and new battery packs, ensuring adaptable expansion and hassle-free replacement options.

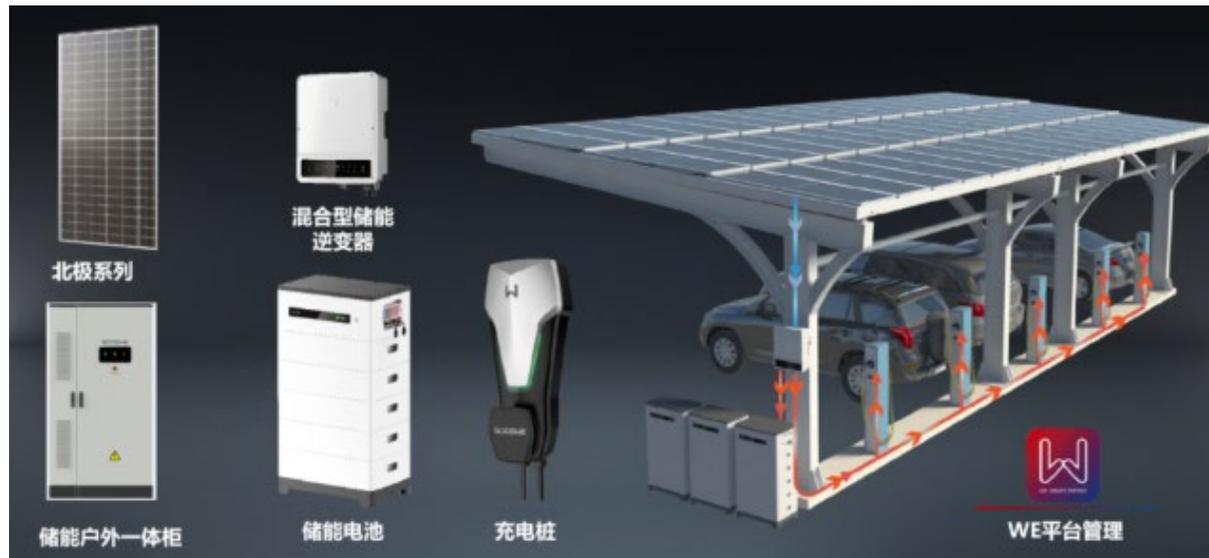


Harnessing power electronic technologies, GoodWe has expanded its footprint in the PV building material sector. In this sector, we focus on integrating in-house power generation, inversion, storage, monitoring, communication, management, and coordinated control technologies. Our aim of such integration lies in providing users with access to smart energy solutions and establishing a closed-loop application ecosystem for safe, smart, and clean energy. During the reporting period, we achieved notable advancements in this area, including the development of smart sheds, PV sun-shading systems for building facades, and Polaris roof water-proof materials.

### GoodWe New PV Power Generation, Storage and Charging Solution

To address the problem of insufficient charging infrastructure for new energy vehicles, GoodWe collaborated on research and development to create a shed that integrates PV power generation, storage, and charging capabilities. This solution, launched in 2023, facilitates vehicle charging using solar energy, alleviating the strain on regional power grids caused by charging piles. This not only enhances the efficiency of the system but also provides economic benefits.

This smart shed is equipped with PV power generation, storage, charging, and smart energy management functionalities, making it a comprehensive, integrated, and all-in-one solution for new energy vehicles. Its implementation is poised to accelerate the development of the new energy vehicle sector.



### GoodWe Phecda Sun-shading System

Focusing on PV energy conservation in balconies, GoodWe successfully developed the Phecda horizontal and vertical sun-shading systems in 2023. These systems aim to address the challenges associated with sun-shading and offer cost-effective solutions for building facades. Characterized by their external elegance and safety features, these systems support smart operation and maintenance, effectively conserving energy and reducing consumption.



## 2.2

# Intellectual Property Protection

GoodWe consistently places a high priority on the management and protection of intellectual property, staunchly prohibiting infringements in any form. Our approach to intellectual property application, management, and protection strictly adheres to the *Patent Law of the People's Republic of China*, and the national standard titled *Enterprise Intellectual Property Management*. We have formulated the *Intellectual Property Management Manual*, which delineates principles for property management and outlines the intellectual property management responsibilities of various departments. This document serves as a comprehensive guide for the effective application, management, and protection of intellectual property.

We identify, and respond to intellectual property risks in line with the *Intellectual Property Risk Management Control Procedures* to minimize infringement risks.

### Intellectual Property Innovation Service Center

- Manage intellectual property through the WE-IP intellectual property management system
- Take charge of IPR applications, management of IPR accounts, maintenance of IPR, and the protection of IPR

### Technology Center

- Review patent disclosures
- Evaluate patent quality, and conduct risk analysis

Intellectual Property Management Process

During the development of potential patents, our technology development personnel submit technology investigation reports to the intellectual property management system for retrieval and analysis. This proactive approach helps mitigate infringement risks from the outset. Additionally, during the reporting period, GoodWe engaged a third-party agency to conduct patent retrieval and analysis, aimed at reducing the possibility of infringement and promoting systematic, scientific, and effective patent management. Besides, we have been granted access to the intellectual property protection catalog by the Suzhou Administration for Market Regulation (Suzhou Intellectual Property Administration). This access enables us to promptly receive alerts regarding suspected infringements, and take timely action to prevent infringement.

We arrange training sessions conducted by both external lecturers and internal trainers, along with intellectual property knowledge contests. These diverse training activities cover compliance expertise, patent risk prevention, and patent innovation. Our training endeavor enhances the intellectual property protection awareness of our employees and foster a culture where all employees actively engage in intellectual property protection initiatives.

During the reporting period, we organized 8 intellectual property training sessions, and received 486 trainees.

### During the reporting period

Intellectual property training sessions      Number of trainees

8

486

Our performance in intellectual property granting in 2023 is detailed as follows.

Indicator		2023	
Intellectual property	Patents	Number of new patents for invention	12
		Number of new utility model patents	101
		Number of new design patents	20
		Total number of new patents	133
		Accumulated count of patents for invention	77
		Accumulated count of utility model patents	248
		Accumulated count of design patents	66
	Accumulated count of patents in all categories	391	
Software copyrights	Number of new software copyrights	6	
	Cumulative number of software copyrights	34	

Intellectual Property Performance Data

## 2.3

# Quality Assurance

Excellent product quality is not only crucial for earning customer trust and gaining a competitive edge, but also our steadfast pursuit. This drives us to intensify our quality control efforts. In particular, we continuously refine our product quality management system and adopt intelligent production methods. Our aim is to consistently meet and exceed the trust and expectations of our customers.

## Quality Management System

We observe national and industrial quality standards of product design and production, and have formulated the *Quality Manual*. Our focus is on proactively preventing, identifying, and addressing potential and existing quality issues throughout the entire product lifecycle, including design, production, transportation, and sales. This approach ensures that product quality remains steadfastly at the forefront of our operations.

During the reporting period, we implemented new incoming quality inspection rules for various materials, including surface mounts, copper bars, and electric cells, to control incoming quality more stringently. Additionally, we developed the *Product Defects*, and the *Management Rules for Project Problems and Risks* to identify product defects and manage quality risks better during product and project development. As of the end of 2023, we have passed the ISO 9001 Quality Management System certification.



## Quality Capability Improvement

GoodWe is committed to not only resolving quality issues for the sake of product quality and safety but also enhancing user experience and maintaining our corporate image. Throughout the reporting period, we organized quality improvement activities involving all employees. These initiatives were targeted at addressing challenging quality issues, resulting in enhanced user experience and the cultivation of a culture where all employees are actively engaged in maintaining and improving quality standards.

### "8D" Reporting Mechanism

In 2023, our R&D Department rolled out the "8D" reporting mechanism. The committees (such as hardware and software committees) of our R&D teams task responsible leaders with addressing recurring quality issues, significant process quality concerns, and major customer complaints that remain unresolved. They start from their respective areas of expertise and employ tools such as "5Why" to thoroughly investigate the root causes of quality issues, proposing solutions and improvement plans. Additionally, these committees analyze and discuss related reports for the purpose of continuous quality improvement, catering to the concerns of customers.

## The "Installation Performance Enhancement" Initiative

In 2023, GoodWe launched the "Installation Performance Enhancement" initiative among all employees. In this 10-day activity, 434 participants out of 144 installation groups experienced device installation on site, and figured out 359 tricky issues that customers may encounter. A concluding conference was held to analyze and interpret the discovered problems in aspects such as product design, documentation development, and IoT software. Ultimately, improvement and optimization plans were proposed for each issue to continuously enhance the customer experience.



## Product Recall

We strive to address potential health and safety issues stemming from product quality defects by developing a comprehensive response mechanism and product recall process. These protocols adhere to strict standards and are based on scientific principles. As of the end of the reporting period, we have successfully completed testing and trial runs of our product recall mechanism and process. This serves as invaluable guidance for making informed decisions regarding sales suspension, product recall, and sales resumption in cases involving defective or high-risk products that have already been sold. Our aim is to prevent significant economic losses and mitigate any other negative impacts resulting from product quality defects or risks.

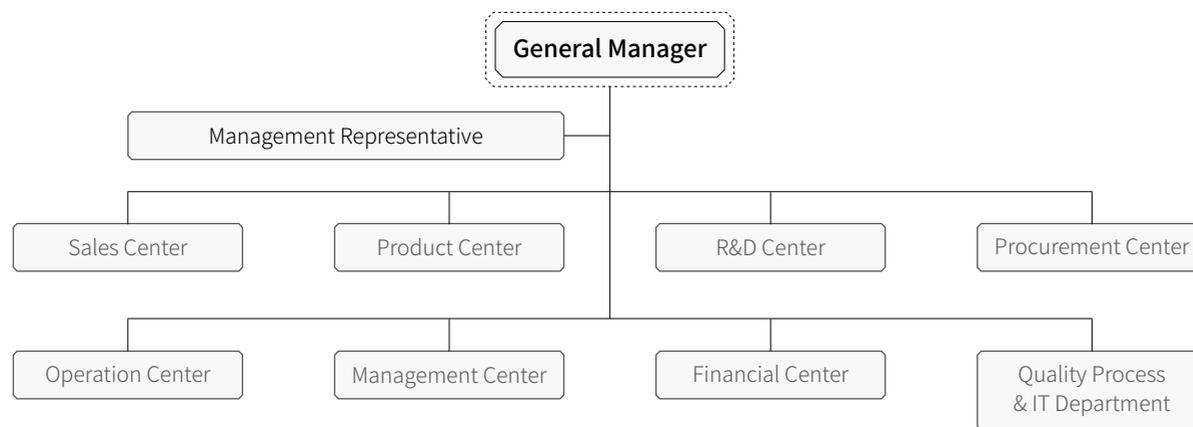
## 2.4

# Integration of Informatization and Industrialization

## I-I Integration Management

GoodWe is committed to advancing its digital transformation across both products and operations through the utilization of digital, information, and intelligent technologies. By integrating innovative achievements into traditional industry practices, we aim to improve production efficiency, enhance product quality control, and ultimately increase comprehensive economic benefits.

Sticking to the integration goals of "industrialization shaping the industry brand" and "informatization leading enterprise development," we have formulated the *I-I Integration Management Manual*, the *Control Procedures for the Technical Realization Process of I-I Integration*, and the *Control Procedures for I-I Integration Matching and Regulation*. These documents outline the methods for achieving I-I integration goals and the associated management requirements. Additionally, we have implemented a multi-level I-I integration management structure, guiding departments and centers to implement I-I integration initiatives comprehensively. This top-down approach has led to the enhancement of our business management and production methods.



I-I Integration Management Structure

During the reporting period, we intensified our efforts in information-based business management. We optimized various systems and processes, such as the Manufacturing Execution System (MES) and the Warehouse Management System (WMS), to improve operational efficiency and management effectiveness.

- Optimize the warehouse management module of MES: Merge warehouses freely and generate one QR label, which reinforces maintainability, and rises management efficiency
- Add the function of lighting storage shelves in WMS: Light storage shelves automatically by setting the specific program, and based on this, optimize stock preparation to reduce labor requirement, and enhance accuracy of preparing materials
- Add the function of purchase order change in ERP: Compare the quantity in the order to that delivered in a visual manner, which streamlines operations and increase efficiency

Through numerous trials and practical experiences, GoodWe has worked out the I-I integration strategy and direction aligning with its development situation. As of the end of the reporting period, we have held the Integration of Informatization and Industrialization Management System Certificate.



Integration of Informatization and Industrialization Management System Certificate

# 03

## Green Operations

GoodWe has implemented clean development practices throughout its production and operations as an effort to protect environment. We have worked diligently to establish a high-quality and green operational system, effectively managing and mitigating environmental pollution risks. Our technological expertise in clean energy, and collaboration with internal and external partners contribute to a green industry, and a low-carbon future.

- Green Management
- Green Production
- Green Office



# 3.1

## Green Management

GoodWe has developed and refined our environmental management system. Notably, we fulfill our top-down environmental management responsibility both within the Company and externally, and continuously enhance environmental management regulations. Besides, our low-carbon priorities are placed on establishing clear environmental management goals and action plans, and strengthening environmental risk prevention and control measures. These efforts underscore our commitment to responsible environmental stewardship.

### Environmental Management System

GoodWe observes applicable laws and regulations, such as the *Environmental Protection Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China*, the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes*, and the *Law of the People's Republic of China on Noise Pollution Prevention and Control*. The Company implements cleaner production and green operations in line with the ISO 14001 standard.

Our Environment, Health, and Safety (EHS) Department is charged with environmental management under the guidance of in-house procedures such as the *Noise Control Procedures*, the *Waste Control Procedures*, and the *Wastewater Control Procedures*. Throughout the reporting period, we have developed new *Management Regulations on Radiation Safety* and updated existing ones, including the *Management Regulations on Special Positions for Occupational Health* and the *Management Regulations on Construction Contractors*. These actions represent a significant enhancement to our environmental management institutional system.

GoodWe establishes annual EHS management goals to outline our environmental management direction and monitor progress in real

time. Throughout the reporting period, GoodWe established specific EHS goals concerning hazardous waste, environmental compliance, and occupational health management, all of which were successfully achieved.

2023 environmental management goal	2023 goal progress
Compliant disposal rate of hazardous waste and solid waste: <b>100%</b>	
Number of environmental incidents: <b>0</b>	
Identification and rectification rate of hidden hazards: <b>100%</b>	

GoodWe conducts annual environmental compliance audits across all departments, including sales, R&D, operations, and support service departments, as well as all operational processes. These audits adhere to internal audit control procedures and align with the ISO 14001 standard. Both our headquarters in Suzhou and our Guangde subsidiary have obtained ISO 14001 Environmental Management System certification in recognition of our effective environmental management practices. Furthermore, we successfully passed the ISO 14001 annual audit this year.



ISO 14001 Certificates

## Environment Risk Management

As environmental risk management plays a pivotal role in enhancing our environmental management system, we continuously enhance our capacity to prevent and respond to environmental emergencies. Specifically, we routinely identify and analyze sources of hazards, assess risk levels, and evaluate their potential impacts based on established risk assessment standards. We then implement targeted risk control measures promptly to address challenges posed by environmental pollution emergencies and climate disasters. We regularly refine our *Response Plan for Environmental Emergencies* based on the results of environmental risk audits. Moreover, we develop an efficient and orderly emergency response mechanism, and thoroughly inspect and allocate emergency facilities and rescue supplies. Additionally, emergency drills and safety education tailored to different risk scenarios are provided to familiarize employees with emergency response measures, effectively mitigating and controlling potential environmental risks.



### Response measures for environmental emergencies

Investigate and report the nature of the accident timely, take emergency measures immediately at the accident site to prevent the situation from deteriorating, and rescue the injured on site.



### Emergency measures for air pollution incidents

As exhaust gas after a fire may endanger nearby residents, notify competent departments immediately to evacuate enterprises downwind of the accident and prone to air pollution to reduce downstream pollution hazards.



### Emergency measures for climate disasters

Identify and determine the impact level of climate disasters such as typhoon, earthquake, and rainstorm, work out emergency plans, reserve emergency supplies, upgrade prevention facilities and put them in place, as well as organize safety training sessions and emergency drills regularly.

Pay regular attention to weather forecasts, take rescue actions orderly according to emergency plans, and prevent the danger from worsening.



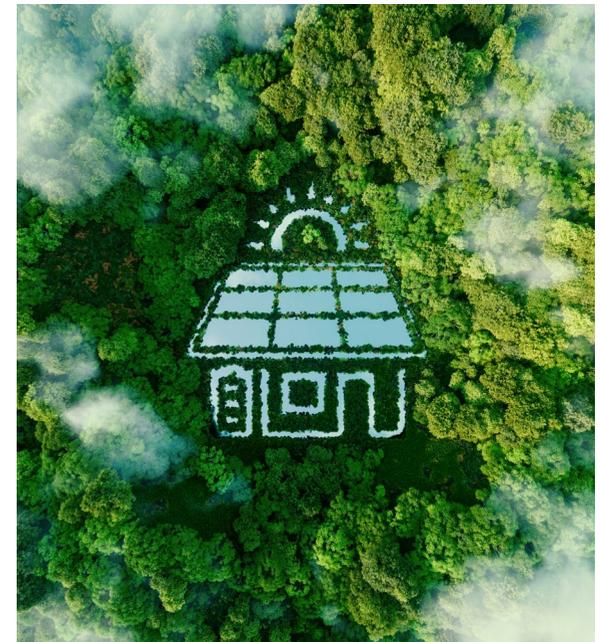
### Emergency measures for water pollution incidents

Report water pollution accidents to competent departments timely, and notify downstream water users to take emergency measures.

Engage qualified agencies to take samples for analysis at the water intake, and take measures timely to prevent other accidents.

## Flood Emergency Drill

In order to cope with possible dangers in the flood season and improve the abilities of employees to respond to environmental emergencies, our EHS Department organized a flood response drill dedicated to employees from factory affairs, security, warehouse, and manufacturing departments in 2023. In this drill, employees had access to the key points, response procedures and methods of flood fighting and rescue. This drill tested the feasibility, scientificity and reliability of the emergency plan, enhanced the rapid response of our flood fighting and rescue teams, and stepped up the coordination and response abilities of departments in a dangerous flood emergency.



## 3.2

# Green Production

GoodWe has intensified efforts to broaden the use of clean energy applications while simultaneously reducing pollution and GHG emissions in our operations. Furthermore, comprehensive measures have been rolled out to conserve resources, control emissions, and minimize carbon footprint across the entire product life cycle. Building on our exemplary practices, we collaborate with partners throughout the industrial chain to foster a green and low-carbon era.

## Energy Management

GoodWe continues its efforts to optimize energy management by upgrading facilities, implementing an energy consumption management platform, and refining processes to reduce energy consumption and enhance energy efficiency. Our employees are encouraged to identify opportunities for energy conservation in operations and to propose insights and improvement plans for reducing energy consumption.

- 

**Upgrade facilities**

  - Replace traditional fluorescent lights with energy-efficient lights in workshops, meeting lighting needs while reducing power consumption.
  - Control the use of air-conditions in the office area; set cooling temperature properly in summer to prevent power consumption due to excessive cooling.
- 

**Apply the energy consumption management platform**

  - Outfit all production systems, affiliated facilities, and auxiliary production units with ammeters; utilize our in-house energy consumption monitoring platform to visually monitor power usage, enabling analysis of abnormalities, forecasting, and verifying improvements in power consumption
- 

**Refine processes**

  - Install contactors at the module input terminals, enabling automatic power-off in non-operating status, which eliminates high standby power problem of machines in the production line.
  - Cancel bluetooth testing and jig functions to prevent unnecessary tests, which reduces power consumption.

We are actively optimizing our energy mix by increasing the use of clean energy and promoting flexible applications of clean energy sources. In particular, we focus on addressing the energy needs of industrial parks by exploring solutions for PV generation, storage, and charging, with the aim of creating zero-carbon parks and smart factories. As of the end of the reporting period, we attained the ISO 50001 Energy Management System certificate, and gained the titles of the "Green Supply Chain Management Enterprise" and the "Green Factory". Our factory in Guangde passed the ISO 50001 Energy Management System certification audit in 2023, thanks to a series of measures including production equipment upgrades, optimization of the energy system, and implementation of energy-saving technological improvements.



ISO 50001 Certificates



Roof PV Solution

GoodWe continues to advance the maintenance of roof PV generation systems to ensure these PV systems work well, and adopts smart energy management systems. In 2023, PV generation capacity reached approximately 100,000 kWh.

Integrated Solution of PV Generation, Storage and Charging

GoodWe erects the PV shed with power generation, storage and charging functions in its Guangde park, and runs the integrated project covering PV generation and storage units and charging piles, building a zero-carbon park and advocating green travel.

Smart Energy Building: Energy Conservation and Consumption Reduction Practice

The Smart Energy Building was designed and constructed by leveraging our new smart energy, PV curtain wall and energy storage products and technologies in accordance with the green building three-star rating, LEED gold rating and ultra-low energy building standards. It was completed in August 2023.



Effect Diagram of GoodWe Smart Energy Building

The building is equipped with three major renewable energy application systems, namely PV generation systems (BIPV and BAPV), solar domestic hot water system, and solar ground-source heat pump system, and efficient electromechanical equipment including HVAC, electrical appliances, and water supply and drain units, thus minimizing energy consumption. In addition, it adopts multiple PV applications, including PV curtain walls, PV tiles for courtyards, PV automobile slopes, PV sun-shading systems, and PV sheds, which combines building materials and renewable energy equipment flexibly. As of the end of reporting period, the building attained the Ultra-low Energy Building certificate, and the Better Buildings Action Demonstration Project certificate.



Ultra-low Energy Building Certificate



Better Buildings Action Demonstration Project Certificate

Extensive Application of Roof PV Facilities in the Guangde Park

GoodWe Guangde Park actively promotes the application of PV generation systems. As of the end of reporting period, the Phase I of the Park constructed 2.8 MW PV roofs for workshops, 25 kW PV corridors, 319.1 kW PV sheds, and 50 kW PV roofs for the power distribution facility, with 3.2 MW PV panels paved in total, all of which could generate 2.569 million kWh annually. These PV roofs increased the proportion of green power use to 10.1% in the Park. In 2023, GoodWe Guangde was honored as the smart PV pilot demonstration enterprise, and the project was included in the list of smart PV pilot demonstration projects by the Ministry of Industry and Information Technology. In the future, the Guangde Park will construct 5.4 MW PV roofs in Phase III, with the proportion of green power use to 7.7% as expected.



Schematic Diagram for Extensive Application of Roof PV Facilities in the Guangde Park

### GoodWe PV Building Materials Display Center - Shanghai Display Center

To allow zero-carbon ecosystem partners to experience our PV building products and services in advance, we devote ourselves to building PV building materials display centers covering all applications. In February 2023, GoodWe unveiled the Shanghai Display Center, the world's pioneering hub for building materials exploration. The center exhibits all-rounded power solutions including Sunshine and Galaxy roof PV systems (7.2 kW), Polaris PV generation, storage and charging sheds (3.7 kW), as well as GoodWe inverters, charging piles, and smart energy management platforms, with the installed capacity totaling 10.9 kW, and annual generation capacity of 12,000 kWh.

Installed capacity

**10.9 kW**

Annual generation capacity

**12,000 kWh**



Shanghai Display Center

### GoodWe Sydney Display Center

In December 2023, GoodWe inaugurated the Display Center in Sydney, showcasing innovative new energy solutions based on PV building materials. The center exhibited Sunshine solar tiles, Starlux sunrooms, Polaris solar carports, and Galaxy lightweight PV rooftops. Apart from efficient PV power generation, these product series address stability and safety concerns like wind resistance and water leakage issues. Besides, the Smart Energy Management Platform works to display power generation, use and dispatching data visibly for better energy efficiency at the center.



Sydney Display Center

### GoodWe Energy Consumption Data

Quantitative performance indicator <sup>2</sup>	2023
Natural gas (m <sup>3</sup> )	44,340
Gasoline (L)	44,894
Diesel (L)	2,499
Purchased power (MWh)	42,002
Consumption of power self-generated with renewable energy (MWh)	2,018
Comprehensive power consumption (MWh)	44,020
Comprehensive power consumption density (MWh/ RMB 10,000 operating revenue)	0.06

<sup>2</sup>We updated the statistical coverage of environmental performance in 2023. Unless otherwise specified, the performance data in this chapter contains that of Suzhou and Guangde industrial parks.



## Resource Conservation

GoodWe implements a range of water-saving measures, continuously monitors water consumption in real-time, and adjusts consumption plans promptly to ensure responsible water usage. Additionally, we utilize water-saving devices and promote water recycling to maximize water efficiency. All these efforts are made for water conservation and recycling.

### Optimize water consumption modes

Adjust the opening of inlet valves for faucets properly according to specific water consumption characteristics in different areas in order to prevent water overuse and waste.

Use water meters with the communication function, and apply smart energy platforms to monitor water consumption and collect related data.

Install additional water meters in areas with large water needs, and take targeted water-saving measures according to water consumption statistics and analysis results.

### Improve water efficiency

Install water-saving devices in wash rooms to enhance water efficiency.

Upgrade landscape facilities, allowing irrigation with rainwater, and collect overflow water for daily greening

We integrate low-carbon and eco-friendly practices into our raw materials sourcing, production processes, and packaging. When selecting raw materials for inverters, we prioritize recyclable aluminum and magnesium alloy materials and design optimal product and packaging combinations considering the material weight and heat dissipation performance. We also prioritize the use of green and recyclable packaging materials, and reduce plastic packaging consumption. Moreover, we call on our employees to identify opportunities for reducing material consumption in their daily activities and optimize processes to minimize unnecessary resource consumption and waste.





Select raw materials for products scientifically

- ◆ Use recyclable aluminum and magnesium alloy materials meeting RoHS<sup>3</sup> requirements to fabricate the shells and upper covers of inverters
- ◆ Use sustainable AL6063 metal as the raw material of radiators

Save process materials

- ◆ Eliminate printing of blank labels on module surfaces to save label paper
- ◆ While ensuring transportation safety, eliminate adapter plastic packaging and directly fix it inside the product packaging box

Recycle and reduce packaging materials

- ◆ Recycle packing boxes for modules and use them as packaging materials for other products
- ◆ Replace traditional EPE cushioning materials with degradable and reusable paper-plastic packaging materials, and recycle all packaging materials
- ◆ Optimize the volume and weight of finished products to reduce packaging materials and transport costs of inverters

**GoodWe Water Consumption Data**

Quantitative performance indicator	2023
Total water consumption (tonne)	160,486
Water consumption intensity (tonne/RMB 10,000 operating revenue)	0.22

<sup>3</sup> RoHS (Restriction of Hazardous Substances) is a mandatory standard enacted by the EU.

## Emission Reduction

GoodWe implements scientific measures for waste management, including sorting, collection, storage, and disposal, while continually optimizing processes to minimize hazardous waste discharge. We adhere to in-house procedures such as the *Waste Control Procedure* and the *Chemical Control Procedure*. Hazardous waste is managed through dedicated disposal processes, and qualified third-party agencies are employed to ensure lawful disposal. Additionally, employees in waste management positions receive regular waste management training sessions to enhance their capabilities in proper waste disposal.

GoodWe strives to reduce waste gas, wastewater, and noise emissions in our operations to mitigate their environmental impact. Also, the Company invites third-party detection agencies to monitor our wastewater, waste gas, and noise levels to ensure compliance with specified limits. Moreover, we utilize secondary activated carbon in our waste gas treatment system to reduce gas emissions and select low-noise fans while conducting regular equipment maintenance to minimize noise pollution.



### GoodWe Emissions Data

Quantitative performance indicator	2023
Total waste gas emissions (m <sup>3</sup> )	511,484,000
Total soot emissions (tonne)	0.0498
Total waste water discharge (tonne)	128,388
Hazardous waste	
Total hazardous waste (tonne)	80.50
Waste chemical packages, waste cleaning agent, and waste activated carbon (tonne)	80.45
Waste fluorescent tubes (tonne)	0.05
Non-hazardous waste	
Total non-hazardous waste (tonne)	781.30
Grease tank waste (tonne)	22.00
Yard waste (tonne)	0.50
Household waste (tonne)	628.80
Kitchen waste (tonne)	130.00

Apart from low-carbon practices, we strive to reduce the carbon footprint throughout the product life cycle and support our partners in the value chain with their low-carbon transformation efforts. Our PV inverters are utilized to generate green power and are produced, transported, used, and recycled in an environmentally friendly and low-carbon manner. At the end of the reporting period, we obtained carbon footprint certificates for 16 inverter products and environmental product declaration (EPD) certificates for 2 inverter products.



Product Carbon Footprint Certificate



EPD Certificate

We have carried out GHG emission inventories in line with the ISO 14064-1:2018 standard for years, thoroughly analyzing our GHG emissions to establish a scientific basis for developing appropriate emission reduction plans. Our third-party inventories were completed for GHG emissions in 2021 and 2022.

Our carbon emission data for 2023 is shown as follows.

**GoodWe Greenhouse Gas Emissions Data<sup>4</sup>**

Quantitative performance indicator	2023
Scope 1 (tonne of CO <sub>2</sub> equivalent) <sup>5</sup>	598
Scope 2 (tonne of CO <sub>2</sub> equivalent) <sup>6</sup>	8,525
Total (tonne of CO <sub>2</sub> equivalent)	9,123

<sup>4</sup> The organization receiving carbon inventory is GoodWe Technologies Co., Ltd. The carbon inventory involves data collection of GHG sources or sinks for facilities based on operational control.  
<sup>5</sup> Direct GHG emissions (Scope 1) are measured according to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories issued by the Intergovernmental Panel on Climate Change (IPCC).  
<sup>6</sup> Indirect GHG emissions (Scope 2) are measured by the "2022 average emission factor of 0.5703 t CO<sub>2</sub>/MWh for national power-grids" in the Notice on Doing a Good Job in 2023-2025 Reporting and Management of Greenhouse Gas Emissions of Power Generation Enterprises issued by the Ministry of Ecology and Environment.



## 3.3 Green Office

With the *Management Measures for Water, Power, and Paper Conservation* as policy guidelines, GoodWe propagates the environmental protection concept of resource conservation, energy saving, emission reduction, and waste reduction to internal employees, and advocates all employees to join the low-carbon action. As small actions can lead to significant changes, we embed sustainability principles into our daily office routines and corporate culture, continue to enhance the awareness and enthusiasm of employees in energy conservation and environmental protection through innovative activities, and strive to create a green and low-carbon office environment.



### Set up a station of sharing packing bags

- Set up a station of collecting take-out paper bags in the office area, and encourage employees to share paper bags with others who need these bags.



### Recycle coffee grounds

- Promote the uses of coffee grounds to remove odor and work as planting material, and advocate employees to recycle coffee grounds.



### Upgrade flower boxes

- Grow seasonal flowers and plants to decorate the office area, enable carbon sequestration, and bring fresh air.

We promote the environmental protection philosophy among our employees and guide them in implementing low-carbon practices such as water and power conservation, waste sorting, and adopting green travel methods. These initiatives will contribute to the overall goal of operating in an environmentally responsible manner.

### Power conservation

Turn off lights and electrical appliances such as air-conditions when no one is in the office area



### Water conservation

Develop water-saving habits, and shorten water use time by turning off and tightening faucets



### Paper conservation

Advocate double-sided use of paper, and advance the online information-based office platform



### Food conservation

Practice “clean plate action”, and order meals appropriately to reduce food waste



### Waste sorting

Sort and dispose of waste according to the classification standards, and reduce the use of disposable tableware



### Green travel

Reduce the use of private cars, and prioritize public or shared transportation means



# 04

## Customer Support and Industry Engagement

We have implemented a robust customer service mechanism and system as we well recognize that the long-term success of a company relies on the support and engagement of users and stakeholders. We continuously improve our service capabilities to effectively address the needs and concerns of our customers, thereby delivering an industry-leading experience. Additionally, we remain aligned with industry developments and collaborate closely with our partners to drive industry advancement. Together, we promote the adoption of smart energy applications, striving for a high-quality and mutually beneficial development pattern.

- Customer Rights
- Industrial Development
- Responsible Supply Chain



# 4.1 Customer Rights

## Customer Service System

Adhering to the customer-centered policy, we continuously enhance our customer service processes and systems to provide convenient, efficient, prompt and satisfactory pre-sales and after-sales services. The *Customer Complaint Handling Process* we developed outlines the steps for addressing post-sales customer concerns.



Customer Complaint Handling Principles



Customer Complaint Handling Process

GoodWe has established a robust after-sales service management structure, delineating the responsibilities of the After-sales Service Department across three key areas: the call center, technical services, and service operations. This framework supports the smooth operation of our after-sales service system. In 2023, we expanded our after-sales service capabilities by establishing two additional teams: the headquarters delivery service team and the service quality team, along with R&D professionals and experts to ensure the delivery of high-quality services to our customers. Furthermore, we have implemented a reliable complaint tracking and analysis system that covers various aspects such as returns and exchanges, personnel dispatch, after-sales orders, testing and repair, and service provider management, all aimed at enhancing customer satisfaction.

Our customers have access to diverse complaint and feedback channels, including our 400 hotline and WeChat, as well as sales and after-sales services provided by our professional teams. And their requirements and complaints are addressed promptly. In 2023, we revised the *Duty Scheduling Policy and Instructions of the After-sales Service Department* to ensure adequate staffing, particularly during special occasions such as holidays and festivals, to prevent delays in customer response. Our completion rate for after-sales complaint handling in the domestic market reached 94.5% in 2023, with 69 identified complaints in foreign markets.

GoodWe is dedicated to providing after-sales services for 205 countries/regions including the U.S., Australia, the Republic of Korea, Brazil, Southeast Asia. To this end, we have established the call center in Egypt and 17 spare parts warehouses. Moreover, our ITR process is put in place, and support from headquarters is available at any time. All these help us respond to after-sales issues timely and effectively.



After-sales Service Mechanism in Overseas Markets

During the reporting period, we passed the five-star commodity after-sales service certification, the highest accolade within the certification system. This recognition is a testament to the professionalism of our customer service teams and the effectiveness of our customer complaint-handling mechanism.



Commodity After-sales Service Certificate

## Customer Satisfaction Management

We conduct annual customer satisfaction surveys to assess our service management performance and gather insights into our customers' expectations and experiences with our products and services. These surveys help us gain a comprehensive understanding of our products and services and develop improvement plans accordingly. In 2023, our customer satisfaction reached 93 points, and the customer loyalty rate 93.2 points.

Customer satisfaction

# 93.0

Customer loyalty

# 93.2

## Responsible Marketing Practices

GoodWe attaches great importance to the standardization of marketing activities, and actively advocates the marketing concept of seeking truth from facts while providing customers with quality products and services. We strictly abide by the *Advertising Law of the People's Republic of China* and relevant regulations in all operating regions. We refrain from engaging in false or exaggerated advertising practices in any form, ensuring an authentic, trustworthy, and transparent marketing environment.

We rigorously review all marketing materials across various channels, and require our suppliers and partners to uphold responsible marketing practices to ensure compliance with laws and regulations. Furthermore, we prioritize compliant copyright usage in foreign markets, further enhancing our responsible marketing practices.

Tailored training programs have been developed for our internal marketing teams to enhance their understanding of compliant marketing practices and mitigate legal risks. During the reporting period, we conducted training sessions focused on new product presentations and marketing considerations to enhance product promotion efforts.

## Customer Privacy Protection

GoodWe observe relevant laws and regulations, including the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, and the *Cybersecurity Law of the People's Republic of China*. We also abide by internal regulatory documents such as the *Management Regulations on Personal Information Protection*, the *Control Procedures of Information Security*, and the *Management Regulations on Information Maintenance and Monitoring*. These regulatory documents are in place to safeguard customer privacy during sales and after-sales services and prevent privacy breaches.

We continuously monitor developments in customer privacy and data protection regulations and rules in foreign markets to ensure compliance with local regulatory requirements, particularly in marketing and logistics. In the European market, we adhere to the *General Data Protection Regulation (GDPR)* and obtain informed consent from customers before accessing their data.



## 4.2 Industrial Development

GoodWe remains steadfast in our commitment to promoting and driving the growth of the PV equipment sector and the broader new energy industry. Acknowledging the transformative opportunities presented by global climate change, we actively embrace corporate responsibilities and collaborate with partners to protect the environment and enhance livelihoods in this challenging era.

We disseminate PV knowledge by capitalizing on our resources and technology platforms, and share insights through international industry competitions, providing both the public and industry professionals with access to expertise in PV technology. This empowers the industry to progress towards a promising future.

### GoodWe's Publicity Program of PV Generation, Storage, and Charging Expertise

In 2023, GoodWe registered additional media accounts on mainstream short video platforms to spread new energy knowledge in plain language among the public. The topics cover PV generation, storage and charging applications, and more, contributing to energy transition and adaptation, and climate change mitigations.



### GoodWe's Innovation Training and Competition Program in India

The Skill Council for Green Jobs (SCGJ) has proposed the initiative to enhance the professional skills of manufacturers' employees, and advance the development of the green industry. Responding to this initiative, GoodWe launched the innovation training and competition program in 2023, aiming to strengthen the professional skills of academic institutes, small and medium-sized enterprises, and non-governmental organizations in India. This program attracted over 90 participants, and awarded winners prize money, arousing their enthusiasm for exploring the solar energy sector.



## GoodWe's GoodWeek

Live streaming activities

5

Countries/regions

60<sup>+</sup>

Partners

27

Guests on site

26,000<sup>+</sup>

Online views

50,000<sup>+</sup>

Comments in live streaming activities

70,000<sup>+</sup>

As a platform designed for our global strategic partners, GoodWeek enables professionals to share their profound insights into the latest developments, and technologies in the PV sector through Live streaming and roadshows to boost industrial advancement.

In 2023, our GoodWeek Truck roadshows staged in Australia, Europe and Brazil invited more than 26,000 guests from over 60 countries/regions, and received 550,000 views online. This success demonstrated our far-reaching influence, and our steadfast determination to foster the industry ecosystem, and achieve mutual benefits within the industry.

We actively engage in domestic and international forums and exhibitions to broaden communication channels with industry partners. These platforms allow us to showcase our latest innovations, share valuable industry insights, and discuss smart energy solutions with peers. In 2023, we participated in events such as the Solar PV & Energy Storage World Expo, the International Forum on Energy Transitions, and the Solar Power International, where we exchanged insights on key and forward-looking technologies in the PV and new energy sectors with leading experts from around the world.

### GoodWe attended 2023 International Forum on Energy Transitions

On September 6, 2023, GoodWe was invited to attend 2023 International Forum on Energy Transitions co-sponsored by the National Energy Administration, Jiangsu Provincial People's Government, and the International Renewable Energy Agency. Mr. Huang Min, GoodWe's Chairman, and other more than 40 founding members of the International Coalition for Energy Transition pressed the launch button together. In the future, GoodWe and other members of the Coalition will make concerted efforts to combat the challenges of the era, facilitate global energy transition, and preserve the ecology through technology exchange, industrial collaboration, and mutually-beneficial sharing of cooperation achievements.



### GoodWe and GREENPV co-hosted the "PV-Storage Hybrid and Future Energy Systems" Forum



On August 18, 2023, GoodWe and GREENPV co-hosted the "PV-Storage Hybrid and Future Energy Systems" Forum in Jiaying. At the forum, we profoundly discussed with PV experts over PV-storage hybrid and other issues we concerned. Besides, we launched the "Initiative of Enhancing Distributed PV Generation Safety" along with several leading enterprises within the industry and esteemed agencies including APsystems, Trina Solar, the National Center of Inspection on Solar Photovoltaic Product Quality, and TÜV SÜD, in pursuit of advancing PV safety ventures.



The 2<sup>nd</sup> China International Energy Storage Conference



2023 Solar PV & Energy Storage World Expo



The 18<sup>th</sup> China (Shandong) International Solar Energy Utilization Conference



Green Energy Expo in the Republic of Korea



2023 Germany (Munich) Inter Solar Europe



2023 U.S. Solar Power International

Large-scale Domestic and International Conferences and Exhibitions GoodWe Attended in 2023

As of the end of reporting period, GoodWe has been a member of 20 industry associations or committees, including 2 industry organizations that GoodWe joined in 2023



Co-chairman

New Energy Committee of Suzhou New Era Business Administration Entrepreneurs Federation

Member

Jiangsu Energy Storage Association

List of Industry Organizations We Joined in 2023

## 4.3

# Responsible Supply Chain

GoodWe has made supply chain management an important part of the Company's sustainable development management. We continuously refine our supply chain management system to incorporate sustainability considerations throughout the full-cycle supplier management process. Additionally, we enhance risk management practices before, during, and after the supply process, collaborating closely with suppliers in various capacities to cultivate a stable and sustainable value chain. These efforts aim to ensure the resilience and sustainability of our supply chain.

## Supplier Access

Our supply chain management practices adhere to national laws and internal control procedures, including the *Bidding Law of the People's Republic of China*, the *Procurement Control Procedures*, and the *Supplier Control Procedures*. These regulatory documents outline requirements for supplier selection, admission, and assessment.

The introduction of our Supplier Relationship Management Platform (SRM) enables us to digitize supplier search, bidding, and procurement processes, thereby enhancing procurement efficiency. Additionally, we have implemented stricter supplier access requirements to incentivize suppliers to enhance their product and service quality and improve overall competitiveness.

We integrate environmental, social, and governance (ESG) considerations into our supplier qualification assessments to mitigate risks associated with disqualified employment, illegal discharge, and commercial dishonesty. Thereinto, we attach great importance to and continue to strengthen supplier integrity management. To be specific, all suppliers are required to sign the *Code of Conduct for Suppliers*. In accordance with this document, all suppliers are urged to adhere to integrity requirement, while conducting labor management well, and protecting the occupational health and safety of employees.

We place significant emphasis on managing potential risks throughout the entire supplier management process. In 2023, we conducted supplier surveys and social responsibility audits by requesting suppliers to complete the *Supplier Social Responsibility Audit Form* and the *CSR Procurement Self-evaluation Questionnaire*. Through these initiatives, we identified environmental and social risks associated with suppliers and assessed the alignment of their environmental, social, and governance measures and performance with GoodWe's sustainable development management guidelines. This ensures stable and high-quality partnerships with suppliers.

GoodWe continually explores stable and diverse cooperation models with suppliers, including collaboration with both domestic and foreign brands and strategic partnerships with suppliers. This aims to ensure a resilient supply chain and minimize the risk of supply failures. As of the end of the reporting period, GoodWe had 440 suppliers of raw materials.

Environmental  
(E)

Environmental management competence, establishment of environmental management system, hazardous substance control, and environmental protection performance

Social  
(S)

Establishment of quality management system, customer base and service competence, protection of employees' rights and interests, occupational health and safety of employees, and supply chain situation

Governance  
(G)

Operations in accordance with laws and regulations, financial position, and intellectual property management

Sustainability Assessment Dimensions of Suppliers

## Supplier Assessment

We continually enhance our supplier assessment mechanism to evaluate supplier performance in a more reasonable and scientific manner. In 2023, we introduced the *Management Regulations on Supplier Performance*, which expanded assessment dimensions and refined assessment indicators.

Our supplier assessment focuses on five dimensions: financial risks, QSA (quality system audit) documents, QPA (Quality Process Audit), price/order and contract/response/capacity, as well as technology and equipment. Based on annual assessment results, we categorize suppliers into four levels (A, B, C, and D). Suppliers in Levels A and B receive priority for more purchase orders, while those in Levels C and D are required to analyze identified problems, implement corrective measures with our guidance, and report on their progress. Suppliers failing to meet our requirements even after rectification will be excluded from our qualified supplier list. In 2023, 86% of suppliers received a Level A or B rating in the annual supplier assessment. It constantly enhances the supplier assessment reasonable and scientific.

## Supplier Training and Communication

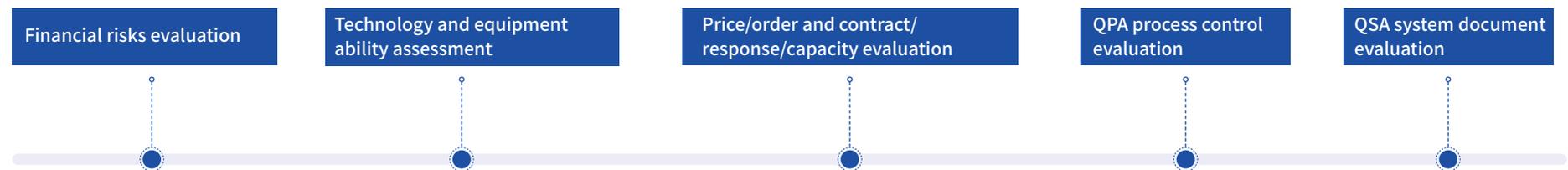
Suppliers, being key stakeholders, hold significant importance in our long-term development. To effectively address their needs and enhance their performance, we have implemented a robust communication mechanism and organized both online and offline training programs, including teleconferencing sessions.

During the reporting period, we conducted a total of 497 exchange and training activities focused on addressing supplier needs, discussing issues, improving capabilities, and promoting standardized management practices. These activities engaged a total of 3,141 trainees, facilitating the enhancement of delivery performance and fostering deeper cooperation in technology and business between GoodWe and its suppliers.

## Green Supply Chain

Goodwell pays close attention to the carbon emissions and environmental impact generated by all links of the value chain, and actively communicates the concept of sustainable development to suppliers. We impose more stringent environmental requirements on suppliers to uphold our commitment to fostering a sustainable and green supply chain, thereby reducing environmental impacts associated with production, transportation, and operations.

We mandate all suppliers to adhere to our regulatory documents, such as the *Control Procedures of Hazardous Substances* and the *Management Regulations on Restricted Substances*. Additionally, we specify environmental protection requirements in contracts and quality agreements signed with suppliers. These efforts are aimed at encouraging suppliers to conserve energy, reduce emissions, and actively contribute to a sustainable value chain. Besides, we promote a green development philosophy among our suppliers and encourage them to construct solar PV power plants and recycle packaging materials, aligning with our vision for a green future.



Five Major Dimensions of Supplier Assessment

# 05

## Talent Caring and Development

We recognize that our employees are our most valuable asset and the driving force behind our sustainable development. As an employer that values talent, we have taken proactive steps to establish an employee right protection system, provide professional growth opportunities, invest more in occupational health and safety, and organize various humanistic activities. We put talent foremost, and grow along with our employees to contribute to our ongoing development.

■ Employee Rights   ■ Employee Development   ■ Occupational Health and Safety   ■ Employee Care



## 5.1

# Employee Rights

Adhering to the "hard-worker-oriented" principle, we are always dedicated to protecting the rights and interests of our employees, and to fostering a harmonious and stable labor relationship. We collaborate with our employees to address common concerns, establish effective communication mechanisms, and ensure the mutual sharing of benefits. Our practices align with international standards such as the *United Nations Global Compact* and the Core Conventions of the ILO. Additionally, we adhere to relevant laws and regulations, including the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*. Internally, we have implemented regulations such as the *Management Regulations on Social Responsibility*, the *Management Measures for Employment*, and the *Employee Handbook*, which clarify employment requirements and communication channels. We have been honored as the Best Employer in Suzhou for consecutive seven years.



The Best Employer in Suzhou

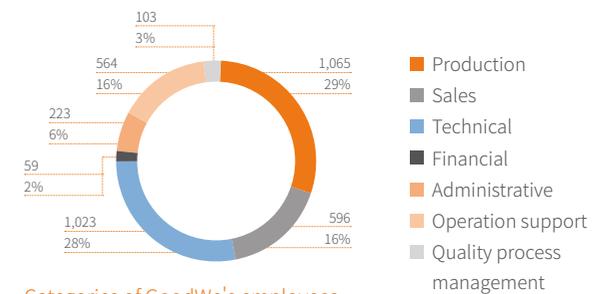
## Employment

We have made concerted efforts to standardize the employment process, refine our employment management system, and implement the *Employment Management Regulations*, which define our employment principles. Additionally, we have introduced detailed rules for expense reimbursement for long-distance interviewees. We maintain a steadfast stance against harassment, bullying, and discrimination based on ethnic group, race, gender, region, nationality, social class, and political beliefs. All employees are entitled to fair and equitable career development opportunities.

### Statistical Data of GoodWe's Employees

Indicator		2021 data	2022 data	2023 data
Total number of employees	/	2,223	3,330	3,633
Proportion of employees signing labor contracts	%	100%	100%	100%
Proportion of employees enjoying the social insurance package	%	100%	100%	100%

In accordance with the *Management Regulations on Child Labor, Underage Labor, and Female Employee Protection*, we conduct rigorous background checks on applicants, ensuring that individuals under the age of 16 are excluded from employment consideration. Furthermore, we prohibit the use of child labor among our stakeholders, including suppliers and customers. Throughout the reporting period, there were no instances of child labor, strikes/lockouts, or other violations of human rights and labor regulations. Additionally, we are committed to providing employment opportunities for individuals with disabilities. In 2023, we employed two disabled persons.

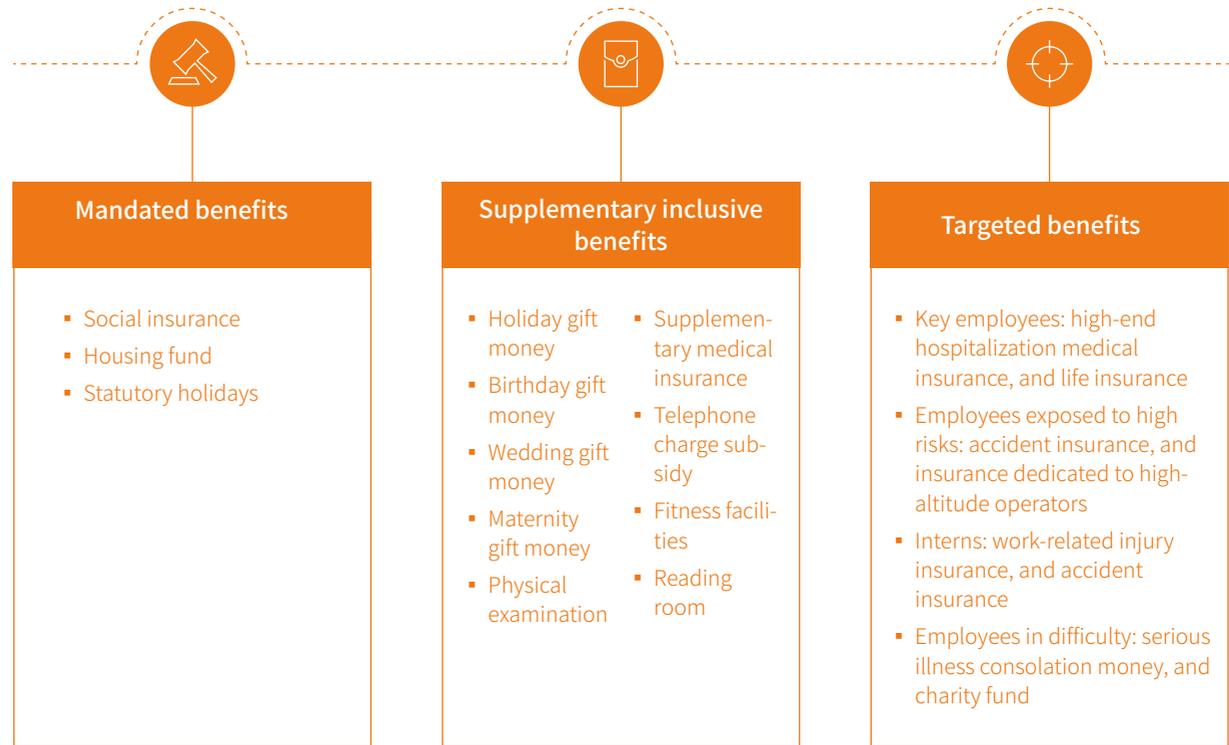


Categories of GoodWe's employees

## Remuneration and Benefits

We have developed the *General Remuneration Management Rules*, and the *Equity-based Incentive Policy*, and enhanced our remuneration and benefits structure to provide competitive compensation packages to employees. Guided by principles of fairness and equity, we regularly evaluate and adjust our performance-based remuneration policy to incorporate comprehensive, universal, competitive, and motivating features. Additionally, we have introduced constructive intangible incentives, such as the honor roll. In 2023, we unveiled the honor rolls four times, awarded medals of honor to over 200 employees, and sent 17,428 inspiring messages through our incentive platform.

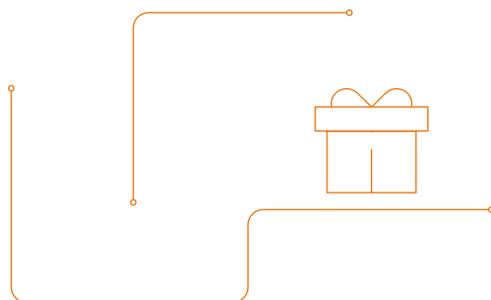
Our benefit system encompasses both mandated and supplementary benefits for all employees, as well as targeted benefits for employees with special needs. In 2023, we provided full social insurance and housing fund contributions for all employees, including regular employees, those subject to the labor dispatching system, and outsourcing employees. Furthermore, we purchased work-related injury insurance and accident insurance for interns.



GoodWe Benefit System

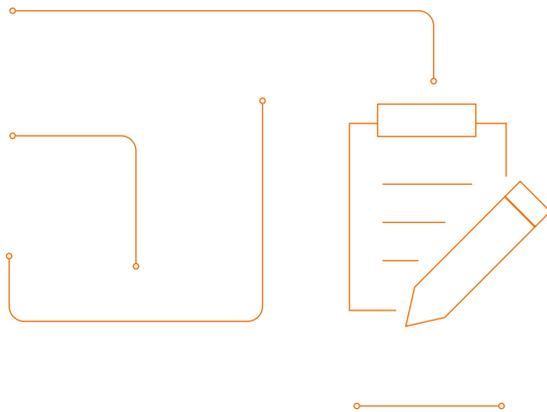
To improve the long-term incentive mechanism of the Company and attract and retain talent while fostering employee enthusiasm, we have implemented the *Equity-based Incentive Policy*, which outlines equity-based incentive models and mechanisms. This policy now extends to all employees, including senior executives, middle-level managers, R&D personnel, internal experts, key employees, and frontline employees. As of the end of the reporting period, over 300 employees have enjoyed the equity-based incentive policy.

We have formulated the *Management Regulations on Work Hours and Leaves*, delineating attendance and leave provisions, to safeguard the related rights of employees. In addition to statutory holidays, we have optimized our holiday system by offering fully paid breastfeeding leave, paternity leave, parental leave, and only child care leave.



## Democratic Development

GoodWe has set up the labor union, and introduced the democratic consultation and collective bargaining mechanism to pool the democratic wisdom of employees, thus achieving mutual benefits. We have developed the *Management Procedures for Freedom of Association and Right of Collective Bargaining*, the *Management Regulations on Congress of Workers and Staff*, the *System of Consultation on the Equal Footing*, and the *Work Rules of Labor Union* to protect the freedom of association and the right of collective bargaining. Besides, we have signed the *General Collective Contract*, and three contracts targeting specific rights, namely, the *Collective Contract of Remuneration*, the *Collective Contract of Occupational Health and Safety*, and the *Collective Contract for Special Protection of Female Employees* to safeguard the rights and interests of employees fully.



### Collective Contract

Five-year contract (April 26, 2022 to April 25, 2027): covering labor contract management, remuneration, working hours and leaves, insurance, benefits, contract duration, and alteration of contract

### Collective Contract of Remuneration

Annual contract: covering payroll distribution scope and method, minimum basic wage, overtime pay, and payment cycle

### Collective Contract of Occupational Health and Safety

Five-year contract: covering work safety management, working conditions, work injuries, and occupational hazards

### Collective Contract for Special Protection of Female Employees

Five-year contract: covering right protection of female employees, leaves, and remuneration payment

### Collective Contracts

We have established diverse channels of communication with employees, including transparent communication platform, platform collecting recommendations from employees, email, assembly, interviews, and surveys, allowing employees to share opinions. The management or responsible departments should respond to opinions and suggestions proposed by employees in writing or personally within 10 workdays.

## 5.2

# Employee Development

GoodWe implements the concept of "growing together with talents and customizing professional growth and development paths for employees", and provides employees with a fair, diversified and broad development platform. We leverage a solid employee development system, diverse employee development support system and rich employee development training system to enable employees to enhance comprehensive capabilities, and grow in an all-rounded fashion.

## Employee Training

GoodWe has been dedicated to fostering a scientific employee development institutional system for the purpose of ongoing development of employees. To archive this goal, the Company has formulated the *Management Regulations on Employee Training*, the *Management Regulations on Outsourcing Training*, and the *Management Regulations on Internal Trainers*. In line with these documents, we standardize internal training teams, cultivate in-house certified trainers, and offer external training opportunities to foster a learning-friendly workplace.

GoodWe has established a comprehensive employee training system covering post-based training, occupational training, and self-learning. With analysis of employee development phases and their job duties, we have launched expertise training, induction training, and targeted training programs by leveraging various resources to enable employees to step up their abilities.

<sup>7</sup>The data of employee training in 2023 contains that of Suzhou and Guangde industrial parks.

### Expertise training

- Online training sessions: Release training courses on general knowledge, industry insights, and expertise monthly at the online learning platform.
- Offline training sessions: Organize one or two session(s) monthly, and invite professors, industry experts and internal senior lecturers as trainers.

### Induction training

- Arrange 1-day offline training session, and 1-month online training session for new employees to help them fit into the Company.
- Training courses involve corporate culture, HR and administration regulations and rules, industry and market insights, core business segments, and functions of all departments.

### Targeting training

- Cadre training session: Organize one offline training session quarterly dedicated to cadres to discuss top business concerns, and share insights.
- Management talent training sessions: Management talent training sessions: Arrange one training session respectively every month for senior executives, on-the-job managers, young candidates, newly promoted managers, and PMs.

### Employee Training System

We have run the online "We-learning" platform encompassing 3,905 courses. At the platform, employees may receive learning tasks, search courses, exchange gifts with learning credits, and raise or answer questions in the community column. This platform addresses the learning needs of employees, and enriches their learning experience. During the reporting period, the online learning platform had 4,694 registered accounts, launched 363 new courses, and served 3,612 employees, with learning hours totaled 48,614 hours.

### Employee Training Data

Indicator <sup>7</sup>	Unit	2023 年
Total hours of training received by employees	Hour	144,852
Number of training sessions	/	1,604
Number of trainees	/	64,533
Average hours of training per employee	Hour	40

## Employee Growth Support

GoodWe offers bonus, and reimburses exam fees, encouraging employees to pursue higher education, enhance skills, and work abroad for self-improvement and career goal realization.

### Higher education

- Formulate and issue the *Incentive Policy of Pursing Higher Education*
- Provide employees with tuition subsidy, easing their financial strain when studying in campus

### Skill enhancement

- Formulate and issue the *Management Measures for Employees Receiving Outsourcing Training*
- Reimburse training and exam fees for employees passing exams

### Overseas work

- Formulate and issue the *Incentive Rules for Employees Working Abroad*
- Provide employees working abroad with training sessions, overseas work subsidies, paid family leave, and other benefits



### Employee Growth Support System

In 2023, we organized training and cultural activity satisfaction surveys to arouse more learning interest of employees, enhance training effect, and strengthen corporate culture. As shown by survey results from 3,404 valid questionnaires, the training satisfaction averaged 91.8%, and the cultural activity satisfaction averaged 85%.

Received valid survey questionnaires

# 3,404

Training satisfaction averaged

# 91.8

Cultural activity satisfaction averaged

# 85



Training and Cultural Activity Satisfaction Survey Posters



## 5.3

# Occupational Health and safety

Our occupational health and safety practices are subject to applicable laws and regulations including the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*, and the *Law of the People's Republic of China on Work Safety*. In line with these laws, we have formulated internal regulations such as the *Management Regulations on Prevention and Treatment of Occupational Diseases*, and the *Management Regulations on Prioritizing Safety in Production*, outlining work safety measures. We are committed to fulfilling the work safety goals of no safety accident and zero casualty in overseas prevention and control, and protecting the health and safety of all employees.

## Health and Safety System Development

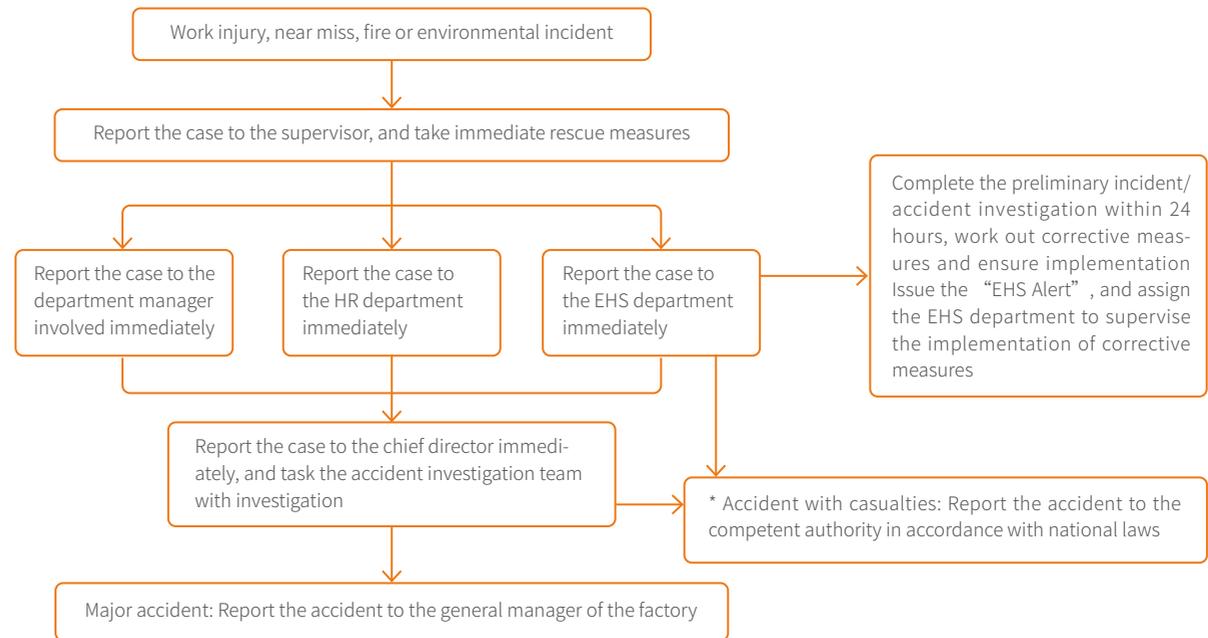
We have implemented the environment, health and safety guidelines, namely, priority to safety, emphasis on prevention, integrated governance, environmental protection, energy conservation, waste reduction, healthy life, compliance with laws and regulations, and continuous improvement. Our health and safety management system serves to protect the health and safety of all employees, especially in production, office, commuting and dining. During the reporting period, the Company passed the ISO 45001 Occupational Health and Safety System certification.



ISO 45001 Certificate

## Work Safety

We have adopted the dual-prevention mechanism, and refined the safety risk assessment system to ensure work safety. Our in-house safety management regulations, such as the *Management Regulations on Safety Risks*, define the accident accountability system, mandate annual risk assessments, and clarify accident response assessment and optimization requirements. Besides, we have developed the *Control Procedures for Safety Accident Investigation*, specifying the assignment of investigators to handle accidents. This document allows closed-loop accident response management.



Accident Response Process

## Occupational Health

We have introduced internal occupational health and safety regulations including the *Management Regulations on Prevention and Treatment of Occupational Diseases*, the *Management Regulations on Disclosing Occupational Hazards to Employees*, and the *Management Regulations on Occupational Hazard Detection and Assessment*. In line with these documents, we identify occupational hazards in factories on regular basis, and inform employees of occupational hazards. Furthermore, our employees have access to physical examinations, accident and critical illness insurances, and psychological counseling to maintain physical and psychological health.

### Occupational hazard monitor

We identify occupational hazards on production sites regularly to foster a healthy and safe workplace.

In 2023, we engaged a qualified third-party agency to detect occupational hazards, and analyze and assess detection results.

### Occupational hazard notification

Inform employees exposed to occupational hazards of occupational risks and measures for prevention and treatment of occupational diseases before they take up the posts, and equip them with necessary protection articles.

### Physical examination

Provide employees exposed to occupational hazards with regular physical examinations, and take occupational health tracking records for effective health management.

### First aid and labor protection articles

Put a number of labor protection and first aid articles meeting national or industrial standards in place to protect the physical health of employees.

### Occupational Health and Safety Protection Measures



AED



First-aid kit



Guard net for storm sewer



Protection suit

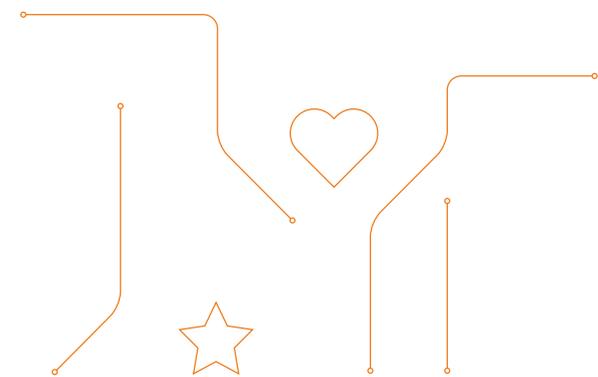
### Occupational Health and Safety Protection Articles

During the reporting period

There were

**NO** accidents with work-related deaths

Indicator	Unit	2021	2022	2023 <sup>8</sup>
Number of work-related deaths	Person	0	0	0
Number of work-related injuries	Person	2	0	2
Working hours lost due to work injury	Hour	936	0	208



<sup>8</sup> In 2023, data scope of work-related deaths, work-related injuries and working hours lost due to work injury includes data of Guangde Industrial Park.

## Health and Safety Training

Online and offline health and safety training sessions and drills are put in place for employees to enhance their safety awareness, and improve their accident response abilities. Training sessions involve safety guidelines, awareness development, risk prevention and occupational duties. In addition, we have carried out a series of emergency drills.



Fire drill



Electric shock emergency drill



Lithium battery thermal runaway emergency drill



Safety awareness training



Dual-prevention mechanism training



First aid training

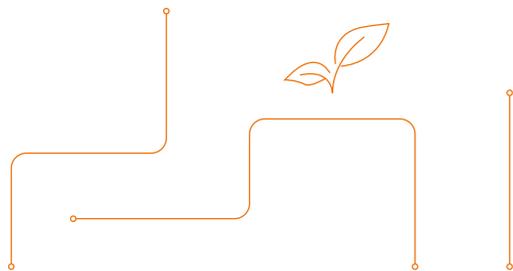
## 5.4

# Employee Care

It is our commitment to caring about the physical and psychological health of every employee, and fostering a united and harmonious workplace where employees help each other, and grow together. Therefore, we have organized a great number of recreational activities, and pooled efforts to care for female employees, and help employees in need to intensify their sense of happiness, identity and belonging.

## Psychological Health

The Company attaches great importance to the physical and mental health of its employees and has established psychological health protection system. Specifically, we relieve psychological distress for employees, and give employees access to psychological health expertise and self-regulation skills to help employees work in a good state while enjoying life utterly.



### Employee Psychological Health Services

Focusing on employee psychological health, our labor union has implemented caring and supporting programs for consecutive four years. To be specific, we have launched offline consulting sessions related to work stress, emotional regulation, self-management, and intimate relationship. Besides, we have established the online psychological health service platform, with assistants serving employees at any time. The easy access to psychological health expertise and consulting services aims to improve the happiness of employees.



Psychological Health Training Session

## Recreational Activities

In order to help employees balance work and life, we have expressed warm holiday greetings, and arranged a variety of recreational activities, fostering a healthy, relaxing and positive atmosphere. This aims to help employees strike a balance between work and life.

We launch a series of celebrating activities at festivals such as Women's Day, the Dragon Boat Festival, and the Mid-Autumn Festival to enrich the cultural life of employees. Moreover, fitness facilities have been equipped additionally, such as table tennis table and running machines. Diverse team building activities are available for employees, such as basketball, table tennis or badminton matches, and outdoor hiking. With these efforts, we strive to build a healthy and energetic workplace, and encourage employees to engage in more physical exercise.



Gifts for Female Employees on Women's Day



Cultural Activities at the Dragon Boat Festival



Han Chinese Clothing Shown at the Mid-Autumn Festival



Hiking in the Wangshan Tourist Attraction

## Employee Assistance

We actively assist employees in difficulty. In accordance with the *Management Regulations on Assisting Employees in Need*, we provide financial aid, consolation money, and humanistic care for employees who encounter financial difficulty, or suffer injury or illness to help them pull through. During the reporting period, three eligible employees benefited from our assistance programs.

## Female Employee Care

We have intensified efforts to safeguard the rights of female employees, and facilitate the development of an equal workplace. For this purpose, we have expanded female employee care programs in various forms, bringing more caring and warmth to female employees.

### Physical examination

Provide female employees with physical examinations

### consolation money

Offer maternity gift money to female employees

### Maternity gift money

Invite lawyers to deliver lecturers regarding female protection laws

### Psychological guidance

Engage professionals to provide consulting services over pregnancy, lactation and child care for female employees

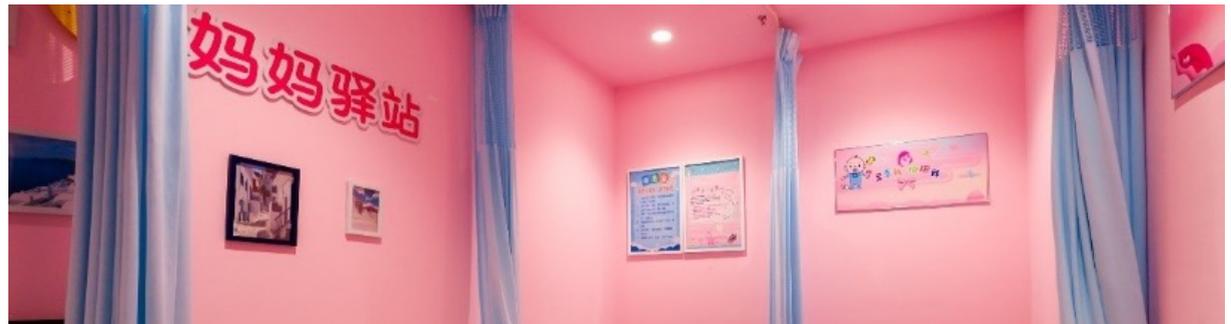
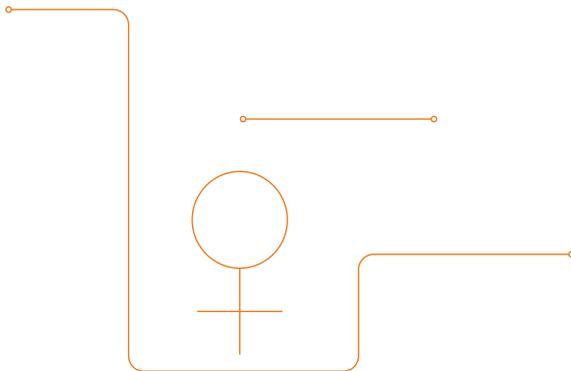
### Caring for working mothers

Set up the mother-and-child room

Allow pregnant employee to work from home, and enjoy the flexible work schedule

Offer consolation gifts and special subsidies

### Several Female Employee Care Measures



Mother-and-child Room

# 06

## Contribution to Communities

GoodWe stays committed to shouldering the social responsibility, an important part of its development strategy, by capitalizing on internal and external resources. To this end, we have increased social activities for public benefits, especially for biodiversity conservation, rural revitalization, and green/eco-awareness development to play our part in benefiting society.

■ Social Welfare

■ Rural Revitalization

■ Green/Eco-Awareness Campaigns





## Support for Community

GoodWe, a PV pioneer, is dedicated to the public welfare undertaking while advancing its own progress. During the reporting period, we assisted socially disadvantaged groups through donations, care visits and volunteering services.

### Aid to the needy child

We donated RMB 1,000 to a disabled child in Linghu Village



### Donation to the educational institutes

We donated RMB 300,000 as scholarship to Harbin Engineering University, collaborated with the Chamber of Commerce of Suzhou Science and Technology City to donate RMB 5,000 to the students in Dongzhu and Xizhu on the International Children's Day



### Charitable donation

We donated RMB 1,416.1 on the 99 Charity Day, and donated RMB 200,000 to the Charity Federation of Suzhou New District



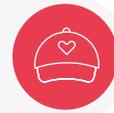
### Care visits

We donated 200 boxes of drinks in summer to fire fighters, urban management officers and police officers in Shishan Sub-district



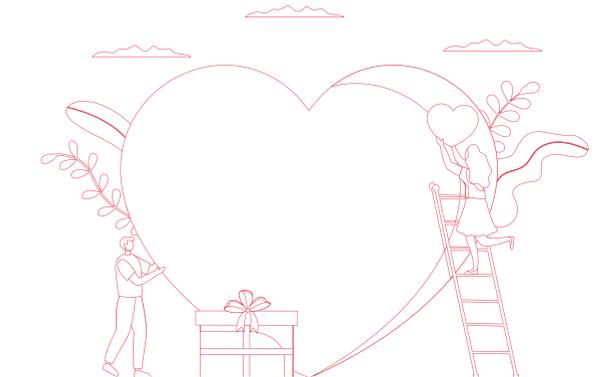
### Blood donation

Our 35 employees donated 10,000 mL in total



### GoodWe Public Welfare Data

Quantitative performance indicator	2021	2022	2023
Number of volunteering service activities	2	8	5
Total hours of volunteering services	176	160	160
Number of employees participating in volunteering services	26	24	22
Number of volunteers	54	20	22
Total amount of donations (RMB 10,000)	6.51	470.77	51.82



## 6.2 Rural Revitalization

Our vision of rural revitalization focuses on expanding access to PV power for residential and public facilities. Driven by this vision, we have collaborated with local partners to initiate the construction of PV plants for households, villages, and schools, with a total investment of millions in this field. Since 2021, this program has lit dozens of underprivileged households and villages.

We promote this program and popularize PV expertise among numerous households and villages. Not only does this program expedite the development of green and diverse energy system, but also it boosts the green and low-carbon energy sector to work as a new driver for the economy, and an important channel of income increase in rural areas.

We, together with partners, constructed 8 power plants for villages, with the installed capacity totaling approximately 376 kW.

Constructed power plants

8

Installed capacity approximately

376<sub>kW</sub>

### GoodWe constructed a PV plant for Ping'an Primary School in Xiaotuoluo Miao Village

In 2023, GoodWe constructed a PV plant with the installed capacity of 30.7 kW for Ping'an Primary School in Xiaotuoluo Miao Village, Guanzhai Township, Zhijin County, Bijie City, Guizhou Province, which was a public welfare project. This plant is able to generate 32,000 kWh annually in the future 25 years or longer. In its service life, this plant is estimated to reduce emissions of 262.4 t standard coal, and 797.6 t carbon dioxide. The facility will put an end to outage and tight power budget, and improve the learning and life quality of students effectively.



Power Plant for Ping'an Primary School

### GoodWe constructed a PV shed for Guixi Village, Nanping City

In 2023, GoodWe completed a non-profit 40 kW PV shed for Guixi Village, Shufang Township, Jianyang District, Nanping City, Fujian Province. This shed, with annual generation capacity of 48,000 kWh, not only frees vehicles from exposure to wind and rain, but also creates nearly RMB 20,000 collective revenue every year.



PV Shed for Guixi Village, Nanping City

### GoodWe constructed a PV plant for a party service center in Nanjing

In 2023, GoodWe delivered a roof PV plant with the installed capacity of 20 kW to the Party Service Center in Dongwang Community, Liuhe District, Nanjing City. Covering a roof area of 200 m<sup>2</sup>, this plan has the annual generation capacity of 17,000 kWh. It will reduce standard coal consumption by 6.8 tons, cutting carbon emissions of 17 tons per year. In the expected service life of 25 years or longer, this non-profit facility will generate power stably for a large beneficiary group, and gain "low-carbon" revenue for the community.



Roof PV Plant for A Party Service Center

## 6.3 Green/Eco-Awareness Campaigns

We actively initiate green/eco-awareness campaigns as we unwaveringly fulfill our social responsibility unwaveringly. At the mainstream short video platforms, we spread new energy knowledge spanning solar PV generation, storage and charging applications among the public in such a way as is easy and clear to understand. Furthermore, we explore more effective avenues to popularize energy transition approaches, and forge environmental protection awareness in society.

### Invite a Douyin celebrity to promote the PV energy storage mode

GoodWe has invited a Douyin celebrity who is famous for sharing his rural life to introduce residential PV energy storage devices in a manner applicable to rural residents, helping villagers understand and accept PV energy storage technologies. This initiative will bolster the application of residential energy storage devices, and advance the energy transformation in rural areas of China.



Residential PV Plant in Rural Areas

### Publicize Green Energy on Holidays

GoodWe publicizes green and low-carbon initiatives and clean energy expertise through the content-rich posters on the World Earth Day, the World Environment Day, the National Day, the Thanksgiving Day, and the Mid-Autumn Day.



Green Energy Promotion Posters on Holidays

### Inaugurate the "EcoSmart Kids" Environmental Protection Education Program

In 2023, GoodWe launched its innovative education program called "EcoSmart Kids" to stimulate the creativity and passions of children. This comprised of a roadshow and interactive workshop, delivered to schools across Victoria and a competition for children to enter, promoting a positive environmental message. The competition left participating children completely open to their own creativity and passions, from art, to creative writing, to music and more.



Award Ceremony of EcoSmart Kids Program

# Appendix

## GRI Standards

Disclosure Item	Disclosure Title	Sections
Universal Standards		
GRI 1: Foundation 2021		
GRI 2: General Disclosures 2021		
The organization and its reporting practices		
2-1	Organizational details	About GoodWe
2-2	Entities included in the organization's sustainability reporting	About this Report
2-3	Reporting period, frequency and contact point	About this Report
2-4	Restatements of information	There were no restatement of information during the reporting period
2-5	External assurance	There were no external assurance obtained for this report
Activities and workers		
2-6	Activities, value chain and other business relationships	4.3 Responsible Supply Chain-Supplier Access 4.3 Responsible Supply Chain-Supplier Assessment 4.3 Responsible Supply Chain-Supplier Training and Communication
2-7	Employees	5.1 Employee Rights-Employment
2-8	Workers who are not employees	Not applicable
Governance		
2-9	Governance structure and composition	1.1 Corporate Governance Framework-Board of Directors 1.1 Corporate Governance Framework-ESG Management
2-10	Nomination and selection of the highest governance body	1.1 Corporate Governance Framework-Board of Directors
2-11	Chair of the highest governance body	1.1 Corporate Governance Framework-Board of Directors

Disclosure Item	Disclosure Title	Sections
2-12	Role of the highest governance body in overseeing the management of impacts	1.1 Corporate Governance Framework-Board of Directors
2-13	Delegation of responsibility for managing impacts	1.1 Corporate Governance Framework-Board of Directors 1.1 Corporate Governance Framework-ESG Management
2-14	Role of the highest governance body in sustainability reporting	1.1 Corporate Governance Framework-ESG Management
2-15	Conflicts of interest	See GoodWe 2023 Annual Report
2-16	Communication of critical concerns	1.4 Stakeholder Engagement-Management of Investor Relations 1.4 Stakeholder Engagement-Communication with Stakeholders 1.4 Stakeholder Engagement-Analysis of Material Topics
2-17	Collective knowledge of the highest governance body	1.1 Corporate Governance Framework-Board of Directors
2-18	Evaluation of the performance of the highest governance body	See GoodWe 2023 Annual Report
2-19	Remuneration policies	5.1 Employee Rights-Remuneration and Benefits
2-20	Process to determine remuneration	5.1 Employee Rights-Remuneration and Benefits
2-21	Annual total compensation ratio	Omitted due to confidentiality constraints
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Chairman's Message 1.1 Corporate Governance Framework-ESG Management
2-23	Policy commitments	1.2 Business Ethics
2-24	Embedding policy commitments	1.2 Business Ethics

Disclosure Item	Disclosure Title	Sections
2-25	Processes to remediate negative impacts	1.2 Business Ethics 1.3 Complaint Operations
2-26	Mechanisms for seeking advice and raising concerns	1.2 Business Ethics-Smooth Reporting and Complaining Channels 5.1. Employee Rights-Democratic Development
2-27	Compliance with laws and regulations	See sections of the report for details
2-28	Membership associations	See sections of the report for details
Stakeholder engagement		
2-29	Approach to stakeholder engagement	1.4 Stakeholder Engagement-Management of Investor Relations 1.4 Stakeholder Engagement-Communication with Stakeholders
2-30	Collective bargaining agreements	5.1. Employee Rights-Democratic Development
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	1.4 Stakeholder Engagement-Communication with Stakeholders 1.4 Stakeholder Engagement-Analysis of Material Topics
3-2	List of material topics	1.4 Stakeholder Engagement-Communication with Stakeholders 1.4 Stakeholder Engagement-Analysis of Material Topics 1.4 Stakeholder Engagement-Contribution to SDGs
3-3	Management of material topics	1.4 Stakeholder Engagement-Communication with Stakeholders 1.4 Stakeholder Engagement-Analysis of Material Topics 1.4 Stakeholder Engagement-Contribution to SDGs
Topic Standards		
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	Company Profile
201-2	Financial implications and other risks and opportunities due to climate change	3.1 Green Management-Environmental Management System

Disclosure Item	Disclosure Title	Sections
201-3	Defined benefit plan obligations and other retirement plans	5.1 Employee Rights-Remuneration and Benefits
201-4	Financial assistance received from government	Omitted due to confidentiality constraints
GRI 202: Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Omitted due to confidentiality constraints
202-2	Proportion of senior management hired from the local community	Omitted due to confidentiality constraints
GRI 203: Indirect Economic Impact 2016		
203-1	Infrastructure investments and services supported	6.1 Social Welfare 6.2 Rural Revitalization
203-2	Significant indirect economic impacts	6.2 Rural Revitalization
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	Omitted due to confidentiality constraints
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	1.2 Business Ethics
205-2	Communication and training about anti-corruption policies and procedures	1.2 Business Ethics
205-3	Confirmed incidents of corruption and actions taken	1.2 Business Ethics
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no relevant legal actions during the reporting period
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	3.2 Green Production-Resource Conservation
301-2	Recycled input materials used	3.2 Green Production-Resource Conservation
301-3	Reclaimed products and their packaging materials	3.2 Green Production-Resource Conservation
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	3.2 Green Production-Energy Management
302-2	Energy consumption outside of the organization	3.2 Green Production-Energy Management
302-3	Energy intensity	3.2 Green Production-Energy Management

Disclosure Item	Disclosure Title	Sections
302-4	Reduction of energy consumption	3.2 Green Production-Energy Management
302-5	Reductions in energy requirements of products and services	3.2 Green Production-Energy Management
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared Resource	3.2 Green Production-Resource Conservation
303-2	Management of water discharge-related impacts	3.2 Green Production-Resource Conservation
303-3	Water withdrawal	3.2 Green Production-Resource Conservation
303-4	Water discharge	3.2 Green Production-Resource Conservation
303-5	Water consumption	3.2 Green Production-Resource Conservation
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	3.1 Green Management-Environment Risk Management 6.1 Social Welfare-Biodiversity Conservation
304-2	Significant impacts of activities, products and services on biodiversity	6.1 Social Welfare-Biodiversity Conservation
304-3	Habitats protected or restored	6.1 Social Welfare-Biodiversity Conservation
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not applicable
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	3.2 Green Production-Emission Reduction
305-2	energy indirect/Scope 2 GHG emissions	3.2 Green Production-Emission Reduction
305-3	Other indirect/Scope 3 GHG emissions	Information unavailable
305-4	GHG emissions intensity	Information unavailable
305-5	Reduction of GHG emissions	3.2 Green Production-Emission Reduction
305-6	Emissions of ozone-depleting substances (ODS)	Information unavailable
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	3.2 Green Production-Emission Reduction
GRI 306: Effluents and Waste 2016		
306-1	Waste generation and significant waste-related impacts	3.2 Green Production-Emission Reduction
306-2	Actions taken to prevent waste generation	3.2 Green Production-Emission Reduction
306-3	Composition of waste generated	3.2 Green Production-Emission Reduction

Disclosure Item	Disclosure Title	Sections
306-4	Recovery operations used to divert waste from disposal	3.2 Green Production-Emission Reduction
306-5	Disposal operations	3.2 Green Production-Emission Reduction
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	4.3 Responsible Supply Chain-Supplier Access
308-2	Negative environmental impacts in the supply chain and actions taken	There were no relevant incidents nor actions taken during the reporting period
GRI 401: Employment 2016		
401-1	New employee hires and employee Turnover	5.1 Employee Rights-Employment
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.1 Employee Rights-Remuneration and Benefits
401-3	Parental leave	5.1 Employee Rights-Remuneration and Benefits
GRI 402: Labor/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	Not applicable
GRI 403: Occupational Health and safety 2018		
403-1	Occupational health and safety management system	5.3 Occupational Health and Safety-Health and Safety System Development
403-2	Hazard identification, risk assessment, and incident investigation	5.3 Occupational Health and Safety-Work Safety 5.3 Occupational Health and Safety-Occupational Health
403-3	Guidance for Disclosure	5.3 Occupational Health and Safety-Health and Safety Training 5.3 Occupational Health and Safety-Work Safety 5.3 Occupational Health and Safety-Occupational Health
403-4	Worker participation, consultation, and communication on occupational health and safety	5.3 Occupational Health and Safety
403-5	Worker training on occupational health and safety	5.3 Occupational Health and Safety-Health and Safety Training

Disclosure Item	Disclosure Title	Sections	Disclosure Item	Disclosure Title	Sections
403-6	Promotion of worker health	5.3 Occupational Health and Safety-Health and Safety Training 5.3 Occupational Health and Safety-Work Safety 5.3 Occupational Health and Safety-Occupational Health 5.3 Occupational Health and Safety-Health and Safety System Development	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	5.1 Employee Rights-Employment
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.3 Occupational Health and Safety-Work Safety 5.3 Occupational Health and Safety-Occupational Health	GRI 410: Security Practices 2016		
403-8	Workers covered by an occupational health and safety management system	5.3 Occupational Health and Safety-Health and Safety System Development	410-1	Security personnel trained in human rights policies or procedures	Not applicable
403-9	Work-related injuries	5.3 Occupational Health and Safety-Occupational Health	GRI 411: Rights of indigenous Peoples2016		
403-10	Work-related ill health	5.3 Occupational Health and Safety-Occupational Health	411-1	Incidents of violations involving rights of indigenous peoples	Not applicable
GRI 404: Training and Education 2016			GRI 413: Local Communities2016		
404-1	Average hours of training per year per employee	5.2 Employee Development-Employee Training	413-1	Operations with local community engagement, impact assessments, and development programs	1.4 Stakeholder Engagement-Communication with Stakeholders 1.4 Stakeholder Engagement-Analysis of Material Topics 1.4 Stakeholder Engagement-Contribution to SDGs
404-2	Programs for upgrading employee skills and transition assistance programs	5.2 Employee Development-Employee Training 5.2 Employee Development-Employee Growth Support	413-2	Operations with significant actual and potential negative impacts on local communities	3.1 Green Management-Environment Risk Management
404-3	Percentage of employees receiving regular performance and career development reviews	5.1 Employee Rights-Remuneration and Benefits	GRI 414: Supplier Social Assessment 2016		
GRI 405: Diversity and Equal Opportunity 2016			414-1	New suppliers that were screened using social criteria	4.3 Responsible Supply Chain-Supplier Access
405-1	Disclosure 405-1 Diversity of governance bodies and employees	5.1 Employee Rights-Employment	414-2	Negative social impacts in the supply chain and actions taken	There were no relevant incidents or actions taken during the reporting period
405-2	Ratio of basic salary and remuneration of women to men	Omitted due to confidentiality constraints	GRI 415: Public Policy 2016		
GRI 406: Non-discrimination 2016			415-1	Political contributions	Not applicable
406-1	Incidents of discrimination and corrective actions taken	5.1 Employee Rights-Employment	GRI 416: Customer Health and Safety2016		
GRI 407: Freedom of Association and Collective Bargaining 2016			416-1	Political contributions	2.3 Quality Assurance-Quality Management System
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	5.1 Employee Rights-Democratic Development	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no relevant incidents during the reporting period
GRI 408: Child Labor 2016			GRI 417: Marketing and Labeling 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	5.1 Employee Rights-Employment	417-1	Requirements for product and service information and labeling	4.1 Customer Rights-Responsible Marketing Practices
GRI 409: Forced or Compulsory Labor 2016			417-2	Incidents of non-compliance concerning product and service information and labeling	There were no relevant incidents during the reporting period
			417-3	Incidents of non-compliance concerning marketing communications	There were no relevant incidents during the reporting period
			GRI 418: Customer Privacy2016		
			418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no relevant incidents during the reporting period

## Feedback Form

Thank you for reading the 2023 Social Responsibility Report of GoodWe Technology Co., Ltd. To provide you and other stakeholders with more valuable information and further improve GoodWe's social responsibility management ability and level, we sincerely hope to listen to your valuable comments and suggestions on this report. Please give us your feedback through the following channels:

Email: ir@goodwe.com

Fax: 0512-62397972

Zip code: 215011

Mailing address: No. 90 Zijin Rd., New District, Suzhou 215011, PRC

What kind of stakeholders do you work for?

- Government and regulatory agency  Shareholder and investor  Customer  
 Employee  Supplier/Partner  Environment  Community  Media and NGOs  Others

This report provides a complete description of GoodWe's performance in environmental, social and governance.

- Yes  Average  No

This report responds to the expectations and requirements of GoodWe's stakeholders.

- Yes  Average  No

The quantitative information disclosure in this report is objective, accurate and effective.

- Yes  Average  No

The text of this report is clear and easy to understand.

- Yes  Average  No

The format design of this report is helpful in understanding relevant.

- Yes  Average  No

What are your opinions and suggestions on GoodWe's social responsibility management and social responsibility report