

Shenzhen Hopewind Electric Co., Ltd. <<< Sustainability Report



CONTENTS

About this Report	3	About Us	07	○ 3 Work together with partners to build a blueprint	35
A Message from		(I) Company profile	07	(I) Scientific research and innovation	36
Management	5	(II) Corporate cultur	08	(II) Supply chain management	44
		(III) History	09	(III) Product quality	45
		(IV) Qualifications and honors	10	(IV) Customer service	50
		O1 Strengthen standardized governance and lead the		(V) Data security protection△ Adhere to the people-oriented	52 d
		energy revolution (I) Sustainable governance	11	approach to protect occupational health	54
		(II) Three Bodies governance	16	(I) Compliance with employment regulations	5 55
		(III) Compliance operation	19	(II) Career development and training	61
		(IV) Investor Relations	20	(III) Occupational health and safety	63
		O2 Strengthen green empowerment to create a zero-carbon future	21	O5 Shoulder social responsibilities to contribute to rural revitalization	73
		(I) Response to climate change	22	Appendices	78
		(II) Environment compliance management	25	Data Sheet	78
		(III) Management of Three Industrial Wastes	30	Index of Indicators	81
		(IV) Resource utilization	33	Feedback Form	82



I About this Report

This is the Sustainability Report ("ESG Report" or "this Report") issued by Shenzhen Hopewind Electric Co., Ltd. ("Hopewind", "the Company", "we" or "us"). This Report provides a detailed disclosure of the Company's environmental, social, and governance (ESG) practices and performance for 2024 based on the principles of objectivity, standardization, transparency, and comprehensiveness.

Reporting Scope

Unless otherwise stated, the scope of this Report, which covers Shenzhen Hopewind Electric Co., Ltd. and its branches and subsidiaries, is the same as that of the Company's annual report.

Reporting Period

The reporting period ("Reporting Period") is from January 1, 2024 to December 31, 2024. To enhance the comparability and forward-looking nature of this Report, some contents appropriately reference previous years or include forward-looking statements. This Report is issued on an annual basis, consistent with the financial year.

Preparation Basis

- Guidelines No. 1 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Standardized Operation issued by the Shanghai Stock Exchange
- Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (for Trial Implementation)
- Guidelines for Sustainability Reporting for Chinese Enterprises (CASS-ESG6.0) issued by the China Enterprise Reform and Development Society
- Sustainability Reporting Standards issued by the Global Reporting Initiative (GRI Standards) (2021 Edition)
- United Nations Sustainable Development Goals (SDGs)





Data Description

The data used in this Report include the original data of the Company's actual operation, publicly available government data, annual financial data, relevant internal statistical statements, third-party questionnaires, and third-party evaluation interviews. The financial data in this Report are denominated in RMB. In case of any inconsistency with the financial report, the financial report shall prevail.

Abbreviations

Abbreviation	Full name
Hopewind , the Company, we or us	Shenzhen Hopewind Electric Co., Ltd.
Hopewind (Suzhou)	Suzhou Hopewind Electric Co., Ltd.
Hopewind (Heyuan)	Heyuan Hopewind Electric Co., Ltd.
Hopewind (Dongguan)	Dongguan Hopewind Electric Co., Ltd.
Hopewind Technology	Shenzhen Hopewind Technology Co., Ltd.

► Access to this Report

This Report is published in electronic form. You may download the electronic copy of this Report from www.sse.com.cn or http://www.cninfo.com.cn for more information about the Company. For any questions and suggestions regarding this Report, please send an email to ir@hopewind.com or call Hopewind at 0755-86705230.

▶ Feedback

If you have any feedback or suggestions about our sustainability, please feel free to give us your feedback via the contact details below to help us continually improve this Report.

C Tel: 0755-86705230

Website: www.hopewind.com

Email: ir@hopewind.com

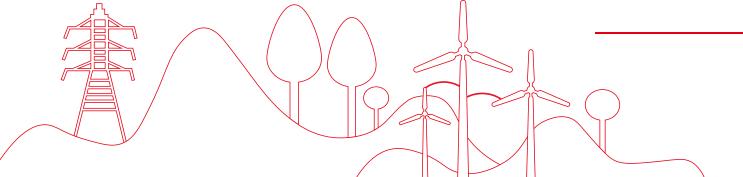
Address: Building 11, Guanlong No.2 Industry Park, Xili Town, Nanshan District,
Shenzhen City, Guangdong Province

A Message from Management

In the global wave of sustainable development, clean energy has become a key force for economic transition and social progress. As a leading company in the field of renewable energy, Hopewind is committed to becoming a world-class power conversion and control solution provider. With technological innovation as our engine and quality service as our cornerstone, we are driving the global transition to clean energy. As a long-term ESG practitioner, Hopewind actively practices the sustainable development strategy and integrates it into corporate strategy and operations to realize high-quality and sustainable development in the three dimensions of environment, society, and governance, and to contribute to the grand blueprint of global sustainable development.

Focusing on green innovation and contributing to ecological development.

Hopewind continues to increase R&D investment to promote the innovation and application of clean energy technologies such as wind power, PV, and energy storage, to provide customers with highly efficient, reliable, and intelligent power conversion and control solutions, and to help transform the energy structure. Meanwhile, we actively promote green production, optimize energy structure, promote clean energy, actively participate in green electricity trading, and integrate the principles of energy conservation and emission reduction into every operational stage to improve energy efficiency and reduce pollutant emissions. Due to our numerous efforts, we have been awarded the title of "Green Factory". In addition, we actively pay attention to the risks and opportunities brought about by climate change, and take practical actions to address the challenges of global climate change by formulating targeted emission reduction strategies through a comprehensive assessment of the GHG emissions throughout the entire lifecycle of our products and the accurate identification of high-carbon emission processes. Up to now, Hopewind has achieved a global cumulative shipments of renewable energy of more than 150GW and reduced the annual CO2 emissions by more than 299.13 million tons, which is equivalent to planting more than 16.3 billion trees every year.



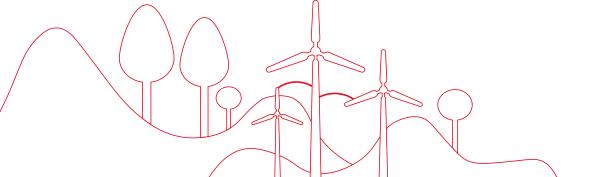
Empowering society mutually based on the rights and interests of employees.

Adhering to the humanistic approach, Hopewind provides employees with a safe, healthy, and inclusive operational environment and development platform. We lay emphasis on the career development of our employees and provide diversified training and learning opportunities to help them improve their skills and realize their self-worth. Meanwhile, we are committed to building a responsible and sustainable supply chain system, and work hand in hand with our suppliers to improve the sustainability of the supply chain. In addition, we actively fulfill our corporate social responsibility, participate in public welfare and charity activities, facilitate energy transition, and devote ourselves to the revitalization of rural education. Through these practical actions, we aim to contribute to the harmonious development of the society.

Laying a solid foundation for development by optimizing the governance effectiveness.

Hopewind continuously improves its corporate governance structure and enhances its governance level to safeguard the healthy and sustainable development of the Company. We have established comprehensive internal control and risk management systems to effectively prevent and respond to various types of risks. In the meantime, we uphold integrity, observe business ethics and resolutely oppose any form of corruption. We have established a comprehensive business ethics and anti-corruption system and regularly conduct training and publicity to raise our employees' awareness of compliance. In addition, we attach great importance to information disclosure, actively communicate with stakeholders, and listen to their opinions and suggestions, so as to continuously enhance the transparency and responsibility of the Company.

The renewable energy industry is in an era of competition with both opportunities and challenges. Hopewind will, with in-depth thinking on future development, continue to push forward the comprehensive upgrading of technology, products, market, and management, and shape a better brand image to better adapt to the changing market environment, meet the expectations of customers, and convey Hopewind's brand core featured by "leading technology, excellent products, and heartfelt service" to the customers worldwide. In accordance with the concept of sustainable development, we will, driven by scientific and technological innovation and oriented by customer needs, continuously improve the quality of our products and services to create greater value for our customers, actively fulfill our corporate social responsibility, and contribute to achieving carbon peaking and carbon neutrality goals and promoting global sustainability. Together with all parties, we are building a better future.





About Us

O1 | COMPANY PROFILE

Shenzhen Hopewind Electric Co., Ltd. (Stock Code: 603063) focuses on the R&D, manufacturing, sales and services of renewable energy & electric drive products, including products for wind power generation, photovoltaic generation, energy storage, hydrogen production power supply, power quality and Variable-frequency Drive.

Furthermore, Hopewind owns integrated independent R&D and testing platforms of high-power power electrical equipment and monitoring systems. Through innovation in technology and service, Hopewind continuously creates value for customers, and has become one of China's most competitive enterprises in the renewable energy field.

Hopewind offers a comprehensive portfolio of core products across multiple series, catering to varied market needs. In the field of renewable energy, we have products such as 750kW~26MW wind Power converters, 3kW~3.125MW PV inverters and so on. With focus on the research of grid adaptability and the R&D of new models, we have strong competitiveness in solutions. In the field of energy storage, we provide overall solutions for shared AC or DC energy storage systems and have made breakthroughs in 100MW projects. In the field of hydrogen energy, we have launched high-power IGBT hydrogen generation power solutions ranging from 500kW to 20MW. As China's first high-power MW-class IGBT hydrogen power generation manufacturer with long-term operational stability, we maintain a leading industry position. In terms of electrical drives, we offer a wide range of inverters with various voltages and power levels, which are applicable to many fields such as metallurgy and petroleum.



02 | CORPORATE CULTURE



To become a world-renowned electric conversion and control solution provider



Promote technological progress in the industry and create a better life for everyone



Integrity and responsibility, openness and innovation, pursuit of excellence, and collaborative growth



03 HISTORY

2007

Established the Company

2009 -

Became the world's first company to solve voltage faults caused by train crossings

2010 °

Obtained hundreds orders of 1.5MW wind power converter

2011

Achieved sales revenue of over 400 million yuan and provided testing systems for China Electric Power Research Institute 2015 •-----

Reached RMB 950 million sales breakthrough

2014

The first domestic distributed inverter grid connection and batch sales.

2013 --

Introduced the domestic pioneering distributed PV inverter solution and a 2.5MW wind-cooled doublyfed converter 2016。

Accumulated over 16,000 sets of delivery

2017 -

Succeeded in IPO on main board SSE China and won the National Scientific and Technological Progress Award

--- 2012

Took the lead in undertaking national science and technology R&D projects 2022

Shipped over 8GW offshore wind power converters and delivered the first 100MW ESS installation

2021 ---

Built a global sales network for all product lines, including wind power, PV, drive, SVG, energy storage, and other products

7 2018

Realized overseas batch delivery of PV inverters,accelerating internationalization

2019

Launched new medium voltage inverters and string PV inverters 2023 ----

Released and widely applied the highest power 385kW string inverter

Applied inverters to China's first ultra-deep scientific well of over 10,000 meters depth Obtained the world's first "grid-forming" converter certificate

2024

Established Wuhan R&D base Realized batch application of grid-forming products in wind power, PV, and energy storage sectors

----° 2020

Achieved leading shipments of offshore wind power converters in China Drive technology was recognized as the international order Achieved batch delivery of STATCOM



04 QUALIFICATIONS AND HONORS

With its industry-leading technology, strong service capabilities, and premium product quality, Hopewind has earned high recognition and numerous awards from both national authorities and industry organizations, receiving more than 250 honors including National High-tech Enterprise, Second Prize of National Science and Technology Progress Award, National Energy Science and Technology Progress Award, Manufacturing Single Champion Product of the Ministry of Industry and Information Technology, first and second prizes of provincial science and technology progress from Jiangsu/Ningxia/Hebei etc., First Prize of Shenzhen Science and Technology Progress Award, Special Prize for Technological Progress of the China Power Supply Society Science and Technology Award, First Prize of Science and Technology Progress Award of China Electrotechnical Technology, First Prize of the China Renewable Energy Society Science and Technology Award (Technological Innovation Category).

Top 15 Listed Companies in China for Photovoltaic Inverters in 2024 - Ranked 7th

2024 Innovative PCS Enterprises in the Energy Storage Industry

2024 Exemplary Enterprises in Carbon Peaking and **Carbon Neutrality**

ESG Green Supply Chain Award

Certificate of PVBL2024 Top 100 Solar PV Brands in the World - Ranked 58th

SNEC Top 10 Highlights "Megawatt Jadeite Award"

Tire 1 Photovoltaic Inverter Maker (for Q2, Q3, and Q4 2024)

Honour - 2024 ESG **Outstanding Corporate** Governance Award





1.1 SUSTAINABLE GOVERNANCE



Hopewind has always regarded ESG governance as an important strategic direction. By building an ESG governance structure and continuously improving the governance mechanism, Hopewind effectively fulfills its corporate social responsibility, promotes sustainable development and harmonious coexistence with the society, and lays a solid foundation for realizing the long-term balanced development of economy, environment, and society.

ESG governance structure

The Company is committed to integrating environmental, social, and governance standards into corporate management by establishing a three-tier ESG governance structure - "Board of Directors - ESG Management Committee - ESG Taskforce." This effectively promotes the participation of various departments in ESG-related work and continuously strengthens the Company's ESG management capabilities.



Members: Members of the Board of Directors

Function: As the highest decision-maker for ESG governance, it assumes ultimate responsibility for overall oversight and strategic planning. It considers and develops ESG strategic objectives and plans, and makes decisions on oversees ESG matters in order to manage and mitigate ESG-related risks and seize development

opportunities.



Members: Senior officers and heads of relevant functional departments

Function: It identifies and understands the needs and expectations of various stakeholders, defines key ESG topics, and participates in the discussion of the Company's ESG development strategy, short to long-term planning, and performance evaluation systems, so as to promote the ESG system development and support the Company's long-term sustainable development.



Members: Liaisons from relevant functional departments

Function: In line with the ESG strategy, it collaborates with the Board of Directors and the ESG Management Committee, and communicates and coordinates with various departments to complete tasks such as information disclosure and project implementation.



(A) Communication with stakeholders

In terms of identifying and analyzing stakeholders, the Company identifies seven major stakeholder groups that have a significant impact on the Company. In order to strengthen interaction with stakeholder groups, the Company has established diversified communication channels to respond to their expectations and goals in a timely manner and to work together with all parties to realize common prosperity and progress.















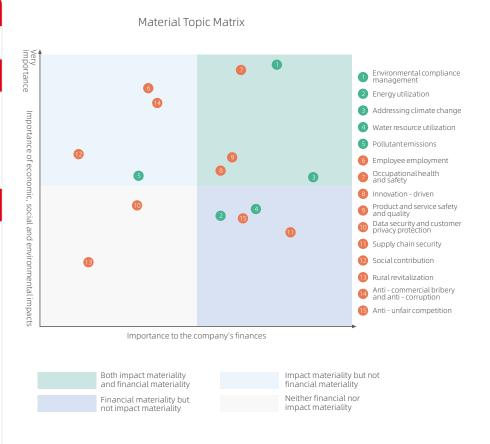
	Employees	Customers	Shareholders and investors	Suppliers and partners	Community	Government and regulatory authorities	Media
Stakeholders	 Harmonious employee relations Comprehensive compensation and benefits Democratic management Training and development 	 Protection of customers' rights and interests Product quality and safety Innovation drive Privacy protection 	 Protection of investors' rights and interests Information disclosure Communication with investors Return to shareholders 	 Business ethics Supply chain management 	 Environmental protection Public welfare 	 Compliance governance Paying taxes in accordance with the law Leadership by Party construction Rural revitalization 	 Public welfare Industry cooperation Information disclosure
Communication channels	 Employee satisfaction survey Workers' congress Communication and feedback 	Customer satisfaction survey Communication with customers	 Periodic reporting General Meeting of Shareholders Company announcement Performance briefing Investor research Roadshow Analyst meeting 	 Supplier conference Distributor conference 	Public welfare and charity activities	Research and visitSymposium	 Press release and publication Telephone correspondence Annual reports and announcements Performance conference Media coverage



Material topics management

By reference to the assessment methods set out in domestic and foreign disclosure standards such as the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies*—Sustainability Report (for Trial Implementation) and the *GRI 3*: Material Topics, the Company introduces the analytical perspectives of impact materiality and financial materiality, identifies 5 topics of financial materiality and 10 topics of impact materiality, and responds to them in the Report.

Topic assessment process Analytical method Step 1: Understand the Step 2: Select topics initially Company's background Use the value chain to analyze the ESG-related Make adjustments to the Company's topic pool for 2024 by reference to the Global Reporting impacts, risks, and opportunities that exist in each segment of the Company; Initiative (GRI), the United Nations Sustainable Identify stakeholders by reference to AA1000 and Development Goals (SDGs), SASB, MSCI, Wind, respond to their claims and expectations. and peer benchmark companies. Step 3: Assess topic materiality Step 4: Confirm and approve topics 1. Assessment of impact materiality Develop a list of topics of impact materiality and financial materiality, and submit the list to the Sort out the potential or actual positive or negative impacts of each topic on the external relevant departments for approval, ensuring the environment, society, and economy, and conduct transparent, balanced, and complete disclosure research and analysis of stakeholders. of relevant topics in the report. 2. Assessment of financial materiality Through analysis of impact, dependence, and other factors, and in combination with expert judgment, identify the risks and opportunities under the relevant topics and assess them based on their likelihood of occurrence, the degree of impact, and the timeframe of the impact, and after discussion by the ESG Management Committee, identify 5 topics of financial.







The Company emphasizes the SDGs proposed by the United Nations and uses them as guidelines for corporate action. The Company is committed to driving its own transformation towards green, low-carbon, win-win cooperation, and high-quality growth.

Chapter	SDGs to which the Company responds	Our Goals
Corporate governance	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	 Improving the ESG governance system Reducing operational risks Ensuring timely, accurate, and complete disclosure of information and maintaining good relations with investors Avoiding commercial bribery or corruption
Environment	6 CLEAN WATER AND CLEAN ENERGY 13 CLIMATE 14 BELOW WATER 15 LIFE ON LAND	 Reducing carbon emissions Discharging pollutants according to standards and avoiding environmental violations Realizing energy conservation and consumption reduction Enhancing environment compliance management

Chapter	SDGs to which the Company responds	Our Goals
Industrial value	9 NOUSTRY INNOVATION 12 角質 用資和生产 17 PARTINERSHIPS FOR THE GOALS	 Completing R&D projects on time Avoiding incidents of supply chain security, supply disruptions, etc. Meeting national standards for product quality Enhancing customer satisfaction Avoiding data breaches
Human rights of employees	3 GOOD HEALTH AND WELL-BEING AND WELL-BEING EQUALITY B DECENT WORK AND CONOMIC GROWTH 10 建少不平等	 Avoiding incidents of discrimination in employment Smoothing the path for employee development Avoiding safety accidents and eliminating occupational diseases
Social contribution	1 NO POVERTY THE POVERTY 11 SUSTAINABLE CITIES AND COMMUNITIES	 Giving back to society through continuous charitable donations and public welfare activities Driving the diversified development of rural economy and injecting vitality into rural revitalization



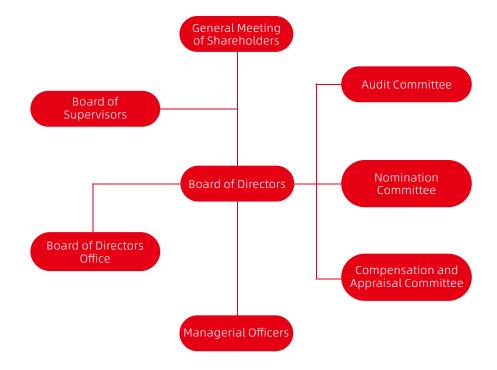
1.2 THREE BODIES GOVERNANCE

Hopewind strictly abides by the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Code of Corporate Governance of Listed Companies, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, and other applicable laws and regulations, and has developed the Articles of Association, the Rules of Procedure for the General Meeting of Shareholders, and other internal rules and regulations to continuously improve its internal governance structure. The Company has established a relatively comprehensive "Three Bodies" governance structure consisting of the General Meeting of Shareholders, the Board of Directors, and the Board of Supervisors, and a mutually constrained and coordinated corporate governance system to effectively safeguard the legitimate rights and interests of shareholders.

General Meeting of Shareholders

As the highest authority in the corporate governance structure, the General Meeting of Shareholders is responsible for deciding on major matters of the Company and supervising the management of the Company to effectively safeguard the rights and interests of shareholders. The Company organizes the convening and holding of the General Meeting of Shareholders and the voting procedures and the adoption of resolutions at the General Meeting of Shareholders in a standardized manner in strict accordance with the *Articles of Association, Rules of Procedure for the General Meeting of Shareholders*, and other relevant provisions to ensure that all shareholders, especially small and medium-sized shareholders, are able to exercise their voting rights in an equal and effective manner.

Hopewind's Governance Structure





Board of Directors

The Board of Directors, as the Company's operational decision-making body, is responsible to the General Meeting of Shareholders. The Board of Directors shall implement the resolutions of the General Meeting of Shareholders, perform its duties as required by the *Articles of Association*, the *Rules of Procedure for the Board of Directors* and the *Working System of Independent Directors*, improve the Company's standardized operation and scientific decision-making, formulate the Company's business plans and investment proposals, and appoint the Company's senior officers. The Company actively diversifies the members of the Board of Directors by taking into full consideration the actual situation of the Company, as well as the gender, type, professional skills, and educational backgrounds of the board members to ensure that the board members can bring more diversified perspectives and innovative thinking to the Company.

Compensation management of directors, supervisors and senior officers

In accordance with the requirements of the *Company Law*, the *Code of Corporate Governance of Listed Companies*, and other laws and regulations, the Company has established a Compensation and Appraisal Committee, formulated the *Rules of Procedure for the Compensation and Appraisal Committee of the Board of Directors*, and gradually improved the compensation management system for directors, supervisors, and senior officers. The Company has also formulated compensation plans or schemes based on the main working scope, duties, and importance of the management positions of directors and senior officers and the compensation levels of other relevant corporate positions.





As of the end of the Reporting Period, the Company's Board of Directors consisted of five directors, including one female director and two independent directors.

Members of the Board of Directors					
By gender/person					
Male	4				
Female	1				
By educati	By education/person				
Master	2				
Ph.D.	3				
By type/person					
Independent director 2					
Non-independent director	3				

Type of meeting	Number of meetings	Number of proposals considered and adopted
General Meeting of Shareholders	3	25
Board of Directors	8	50
Board of Supervisors	7	27





1.3 COMPLIANCE OPERATION

Hopewind is well aware that compliance operation is the lifeline of enterprise development, so we have always deeply rooted the concept of compliance in our hearts and put it into practice. By building a comprehensive compliance management system, we ensure that every business operates within the legal framework, laying a solid foundation for the sustainable development of the enterprise and leading the industry to a new trend of integrity.



Internal control over risks

In accordance with the Auditing Law, the Basic Standards for Corporate Internal Control and other relevant laws and regulations, as well as the Articles of Association, the Company continuously improves its internal control system and evaluation methods, and regularly carries out internal control evaluations and risk assessments on the basis of the daily and special supervision of internal control. During the Reporting Period, the Company issued an audit report on the Company's internal control for the previous reporting period, which indicated that effective financial reporting and internal control were maintained in all material respects. The Company formulated the Financial Expenditure Management Regulations and Taxation Management System, improved the tax management organization system, prevented and controlled tax risks, and ensured that the Company paid taxes appropriately in accordance with the law in its business decisions and daily operations.

[Key performance]

During the Reporting Period, the Company organized 4 compliance training sessions, with a total of 100 participants.

The Company organized 14 legal training sessions.

Anti-commercial bribery and corruption

The company has formulated the Anti-Corruption Management Regulations, and organized all employees to sign the Anti-Corruption Agreement and the Anti-commercial Bribery Commitment to establish a good image of the Company and its employees, and to promote honesty, integrity, and self-regulation of all employees of the Company. During the Reporting Period, the Company provided training on "anti-corruption regulations" and "responsibility for integrity violations" to enhance the employees' awareness of integrity and moral values.

Management indicators	Unit	2024
Total number of directors participating in anti-graft and anti-corruption training	Trainees	1
Total duration of directors' participation in anti-graft and anti-corruption training	Hour	1
Total number of management personnel participating in anti-graft and anti-corruption training	Trainees	18
Total duration of management personnel' participation in anti-graft and anti-corruption training	Hour	6
Total number of employees participating in anti-graft and anti-corruption training	Trainees	210
Total duration of employees' participation in anti-graft and anti-corruption training	Hour	6



1.4 INVESTOR RELATIONS

Protection of investors' rights and interests

In strict accordance with the guiding principles specified in the *Guidelines for the Management of Investor Relations of Listed Companies*, Hopewind has formulated and implemented the *Measures for the Management of Investor Relations* to promote a healthy relationship between the Company and investors, establish a stable and quality investor base, and foster a corporate culture of serving and respecting investors, thereby comprehensively enhancing the professional capability of Investor Relations.

(H) Information disclosure

In strict accordance with the requirements of the Securities Law of the People's Republic of China, the Administrative Measures for Information Disclosure of Listed Companies, and other relevant laws and regulations, Hopewind has formulated the Measures for the Administration of Information Disclosure and other policies to regulate the behavior of information disclosure. The Company continuously strengthens the quality of information disclosure and conducts strict internal review of all information to ensure true, accurate, complete, timely, and fair disclosure. This guarantees equal information access for all investors and protects their legitimate rights and interests. In 2024, the Company's information disclosure work was rated A in the information disclosure assessment by the Shanghai Stock Exchange.

(F) Investor relations management

In order to better communicate with investors, enable them to better understand the Company's development status and future plans, and promote the establishment of a long-term, stable, and good relationship between the Company and investors, during the Reporting Period, we relied on a variety of channels such as performance briefing, investor hotline, investor relations management column on the Company's website, and E interactive platform of SSE to actively communicate with investors and respond to their concerns. We focused on protecting investors' legitimate rights and interests, such as the right to know and the right to vote, and maintained a good relationship of trust between the Company and investors.

Return to shareholders

In strict accordance with the relevant laws and regulations and in combination with the actual operation of the Company, Hopewind has formulated the *Plan for Shareholders' Dividend Returns for the Next Three Years (2024–2026)*, which sets out in detail the forms and conditions of profit distribution, policies, and monitoring and constraining mechanisms to further regulate the Company's behavior of profit distribution and to enhance the transparency of profit distribution.

2024

Total cash dividends (including tax)

53,958,046.56RMB

Cash dividend per share

0.12RMB

Cash dividend ratio

12.25%





Following the pace of global sustainable development, Hopewind improves the environment management system, closely integrates the concept of environmental protection and resource management into its daily operation, emphasizes the efficient recycling of resources, and is committed to continuously improving its green competitiveness and taking practical actions to pursue sustainable development.

2.1 RESPONSE TO CLIMATE CHANGE

In the context of global efforts to address climate change, Hopewind actively responds to the national call for "carbon peaking and carbon neutrality," and is committed to reducing the carbon footprint throughout the entire lifecycle of products, promoting the industry's green and low-carbon transition, and contributing to the global efforts to address climate change and to the realization of SDGs.

Governance

Climate change is a global challenge that affects the living environment and socio-economic development of humankind. The Company attaches great importance to addressing climate change and plans to set up a Climate Change Working Group to promote the implementation of the Company's climate change response and mitigation actions, and to contribute to the realization of the "carbon peaking and carbon neutrality" goals through the implementation of energy conservation and carbon reduction and the promotion of green products.

Strategy

The Company has developed a comprehensive climate response strategy to identify, assess, and analyze the physical risks, transitional risks, and opportunities associated with climate change, and developed response measures to comprehensively enhance the Company's adaptive capacity to climate change.





Risks/ Opportunities	Туре	Description of risks/ opportunities	Financial impact	Impact period	Degree of impact	Possibility of occurrence	Counter measures
	Chronic physical risks	Accelerated aging of equipment due to slowly rising temperatures	Increase in equipment maintenance and replacement costs	Medium to long term	Moderate	Medium	•Strengthen equipment maintenance and use high temperature resistant materials
Physical risks	Acute physical risks	Production disruptions and damage to critical equipment due to extreme weather events (e.g., storms and floods)	Decrease in revenues and increase in restoration costs	Short to medium term	Significant	Low	•Develop contingency plans and strengthen construction of disaster prevention facilities
Transition risks	Policy risks	Pressure on the Company to reduce GHG emissions brought by climate-related laws and regulations and low-carbon transition related regulatory policies	Exposure to legal risks such as fines and closures	Medium to long term	Significant	Medium	Pay close attention to laws and policies related to climate change and carbon emission reduction that may have a significant impact, and make plan for energy conservation and emission reduction actions in advance
11363	Technical risks	Industry cutting-edge technology R&D and product technology upgrades	Increase in R&D expenses and decrease in profit	Medium to long term	Moderate	Medium	•Strengthen technology R&D and verification, and conduct technology assessments and pilot projects to gradually promote mature technologies
	Market expansion	Increased market demand due to green energy transition	Increase in revenue and expansion of market share	Medium to long term	Significant	High	•Develop green energy related products and expand the market
	Policy opportunities	Government policies to support green energy	Access to policy incentives to reduce costs	Medium to long term	Moderate	High	Actively apply for policy support and optimize resource allocation
Opportunities	Technical opportunities	Promote the progress and application of energy storage technology, improve energy utilization efficiency, reduce costs, and enhance market competitiveness	Enhance competitiveness and increase market share	Medium to long term	Significant	High	•Pay attention to the latest developments and trends in energy storage technology, and adjust the Company's R&D direction and market strategy in a timely manner
	Green financial product innovation	Utilize green financial products, such as green bonds and green funds, to finance the investment and development of green projects	Reduce financing costs and increase profits	Medium to long term	Minor	Medium	•Strengthen cooperation with financial institutions, understand green financial products and innovation directions, and strive for more financing support

Note: We categorize impact cycles into short-term (less than 3 months), medium-term (3-6 months), and long-term (more than 6 months); categorize the level of impact as significant (significant impact), moderate (moderate impact), and minor (minor impact); and categorize the likelihood of occurrence as high (very likely), medium (more likely), and low (less likely).



(A) Impact, risk, and opportunity management

The Company is actively engaged in identifying and responding to climate risks, and focuses on improving its performance in the governance of climate topics.

Risk identification

By reference to the disclosure framework recommended by the Task Force on Climate-related Financial Disclosures (TCFD), we identify the types of risks and opportunities faced by the Company from the three major categories, namely physical risks, transitional risks, and opportunities, and define and describe the risks and opportunities that climate change poses to the Company based on national laws, regulations and policy requirements, domestic and international sustainable development trends, and the Company's actual situation.



Risk assessment



For each of the risks and opportunities identified, identify the primary climate driver(s) of such risk or opportunity, as well as their potential major financial impacts, the timeframe of the impacts, and the magnitude of the impacts.

Risk response

In combination with the identification and assessment, formulate corresponding countermeasures to ensure that the Company has sufficient capacity and resources to address the risks and grasp the opportunities from climate change, and develop a closed-loop management mechanism for climate change risks.

Indicators and targets

Indicator	Unit	2023	2024
GHG emissions (Scope 1)	tCO ₂ e	67.71	74.04
GHG emissions (Scope 2)	tCO ₂ e	6,013.77	7,059.72
Total GHG emissions	tCO ₂ e	6,081.48	7,133.77
GHG emission intensity	tCO₂e/ RMB 1 million revenue	1.62	1.91

^{*} The energy consumption is converted into coal equivalent by reference to the *General Rules for Calculation of the Comprehensive Energy Consumption (GB/T2589-2020).*

Scope 1 emissions are calculated using the lower heating value of gasoline of 44.8 GJ/t from the 2005 Research on the GHG Emission Inventory of China, the carbon content of per calorific unit of gasoline of 0.0189tC/GJ from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the Guidelines for Provincial GHG Inventories (for Trial Implementation), and the carbon oxidation rate of gasoline of 98% from the Guidelines for Provincial GHG Inventories (for Trial Implementation).

Scope 2 emissions are calculated using the national grid average emission factor 2022 of 0.5703 t CO2/MWh from the *Notice on the Management of GHG Emissions Reporting of Enterprises in the Power Generation Sector from 2023 to 2025* published by the Ministry of Ecology and Environment.

Carbon footprint of products

The Company actively responds to the call for green development and pursues product carbon footprint certification in strict compliance with ISO14067, comprehensively evaluates the GHG emissions throughout the entire lifecycle of products, accurately identifies high-carbon emission links, and formulates emission reduction strategies accordingly, so as to build a green supply chain together with our partners.



Hopewind (Heyuan) -Carbon Footprint Evaluation Certificate for Central Inverter Products



Hopewind (Suzhou) - Carbon Footprint Evaluation Certificate for Energy Storage Converter Products



Hopewind (Suzhou) - Carbon Footprint Evaluation Certificate for Wind Power Converter Products



2.2 ENVIRONMENT COMPLIANCE MANAGEMENT

Governance

In compliance with the laws and regulations such as the Environmental Protection Law of the People's Republic of China and the Integrated Emission Standards for Air Pollutants of the People's Republic of China, the Company has formulated the Environment & Occupational Health and Safety Manual, the General Industrial Solid Waste Pollution Prevention and Control Responsibility System, and the Control Procedures for the Identification and Evaluation of Environmental Factors and Dangerous Sources to standardize the responsibilities and actions of the Company's various departments with respect to environmental protection and compliance management.

At present, Hopewind, Hopewind (Suzhou) and Hopewind Technology have obtained the ISO14001 environment management system certification, and engage a third-party certification organization to conduct supervisory audits every year for the purpose of strengthening the supervision and management of environmental protection and ensuring that the development of the enterprises is in line with the environmental protection policies and regulations. In addition, two subsidiaries of the Company were awarded the title of "Green Factory," and the exemplary role of green development in the industry was fully recognized.



Guangdong Green Factory



Jiangsu Green Factory

Strategy

During the Reporting Period, the Company carried out a comprehensive environmental risk assessment of the plant. The scope of the assessment covers environmental events that may be caused by key aspects such as the storage and transportation of raw and auxiliary materials, the operation and maintenance of production equipment, the control of production processes, and the management of Three Industrial Wastes. By systematically analyzing the potential impacts on the surrounding atmosphere, surface water, groundwater, and soil environment under the accident state, the Company finally completed the preparation of the *Risk Assessment Report on Environment Emergencies* to provide a scientific basis for the revision of the environment contingency plan.





Risks/ Opportunities	Туре	Description of risks/ opportunities	Financial impact	Impact period	Degree of impact	Possibility of occurrence	Counter measures
	Risks in production process	The poor management of equipment or improper operation by personnel may cause material leakage, combustion and explosion, pollution of the environment	Risk of accidents to personnel and financial losses from accidents	Short term	Significant	Low	 Organize fire inspection and acceptance, with a satisfactory opinion of acceptance Monitor the important areas of the plant by video throughout the whole process, with the automatic monitoring system of the office area and production workshop operating 24 hours a day
Risks	Risks in storage area	The improper storage and transportation of hazardous chemicals may lead to poisoning and casualties, and material leakage may cause environmental pollution	Risk of accidents to personnel, financial losses from accidents, and increase in production costs	Short term	Significant	Low	•Carry out a safety assessment of hazardous chemicals. The Company is not engaged in the production of hazardous chemicals and has no major hazardous sources of hazardous chemicals
	Risks in environmental facilities	The failure of the waste gas treatment system may result in the waste gas being discharged directly without effective treatment or exceeding the standard, thus affecting the atmospheric environment; and the risk of leakage of waste cleaning agent in the hazardous waste warehouse may cause fires and pollute water and atmosphere	Risk of accidents to personnel and increase in sewage treatment costs	Short term	Medium	Low	 Inspect regularly the filter cotton + secondary activated carbon adsorption device etc., and stop the production immediately if any failure occurs Take anti-leakage and anti-corrosion measures for units with environmental risks, and install interception devices at sewage discharge outlets Strictly implement storage requirements for hazardous chemicals to reduce the risk of leakage and contamination of the atmosphere during storage Provide job training for employees and standardize production operations to reduce operational errors

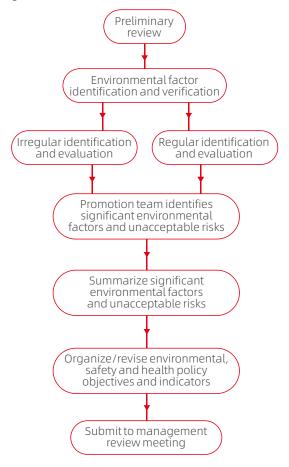


Risks/ Opportunities	Туре	Description of risks/ opportunities	Financial impact	Impact period	Degree of impact	Possibility of occurrence	Counter measures
Opportunities	Opportunities for a work safety system	Establish and improve the work safety system and strengthen the safety education for employees	Decrease in the probability of safety accidents and reduction in accident losses	Long term	Significant	High	Strictly follow the process regulations, especially in the process involving flammable and explosive accidents, and resolutely eliminate situations including the failure to strictly follow the dosage and operation requirements for purposes such as increasing production output Operators should wear labor protection equipment Strengthen safety education for employees and formulate strict work rules and personal hygiene measures
	Opportunities for water pollution prevention	Build a dual system of rainwater drainage and accidental drainage to ensure drainage compliance in all aspects	Reduce the impact of accidents on environment and production and minimize the losses caused by accidents	Long term	Significant	High	•The Company uses the rainwater pipe network to collect firefighting wastewater, and equips emergency water storage tanks and pumps to fully meet the needs of drainage collection in case of accidents •The Company's plant implements a rainwater and sewage diversion drainage mode, with 1 discharge outlet for rainwater to flow into the municipal rainwater pipe network. Interceptors have been installed at rainwater discharge outlets, which are effective in meeting the prevention and control needs of rainwater drainage system
	Emergency and rescue opportunities	Provide emergency supplies and equipment, and rescue teams	Ensure normal production operations and income from production	Long term	Significant	High	The Company arranges for dedicated personnel to be responsible for the management, inspection, maintenance, and upkeep of emergency supplies and facilities, and implements a daily inspection system for firefighting equipment and alarm facilities The Company has set up an accident emergency rescue command center to ensure that emergency rescue work can be carried out efficiently in an orderly manner



(A) Impact, risk, and opportunity management

The Company conducts regular and irregular checks and assessments of environmental factors and risks based on the principles of three time periods, three states, five categories, and six characteristics.



Environmental factors check and risk assessment process

Environment objectives

Objectives	Indicator
Energy conservation	 Electricity consumption per unit of production capacity, with a power consumption of ≤ 30kWh per RMB 10,000 output value
Control of noise, waste gas, and waste pollution	 Factory: noise emission shall not exceed the standard for Class 4 area specified in GB12348-2008, i.e., ≤70 dB during the day and ≤55 dB at night Company: noise emission shall not exceed the standard for Class 2 area specified in GB12348-2008D, i.e., ≤60 dB during the day and ≤50 dB at night Waste gas and waste emissions meet standards
Elimination of air pollution caused by fires	• Fire incidents: 0



Environment contingency plan and drill

The Company fully implements environment safety management in line with the principles of "putting safety first and placing emphasis on prevention", and has formulated a series of environment contingency plans, such as the Contingency Plan for Emergent Environmental Incidents, the On-site Disposal Plan for Emergent Environmental Incidents, the Special Environment Contingency Plan for Hazardous Waste, and the Environment Emergency Resource Investigation Report. Relying on these institutional initiatives, the Company has successfully established a sound emergency response mechanism for environmental emergencies and a perfect emergency rescue organization system for the purpose of effectively preventing environmental pollution emergencies and controlling and eliminating their hazards in a timely manner.

[Case] Emergency drills for hazardous waste leakage

On May 15, 2024, the Company organized an emergency drill for the leakage of hazardous waste cutting fluid in the process of handling and storage. The purpose of the drill was to test the practical level of emergency response personnel in implementing the plan, and to improve their response and rescue organization capabilities in the event of a hazardous waste leakage. Through the drill, the deficiencies in the emergency plan were found in time and corrected to further strengthen the collaborative and cooperative capabilities of the emergency rescue teams.



Hazardous waste leakage emergency drill site

Green working

The Company has formulated clear standards for the use of air conditioners, and posted eye-catching signs next to the switch of each air conditioner to regulate the use of air conditioners, which not only effectively realizes energy savings, but also creates a comfortable and healthy office environment for employees. Meanwhile, the Company vigorously implements paper saving initiatives by actively advocating double-sided printing and reasonably planning the document printing quantities, resulting in significant reductions in paper consumption. In the area where spare paper is stored, eye-catching paper-saving signs are also posted to create a green, efficient, and sustainable office environment in all aspects.

Standards for Use of Air-conditioners			
Season	Temperature range	Suitable temperature	
Summer	24°C-28°C	26℃	
Winner	20°C-26°C	20°C	







Signs of standards for the use of air conditioners



Green power trading

The Company's photovoltaic power station operates in the "power for self-consumption and surplus power to the grid" mode, in which the Company gives priority to meeting its own power needs and supplies the surplus power to the grid for green power trading.

[Key performance]

During the Reporting Period,

the Company's distributed PV power generation amounted to

1,231,620 kWh

the total feed-in tariff amounted to

86,955.27 RMB

2.3 MANAGEMENT OF THREE INDUSTRIAL WASTES

During the Reporting Period, the Company entrusted a thirdparty institution with appropriate qualifications to conduct sampling and testing of wastewater, organized waste gas, unorganized waste gas, and noise, and the results of all tests were up to standard.



H

Wastewater management

Hopewind (Suzhou) implements the drainage system of "diverting rain from sewage, diverting sewage from clean water." The production project causes no industrial wastewater. The domestic sewage will be discharged into the sewage treatment company through the municipal sewage network for treatment. The treated sewage will be discharged after meeting the local standards of Jiangsu Province specified in the *Pollutant Discharge Standards for Urban Sewage Treatment Plants* and Suzhou's special emission limit standards specified in the *Implementation Opinions on the Three-year Action Plan for High-quality Promotion of Urban and Rural Domestic Sewage Treatment*. In addition, the rainwater will be collected by the rainwater pipes around the plant and connected to the municipal rainwater network.

[Key performance]

During the Reporting Period,

the Company discharged

74,367 tons

of wastewater (domestic sewage).





W Waste gas management

The waste gas is generated mainly from the production process of tin wire soldering, CNC processing, welding rod soldering, and solder paste soldering. The Company conducts regular inspections of the waste gas treatment equipment to confirm that the equipment operates trouble-free throughout the year and to guarantee that the treated waste gas meets the emission standards.

Type of waste gas	Emission and treatment	
Oil mist waste gas from CNC processing	Unorganized emissions from workshops	
Tin and its compounds fumes from soldering for assembly of IGBT	Discharge through a 25-meter-high exhaust funnel after collection	
Waste gas from welding rod soldering	Unorganized emissions after treatment by the mobile welding fume dust collector	
Waste gas from solder paste soldering, washing, coating, cleaning, and washing of fixtures	The collected waste gas will be treated by the filter cotton + secondary activated carbon adsorption device and then discharged through a 25-meter-high exhaust funnel	

Waste management

According to the Environmental Protection Law of the People's Republic of China, the Law on Prevention and Control of Environmental Pollution by Solid Waste, the Regulations on the Safety Management of Hazardous Chemicals, the Company has formulated the Special Environment Contingency Plan for Hazardous Waste, which stipulates the Company's work related to the storage and transfer of hazardous waste.

The solid waste generated by the Company includes general solid waste, hazardous waste, and domestic garbage. The Company effectively and properly disposes of all types of solid waste and does not discharge any solid waste externally.

Type of waste	Treatment method
General solid waste	Collected and sold out to specialized companies for comprehensive treatment
Hazardous waste	Hazardous waste such as waste cutting oil, waste rags, dustless cloths, brushes, waste packaging materials, containers, waste cleaning agents, waste filtering cotton, waste activated carbon, and waste paint are entrusted to qualified units for treatment
Domestic garbage	Regular removal by the sanitation department



The project is located within the factory area, where hazardous waste warehouses and general solid waste warehouses are set up according to the types of solid waste for strict implementation of the principle of classified storage of solid waste. The ground of the hazardous waste warehouse has been treated with anti-corrosion and anti-seepage measures, and a dedicated person has been arranged for daily supervision to effectively prevent the leakage and loss of hazardous waste. The Company strictly implements the regulations on the management of hazardous waste, strictly prohibits the mixed loading, mixed storage, and mixed transportation of hazardous waste, and takes effective protective measures to prevent hazardous waste from being exposed to wind and rain. In the transportation process of waste, measures such as sealing, covering, and bundling shall be taken to prevent materials from scattering. When hazardous waste is transferred, the hazardous waste transfer form shall be filled out in strict accordance with the regulations to ensure that the whole process of hazardous waste transfer is standardized and controllable.

Management indicators	Unit	2024	
Solid waste discharge			
Amount of non-hazardous waste generated	Ton	1,343.95	
Non-hazardous waste generation intensity	Ton/ RMB 1 million revenue	0.36	
Recycling rate of non-hazardous waste	%	100	
Amount of non-hazardous waste disposed of	Ton	1,343.95	
Amount of hazardous waste generated	Ton	4.60	
Hazardous waste generation intensity	Ton/ RMB 1 million revenue	0.0012	
Amount of hazardous waste disposed of	Ton	4.60	
Compliant disposal rate of waste	%	100	

Management indicators	Unit	2024	
Types of hazardous waste emissions			
Waste engine oil (HW08 substances)	Ton	1.09	
Waste oil drums (HW08 substances)	Ton	0.95	
Waste rags and gloves (HW49 substances)	Ton	0.004	
Scrap circuit boards	Ton	1.95	
Waste cutting fluid	Ton	0.55	
Waste activated carbon	Ton	0.05	
Type of non-hazardous waste			
Steel scrap	Ton	470.49	
Waste electronic materials	Ton	46.37	
Stainless steel scrap	Ton	31.07	
Copper scrap	Ton	149.49	
Recyclable non-hazardous metal scrap	Ton	646.53	

Reduction of production waste

When copper aluminum bars are processed using conventional bus machines in the Company's production process, the front and middle parts of the copper plate need to be cut in order to advance the subsequent process, thus generating waste. In order to reasonably utilize the material resources, the Company has introduced the upgraded bus machine, which has optimized the production process and no longer requires such unnecessary cutting operations. The processing of each material can save 8 mm copper plate, effectively reducing the amount of copper bar waste generated.



Noise management

The Company's noise mainly comes from the production equipment. By selecting lownoise equipment and taking sound insulation and vibration damping measures, noise emissions at the plant boundary have met the Class 3 standards specified in the Emission Standard for Industrial Enterprises Noise at Boundary.

Hopewind actively improves energy utilization efficiency, and has greatly enhanced the efficiency of resource utilization through the implementation of refined energy management strategies and the precise control of all aspects of energy consumption. In this process, the Company has taken many carbon emission reduction measures, such as optimizing production processes and introducing energy-saving equipment, to firmly promote its own green development process.

Management system

◆ Energy sources: electricity from State Grid, PV power generation

The Company has established a sound energy management system and formulated the Energy and Resource Management Procedures and other systems for continuously increasing energy management efforts to promote the Company's efficient and rational use of energy.

Energy conservation and carbon reduction

The Company adheres to the road of green development. By optimizing the energyuse structure, using clean energy, and introducing advanced energy-saving technologies and equipment, the Company taps energy-saving potential in all aspects to lead the Company towards a low-carbon future.

[Case] Energy conservation and consumption reduction of air compressors

In June 2024, the Company optimized its air compressor operation mode

by deactivating a air compressor at night resulting in an estimated reduction in electricity consumption

[Case]

PV power generation project

The Company built distributed PV to realize self-generation and self-consumption of electricity, reducing dependence on traditional energy sources, and realizing double optimization of economic benefits and environmental protection efficiency.



Distributed PV



Indicator	Unit	2024
Gasoline	L	23,959.59
Diesel	L	9,096.76
Total purchased power	KWh	13,156,399
PV power generation capacity	KWh	1,231,620
Proportion of green electricity to total electricity consumption	%	8.56%



→ Water source: Municipal water supply

The Company attaches importance to the efficiency of water resources utilization in the entire operation process, integrates the concept of water conservation into all the links, continuously strengthens the water conservation management efforts, and makes every effort to promote the efficient utilization of water resources through water recycling, daily water conservation, the adoption of water-saving equipment, and other initiatives, so as to contribute to the sustainable development of water resources.

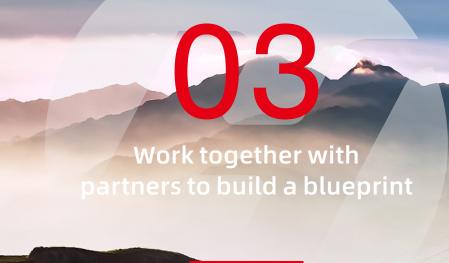
[Case]

Rainwater collection system

The Company has built a rainwater collection system with a scale of 336m³. The collected rainwater can be used after treatment for greening irrigation, road washing, and landscape water replenishment, reducing dependence on traditional water sources and achieving an annual water saving of 480 tons.

Indicator	Unit	2023	2023	2024
Total water consumption	Ton	67,754.50	73,127.00	74,367.00
Water consumption intensity	Ton/ RMB 1 million revenue	24.12	19.49	19.92







3.1 SCIENTIFIC RESEARCH

Hopewind has always adhered to the philosophy of "strengthening the enterprise through scientific and technological innovation and attracting talents" and has built a core technical team and a management team. The team members are experienced in power electronics development with an average of over 20 years of experience. The Company attaches great importance to independent R&D, and has carefully built a high-quality R&D team. At present, the Company has set up five major R&D and manufacturing bases in Shenzhen, Suzhou, Xi'an, Heyuan and Wuhan, continuing to strengthen the foundation for the Company's innovative development and efficient production.

The Company has won more than 250 corporate honors, including National High-tech Enterprise, Specialized and Sophisticated Enterprises that Produce New and Unique Products, National Science and Technology Progress Award, and National Energy Science and Technology Progress Award. Meanwhile, the Company has three research centers (Guangdong Wind Turbine Electric Control Equipment Engineering Technology Research Center, Shenzhen Wind Turbine Electric Control Equipment Engineering Research Center, and Shenzhen Grid-forming Energy Storage Engineering Research Center) and three contracted laboratories (CNAS Laboratory, TÜV Witness Laboratory, and Jianheng Signed Laboratory), and has advanced test platforms and complete test platforms covering different power, various applications, and different environment, such as high and low temperature humid/hot test chambers, salt spray, and dust test devices, all of which provide important support for the Company's R&D and innovation.

In terms of R&D management, Hopewind adopts a matrix R&D organizational structure and an integrated IPD product R&D process system, which strikes a good balance between "training by functions" and "practicing by projects;" The R&D center insists on the R&D strategy of separating the technology platform and the product platform, and has now established five mature technology platforms, including the power electronics technology platform, the electrical transmission technology platform, the industrial communication/interconnection technology platform, the complete machine/manufacturing process technology platform, and the renewable energy grid-connected technology platform. It has also established four product platforms, including platforms of small and medium-power converters, megawatt-class low-voltage converters, IGCT medium-voltage converters, and cascaded medium-voltage converters. Based on these technology platforms and product platforms, a variety of products and systems can be developed in combination with high efficiency and quality to meet the rapidly evolving market needs in various business areas.





G Governance

The Company adheres to the concept of technological innovation and R&D first, and has, in combination with the characteristics of the power electronics industry and the Company's own development situation, formulated the R&D Project Management Specification, the New Technology R&D Process, the System for the Protection and Use of Intellectual Property Rights, and other systems. Meanwhile, the Company has built a R&D and innovation organizational structure covering key departments such as R&D Center, Technology Management Department, Intellectual Property Management Office, and clarified the responsibilities of each department to strongly promote the management of R&D projects in the whole process from the establishment of the project to the transformation of the results, which lays a foundation for the efficient development of the innovation activities and improves the market competitiveness of the Company in an all-round way.



High-tech Enterprise Certificate



Manufacturing Single Champion Product



Shenzhen Specialized and Sophisticated SMEs that Produce New and Unique Products

Strategy

Focusing closely on scientific research and innovation, the Company deeply understands the potential risks and opportunities, and systematically carries out risk identification, assessment and response work to fully grasp the opportunities of industry development and provide a strong guarantee for the sound development of the Company.





Risks/ Opportunities	Type	Description of risks/ opportunities	Financial impact	Impact period	Degree of impact	Possibility of occurrence	Counter measures
	Technical risk	The lagging R&D of new technologies cannot meet the rapidly changing demands of the market	Risk of accidents to personnel and financial losses from accidents	Medium to long term	Medium	Medium	• Increase investment in R&D, attract high-end technical personnel, and carry out cooperation with universities and scientific research institutions to accelerate the process of R&D of new technologies
	Market risk	Fierce competition in the market and low price competition among peers	Compressed profit margins and fewer orders	Short term	Significant	High	Strengthen market research, accurately identify customers' needs, optimize product price/performance ratio, expand overseas markets and diversify market risks
Risks	Policy and legal risks	Adjustment to the renewable energy subsidy policy and changes in industry standards	Unstable revenues and increase in compliance costs	Medium term	Medium	Medium	Pay close attention to policy dynamics, make plans based the technology R&D direction in advance, and establish a policy and regulation research team to ensure that business operations are in line with policy requirements
	Reputation risks	Product quality problems and lack of after-sales service	Damage to brand image and loss of customers	Long term	Minor	Low	Establish a strict quality control system, strengthen the construction of after-sales service team, and timely handle the issues of customer feedback to maintain the Company's reputation



Risks/ Opportunities	Туре	Description of risks/ opportunities	Financial impact	Impact period	Degree of impact	Possibility of occurrence	Counter measures
	Technology opportunities	Make breakthroughs in energy storage technology and smart grid technology, leading the industry development	Increase in revenue and reduction of costs	Long term	Significant	High	Continuously increase investment in R&D, encourage technological innovation, cultivate and introduce high-end technical talents to enhance the core competitiveness of the Company
Opportunities	Market expansion	The Company closely follows the "Belt and Road" initiative to promote the overall competitiveness of the Company to a new level	Increase in revenue and profits	Medium to long term	High	Medium	Adjust the product structure according to the market demand, enhance the added value of products and meet the needs of customers at different levels
	Policy support	The increasing national support for renewable energy sources has provided the Company with more innovative resources and support	Reduce operating costs by tax incentives and capital subsidies, etc.	Short to medium term	Medium	High	Pay close attention to the national policy dynamics, and actively strive for various supportive policies to reduce the operating costs of the Company



(A) Impact, risk, and opportunity management

The Company has formulated a comprehensive safety risk management process for research projects to ensure that the research process is safe and controllable, and to effectively prevent the occurrence of potential accidents.

Identification of risks and opportunities

The Company has established a perfect safety risk identification mechanism for scientific research projects, so as to identify before the implementation of such projects the risks in all aspects of R&D environment, test equipment, and the application of new technologies.

Assessment of risks and opportunities

The Company has formulated a scientific risk assessment mechanism for scientific research projects, under which, at the project establishment stage, project leaders, technical experts and safety management personnel will jointly assess the technical solutions of the project, focusing on technical feasibility, safety and economic benefits.

Monitoring of risks and opportunities

The Company has established a dynamic supervision mechanism for the implementation process of scientific research projects, so as to keep abreast of project progress and potential risks through real-time tracking of key scientific research projects, and the implementation of a monthly reporting system.

Management of risks and opportunities

The Company formulates detailed risk response measures based on the results of risk identification and assessment, and ensures the safe and efficient advancement of scientific research projects by optimizing technical solutions, strengthening safety protection, and adjusting resource allocation.

H Key indicators

	1	
Innovation results	Unit	2024
Total number of R&D team members	Person	784
Proportion of the number of R&D personnel to the total number of employees	%	31.54
Classification by educational b	oackground	
Below undergraduate	Person	56
Undergraduate	Person	499
Master	Person	228
Ph.D.	Person	1
By gender		
Male	Person	645
Female	Person	139
Total R&D investment	RMB'0,000	34,506.83
Proportion of R&D investment in primary business income	%	9.24
Number of new product development projects	pcs	992
Cumulative number of granted patents (number of patents within the validity period)	Item	539
Number of patent applications	Item	223
Cumulative number of authorized invention patents	Item	136
Cumulative number of authorized utility model patents	Item	386
Cumulative number of authorized appearance design patents	Item	17
Cumulative number of software publications	Item	32
Cumulative number of trademarks	Item	92



Intellectual property protection

The company has formulated internal systems such as the Hopewind Patent Agent Quality Management Standards, the Hopewind Intellectual Property Incentive Measures to carry out intellectual property management in an orderly manner. The Company has also set up an intellectual property IT platform to standardize and efficiently promote patent searches, patent point mining, patent applications and investigations with the help of perfect electronic processes.

In terms of enhancing employees' professionalism in intellectual property, the Company has constructed a complete and hierarchical training system, covering basic, intermediate, and advanced courses, to accurately suit employees with different R&D qualifications and practical needs.

// Innovation results

[Case] Jiangsu Jiangyin 50MW/100MWh industrial and commercial energy storage project

The capacity of this project is 100WMh. The core equipment provided by the Company includes 20 sets of 2.5MW converter-booster integrated machines and the supporting energy storage energy management system (EMS), all of which are of AC-integrated design. The equipment greatly facilitates the transportation and installation process, and is equipped with a self-developed power conversion system (PCS).

On the technical level, the system adopts a three-level topology, realizing a conversion efficiency of up to 99.01%. Meanwhile, the application of innovative technologies such as the patented air duct design ensure that the system's performance is not degraded even under an ambient temperature of 45°C. The system has the IP rating of IP66 standards and provides corrosion-resistant options to enhance the durability and adaptability of the equipment. With its comprehensive functions, the system supports active reactive power (PQ) control and other operating modes.



Hopewind's 2.5MW PCS Turnkey Station



[Case]

Western Inner Mongolia Base Kubuqi 2 million Kilowatts PV sand control project

In May 2024, Inner Mongolia Elion Group joined hands with China Three Gorges Corporation to promote the Western Inner Mongolia Base Kubuqi 2 million Kilowatts PV sand control project, which has important strategic significance as a benchmark project at national level and the largest single grid-connected PV project at present. It is expected that the implementation of the project will restore the desert area effectively by 100,000 Mu, and will reduce the annual average sand loss by 2 million tons.

As a key participant in the project, Hopewind supplied 5,604 350kW string PV inverters, which are specially designed for double-glass assembly to effectively enhance power generation capacity. In addition, the Company also supplied 6 sets of 35kV direct-mounted indoor water-cooled SVG devices, each with a capacity of up to 47.5Mvar, which powerfully supported the smooth grid connection and long-term stable operation of the station, and contributed to the maximization of the project's comprehensive benefits.



Western Inner Mongolia Base Kubuqi 2 million Kilowatts PV sand control project site

[Case]

Gansu Guazhou main power supply type wind farm renovation project

Hopewind joined hands with China Green Development Investment Group Co., Ltd and other partners to implement the Ganhekou North-South Wind Farm Project. After comprehensive and detailed all-round station-level tests, the project has successfully solved a series of key technical problems. The test results show that the wind farm shows excellent main power supply characteristics, its voltage support and frequency regulation ability is comparable to traditional wind turbine generator system (WTGS), and has special capabilities such as isolated-grid operation and black start, which significantly improves the security and stability limit value of the power grid, and provides an important practical solution for the construction of a new type of power system.

During the eight months of intense work, all parties worked closely together to successfully complete the single-unit, multi-unit and station-level all-round testing, and finally successfully realized the efficient operation of 100MW wind farm in the main power supply type operation mode, which is the first time in the industry, marking a major innovation and breakthrough in the operation mode of wind farm.



Gansu Guazhou wind farm



[Case] Gansu Jiuquan Yumen Oilfield renewable energy hydrogen production demonstration project

In February 2024, the Company's self-developed 7.0MW new IGBT hydrogen generation power was successfully deployed and put into operation in the renewable energy hydrogen generation demonstration project at Gansu Jiuquan's Yumen Oilfield. As PetroChina's first milestone project to realize hydrogen production from renewable energy on a large scale, the project will provide a stable and reliable supply of hydrogen energy for the surrounding industrial and transportation sectors after being put into operation. Meanwhile, it will set up a platform for the R&D and application of hydrogen production from water electrolysis to actively explore new paths for the integrated development of "Green Power + Green Hydrogen."

In this project, the IGBT hydrogen generation power provided by the Company played a key role in ensuring the efficient conversion of PV power into hydrogen energy, which strongly promoted the smooth realization of the project's goal of hydrogen production from PV power.



Hopewind's IGBT hydrogen generation power in Gansu Jiuquan Yumen helps PetroChina's first hydrogen generation project's successful power on



3.2 SUPPLY CHAIN MANAGEMENT

Hopewind formulated the systems such as the Supplier Performance Management and the Procurement Control Procedures, clarifying that various factors such as enterprise scale and technical strength should be taken into account for the prequalification of suppliers, and setting strict entry thresholds. For example, suppliers must have the industry-specific qualifications and certifications. In addition, the Company has established a sound supplier assessment and exit mechanism, according to which the assessment shall be conducted once a year based on the indicators including product quality stability, timely delivery, etc.



The Procurement Department, in conjunction with the Quality Department, is responsible for supplier access. The Procurement Department will collect information on new suppliers from multiple sources and review their key qualifications such as business licenses and quality system documents. For key raw material suppliers, the Procurement Department will conduct on-site inspections in conjunction with the Technical R&D Department, Production Department and Quality Inspection Department when necessary, focusing on the standardization of production processes and the availability of quality control systems. The Company requires suppliers to sign the *Purchase Agreement*, the *Confidentiality Agreement*, the *Anti–Corruption Agreement*, the *Intellectual Property Protection Commitment*, the *Quality Assurance Agreement*, and other documents.



In corporate supply chain management, suppliers' performance has a significant impact on the Company's operations. To ensure the stability and efficiency of the supply chain, the Procurement Department will organize relevant departments to conduct necessary inspections of suppliers, in accordance with the Supplier Inspection Process, the Supplier Certification Electronic Flow, the Supplier Inspection Electronic Flow, and the SQE Work Management Regulations.



Based on the assessment results, the Company will take corresponding measures for suppliers with unsatisfactory performance. If a supplier fails to meet the assessment criteria, has low motivation for cooperation, fails to meet product quality standards, has difficulty in guaranteeing the delivery date, has a poor service attitude, or has a quality management system that does not meet the requirements, the Company will, depending on the circumstances, revoke its qualification and make relevant records in the ERP system.

Supplier ratings

Hopewind will carry out comprehensive scoring and assessment work for suppliers. The assessment scoring rules mainly cover qualification evaluation, price comparison, delivery period, etc., in which the price comparison score will be determined based on the price advantage demonstrated by the supplier's quotation compared to the lowest quotation. In addition to the basic scoring, there is also an additional scoring mechanism at the procurement performance level: if the qualification rate and ontime delivery rate of the raw materials supplied by the supplier are higher than the prescribed standards, extra points will be given; if there are problems such as mixing of incoming materials, points will be deducted accordingly.



Purchaser training

The Company has developed a training program for purchasers in order to improve the level of purchasing work. The objectives of the training are to familiarize the purchasers with the procurement process and system, to master the knowledge of contract law, to improve professional skills, and to enhance the sense of professional ethics and integrity.

The training covers the Company's procurement process, contract practice law, professional procurement skills, as well as professional ethics and integrity education. The training will be conducted through a combination of online and offline methods, with materials and live courses provided through online learning platforms, and centralized lectures, case analysis, and simulated practical exercises organized offline.

Key performance	Unit	2024
Total number of suppliers	/	755
Number of suppliers within Guangdong Province	/	341
Number of suppliers outside Guangdong Province	/	414
Review of supp	oliers	
Number of suppliers with quality management system certification	/	542
Number of suppliers with environment management system certification	/	379
Number of suppliers with occupational health and safety (OHS) management system certification	/	297

3.3 PRODUCT QUALITY

Hopewind adheres to the policy of "involvement of all employees, prevention at the source, getting it right the first time, swift improvements, and a continuous focus on enhancing customer satisfaction" to forge a manufacturing philosophy centered on quality through continuous education and training for all employees. In the production process, the Company is committed to providing customers with better quality and reliable products by enhancing the sense of mission and responsibility of all employees to ensure product quality.

G Governance

The Company attaches importance to the quality management of the whole process of products, focuses on customer needs and risk control in the whole process, takes the initiative to carry out preventive work, formulates systems such as the *Quality Management System Documents*, the *Quality Record Control Procedures*, the *Limit Standards for Hazardous Substances in Products*, builds a clear organizational structure for quality management, and carries out quality training activities on a regular basis. The Company has systematically sorted out the key quality control points of the product manufacturing process, makes all employees follow the standardized workflow, and regularly holds company-level quality analysis meetings to correct quality fluctuations in a timely manner.

The Company and its subsidiaries have passed the ISO 9001 quality management system certification and IECQ QC080000 compliance certification.





The company has formulated the *Risk and Opportunity Control Procedures*, which focuses on the whole production chain to identify potential risks and opportunities to protect the Company's steady progress.

Risks/ Opportunities	Type	Description of risks/ opportunities	Financial impact	Impact period	Degree of impact	Possibility of occurrence	Counter measures
	Policy risks	Stricter product requirements bring pressure on enterprises	Increase in costs and decrease in sales revenue	Medium to long term	Significant	Medium to high	•Improve product quality through facility investment, adoption of new technologies and processes, etc., and strengthen safety training
Risks	Market risk and hig	Competitive production and high cost pressure	Increase in costs	Short to long term	Moderate to significant	High	 Conduct proper market research and judgment and choose the right time to purchase bulk raw materials, energy, etc. Strengthen the management of outbound investment, strengthen the control over the production and operation of joint ventures, and safeguard legitimate rights and interests
	Risks in production process	The changes in human, machines, materials, laws, environment and measurement factors create uncertainty in the production process, thus affecting product quality	Increase in costs and weakening of the ability to guarantee production schedules and profitability	Medium to long term	Significant	High	 Carefully implement various operating procedures, work instructions, equipment maintenance procedures, etc., and systematically analyze and grasp the trends of the production process Actively take preventive measures to reduce the error rate during operation



Risks/ Opportunities	Type	Description of risks/ opportunities	Financial impact	Impact period	Degree of impact	Possibility of occurrence	Counter measures
	Technology opportunities	New technologies enable more efficient and productive production	Decrease in costs and increase in revenue	Medium term	Moderate	Medium	 Increase scientific research strength and technology integration, and use mature and practical new technologies
Opportunities	Industry development opportunities	In the context of the supply-side reform, the development of electrical equipment industry will drive the supply chain and product technology development to a certain extent, and enterprise business environment will be stabilized	Decrease in costs and increase in revenue	Medium to long term	Significant	High	Track and study the industry policy trends, timely adjust the Company's development strategy and product chain, apply new technologies, etc., and create new profit points for the Company





Impact, risk, and opportunity management

The Risk and Opportunity Control Procedures developed by the Company provides a comprehensive framework for risk identification, assessment and control to ensure product quality and service safety.

Identification of risks and opportunities

- 1. Be familiar with product quality and safety related laws and regulations, mandatory national standards and the Company's quality management system
- 2. Understand the requirements for production process control, raw material purchase and product factory inspection

Assessment of risks and opportunities

- 1. Organize the implementation of risk analysis and judgment, and assess the quality and safety conditions
- 2. Conduct regular self-inspections of quality and safety

Monitoring of risks and opportunities

- 1. Immediately take preventive measures for and promptly report any quality and safety risks and hazards identified
- 2. Monitor hazardous substances

Management of risks and opportunities

- 1. Organize the development of quality and safety accident disposal plan, and carry out emergency drills
- 2. Accept the regular supervision and inspection of the market supervision and management department, and actively make rectification as required
- 3. Carry out QC group activities

(A) Indicators and targets

Name of indicator	Target for 2024	Achievement in 2024
Failure rate of field operations	≤0.5%	0.44%
Completion rate of company-level training	≥98%	100.0%
First time pass rate of company-level exams	≥95%	100.0%
On-time delivery rate of procurement	≥99%	99.1%
Pass rate per lot of incoming materials	≥99%	99.1%
Number of achievements for the first pass yield of product test	≥7	8
Number of significant market issues	≤10	4
Number of bulk corrections for market quality issues	2 times	0
First pass yield of unpacking	≥99.5%	99.65%

Management indicators	Unit	2024
Pass rate of products	%	98.6
Number of annual quality internal audits	Time	2
Number of samplings by third-party agencies hired	Time	1
Quantity of product recalled	pcs	0
Number of trainees of quality training	Trainees	901
Total duration of quality training	Hour	71.92
Number of quality training sessions	Session	55



Total production process management

With lean production concept as the cornerstone, and supplemented by automated production, the Company has built a quality control system covering the whole production chain. From the strict selection of raw materials, to the fine management of the production process, to the precise docking of the assembly process, and even the comprehensive control of product testing, each link is integrated with strict quality control to guarantee the provision of high-quality products and services.

Quality information system

The Company has built a comprehensive and efficient MES management system, relying on the MES Kanban engine to accurately pull the rhythm of production management, realizing the all-round and deep-level integration and utilization of manufacturing information, and providing strong support for the significant improvement of production efficiency.



Quality culture

During the Reporting Period, the Company organized a number of production quality training sessions, including training on PDCA knowledge, 5M1E, and the seven-step problem solving method and related specialized quality training.

[Case]

Monthly Quality Magazine

The Company publishes a *Monthly Quality Magazine* that covers various topics, including a summary of the month's quality management efforts, quality case studies, expansion of professional expertise, and the evaluation results of rational proposals, to help the employees to understand the quality-related knowledge, and ultimately improve the quality of the Company's products.



Cover of Monthly Quality Magazine, Issue 11, 2024



3.4 CUSTOMER SERVICE

Hopewind adheres to the service concept of putting customers' rights and interests first, creates a globalized service management system, continues to provide customers with all-round and refined services, and is committed to providing customers with a more high-quality and efficient experience.

(F)

Customer service system

The Company has established a perfect customer service and after-sales service system, formulated the *Post-Market and After-Sales Center Management Regulations* and other systems, established the organizational structure and specific responsibilities, continuously optimized the quality of service and after-sales support, effectively conveyed the value of the products to the end-users, and is committed to enhancing customer satisfaction, strengthening the trust and recognition of the customers to the Company's brand, and building a solid foundation for the sustainable development of the Company.

(H)

Enhancement of customer satisfaction

According to customers' demand, the Company provides customers with the skills and knowledge training required for the use of products, covering theoretical training, operation training, maintenance training, etc., to promote the common growth of the Company and customers. During the Reporting Period, the Company organized more than 330 customer training sessions through a combination of online and offline methods.

[Case]

Specific training for customers

In April 2024, the Company launched training and communication activities with customers on the knowledge of converters of several products, explaining from various aspects such as product principles, control logic, distribution diagrams, classic failure cases, etc., to strengthen customers' proficiency in using the Company's products and enhance the stability of product operation on site through win-win cooperation.

In addition, based on the *Customer Satisfaction Control Procedures*, the Company regularly conducts customer satisfaction surveys in the form of questionnaires with 15 sub-scoring items in four dimensions, namely, product, service, delivery and sales, to listen to customers' voices, and to continue to optimize its business processes and improve product quality and service level based on customers' needs. During the Reporting Period, the Company collected 28 pieces of suggestions for improvement.

Indicator	Unit	2024
Quantity of customers participating in the survey	Person	377
Number of valid copies of customer satisfaction questionnaires distributed	Сору	377
Customer satisfaction	Point	92.7



Responding to customer complaints

By formulating the *Customer Service Control Procedures* and other systems, and setting up diversified complaint channels, the Company objectively and truthfully records the problems raised by customers, and quickly handles and resolves them. The Company implements the closed-loop management of customer complaints, and strictly implements the principle of "recording every complaint and verifying every record," so as to provide customers with satisfactory solutions, and to continuously enhance customers' trust and loyalty.

Indicator	Unit	2022	2023	2024
Quantity of customer complaints	Time	9	5	4
Quantity of customer complaints resolved	pcs	9	5	4
Resolution rate of customer complaint	%	100%	100%	100%



H

Responsible marketing

To implement the concept of responsible marketing, the Company has formulated the *Sales Information Management Measures* and other systems, and established an internal responsible marketing material review and supervision mechanism to strictly examine external publicity materials, resolutely resist any form of false publicity and exaggerated publicity, ensure that the key information and data related to the products are true, accurate, and complete, and put an end to the illegal and unlawful behaviors of false and exaggerated publicity, so as to effectively safeguard the legitimate rights and interests of consumers and promote the healthy development of the industry. During the Reporting Period, there were no incidents of non-compliance involving marketing communications.

Customer privacy protection

The Company places a strong emphasis on protecting customer privacy information, and has established a sound customer privacy protection system, formulated a series of customer privacy management systems, such as the *Information Exchange Control Procedures*, the *Sales Information Management Measures*, and the *Sensitive Document Management and Regular Clearing Regulations*, clarifying the privacy protection duties and operation standards of employees in each link, and has built an all-round, multi-level protection mechanism to eliminate the risk of privacy leakage at source, making every effort to safeguard the privacy information of customers.



3.5 DATA SECURITY PROTECTION

Hopewind attaches great importance to data security, strictly follows the requirements of laws and regulations such as the *Cybersecurity Law* and the *Data Security Law*, actively builds a comprehensive and efficient data security management system, and makes every effort to create a safe and stable data environment for the Company and safeguard customers' privacy and security.

System construction

In order to standardize the Company's information and data security protection work, improve the ability to withstand disaster risks, and safeguard the Company's continuous operation, we have formulated a series of internal systems, such as the Data Backup and Recovery System, the Account Permission Management System, and the Emergency Response Plan for Data Security Incidents. The Company conducts risk assessment and simulation drills once a year to test and improve its ability to respond to data security risks. Up to now, the Company has not experienced any information data security incidents or customer privacy breaches during the Reporting Period.

Risk management

- ★ Risk assessment: identify internal and external risk factors that may affect data security and customer privacy protection through brainstorming, expert interviews, historical data analysis, etc., and classify the risks.
- ★ Risk response: based on the risk assessment results, formulate corresponding risk response strategies, including risk avoidance, risk transfer, risk mitigation and risk acceptance.
 Incorporate risk response measures into specific business processes and operating specifications, and conduct regular monitoring and inspections.
- ★ Risk monitoring: establish a risk monitoring mechanism for data security and customer privacy protection, regularly collect and analyze relevant data, and identify and warn of potential risks in a timely manner. Meanwhile, regularly assess the risks of data security and customer privacy protection, and adjust risk response strategies and measures based on the assessment results, so as to continuously improve the risk management system and enhance the level of risk management.

Contingency plan

The Company formulates contingency plans for data security incidents, aiming to strengthen and standardize the troubleshooting and reporting process, guaranteeing the rapid handling and recovery of data security incidents, and minimizing losses. When a data security incident occurs, the relevant person in charge responds at the first time, viewing and analyzing the phenomenon and situation of the incident, investigating and detecting the cause, arranging for the relevant personnel to deal with it, and reporting the situation to the relevant manufacturers and higher-level units in a timely manner. In addition, the Company regularly checks the network configuration and equipment operation status, and makes proper system backups.



(A) Management measures

- ★ System data backup: build a multi-level data backup system by combining local backup, different computer based backup and off-site backup. Complete incremental backups every working day and full backups every weekend, and conduct data recovery tests at least once a year to ensure the integrity and availability of data backups.
- ★ System account management: the Information Management Department strictly controls employee account permission and grants precise authorization based on the job requirements of employees. The application for account permission for new employees and transferred employees should go through a strict approval process and be confirmed by the Information Management Department to prevent the abuse of account permission.
- ★ Third-party service provider regulations: select carefully third-party service providers, conduct qualification review on them, sign confidentiality clauses with them when cooperating, conduct service level assessment at least once a year, and urge them to comply with relevant data security regulations.

(A) Handling process of information leakage

- ★ Confirm the leakage: once a possible information leakage is discovered, immediately confirm the scope of the leakage and take emergency measures to prevent the leakage.
- ★ Cut off the source: take measures such as shutting down relevant system interface or deactivating the accounts involved to prevent further leakage.
- ★ Organize information: organize and record the details of the leaked information, including the type of leaked data, the scope of customers that may be involved, etc., to provide reference for subsequent processing.
- ★ Notify all parties concerned: promptly notify affected customers, partners, and relevant regulatory authorities of the leakage and the measures taken so that all parties can take necessary precautions.

Product information security

- **★ Data encryption:** in product modules involving data transfer and storage, use advanced encryption algorithms to ensure the security of data during transfer and storage and prevent data from being stolen or tampered with.
- ★ Identity authentication: for product functions that access key data, set up strict identity authentication mechanisms, such as multi-factor authentication, to enhance data security and effectively prevent illegal access to data.
- ★ Access control: manage product data access permission in a refined manner, assign corresponding access permission based on user roles and business needs, track and control data access details, thereby enhancing data protection and effectively preventing unauthorized access and operations.

[Key performance]

During the Reporting Period,

the Company organized data security training for

49 trainees, with a cumulative total of 78.5 class hours

and **8.5** hours of training.





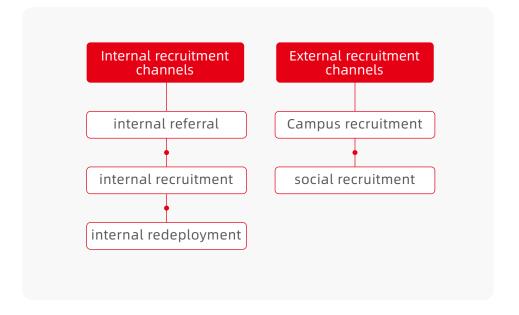
4.1 COMPLIANCE WITH EMPLOYMENT REGULATIONS

Hopewind strictly abides by the *Labor Law*, the *Labor Contract Law* and other laws and regulations, and practices compliant employment in recruitment management, compensation and benefits, and employee democracy. The Company ensures a fair and transparent recruitment process, provides competitive compensation and benefits, and actively promotes diversified employment to create an equal and inclusive operational environment, providing a solid guarantee for the growth of employees and the sustainable development of the Company.

Recruitment management

In order to meet the needs of the Company's development, standardize the staff recruitment process, and improve the talent selection mechanism, the Company has formulated the *Recruitment Management System*, the *Employee Handbook*, the *Internal Referral Management System* and other systems, and adheres to the principle of open recruitment for all positions, fair competition, and selection of the best candidates for the position, strictly abides by the *Law on the Protection of Minors*, and refuses to hire personnel under the age of sixteen in accordance with the *Human Resources Control Procedures*, and puts an end to the use of child labor to safeguard the lawful rights and interests of minors.

Recruitment channels



During the Reporting Period, the Company launched campus recruitment through a combination of an online live platform and offline campus presentation, and initiated cooperation with Xi'an Jiaotong University, Harbin Institute of Technology, Huazhong University of Science and Technology, and other universities.











Number of employees by region



China Person 2,480

Overseas Person 6

Number of new employee 764 Person

Number of employees by gender



Female Person 201

Male Person 563

Number of new employees by age



Under 30 years old (exclusive)

Person 451

30-40 years old (including 30, excluding 40)

Person 296

40-50 years old (including 40, excluding 50)

Person 2

50 years old and above

Person

n 🤅





Diversity and equality

In order to strengthen social responsibility and ensure that all employees are not discriminated against in the work, and to ensure that employees participate in work on a voluntary basis, the Company has formulated the *Anti-Discrimination Management Rules*, the *Anti-Forced and Anti-corporal Punishment Management Rules* and other systems, which explicitly require that all employees are not discriminated against in the work on the basis of their race, social class, nationality, age, religion, physical ability, disability, gender, sexual orientation, or political belonging, and that men and women are paid equal wages for work of equal value, and that any labor service or forced labor is prohibited.

In order to protect the rights and interests of the disabled, the Company has a restroom for the disabled.





Restrooms for the disabled

[Key performance]

In 2024, the Company's labor contract signing rate was

(A) Compensation and benefits

In order to establish a fair and effective compensation incentive mechanism and fully mobilize the enthusiasm and initiative of the employees, the Company has formulated the *Compensation Management System*. Based on the principle of "maintaining external competitiveness and internal fairness, and providing a space for development of the employees" and the criteria of position, duty, rank, ability, performance contribution, and other factors, the Company implements different forms of compensation distribution according to the nature of the position and labor characteristics, and adopts the compensation structure consisting of basic salary, performance salary, and so on.

Type of compensation

Approved salaries, variable salaries, allowances, bonuses, incentives, benefits, and equity incentive plans

Type of benefit

Welfare system, statutory benefits, meal subsidy, accommodation, recreation, and health

In order to improve and perfect the performance management work and continuously enhance the work performance, the Company has formulated the *Performance Management System*, which specifies the content, mode and procedure of the assessment, and conducts performance assessment for the employees on a regular basis.



W Working hours and leave

The Company has formulated the *Attendance Management Rules* to encourage employees to complete their work within normal operating time, discourage overtime work, and accrue time for working on rest days as transfer leave. Meanwhile, the Company implements flexible operating time for employees with special and approved job positions in the technical and marketing departments, ensuring that employees who extend their operating time can get enough rest.

[Key performance]

In 2024, the Company's social insurance coverage was 100% and the number of paid vacation days per capita was 3.79;

The Company provided assistance to 1 employee in difficulty, with the amount of assistance funds reaching RMB 78,700.

Equity incentives

In order to attract and retain talents and fully mobilize the enthusiasm of middle and senior management and core technical backbone, the Company has implemented the equity incentive plan, which specifies the allocation method, exercise price and implementation procedure of stock options, to promote the common development of employees and the Company, and realize the effective combination of shareholders' interests, the Company's interests and individual interests of the core team.

Democratic management

In order to encourage employees to actively contribute their ideas, the Company has established trade union members and holds regular workers' congresses. Meanwhile, the Company has formulated the *Rationalization Suggestion Management Measures*, which clarify the implementation process of rationalization suggestions and standardize the improvement process of suggestion submission, acceptance and evaluation, and reward, fully respects the democratic rights of the employees, and creates an atmosphere of company-wide improvement in order to promote the Company's operation and development. During the Reporting Period, the Company collected rationalization suggestions and selected acceptance awards and adoption awards based on the rationalization suggestions received.

[Key performance]

In 2024, the Company's workers' congress considered and adopted one proposal, and the trade union members accounted for 34.31% of the in-service employees.



Protection of women's rights and interests

In order to effectively protect the rights and interests of female employees, the Company stipulates that prenatal check-up leave, maternity leave, breastfeeding leave, and miscarriage leave are paid in advance in accordance with the law. Meanwhile, the Company ensures that female employees who are breastfeeding infants under one year old enjoy two 30-minute breastfeeding breaks per day during operating time, and may choose the breastfeeding time period according to the Company's working schedule. In order to facilitate nursing employees to take care of their infants, the Company has set up a nursing room.



During the Reporting Period, all departments of the Company actively carried out activities for Women's Day, caring for the physical and mental health of female employees and enhancing team cohesion by organizing handmade crafts and presenting gifts.



Scene of Women's Day event at headquarters

Scene of Women's Day event in Xi'an

[Key performance]

In 2024,

the percentage of female employees among the Company's managers was 15.5%,

the number of employees on maternity leave was 31,

and the return-to-work rate from maternity leave was 87.10%.

Employee satisfaction

In order to timely understand the employees' satisfaction with the Company in all aspects and their demands to provide a reference for the improvement of the work, the Company formulated the *Employee Satisfaction Survey Management Regulations* for regular employee satisfaction surveys in the form of questionnaires concerning the Company's prospects for development, existing policies and management systems, etc. 2024, Company employee satisfaction was 97%.



4.2 CAREER DEVELOPMENT AND TRAINING

Hopewind attaches importance to the training and development of employees, strictly abides by the *Occupational Education Law* and other laws and regulations, and has built a perfect development channel and training system to help employees grow, laying a solid foundation of talents for the sustainable development of the Company.

Career development

During the Reporting Period, the Company revised the *Rank and Grade Management System*, dividing the rank system into five career promotion channels, namely, management line, technical line, professional line, operation line, and marketing line, with multiple ranks established for each promotion channel, and clarifying the factors for rank assessment, promotion and demotion mechanisms, and other details.

Grade assessment factors

Assessment factors	Details
Basic conditions	 Educational background and professional experience required for the grade
Working achievements	O Performance, project or technical achievements
General and specialized competencies	 A range of competencies necessary for the grade, including: communication skills, creativity, teamwork, work attitude, specialized knowledge and abilities, etc.
Organizational impact	O System building, knowledge dissemination, talent training, etc.

Indicator	Unit	2024
Number of employees who are internally transferred or internally recruited	Person	65
Percentage of employees who are internally transferred or internally recruited	%	2.61

(A) Internal trainer system

The Company has established an internal instructor training and management mechanism and an instructor archive, clarified the basic conditions and qualifications of internal instructors, standardized the implementation methods for instructors, and arranged for the payment of company-level training fees and instructor incentives.

During the Reporting Period, the Company had a total of 329 internal instructors, distributed across various departments, mainly consisting of experienced personnel. The internal training and learning platform was divided into several modules, including online learning, online examination, training surveys, certificate management, trainee statistics, and personalized settings. A total of 35 courses were offered and 56 training sessions were held, involving 26,504 training hours and 6,127 trainees.

Employee training

In order to ensure the long-term stable and standardized operation of employee training work and improve the quality of training, the Company has formulated the *Training Management System*, established a sound training system, and standardized the categories and contents of training, qualification conditions and implementation methods, effect evaluation and analysis, and the criteria for course remuneration and rewards.



During the Reporting Period, the Company organized a number of training sessions for new employees, leadership, and professional and vocational skills.

[Case] Onboarding training for new employees

From September 24 to 25, 2024, the Company organized several onboarding training sessions for new employees, covering financial reimbursement, plant safety, and product introduction, to help new employees quickly familiarize themselves with the Company's systems and culture and enhance their job competency.





Training site

[Case]

Onboarding, executive pilot, and leadership training

During the Reporting Period, the Company organized the onboarding, executive pilot, and leadership training respectively, including training for MTP management practical skills, eight management skills exercises, and excellent leadership, which improved the comprehensive quality and leadership ability of managers.





Training site

Indicators	Unit	2024
Employee training input	RMB'0,000	141.67
Employee training session	Session	549
Total number of employees trained	Person	2,626
Total number of trainees	Trainees	24,606
Employee training coverage (employee training ratio)	%	100
Total training duration	Hour	56,717.12
Average number of hours of training received by each employee each year	Hours/person	21.60



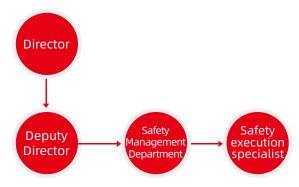
4.3 OCCUPATIONAL HEALTH AND SAFETY

In strict accordance with the *Work Safety Law*, the *Occupational Disease Prevention and Control Law*, and other relevant laws and regulations, Hopewind improves the safety management system, attaches importance to the prevention and control of occupational diseases, and is committed to carrying out safety training and emergency drills to enhance the safety awareness and emergency response capability of the employees and to effectively safeguard the life and health of the employees.

G Governance

In order to continuously improve the OHS performance and maintain the OHS of employees, the Company has formulated the *Regulations on the Administration of Safety Management Institutions*, the *Occupational Health and Safety Handbook*, and other systems, which clearly define OHS guidelines and management practice. The Company has also set up a Work Safety Management Committee for the coordination of the safety work, with safety implementation specialists and safety administrators responsible for the implementation of specific work.

Organizational structure of the Work Safety Management Committee



During the Reporting Period, Hopewind, Hopewind Technology, Hopewind (Suzhou), Hopewind (Heyuan), and Hopewind (Dongguan) held ISO45001 OHS management system certification, and Hopewind held the work safety standardization certificate.





Strategy

The Company thoroughly evaluates risks and opportunities in occupational health and safety, and is committed to building a safer and healthier operational environment to enhance employees' happiness and loyalty.



Risks/ Opportunities	Туре	Description of risks/ opportunities	Financial impact	Impact period	Degree of impact	Possibility of occurrence	Counter measures
	Technical risk	With the rapid development of electrical technology, if the Company fails to update its production equipment and safety protection technology in a timely manner, employees may be exposed to safety risks caused by unskilled operation. The application of new electrical technologies may bring unknown occupational health hazards, such as electromagnetic radiation	Increase in equipment maintenance costs, employee compensation, and downtime losses, and decrease in the Company's profits	Medium to long term	Significant	Medium	 Establish a linkage mechanism between technology R&D and safety assessment, and fully assess the impact of new technologies and equipment on occupational health and safety before introducing them Provide employees with regular training on new technologies and new equipment to ensure they are proficient in safe operation skills Establish a special scientific research fund to encourage internal teams to cooperate with external scientific research institutions to develop safer and more efficient electrical technology and protective equipment
Risks	Reputation risks	In the event of a major OHS accident, negative media coverage will lower the Company's image in the minds of the public and customers and affect the Company's brand reputation	Loss of customers and reduction of orders, decrease in the Company's sales revenue and market share	Medium to long term	High	Medium	 Establish a sound mechanism for handling public relations in crisis, release information to the public and the media in a timely and transparent manner after an accident occurs, and actively take remedial measures Strengthen communication with and care for employees, regularly collect employees' opinions and suggestions on OHS management, and make timely improvements Actively participate in public welfare activities to establish a good image of the Company's concern for employee health and safety and fulfillment of social responsibilities



Risks/ Opportunities	Туре	Description of risks/ opportunities	Financial impact	Impact period	Degree of impact	Possibility of occurrence	Counter measures
	Policy and legal risks	The Company may face legal penalties if it fails to keep abreast of and comply with new regulations due to the constant update and improvement of policies and regulations related to occupational health and safety. Policies and regulations vary from region to region. Companies may violate regulations due to unfamiliarity with local policies when operating across regions	Fines, rectification costs, and potential legal litigation costs incurred due to compliance issues will increase the company's operating costs	Medium to long term	High	Medium	 Establish a dedicated policy and regulation research team or position to timely track and interpret changes in national and local policies and regulations Regularly organize internal compliance related inspections to ensure that the Company's operations comply with the latest policy and regulatory requirements Strengthen communication and cooperation with government regulatory authorities, keep abreast of policy developments and obtain professional guidance
Risks	Physical risks	Electrical equipment and mechanical devices in the Company's production plant may cause safety accidents, such as electric shock and mechanical injuries, due to aging and malfunction. Environmental factors, such as high temperature, high humidity and noise, in the workplace may have an impact on the physical health of employees	Equipment repair and replacement costs, medical expenses of employees, and downtime losses after an accident may put significant pressure on the Company's finances	Short term	Moderate	High	 Establish a regular equipment inspection and maintenance system to promptly detect and handle equipment failures and safety hazards Provide employees with personal protective equipment that meets relevant standards and supervise them for correct wearing and use Improve the workplace environment with the provision of ventilation, cooling, noise reduction and other facilities to ensure that operational environment meets occupational health standards



Risks/ Opportunities	Туре	Description of risks/ opportunities	Financial impact	Impact period	Degree of impact	Possibility of occurrence	Counter measures
	Policy support	The government continues to introduce stricter and better policies and regulations to encourage enterprises to improve their OHS management level	Directly reduce the operating costs of the Company by obtaining government policy incentives, tax concessions, etc.	Long term	Significant	High	 Pay close attention to policy trends and actively seek relevant policy support and subsidies Continue to improve the Company's OHS management system and enhance management level in accordance with the requirements of relevant policies Participate in the formulation of industry policies and revision of standards to enhance the Company's voice and influence in the industry
Opportunities	Social concern	Today's society is increasingly concerned about occupational health and safety, and the public and public opinion are paying more and more attention to the performance of the Company in this regard	Attract more investors and partners to increase revenues and profits	Long term	High	High	 Integrate occupational health and safety concepts into corporate culture and strengthen internal training and publicity Establish a feedback mechanism to collect employees' opinions and suggestions for optimization of management in a timely manner Use multiple channels to convey the Company's achievements in occupational health and safety to consumers to enhance the trust relationship between the Company and consumers



(A) Impact, risk, and opportunity management

The Company has established the *System for Classified Control of Safety Risks* to further strengthen the classified control of safety risk, promote the scientific, information-based and standardized accident prevention work, control the risks before the formation of hidden dangers and eliminate the hidden dangers before the occurrence of accidents.

Risk identification

Each year, assign the main person in charge to personally organize the development of the annual work plan for identification of sources of danger, transfer head of each department (hiring experts if necessary) to carry out a comprehensive and systematic identification of sources of danger for the production system, device facilities, operating environment and operation activities, etc., focusing on the elements of human's unsafe behaviors, unsafe state of things, undesirable factors in environment, and management deficiencies, etc., according to the Classification for Casualty Accidents of Enterprise Staff and Workers (GB6441–86) and the Classification and Code for the Hazardous and Harmful Factors in Process (GB/T13861–2009).

Risk assessment

The main person in charge will lead the organization of the classification of the risk of hazardous sources and determination of the safety risk level using the LEC evaluation method (Graham evaluation method). The risk may be classified into four levels from high to low: high risk, significant risk, general risk, and low risk, which are indicated by red, orange, yellow, and blue, respectively.

Classification of risks						
D-value	Degree of risk	Risk level	Identification color			
≥270	High	Level 1				
150 (inclusive) to 270	Significant	Level 2				
90 (inclusive) to 150	General	Level 3				
<90	Low	Level 4				

Risk monitoring

The main person in charge will take the lead to organize the holding of the Company's special meeting to inspect and analyze the implementation and effectiveness of major safety risk control measures evaluated every month, identify the results of security risk identification, determine whether there are any loopholes or blind spots in the control measures, make adjustment to improve the control measures for the problems arising in the process of control, and based on the results of the quarterly and special safety risk identification and assessment, arrange the focus of safety risk control for the next month.

Risk management

According to the result of safety risk assessment, and the type and level of safety risks, the Company decomposes and implements the responsibility to each level of position and management and operation staff according to the three-level classification from high to low ("company, department, position"), to ensure the management and monitoring of each risk, so as to improve the safety risk announcement system and strengthen the risk education and skill training.







Work safety targets set by Hopewind and its affiliated units:

- Fatalities and serious injuries (including traffic-related accidents): 0;
- Major environmental pollution accidents: 0;
- Major fire (explosion) accidents: 0;
- ♦ Work safety accidents: 0; minor injury accidents: 0; traffic accidents: 0;
- Occupational hazard accidents (acute poisoning, occupational diseases): 0;
- Compliance rate of occupational hazard factors: 100%;
- Certification rate of special (equipment) operators for on-the-job work: 100%;
- Strictly implement laws, regulations, rules, and operating procedures, carry out the action against the violations of rules and regulations, operating procedures, and labor discipline ("three types of violations"), and achieve a 100% rate for the investigation and punishment of the three types of violations;
- Carry out accident hazard investigation and treatment, and achieve a 100% rate for the timely rectification of accident hazards;
- Rate of employee participating in work safety training: 100%;
- Investment rate of work safety expenses: 100%;
- Implement safety standardization and ensure the standardized operation of safety level 2.

Indicator	Unit	2022	2023	2024
Number of work safety accidents	Occurrence	0	0	0
Rate of rectification of hidden danger identified in investigation	%	100	100	100
Times of safety emergency drills	Session	4	4	5
Amount of work safety investment	RMB'0,000	27.9	26.1	24.1
Safety training session	Session	35	54	38
Number of trainees of safety training	Trainees	893	1,347	1,001
Total duration of safety training	Hour	31,255	72,738	38,038
Employee coverage of safety training	%	100	100	100
Certification rate of special operators	%	100	100	100
Input amount of work-related injury insurance	RMB'0,000	-	-	72.94
Employee coverage of work-related injury insurance	%	-	-	100
Detection rate of occupational disease hazards	%	100	100	100
Pass rate for monitoring occupational disease hazards	%	100	100	100
Number of new occupational diseases	Case	0	0	0

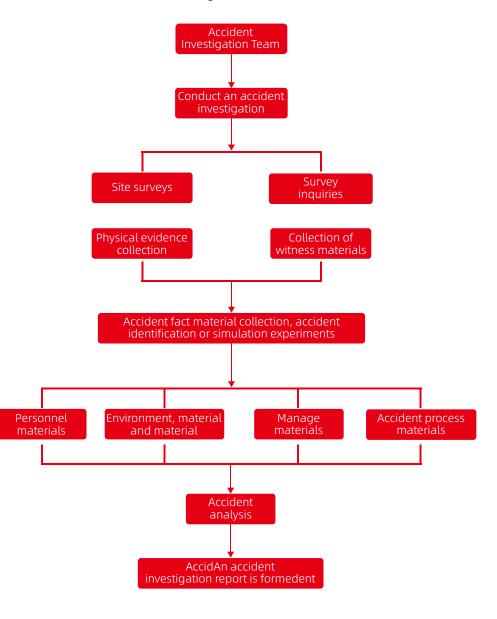


Contingency plan and drill

The Company has formulated the Management System for Investigation and Handling of Accidents, established a perfect contingency plan system for work safety, determined the classification and grading of accidents, and standardized the reporting process and investigation and handling methods of accidents.



Accident Investigation Procedure Chart





The Company regularly organizes contingency plan drills and evaluates the process and emergency rescue capability after the drills, and revises the emergency plan appropriately.

[Case] Fire drill for safe evacuation of all employees

On November 22, 2024, Hopewind organized a fire drill for emergency evacuation of all employees in Xili factory, which covered self-rescue and escape, rescue methods, use of fire extinguishers, etc., which strengthened the awareness of fire safety and improved the emergency evacuation and escape ability of all the employees.





Step-by-step explanation of chest compressions and artificial respiration after cardiac arrest

[Case] Emergency drill for electric shock

On April 19, 2024, Hopewind (Suzhou) organized an emergency drill for electric shock accident, simulating the scene of an electrician fainting from an electric shock during maintenance in a power distribution room. The drill taught employees the methods of cardiopulmonary resuscitation and artificial respiration, improving their ability to handle sudden electric shock accident.



Photo of on-site simulation

[Case] Emergency drill for mechanical injury accidents

On August 27, 2024, Hopewind (Suzhou) organized an emergency drill for mechanical injury accidents, simulating the scene of employees getting their hands caught due to improper operation of punching equipment. The training program equipped employees with onsite first aid work for mechanical injury prevention and emergency response protocols, enhancing inter-team coordination and collaboration capabilities.



Photo of on-site simulation



OHS training

The Company has formulated a detailed safety training plan and regularly organizes the employees to participate in safety training and occupational health training.

[Case]

Occupational health and hygiene training

On March 15, 2024, the Company carried out occupational health and safety training, covering the identification of occupational hazard sources, implementation of personal protection measures, best practices of occupational health management measures, etc., improving the employees' awareness of occupational diseases and strengthened workplace health protection capabilities.



Training site

[Case]

Safety training for resuming work and production at the beginning of the year

On February 22, 2024, the Company carried out three safety training sessions to support work resumption at the beginning of the year, covering the strategy for coping with the "post-holiday syndrome", laboratory safety protocols for energized operations, safety regulations and protective measures, with particular emphasis on Three Anti-Violations management (prohibiting unauthorized commands, unsafe operations, and labor discipline breaches). These sessions served as a learning enhancement platform for employees, effectively reinforcing safety compliance and laying a robust operational foundation for sustained business growth.



Training site

[Case]

Three-level safety training for new employees

On March 27, 2024, the Company organized a Level 3 safety training for new employees, covering essential knowledge, practical skills, and regulatory compliance in workplace safety. This initiative significantly enhanced the safety awareness of new employees, and laying a solid foundation for maintaining a safe and stable operational environment.



Training site



Occupational health protection

The company has implemented comprehensive occupational health safeguards, including: establishing individualized occupational health profiles for at-risk positions, providing regular occupational health examinations and supplying job-specific protective equipment. For welders, arc-proof face shields, noise-reducing earplugs and heat-resistant gloves are provided. For grinders, anti-dust respirators and protective goggles masks are provided. In addition, the Company also posts relevant occupational disease hazard notification cards and warning labels in designated work areas, and conducts periodic workplace hazard assessments to detect potential occupational risk factors.

[Case] Occupational health checkup

From August 16 to 24, 2024, Hopewind (Suzhou) organized an occupational health examination for employees. The screened occupational disease hazards included tin dioxide (SnO $_2$), electrical work hazards, and welding fumes. The medical checkups covered general condition, internal/external medicine examinations, and biochemical test. No occupational disease was detected.





Photo of the checkup site

(2) Contractor safety management

The Company has formulated the Supplier Safety Management System, stipulating the safety management process and requirements for contractors working within the Company, and conducts safety training for contractors on a regular basis.

[Case] Safety training for construction workers

On July 2, 2024, the Company organized operational safety training for external construction workers, covering accident cases, laws and regulations, and safety operation procedures, which enhanced the safety awareness of construction workers.



Safety training site

05

Shoulder social responsibilities to contribute to rural revitalization



A new era and new development will inevitably bring new requirements and new opportunities. Hopewind closely follows the call of the times, empowers product innovation through patented technology, and provides global customers with clean and low-carbon products and solutions to promote green energy transition and industrial energy conservation and carbon reduction. The Company actively fulfills its commitment to environment sustainability, and has set a good example of a "green factory" by applying the philosophy of green development and manufacturing throughout its operation and management process. For a long time, Hopewind has been sowing love through "warm" public welfare activities such as disaster assistance, public welfare education, love donation, and voluntary blood donation, contributing to the building of a loving society. As a leading brand of wind-solar hydrogen storage, Hopewind is also deeply involved in the industry-university-research-application collaboration, constantly researches key technologies in the industry, and strives for the accelerated realization of the "carbon peaking and carbon neutrality" goals through efficient, safe, and intelligent renewable energy and electrical transmission equipment.



Public welfare and charity

The company has always been adhering to the original intention of public welfare, actively exploring diversified paths of public welfare, and contributing solid strength to build a harmonious and beautiful society with its own ability.

[Case] Voluntary blood donation

In 2024, the Company organized its employees to participate in public welfare activities of voluntary blood donation to support clinical medical blood supplies. Upon announcement, the campaign immediately sparked an outpouring of compassion, with employees enthusiastically signing up in overwhelming numbers. This philanthropic endeavor demonstrated Hopewind's social responsibility commitment, injecting life-saving "Hopewind Power" into community healthcare.



[Key performance]

During the Reporting Period, the Company invested RMB **687,400** in public welfare and charity.



Rural revitalization

Hopewind has always been practicing the philosophy of sustainable development and promoting the deep integration of green energy and rural revitalization in the innovative "PV+" solutions. Through the demonstration projects of agricultural-photovoltaic and pastoral-photovoltaic systems, it advanced renewable energy development while achieving multiple objectives: ecological restoration, enhanced agricultural productivity, and increased farmer incomes. These initiatives have injected new vitality into rural revitalization and local economic growth.

[Case] Take on social responsibility and assist in energy transition

In terms of environment, Hopewind actively responds to the national energy policy and builds wind power converters, PV inverters, energy storage, SVGs, industrial inverters, and other power electronic equipment to promote the green transition of China's energy and industrial energy conservation and carbon reduction. As of the end of the Reporting Period, the Company has achieved a cumulative global shipment of renewable energy of more than 150GW, equivalent to reducing carbon dioxide emissions by more than 299.13 million tons per year, or planting more than 16.3 billion trees per year.



[Case] 360MW PV composite project in Zhenkang County, Lincang City, Yunnan Province

In 2024, Hopewind supported the successful grid connection of Yunnan's largest standalone photovoltaic project in Mangbing Township, Zhenkang County. The project adopts the "PV + industrial planting" mode. Crops such as honeysuckle and tea trees are planted under the board, which can not only develop green energy but also increase farmers' income. It involves more than 1,600 households in the township, and is expected to increase land rent by nearly RMB 178 million for a lease term of 25 years. The project covers an area of about 7,300 Mu and utilizes 509 sets of 350kW string PV inverters provided by Hopewind, and is expected to generate about 585 million kWh of electricity per year. Compared with thermal power with the same power generation capacity, it can save 197,000 tons of standard coal per year, reduce the emissions of various air pollutants, and is expected to reduce carbon dioxide emissions by 530,000 tons per year.





[Case]

200MW PV Plus Agriculture Project in Guanchao Town, Xinyu City, Jiangxi Province

Hopewind actively promotes green energy development worldwide, enabling rational utilization of barren hills and slopes for PV projects. At Jiangxi's Xinyu Guanchao Town 200MW agrivoltaic project, rows of solar panels stand in orderly arrays. The site employs 348 Hope Electric 320kW string inverters. With a planned capacity of 200MW, the current phase involves 140MW construction and is expected to generate about 150 million kWh annually after completion.



[Case]

300MW PV Plus Agriculture Project in Shuangjie Town, Yangjiang City, Guangdong Province

Hopewind has created a new industry mode of "PV + South China herbal medicine." The project is equipped with 445 sets of Hopewind 225kW string inverters, and makes full use of the unused land under the photovoltaic mounts, planting 18 kinds of South China herbal medicines such as fructus citri sarcodactylis, desmodium styracifolium, Ficus hirta Vahl, linearstripe rabdosia herb, asparagus cochinchinensis, and pogostemon cablin, creating an agrivoltaic experimental demonstration base in the mode of "PV Plus Agriculture," which is of great demonstrative significance for the promotion of the local economic development, and the construction of the new type of safe and highefficiency, clean and low-carbon, and wisdom integration power system.





[Case] 2GW PV base project in Alaer, Xinjiang Production and Construction Corps First Division

Hopewind constructed the largest single PV project in Xinjiang Production and Construction Corps - First Division Alaer 2GW PV base project (Phase I), which was successfully connected to the grid at full capacity on November 30. The project covers an area of more than 30,000 Mu, and has a PV "blue ocean" of 320 PV power generation units and over 1.81 million PV panels. It is equipped with 250MW/1000MWh energy storage, and Hopewind has provided 112 sets of 2.5MW energy storage converters. The project uses the "PV Plus Pasture" mode to manage sandy, degraded, and salinized pasture, which not only promotes the PV power generation industry, but also promotes the ecological restoration of degraded pasture.





	C	Sovernance dim	nension indicators		
	Indicator	Unit	2023	2024	
	Revenue		37.52	37.33	
Net profit attributable to shareholders of the listed company		RMB'00 million	5.02	4.40	
Earni	ngs per share	RMB/share	1.13	1.00	
Environment dimension indicators					
Topic	Indicator	Unit	2023	2024	
	Direct GHG emissions (Scope 1)	tCO2e	67.71	74.04	
GHG	Indirect GHG emissions (Scope 2)	tCO2e	6,013.77	7,059.72	
emission	Total GHG emissions (Scope 1 and Scope 2)	tCO2e	6,081.48	7,133.77	
	GHG emission intensity (Scope 1 and Scope 2)	tCO2e/RMB 1 million revenue	1.62	1.91	
Wastewater management	Wastewater discharge	Ton	30,830	74,367	
Waste management	Amount of non-hazardous waste generated	Ton	/	1,343.95	

	Environment dimension indicators					
Topic	Indicator	Unit	2023	2024		
Waste	Non-hazardous waste generation intensity	Ton/RMB 1 million revenue	/	0.36		
management	Hazardous waste generated	Ton	0.91	4.6		
	Hazardous waste generation intensity	Ton/RMB 1 million revenue	0.0002	0.0012		
	Electricity consumption	Kwh	11,640,100	13,156,399		
	Gasoline consumption	L	18,950.0	23,959.59		
Energy	Diesel consumption	L	10,000	9,096.76		
management	Distributed PV power generation capacity	Kwh	1,391,260	1,231,620		
	Proportion of green electricity to total electricity consumption	%	9.66	8.56		
Water	Total water consumption	Ton	73,127.00	74,367.00		
management	Total water consumption per RMB 1 million revenue	Ton	19.49	19.92		
		Social dimer	sion indicators			
Topic	Indicator	Unit	20	24		
	Total number of R&D team members	Person	78	34		
	Proportion of the number of R&D personnel to the total number of employees	%	31.	54		
R&D team		Educational co	omposition of the R&D te	eam		
	Master's degree or above	Person	22	29		
	Undergraduate	Person	49	99		
	Below undergraduate	Person	5	6		



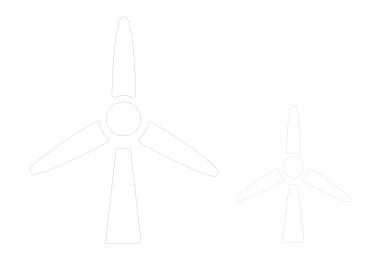
		Social dimer	nsion indicators			
Topic	Indicator	Unit	2024			
		Gende	er ratio of R&D team			
	Male	Person	645			
	Female	Person	139			
R&D team	Total R&D investment	RMB'0,000	34,506.83			
	Proportion of R&D investment in primary business income	%	9. 24			
	Number of new product development projects	/	992			
	Number of patent applications	Item	223			
	Cumulative number of authorized patents	ltem	539			
	By patent type					
Intellectual	Cumulative number of authorized invention patents	ltem	136			
property management	Cumulative number of authorized utility model patents	ltem	386			
	Cumulative number of authorized appearance design patents	ltem	17			
	Other intellectual property rights					
	Cumulative number of software publications	ltem	32			
	Cumulative number of trademarks	ltem	92			
	Total number of employees	Person	2,486			
	Number of minority ethnic employees	Person	182			
Composition of employees	Proportion of minority ethnic employees	%	7. 32			
			By gender			
	Male	Person	642			
	Female	Person	1,844			

		Social dimer	sion indicators			
Topic	Indicator	Unit	2024			
	By age					
	Below 30 years old	Person	1, 146			
	30-39 years old	Person	1,127			
	40-49 years old	Person	197			
	50 years old and above	Person	16			
Composition		Classification	by educational background			
of employees	Ph.D.	Person	4			
	Master	Person	281			
	Undergraduate	Person	977			
	Below Undergraduate	Person	1, 224			
	Number of employees by region					
	China	Person	2, 480			
	Overseas	Person	6			
	Total number of new employees	Person	764			
	Number of new employees by age					
	Under 30 years old (exclusive)	Person	451			
Composition of new employees	30-40 years old (including 30, excluding 40)	Person	296			
in the Reporting	40-50 years old (including 40, excluding 50)	Person	14			
Period	50 years old and above	Person	3			
		New e	mployees by gender			
	Male	Person	201			
	Female	Person	563			
	Total number of suppliers	/	755			
Supplier management	Number of suppliers with quality management system certification	/	542			



	Social dimension indicators				
Topic	Indicator	Unit	2024		
Supplier	Number of suppliers with environment management system certification	/	379		
management	Number of suppliers with occupational health and safety (OHS) management system certification	/	297		
	Pass rate of products	%	98.6		
	Number of annual quality internal audits	Time	2		
Product	Number of samplings by third-party agencies hired	Time	1		
quality	Quantity of product recalled	pcs	0		
	Number of trainees of quality training	Trainees	901		
	Total duration of quality training	Hour	71.92		
	Number of quality training sessions	Session	55		
	Quantity of customers participating in the survey	Person	377		
Protection of customers'	Percentage of customers participating in the survey	%	55		
rights and interests	Number of valid copies of customer satisfaction questionnaires distributed	Сору	377		
	Customer satisfaction	Point	92.7		
	Employee training input	RMB'0,000	141.67		
Employee	Employee training session	Session	549		
training	Total number of employees trained	Person	2, 626		

	Social dimension indicators					
Topic	Indicator	Unit	2024			
	Total number of trainees	Trainees	24, 606			
Employee training	Employee training coverage (employee training ratio)	%	100			
	Total training duration	Hour	56, 717. 12			
	Average number of hours of training received by each employee each year	Hours/person	21.60			





// Index of Indicators

Level 1 heading	Level 2 heading	Global Reporting Initiative's Sustainability Reporting Standards (GRI Standards)	General Framework of Guidelines for Sustainability Reporting for Chinese Enterprises (CASS-ESG6.0)
Preface	About this Report	2-1/2-2/2-3	P1.1/P1.2
	Chairman's Message	2-22	P2.1
	About Us	2-1/2-6	P3.1/P3.2/P3.3
Strengthen standardized governance and lead the development of PV inverters	Sustainable governance	2-16/2-29	G1.3
	Dual importance analysis	3-1/3-2/3-3	G1.1
	SDGs	2-22	G1.1
	Three Bodies governance	2-9/2-10/2-11/2-12/ 2-27	G1.1
	Compliance operation	2-12/207-1/207-2/2-16/ 2-27/2-29	G1.1
	Investor Relations	/	/
	Business ethics	2-27/205-1/205-2	G2.1
Strengthen green empowerment to create a zero-carbon future	Addressing climate change	201-2/305-5	E1
	Environment compliance management	2-12/2-27/201-2/ 303-2/303-4	E2.1/E2.2
	Management of Three Industrial Wastes	306-1/306-2/306-3/ 306-4/306-5	E2.4
	Resource utilization	302-1/302-2/302-3/ 302-4/302-5/303-1/ 303-3/303-5	E3.1/E3.2/E3.3

Level 1 heading	Level 2 heading	Global Reporting Initiative's Sustainability Reporting Standards (GRI Standards)	General Framework of Guidelines for Sustainability Reporting for Chinese Enterprises (CASS-ESG6.0)
Work together with partners to build a blueprint	Scientific research and innovation	203-1	S2.1
	Supply chain management	414-1/205-1/205-2/ 205-3/206-1	S3.1
	Product quality	416-1	S3.3
	Customer service	416-1	S3.3/S3.4
	Data security protection	418-1	S3.4
Adhere to the people-oriented approach to protect occupational health	Compliance with employment regulations	2-7/2-19/201-3/401-1/ 401-3/405-1/406-1/ 407-1/408-1/409-1	S4.1
	Career development and training	404-1/404-2/404-3	S4.3
	OHS	403-1/403-2/403-5/ 403-6/403-7/403-8/ 403-9/403-10	54.2
Taking social responsibility to promote the "PV Plus Agriculture" mode	/	413-1	S1.1/S1.2
Appendices	Data sheets and notes	2-7/201-1/301-1/301-2/ 302-1/302-2/303-3/303-4/ 303-5/305-1/305-2/305-5/ 306-3/401-1/401-3/403-5/ 403-9/404-1	A2
	Benchmark Index Table	1	А3
	Feedback Form	2-16	A6



🚱 Feedback Form

Dear readers,

Thank you for reading this report. We highly value and sincerely welcome your feedback. Your comments and suggestions will serve as critical guidance for us to continuously enhance the quality of ESG disclosures, strengthen ESG management practices, and advance sustainable development initiatives. We deeply appreciate your valuable input.

 1. How would you evaluate our overall ESG performance: □Excellent □Good □Fair □Poor □Very poor
• 2. What is your general assessment of this report: □Excellent □Good □Fair □Poor □Very poor
• 3. How effectively do you think we communicate with stakeholders? □Excellent □Good □Fair □Poor □Very poor
4. How well do we fulfill product stewardship responsibilities?□Excellent □Good □Fair □Poor □Very poor
5. How would you rate our performance in environmental protection, safety, and occupational health?□Excellent □Good □Fair □Poor □Very poor
. 6. How adequately do we address employee-related responsibilities? □Excellent □Good □Fair □Poor □Very poor
7. How comprehensively do we implement ESG practices? □Excellent □Good □Fair □Poor □Very poor
8. What specific recommendations do you have regarding our ESG implementation and this report?



PROMOTE TECHNOLOGICAL PROGRESS IN THE INDUSTRY CREATE A BETTER LIFE FOR EVERYONE

Website: www.hopewind.com

Tel: 0755-86705230

Address: Building 11, Guanlong No.2 Industry Park, Xili Town,

Nanshan District, Shenzhen City, Guangdong Province

Email: ir@hopewind.com