



2023

Anhui Huasun Energy Co., Ltd.
Environmental, Social, and Governance (ESG) Report

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Clean Energy, Efficient Development

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About This Report

Report Overview

This report is the annual Environmental, Social, and Governance (ESG) report of Anhui Huasun Energy Co., Ltd. (hereinafter referred to as "Huasun," "the Company," or "we"). It covers the Company's specific initiatives, performance, and outlook in four areas: economic, environmental, social, and governance for the year 2023. Through this report, we aim to enhance transparency and communicate with stakeholders, demonstrate our firm commitment to sustainable development, and lay a solid foundation for long-term value creation.

Scope of the Report

This report covers the period from January 1, 2023, to December 31, 2023. To enhance the completeness of the report, some information beyond the reporting period may be included.

Report Boundary

This report identifies Anhui Huasun Energy Co., Ltd. as the primary entity of disclosure. The entities included in the report are listed in the table below:

Company Name	Abbreviation
Anhui Huasun Energy Co., Ltd.	Huasun
Xuancheng Huasun New Energy Co., Ltd.	
Xuancheng Huasun Photovoltaic Technology Co., Ltd.	Xuancheng Base
Anhui Huasun New Materials Co., Ltd.	
Hefei Huasun Photovoltaic Technology Co., Ltd.	
Hefei Huasun New Energy Co., Ltd.	Hefei Base
Wuxi Huasun Photovoltaic Technology Co., Ltd.	Wuxi Base
Dali Huasun New Energy Technology Co., Ltd.	
	Dali Base
Dali Huasun Photovoltaic Co., Ltd.	

Basis of Preparation

Global Reporting Initiative (GRI) Standards 2021 (In Accordance)
 SASB Standard: Solar Technology & Project Developers Sustainability Accounting Standard
 UN SDGs 2030

Data Sources

The information and data in this report are sourced from Huasun's original records, company documents, and audited financial statements. Unless otherwise stated, all amounts in the report are presented in RMB.

This report has been reviewed and approved by the Board of Directors. The Board and all directors of Huasun guarantee that there are no false records, misleading statements, or material omissions in the content of this report. Huasun is responsible for the authenticity, accuracy, and completeness of the content of this report.

Access to the Report

This report is published in electronic format and can be downloaded from the company's official website (www.huasunsolar.com). We offer both Chinese and English versions to accommodate readers with different language preferences. In the event of any discrepancies between the two versions, the Chinese version shall prevail.

Contact Information

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 Email: ESG@huasunsolar.com

Message from the Chairman

Dear shareholders, partners, employees, and friends from all walks of life:

Hello, everyone!

In this era full of challenges and opportunities, on behalf of Anhui Huasun Energy Co., Ltd., I would like to present to you our ESG (Environmental, Social and Governance) Report for the year 2023. This report is not only a review of our unremitting efforts on the path of sustainable development in the past year, but also an outlook on our role as a leading enterprise in the heterojunction photovoltaic industry, empowering the upstream and downstream of the industrial chain to develop sustainably, as well as realizing the far-reaching layout of our ESG strategy in the future.

In the context of global energy structure transformation, the solar industry has ushered in unprecedented opportunities. As the pioneer and leader of heterojunction photovoltaic technology, Huasun is well aware of its own responsibility and mission. We deeply integrate ESG concepts into our corporate strategy not only to respond to the call for global sustainable development, but also to lead the heterojunction photovoltaic industry to a greener, more efficient, and sustainable direction.

I. Environmental strategy : green production driven by technological innovation

On the environmental front, we adhere to our core strategy of "Green Production and Technological Innovation". Heterojunction technology stands out among the new generation of photovoltaic technology routes with its advantages of the highest efficiency, the best power yield, the strongest reliability, the lowest carbon footprint and the most minimal cost. As a leader in this field, Huasun continues to increase its R&D investment and commits to improving the conversion efficiency and production yield of heterojunction modules, reducing the production cost, and providing more competitive green energy solutions for the world.

At the same time, we are well aware of the importance of green production. During the production process, we adopt advanced energy-saving and environmentally-friendly technologies and equipment to optimize the structure of energy use and reduce carbon emissions and resource consumption. Through the implementation of a strict environmental management system, we ensure that our production activities comply with international environmental standards and contribute to the global sustainability initiatives.

II. Social strategy: sharing the fruits of development and contributing to social progress

We uphold the social responsibility concept of "Sharing Value, Creating Future Together". As a leading enterprise in the heterojunction industry, we know that our social responsibility lies not only in providing high-quality products and services, but also in driving social progress through technological innovation and industrial development.

We pay attention to the well-being and growth of our employees, provide diversified training and career opportunities, and stimulate their innovative potential and enthusiasm for work. We are committed to building harmonious labor relations, protecting employees' rights and interests, and creating a fair, just, and inclusive working environment. At the same time, we actively participate and donate in public welfare undertakings, and give back to our local communities and the society by helping and supporting the underprivileged population.

In addition, we also focus on win-win cooperation with suppliers, customers, and other stakeholders. By establishing long-term and stable cooperative relationships, we jointly promote the coordinated development of the heterojunction photovoltaic industry chain. We are committed to building a collaborative innovation platform for the industrialization of heterojunction technology and actively promoting the activities of the China PV Solar High-Efficiency Heterojunction Club in the hope that, through the open, transparent, and mutually trusting innovation platform, we will work together with all parties to meet the challenges of the industry and create a better future.

III. Governance strategy : strengthening compliance and improving governance

In terms of governance, we adhere to the governance philosophy of "Compliance and Integrity". As a public company, we are fully aware of the importance of compliance. We strictly comply with national laws, regulations and regulatory requirements, and establish a sound internal control system to ensure that our operations are compliant and sound. We strengthen our awareness of risk management and establish a sound risk assessment and response mechanism to ensure that the company can effectively respond to various risk challenges.

At the same time, we focus on improving corporate governance. By optimizing the structure of the board of directors, improving the decision-making mechanism, and strengthening information disclosure and other measures, we enhance the transparency and effectiveness of corporate governance. We advocate a culture of integrity, create a clean and upright corporate culture, and ensure the scientific and fair nature of corporate decision-making.

Looking ahead, heterojunction technology will have greater development potential. With the acceleration of global energy transition and the continuous progress of photovoltaic technology, heterojunction has become the mainstream technology of the third generation of photovoltaic. As an industry leader, Huasun will continue to utilize its own advantages to promote the innovation and application of heterojunction photovoltaic technology and contribute more power to the global energy transition.

Dear shareholders, partners, employees and friends from all walks of life, the development of Huasun cannot be separated from your care and support. In the future, we will continue to uphold the core values of "customer-centric, quality-oriented, and keep striving", and more firmly promote the green transformation and sustainable development of the photovoltaic industry, and make our home more livable and beautiful with high-efficiency solar energy. Let's work hand in hand and create a better future!

Thank you all!

Xu Xiaohua
Chairman of Anhui Huasun Energy Co., Ltd.

About Us

Company Profile

Founded in July 2020, Anhui Huasun Energy Co., Ltd. is a technology-driven innovative enterprise focused on the R&D, application, and mass production of ultra-high efficiency N-type silicon-based heterojunction (HJT) solar wafers, cells, and modules. Huasun is dedicated to becoming a world's leading high-efficiency solar technology company, providing customers with clean energy solutions that offer higher efficiency, superior performance, and better returns.



Mission

Bring superior solar energy to life, making homes livable and beautiful.



Vision

To be the world's leading high-efficiency solar technology company.



Values

Customer-centric Quality-oriented Keep striving
Adhere to technological innovation Insist on lifelong learning



Business Philosophy

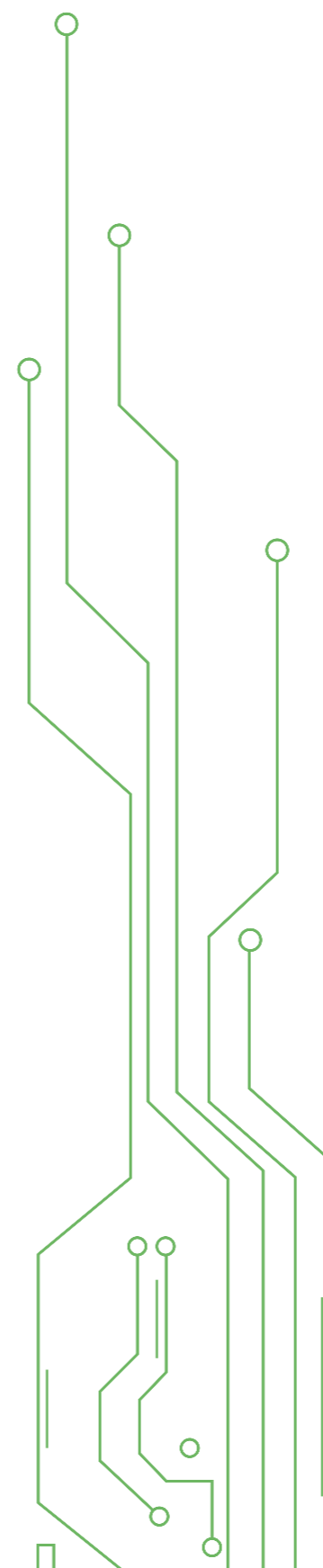
Open-mind Ecosystem Mutual benefit



Social Responsibility

Take on Social Responsibility Create Social Value

Milestones



2020

July – Anhui Huasun Energy Co., Ltd. was established.

2021

April – Phase I of Xuancheng Base, which has a capacity of 500MW HJT solar cells and modules, commenced operations.

July – M6 HJT cell efficiency reached 25.26%.

November – Series A Financing completed.

2022

June – Phase II of Xuancheng Base, which has a capacity of 2GW HJT solar cells and modules, commenced operations.

August – Dali Base, which has a capacity of 5GW HJT solar cells and modules, commenced construction.

September – Facility in Xuancheng Economic and Technological Development Zone, which has a capacity of 8.7GW HJT silicon wafers, 7.5GW solar cells and 5GW modules, commenced construction.

October – Wuxi Base, which has a capacity of 3.6GW HJT solar cells, commenced operations.

2023

January – Series B Financing completed.

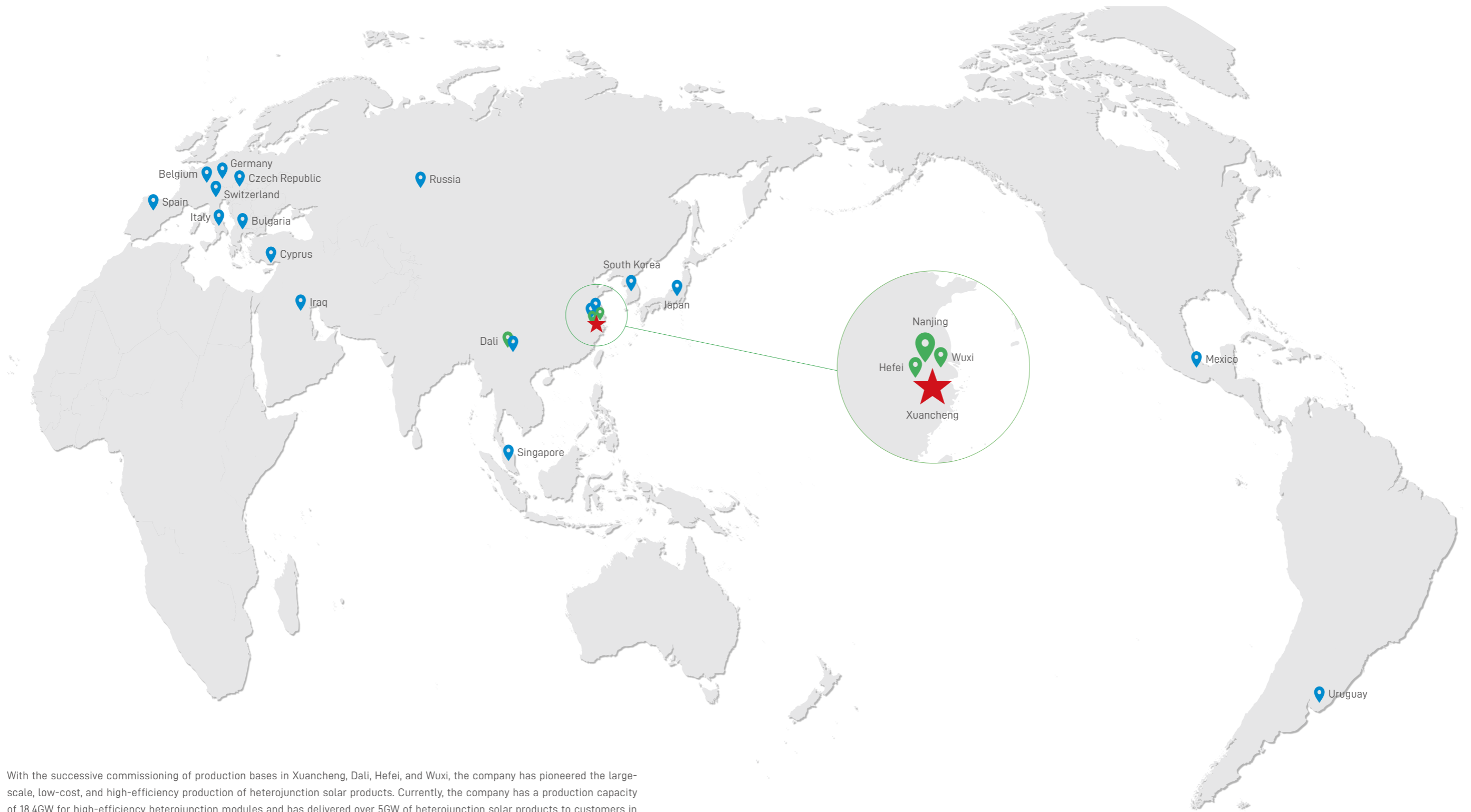
May – Phase III of Xuancheng Base, which has a capacity of 8GW HJT solar modules, commenced operations.

June – Hefei Base, which has a capacity of 5GW HJT solar cells, commenced construction.

November – Himalaya G12-132 HJT solar module power reached 750.54W.

November – Series C Financing completed.

December – The company completed shareholding reform.



With the successive commissioning of production bases in Xuancheng, Dali, Hefei, and Wuxi, the company has pioneered the large-scale, low-cost, and high-efficiency production of heterojunction solar products. Currently, the company has a production capacity of 18.4GW for high-efficiency heterojunction modules and has delivered over 5GW of heterojunction solar products to customers in more than 40 countries and regions worldwide. Huasun is now the world's largest vertically integrated provider of heterojunction solar products and solutions. The company plans to achieve a total production capacity of 100GW by 2028, driving industry chain integration and technological upgrades through mass production and advancing the successful industrialization and application of heterojunction technology.

★ Headquarters 📍 Manufacturing Base/Sales Center 📍 Projects

Honors and Recognitions

Over the past year, Huasun has garnered widespread recognition from the government and industry for its exceptional innovation, relentless effort, and unwavering commitment to quality. The company has also achieved notable success in areas such as environmental protection, innovation, and digitalization, with outstanding accomplishments in sustainable development.

Honors	Issuing Authority
List of Enterprises Meeting the "Photovoltaic Manufacturing Industry Standard Conditions"	Ministry of Industry and Information Technology of the People's Republic of China (MIIT)
National Intellectual Property Advantageous Enterprise	China National Intellectual Property Administration
Anhui Province Major Industrial Innovation Program (Green and Low-Carbon Projects)	Anhui Provincial Development and Reform Commission
Anhui Province Innovative Small and Medium-Sized Enterprise	Anhui Provincial Department of Economy and Information Technology
Anhui Province Standardization Demonstration Enterprise	
Anhui Province Digitalized Workshop	
Anhui Province Specialized and New Enterprise	
Anhui Province Manufacturing Innovation Center	
Anhui Province Enterprise Research and Development Center	Anhui Provincial Department of Science and Technology
2023 Green Channel for Introduction of Overseas High-Level Talent and Urgently Needed Talent Title Evaluation	Anhui Provincial Department of Human Resources and Social Security
Xuancheng City Green Factory	Xuancheng City Bureau of Economy and Information Technology



Honors	Issuing Authority
Global Unicorn Index 2023	Hurun Research Institute
Global New Unicorn 2023H1	Forbes
Tier 1 PV Module Manufacturers	BloombergNEF
Top Performer 2023	PVEL
Top Solar Modules 2023	TAIYANGNEWS
2023 Top Quality Residential and Commercial PV Module Brand in China	Century New Energy Network
PVBL 2023 Emerging Award in the PV Industry	
PVBL 2023 Global Most Creative Enterprise Award	
PVBL 2023 Global Top 100 Photovoltaic Brands Value	SMM
2023 Radiance Cup Photovoltaic Cell Technology Innovation Award	
2023 Radiance Cup Photovoltaic Cell Industry Leader Award	
2023 Radiance Cup Photovoltaic Module Premium Supplier Award	SolarBe
"Solar Energy Cup" 2023 Most Influential Photovoltaic Module Enterprise	
"Solar Energy Cup" 2023 Most Influential Solar Cell Enterprise	GUANGFU BJX
12th "Polaris Cup" 2023 Influential Photovoltaic Cell Brand	
12th "Polaris Cup" 2023 Influential Photovoltaic Module Brand	PVmen
Distributed Photovoltaic Technology Emerging Award	
2023 Good Photovoltaic Annual Photovoltaic Cell/Module Technology Breakthrough Award	IN-EN.com

Certifications

Certification Programs	Issuing Authority
ISO 9001 Quality Management System Certification	TÜV SÜD
ISO 14001 Environmental Management System Certification	
ISO 45001 Occupational Health and Safety Management System Certification	
ISO 50001 Energy Management System Certification	Aobang Inspection and Certification Group
SA 8000 Social Accountability Management System Certification	TÜV SÜD
IEC 62941 Photovoltaic Module Manufacturing Quality System Certification	China Quality Mark Certification Group
GB/T 29490-2013 Intellectual Property Management System Certification	
The output power of the Himalaya G12-132 HJT module reaches 750.54W, with a conversion efficiency of 24.16%	TÜV SÜD

Sustainability Management

ESG Highlights

Environmental Performance

Carbon emission intensity reduced to as low as **34.70** tons of CO₂ equivalent per megawatt

Product carbon footprint reached **366.12** grams of CO₂ equivalent per watt, as verified by an independent third party

Planning to develop the first zero-carbon HTJ photovoltaic module product in China, entering the "Zero-carbon era"

Committed to achieving a closed-loop power application mode of "self-production, self-generation, self-consumption" through on-site photovoltaic power station in industrial parks and factories

Social Performance

Established a comprehensive training mechanism across all levels, and all employees are subject to regular training and performance evaluations

Achieved **100%** coverage in health and safety training during the reporting period; with no fatal accident reported

Collaborated with over **15** educational institutions and research organizations (including **5** new partnerships in 2023)

As of the end of 2023, contributed to the development of **13** industry standards

By the end of 2023, provided over **3,400** local jobs in Xuancheng, Anhui Province, with an output value of **6.9** billion RMB during the reporting period, representing a **177%** year-over-year growth

Governance Performance

Optimized sustainability management by establishing a sustainability framework with the Board of Directors as the highest governance structure

Women comprise **9.09%** of the Board, with independent directors making up **36.36%**

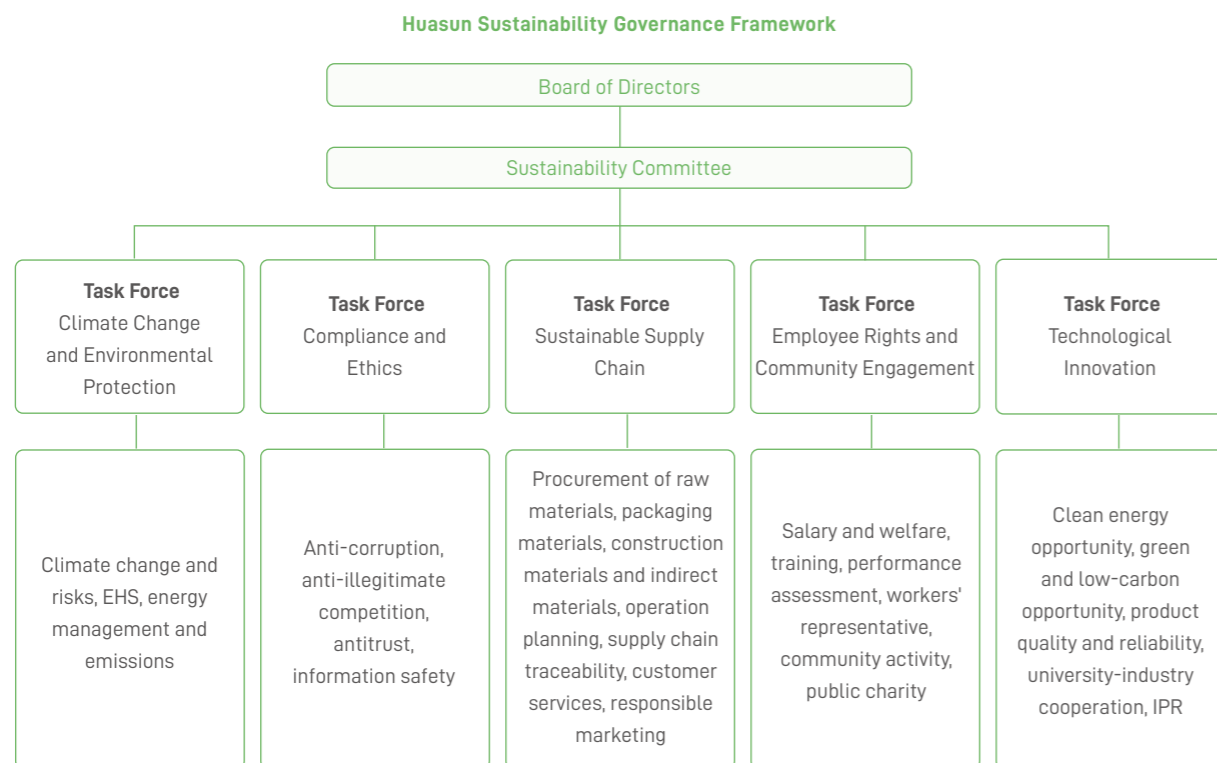
Conducted corruption risk assessments at **100%** operational sites during the reporting period, and carried out **5** routine audits and **14** special audits

As of the end of the reporting period, a total of **254** patents had been filed, with **119** patents granted



Sustainability Governance Framework





In 2024, Huasun established a top-down sustainability governance framework composed of the Board of Directors, the Sustainability Committee, and various task forces focused on specific issues. By creating this comprehensive sustainability governance framework, the company not only reinforced its commitment to sustainability at the strategic level but also ensured the orderly advancement and implementation of sustainability initiatives at the operational level. This framework enables the company to proactively address environmental and social challenges while driving continuous growth and achieving long-term sustainable development.







Level	Responsibilities
Board of Directors	The Board of Directors, as the highest decision-making body, is responsible for supervising, reviewing, deciding, and approving all major sustainability/ESG matters. This includes setting strategies and goals, assessing and responding to risks, overseeing material issues, monitoring goal achievement and risk control, establishing management and risk monitoring systems, and approving the annual ESG report.
Sustainability Committee	The Sustainability Committee is responsible for coordinating and managing the company's sustainability/ESG efforts and reports to the Board of Directors. Its responsibilities include planning and adjusting strategies and goals, identifying and assessing risks, developing mitigation measures, ensuring the implementation of management systems, revising management manuals, communicating with stakeholders, identifying material issues, preparing and publishing ESG reports, and regularly reporting on goal achievement and risk control status.
Task Forces	The Sustainability Committee oversees five task forces, each responsible for specific areas such as climate change and environmental protection, compliance and ethics, sustainable supply chain, employee rights and community engagement, and technological innovation. These task forces implement the decisions of the Sustainability Committee, with representatives from each functional department regularly reporting on progress and risk management. The chair of each task force reports regularly to the chair of the Sustainability Committee on the overall status of their respective focus areas.

Stakeholder Engagement

The cooperation and support of stakeholders are crucial to Huasun's sustainability practices. The company values communication with stakeholders and has established multi-channel communication mechanisms for different stakeholder groups. Through regular and ad-hoc communication, the company can more efficiently and comprehensively receive stakeholders' concerns and expectations, responding promptly to build mutually beneficial and trust-based relationships.

Stakeholder Identification	Expectations and Concerns	Communication Channels and Mechanisms
 Government and Regulatory Authorities	Compliance Operations Risk Management Business Ethics Product Lifecycle Sustainability Management Climate Change Response Energy Management Waste and Hazardous Emissions Clean Energy Opportunities Community Support	Policy Briefings Institutional Visits Official Correspondence Working Meetings
 Investors	Corporate Governance ESG Management Risk Management Product Lifecycle Sustainability Management Clean Energy Opportunities Shareholder Rights Protection Stakeholder Engagement	General Shareholders' Meetings Information Disclosure Performance Briefings Corporate WeChat Account Regular Reports Investor Visits and Calls
 Suppliers	Compliance Operations Supplier Management Sustainable Supply Chain	Supplier Evaluations On-site Audits Supplier Communication and Training Business Negotiations
 Customers	Business Ethics Intellectual Property Protection Information Security Sustainable Supply Chain Quality of Products and Services	Customer Surveys Technical Discussions Customer Service Hotlines Customer Satisfaction Surveys

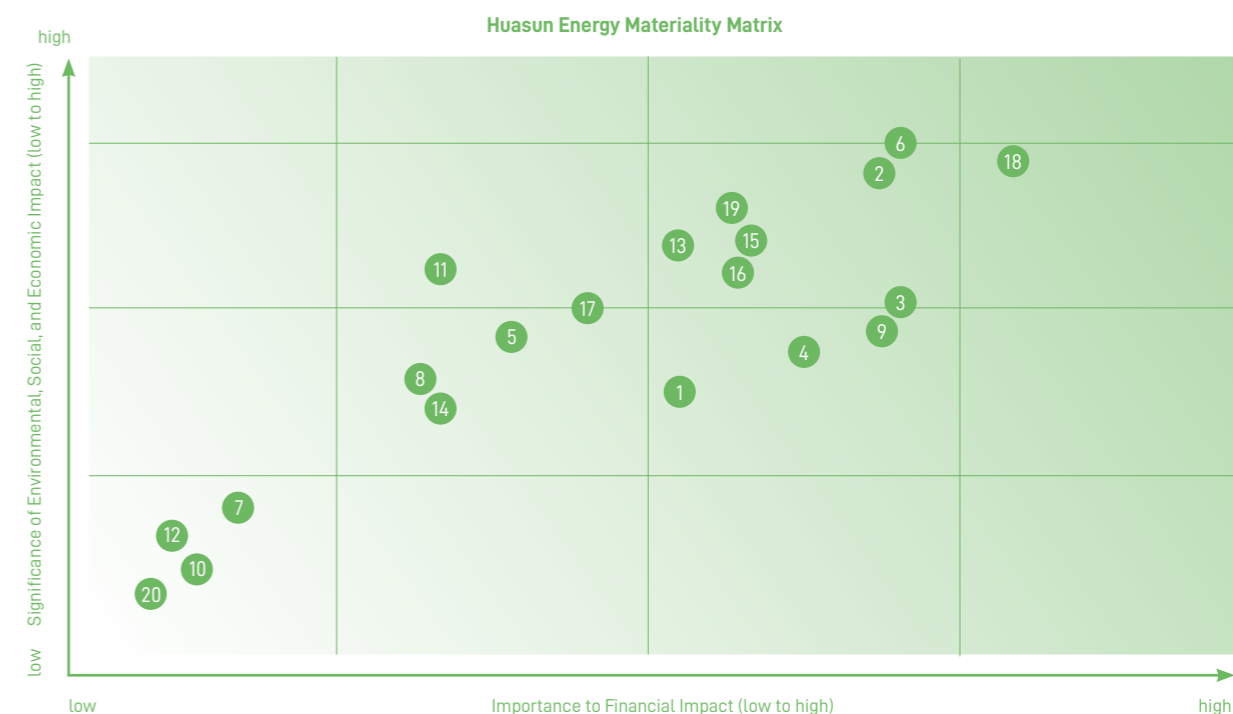
Stakeholder Identification	Expectations and Concerns	Communication Channels and Mechanisms
 Industry Peers	Clean Energy Opportunities Research and Innovation	Forums and Conferences Technical Seminars Industry Alliances
 Media and General Public	Sustainability Management Product Lifecycle Sustainability Management	Organized Activities Site Visits
 NGOs/Non-Profit Organizations	Product Lifecycle Sustainability Management Climate Change Response Energy Management Waste and Hazardous Emissions Community Support	Company Website Corporate WeChat Account Communication Meetings Public Welfare Activities
 Employees	Labor Rights Protection Human Capital Development Health and Safety	Management and Staff Meetings Internal Online Communication Platforms Employee Training Employee Activities

Materiality Analysis

In 2023, Huasun conducted a materiality survey to understand the key sustainability concerns and priorities of both internal and external stakeholders. In this year's survey, we strengthened the sustainability perspective, taking into full consideration the current context of sustainable development. The questionnaire was designed based on the principles of "financial materiality" and "impact materiality." During the analysis process, we sought expert opinions, benchmarked against industry practices, and considered rating criteria to comprehensively and objectively present Huasun's sustainability practices.

- Issue Identification:** By benchmarking against international initiatives and standards, investor and rating agency criteria, best practices of leading companies, and the company's development goals, and by analyzing the environmental, social, and governance (ESG) risks and opportunities related to the business, the Board of Directors and the Sustainability Committee identified 20 highly relevant issues. These issues were then presented in a survey to various stakeholder groups and members of the company's governance bodies.

- Issue Analysis:** The survey was conducted online, distributing questionnaires in the locations where the company operates. A total of 188 valid responses were collected. Based on the scores provided by stakeholders on the relevant issues, a cross-analysis was performed, considering both the importance of these issues to the company's financial impact and the significance of the company's impact on the environment, society, and the economy. This analysis resulted in the creation of Huasun's materiality matrix.



High Materiality	Medium Materiality	Low Materiality
<ul style="list-style-type: none"> 18 Product Quality and Safety 6 Research and Innovation 2 Business Ethics and Compliance 13 Clean Energy Opportunities 19 Customer Relationship Management 15 Labor Rights Protection 16 Human Capital Development 3 Risk Management 9 Energy Management 	<ul style="list-style-type: none"> 4 Supply Chain Management 17 Occupational Health and Safety 11 Waste and Hazardous Emissions Management 1 Corporate Governance 5 Information Security 8 Environmental Management Compliance 14 Product Lifecycle Sustainability 7 Climate Change Mitigation 	<ul style="list-style-type: none"> 12 Biodiversity Conservation 10 Water Resources Management 20 Community Contribution and Charity

PART 1

Products

Clean Energy, Efficient Development

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Clean Energy Opportunities



As a leader in the heterojunction industry, Huasun holds the vision of "Becoming the World's Leading High-efficiency Solar Technology Company" and focuses on the R&D, production and application of ultra-high-efficiency silicon heterojunction solar cells and modules. The company has established a sound R&D, production and quality management system, integrating the resources of the whole industry chain to continuously promote technological innovation and change. The company commits to providing customers with clean energy solutions with higher efficiency, better performance and better returns.

Technology Innovation and Product Upgrade

The heterojunction cell structure is inherently low-carbon. Huasun continuously optimizes the mass production technology and process, and focuses on "low-consumption manufacturing" and "high-efficiency performance", so as to ensure that the product's low-carbon attributes are brought to the best level. We have achieved the dual advantages of heterojunction products in terms of environmental protection and product performance through the ultimate physical symmetry structure, the lowest cell process temperature, the optimal power generation ability, the minimal cell process steps, the lowest silicon usage, the optimal technology platform, the lowest Ag consumption, and the lowest CO₂ emission technology.

Market Demand and Response

Driven by market demand, Huasun responds quickly and provides abundant product solutions for customers of diversified needs in different application scenarios through accurate market analysis and product positioning. Our high-efficiency and low-carbon photovoltaic products have been widely used around the world, helping customers in various industries significantly reduce carbon emission and promoting the popularization of clean energy.

Low-carbon Attribute and Market Advantages

Based on the green and low-carbon attributes of heterojunction cells and modules, Huasun heterojunction modules have obtained carbon footprints certificate of 366.12 g CO₂ eq/W, which is significantly ahead of other photovoltaic products in the market. In addition, Huasun PV modules have also won the green building material certification. These certifications not only highlight our efforts in environmental protection, but also open up a broader market space for us.

Carbon footprint of Huasun HJT modules was as low as

366.12

g CO₂ eq/W



Carbon Footprint Certification

Future Outlook

In the future, Huasun will continue to focus on technological innovation, improve product efficiency and sustainability, and actively grasp the opportunities in the clean energy market. The company plans to launch the first carbon-free HJT product during the "14th Five-Year Plan" period, to drive clean energy development and empower green solutions, and to further promote the realization of sustainable development goals. The company plans to achieve a total production capacity of 100GW by 2028 to meet the growing market demand.

Through this series of initiatives, Huasun has not only consolidated its leading position in the clean energy market, but also made significant contributions globally to response to climate change and sustainable development. We firmly believe that every step of innovation and breakthrough in the field of clean energy in the future will bring more hopes and possibilities for achieving the goal of carbon neutrality.

Product Life Cycle Sustainability Management



Huasun is committed to realizing sustainable management in the whole life cycle of our products, and strictly follows the principle of sustainable development in every step of the process, from design, produce, apply and recycle. Our goal is to create green and energy-efficient photovoltaic products with minimal resource consumption and environmental impacts to enhance its social value.

Design

In the product design stage, Huasun focuses on the concept of environmentally friendly design and selects materials and techniques with low environmental impact to ensure that products have minimal impact on the environment during manufacturing and use. We adopt advanced design tools and methods to optimize the product structure and improve the efficiency of resource utilization while reducing waste and energy consumption.

Case Wafer thinning

By reducing the wafer thickness to 110 μm, Huasun significantly reduces the amount of silicon used per watt while ensuring production yield. Structural symmetry, stress-free and low-temperature processes enable heterojunction cells to achieve higher efficiency while realizing thin wafers, which is an obvious advantage of wafer thinning compared to TOPCon and PERC.

Case Low-indium target material

Indium is the main component of TCO target material for heterojunction cells, but it is scarce and expensive. In order to reduce the dependence on indium, Huasun continues to promote the research and development of low-indium target material. At present, the low-indium solution has passed the reliability test and has been introduced into mass production, and the future goal is to reduce the indium usage in the manufacturing of heterojunction cells by more than two-thirds, and ultimately realizing "indium-free" production.

Case Silver paste consumption reduction

Low-temperature silver paste is an important raw material in the production of heterojunction cells, which is expensive and dependent on imports. Huasun has effectively reduced the silver content in the paste through silver-coated copper technology and the cells and modules which adopted silver-copper paste with 40%-60% copper have passed the reliability test. The company plans to further develop alternative solutions of silver-copper paste with 70%-80% copper. Modules adopted silver-copper paste have been proven to generate as much power as its pure-silver counterpart in our field test power station for two years. And the degradation of silver-copper paste module after DH3000 test is less than 5%, in line with the IEC standards.

Production

Huasun has already realized the low-carbon progress of "low consumption and high efficiency" in the three aspects of raw material use, process steps and production flow. In the production process, the company actively adopts clean production technology and green manufacturing process to reduce pollutant emissions, energy consumption, and water consumption. At the same time, we improve production efficiency and product quality by adopting automated and intelligent equipment. In addition, the waste generated during the production process is strictly classified and treated to maximize the recycling of resources and the reduction of waste.

Case Water recovery process of texturing machine

Huasun recycles water from the texturing machine in the production process of heterojunction cell, collecting the OF overflow water after alkaline and acidic tanks into alkaline and acidic recycling barrels respectively, and then supplies to the former OF tanks for use. Taking the fourth cell Fab in Xuancheng Base as an example, after applying this water saving program, the daily water consumption at the texturing process decreased from the baseline value of 342.38m³ to 256.84m³, with a water saving ratio of 24.98%.

Case Low-temperature manufacturing process

Huasun adopts a low-temperature process in the production of heterojunction cells, with the whole process temperature controlled at around 200°C. This helps to use ultra-thin wafers and reduce the amount of silicon materials used, as well as carbon emissions. In addition, the low-temperature process can reduce the thermal stress generated during the high-temperature to low-temperature conversion process, thereby reducing the risk of fragmentation and cracks. During the reporting period, the company further optimized the process by lowering the temperature of the laminator from 160°C to 145°C, helping to save energy and reduce emissions.

Case Simplifying manufacturing steps

By vertically integrating the heterojunction cell and module production process, Huasun has successfully reduced the number of manufacturing steps. This optimization not only reduces energy consumption in the production process, but also reduces carbon emissions. The company has realized integrated management in the production of wafers, cells and modules, and formed a special silicon wafer system, which has led to a significant reduction in production energy consumption and provided an innovative path for the low-carbon products.

Application

In the usage phase, Huasun focuses on the sustainable management of packaging, transportation and warehousing. In terms of packaging, the company saves resources by reducing the thickness of packaging materials and using recycled packaging materials, and realizes 100% recycling of packaging materials in the manufacturing process; moreover, by actively communicating with customers, the company also realizes partial recycling of packaging materials in some project sites. In terms of transportation, the company has optimized the logistics route plan and fully replaced oil-driven forklifts with electric forklifts to reduce carbon emissions. In terms of warehousing, the company has improved space utilization by adopting stacker cranes and carried out smart warehousing operations at two manufacturing bases, which has significantly improved warehousing efficiency and resource utilization.



Recycle

At the end of the product life cycle, Huasun values the importance of the recycling and reuse of products. The company has established a well-developed recycling system to ensure that waste photovoltaic products can be treated in an environmentally-friendly way and resources can be recycled. Huasun strictly abides by the European Union's "Waste Electrical and Electronic Equipment Directive" (WEEE Directive) and has become a registered member of PV CYCLE in Denmark, Spain, the United Kingdom, Belgium, Germany and Italy. This initiative not only promotes the recycling of resources and reduces the burden on the environment, but also reflects the company's active role and contribution in international environmental cooperation.

Scientific and Technological Innovation



Scientific and technological innovation can help photovoltaic enterprises break through technical bottlenecks and enhance market competitiveness. Huasun continuously researches and develops new technologies to create more efficient heterojunction solar products. In November, 2023, the power efficiency of the company's photovoltaic heterojunction module set a new world record. Certified by TÜV SÜD, the output power of Himalaya G12-132 heterojunction module reached 750.544W, with a conversion efficiency of 24.16%, which set a brand-new benchmark for the mass-production level of global PV modules.

During the reporting period, the company's R&D expenses

182
million RMB



^① During the reporting period, we conducted a comprehensive review of past data, during which we found errors in the original records of the weight of packaging materials in 2022. After careful verification and correction, we confirmed that the actual weight of packaging materials in 2022 should be 2043.49 tons. We are updating this corrected data in this reporting period and will be following the data verification process more closely in future reports to ensure the accuracy and transparency of all information.

Industry-University Cooperation

Upholding the concept of "If you want to go far, walk together", we maintain close contact with institutions and industries, actively carry out exchanges and cooperation. And we are committed to maintain an open innovation system and cooperation platform, continuously driving the emergence of higher-quality, more efficient products and technologies across the entire industry chain, advancing together with the industry.

Projects	Institutions
2023 Xuancheng City and Xuancheng Economic and Technological Development Zone Linkage Science and Technology Program	Hefei University of Technology
2023 Anhui Province Major Industrial Innovation Program in Green and Low Carbon Field	Hefei Institute of Materials Science, Chinese Academy of Sciences University of Science and Technology of China (USTC) Hefei University of Technology
Joint Research Institute of Anhui Advanced Photovoltaic Technology Industrial Innovation	Hefei Institute of Materials Science, Chinese Academy of Sciences University of Science and Technology of China (USTC)

Intellectual Property Protection

Intellectual property is the core guarantee of technological innovation of PV enterprises, and the protection of intellectual property can enhance the market competitiveness of enterprises. We attach great importance to intellectual property protection: our intellectual property management system has been certified and awarded with the honorary title of National Intellectual Property Advantageous Enterprise. By the end of the reporting period, the company has 254 patent applications, including 117 invention applications, 117 utility model applications, 3 design applications and 17 PCT applications; 119 valid patents, including 18 validly licensed inventions, 99 validly licensed utility models and 2 validly licensed designs; and 8 valid patents have been assigned.



Intellectual Property Management System Certification

By the end of the reporting period,

254

patent applications

Quality and Safety



Carrying out the core value of quality-oriented, Huasun has established and continuously improved the quality management system to optimize the customer service process, and create a corporate quality culture with full participation, so as to provide each customer with products and services of excellent quality, safety and trustworthiness. With a solid foundation of product quality, there was no product recall in 2023. As of the end of the reporting period, the company's Xuancheng base of Anhui Huasun Energy Co., Ltd., Xuancheng Huasun New Energy Co., Ltd., and Xuancheng Huasun Photovoltaic Technology Co., Ltd. have obtained ISO 9001 quality management system certification.

Quality Control Tools

Well-developed quality control system

Full process quality management for all aspects of incoming materials, wafers, cells, modules, etc.

Rigorous quality management audits

Internal quality audits combined with external audits of independent third-party, continuously improve and optimize quality management processes

Quality culture with full participation

Carry out quality training programs for all staff, promote rationalization suggestions, and encourage all staff to submit quality improvement suggestions.

In addition, we also actively participate in the preparation and formulation of industry standards, which not only represents that our excellent product quality has been recognized by the market and the industry, but also constantly spurs us to continuously maintain and improve product quality and lead the development of the industry. As of the end of the reporting period, the company has participated in the preparation of a total of 13 industry standards, contributing to the improvement of product quality and standardization in the industry.

Customer Relationship Management



Good relationship with customers can enhance their trust and satisfaction. Huasun has formulated the "Customer Service Management Control Program", the "Customer Complaint Handling Procedure" and other documents to continuously improve the customer management system.

For customer complaints, we promise to reply within 1 working day, give preliminary solutions within 3 working days, and give final solutions within 7 working days to ensure that each complaint can be properly handled and prevented recurrence.

The overall satisfaction score for 2023

94.5

In 2023, we conducted a customer satisfaction survey to assess customer satisfaction in four dimensions: product quality, price, delivery, and after-sales service. According to the results of the survey, the overall satisfaction score for 2023 was 94.5, and we will take measures for continuous improvement and endeavor to raise the level of customer satisfaction.

PART 2

Environment

Ecological Synergy and Green Development

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Waste and Hazardous Emissions Management	36



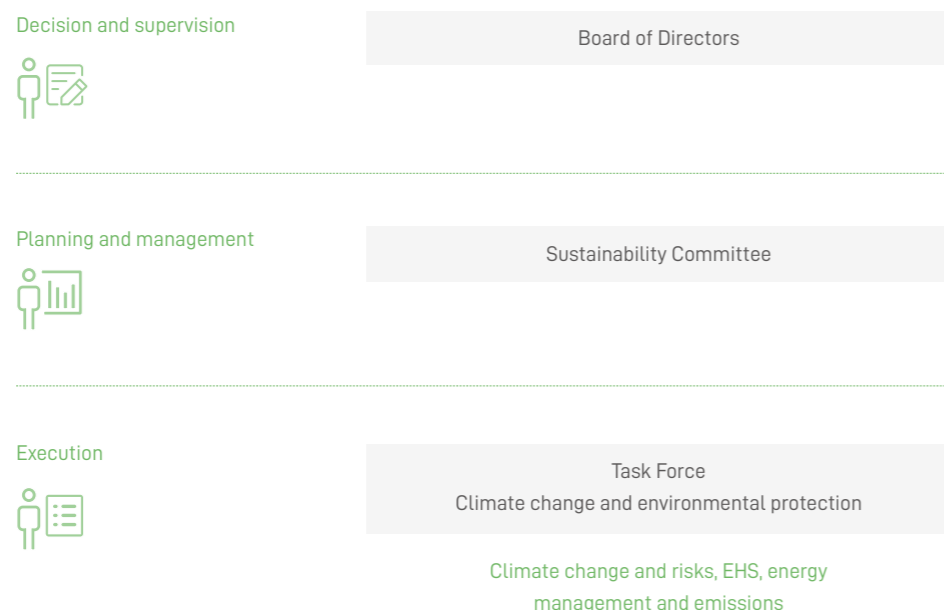
Addressing Climate Change



In 2023, Huasun made significant strides in addressing climate change. During the reporting period, the company closely aligned its efforts with the Paris Agreement and China's "carbon peaking and carbon neutrality" strategy, conducting risk and opportunity identification and assessment related to climate change. This enhanced the company's ability to manage climate risks and seize opportunities, ensuring effective management of climate-related risks and opportunities.

Governance

In terms of climate change governance, Huasun has established a top-down governance framework in 2024. The Board of Directors oversees climate change issues to ensure that the decision-making and supervisory levels are focused and supportive. The Sustainability Committee is responsible for comprehensive management, including the identification, assessment, and response to risks and opportunities related to climate change, ensuring overall coordination at the management level. The Climate Change and Environmental Protection Task Force specifically implements these strategies, translating strategic decisions into concrete actions and integrating them into daily operations to ensure effective progress. Through this comprehensive governance framework, Huasun is committed to achieving continuous improvement and excellence in addressing climate change.



Strategy

During the reporting period, the company recognized the potential impact of climate change on its business and operations. Through systematic risk identification and assessment, the company gained a deep understanding of the nature and effects of climate-related risks, ensuring that appropriate risk management measures are taken in a timely manner.

Risk Type	Physical Risks-Acute	Time Frame	Short-Term
Risk Description 	-Risks of facility damage, production interruption, and supply chain disruptions due to extreme weather events such as storms, floods, and other severe weather conditions.		
Mitigation Measures	<ul style="list-style-type: none"> -Monitor weather forecasts closely and issue alerts immediately upon detection of extreme weather events. -Develop emergency response plans for natural disasters and extreme weather, and conduct regular emergency drills. 		

Risk Type	Physical Risks-Chronic	Time Frame	Long-Term
Risk Description 	-Risks of damage to coastal facilities, production interruptions, logistics disruptions, supply chain interruptions, and increased resource costs due to sea level rise, temperature increase, and changes in precipitation caused by global warming.		
Mitigation Measures	-Enhance monitoring of temperature and precipitation in daily operations. Identify potential risks from climate change long-term and develop corresponding contingency plans to improve adaptability to rising temperatures and changing precipitation.		

Risk Type	Transition Risks-Policy & Legal	Time Frame	Long-Term
Risk Description 	<ul style="list-style-type: none"> -Risks of increased costs, decreased competitiveness, damaged brand image, and compliance risks due to stricter carbon limits and carbon trading schemes. -Risks of transparency pressure, privacy and competitive risks, increased operational costs, and public pressure due to stricter carbon emission disclosure requirements. -Risks of legal compliance issues, increased operational costs, technology transition risks, reduced market competitiveness, and brand reputation risks due to stricter requirements from government and regulatory bodies. 		
Mitigation Measures	<ul style="list-style-type: none"> -Closely monitor emerging regulatory requirements and establish a carbon management mechanism. Continuously manage and control greenhouse gas data. - Regularly monitor carbon emissions and strengthen management and control of greenhouse gas data. -Strictly comply with local and product regulations. Continuously explore low-carbon attributes for products 		

Risk Type	Transition Risks-Technology	Time Frame	Mid-Term
Risk Description	·Risks of investment waste, production interruptions, increased operational costs, decreased competitiveness, and financial risks due to the success rate of energy-saving and emission-reduction technology upgrades.		
Mitigation Measures	·Improve feasibility analysis mechanisms before project investment to ensure the effectiveness of energy-saving and emission-reduction technology upgrades.		

Risk Type	Transition Risks-Market	Time Frame	Short-Term
Risk Description	·Risks of declining profit margins, increased product prices, heightened cost control pressures, tight cash flow, increased supply chain risks, and weakened competitiveness due to rising raw material procurement costs.		
Mitigation Measures	·Optimize raw material procurement structure.Strengthen communication with low-carbon raw material suppliers and develop strategic partnerships.		

Risk Type	Transition Risks-Reputation	Time Frame	Mid-Term
Risk Description	·Risks of impacts on brand reputation, market demand, investment attractiveness, compliance pressure, innovation demands, and operational costs due to customer and investor focus on the company's climate action performance.		
Mitigation Measures	·Strengthen communication channels with customers and investors. Effectively convey the company's low-carbon philosophy.		

Risk Management

In the future, we will focus on integrating climate-related risk management procedures into the company's overall risk management system. This will include establishing a comprehensive risk identification and management framework and maintaining close cooperation with stakeholders. We plan to effectively reduce the potential negative impacts of climate change on business stability and sustainability through regular climate risk assessments and flexible strategic adjustments.

Indicators and Targets

In the future, the company plans to establish a comprehensive greenhouse gas emission management system. Through this system, we will more effectively monitor and reduce greenhouse gas emissions, further advancing our commitment to environmental protection and sustainable development.

Currently, the company is actively advancing greenhouse gas quantification efforts to ensure that we have scientifically transparent data to support our path toward low-carbon development. During the reporting period, the company engaged an authoritative third-party certification organization to conduct a detailed greenhouse gas emission verification for Anhui Huasun Energy Co., Ltd. and its eight subsidiaries. Based on precise capacity planning and future development forecasts, we scientifically projected long-term carbon emission trends, providing a solid scientific basis for developing future low-carbon transformation roadmaps and setting carbon reduction targets. It has been verified that Anhui Huasun Energy Co., Ltd. and its eight subsidiaries had a total greenhouse gas emission of 303,960.27 tons of CO₂ equivalent in 2023.

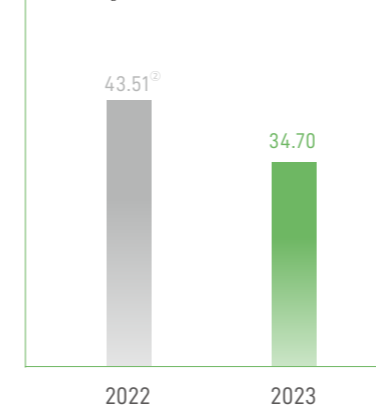
in 2023 Total GHG Emissions

303,960.27

Tons CO₂ equivalent

Indicator	Unit	2022	2023
Scope 1 GHG Emissions	Tons CO ₂ equivalent	226.77	26,167.87
Scope 2 GHG Emissions	Tons CO ₂ equivalent	77,656.82	277,792.40
Total GHG Emissions	Tons CO ₂ equivalent	77,883.59	303,960.27

GHG Emission Intensity (by Production)
(Tons CO₂ equivalent/MW)



② After a detailed data review during this reporting period, we have confirmed that the denominator for this metric should be adjusted from capacity to actual production to more accurately reflect the real situation. Additionally, based on the latest audit results, the production value needs to be updated from the previous 1.7GW to 1.79GW to ensure data accuracy.

Environmental Management Compliance



In 2023, Huasun continued to strengthen and improve its environmental management practices by establishing a comprehensive environmental management system, which further enhanced its environmental protection efforts. The company has developed a "Management Manual" in accordance with the "Environmental Protection Law of the People's Republic of China" and relevant regulations and referring to GB/T24001-2016 "Environmental Management Systems — Requirements with Guidance for Use." This manual serves as the core document for the company's environmental management, outlining the environmental management policy, goals, governance structure, and responsibilities. It provides detailed requirements for the planning, support, operational performance evaluation, and improvement of environmental issues, ensuring that the company can effectively identify and control environmental risks, seize opportunities, and achieve continuous improvement of the environmental management system.

As of the end of the reporting period, three of the company's operational sites have achieved environmental management system certification. Moving forward, Huasun will continue to advance its environmental management system certification efforts, aiming for full coverage across all operational sites. These measures not only enhance the company's environmental management level but also ensure its outstanding performance in environmental compliance.



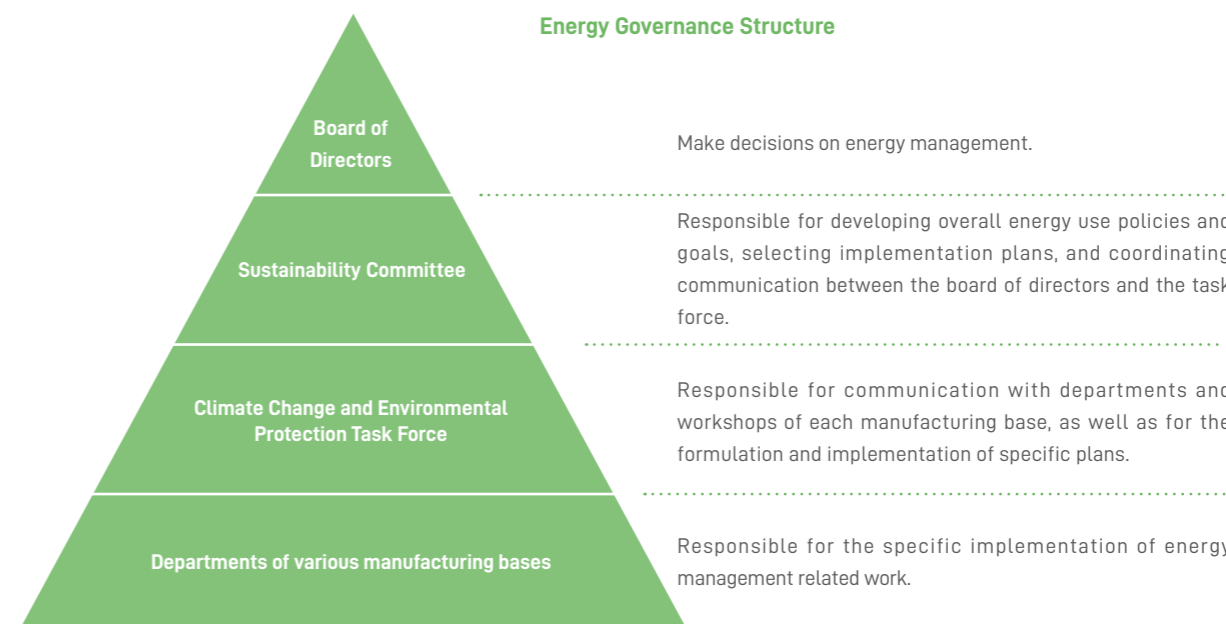
ISO 14001 Environmental Management System Certification

Energy Management



Huasun is committed to developing an efficient energy management system to continuously enhance energy utilization efficiency and achieve energy-saving and efficiency-improving goals. The company has developed an "Energy Management Manual" based on GB/T 23331-2020/ISO 50001:2018 "Energy Management Systems Requirements with Guidance for Use" and RB/T 101-2013 "Energy Management Systems Certification Requirements for Electronic Information Enterprises." This manual serves as the guiding document for the company's energy management, outlining the policy of "scientific management, technological progress, energy conservation and efficiency enhancement, and the creation of green products."

The company's energy management structure comprises the Board of Directors, the Sustainability Committee, and the Climate Change and Environmental Protection Task Force, ensuring clear responsibilities and collaboration at all levels. The manual specifies the processes and control rules for energy management, helping the company systematically reducing energy consumption and improving energy efficiency.



The establishment of the energy management system has not only helped Huasun achieve its energy performance goals but also led to significant results in protecting and improving the environment. During the reporting period, the company's energy management system was certified under ISO 50001, marking its achievement of international advanced standards in energy management.

ISO 50001 Energy Management System Certification

Energy Conservation and Consumption Reduction Measures

Huasun is committed to improving energy efficiency and optimizing energy structure through diverse energy-saving and emission-reduction measures. The company actively implements energy-saving and efficiency-enhancing projects, while also striving to reduce energy consumption through heat recovery and energy conversion. Additionally, the company continues to increase the proportion of clean energy used, plans and invests in clean energy power generation projects, and promotes energy transition.

Energy Conservation and Consumption Reduction Measures

Lighting Control

Utilizes smart lighting systems to automatically adjust lighting intensity based on ambient light conditions, reducing unnecessary electricity consumption.

Air Conditioning Control

Optimizes air conditioning system through smart temperature control technology and zonal control, lowering energy consumption.

Low-Energy Equipment Replacement

Gradually phasing out high-energy-consuming equipment and replacing it with high-efficiency, energy-saving equipment to ensure better energy efficiency during use.

Equipment Performance Efficiency

Regular maintenance and servicing of production equipment to ensure optimal operation, thereby reducing energy consumption.

Equipment Energy Parameter Optimization

Refines management of equipment operational parameters to optimize energy use and further improve energy efficiency.

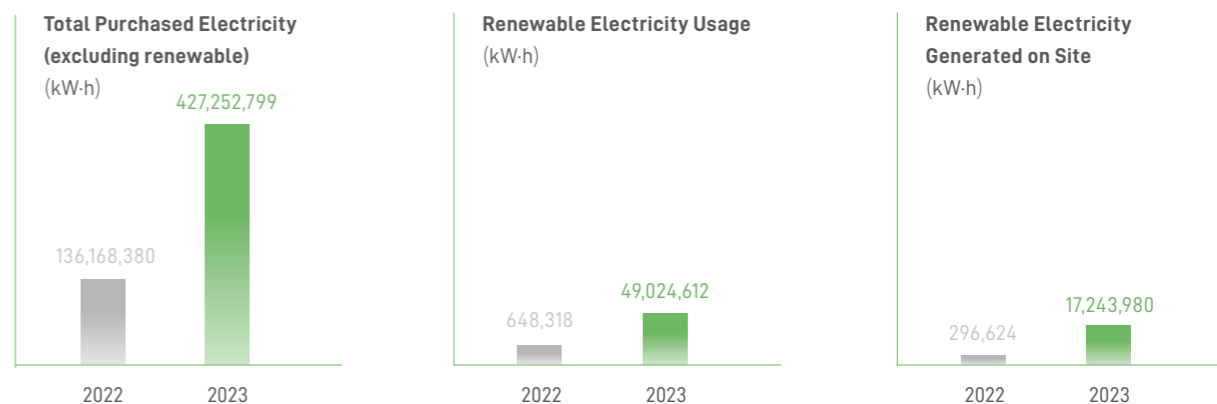
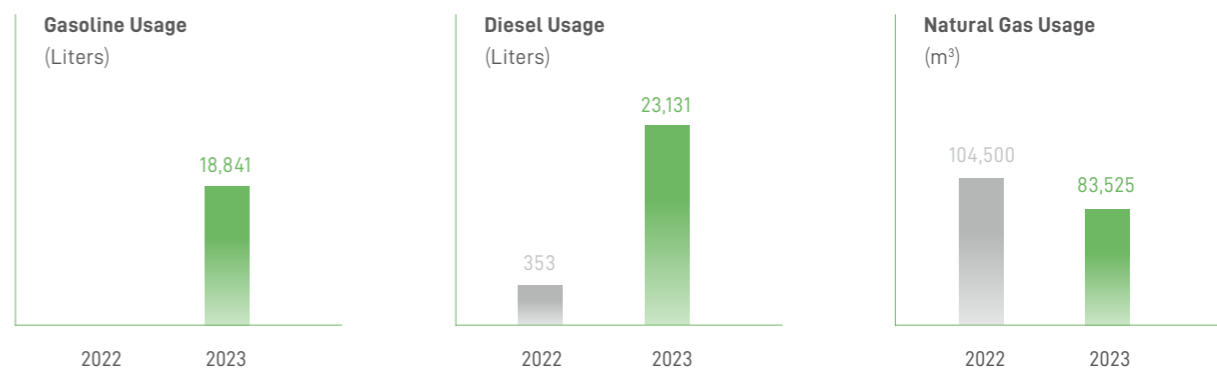
Clean Energy Applications

Huasun has installed distributed photovoltaic power generation systems on the rooftops at multiple plants, aiming to achieve a "self-production, self-generation, and self-consumption" model for clean energy use. During the reporting period, the total installed capacity of rooftop photovoltaic systems at the company's Xuancheng base amounted to 27.35 MW. This approach not only meets the company's operational needs but also allows surplus electricity to be fed into the grid, effectively utilizing solar resources, reducing reliance on traditional energy sources, and lowering carbon emissions. Additionally, the company's Dali base has employed hydropower to further optimize the energy structure and increase the proportion of clean energy use. During the reporting period, the total clean energy consumption across all manufacturing bases reached 49,024,611.6 kWh.

Leveraging its business development, Huasun has provided valuable pathways for its value chain partners to access clean energy and low-carbon opportunities. As of now, Huasun Energy has a HJT module production capacity of 18.4 GW. Based on irradiance conditions in Xuancheng, Anhui, this is estimated to provide approximately 22.9 billion kWh of clean electricity annually, reducing carbon emissions by about 16.19 million tons.



At the same time, the company places high importance on the application of clean energy in its future factory construction plans. Currently, all company buildings are designed according to green building standards to facilitate the installation of rooftop photovoltaic systems. In the future, the company will continue to advance the work of green factory certification, continually improve energy-saving and consumption-reducing measures, and actively promote sustainable development.



Total Comprehensive Energy Consumption (Tons of Standard Coal)



③ In the 2022 ESG report, the total comprehensive energy consumption was reported in MWh and only included electricity consumption. To enhance the scientific accuracy and consistency of this performance indicator, and to ensure future disclosures are consistent, this reporting period we have adopted "tons of standard coal" as the new measurement unit and included all types of energy used in the calculation of this performance data.

Water Resource Management



In 2023, Huasun continued to strictly comply with relevant laws and regulations such as the "Water Law of the People's Republic of China" in water resource management. During the reporting period, the company's water sources were all municipal water, with no water extraction from areas experiencing water stress, and no negative impacts on the regions where the operational sites are located due to water extraction. Throughout the reporting period, the company further reduced its water usage and improved water efficiency through technological improvements and equipment upgrades.

Water Resource Protection Measures

Water Conservation during Construction

During construction, the company employs multiple water-saving measures, including using recycled water for landscaping irrigation and installing water-efficient fixtures. This reduces water usage during construction and improves water resource efficiency.

Factory Water Conservation

The company regularly inspects and repairs faucets to prevent leaks and drips. Perform routine maintenance on cooling water and pure water systems to ensure efficient operation and rational use of water resources.

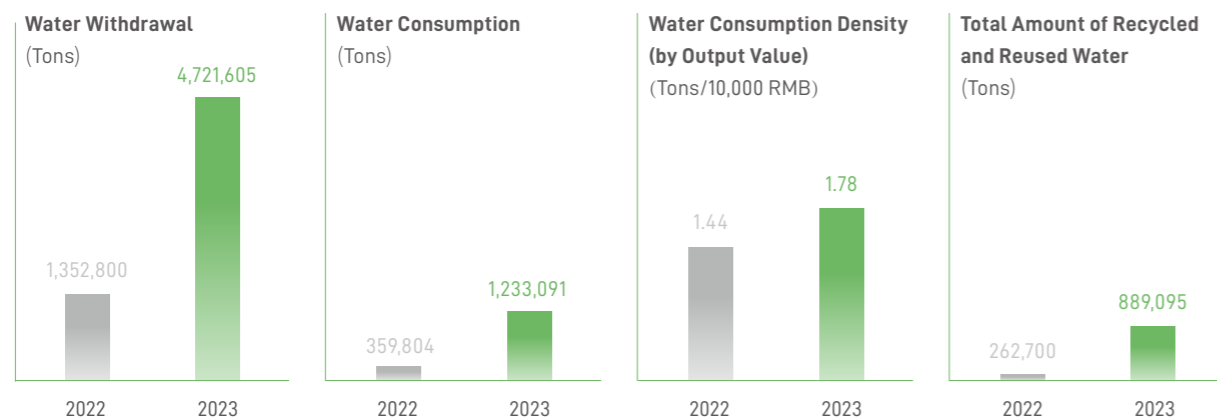
Process Water Conservation

In the production of heterojunction cells, recycles water from texturing machines, thereby reducing daily baseline water consumption by 24.98%.

Water Quality Protection

The company prioritizes water quality protection by properly handling waste and minimizing the erosion of rivers and streams, thus reducing the environmental impact of the production process.

In the future, Huasun will continue to strengthen water resource management by continuously optimizing water usage plans, actively participating in and supporting water resource protection initiatives from all sectors of society, and enhancing employee awareness of water conservation. These efforts will contribute to environmental protection and sustainable development.



Waste and Hazardous Management



Huasun has always strictly adhered to the "Environmental Protection Law of the People's Republic of China" and other relevant laws and regulations in waste and hazardous management. By developing and implementing policies such as the "Environmental Operation Control Procedures" and "Solid Waste Management Regulations," the company has defined standards for the discharge of solid waste, wastewater, and exhaust gases. Huasun is committed to continuously reducing pollutant emissions throughout its activities, products, and services, aiming to minimize environmental impact.

Solid Waste Management

The company strictly follows the "Law on the Prevention and Control of Solid Waste Pollution to the Environment of the People's Republic of China" and other relevant regulations. Through the "Solid Waste Management Regulations," the company has established standards for waste classification and disposal. Waste management at the company covers every stage from generation, collection, transportation, to treatment, ensuring 100% compliant disposal of all types of waste.

Solid Waste Disposal Standards

- **General Solid Waste:** The company ensures that recyclable materials are entered into the recycling loop; materials that cannot be recycled are handled by qualified third-party disposal services.
- **Hazardous Waste:** The company processes hazardous waste strictly according to national standards, registers it in the solid waste management system, and implements a tracking system to ensure full supervision throughout the process.
- **Household Waste:** The company entrusts household waste to sanitation departments for regular collection and classification, ensuring compliance with relevant regulations.

Wastewater Discharge Management

The company strictly adheres to the "Water Pollution Prevention and Control Law of the People's Republic of China" and other relevant laws and regulations, optimizing its wastewater treatment and discharge management system. Under the guidance of the "Environmental Operation Control Procedures," the company continually improves the performance of its wastewater treatment facilities and optimizes treatment processes to ensure compliant discharge of wastewater.

Additionally, each wastewater treatment facility at the company's sites is equipped with continuous monitoring facilities for water quality and quantity at discharge points. These facilities provide real-time monitoring and data upload, enabling timely detection and resolution of any abnormalities.

Wastewater Discharge Standards

- **Production Wastewater:** Each base handles production wastewater according to the "Wastewater System Operation and Maintenance Specifications" to ensure that discharged water is tested and meets standards before being sent to the appropriate wastewater treatment plant.
- **Domestic and Kitchen Wastewater:** Domestic wastewater is decomposed and settled before being channeled through onsite pipelines to the municipal sewage pipeline. Kitchen wastewater is treated in grease traps before being directed to the municipal sewage pipeline.
- **Construction Wastewater:** Establish an effective sewage system at the construction site to ensure that the rainwater pipe network is used separately from the sewage pipe network to avoid contamination.

Exhaust Gas Emission Management

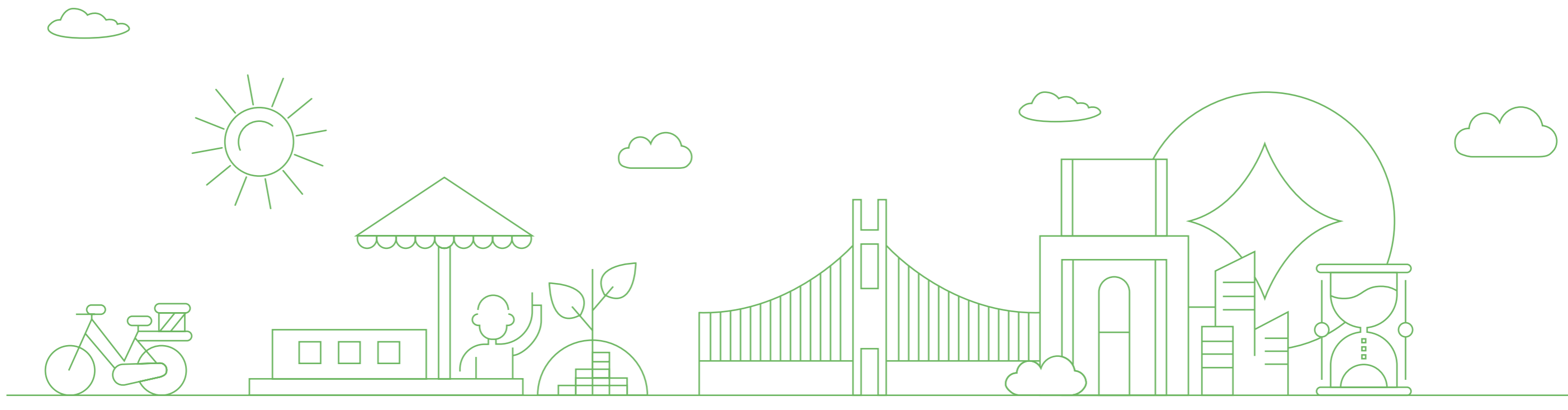
Huasun strictly adheres to the "Law of the People's Republic of China on the Prevention and Control of Air Pollution" and other relevant laws, regulations, and production emission standards. Following the "Exhaust Gas Treatment System Operation Standards and Exhaust Gas Treatment System Maintenance Standards," the company implements various emission reduction and monitoring measures to ensure that waste gas emissions are within permissible limits and comply with regulations.

Exhaust Gas Emissions Standards

- **Production Exhaust:** The company manages emissions according to environmental assessments and discharge permits for each manufacturing base, conducting regular organized and unorganized waste gas monitoring to ensure compliance.
- **Vehicle Exhaust:** The company ensures that all vehicle exhaust emissions meet standards, further reducing the impact on the atmospheric environment.

Through strict policy implementation and management systems, Huasun has achieved significant results in waste and hazardous management. In the future, the company will continue to reduce toxic emissions through process improvements and technological innovations, continually enhance its environmental management standards, and actively promote sustainable development.

Indicator	Unit	2022	2023
Total Hazardous Waste Generated	Tons	375.98	81.93
Hazardous Waste Density (by Output Value)	Tons/10,000 RMB	0.0015	0.00012
Total Non-Hazardous Waste Generated	Tons	1.23	7,578.88
Non-Hazardous Waste Density (by Output Value)	Tons/10,000 RMB	0.0000049	0.011
Total Wastewater Discharge	Tons	992,996	3,488,514



PART 3

Social

Develop Together for Better Home

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Basic Rights and Interests of Employees



Huasun adheres to the people-oriented talent management concept and protects the basic rights and interests of employees. The company strictly abides by the "Labor Law of the People's Republic of China", the "Labor Contract Law of the People's Republic of China" and other relevant laws and regulations at each operation location to ensure that the whole process of recruiting and hiring is legal and compliant, and does not discriminate against employees on the basis of their race, nationality, origin, gender, age and religious beliefs.

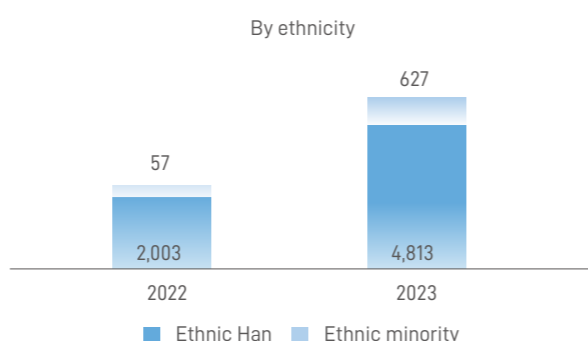
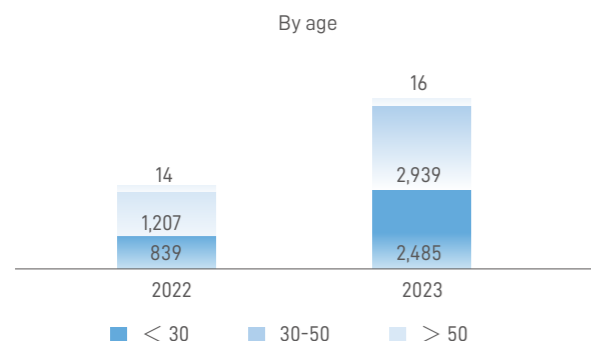
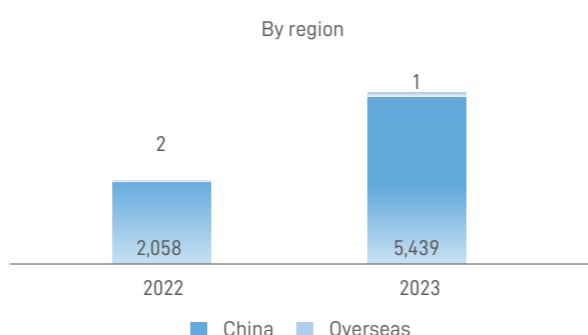
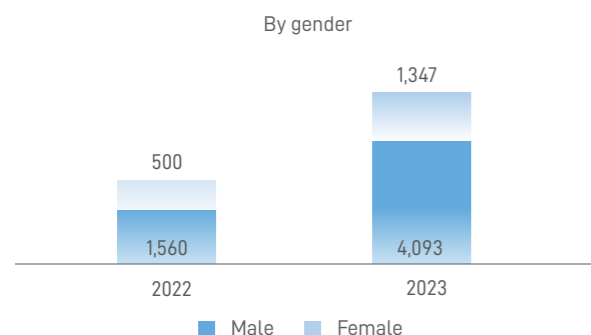
Employee Hiring Performance

Total number of employees ■ 2022 ■ 2023

2,060 5,440



	Percentage of female employees (%)	Percentage of female employees in management (%)	Percentage of ethnic minority employees (%)
2022	24.27	10.89	2.77 ^④
2023	24.76	10.5	11.53



^④ In this reporting period, we reviewed past data and discovered errors in the percentage of ethnic minority employees for 2022. Therefore, we have corrected this data in the current reporting period.

Employee Turnover Performance

2023 Employee hiring rate

133.6 %

Employee turnover rate

29.98 %

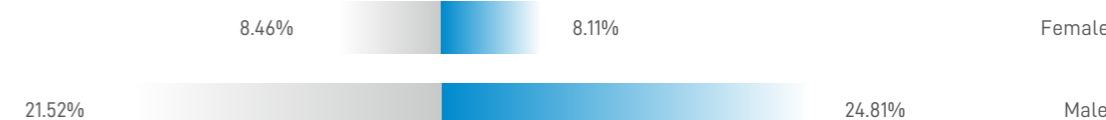
32.92 %

2022

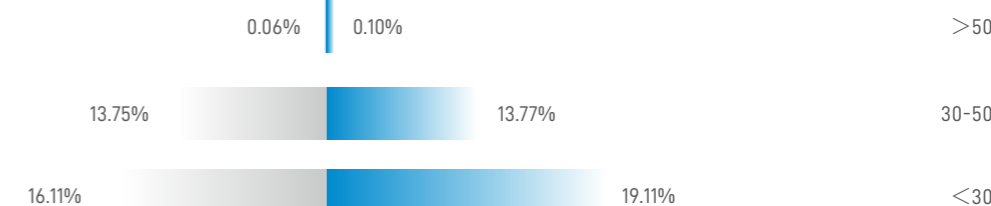
2023

By gender

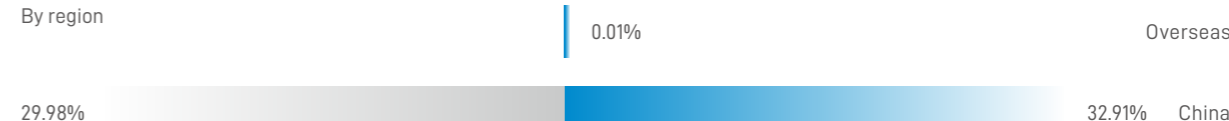
2022 2023



By age



By region



The Company introduces in detail the employment policy, salary policy, welfare policy, attendance policy and interprets the "Recruitment Management Measures", "Salary Management Standards" and other related management systems in the "Employee Handbook" to ensure that all employees of the company and its subsidiaries can clearly understand and safeguard their basic rights and interests. The Company also focuses on communication with its employees, opening up communication channels, promoting exchanges between employees and the company, and enhancing employee satisfaction in all aspects by actively conducting employee seminars, collecting, adopting and providing feedback on employee needs or suggestions, actively implementing feedback and providing assistance to employees in difficulty. In addition, the Company is committed to building a warm and harmonious workplace environment by providing eligible employees with family-friendly leave policies, such as maternity leave, paternity leave, breastfeeding leave and childcare leave, to assist employees in balancing their work and life, provide comprehensive support for employees' families, and encourage employees to take on family responsibilities and participate in family life. During the reporting period, the return rate of employees on maternity leave was 88%, and the retention rate of employees on maternity leave was 86%, of which the reasons for leaving were all personal reasons of employees.

Diversified Welfare System

Holiday Welfare

Establish standards for holiday benefits in the form of shopping cards or gifts.

Benefits on special occasions

Birthday, maternity, care and death condolences in the form of shopping cards, gifts or sympathy payments.

Accommodation benefits

Provides house purchase subsidy and staff dormitories, as well as rent subsidies to eligible employees.

Other benefits

Physical examination, extreme-warm-weather pension, cadre exchange fee, seniority pay, team-building fee, and start-of-the-year reward, etc.



Family Day



Youth Networking Activities



Seminar on Prevention of Telecommunication Fraud



Staff Seminars



Corporate Culture Festival



"Huasun Cup" Basketball Tournament



ESports Competition

Multi-channel Communication System



The company is committed to respecting and protecting human rights and has established a series of control procedures to ensure that human rights are not violated. Employees who encounter human rights violations can report through the "Suggestion Box", and the company will handle and investigate and take measures to prevent the recurrence of such incidents. As of the end of the reporting period, the company has obtained the SA 8000 management system certification; during the reporting period, the company did not have any incidents of forced labor, child labor, discrimination and other human rights violations.

Human Rights Safeguards

- Prohibition of forced labor**
 - Establish the Procedures for "Prohibition of Forced Labor" to ensure that there are no incidents of forced labor in the production process or at the suppliers.
- Prohibition of child labor**
 - Establish the "Procedures for the Prohibition of Child Labor" to eliminate the illegal employment of child labor.
- Prohibition of the use of prison labor**
 - Establish the "Procedures for Prohibiting the Use of Prison Labor" to require the Company and suppliers to strictly prohibit the recruitment of prison workers, and to refrain from purchasing raw materials, components, and outsourcing processing from prison institutions.
- Prohibition of corporal punishment and abuse**
 - Establish of the "Prohibition of Corporal Punishment and Abuse Control Procedure" to ensure that each employee is not subject to corporal punishment or abuse.
- Anti-discrimination**
 - The "Anti-Discrimination Procedures" are in place to ensure that every employee is treated fairly in terms of hiring, wages, welfare, training opportunities, job assignment, promotions, disciplinary actions, and dismissal.
- Freedom of association**
 - Establish the "Procedure for Freedom of Association for Employees" to safeguard the freedom of association of employees.

Human Capital Development



Huasun adheres to the corporate values of "keep striving", actively attracts talents, provides multi-level training programs, builds a broad career development platform for employees, helps employees to enhance their professional capabilities and realize their personal career value, so as to build a talent pool for the company and drive the company forward.

Talent Attraction

We apply diversified recruitment methods and channels to attract a wide range of outstanding talents, while offering fair and attractive remuneration packages to accumulate a talent pool for rapid development of the company. We deepen the school-enterprise partnership through various ways, such as setting up an employment internship base for college students in cooperation with Hefei University of Technology, and setting up an internship practice base in cooperation with Wanjiang Institute of Technology. In this way, we help school students to improve their working ability in practice and contribute to the cultivation of talents in the industry. As the key school of Huasun's school-enterprise cooperation, Huasun and Hefei University of Technology have launched several rounds of fruitful interactions since establishing partnership in 2022, laying a solid foundation for cooperation. In the future, both parties will carry out more and deeper exchanges and cooperation, and jointly promote the accelerated development of PV heterojunction industry while building an internship and training employment platform for graduates. In the 2023 Campus Recruitment, we hired 13 fresh graduates from Hefei University of Technology.

Staff Training

The company has formulated a series of standardized documents, such as the "Training Management System", and tailored individualized training programs for employees of all ranks and career stages. These programs are designed to enhance employees' professional skills and vocational qualities in an all-round way, so that they can give full play to their maximum value in their respective positions. In addition, the company has formulated the "Internal Instructor Training and Management System" to train corporate instructors and enhance the effectiveness of the trainings they provide. During the reporting period, the total number of employee training hours amounted to 299,200 hours, with a per capita training duration of 55 hours, covering all the employees.

Training Performance

Employee training coverage



			Unit	2022	2023
By gender	Male	%		100	100
	Female	%		100	100
By level	High	%		100	100
	Middle	%		100	100
	Ordinary employee	%		100	100

Average employee training hours



			Unit	2022	2023
By gender	Male	Hour		54.8	55
	Female	Hour		54.8	55
By level	High	Hour		79	93
	Middle	Hour		93	102
	Ordinary employee	Hour		50.8	51.5

The company also focuses on the continuing education of employees. In 2023, we had a program helping workers return to school for further education and providing subsidies and full reimbursement of tuition fees and textbook costs for eligible employees who successfully graduated. As of the end of the reporting period, a total of 43 employees had enrolled in the program.

As of the end of the reporting period, a total of

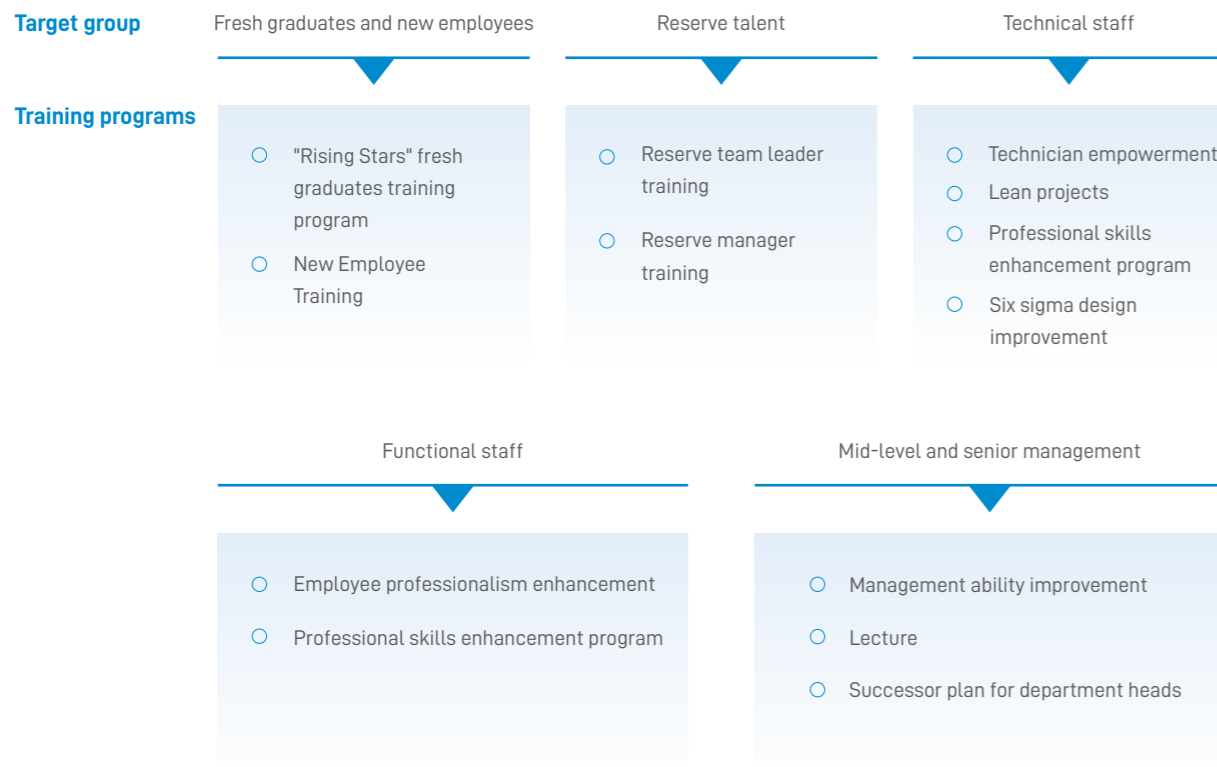
43

employees had enrolled in the further education program.



Staff Library

Diversified Training Programs



Case Huasun "Rising Star Program"

The company implements the "Rising Star Program" for new graduates to meet the demand for talent cultivation for the rapid development of heterojunction industry, and at the same time, helps the graduates to complete the role transformation of the workplace. The company provides mentors for new graduates and carries out centralized training and practical training to strengthen their professional skills and gradually turn them into the core of the company.

Employee Promotions

Huasun adheres to the principle of "appointing people and assigning positions by merits and abilities" and formulates internal policies and systems such as "Management Standards for Grade System" and "Promotion Management System", forming a unified and dynamic grade management system, presenting the qualities of key position talents in multi-dimensions, and creating multiple career paths for the development of professionals and generalists.

The company regularly assesses the performance of employees to stimulate their enthusiasm, initiative and creativity based on the "Performance Management System", which also provides a basis for employee promotion and salary adjustment. The assessment process requires both sides to maintain communication to help employees continuously improve their performance. During the reporting period, 100% of the employees were subject to performance assessment.

Occupational Health and Safety



Huasun abides by the "Work Safety Law of the People's Republic of China" and other relevant laws and regulations strictly, formulates the "Occupational Health and Safety Operation and Control Procedures", "Safety Management System for Related Parties" and other standardized documents. The company incorporates the regulation of occupational health and safety into the company's management manual in accordance with ISO 45001, establishes the company's Occupational Health and Safety System, puts forward the policy of Occupational Health and Safety and guarantees the safety of the employees, contractors, suppliers and other related parties. Three operating sites of the company have obtained ISO 45001 system certification as of January 2024; During the reporting period, the rate of work-related accidents was less than 1‰ and no work-related deaths occurred.

The company proposes an occupational health and safety policy and commits to:

- ◇ Prevent personal injury and health damage by providing a healthy and safe environment;
- ◇ Continuously improve the OHS management system;
- ◇ Eliminate sources of danger and reduce OHS risks;
- ◇ Employee participation and consultation.

Occupational Health and Safety Management Responsibilities

General Manager

- The first person responsible for OHS
- Ensure that the OHS management system policy and objectives
- Preventing employee retaliation for reporting incidents, sources of hazards, risks and opportunities
- Support for the establishment and operation of the Health and Safety Committee

Management representative

- Review the company's management manual and other systematic documents
- Report to the General Manager on performance and improvement requirements of management system
- Assist the General Manager in the implementation of the OHSMS policy and objectives

Health and Safety Committee

- Responsible for providing a healthy and safe working environment and implementing health and safety regulations
- Hold health and safety meetings regularly
- Plan, research, summarize, develop and implement health and safety issues, and communicate them to all employees in time.

Hazard Identification and Evaluation

Huasun has formulated and implemented the "Management Procedures for Identification of Hazardous Sources and Risk Evaluation", which requires the identification and updating of hazardous sources and evaluation every year, as well as the adoption of measures to eliminate dangerous sources as far as possible and reduce the risks of occupational health and safety. During the reporting period, 100% of the production bases have completed the identification and evaluation of hazardous sources of the year.

Improving Occupational Health and Safety Management

Huasun continuously optimizes the emergency plan management system by making response plans and running drills for the various potential risks and issues identified in safety investigation, thereby helping employees to better cope with emergencies. During the reporting period, Huasun carried out 5 fire drills and other drills for various safety events, with a total of 301 participants.

During the reporting period, Huasun carried out

5 fire drills and other drills for various safety events

with a total of

301 participants

In terms of occupational disease prevention, the company has formulated the "Responsibility System for Prevention and Control of Occupational Diseases" and other institutional documents, and implemented a number of measures to prevent the occurrence of occupational diseases and safeguard the occupational health of all employees. The company regularly conducts occupational health examinations for its employees and transfers employees with abnormal results from their original positions in time. During the reporting period, there was no incident of occupational disease in the company.

The company has carried out a series of safety education and training programs, stipulating that each employee shall receive no less than 8 hours of occupational safety and health education and training per year, so as to enhance the safety awareness of all employees. During the reporting period, the company conducted a total of 108 training sessions, with a total of 3,033 participants. The company is also concerned about the psychological health of its employees and has carried out special training on "EAP Employee Stress Management and Psychological Construction Course", and launched an online channel for counseling.

During the reporting period, the company conducted a total of

108 training sessions

with a total of

3,033 participants



Occupational health and safety training



Mental health seminar

Community Contribution and Charity



Huasun actively undertakes social responsibility and gives back to the local community and promotes local economic development while developing itself.

Contributing to the Regional Economy

Huasun is located in Xuancheng Economic and Technological Development Zone of Xuancheng City. Since establishment, Huasun has provided more than 3,400 jobs for the local society, and its output value reached RMB 6.9 billion in the reporting period, with a year-on-year increase of 177%. In July 2023, guided by the China Photovoltaic Industry Association(CPIA) and the Xuancheng Municipal Government, the company hosted the 2023 Mid-Year Review and Second Half-Year Outlook of China PV Industry conference, which helped Xuancheng City to enhance its influence in the photovoltaic industry and its ability of attracting investments.

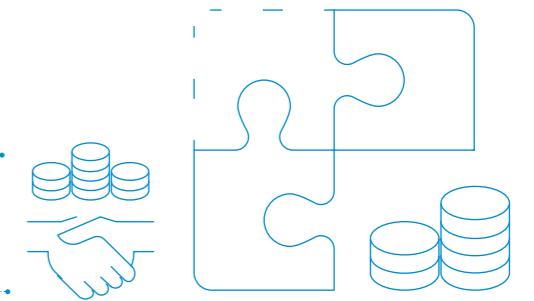
Key performance

Ratio of starting-level wage to local minimum wage

100 %

Proportion of executives hired from local communities

2.60 %



Participation in Charitable Activities

Huasun committed to creating greater social value alongside its commercial success, fulfilling its corporate social responsibilities, and contributing to social development. During the reporting period, the company actively participated in charitable activities in Xuancheng region, and on this basis, constantly expanded the coverage of public welfare undertakings. With the new production site put into operation, we will extend our social responsibility initiatives to more regions, striving to make a positive impact and bring warmth and care to local communities.



Donation to the Youth Development Foundation



Elderly Respect Activities

PART 4

Governance

Integrity and Openness, Steady Development

Corporate Governance ----- 53

Risk Management ----- 54

Compliance and Business Ethics ----- 55

Information Security ----- 56

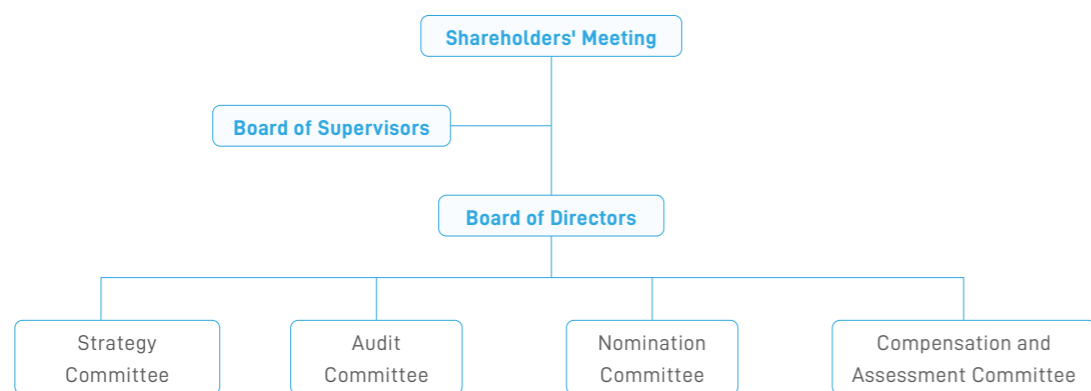


Corporate Governance



Huasun strictly abides by the "Company Law of the People's Republic of China", the "Securities Law of the People's Republic of China" and other relevant laws and regulations; and the company has formulated a series of corporate governance-related systems, such as the "Articles of Association", "Rules of Procedure of the Board of Directors", and rules of procedure of the specialized committees, so as to consolidate the foundation of corporate governance. During the reporting period, the company held 11 shareholders' meetings, 10 board meetings and 3 supervisory board meetings.

Corporate Governance Structure



Diversity and Independence of the Board

Huasun emphasizes the diversity and independence of the board members to ensure the scientific decision-making and efficient operation of the company. At present, the existing board members of the Company have diversified professional backgrounds, with rich experience in various fields such as photovoltaic industry, accounting, risk management and law. As of the end of the reporting period, the company has 11 board members, including 1 female member, accounting for 9.09%, and 4 independent members, accounting for 36.36%.

As of the end of the reporting period, the company has

11 board members

including

1 female member, accounting for **9.09** %

4 independent members, accounting for **36.36** %

Risk Management



According to the relevant regulations, standards and guidelines of the "Accounting Law of the People's Republic of China", and with reference to the international COSO internal control framework and the overall framework of enterprise risk management, we prepare and implement the "Internal Control Manual", taking the board of directors as the highest decision-making body, set up an internal control working group, build up an internal control management system, identify the main risks of the core business and formulate the risk mitigation measures in synchronization, so as to help the enterprise standardize and carry out the internal control work in an orderly manner and improve the risk management. During the reporting period, Huasun carried out corruption risk assessment for each business segment, covering all the operating bases. By assessing the probability and degree of harm of each risk, we adopted corresponding preventive and control measures to control corruption risks.

In order to supervise the effective operation of the internal control system, we formulated the "Audit and Supervision Control Procedures" in accordance with the "Audit Law of the People's Republic of China" and other relevant auditing regulations, set up an internal oversight body, with the Audit and Supervision Department being responsible for the establishment and improvement of the internal audit and supervision work mechanism, and formulated the Audit and Supervision Plan in December each year for carrying out routine supervision and special supervision. During the reporting period, five regular audits and 14 special audits were conducted.

Case Training on auditing to improve internal operations

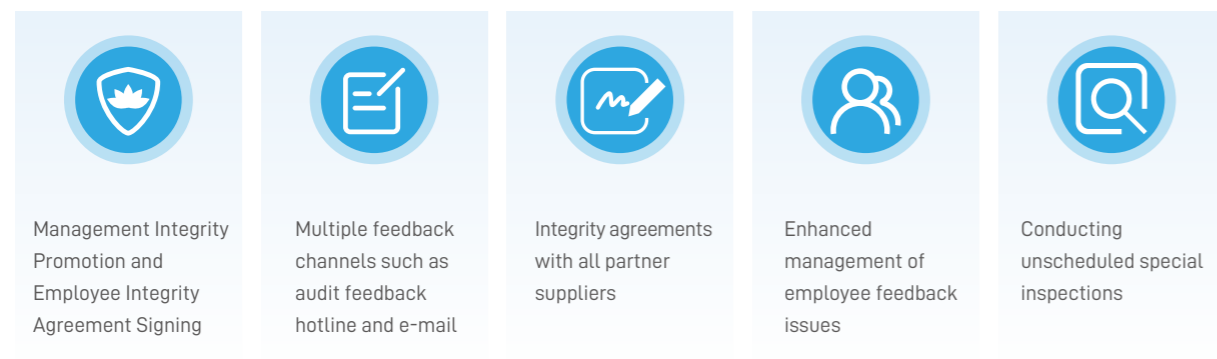
In July 2023, the Director of Audit and Supervision Department attended the company's "Planning and Operation Center Lecture Hall" to share the core control points of inventory management from the perspective of auditing for the participating colleagues, which provided a theoretical basis for reducing the risk of warehouse management. The lecture helped the employees improve practical work by combining it with their own job, ensured the high efficiency and accuracy of warehouse management and effectively enhanced the level of internal operation.



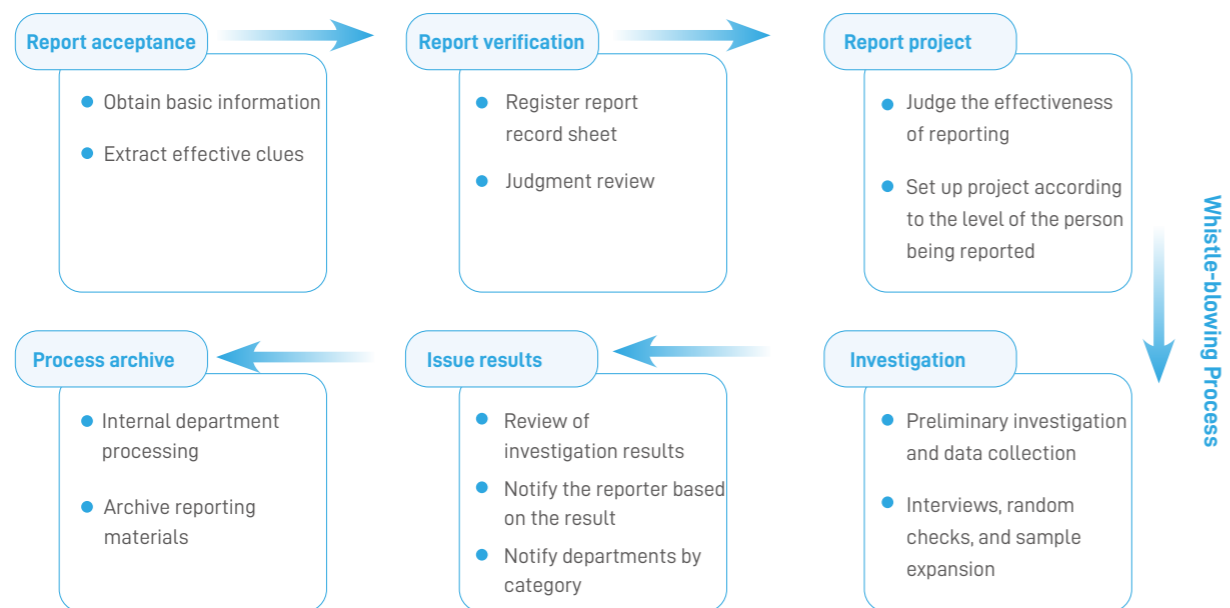
Compliance and Business Ethics

Huasun strictly abides by the "Company Law of the People's Republic of China" and other laws and regulations, as well as domestic and international standards of business ethics; the company has formulated the "Guidelines on Integrity of Management" and requires all employees to comply with the business ethics. We also extend our own high standard of integrity requirements to suppliers, and signed the "Integrity and Incorruptibility Commitment" with suppliers to jointly implement clean procurement and construction work. During the reporting period, the company did not have any concluded corruption litigation cases.

Huasun Anti-Corruption Initiative



We take a "zero-tolerance" stance against all violations of the law or business ethics, develop the "Complaint and Reporting Management Measures", and open up various channels for handling complaints of business ethics violation. At the same time, we attach importance to protecting the anonymity of whistleblowers and promise to never reveal the identity of the whistleblower nor the content of complaints. Any retaliation against the whistleblower is strictly prohibited, and any violation of the confidentiality rules would be dealt with seriously and reported to local authorities so as to protect the whistleblowers to the fullest extent.



Complaint Reporting Channels

- Contact the Audit and Supervision Department by DingTalk
- Contact the Audit and Supervision Department by phone or text: 19356315315
- Contact the Audit and Supervision Department by email: shenji@huasunsolar.com
- On-site reporting: Audit and Supervision Department, 9th Floor, Administrative Building, Anhui Huasun Energy Co., Ltd., No. 99, Qingliu Road, Economic Development Zone, Xuancheng City, Anhui Province



Poster for Call for Audit Reports

Information Security

Digitalization brings both opportunities and risks to information security. Huasun has formulated the "Information Security Management System" and "Confidentiality Management System" in accordance with the "Cybersecurity Law of the People's Republic of China" and other laws and regulations, implemented the information security management system, and clarified the grading and handling process of information security events. In 2023, we carried out the information security risk assessment for the whole group to ensure that information security risks are controlled. During the reporting period, there was no incident of information theft or leakage.

Measures to improve information security

- Upgraded hardware equipment and software to ensure information security
- Deployed audit system to conduct information security audits of databases and logs
- Conducted 5 information security training sessions for related staff, and published monthly information security awareness campaigns for all staff via Wechat official accounts

At the same time, we are also aware of the opportunities of digital transformation, and gradually introduce and build information systems in the photovoltaic field to provide information support for the company's strategy. As of the end of the reporting period, we have realized the digitization of funds and AI traceability of cell and module, which has enhanced the level of enterprise fund management as well as improved the accuracy of the traceability of cell and module.

PART 5

Partners

Empowering Partners, Growing Together

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Supply Chain Empowerment ----- 61



Supply Chain Management System



Huasun is committed to establishing a robust, transparent, and sustainable supply chain management system. Through stringent supplier admission mechanisms, daily management, and exit processes, we ensure the stability and sustainability of our supply chain.

Supplier Admission Management

We maintain strict control over supplier admission to ensure new suppliers meet our high standards. During the admission process, we categorize suppliers into different levels and set clear requirements for each level. We have established a systematic screening process and formulated management documents such as the "Procurement Management Control Procedure" to guide comprehensive assessments and evaluations of suppliers, ensuring transparency and standardization in the procurement process.

Routine Management and Performance Evaluation

In daily management, Huasun continuously monitors and evaluates suppliers to ensure they consistently meet our quality and service standards. We use a multi-dimensional supplier performance evaluation system to assess suppliers from various aspects, including business, service, delivery, and quality. We can promptly identify and address potential issues, ensuring the stability and efficiency of the supply chain through regular assessments and feedback mechanisms.

Supplier Exit Mechanism

Huasun has established a clear exit mechanism for suppliers who cannot consistently meet our requirements. The company decides whether to continue collaboration or gradually reduce their supply share based on the results of supplier performance evaluations. The implementation of the exit mechanism ensures dynamic optimization of the supply chain and maintains a high-quality supplier team.

Huasun ensures the quality and stability of our supply chain through these mechanisms. In the future, we will continue to optimize the supply chain management system, enhancing transparency and reliability, and further improving the resilience and risk management capabilities of the supply chain.

Indicator	Unit	2022	2023
Number of Suppliers by Region (Mainland China)	Number	/	1,780
Number of Suppliers by Region (Outside Mainland China)	Number	/	88

Responsible Supply Chain



Huasun is committed to establishing a responsible and sustainable supply chain management system. During the reporting period, the company signed the "Supplier Code of Conduct" with all suppliers of raw materials and spare parts. Huasun formulated the Environmental, "Occupational Health and Social Responsibility Agreement" based on the "Supplier Code of Conduct" in January 2024, and aims to have 100% of its suppliers sign the "Environmental, Occupational Health and Social Responsibility Agreement", continuously promoting the enhancement of suppliers' ESG awareness and capabilities in the future. This agreement covers requirements related to legal compliance, human rights protection, environmental protection and green development, labor requirements, health and safety, and supply chain management. Through this agreement, the company ensures that every supplier meets high social responsibility standards in the cooperation, which can reduce potential environmental or social risks in the supply chain, safeguard supply chain quality, and improve business continuity.

In addition to the "Supplier Code of Conduct" and "Environmental, Occupational Health and Social Responsibility Agreement", the company also requires suppliers to sign the "Integrity and Incorruptible Commitment". This commitment aims to ensure that all suppliers adhere to the principles of transparency, fairness, impartiality, and honesty during procurement and prohibit any form of corruption or conflict of interest. By signing the "Integrity and incorruptibility Commitment", suppliers are therefore subject to Huasun's integrity supervision and assume corresponding legal and economic responsibilities in case of violations. This measure ensures the company's procurement activities are conducted in an honest and fair environment.

At the same time, the company has established a strict supervision and reporting mechanism with open and transparent reporting channels. Any behavior violating business ethics in procurement activities can be reported through email and official QR codes. Upon receiving a complaint, the company's integrity supervision department will thoroughly investigate all reported information and take timely measures to address the issues. This mechanism not only ensures fairness and integrity in the supply chain but also enhances suppliers' confidence in the company's integrity management.

Through these measures, Huasun not only protects its own interests but also provides a fair competition platform for suppliers. The company actively promotes the sustainable development of the entire supply chain through practical actions, ensuring that all procurement activities are conducted in a transparent and fair environment, thereby providing strong support for the stability and efficient operation of the supply chain.

Indicator	Unit	2022	2023
Local Procurement Rate	%	20	24

Supply Chain Empowerment



Huasun enhances the overall competitiveness of supply chain through various methods, including building technological innovation platform and hosting supplier conferences to promote collaboration and innovation among suppliers. During the reporting period, the company initiated the establishment of the Heterojunction Technology Industrialization Collaborative Innovation Platform, bringing together upstream and downstream enterprises in the photovoltaic industry, universities, and research institutions to jointly promote the innovation and industrialization of heterojunction technology. On January 23, 2024, the company held its first Supplier Conference since the company's establishment at its headquarters in Xuancheng. The event attracted more than 300 participants from over 200 suppliers across the country, focused on supply chain collaboration and innovation in the heterojunction field.

Case

Huasun's Heterojunction Technology Industrialization Collaborative Innovation Platform

On July 20, 2023, during the Heterojunction Technology Industrialization Section of the "2023 Mid-Year Review and Second Half-Year Outlook" conference organized by the China Photovoltaic Industry Association(CPIA) and the Xuancheng Municipal Government, Huasun, guided by the CPIA, officially launched the Heterojunction Technology Industrialization Collaborative Innovation Platform. The platform attracted significant attention and response from 58 member organizations, including upstream and downstream companies in the photovoltaic industry chain, universities, and research institutions. The members are committed to enhancing cooperation, advancing together, and jointly promoting the innovation and industrialization of heterojunction technology.



Case

Huasun 2024 Supplier Conference

At the 2024 Supplier Conference, Huasun highlighted the growing maturity of heterojunction mass production technology and its broad prospects in the future, while expressing gratitude for the support of its suppliers. The support has enabled the company to achieve an integrated layout of heterojunction silicon wafers, cells, and modules ahead of peers and make significant progress in technological innovation and cost reduction. During the conference, the company released the "Innovation Initiative for New Technologies, Materials, Equipment, Products, and Applications" through the Heterojunction Technology Industrialization Collaborative Innovation Platform. Huasun and suppliers engage in collaborative innovation, advancing together and promoting the high-quality development of the photovoltaic industry, especially the heterojunction sector through this platform. The initiative not only empowers the industry but also contributes positively to achieving carbon peak and carbon neutrality goals both domestically and globally. The conference summarized the achievements of the past three years, called for enhanced collaboration to build a robust supply chain ecosystem, and awarded outstanding suppliers for further motivating to enhance their performance and innovation capabilities.



Index Table

GRI Standards

Statement of use	Huasun has reported in accordance with the GRI Standards for the period from 1st January 2023 to 31st December 2023.
GRI 1 used	GRI 1 : Foundation 2021
Applicable GRI Sector Standard(s)	No applicable sector standard

GRI STANDARD DISCLOSURE	LOCATION	OMISSION
GRI 2 : General Disclosures 2021		
The organization and its reporting practices		
2-1 Organizational details	P5-16	
2-2 Entities included in the organization's sustainability reporting	P1-2	
2-3 Reporting period, frequency and contact point	P1-2	
2-4 Restatements of information	P22, 30, 34, 41	
2-5 External assurance	/	Not applicable: no external assurance
Activities and workers		
2-6 Activities, value chain and other business relationships	P5-8	
2-7 Employees	P41-42	
2-8 Workers who are not employees	/	Confidentiality constraints
Governance		
2-9 Governance structure and composition	P13	
2-10 Nomination and selection of the highest governance body	P13	
2-11 Chair of the highest governance body	P13	
2-12 Role of the highest governance body in overseeing the management of impacts	P13	
2-13 Delegation of responsibility for managing impacts	P13	
2-14 Role of the highest governance body in sustainability reporting	P13	
2-15 Conflicts of interest	P13	
2-16 Communication of critical concerns	P13	

GRI STANDARD DISCLOSURE	LOCATION	OMISSION
2-17 Collective knowledge of the highest governance body	P13	
2-18 Evaluation of the performance of the highest governance body	P13	
2-19 Remuneration policies	/	Confidentiality constraints
2-20 Process to determine remuneration	/	Confidentiality constraints
2-21 Annual total compensation ratio	/	Confidentiality constraints
Strategy, policies and practices		
2-22 Statement on sustainable development strategy	P13	
2-23 Policy commitments	P13	
2-24 Embedding policy commitments	P13	
2-25 Processes to remediate negative impacts	P13	
2-26 Mechanisms for seeking advice and raising concerns	P13	
2-27 Compliance with laws and regulations	Full text	
2-28 Membership associations		As of the end of the reporting period, it has joined 10 associations, including the China Photovoltaic Industry Association, the Carbon Neutrality Committee of the China Energy Conservation Association, Solar Power Europe, the China Circular Economy Association, and the China Green Supply Chain Alliance.
Stakeholder engagement		
2-29 Approach to stakeholder engagement	P14-15	
2-30 Collective bargaining agreements	/	Not applicable: Not involved yet
GRI 3 : Material Topics 2021		
3-1 Process to determine material topics	P15-16	
3-2 List of material topics	P16	
GRI 201 : Economic Performance 2016		
3-3 Management of material topics	P7-8	
201-1 Direct economic value generated and distributed	P7-8	
201-2 Financial implications and other risks and opportunities due to climate change	P28-29	
201-3 Defined benefit plan obligations and other retirement plans	P43-44	
201-4 Financial assistance received from government	/	Not applicable: Not involved yet

GRI STANDARD DISCLOSURE	LOCATION	OMISSION
GRI 202 : Market Presence 2016		
3-3 Management of material topics	P45	
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	P45	
202-2 Proportion of senior management hired from the local community	/	Not applicable: Not involved yet
GRI 203 : Indirect Economic Impacts 2016		
3-3 Management of material topics	P50	
203-1 Infrastructure investments and services supported	/	Not applicable: Not involved yet
203-2 Significant indirect economic impacts	P50	
GRI 204 : Procurement Practices 2016		
3-3 Management of material topics	P59-62	
204-1 Proportion of spending on local suppliers	P60	
GRI 205 : Anti-corruption 2016		
3-3 Management of material topics	P59-60	
205-1 Operations assessed for risks related to corruption	P58	
205-2 Communication and training about anti-corruption policies and procedures	P59-60	
205-3 Confirmed incidents of corruption and actions taken	P59	
GRI 206 : Anti-competitive Behavior 2016		
3-3 Management of material topics	P55-56	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	P55-56	
GRI 207 : Tax 2019		
207-1 Approach to tax	/	Not applicable: Not involved yet
207-2 Tax governance, control, and risk management	/	Not applicable: Not involved yet
207-3 Stakeholder engagement and management of concerns related to tax	/	Not applicable: Not involved yet
207-4 Country-by-country reporting	/	Not applicable: Not involved yet
GRI 301 : Materials 2016		
3-3 Management of material topics	P20-22	
301-1 Materials used by weight or volume	P22	
301-2 Recycled input materials used	/	Information incomplete: No distinction was made between recycled and non-recycled feedstock during the reporting period. We plan to make this distinction and report it in the future

GRI STANDARD DISCLOSURE	LOCATION	OMISSION
301-3 Reclaimed products and their packaging materials	/	Information incomplete: No distinction was made between recycled products and their packaging materials and non-recycled products and their packaging materials during the reporting period. We plan to make this distinction and report it in the future
GRI 302 : Energy 2016		
3-3 Management of material topics	P31-34	
302-1 Energy consumption within the organization	P34	
302-2 Energy consumption outside of the organization	P34	
302-3 Energy intensity	P34	
302-4 Reduction of energy consumption	P33	
302-5 Reductions in energy requirements of products and services	P19-20	
GRI 303 : Water and Effluents 2018		
3-3 Management of material topics	P35	
303-1 Interactions with water as a shared resource	P35	
303-3 Management of water discharge-related impacts	P35	
303-3 Water withdrawal	P35	
303-4 Water discharge	P35	
303-5 Water consumption	P35	
GRI 304 : Biodiversity 2016		
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		The company does not own, lease, or manage operations in or adjacent to protected areas or areas of high biodiversity outside protected areas.
304-2 Significant impacts of activities, products and services on biodiversity		The company's activities, products, and services do not have significant impacts on biodiversity.
304-3 Habitats protected or restored		The company does not have protected or restored habitats.
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		There are no species listed on the IUCN Red List or national conservation lists in habitats affected by operations.

GRI STANDARD DISCLOSURE	LOCATION	OMISSION
GRI 305 : Emissions 2016		
3-3 Management of material topics	P27-30	
305-1 Direct (Scope 1) GHG emissions	P30	
305-2 Energy indirect (Scope 2) GHG emissions	P30	
305-3 Other indirect (Scope 3) GHG emissions	/	Information incomplete: No statistics were collected for Scope 3 greenhouse gas emissions during the reporting period, and it is planned to be collected and reported in the future.
305-4 GHG emissions intensity	P30	
305-5 Reduction of GHG emissions	P33	
305-6 Emissions of ozone-depleting substances (ODS)	The company does not involve the emission of ozone depleting substances (ODS).	
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	The company does not involve the emission of nitrogen oxides (NOx), sulfur oxides (SOx) and other major gases.	
GRI 306 : Waste 2020		
3-3 Management of material topics	P36-38	
306-1 Waste generation and significant waste-related impacts	P36-38	
306-2 Management of significant waste-related impact	P36-38	
306-3 Waste generated	P38	
306-4 Waste diverted from disposa	P38	
306-5 Waste directed to disposal	P38	
GRI 308 : Supplier Environmental Assessment 2016		
3-3 Management of material topics	P60	
308-1 New suppliers that were screened using environmental criteria	P60	
308-2 Negative environmental impacts in the supply chain and actions taken	P60	
GRI 401 : Employment 2016		
3-3 Management of material topics	P41-44	
401-1 New employee hires and employee turnover	P42	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employee	P43-44	

GRI STANDARD DISCLOSURE	LOCATION	OMISSION
401-3 Parental leave	P42	
GRI 402 : Labor/Management Relations 2016		
3-3 Management of material topics	P41-44	
402-1 Minimum notice periods regarding operational changes	P41	
GRI 403 : Occupational Health and Safety 2018		
3-3 Management of material topics	P48-49	
403-1 Occupational health and safety management system	P48	
403-2 Hazard identification, risk assessment, and incident investigation	P49	
403-3 Occupational health services	P49	
403-4 Worker participation, consultation, and communication on occupational health and safety	P49	
403-5 Worker training on occupational health and safety	P49	
403-6 Promotion of worker health	P49	
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P49	
403-8 Workers covered by an occupational health and safety management system	P48	
403-9 Work-related injuries	P49	
403-10 Work-related ill health	P49	
GRI 404 : Training and Education 2016		
3-3 Management of material topics	P45-47	
404-1 Average hours of training per year per employee	P46	
404-2 Programs for upgrading employee skills and transition assistance programs	P45-47	
404-3 Percentage of employees receiving regular performance and career development reviews	P47	
GRI 405 : Diversity and Equal Opportunity 2016		
3-3 Management of material topics	P41-44	
405-1 Diversity of governance bodies and employees	P41, P53	
405-2 Ratio of basic salary and remuneration of women to men	P41	
GRI 406 : Non-discrimination 2016		
3-3 Management of material topics	P41-44	
406-1 Incidents of discrimination and corrective actions taken	P44	

GRI STANDARD DISCLOSURE	LOCATION	OMISSION
GRI 407 : Freedom of Association and Collective Bargaining 2016		
3-3 Management of material topics	P44	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	/	Not applicable: Not involved yet
GRI 408 : Child Labor 2016		
3-3 Management of material topics	P41-44	
408-1 Operations and suppliers at significant risk for incidents of child labor	P44	
GRI 409 : Forced or Compulsory Labor 2016		
3-3 Management of material topics	P41-44	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	P44	
GRI 410 : Security Practices 2016		
3-3 Management of material topics	P41-44	
410-1 Security personnel trained in human rights policies or procedures	P44	
GRI 411 : Rights of Indigenous Peoples 2016		
3-3 Management of material topics	/	Not applicable: The main operation location does not involve indigenous peoples
411-1 Incidents of violations involving rights of indigenous peoples	/	Not applicable: The main operation location does not involve indigenous peoples
GRI 413 : Local Communities 2016		
3-3 Management of material topics	P50	
413-1 Operations with local community engagement, impact assessments, and development programs	P50	
413-2 Operations with significant actual and potential negative impacts on local communities	P50	
GRI 414 : Supplier Social Assessment 2016		
3-3 Management of material topics	P60	
414-1 New suppliers that were screened using social criteria	P60	
414-2 Negative social impacts in the supply chain and actions taken	P60	
GRI 415 : Public Policy 2016		
3-3 Management of material topics	/	Not applicable: Not involved yet
415-1 Political contributions	/	Not applicable: Not involved yet

GRI STANDARD DISCLOSURE	LOCATION	OMISSION
GRI 416 : Customer Health and Safety 2016		
3-3 Management of material topics	P24	
416-1 Assessment of the health and safety impacts of product and service categories	P24	
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	P24	
GRI 417 : Marketing and Labeling 2016		
3-3 Management of material topics	P54-56	
417-1 Requirements for product and service information and labeling	P54-56	
417-2 Incidents of non-compliance concerning product and service information and labeling	P54-56	
417-3 Incidents of non-compliance concerning marketing communications	P54-56	
GRI 418 : Customer Privacy 2016		
3-3 Management of material topics	P56	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	P56	

Sustainability Accounting Standards Board (SASB) – Solar Technology & Project Developers

SASB Code	Metric	Report Section and Page
Energy Management in Manufacturing		
RR-ST-130a.1	(1) Total energy consumed	Energy management P34
	(2) percentage grid electricity	Energy management P34
	(3) percentage renewable	Energy management P34
Water Management in Manufacturing		
RR-ST-140a.1	(1) Total water withdrawn,	Water management P35
	(2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Water management P35
RR-ST-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	Water management P35

SASB Code	Metric	Report Section and Page	
Hazardous Waste Management			
RR-ST-150a.1	Amount of hazardous waste generated; percentage recycled	Waste and Hazardous Emissions Management P38	
RR-ST-150a.2	Number and aggregate quantity of reportable spills, quantity recovered	The number of hazardous waste leaks, total leakage volume, and the amount of recovered hazardous waste are all 0	
Ecological Impacts of Project Development			
RR-ST-160a.1	Number and duration of project delays related to ecological impacts	0	
RR-ST-160a.2	Description of efforts in solar energy system project development to address community and ecological impacts	Environmental Section P27-38 Community Contribution and Charitable Activities P50	
Management of Energy Infrastructure Integration & Related Regulations			
RR-ST-410a.1	Description of risks associated with integration of solar energy into existing energy infrastructure and discussion of efforts to manage those risks	Clean Energy Opportunities P19-20	
RR-ST-410a.2	Description of risks and opportunities associated with energy policy and its effect on the integration of solar energy into existing energy infrastructure	Clean Energy Opportunities P19-20	
Product End-of life Management			
RR-ST-410b.1	Percentage of products sold that are recyclable or reusable	Information deficiency	
RR-ST-410b.2	Weight of end-of-life material recovered; percentage recycled	Information deficiency	
RR-ST-410b.3	Percentage of products by revenue that contain IEC 62474 declarable substances, arsenic compounds, antimony compounds, or beryllium compounds	Not applicable	
RR-ST-410b.4	Description of approach and strategies to design products for high-value recycling	Product lifecycle sustainability management P22	
Materials Sourcing			
RR-ST-440a.1	Description of the management of risks associated with the use of critical materials	Product lifecycle sustainability management P20-21	
RR-ST-440a.2	Description of the management of environmental risks associated with the polysilicon supply chain	Responsible Supply Chain P60	
Activity Metrics	RR-ST-000.A	Total capacity of photovoltaic (PV) solar modules produced	Milestones P7
	RR-ST-000.B	Total capacity of completed solar energy systems	Milestones P7
	RR-ST-000.C	Total project development assets	Not Applicable

Reader Feedback

Dear Readers:

Thank you for reading the Huasun 2023 Environmental, Social and Corporate Governance (ESG) Report, and we sincerely invite you to give us your valuable comments and suggestions on this report, so as to help the Company continuously improve its ESG disclosure practices and enhance the Company's ESG management level. We would be grateful for your assistance in completing the relevant questions raised in the feedback form below and returning them to us:

Multiple choice questions (please tick " ✓ " at the corresponding positions)

1. This report comprehensively and accurately reflects the company's significant impact on the economy, society and environment.

Good Better Fair Poor

2. The information, indicators and data disclosed in this report are clear, complete and accurate.

Good Better Fair Poor

3. The language description, content organization and graphic design of this report are clear and easy to read.

Good Better Fair Poor

Open questions

What is your overall assessment of this report?

Which part of the report is of interest to you?

What other information do you need to obtain that is not reflected in this report?

Do you have any suggestions for the company's ESG management and information disclosure in the future?

You are welcome to provide your personal information if it is convenient for you.

Name: _____ Mobile: _____

Company: _____ E-mail: _____

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