



# 2022

Risen Energy Co., Ltd.

Annual Corporate Social Responsibility Report

# Report Profile

## Report overview

This Fourth Sustainability Report, following three corporate social responsibility reports, principally offers sustainability information about Risen Energy Co., Ltd. (hereinafter referred to as "The Company", "Company", "Risen Energy", "We" ) in 2022 and presents information deemed important to its stakeholders.

## Period covered by this report

The period covered by this report is from January 1, 2022 to December 31, 2022, with some data beyond the above scope to facilitate completeness.

Boundary of this Report: The headquarters of Risen Energy Co., Ltd. and its main domestic production bases (Ninghai Base, Changzhou Base, Yiwu Base and Chuzhou Base) listed below:

Company name	Address
Risen Energy Co., Ltd.	Tashan Industry Zone, Meilin Street, Ninghai County, Zhejiang Province (Headquarters)
	1 Xingke Middle Road, Ninghai County, Ningbo City, Zhejiang Province ("Ninghai Base") (Module Factory)
Risen Energy (Changzhou) Co., Ltd.	1 Shuinan Road, Zhixi Town Industrial Zone, Jintan District, Changzhou City, Zhejiang Province ("Changzhou Base")
Risen Energy (Yiwu) Co., Ltd.	599 Sufu Road, Suxi Town, Yiwu City, Zhejiang Province ("Yiwu Base")
Risen Energy (Anhui) Co., Ltd.	East of Changzhou Road, south of Haining Road, west of Chuzhou Avenue, north of Tongling Road, Chuzhou City, Anhui Province ("Chuzhou Base")
Risen Energy (Pte) Ltd.	3 Hi-Tech 14 Road, Phase 4 Industrial Estate, Kulim Hi-Tech Park, Kulim, Kedah, Malaysia ("Malaysia Base")

The Malaysia Base is added to the Report this year. For further information, please refer to the Report.

## Data source

The financial data in this Report comes from the 2022 Annual Report of Risen Energy Co., Ltd. independently audited by Da Hua CPAs LLP. The amounts contained in this Report are presented in RMB if not otherwise stated. Other non-financial information was furnished by various functional departments of Risen Energy. Risen Energy takes all responsibilities for the truthfulness, accuracy, and completeness of the whole contents of the Report.

## Preparation basis

- GRI Standards (Reference)
- Social Responsibility Instructions of Shenzhen Stock Exchange to Listed Companies
- Measures of Shenzhen Stock Exchange for Assessment of Information Disclosure of Listed Companies (2022 Revision)
- Self-regulatory Guidelines for Listed Companies on Shenzhen Stock Exchange No. 2 - Standardized Operation of Listed Companies on GEM
- Sustainability Goals (SDGs)

## External assurance

The Report has been authenticated by SGS-CSTC Standards Technical Services Co., Ltd. (SGS), an independent third party, and the Assurance Report is attached.

## Report release

In case of any discrepancy between the English version and the Chinese one, the Chinese version shall prevail. This Report, in Chinese and English, is available at <https://www.risenenergy.com/>.

## Contact information

If you have any comments and suggestions on the Report, please contact us at:

Contact person: Zhou Huiying

Address: Tashan Industrial Park, Meilin Street, Ninghai County, Ningbo City, Zhejiang Province

Tel: 0574-59953588

E-mail: [marketing@risenenergy.com](mailto:marketing@risenenergy.com)

# CONTENTS

02 Report Profile

06 Executive Message

08 Review 2022

10 Introduction to Risen Energy

18 Promoting Sustainability



**26** Satisfy our customers

**42** Render competitive advantages



**50** Pursue common progress with employees

**68** Dedicate to the Community

Quality management	28
R&D and innovation	32
Digital transformation	36
Customer service	39
Sustainable supply chain	40

Corporate governance	44
Operate in compliance with law	46
Risk Management	48
Information security	49

Human resource development	52
Operational safety	60

Addressing climate change	70
Energy saving and consumption reduction	71
Environment Protection	74
Pollutant control	76
Community development	80

82 Independent Assurance Report

85 GRI Indicator Index



## Executive Message



Chairman of the board: Lin Haifeng

The past year has seen Risen Energy making great efforts to boost sustainability and pursue progress in both corporate value and social responsibility in line with the business philosophy of people-oriented, technology-leading and service-first. Embarking on the path of research innovation, we ventured into the unknown and yielded fruitful results. Here, I would like to express my sincere thanks and greetings to all of you.

2022 was a crucial year of the 14th Five-Year Plan and the start of the Second Centenary Goal. Guided by the Thought on Socialism with Chinese Characteristics for a New Era, we upheld the new philosophy of development and built a high-quality sustainability path with Risen Energy's characteristics.

In 2022, we prized innovation and pursued long-term value amid strategic upgrade. To cope with the enormous market changes, Risen Energy advanced digital transformation, enhanced its strengths by improving quality and efficiency, and realized strategic transformation. This year, Risen Energy found an integration solution, steadily pushed multiple projects including industrial silicon and polysilicon, and improved the industrial chain pattern. Moreover, we explored global energy storage measures and completed household-based strategic layout and resource integration in multiple regions. Besides, we realized mass production of products ranging from p-type PERC to n-type HJT and from Titan Module to Hyper-ion Module, and our technology lines and continuous R&D investment finally bear fruit.

Over the past year, we actively advanced digital transformation, stressed brand building and market expansion, continuously improved product and service quality, and built a comprehensive and vertically integrated corporate ecology. Meanwhile, we actively contributed to public welfare, prioritized issues such as student aid and environmental protection, and practiced our social responsibility.

Risen Energy, as a new energy practitioner, aims to support and power modern human civilization. However, poverty-stricken villages are stranger to civilization. In this regard, Risen Energy made active efforts to practice its social responsibility, including donations to dozens of elementary schools in these villages to build Haifeng Library.

In 2022, Risen Energy has contributed to build a total of 13.5GW photovoltaic power plants worldwide, rendering huge economic, social and environmental benefits. With a life cycle of 30 years, these power plants may generate 400 billion kWh of electricity, replacing 6,254,327 tonnes of standard coal and reducing 15,588,908 tonnes of carbon dioxide emissions, equivalent to growing 8,502,755 trees. These projects, like green cells, help to improve the earth's "metabolism" and "blood circulation". But we still have a long way to go. To protect our homeland, the Earth, Risen Energy will strategically respond to such an enduring challenge.

In 2023, Risen Energy will take practical actions and encourage its employees to uphold an adventurous spirit, pursue innovations, and become a doer to win a promising future.

**Be "adventurous":** We will press forward with indomitable will, take on responsibilities, and forge ahead

in an innovative and enterprising spirit.

**Be "innovative":** We will seek breakthroughs and pursue innovations; keep calm, follow the rules and stay innovative amid complex situations; become the first mover; summarize new development trends, seize opportunities and blaze new trails.

**Be a "doer":** We will maintain truth-seeking and down-to-earth spirits and become a doer in an adventurous and innovative manner.

**Be a "winner":** We will take an unequivocal stance. To accomplish something, our strong determination will guarantee powerful incentives and long-term persistence.

In the future, we will intensify R&D, optimize products and services to satisfy customers, and improve user experience. Meanwhile, we will focus more on staff training and career development, deepen strategic cooperation with partners, expand market business, and enhance our core competitiveness.

On such occasion, I would like to express my gratitude to all shareholders for your full support to Risen Energy. To achieve carbon neutrality, we move forward together and share weal and woe to create a promising future. Risen Energy is growing into a 10-billion-yuan enterprise, with a 4.5 times increase in market value in the past five years, and will embrace great potential in the future.

Finally, I would like to thank all employees for your hard work and efforts, all partners for your support and trust, and all sectors of society for your concern and kindness. Although the road is far away, as long as we go, we'll arrive. Although the things are difficult, as long as we do, we'll achieve. In the coming days, we will strive to achieve the new goals and secure a bright future.

# Review 2022

## Economic performance

Operating revenue  
RMB **29.385** billion

Total assets  
RMB **38.262** billion

## Governance performance

### Compliance operation

substantiated incidents of corruption

**0** piece

legal actions against anti-competitive behavior, antitrust and antitrust practices

**0** piece

### Information Security

information security incidents

**0** piece

information security complaints from customers, employees or suppliers

**0** piece

## Environmental performance

### Energy saving and emission reduction

Energy consumption intensity per unit output value

**1.06** GJ per RMB ten thousands

Annual power saving measured value of energy-saving renovation project

**2.77** million kWh

Annual electricity saving measured value of daily control

**2.232** million kWh

Environmental protection capital investment

**71.25** million

### Pollution control

Pollutant emissions from all production bases met the standards

**100**%

## Social performance

### Quality management

product recalls

**0** piece

All suppliers signed quality agreements

**100**%

### Customer service

Customer satisfaction

**99.4**%

Customer complaint handling rate

**100**%

### Supply chain management

CSR assessment conducted for all main material suppliers

### R&D and Innovation

Awarded as National Intellectual Property Demonstration Enterprise

### Standardized employment

substantiated complaints concerning breaches of customer privacy and loss of customer data

**0** piece

incidents of child labor and forced labor

**0** piece

incidents of harassment, abuse, discrimination or related complaints received

**0** piece

### Safety production

accidents of serious injury or above

**0** piece

occupational disease accidents

**0** piece

on-time correction rate for safety hazards

**100**%

### Charity

Total expenditure of public welfare

RMB **4.135** million

# Introduction to Risen Energy

## Company profile

Founded on December 2, 2002, Risen Energy Co., Ltd. is headquartered in Ninghai County, Ningbo City, Zhejiang Province, with a registered capital of RMB 1,140,013,863. Risen Energy was listed on GEM of Shenzhen Stock Exchange in September 2010 (stock code: 300118).

Engaged in new energy and new materials, Risen Energy has established a business pattern of “battery modules, energy storage and new materials” to furnish green new energy solutions around the globe. We intensify our efforts in R&D, production and sales of grid-connected photovoltaic power generation systems, independent photovoltaic power supply systems, energy storage systems, new materials, intelligent lamps and lanterns, solar cells and modules. By the end of 2022, Risen Energy has sold products to 89 countries and regions including Europe, America, South Africa and Southeast Asia through its 6 production bases and 22 marketing service centers worldwide, with an annual sales volume of 13.5GW of PV modules, including 8.1GW for overseas market, providing professional PV products and technical support to global users.

### Business Performance in 2022

Module sales	Operating income	Net profit attributable to parent company	Total assets	Asset-liability ratio
13.5 <sub>GW</sub>	RMB 29.385 billion	RMB 945 million	RMB 38.262 billion	72.82%

## Corporate culture

### Mission, Vision and Core Values

#### Core values

- Dignity comes with performance.
- Our profit-based development is inseparable from our employees' efforts and wisdom. Performance is the best way to tell our story.

#### Vision

- Creating a new life for mankind through green new energy.
- Engaged in the field of photovoltaic new energy, we have been intensifying our efforts in the whole industry chain and introducing products such as silicon, solar cells, solar modules, photovoltaic power plants, lithium electronic batteries and solar lighting, so as to create a green and healthy, low-carbon environment, and to bring a new life experience and style.

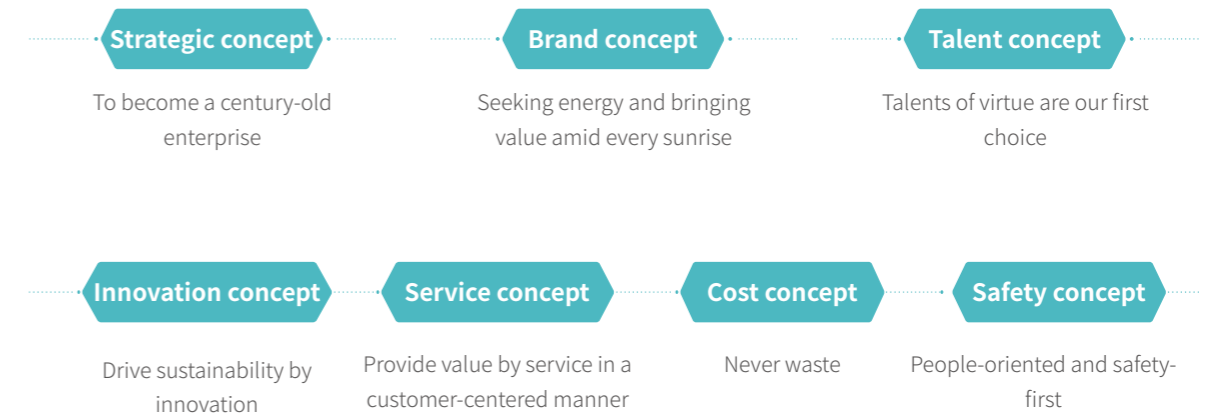
#### Mission

- Continuously improving the energy pattern with technological innovation and the quality of human life.
- Scientific and technological innovation allows us to gain a foothold in the field of photovoltaics, secure our competitive advantage, and make breakthroughs in industry bottlenecks.

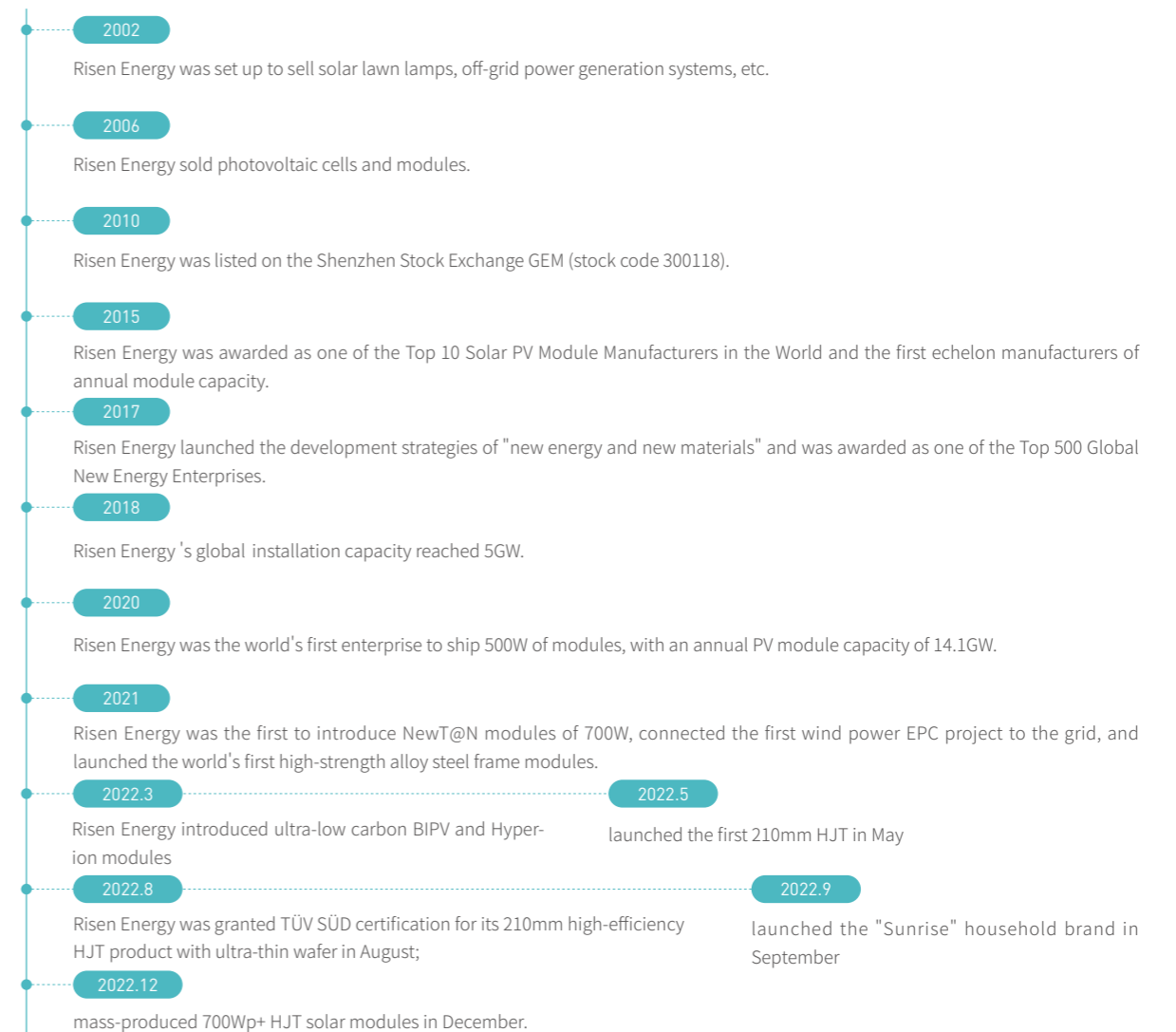
#### Purpose

- Satisfy our customers, render competitive advantages, pursue common progress with employees, and dedicate to the community.
- As our success could not be separated from our customers, we satisfy our customers while seeking profits; as our growth is inseparable from our employees, we furnish them a career growth platform and competitive compensation. To pursue energy transition, we are committed to green energy to create a new life for human beings.

### Corporate philosophy



## Development course

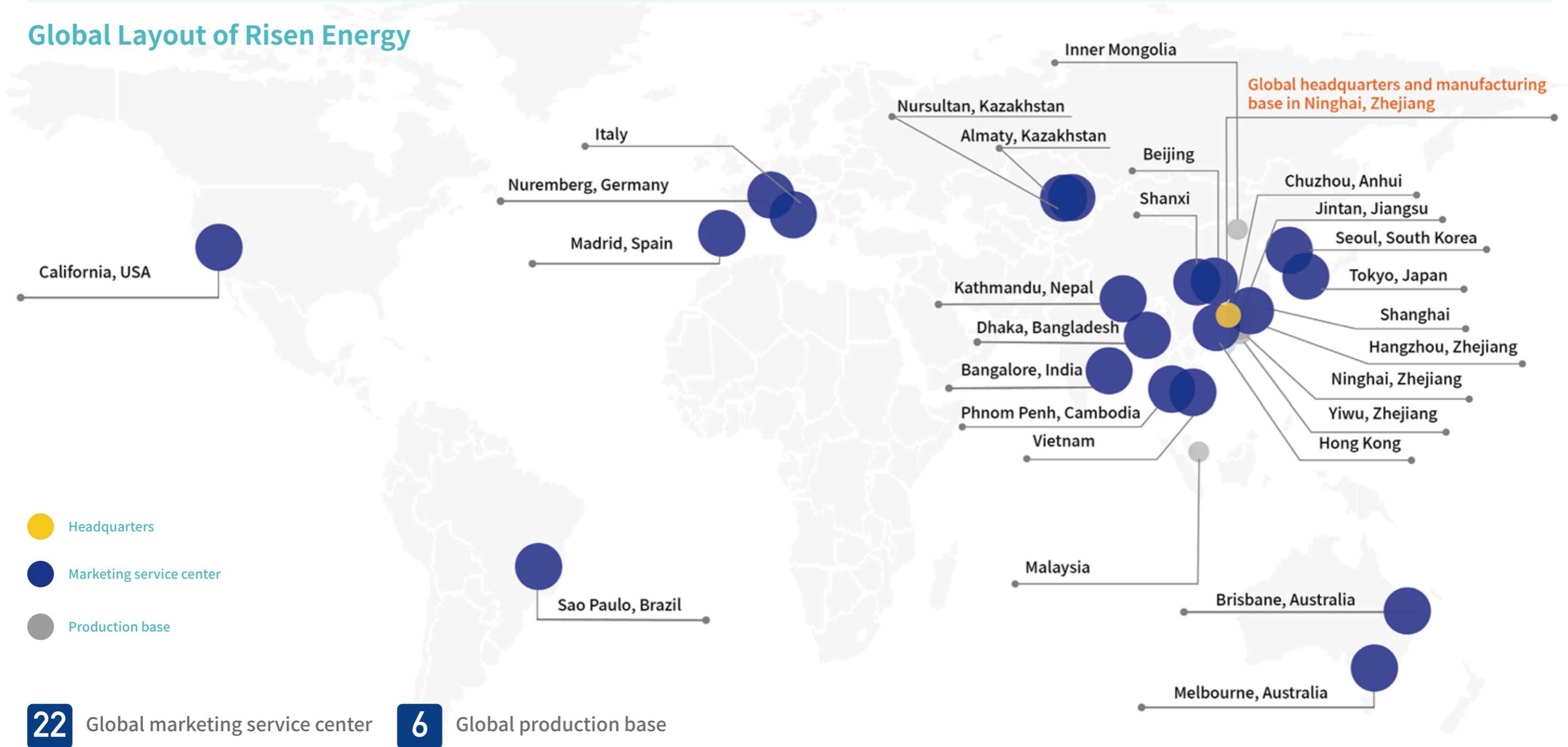


# Market layout

Over the years, Risen Energy , by virtue of its excellent innovation capability, superior product quality, outstanding service quality and stable and efficient production, supply and marketing system, has been deepening its global strategic layout, building a global marketing network and expanding its international influence. We have five domestic

production bases in Ninghai (headquarters), Yiwu, Chuzhou, Jintan, and Baotou, and one overseas production base in Malaysia, of which the Baotou Base is not covered by this Report. Besides, we build a global network through 22 marketing service centers in countries including China, Spain, Australia, the United States, Mexico, India, and Japan, to “light up every corner of the world” .

## Global Layout of Risen Energy



# Honors

In 2022, Risen Energy made active efforts in innovation, sharpened its strengths, practiced sustainable production and boosted green development, thus winning high recognition from many parties and achieving many honors.



★★★  
RSM-132-8-660BHDG Module  
Performance Award -  
Heterojunction Superiority Award



★★★  
2022 China Green High  
Efficiency PV Module Award  
Green High Efficiency HJT  
Technology Award



★★★  
2022 PVEL "Top Performer" Module  
Manufacturer



★★★  
Malaysian Solar Technology  
Excellence Award of the Year

★★★  
Top brand PV: Italy, Spain, Australia, Brazil, Chile, India, Mexico, Mozambique, Pakistan, Scandinavia,  
Thailand





# Associations

Risen Energy has participated in the following associations as of the end of the reporting period:

Date of membership	Joined Associations	Position
2021	China Quality Association	Member unit
	China New Energy Chamber of Commerce	Executive director unit
	Hangzhou Energy Storage Association	Member unit
	Hebei Photovoltaic New Energy Chamber of Commerce	Member unit
	China Nonferrous Metals Industry Association	Member unit
2022	Jiangsu Provincial Renewable Energy Industry Association	Executive director unit
	Jiangsu Photovoltaic Industry Association	Member unit
	Fujian Solar Energy Chamber of Commerce	Member unit
	China New Energy Chamber of Commerce	Governing unit

# System construction

As of the end of the reporting period, all five production bases of Risen Energy have passed the quality management system certification, environmental management system certification and occupational health and safety management system certification, with a certificate coverage rate of 100%. Besides, the four bases in Ningbo, Yiwu, Chuzhou and Changzhou passed the PV manufacturing quality system certification in October 2022, the Ningbo Base obtained the intellectual property management system certification again in March 2022, and the Changzhou Base obtained the energy management system certification in August 2021. The Malaysia Base was put into production in May 2022, and is currently applying for IEC62941:2019 certification.

## System Certificate Certification of Each Production Base

	Quality management system ISO 9001:2015	Environmental management system ISO 14001:2015	Occupational Health and Safety Management System ISO 45001:2018	Photovoltaic Module Manufacturing Quality System IEC 62941:2019	Intellectual property management system GB/T 29490-2013	Energy management systems ISO 50001:2018
Ningbo (Headquarters)	✓	✓	✓	✓	✓	/
Yiwu	✓	✓	✓	✓	/	/
Chuzhou	✓	✓	✓	✓	/	/
Changzhou	✓	✓	✓	✓	/	✓
Malaysia	✓	✓	✓	/	/	/

Quality management system  
ISO 9001:2015



Environmental management system  
ISO 14001:2015



Occupational Health and Safety Management System  
ISO 45001:2018



Photovoltaic Module Manufacturing Quality System  
IEC 62941:2019



Intellectual property management system  
GB/T 29490-2013



Energy management systems  
ISO 50001:2018



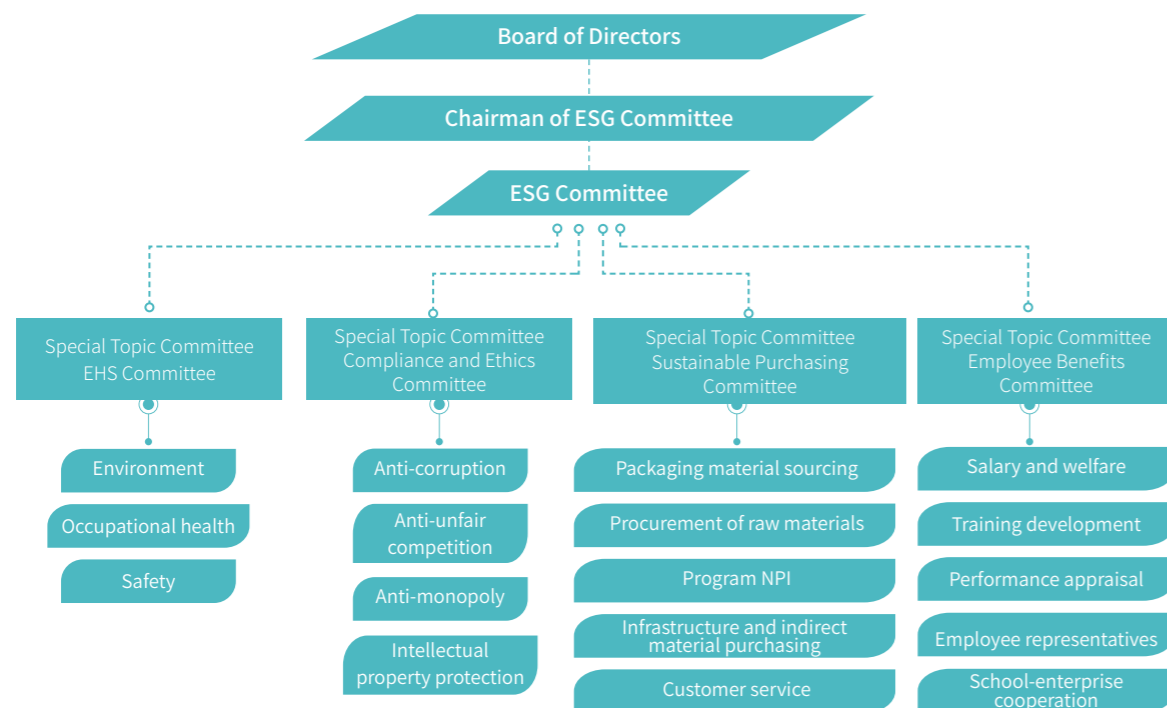
# Promoting Sustainability

## Sustainability strategy

Engaged in the field of green new energy, Risen Energy builds efficient, low-carbon and sustainable product models by means of technological innovation to continuously improve the energy pattern, enhance the quality of human life, create a green, healthy and low-carbon environment, and generate green economic benefits for society.



## Sustainability management structure




Risen Energy has established an ESG Committee to improve its sustainability governance. The Chairman serves as the head of the Committee, and together with the Committee, conducts decision-making and supervision of ESG matters, with specific responsibilities including the planning and formulation of ESG strategies and objectives; the consideration, decision making and approval of major ESG matters as well as the identification and assessment of ESG risks. The Chairman, as the person in charge of managing sustainability, secures an effective sustainability management system and risk monitoring system, and furnishes human, material and financial resources to facilitate the implementation of sustainability guidelines and policies.



# Risen Energy and UNSDGs

Risen Energy supports the 2030 Agenda for Sustainable Development and promotes UNSDGs through practical actions.

Goals	Actions	Chapter
	Risen Energy, a civic-minded enterprise, gives back to the community by carrying out public service activities such as caring for the elderly, helping children in need, fundraising, and volunteer service activities to facilitate regional development.	Dedicate to the Community
	Risen Energy prizes the health and happiness of its employees and establishes a sound compensation and welfare system. The Group and all production bases have passed the ISO 45001 system certification. During the reporting period, there was no accident of serious injury or above due to work.	Pursue common progress with employees
	Risen Energy prioritizes the development and growth of its employees. Risen Energy has built a Risen Energy Training Center, created a three-tier training system dedicated to the technical skills and management skills of grassroots staff and management cadres, introduced the Lecturer Management Measures, and selected excellent lecturers in the company. All employees received regular performance and career development assessments in 2022.	Pursue common progress with employees
	Risen Energy has established a sound human resource system and management system and opposed all forms of workplace discrimination, harassment, coercion, threats, and violence. During the reporting period, the number of female employees accounted for 31.63% and that of female management accounted for 17.07%.	Pursue common progress with employees
	Risen Energy has established a comprehensive environmental management system to implement comprehensive control of pollutants and waste generated during production and operation. Wastewater and waste gas are treated and discharged after meeting the relevant standards, and waste generated is collected and disposed of separately according to the requirements of laws and regulations. All production bases have obtained ISO 14001 certification standards and saw no major environmental pollution accidents in 2022.	Dedicate to the Community

Goals	Actions	Chapter
	Risen Energy intends to furnish the world with green new energy solutions. Apart from developing a range of clean energy businesses such as grid-connected photovoltaic power generation systems, we promote building and photovoltaic integrated factory rooftop projects during operations, connecting photovoltaic power to the grid to increase the proportion of clean energy use.	Full text
	Risen Energy opposes all forms of illegal employment, insists on distribution according to work, equal pay for equal work, and provides competitive salaries and benefits for employees.	Pursue common progress with employees
	Risen Energy continues to improve its technological innovation, investing CNY 801 million in 2022 to develop 20 projects. We own a national CNAS-accredited laboratory, and have set up a Battery R&D Center, a Module R&D Center, and a New Material R&D Center. Besides, we have a National Enterprise Technology Center, National Postdoctoral Research Station, and Jiangsu Province Semiconductor (HIT) Tandem New Energy Industry Innovation Center, and have built a globally competitive R&D system.	Satisfy our customers
	Committed to building a sustainable industry chain, Risen Energy conducted a CSR assessment of main material suppliers in 2022. We have built a “600W+ PV Open Innovation Eco-Alliance” platform with many PV upstream and downstream companies and equipment manufacturers to reduce the waste of PV ecology.	Satisfy our customers
	Risen Energy aims to provide low-carbon new energy solutions for the world. While pioneering industrial development, we also control greenhouse gas emissions during operations, conduct greenhouse gas inventories, and plan to gradually expand the coverage.	Dedicate to the Community
	Risen Energy, in line with compliance management, has established a management system covering business ethics, major ESG risks, information security, intellectual property, and other aspects.	Render competitive advantages








# Risen Energy and the Ten Principles of the United Nations Global Compact

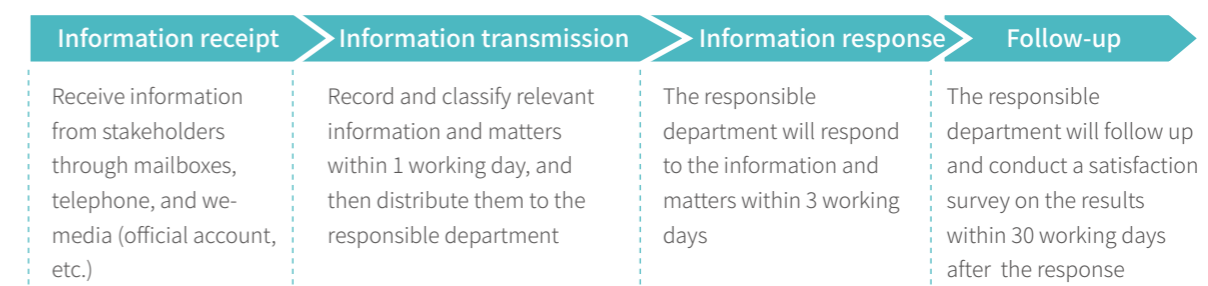
After joining the United Nations Global Compact in 2021, Risen Energy incorporated the ten principles into corporate strategies, policies, and procedural processes, to build a culture of integrity, fulfill fundamental corporate responsibilities regarding human rights, labor standards, environment, and anti-corruption, achieve long-term sustainability and create a better world through a principles-based approach.

Principles	Actions	Chapter
 <p><b>Human Rights</b></p>	In 2022, we conducted a CSR assessment for main material suppliers to evaluate their documents and performance in the fields of CSR management system, employment and human rights, health and safety, environment, and business ethics sections. We conducted a CSR assessment of main material suppliers in 2022.	Satisfy our customers
 <p><b>Labor</b></p>	Risen Energy is committed to creating a fair workplace environment, opposes all forms of workplace discrimination, harassment, coercion, threats and violence, and respects the human rights and all labor rights of all employees. We insist on the distribution of work according to labor, equal pay for equal work, and safeguard employees' rights to free association and collective bargaining.	Pursue common progress with employees
 <p><b>Environment</b></p>	We provide a range of green new energy products and solutions, including photovoltaic modules and grid-connected photovoltaic power generation systems, to boost global low-carbon transformation. Risen Energy has built an environmental management system, with all production bases certified to ISO 14001 standards, and has taken multiple measures to enhance efficient resource use.	Dedicate to the Community
 <p><b>Anti-corruption</b></p>	Risen Energy has introduced a series of institutional guidelines to regulate its behavior, clarify its standardized operation, anti-corruption, fair trade, and other management methods, improve its business ethics management system, and practice its business ethical values in the upstream and downstream links of the supply chain.	Render competitive advantages

# Stakeholder participation

Risen Energy gives weight to stakeholders' opinions and feedback, and has maintained communication with them through public and specific platforms, so as to meet their demands and expectations in a timely and effective manner, and to handle their complaints fairly and properly through the complaint reporting mechanism.

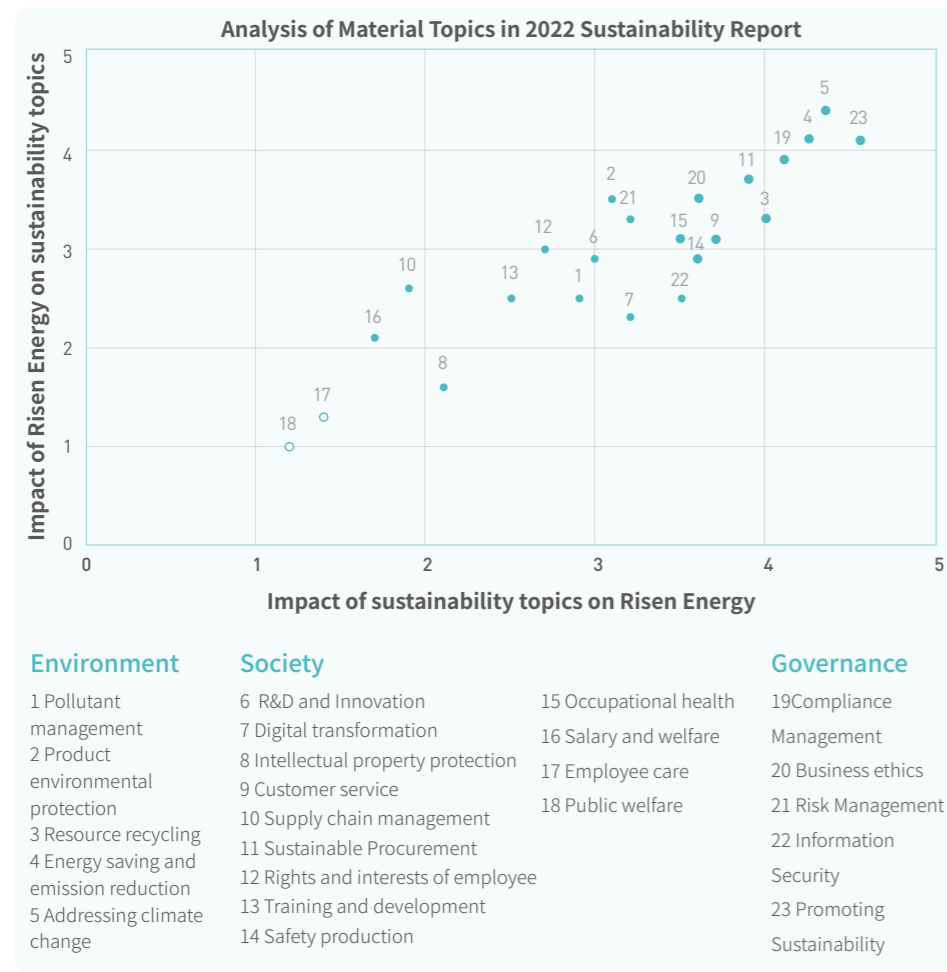
Stakeholders	Demands and expectations	Main communication channels
 <p>Employees</p>	Labor rights and interests Salary and welfare Training and development Occupational health and safety Privacy and information security	Contract and employee handbook Satisfaction survey Staff training KPI performance evaluation Trade union activities
 <p>Shareholders and investors</p>	Economic Performance Operating environment Management structure Business ethics Compliance Management Risk Management	Information disclosure Daily communication General meeting of shareholders Performance reporting (verbal and written) Investor communication platform Site visits
 <p>Customers</p>	Product quality and safety Privacy and information security Customer service and relationship management Product lifecycle management	Daily work communication Regular customer satisfaction surveys
 <p>Suppliers and partners</p>	R&D and Innovation Supply chain management Responsible purchasing Privacy and information security	Daily job takeover Regular assessments Supplier technology exchange
 <p>Governments and regulatory authorities</p>	Economic performance Operating environment Compliance management Risk management Environmental management	Information disclosure Visits and inspections Daily supervision Official correspondence Policy implementation Work report
 <p>NGOs and communities</p>	Product quality and safety Economic performance Public charity and voluntary service Community communication and local development	Information disclosure Accompanying visits and inspections Social welfare activities Social satisfaction survey
 <p>Industry associations and peers</p>	Intellectual property protection Economic performance	Organization of or participation in industry seminars on a regular basis Participation in industry exhibitions Daily communication



# Material topics

Risen Energy’s material topics cover business and sustainability topics, as well as topics deemed important to its stakeholders. A proper understanding of these topics is critical to identifying and managing our risks and opportunities and to meeting the expectations of all parties. In 2022, Risen Energy conducted a materiality assessment under the guidance of internal and external sustainability advisors. Through benchmarking analysis and stakeholder engagement, we ultimately selected 23 strategic topics that would best contribute to our sustainability goals and formed a material topic matrix.

Material Topic Identification Process	Specific content
<b>Benchmarking analysis</b>	A preliminary list of material topics was identified by combining the expertise of partner organizations, relevant sustainability frameworks, domestic and international policies (including UN SDGs), peer excellence, and our own businesses.
<b>Topic selection</b>	Further analysis was conducted to refine the preliminary list, and 23 topics were selected. The analysis included assessing the direct relevance of similar topics in the preliminary list to Risen Energy’s business and strategy, as well as relevant trends and recent key events for specific topics.
<b>Stakeholder communication and engagement</b>	Communications, interviews, and surveys were conducted with key stakeholders to gain insight into the perspectives and needs of internal and external stakeholders, while leveraging existing communication channels to gain more supporting information.
<b>Prioritization and topic matrix</b>	Stakeholder feedback was analyzed to understand the materiality of each topic and the materiality of these topics to the business and sustainability strategy was also analyzed. The results of the assessment were used to generate a material topic matrix and prioritize sustainability topics based on the materiality of each topic to internal and external stakeholders.



## Description

1. Material topics are analyzed by evaluating each topic through two dimensions of “the impact of sustainability topics on Risen Energy” and “the impact of Risen Energy on sustainability topics” and each was assigned a score for prioritization. 2. For each dimension of each topic, the score ranges from 0 to 5, where 0 means generally important and 5 means extremely important. 3. The darker the dot, the more important the topic is. The dark blue dot indicates an extremely important topic, the blue dot an important topic, and the light blue dot a generally important topic.

ESG themes	2022 material topics	Topic importance		Description of topic changes	
		2022	2021		
Environment	Pollutant management	Medium	Medium	No change in importance	The original topic was "Waste Management"
	Product environmental protection	Medium	Medium	No change in importance	The original topic was "Product Lifecycle Management"
	Resource recycling	High	High	No change in importance	The original topics were "Water Management" and "Clean Technology Opportunities"
	Energy saving and emission reduction	High	High	No change in importance	The original topics were "Energy Management" and "Clean Technology Opportunities"
	Addressing climate change	High	High	No change in importance	No change
Society	R&D and Innovation	Medium	Medium	No change in importance	The original topic was "Clean Technology Opportunities"
	Digital transformation	Medium	No corresponding topic	Newly added	Digital transformation is closely related to the development of the new energy industry and the national energy transition, and has been repeatedly mentioned by senior management
	Intellectual property protection	Medium	Medium	No change in importance	No change
	Customer service	High	High	No change in importance	The original topics were "Product Quality and Safety" and "Customer Management"
	Supply chain management	Medium	Medium	No change in importance	No change
	Sustainable Procurement	High	High	No change in importance	The original topic was "Responsible Purchasing"
	Rights and interests of employee	Medium	Medium	No change in importance	The original topic was "Employment Relations"
	Training and development	Medium	High	No change in importance	The original topic was "Employee Training and Development". Stakeholders have paid less attention to the topic, but Risen Energy still pays enough attention to it.
	Safety production	High	High	No change in importance	The original topic was "Occupational Health and Safety"
	Occupational health	High	High	No change in importance	The original topic was "Occupational Health and Safety"
	Salary and welfare	Medium	Medium	No change in importance	The original topics were "Employment Relations" and "Rights and Benefits of Employees"
	Employee care	Low	Medium	No change in importance	The original topic was "Rights and Benefits of Employees"
	Public welfare	Low	Low	No change in importance	The original topic was "Charity"
Governance	Compliance Management	High	Medium	Increase in importance	Compliance management has received widespread attention both domestically and internationally, and has been repeatedly mentioned by senior management and stakeholders
	Business ethics	High	High	No change in importance	No change
	Risk Management	Medium	Medium	No change in importance	No change
	Information Security	Medium	Medium	No change in importance	The original topic was "Data Security and Privacy Protection"
	Promoting Sustainability	High	High	No change in importance	Systematic sustainability management and even governance is a global trend and is highly valued by all stakeholders
Others	Economic Performance	No corresponding topic	Low	Deleted	The topic was included in "Compliance Management"
	Management structure	No corresponding topic	Low	Deleted	The topic was included in "Compliance Management"
	Clean Technology Opportunities	No corresponding topic	Medium	Deleted	The topic was included in "Energy Saving and Emission Reduction"

# Satisfy our customers

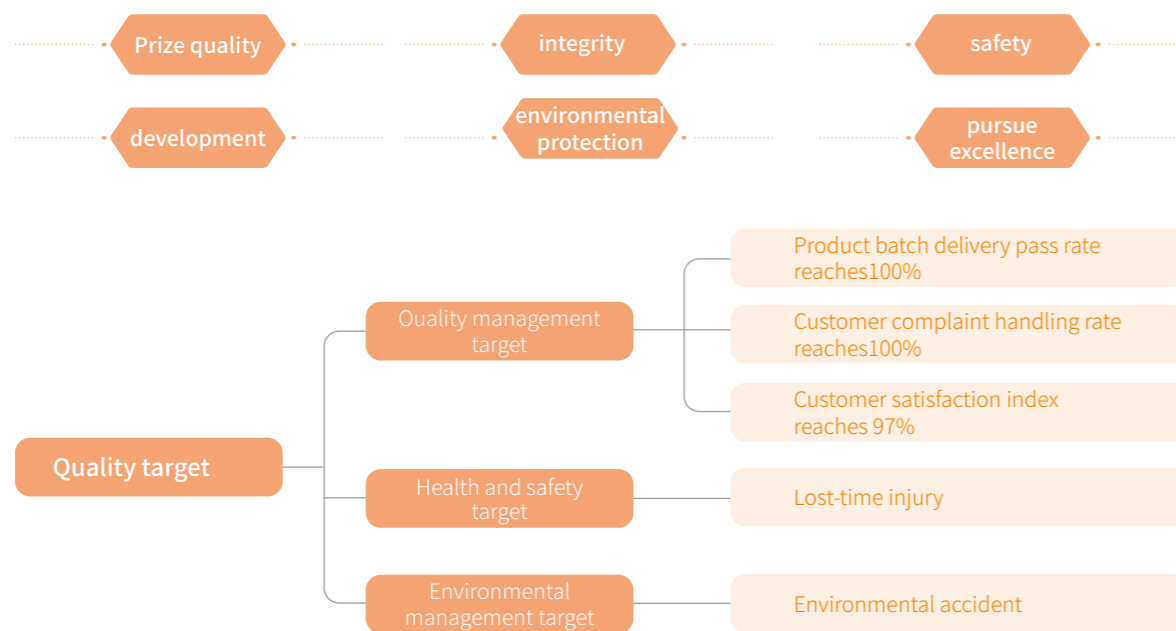


# Quality management

## Objectives and goals

As excellent products and services are fundamental to the survival and development of enterprises, Risen Energy has established a scientific and sound quality management system and practices all-around quality assurance and quality prevention. In line with the quality policy and quality objectives, we are always committed to serving customers and improving life with quality products.

### Quality policy



## Systematic management

During the reporting period, each company within the reporting scope has passed the ISO 9001:2015 quality management system. Except for the Malaysia Base, all other companies have obtained IEC 62941:2019 module manufacturing quality system certificate \*certification.

\*IEC 62941, the only quality system management standard in the PV sector, is much more directed towards the PV sector than ISO 9001 and proposes requirements for PV module design and development, analysis of potential failure modes and their consequences, product lifecycle management, process control, testing control, product traceability, product reliability testing, product conformance, and post-delivery activities, etc. It is an applicable, operational, and technical document.

To improve the quality management system, Risen Energy has introduced documents such as PV BU Module Reliability Monitoring Management Regulations and PV BU Module Abnormality Notification And Handling Management Regulations to monitor and manage all aspects of production and achieve comprehensive control of product quality through measures such as product testing, base audit, abnormal module identification and error correction prevention, production alarm, and production line suspension.

## Product lifecycle management

As a bridge between R&D personnel and customers, the Product Center conducts product life cycle (PLC) management, including customer demand collection, concept definition, product design, product launch, and product market life cycle (introduction, growth, maturity, decline) management. We maximize the accuracy and effectiveness of product planning through a professional and scientific approach to improve our overall product layout while providing high-value and quality products and services to customers.

### Structure and Responsibilities of the Product Center (PLC Management)

#### Product Management Department

- Responsible for the whole life cycle management of module products from demand management, planning and analysis, design and development, development and verification, marketing and promotion, mass production and operation to market withdrawal;
- Responsible for product roadmap planning and product portfolio strategy development.

#### Product Strategy & Marketing Support Department

- Responsible for analyzing global market and product trends and optimizing product planning strategies;
- Responsible for developing segmented market product portfolio strategy and product promotion strategy;
- Responsible for the planning and execution of global product promotion activities;
- Responsible for communicating with and visiting customers to introduce products and solutions.

#### Product Technical Support Department

- Responsible for reviewing the technical requirements of customers, promoting unified standards between the two parties, and eliminating the risk of non-compliance while meeting the customer needs;
- Responsible for responding to technical issues of customers in a timely manner and providing high standard customer services;
- Responsible for a comprehensive understanding of product design changes and control of quality details;
- Responsible for internal feedback on market information and assisting in updating the strategic development direction of products.

#### Product Application Department

- Responsible for providing comprehensive technical support for power plant construction;
- Responsible for assisting customers in selecting modules and solving difficulties encountered in power plant construction.

Risen Energy emphasizes a complete process system for PLC management and considers the impact of products in other aspects such as environmental protection and safety. At present, all new products are developed in strict accordance with the New Product Development Management Procedures and are supplemented by the New Product Project Report. This Report covers Risen Energy's assessment of environmental, occupational health, safety, and other risk aspects to ensure that the products meet safety requirements.

## Green Product Initiatives and Achievements (Partial)<sup>2</sup>

### Low carbon product development

- We are intensifying our efforts in low-carbon products and energy transition, integrating low-carbon elements into new products, and developing a variety of low-carbon products such as Hyper-ion low-carbon HJT modules and steel-framed modules.

### Product recycling

- We conduct product acquisition in accordance with the requirements of the PV BU Module Product De-listing Management Procedures, work with external organizations to recycle end-of-life modules, and join the PV Cycle-led program to recycle end-of-life modules.

### Hazardous substance testing

- A number of our products have passed international hazardous substance tests and received test reports.

### Green certification

- A number of our solar PV module products were included in the national green manufacturing list;
- Our headquarters was included in the public list of green supply chain and the list of green factory by the Ministry of Industry and Information Technology.

### High strength alloy steel frame

Risen Energy, a responsible company in the PV sector, has been committed to innovative research on PV product materials for years. As a crucial part of PV products, the frame plays the role of protecting glass parts and facilitating installation at power stations. Since PV modules are required to be used outdoors for 25 to 30 years, aluminum alloy featuring excellent corrosion resistance is commonly used as the frame. In line with the market trends, industry innovation, and customer services, Risen Energy adopted zinc-aluminum-magnesium steel featuring low carbon emission, high hardness, scratch resistance, high yield strength, and strong load performance, and self-healing zinc-aluminum-magnesium coating to reduce the negative effect on the environment while avoiding using the traditional corrosive steel materials. In 2022, Risen Energy saw a shipment of steel frames exceeding 2GW, pioneering the application of zinc-aluminum-magnesium steel materials in the PV module sector.

PV CYCLE is a non-profit association established in 2007 to support European PV manufacturers, suppliers, installers, and importers in meeting mandatory obligations for waste disposal in a simple and cost-effective manner.

## Product recall

Risen Energy has developed Product Recall Management Regulations to recall products that have given rise to or may give rise to non-conformances, facilitate communication with customers or consumers in a timely manner to protect their rights and interests and prevent hazards.



### Emergency recall

- The defect of the product poses an immediate or long-term threat to customers or property.
- Such recalls must be the top priority and products should be urgently recalled from all distribution channels.



### Priority recall

- Certain defects of the product cause some adverse consequences for consumers. Such recalls must be carried out from all distribution chains.



### Routine withdrawal

- The product has a packaging or cosmetic defect or is improperly labeled.

### Key Performance

As of the end of the reporting period product recalls

0

## Quality management of raw and auxiliary materials

Risen Energy prioritizes the quality of purchased raw and auxiliary materials, strictly implements a range of management systems such as Incoming Raw and Auxiliary Materials Inspection Process on a daily basis, and carries out all-round management of materials and suppliers in the raw and auxiliary materials list, including but not limited to access review, information registration and update, quality agreement signing, sample testing data statistics, abnormality analysis, quality and capability improvement. In the quality agreement signed with suppliers, we clarify our quality system requirements, product technical data and constraints, product samples, product delivery, product packaging and marking, product acceptance, non-conforming product handling and claims, information handling, change management, etc., to familiarize suppliers at all levels with our quality concepts and requirements.

### Key Performance

2022 existing and new suppliers signed the quality agreement

100%

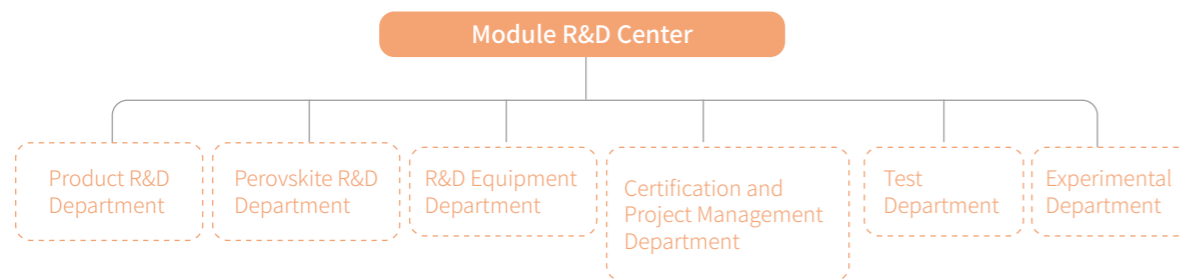




## R&D and innovation

Strong scientific and technological innovation capability powers our development amid the prospering yet competitive new energy sector. To improve our R&D and outperform our peers, we have made great efforts in system building, scientific management, IP management, talent training, and equipment upgrade.

### Organization Chart of the R&D center



### Continuous innovation

Upholding the principle of independent innovation, we have accumulated profound technology reserves in the field of high-efficiency photovoltaic cells and modules and built a global sales pattern to promote R&D and production of crystalline silicon solar cells and modules and to facilitate the construction and operation of photovoltaic power plants. Moreover, Risen Energy owns more than 100 core technologies of the main business.

### R&D Innovation Capability

#### Laboratory capability

- We own a national enterprise technology center, a national PV laboratory, a national postdoctoral workstation and a provincial enterprise research institute, and can test 44 items according to IEC61215, IEC61730-2 and UL1703. Meanwhile, we have built a globally competitive R&D system.
- Our new Chuzhou Laboratory and Malaysia Laboratory have successfully achieved full laboratory coverage of our global PV bases, and our headquarters laboratory has passed CNAS certification.

#### Technical capability

- Our products have passed TUV, CE, UL, GS and other international certifications. We have mastered high-efficiency cell mass production technologies, including PERC cell, TOPCon cell and HJT cell technologies, as well as a number of new module technologies such as half cell, paving, shingled, and ultra-thin double-sided glass, and high-reverse backsheets.
- We have intensified our efforts in R&D of the latest n-type cells, perovskite technology and new materials, and is the first in the industry to introduce high-strength alloy steel frame modules and industry-leading HJT modules.

#### Supporting service capability

- We actively develop other related businesses such as the design and construction of photovoltaic power plants and the production and sales of energy storage equipment to continuously provide more comprehensive and detailed supporting services for customers.

#### Technical meeting

- We regularly organize PV technical staff meetings to identify and judge industry changes and future development trends, while increasing investment in technological innovation and encouraging innovation to guarantee our technology industry leadership. In 2022, our photovoltaic technicians have proposed more than 80 R&D suggestions.

#### Talent strength

- Our R&D talents have different disciplinary backgrounds such as mechanical and electrical engineering, and have many years of research and practice experience in their respective fields, with rich experience in basic research and project development. Our R&D team has undertaken many national, provincial and municipal science and technology projects, and has rich experience in project management and execution.
- The PV module team has developed a number of high-efficiency PV modules, and the research results are in the leading position in the industry. In order to verify the power generation capacity of PV modules, the team has built a 110kW outdoor PV demonstration power station (without energy storage products), which provides good hardware facility conditions for further construction of the optical storage system.

### Case Expanded Ninghai Laboratory and added multiple new equipment



In response to increasing product models, we expanded Ninghai Laboratory in 2022 and purchased a batch of efficient, well-functioning and high-profit laboratory equipment to support various module IEC test projects by the R&D team (including simulation tests of various outdoor environments and stringent tests). With the new equipment, Risen Energy saved about RMB 3 million for certification and about RMB 5 million for external testing in 2022. The expansion of Ninghai Laboratory and the use of new equipment greatly enhance our testing capability and accelerate product development, thus promoting our new products and effectively improving the strength of our R&D team.

## IP management

With a good knowledge of the role of IP rights in enterprise management, we have formulated IP management manual, Patent Management System and Trademark Management System, set up full-time management agencies and personnel, and established a sound IP management system. Besides, we developed IP guidelines and goals and fueled our growth with enhanced independent innovation ability. In 2022, Risen Energy launched an IP management system to realize online IP management, integrate IP management in the whole process of product R&D, and stress the importance of IP management among all employees.

## IP policy

**Boost upgrading and development with scientific and technological innovation and secure strengths with IP rights**

We have introduced the Technology Innovation Reward System to furnish R&D and innovation employees with rewards and incentives. In daily operation and management, we take measures to improve the R&D ability of employees and urge employees to focus on R&D and innovation through IPR specialist training, industry forums, and basic patent knowledge training for new employees, etc. By the end of 2022, Risen Energy and its subsidiaries owned 417 domestic and foreign patents authorized and under application, 14 foreign patents under PCT application, and 5 overseas applications.

### Best Contribution Award

- The Best Contribution Award is given to the top three inventors in terms of number of applications every year

### Excellent Patent Award

- The excellent patent review is conducted every year to award inventors of excellent patents

### Semi-Annual Award

- Half-yearly statistics on granted/invented patent applications and PCT applications are conducted and inventors are rewarded

### Bonus Points for Promotion

- In the promotion of engineers, we give extra points to the technical R&D personnel who apply for patents.

Training topics	Training content and purpose	Number of participants/person
Induction training for new employees	Definition, characteristics, precautions, and case sharing of basic IP regarding patent, trademark, copyright, trade secret, etc.	976
Interpret module R&D patents	Study the latest published patent documents and explore new proposals	25
High-value patents from the perspective of litigation	Risen Energy awareness of R&D patent protection and improve the quality of patent applications	150
Patent mining training		30
Explore enterprise intellectual property work from infringement warning, patent application and patent right maintenance	Enhance the awareness of patent protection and infringement risk prevention among middle and senior management	50
Trade secret protection and talent stability	Strengthen talent stability and address problems encountered in the application of non-compete	84

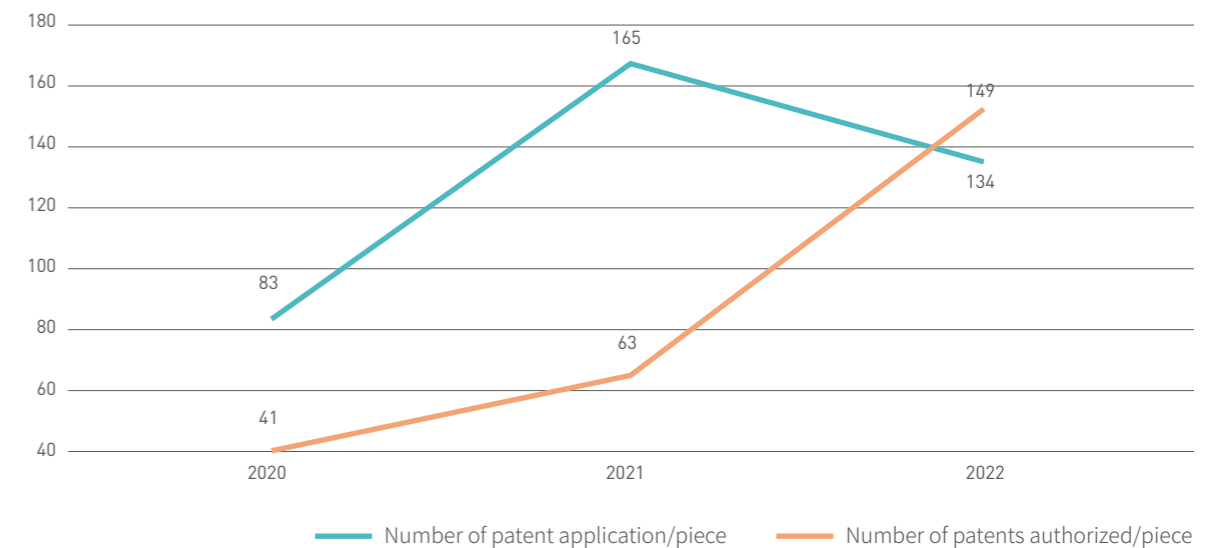
## Case Linear drive-based solar power generation posture adjustment system

The R&D team has built a posture adjustment system composed of hardware drive motors and hardware linear actuators to effectively control the fixed bracket and tracking bracket of solar photovoltaic power generation modules to improve the power generation of the modules. By virtue of the linear actuator technology, we have successfully developed a highly efficient and reliable solar power generation posture adjustment system.

## Case Application and demonstration of PV-ESS integration in the context of zero carbon factory

The R&D team conducts in-depth research and technological breakthrough on the PV-ESS integrated system from the aspects of lithium-ion battery, energy storage system, PV-ESS integration, and intelligent management, seeking breakthroughs of key technologies such as material pre-lithiumization of long-life battery, material system matching, high safety energy storage, PV-ESS integration, intelligent management, as well as auxiliary manufacturing process, process design, and transformation technology, to offer reliable technical solutions for PV-ESS integrated system development.

## Patent Application and Authorization of Risen Energy



## Key Performance

### Awarded as National Intellectual Property Demonstration Enterprise

Conducted a total of **17** training sessions regarding R&D innovation with a total of **1,621** participants

# Digital transformation

Digital transformation has become a vital tool for companies to improve their competitiveness and meet market demand amid fierce market competition. It can bring huge improvements in terms of productivity, cost reduction, and decision-making, and enable a rapidly expanding company to better respond to market changes and meet customer needs in a timely manner.

In 2022, Risen Energy, based on the optimized processes and organizational structure, improved the ERP-related business systems [including major IT business systems such as customer management system, supplier management system, warehouse management system, and logistics system.] and standardized online business processes through "process optimization + IT tools". Meanwhile, we built a data mid-end to improve data sharing and further refine and optimize the decision-making path of the leadership. In the manufacturing segment, we developed

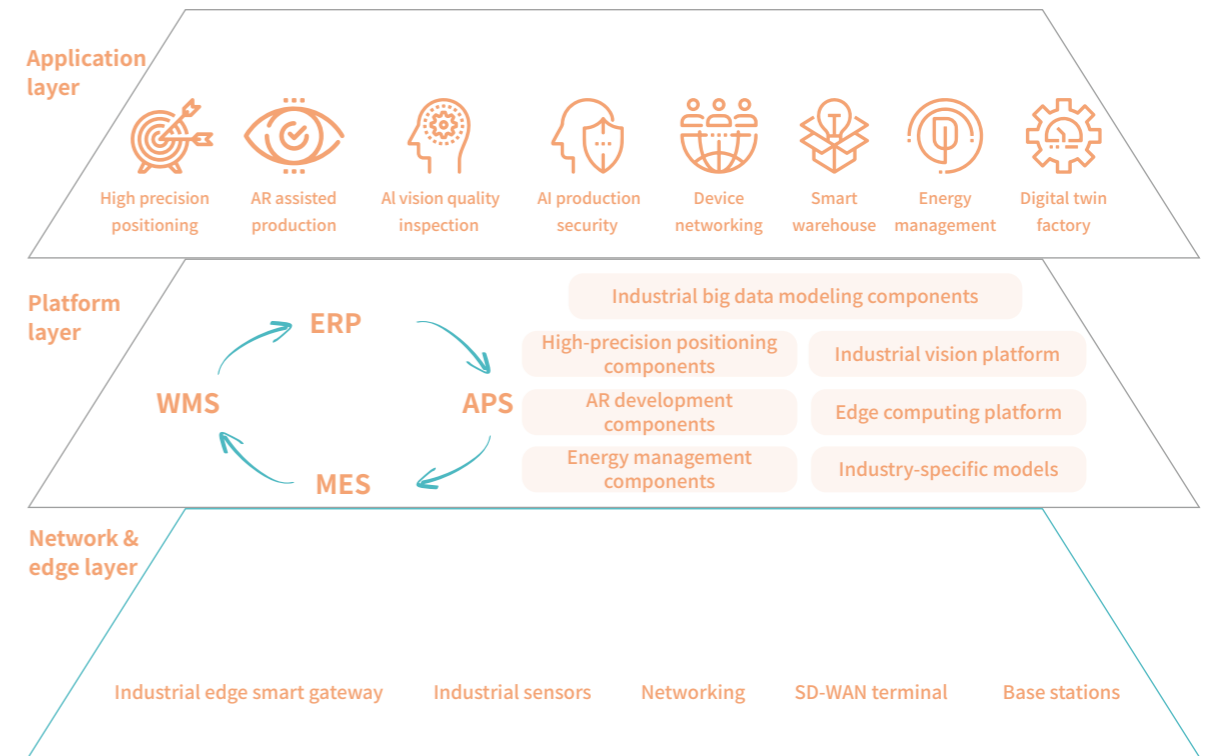
our own MES system, SPC system, and digital twin system to empower manufacturing in terms of production process management, quality process control, on-site equipment management, etc. Besides, we also employed Ding Talk to realize equipment warning, capacity monitoring, defect monitoring and other abnormality pushing for special groups, which greatly shortens the processing window time and improves capacity improvement and yield.

Moreover, we have introduced many new technologies to improve our digitalization level and address production and operation pain points. For example, we replaced manual quality inspection with visual inspection AI determination, replaced manual handling with AGV system to improve on-site handling efficiency, introduced a low-code development platform to shorten the development process to quickly respond to business needs, adopted RPA to help achieve financial automation, etc.

## Case MES manufacturing execution system

MES is the execution layer between the planning layer and field automation system, mainly responsible for workshop production management and scheduling execution. As a powerful tool to control product quality and production costs, it can help production management personnel to carry out process monitoring and management, and ensure normal operation of production.

The MES system is widely used in the manufacturing sector. Risen Energy developed, designed and put online the MES system to meet its customization needs. In light of the product characteristics of the photovoltaic industry, the system, equipped with general MES functions, is dedicated to quick function import, complex reporting requirements, configurable filing management, IoT interfacing convenience for automated equipment and assembly lines, complex rule configuration for quality control, complex rule configuration for order entry rules, and other industry-specific requirements, as well as real-time interfacing with ERP and WMS systems to complete closed-loop management of the entire manufacturing system.



Case Digital twin



The digital twin architecture includes physical layer, data layer, business layer and functional layer (visualization). The data layer is the foundation of the digital twin application and consists of four parts: data collection, data transmission, data processing and data storage. The business layer is the core of the digital twin application, using technologies such as modeling to digitally mirror the factory business. The functional layer is the intuitive manifestation of the digital twin, which can be used for data-based analysis through simulation, diagnosis and prediction through data-based analysis, and supplementary decision-making through diagnosis and prediction.



Our Digital Twin System, by building four bases of IoT base, big data base, digital twin base and AI base, makes use of the massive data stored, processed, and collected by the big data hyper-converged database to connect the business and data chains, adopts the full line of 3D visualization technology to refine the modeling, creates the level-by-level visualization of park, workshop, production line, and equipment in the whole factory area, restores factory workshop layout, production equipment model, production process, etc., and accurately displays the spatial location of various types of equipment to clearly and completely show the entire factory environment. Meanwhile, through the simulation of the actual process line from raw material warehousing to finished product delivery, the system displays the overall production process and demonstrates the key equipment movements, material flow, production process fluency, etc., and connects with the technical process system to stimulate the state of the process line, such as normal, fail, congested, etc., based on 3D scene real-time simulation. Moreover, the system simulates and displays the gathering of materials and AGV vehicles, and can simulate process changes, present the best production solution, discover hidden problems in the production line, and improve the efficiency of the actual production line by adjusting specific process parameters.

The smart factory built based on digital twin technology can intuitively reproduce factory buildings and management elements of various fields accurately, realize all digital and virtual elements of the factory, real-time and visual production management, and collaborative and intelligent equipment operation and maintenance, help industrial enterprises realize digital operation, and establish a series of business decision models based on global data information to evaluate the current state, diagnose previous problems, and predict future trends, providing a comprehensive and accurate scientific basis for business decisions.



# Customer service

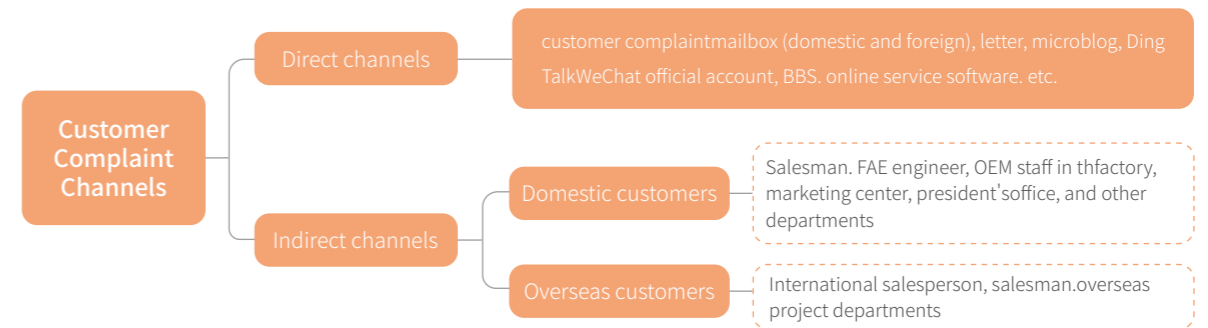
In line with the customer service policy, Risen Energy builds a closely coordinated service support system in accordance with the requirements of the Customer Service Control Procedure, to provide PLC services, improve service efficiency and response, exceed customer expectations, and create greater value for customers.

## Customer service policy

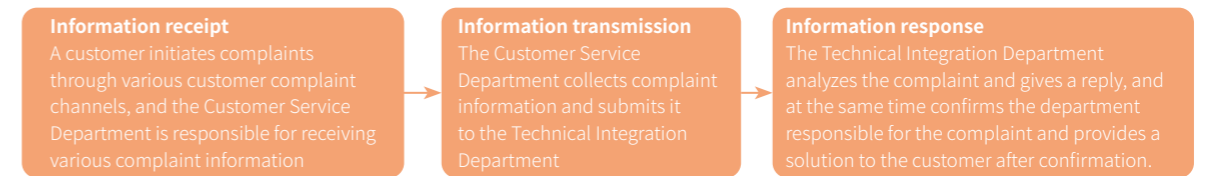
Provide value by service in a customer-centered manner

Risen Energy has formulated Customer Complaint Handling Regulations to regulate the handling process of customer complaints and clarify the principle of return and exchange as well as the operation process of payment credit, so as to resolve complaints in a timely, fair, and reasonable manner to maintain customer satisfaction. In daily operation and management, we attach importance to customer feedback and communication and address specific issues at quarterly meetings. In 2022, the customer satisfaction rate reached 99.4%, meeting the annual target.

## Customer Complaint Handling Process



## Customer Complaint Handling Process



### Follow-up

After analyzing the causes of customer complaints, the Quality Department will issue improvement measures and implement them at the corresponding workstations. Relevant responsible departments will issue 8D reports according to specific needs. Customer service staff will report on the complaints and implementation of improvement measures at the regular weekly or monthly meetings until the improvement requirements are met.

## Key Performance

2020—2022

No substantiated complaints concerning breaches of customer privacy and loss of customer data [Complaints related to invasion of customer data<sup>45</sup>

Customer complaint handling rate 100%

<sup>45</sup>Complaints related to invasion of customer privacy and loss of customer data include complaints from customers and regulatory agencies  
<sup>46</sup>The scope of statistics covers the Quality Center

# Sustainable supply chain

Risen Energy is committed to enhancing sustainable procurement, incorporating the concept of sustainability into upstream and downstream enterprises, and promoting supplier capacity building. We have formulated the Supplier Daily Management Regulations, Supplier Assessment and Scoring and other systems to regulate supplier access, performance evaluation, audit, and elimination. All suppliers [Main materials: Battery cell, glass, EVA film (including POE film), backplane, frame, welding tape (including reflective film), junction box, and silicone. Auxiliary materials: Flux, packaging materials (carton, wooden box, pallet), packing tape, packing buckle, winding film, etc.; screws, labels, solder wire, high-temperature tape, and other consumables, etc.] of main and auxiliary materials sign the Supply Chain Social Responsibility Commitment, Supplier Anti-Commercial Bribery and Anti-Fraud Commitment and Occupational Health and Safety and Environmental Notice for Suppliers.

\*Main materials: Battery cell, glass, EVA film (including POE film), backplane, frame, welding tape (including reflective film), junction box, and silicone. Auxiliary materials: Flux, packaging materials (carton, wooden box, pallet), packing tape, packing buckle, winding film, etc.; screws, labels, solder wire, high-temperature tape, and other consumables, etc.

### Supplier access

- On-site QSA quality system audit + QPA quality process audit
- No suppliers with a total score of audit less than 70%
- Sign supplier social responsibility commitment, supplier occupational health and safety and environmental notification and supplier anti-bribery and anti-fraud commitment

### Supplier management

- The Supplier Quality Management Department develops an annual audit plan and conducts QPA audits
- Total audit score  $\geq 80\%$ : qualified, submit rectification plan within 5 working days
- $70\% \leq$  total score  $< 80\%$ : conditionally accepted, but rectify within three months and, if necessary, additional on-site review
- Total score  $< 70\%$ : unqualified, stop supply and rectify within three months. If the score is still below 70% after rectification, AVL qualification may be cancelled as appropriate.

In 2022, we continued to promote suppliers' sustainability awareness. In addition to the social and environmental factors involved in the audit content and the signing of relevant commitment letters, we required all suppliers of main materials to conduct CSR assessments. The assessment is divided into supplier self-assessment and Risen Energy review, covering CSR management system, employment and human rights, health and safety, environment and business ethics. Each section is scored comprehensively from both system documents and actual implementation. In 2022, we carried out CSR assessment for all main material suppliers.

Freedom of association and collective bargaining rights

Discrimination

Wage and compensation

Working hours

Workplace and health and safety

Non-employment of child labor

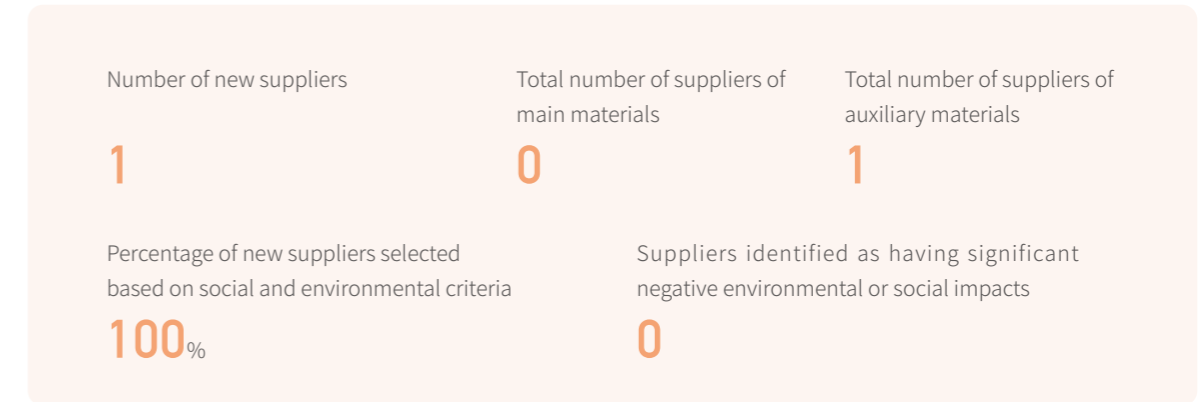
Prohibition of forced labor and disciplinary measures

Environmental safety

Management system

### Social Responsibility Commitments of Suppliers (Partial)

## 2022 Supplier Management Performance



To maintain open, transparent, and compliant supply chain management and to avoid potential risks concerning conflict mineral management in the supply chain, we have gradually incorporated mineral supply chain due diligence management into our supplier management in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-affected and High-risk Areas, identified mineral-related risks in the supply chain and developed mitigation measures, and planned to disclose our management performance in our future annual social responsibility reports.

In terms of green logistics, Risen Energy actively responded to the national call and planned ahead to promote implementation. 1. Multimodal transportation: Each domestic manufacturing base within the scope of

the Report continued to implement energy saving and emission-reduction-related projects in 2022 and promoted multimodal transportation including "road transport to rail transport", "land transport to water transport", road transport-rail transport and road transport-water transport, to improve the full load rate of transport. In the past three years, the proportion of multimodal transport has been increasing, and the full load rate of vehicle transportation has been rising. 2. Forward warehouse: To improve logistics and distribution for the domestic sporadic household-based market, we deployed forward warehouses in the market area to render centralized storage and on-demand distribution and improve operational efficiency while effectively using resources.

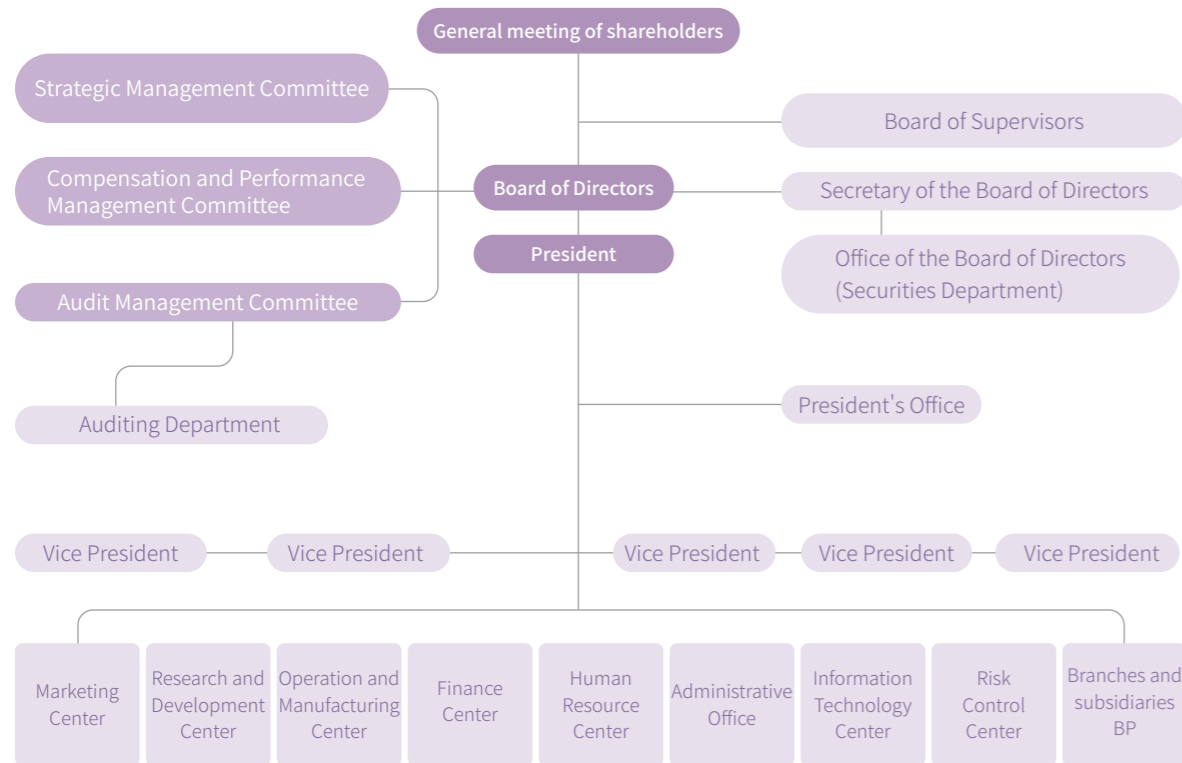


# Render competitive advantages



# Corporate governance

## Organization



Organizational Chart of Risen Energy

Risen Energy strictly follows the laws and regulations such as the Company Law of the People's Republic of China, Securities Law of the People's Republic of China, Code of Corporate Governance of Listed Companies, Notice of Rules Governing the Listing of Shares on the ChiNext Market of Shenzhen Stock Exchange, and Self-regulatory Guidelines for Listed Companies on Shenzhen Stock Exchange No. 2 - Standardized Operation of Listed Companies on GEM as well as the relevant requirements of China Securities Regulatory Commission and Shenzhen Stock Exchange, and builds a corporate governance structure featuring clear authority to facilitate its standardized and stable operation.

## Governance structure

Risen Energy strictly complies with the relevant regulations of the State and Shenzhen Stock Exchange and has established a governance structure consisting of the General Meeting, the Board of Directors, the Board of Supervisors, and the senior management. Under the Board of Directors, there are Strategic Management Committee, Audit Management Committee, and Compensation and Performance Management Committee, forming a corporate governance structure featuring a clear division of power and responsibilities, effective checks and balances, scientific decision-making and coordinated operation among the authority, decision-making body, supervisory body, and management, to promote modern corporate governance and system building.

The General Meeting of Shareholders, the Board of Directors, and the Board of Supervisors together constitute the highest governance body. In terms of the impact of corporate management on the economy, environment, and people, the Board of Directors is responsible for decision-making, and the Board of Supervisors for supervision. Details of the directors, supervisors, and senior management of Risen Energy are set out in the Annual Report of Risen Energy 2022. The composition of the highest governance body is shown in the table below.

Composition	General Meeting of Shareholders	Board of Directors	Board of Supervisors
Executive and non-executive members	N/A	All members of the Board of Directors are executive members.	All members of the Board of Supervisors are executive members.
Independence	Risen Energy saw no situation in which the controlling shareholder directly or indirectly interferes with Risen Energy's decision-making and business activities beyond the General Meeting of Shareholders. The Company has independent and complete business and independent operation capability. Risen Energy operates independently in terms of business, personnel, assets, institutions and finance, while Risen Energy's Board of Directors, Board of Supervisors and internal institutions also operate independently.	The members of the Board of Directors are elected by the General Meeting of Shareholders, and the Board of Directors is responsible to the General Meeting of Shareholders for executing the matters voted by the General Meeting of Shareholders.	All appointments are made in a merit-based fashion. Risen Energy considers the composition of the Board of Directors from a strategic perspective, including age, ethnicity, geography, culture, and experience, and intends to select the best candidates to enhance the efficiency of the Board of Directors.
Term of office	The term of office of a shareholder is the length of time he/she holds shares in Risen Energy.	The term of office of directors shall be set by the Articles of Association, but each term shall not exceed three years. Directors may be re-elected upon expiration of their term of office.	The term of office of supervisors shall be three years per term. Supervisors may be re-elected upon expiration of their term of office.
Important positions and commitments	Shareholder Lin Haifeng: 3 commitments on horizontal competition, connected transactions, and capital appropriation.	Chairman Lin Haifeng: 1 commitment on share restriction.	N/A

A diverse Board of Directors is beneficial to corporate performance and strategic sustainability goals. The current Board of Directors is composed of industry experts, financial, legal, and business management professionals with extensive professional backgrounds and industry experience, and the independent directors are professionals in finance, legal and financial fields. Our largest shareholder is the Chairman of the Board and does not concurrently serve as a senior management.

In 2022, we held 8 shareholders' meetings. We have 7 board members (including 3 independent directors), including 1 female (14.29%) and 6 male. During the reporting period, a total of 13 meetings of the Board of Directors and 15 meetings of special committees of the Board of Directors were held.

The Board of Supervisors effectively supervises Risen Energy's operation, decision-making procedures on major matters, and the performance of duties by directors and senior management, so as to safeguard the legitimate interests of Risen Energy and its shareholders. The Board of Supervisors consists of 3 members (including 2 employee representative supervisors), all of whom are male. During the reporting period, a total of 9 meetings of the Board of Directors were held.

Risen Energy has prepared and disclosed 4 periodic reports and issued 228 announcements; revised important systems such as Information Disclosure Management System and Investor Relations Management System, rendering scientific and rigorous decision-making and deliberation, timely and accurate information disclosure, and an increasingly strict management system.



## Nomination and selection

Risen Energy has established a relatively sound corporate governance structure, and elects and appoints directors in strict accordance with the provisions of the Company Law, the Articles of Association, and the Rules of Procedure of the Board of Directors. The procedures for the selection and appointment of directors are open, fair and just, and the composition and number of directors meet the requirements of laws and regulations. In accordance with the relevant provisions, the list of candidates for directors and supervisors is submitted to the shareholders' meeting for voting by way of proposal. In addition to the adoption of the cumulative voting system for the election of directors and supervisors, each candidate for director and supervisor is proposed by a single proposal. The Board of Directors announces the biographical information and basic information of the candidates to the shareholders.

## Governance structure and sustainability

### Disclose information

The Board of Directors prepared and reviewed the sustainability report for the year. Guided by the Secretary of the Board of Directors, the Office of the Board of Directors reviewed and approved information disclosure of the report and arranged the relevant meetings for consideration. The process of preparing and reporting the sustainability report is as follows: Disclosure Preparation Team - Secretary of the Board of Directors - Chairman of the Board of Directors/Board of Supervisors.

### Avoid conflicts of interests

Risen Energy requires the actual controller to sign commitments regarding horizontal competition, etc. Also, the number of senior management holding directorships shall not exceed 50% of the total number of directors.

### Gain knowledge on sustainability

Photovoltaic modules, our main product, is closely related to sustainability, and energy saving and environmental friendliness have always been the core principle of development. For this reason, the highest governance body pays great attention to sustainability topics during daily operations and integrates sustainability with corporate business, so as to improve market performance while pursuing common growth with the whole society and the mankind. Besides, members of the Board of Directors acquire and translate knowledge, skills, and experience on sustainability by regular sessions and sustainability-related reports.

## Operate in compliance with law

Compliance is the foundation for our sound development. In strict accordance with national laws and regulations and the Group's requirements, we improve the management system related to business ethics, strengthen anti-corruption and integrity building, effectively curb corruption, bribery, and other business ethics risks, and secure legal and compliant corporate operation and management.

### Anti-corruption principle

Adopt a "zero tolerance" approach against corruption

### Overall anti-corruption strategy

Prevention-dominated and investigation and punishment-supplemented approach  
Take a lenient approach for those who confess

## Business ethics

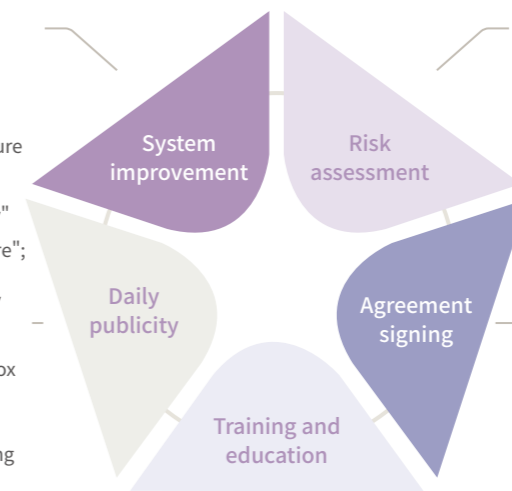
Risen Energy has introduced guidelines including the Employee Handbook, Code of Business Conduct and Ethics, Management System of Business Integrity and Ethics, Anti-Fraud Management System, and Management Regulations against Unfair Competition, which clearly stipulates its management approaches of standardized operation, anti-corruption, and fair trade. In daily operation and management, we implement pertinent restraint measures for groups such as employees and suppliers, carry out directed cultural promotion, and advance anti-corruption actions and education in the company and the supply chain.

- We added "Personal Integrity" to the Employee Handbook, added "Personal Integrity Commitment" to the template of the Employment Contract, and clarified the "anti-corruption clause" in the template of the procurement contract to further improve the anti-corruption clauses.

- We regularly release integrity information and push integrity culture knowledge through WeChat official accounts of "Sunshine Risen Energy" and "Risen Energy Enterprise Culture";

- Push Warm Reminder of Integrity during Spring Festival through WeChat official accounts and mailbox announcements, etc.;

- Release the Notice on Encouraging Real Name Reporting to encourage employees to report corruption.



- Risk assessment is conducted for employees in key positions, such as finance, procurement, personnel, etc.

- All employees in management positions above the section level are required to sign a commitment to integrity;

- All new employees receive training related to business ethics and learn about business ethics in the Employee Handbook.

## Measures Regarding 2022 Building Business Ethics Culture (All/Partial)

## Complaints

### Complaint channels

E-mail: 5198@risenenergy.com  
Tel: 0574-59982178  
Network channel: Risen Energy Window Complaint QR Code



To facilitate feedback of internal audit information, Risen Energy has set up various direct and indirect communication channels including telephone, email, and online integrated service window ("Risen Energy Window"), and has described its management methods in the Work Rules for Business Ethics Tip Lines. For all kinds of complaints, suggestions and consultations involving business ethics and internal audit, the relevant personnel must make the first reply within 5 working days after acceptance. Moreover, we have also set up a reporting mechanism for all stakeholders. All employees, suppliers, customers, and other partners can report violations of business ethics through the mechanism.

We will keep the reporting contents and the whistleblowers confidential and the specific content of the reported matter and the related investigation shall be conducted without revealing the identity of the whistleblowers. Unless the whistleblower agrees, in any case, the whistleblower's name, work unit, and contact information shall not be disclosed. For violation of confidentiality provisions or improper performance of duties by the handling personnel, the relevant personnel will be dealt with severely according to the circumstances and consequences.

For employees who violate the laws and regulations, we, in accordance with the Handling Regulations for Negative Behavior of Employees, identify facts and collect evidence, deal with employees involved according to the nature and degree of impact, and urge them to bear the corresponding legal responsibility.

### Key Performance

2020—2022

legal actions against anti-competitive behavior, antitrust and antitrust practices

0



# Risk Management

Risen Energy has introduced a range of risk management-related systems such as Compliance Obligation Identification and Evaluation Control Procedures, Group Contract Management Regulations and Internal Audit Management Measures, and set up a Risk Control Center to manage risks and opportunities in the operation process including sustainability. The Risk Control Center is responsible for assessing, measuring, monitoring, responding to and reporting on compliance risks arising from daily operation and management, and continuously strengthening the management of prevention before and control during and after the risks through assessment and other means. Through daily identification and evaluation, we realize the rectification of business operation risks and compliance deficiencies and mitigate risks arising from operations. In 2022, Risen Energy paid great attention to main business areas and key business links, continuously improved the frequency and coverage of risk identification, improved the professional competence and professionalism of the project team through standardized management, and successfully reached all annual targets.

## Legal affairs and tender

- Generated profits of RMB 9.03 million for the year through procedural payback, trade remedy government subsidies, and IPR merit creation.
- Reviewed tens of thousands of contracts online and offline, completed thousands of consultations or participated in business support, and met all deadlines.
- No litigation failures due to legal reasons occurred.

## Audit

- 5 regular audit projects were carried out throughout the year, and all rectification items were closed with 100% completion rate of rectification.

## Process construction

- Sorted out the business structure of the process management process and provided guidelines for the construction of subsequent process management processes, systems, and platforms.
- Released Process Document Release Management Procedures to unify process document design specifications and provide reference standards for business process design.
- The total number of records of new/change applications for daily OA processes for PV/Power BU and each independent subsidiary was 634 throughout the year, and 578 were completed and processed, with a completion rate of 91.17%.
- 22 process change/optimization special projects were carried out throughout the year.



# Information security

Risen Energy is committed to protecting the personal information of customers and employees and its own confidential information, and has formulated a series of information security management systems based on relevant laws and regulations such as the Network Security Law, the Data Security Law, the Personal Information Protection Law, and the Civil Code, which strictly stipulate the overall operational requirements for data security protection from the executive level to ensure the confidentiality, integrity, and availability of information and effectively prevent information security compliance risks.

We have established a Data Security Management Team consisting of the corresponding persons in charge of each business department, Information Center, Risk Control Center and Human Resources Center, which is responsible for the overall management and coordination of the work related to data security management.

## Key Performance

2022

information security incidents

0

As of the end of the reporting period information security complaints from customers, employees or suppliers

0

We have also formulated the Information Security Emergency Response System and Information Security Incident Management Procedures to address information security incidents that may occur. The relevant system provides requirements and explanations for the discovery, reporting, mitigation, disposal, and experience summary of information security incidents to justify our actions. We also sign confidentiality agreements and service level agreements with suppliers and clearly stipulate the responsibilities of both parties in terms of information security and related rewards and penalties in the agreements and contracts. In terms of information security culture construction, in 2022, Risen Energy has organized four training courses including "information security framework analysis training", "information security emergency response system training", "enterprise information security training", and "information security awareness training" for employees in key positions.

In addition, we upgraded our mailbox system in 2022 and added a multi-factor authentication system to effectively prevent mailbox theft and content tampering, and other hacking behaviors. After the upgrade, 0 incidents of mailbox theft by hackers occurred. 0 incidents of mailbox theft by hackers occurred after the mailbox system upgrade.

- All key project participants controlled the way documents are exchanged and shared according to their rank;
- Supported the implementation of document control and permission control policies through the cooperation of anti-leakage software and desk management software.

### Developed information security control policy for key projects

### Prevent network attacks and data leakage

- Installed the latest security patches 20 times and applied anti-virus software 2,674 times for all devices;
- Conducted system vulnerability scanning and security assessment once a week to ensure that information security risks are detected and handled in a timely manner.

- Employees must be trained in information security and sign confidentiality agreements

### Enhanced employee security awareness and training

- All employees must use secure passwords and change them regularly

- Pushed security education knowledge to all employees through Ding Talk every month.

### Regular backup and recovery of data

- Adopted high availability architecture for information system and network to continuously improve the business continuity of business systems;
- Regularly backed up and archived important company data and conducted recovery drills. A total of 18 drills were conducted at headquarters and bases.

# Pursue common progress with employees



# Human resource development

Upholding a people-oriented principle, Risen Energy complies with laws and regulations regarding employment, protects the rights and interests of employees, introduces competitive salary and welfare policies, creates a good working environment, and builds a quality platform conducive to individual career development.

## Rights and interests of employee

### Standardized employment

- We strictly abide by the Labor Law of the People's Republic of China and the relevant laws and regulations of the region where the production bases are located, formulate the Employee Handbook, pursue a fair, open, and equal employment policy, respect human rights, eliminate discrimination, oppose forced labor, and adhere to the bottom line of employees' basic rights and interests. Meanwhile, we prize the protection of the physical and mental health of minors and the legitimate rights and interests of vulnerable groups, and have formulated the Procedures for the Management of Prohibition of Child Labor to strictly regulate the management of child labor and underage workers, and put forward specific remedial measures for the misuse of child labor.
- We prohibit the employment of child and underage labor of our own and the supply chain through new employee training, internal publicity, internal announcements, and communication to relevant stakeholders, and eliminate all forms of forced or compulsory labor.

### Employee diversity and equal opportunity

- We are committed to creating a diverse, equal, and harmonious work environment, providing equal work opportunities for all employees, and promoting gender equality and equal pay for equal work. We respect freedom of belief and ensure no discrimination on the basis of ethnicity, race, nationality, religion, gender, age, disability, marital status, etc. In addition, we boost local economic development, enhance local employment, and create more local jobs.
- Risen Energy has issued and implemented the Supervision and Reporting Management Regulations, encouraging employees to report directly or by proxy, by letter, by telephone, by suggestion box, by email, etc., if they believe they have suffered any legitimate interest damage, slander or malicious acts, unfair treatment, violence, threats, etc. We strictly keep the information of the whistleblower confidential.

### Trade union and democratic management

- Risen Energy Trade Union was established in 1999, and its members and representatives are elected through election. In line with the requirements of the Trade Union Organization Work Standardization Guidance Manual of Ninghai County, the Trade Union practices the basic principles of fairness and impartiality, employee participation, and democratic centralization. During the reporting period, the Trade Union held the Fourth Plenary Meeting of the Seventh Committee and completed the personnel change of female workers' members through the election, and reported to Ninghai County Meilin Street General Union for approval.
- The Trade Union is responsible for democratic management, staff education and training, cultural and sports activities, labor safety protection, project technology innovation, skill practice improvement, democratic help and assistance. It serves as a catalyst in mobilizing the enthusiasm of the masses of workers and playing the role of the main force of the working class, and is widely recognized by employees and society, and has won awards such as Zhejiang Model Staff House, Ningbo May Day Labor Certificate and Ningbo Model Grassroots Union.



Moreover, we respect and guarantee the democratic rights of employees to enjoy the right to information, participation, expression, and supervision in accordance with the law, support their participation in management activities, elect employee representatives through democratic elections, and hold regular employee representative meetings as a link between grass-roots employees and management, so as to efficiently enhance democratic management and promote harmonious development.

### Employee communication and engagement survey

- We pay attention to team building and emphasize humanistic care, listen to employees' demands and solve their problems through face-to-face communication, regular departmental meetings, etc., and establish feedback channels to facilitate communication. In addition, we designed an employee engagement questionnaire based on Gallup Q12 [Gallup Q12 is a questionnaire tool used to measure a company's workplace strengths. It uses 12 key questions to fully reflect a company's performance on hard indicators such as employee retention, profitability, efficiency, and customer satisfaction.] in four dimensions: basic needs, management support, teamwork, and common development, and conducts regular surveys and makes analysis and reports every year, so as to in order to fully understand our employees and realize common development.

## Employee Engagement Ladder

### Camp 4:

- Learning and growth
- Talk about progress

My development

Common growth

### Camp 3:

- Best friends
- High-quality
- Mission/goals
- Opinions are valued

Where I belong I belong

Teamwork

### Camp 2:

- Encouraged to develop
- Care for me
- Commended in the past seven days
- Opportunity to develop my talent

My dedicationDedication

Management

support

### Base Camp:

- Materials and equipment
- Know the requirements

My harvestHarvest

Basic needs

During the reporting period, a total of 8,367 employees participated in the satisfaction survey, with a coverage rate of 97.29% and a satisfaction rate of 84.2%, up 7% from 2021.

### Employee information protection

• We attach importance to the protection of employees' personal privacy and have formulated the Management System for the Protection of Employees' Personal Information to strictly manage the collection, preservation, access, and destruction of personally identifiable information. When collecting employees' personal information, we clearly inform employees of the content and purpose of their personal information, including our personal information management methods, and obtain their consent.

### Key Performance

2022

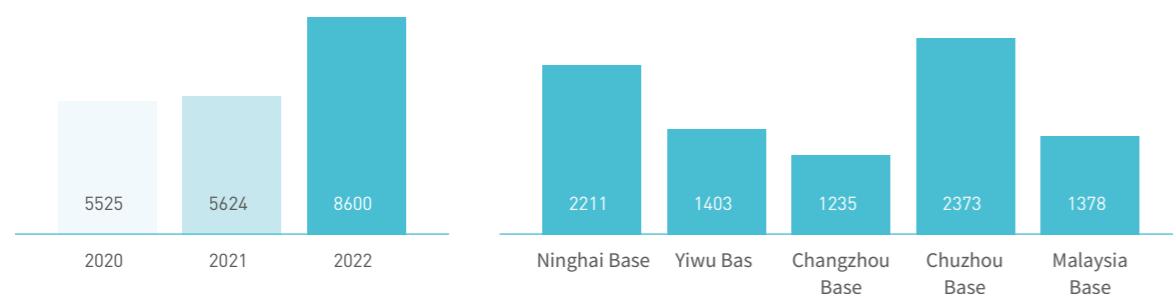
incidents of child labor and forced labor **0** incidents of harassment, abuse, discrimination or complaints received **0**  
 employee information leakage-related case complaints **0**

### Talent structure

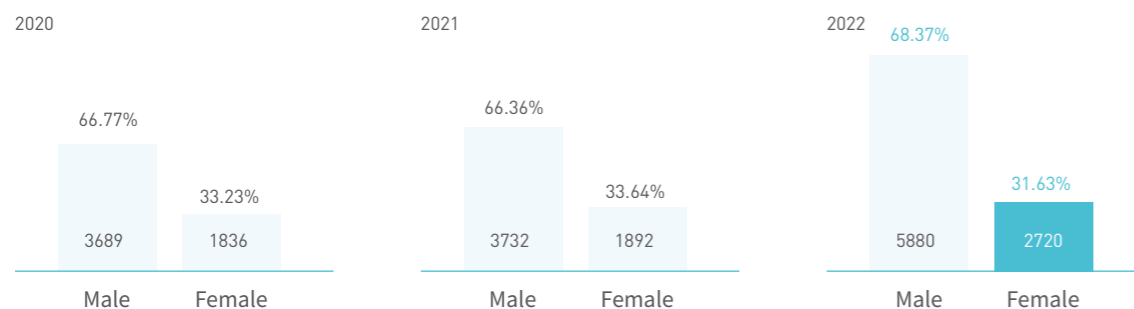
We sign formal labor contracts with all regular employees and provide social security in accordance with the requirements of laws and regulations. As of the end of the reporting period, there were 8,600 employees, an increase of 2,976 from the previous year.

Pursuing an equal and inclusive workplace culture, we furnish all employees with equal rights, opportunities and responsibilities at work and encourage women to participate in corporate management. By the end of 2022, we had a total of 750 managers, including 128 female managers, accounting for 17.07%.

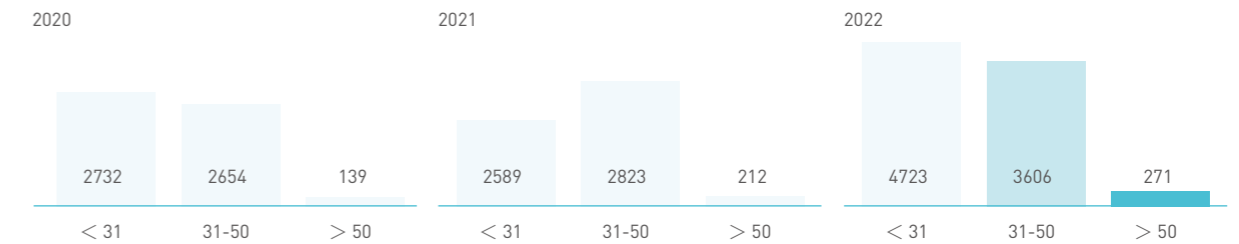
### Number of Employees of Risen Energy Number of Employees at the Production Bases in 2022



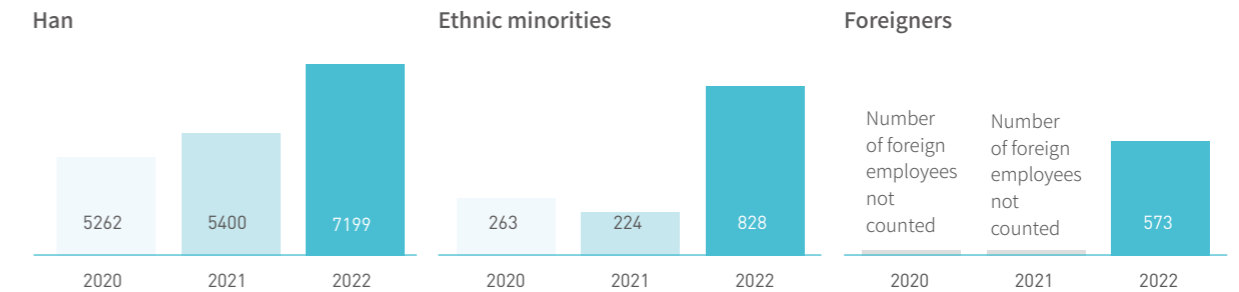
### Gender ratio



### Age distribution



### Employee ethnicity

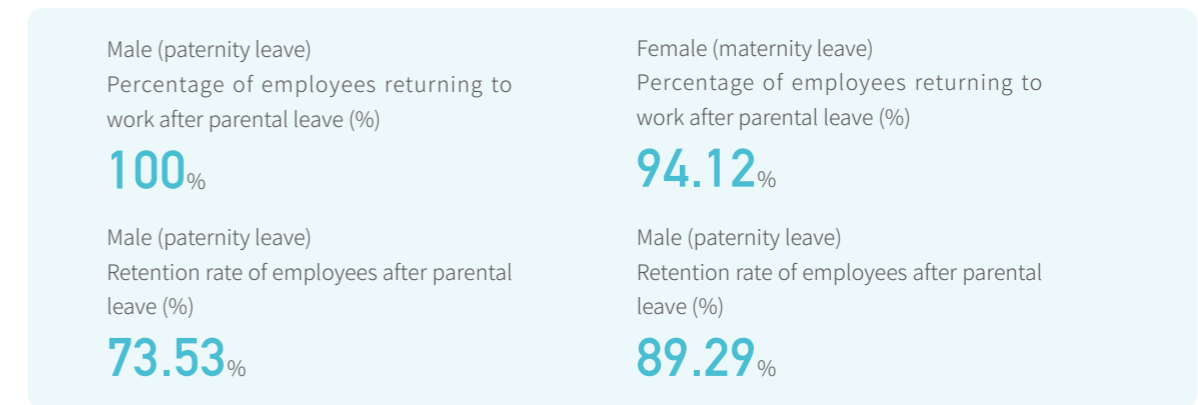


### Salary and welfare

In strict accordance with national and local laws and regulations, Risen Energy has formulated salary management policies based on its strategic development needs to attract, motivate and retain talented and high-performing employees. Upholding the principles of equal pay for equal work and a minimum wage higher than the local minimum wage level, we provide employees with competitive basic and performance wages by evaluating the annual salary adjustments based on overall business performance, market salary levels, company salary levels, changes in key economic indices, employees' scope of duties and performance evaluation results.

Our welfare package covers all employees. Apart from on-time salary payments and social security payments, we offer varied welfare for employees, including free working meals, staff dormitories, work uniforms, high-temperature allowance, holiday benefits, training and development, birthday gifts, holiday allowances, recreational activities and shuttle bus, occupational disease medical examinations for employees in special positions as stipulated by law, and equity incentives for core employees. Besides, we protect the rights and interests of special groups and actively implement support mechanisms, including parental leave and breastfeeding leave, to effectively protect the legitimate rights and interests of employees.

### Parental leave rights

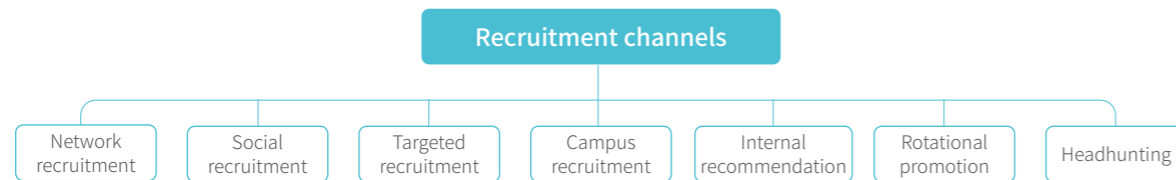


## Career development

To promote self-development and self-fulfillment of employees, we have gradually built a systematic talent management system. While formulating system documents such as entry and exit management and employee deployment management, we provide employees with abundant training and learning opportunities to stimulate their career potential.

### Recruitment system

Following the principle of open and merit-based recruitment, Risen Energy, based on the "selection and retention" method, offers equal opportunities for all employees and does not treat employees differently according to their ethnicity, race, age, gender or religion.



### Promotion system

Attaching "equal emphasis on virtue and performance", we have formulated the Promotion Management System and built a dual promotion system of profession and management that unifies the personal development of employees and the Group. Risen Energy tracks work efficiency of employees through performance management, and motivates individuals and the organization with value contribution incentives. In 2022, we promoted a total of 1,635 employees, including 356 women; and promoted 328 employees to management positions, including 67 women.

Besides, we have formulated the Staff Deployment Management System to exert the potential of employees and secure high talent-position matching. We respect our employees and encourage employees to reach their fullest potential in the most suitable positions and achieve a win-win situation of career expansion of employees and stable development of the company.

### Staff training

In line with the development strategic goals of new energy and new materials and the business needs, Risen Energy has set up a perfect and effective talent training system to pool internal and external training resources, improve the professional quality of employees, and enhance their working ability to facilitate organizational operation and development. In 2022, we formulated an annual training plan covering standard understanding, foreign language ability, business skills, product understanding, etc. We also conducted internal trainer and tutor selection and internal training courses.

Type	Training system			Classic projects		
Cadre training	High-level cadres	Mid-level cadres	Grassroots cadres	Leadership program	Lingying Program	Risen Energy Career
Vocational training	Set different sequences of professional training courses according to the output learning list of job qualification projects			Zhanying Program	Jingying Program	TTT, instructor training camp
	Marketing group	Technical and professional functional groups	Internal instructor group			
Operation sequence	Special training courses are organized regularly for grassroots management to improve the comprehensive management ability of operation managers			Feiying Program	Training base	Revitalization Program
	Key process positions, output SOP, standardized course training for job operators					
New employee training	New employees recruited by individual business groups			Risen Energy Force		New Risen Energy Program
	Newly recruited fresh college students (management trainees)					

### Lingying Program



Conduct training on management concepts, leadership teams, business awareness, data awareness, problem-solving, self-awareness, project management, and other competencies for serving managers/new managers, urge them to clarify their roles and positioning, understand and master the basic functions of management, and enhance their management skills and methods. In 2022, Lingying Program set up 9 courses with a total of 72 hours and 32 participants, mainly promoted managers and directors.

### Feiying Program



Conduct training on self-management, on-site management, personnel management, comprehensive management and other abilities for front-line shift leaders, cultivate their abilities to analyze and solve on-site problems and handle employee relations, thus strengthening team cohesiveness. In 2022, there were 536 participants, with a total of 325 class hours.

### New Risen Energy Program



Integrate new school graduates into our culture, improve their workplace skills and professional skills, and help them complete the transition from campus to society. The Program, with 190 participants, featured a total of 34 class hours.

### Case Feiying program training camp for shift leaders

Shift management is the foundation of enterprise management. As the practitioners of corporate strategies and decisions, and the front-line managers, shift leaders can fully mobilize the enthusiasm of employees and empower the rapid development of enterprises. To improve the management level of shifts and enhance the quality of grassroots management personnel, we organize each production base to carry out the Feiying Program Training Camp for Shift Leaders every year, with the training content including corporate culture, workshop safety production management, emergency rescue knowledge, standardized operation process and other related knowledge, to help them master the management concept, management tools, management system, strengthen the management of shift leaders, and lay a solid foundation for long-term development.



### Case Product plan - PV training

Compound talents are indispensable for enterprises amid fierce competition. To improve the product knowledge and the comprehensive ability of employees, Risen Energy conducted a series of special training on PV product knowledge in June 2022 for the Finance Center, President's Office, Human Resources Center, Administrative Center, and other related sections of each production base in an online and offline manner, in a bid to help employees to further understand the PV industry, PV products, and future development. The training focused on module product knowledge, BOM practical practice, PV module process and module material knowledge, crystalline silicon cell process, and lean production, with a training time of 26 hours and 1,053 participants.



## Employee care

Upholding the people-oriented principle, we pursue a harmonious state of common growth, benefit sharing, and work-life balance between employees and the company. We care for our employees through colorful corporate culture activities, employee care activities, and a series of employee care policies.

### Corporate culture activities

#### Annual Theme Speech Activity on "Faith to Win the Battle"

Invite senior executives to give speeches on corporate culture to build corporate culture identity.



#### Workshop activities

##### -Listen to You-

Organize seminars to establish connections between new employees, help new employees solve workplace problems, and improve team cohesion.



##### -Integration of New Cadres-

Conduct research activities for new managers, assist newly promoted managers to organize work, help team members to get to know each other, and plan future directions.



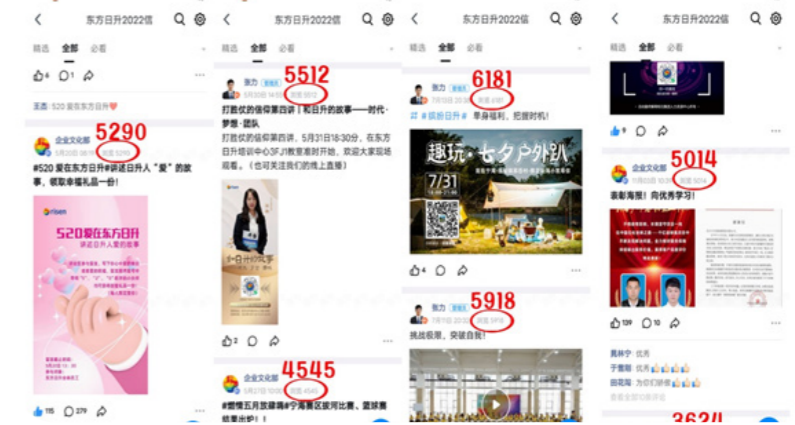
### Excellent Risen Energy Figures Theme Column

Interview employees on themes of "enterprise development, historical stories, opportunities, challenges, winning battles, and adversity handling" and introduce an interview documentary to demonstrate the spirit of outstanding employees.



### Ding Talk Community Building

Build a Ding Talk notification channel, with the total views of current notifications ranging from 1,000 to 6,000, to create a new effective publicity notification channel.



### Risen Energy Journal Upgrading

The Risen Energy Journal added sections of calligraphy, poetry and photography, presenting corporate style and corporate culture.



### Employee care activities



March 8 Sweet Goddess Day activities



Family Parent-Child Tour



Fun Play - Qixi Festival Outdoor Party



Ninghai County 11th "Enthusiasts' Cup" Basketball League



"Little Migratory Bird" Summer Camp Activity

# Operational safety

## Safety management

### EHS policy



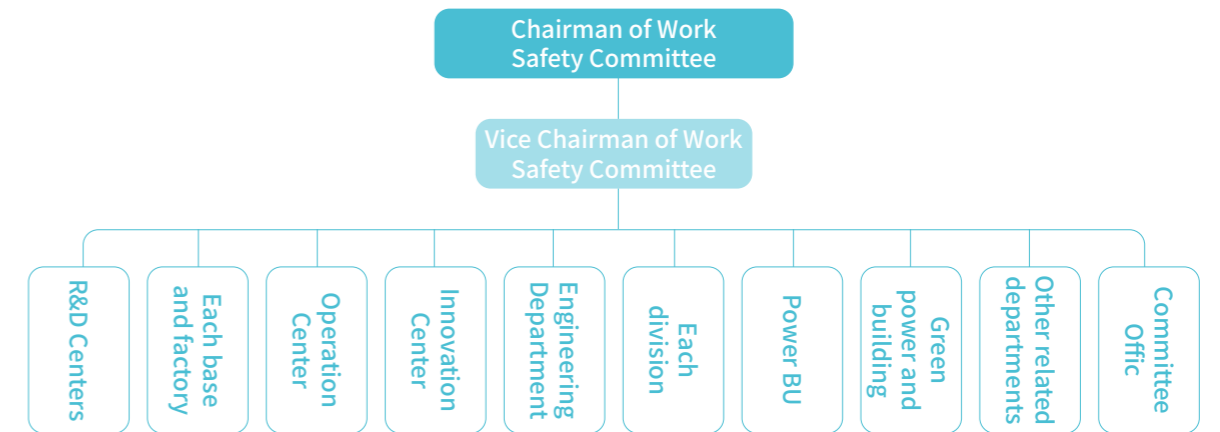
We prioritize safety and implement the principle of safety first during operation activities.	Our employees are our valuable assets and we have been making efforts to create a good working environment and protect their health and safety.	Upholding the culture of compliance, we promise to resolutely implement national regulations and standards in the fields of environmental protection, safety, fire prevention, and occupational health, etc., and make compliance as the measuring line.
We adhere to the principles of energy saving, environmental protection and low carbon in the production process, and promote carbon reduction and consumption reduction to achieve green and sustainable development.	By continuously inputting EHS requirements and strengthening risk prevention, we protect the vital interests of shareholders, employees and related parties to achieve a win-win situation for all parties.	Employee participation is crucial to EHS-related activities and policy revisions, and we are committed to creating a corporate safety culture with full employee participation and working to establish an excellent EHS management system to drive continuous improvement.

### EHS Target Achievement in 2022

<input checked="" type="checkbox"/>	accidents of serious injury or above caused by work	<input checked="" type="checkbox"/>	sudden health emergencies
0		0	
<input checked="" type="checkbox"/>	fire and explosion accidents	<input checked="" type="checkbox"/>	environmental pollution accidents
0		0	
<input checked="" type="checkbox"/>	occupational disease accidents	<input checked="" type="checkbox"/>	EHS-related penalty accidents, media exposure, or incidents with bad social impact
0		0	

We have set up a Work Safety Committee to deploy, guide and coordinate the EHS management. The Committee Office organizes and holds at least one meeting every quarter to review the resolutions of the previous period, analyze EHS work, inform accident cases, study important issues and deploy the next step of work.

### Organizational Chart of the Work Safety Committee



Yiwu Base was the first to obtain the Work Safety Standardization Level 2 Certificate

In 2022, we identified our EHS management systems and processes and released a total of 24 EHS management systems to facilitate work safety standardization and standardize institutionalized management of each base. In addition, we also issued 20 EHS prohibitions, drawing a red line for all employees in EHS management. We adopted a "five-step operation method" safety management tool to rectify abnormal operations, reduce operational risks, prevent accidents during inspection and maintenance, and improve safety management.

To improve the efficiency of EHS management, we comprehensively promoted the construction of EHS information technology and urged the Information Center to develop an EHS information platform. The platform includes 13 sections such as EHS hidden danger management system, EHS accident management system, EHS improvement proposal, etc. Meanwhile, we made EHS suggestion box email address, EHS hidden danger reporting phone number and EHS contact phone number available to collect information regarding EHS management.



## Occupational health

In line with the national and local regulations on occupational disease prevention and control, Risen Energy has formulated the Occupational Disease Prevention and Control Management System, Occupational Health Care File Management System, First Aid System and Occupational Health Checkup Management System to manage occupational disease prevention and control. We declare the occupational disease hazard items, conduct regular testing of occupational disease hazards and publicize the testing results in the workplace. Besides, we offer occupational disease medical checkups for employees on an annual basis and establish occupational health files. Also, we equip employees with labor protective equipment (PPE) and provide training on proper PPE wearing. We have taken multiple measures, ranging from prevention and control of safety risks to equipping employees with labor protective equipment, to minimize occupational disease hazards. In 2022, a total of 8,263 employees attended occupational disease medical examinations (excluding the Malaysia Base), and no suspected occupational diseases or occupational disease cases were found.

For positions that are prone to occupational hazards and work safety or scenarios featuring high frequency of attempted incidents, we prepare upgrading programs (standards), implement the programs and verify the effects; carry out special audit inspections, prepare audit standards, and score on-site audits for briefings and performance evaluation; conduct special assessments and evaluations (such as knowledge competitions), prepare evaluation programs, give incentives and make public announcements; post vivid visual signs and play videos of accidents to enhance employees' safety awareness; organize mobilization meetings, urge employees to sign commitment letters and invite senior management to deliver speeches to raise the leadership's attention to safety.

### Case Occupational health file online system of Yiwu Base



A one-person-one-file occupational health file for employees features a great deal of manpower, material, and finances, and can hardly be accessed or traced. In 2022, Yiwu Base improved its efficiency by establishing an online storage system for occupational health files, enabling one-click inquiries while reducing the use of paper.

## Capacity building

A total of **7** EHS public courses were organized during the reporting period

with nearly **400** participants

The coverage rate of three-level safety education for new employees across the Group was

**100%**

Risen Energy has formulated the EHS Training Management System to regulate and strengthen EHS-related education and training. We conduct EHS public courses on a regular basis to enhance the EHS awareness and comprehensive capability of all personnel and introduce external EHS training resources. The EHS departments of each base are responsible for formulating annual training plans, implementing three-level safety education, and strengthening EHS job qualification training and job competency training, etc. Moreover, we create a safety management culture featuring full participation through training, work safety month theme activities, knowledge competitions, and other diversified forms.

In 2022, the EHS Team grew stronger and featured a harmonious atmosphere. The Team constructed a safety venue at the headquarters to provide a practical training base for various types of safety training, and also played a leading demonstration effect for the promotion of training at bases. A total of 7 EHS public courses were organized during the reporting period, with nearly 400 participants. The coverage rate of three-level safety education for new employees across the Group was 100%.

In 2022, the EHS Team published the EHS Management White Paper and distributed it to each base to help non-EHS managers and new EHS staff understand our EHS management system. In addition, we summarized the standards of visualization work promotion in each base by publicizing the EHS Management Visualization Standards.



The 2nd EHS WORKSHOP Communication Activity of Risen Energy



Safety Knowledge Competition in Ninghai Base



Forklift Safety Skills Competition in Ninghai Base



Forklift Safety Skills Competition in Ninghai Base



Fire Fighting Skills Competition



Fire Fighting Skills Competition



Safety Special Training in Yiwu Base



In-Plant Motor Vehicle Driving Training in Ninghai Base



**Case Chuzhou Base created a safety experience hall**



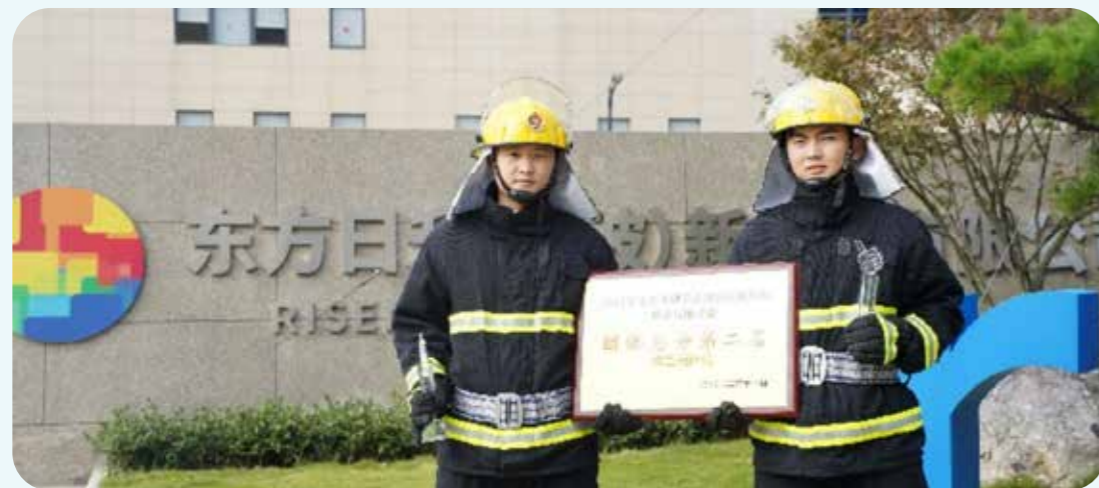
Upholding the "people-oriented and safety-first" principle, Chuzhou Base built six core display areas, including PPE display area, chemical and emergency equipment display area, electricity safety experience area, fire simulation experience area, energy isolation and lock experience area, mechanical safety experience area, and VR immersive experience area. The display areas show a full range of work production, occupational health, firefighting and other aspects of safety knowledge and disaster prevention and avoidance skills through digital multimedia, simulation VR and other innovative technologies, as well as display panels, realistic simulation, physical display, and interactive experience, and integrating sound, light, electricity, image and other effects, to build a "Comprehensive Work Safety Education Platform" for base workers.



**Case Ninghai Base carried out fire and rescue team business skills competition**



In 2022, the "Ninghai County 2022 Multi-form Fire and Rescue Team Business Skills Competition" sponsored by Ninghai County Federation of Trade Unions and organized by Ninghai County Fire and Rescue Brigade was successfully held. Ninghai Base actively participated in the competition and won second place in the total group score of the micro fire station, second place in the indoor fire hydrant water target drill project, and third place in the 60-meter oil drum firefighting drill project, which comprehensively tested the training effectiveness of firefighting team and further improved the technical level of its own firefighting team.



**Hidden danger investigation**

In light of its major safety risk points, typical accidents and hidden dangers in the same industry, we launched regular safety hazard inspections. Moreover, we added new channels for hidden danger investigation such as QR code scanning, realizing the online tracking mode of "identifying and solving problems at any time", and urging each base to implement all kinds of hidden danger rectification.

We conducted safety inspections on the factories of Ninghai Base on a weekly basis. During the reporting period, 396 hidden dangers were identified and 396 were rectified. By carrying out quarterly EHS inspections, we urged each base and factory to improve EHS management. Moreover, we have established a comprehensive flight inspection mechanism to promote the rectification of hidden dangers and reduce the operational risks of each base. The hidden danger rectification rate reached 100% in 2022 through irregular flight inspections.



**Honors** To promote full participation in safety hazard inspection, we conduct EHS outstanding proposal selection activities every quarter

A total of **164** improvement proposals were collected in 2022, including **6** first-class awards, **9** second-class awards, **14** third-class awards, **47** winning awards, and **88** participation awards.



**Chuzhou Base**

Installation of crossover ladders on transit inspection channel pipes

The DN600UPVC pipe on the inspection channel leading from the transit pool to the trench poses a certain safety risk when personnel are inspecting the pipe. By adding a crossover ladder, the safety of personnel and the integrity of the pipe are guaranteed.

**Ninghai Base**

Double-glazing machine equipped with safety protection

There is only a safety light curtain on the side of the equipment channel, and the safety light curtain is not enabled when the equipment is in straight-through mode, thus lacking safety protection. The operation safety risk on the channel side of the equipment is greatly reduced by adding safety guards on the channel side, reinforcing the guard posts, adding warning slogans, offering safety caps and emergency stop buttons, and optimizing the operation procedures.

## Emergency management

We emphasize emergency management of safety accidents and have formulated the EHS Emergency Preparedness and Response Management System to regulate emergency preparedness and response, so as to respond calmly to EHS-related accidents and minimize personal security risks and property damages through reasonable and effective emergency disposal. Besides, the headquarters and production bases have introduced work safety emergency plans and on-site disposal plans, and conducted regular emergency plan drills regarding firefighting, mechanical accidents, hazardous chemicals and auxiliary production, etc. A total of 93 drills were conducted in 2022, with approximately 5,866 participants (excluding the Malaysia Base).



Fire Emergency Evacuation Drill in Chuzhou Base



Work Safety Month Emergency Drill in Yiwu Base



Fire Equipment Practice Drill in Ninghai Base



Riot Safety Drill in Yiwu Base



Fire Drill in Meilin Factory



Typhoon Resistance and Flood Prevention by All Departments, Ninghai and Yiwu Bases



Chemical Leakage Drill in Chuzhou Base



Elevator Accident Drill in Changzhou Base

## Chemicals management

We have formulated the Chemical Safety Management System to manage the whole life cycle of chemical purchase, warehousing and delivery, transportation, storage, use and waste disposal. Besides, each base formulates applicable chemical safety management regulations. We regularly conduct chemical safety management training, chemical leakage emergency drills and chemical management improvement proposal selection activities to minimize chemical safety risks.



- Try to use non-hazardous goods instead of hazardous goods
- Strictly examine the qualification of chemical suppliers, especially the suppliers of easily toxic and explosive chemicals
- The introduction of new chemicals must be assessed by EHS before applying for procurement



- Confirm and check the warehousing of chemicals
- Establish delivery and warehousing/delivery ledgers



- Use logistics vehicles for transfer within the factory
- Chemicals are packed in complete containers and tied and fixed securely
- Equipped with leak-proof pallets for transfer if necessary
- Designate a special route to prevent environmental pollution caused by leakage



- Chemicals are classified, partitioned, and stored in different warehouses with limited quantity
- Paste appropriate safety warning signs
- Hazardous chemical storage areas and use sites are equipped with lightning protection facilities, anti-static facilities, explosion-proof electrical appliances, leak-proof facilities, etc. as required
- Equipped with combustible gas leakage alarm devices and toxic gas detection devices as required, and regularly calibrated and tested



- Chemical use personnel need to be professionally trained
- Relevant personnel wear safety protective gear as required
- Use places equipped with emergency facilities and equipment



- Prohibit arbitrary disposal and dumping
- Conduct sound ledger management and carry out compliance disposal in accordance with relevant laws and regulations

### Life Cycle Management of Chemicals

# Dedicate to the Community



# Addressing climate change

In line with the Paris Agreement and the national carbon peak and carbon neutrality strategic decisions, and formulates the group-wide climate strategy of "realizing green energy and building low-carbon production", and is committed to playing the leading role of technological innovation, realizing green and low-carbon production through emission reduction control in the operation process, and helping to achieve global emission reduction targets and the implementation of the national "dual carbon" strategy.

## Greenhouse gas management

In accordance with the national laws and regulations and the requirements of ISO 14064 system, we have formulated the Carbon Emission Management System to clarify the responsible subjects of carbon management and refine the responsibilities of emission reduction management. During the reporting period, we formulated greenhouse gas emission reduction strategies, and implemented control measures such as improving energy utilization efficiency, expanding the proportion of renewable energy, and exploring carbon offset methods and technologies, to maximize emission reduction efficiency in multiple ways. In addition, we attach importance to the cultivation of professional talents in the field of carbon emission reduction. Apart from regular internal training on carbon emission management, we conduct ISO14064 internal auditor training for employees.

## GHG inventory

To implement the requirements of policies and regulations related to GHG emission control, during the reporting period, Risen Energy conducted GHG inventories at its Chuzhou and Yiwu Bases in accordance with the requirements of ISO 14064-1:2018 and the Guidelines on GHG Emission Accounting Methods and Reporting for Enterprises in Other Industries (for Trial Implementation) issued by the National Development and Reform Commission, and compiled the 2022 Annual GHG Emission Verification Report.

Production Site Greenhouse Gas Verification Statement

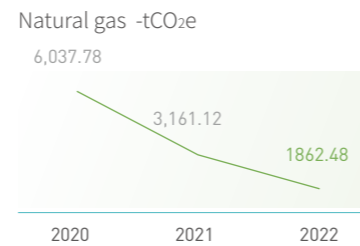


Chuzhou Base ISO 14064-1:2018

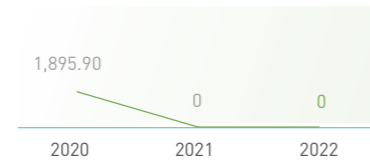


Yiwu Base ISO 14064-1:2018

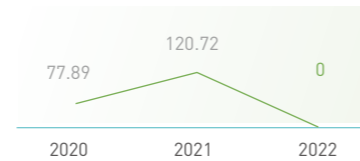
### Scope 1 (direct emissions)



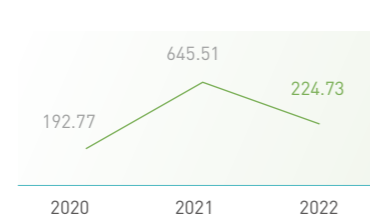
### Liquefied petroleum gas -tCO<sub>2</sub>e



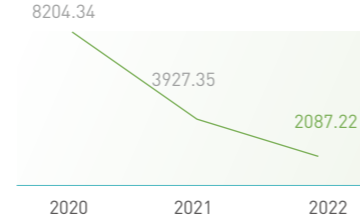
### Gasoline -tCO<sub>2</sub>e



### Diesel -tCO<sub>2</sub>e

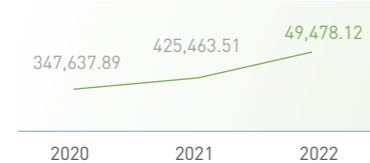


### Total for Scope 1 -tCO<sub>2</sub>e

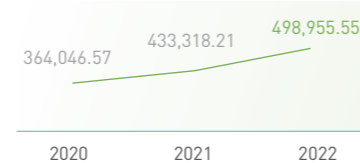


### Scope 2 (Indirect emissions)

#### Purchased power -tCO<sub>2</sub>e



### Total-tCO<sub>2</sub>e



Note 1: Direct emissions include greenhouse gas emissions from NdFeB production, fuel combustion, air conditioner refrigerant, and fuel vehicles; indirect emissions include greenhouse gas emissions from purchased energy and transportation activities.  
 Note 2: Greenhouse gas categories include: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>), and nitrogen trifluoride (NF<sub>3</sub>).

# Energy saving and consumption reduction

To effectively prevent the waste of resources and energy, we have formulated the Capital Energy Management System to enhance the management of electricity, water and packaging materials, and planned to gradually promote the construction of energy management systems in each base. Changzhou Base has passed ISO 50001 energy management system certification in 2021, with a period of validity of 3 years. During the reporting period, the total annual energy consumption was 3.1018 million GJ, and the total output value was RMB 29.38 billion, with the energy intensity per unit of output value being 1.06 GJ per RMB ten thousands.

## Energy usage

In 2022, the energy consumed by Risen Energy during production and operation includes natural gas, diesel and purchased electricity.

Energy Structure and Energy Consumption Data of Risen Energy from 2020 to 2022

Category	Unit	2020	2021	2022
Natural gas	m <sup>3</sup>	2,764,513.83	1,397,790.28	839,859.00
	GJ	107,625.29	54,417.37	33,199.35
Liquefied petroleum gas	t	611.32	0	0
	GJ	30,675.43	0	0
Gasoline	L	36,726.84	52,010.81	0
	GJ	1,146.82	1,624.08	0
Diesel	L	75,475.60	191,114.31	167,006.39
	GJ	2,655.83	6,724.91	3,032.84
Electricity	kWh	428,547,691.40	521,159,779.00	851,602,608.00
	GJ	1,542,771.69	1,876,175.20	3,065,524.15
Total energy consumption	GJ	1,684,875.05	1,938,941.57	3,101,756.33
Total output value	RMB 10,000	1,606,349.22	1,883,072.41	2,938,472.31
Energy consumption intensity per unit of output value	GJ/RMB 10,000	1.05	1.03	1.06

## Clean energy

We vigorously advocate the use of green energy, stress the use of renewable energy in its own operations, optimize energy use structure, promote the integration of building and photovoltaic factory rooftop project, use photovoltaic power generation and connect it to the grid, and facilitate the low-carbon development of the national new energy sector. In 2022, Yiwu Base continued to promote its plant rooftop photovoltaic power generation project, with the power generation, photovoltaic feed-in and the proportion of annual electricity consumption continuing to increase. Moreover, we incorporated green concepts throughout the construction of the bases. We have carried out projects such as carport photovoltaic power station, small photovoltaic power station and rooftop distributed power station to increase clean energy use ratio.

Production base	Electricity consumption for photovoltaic power generation	2021	2022
Yiwu Base	Photovoltaic electricity generation (kWh)	3,137,851	7,181,499
	Plant municipal electricity consumption (kWh)	85,974,240	91,307,851
	Photovoltaic electricity consumption (kWh)	1,913,171	5,370,106
	Photovoltaic electricity consumption ratio	2.18%	5.55%
Ninghai Base	Photovoltaic electricity generation (kWh)	Not collected	5,441,618
	Plant municipal electricity consumption (kWh)		56,023,591
	Photovoltaic electricity consumption (kWh)		2,640,100
	Photovoltaic electricity consumption ratio		4.50%
Changzhou Base	Photovoltaic electricity generation (kWh)	Not collected	15,790,361
	Plant municipal electricity consumption (kWh)		139,781,919
	Photovoltaic electricity consumption (kWh)		15,790,361
	Photovoltaic electricity consumption ratio		10.15%

## Emission reduction measures

We prize green production and improve energy utilization efficiency in the production process. Our bases practice daily management and equipment energy-saving renovation. During the reporting period, Ninghai and Yiwu Bases achieved better energy-saving benefits, saving a total of 5.002 million kWh of electricity, of which, the annual energy-saving renovation project saves a measured value of 2.77 million kWh, and the annual electricity-saving measured value of daily control is 2.232 million kWh.

### 2022 Energy Saving and Emission Reduction Project (Partial)

Production base	Project name	Project introduction	Energy saving and consumption reduction benefits
Energy-saving renovation	Curing Humidification Transformation in Yiwu Base	The ultrasonic humidifier was used to reduce the cost of electricity for curing humidification and extend the service life of the air conditioning system	220,000 kWh/year
	Renovation Project in Yiwu Base	Phase II was equipped with 8 sets of micro-thermal suction dryers. The original compressed air loss was 15% per set during cycle regeneration. After the transformation, the loss was 0 and the power consumption was significantly reduced	2.55 million kWh/year
Daily management	Phase I and Phase II Cleaning of Condensers of Screw Chillers in Ninghai Base	After cleaning, the operating current was reduced from 320A to 240A, and the independent cleaning can be maintained for 8 weeks, saving about 4800kWh per week.	RMB 38,000/year
	Chiller Management in Yiwu Base	Through management of chiller unit opening, air conditioning start/stop, temperature adjustment and other means, adjustments were carried out in spring and autumn for 45 days each, saving electricity about 26,000 kWh per day	RMB 1.82 million/year
	Air Compressor Pressure Adjustment in Yiwu Base	Within a reasonable operating range, the air compressor pressure was adjusted from 7.2-7.9 kg to 6.9-7.6 kg, saving about 870kWh of electricity per day	RMB 317,000/year
	Air Leakage Point Checking in Each Workshop of Yiwu Base	Each workshop was inspected weekly, 618 points were rectified throughout the year, and the power saving was calculated according to the value of 1 week of gas leakage, saving 690092m <sup>3</sup> of gas, which is equivalent to 57507kWh of electricity	RMB 57500/year

# Environment Protection

In line with the requirements of environmental protection laws and regulations, such as the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on Environmental Impact Assessment, and the Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes, we strictly implement the principles of environmental impact assessment and Three Simultaneities, fulfill all environmental protection procedures, implement pollution prevention and control measures, conduct EIA and obtain EIA approval in all bases, and strive to achieve economic benefits, environmental benefits and social benefits.

## Environmental management system

We have set up a sound environmental management system and all production bases have passed ISO 14001 certification. Risen Energy has implemented a range of environmental management systems such as Sewage Management System, Waste Gas Management System, General Solid Waste Management System, Hazardous Waste Management System, Environmental Noise Management System, EHS Three Simultaneities Management System, EHS Target and Responsibility System Management System, etc. to ensure the effective implementation of environmental protection requirements and the compliant operation of the environmental protection system.

Each production, with the aim of "energy saving, consumption reduction, and pollution reduction", carries out a number of reasonable and feasible prevention and control measures through internal management, equipment selection, raw and auxiliary material management, waste recycling and pollution control, etc., and conducts multi-level inspections such as group inspection, special inspection, comprehensive inspection, departmental inspections, and daily inspections, to effectively curb pollution.

## Environmental protection investment

During the reporting period, Risen Energy invested a total of RMB 71.25 million in environmental protection to secure daily orderly environmental protection work, such as hazardous waste disposal, wastewater treatment and environmental testing.

## Environmental emergency drills

To facilitate the orderly implementation of environmental protection work, we have formulated emergency plans in case of the failure of environmental protection facilities, organized regular emergency drills for wastewater treatment equipment, formed drill records, evaluated personnel participation, materials availability, coordination and organization, and effectiveness, summarized problems and proposed improvement measures.

## Clean production audit

Our production is filled with toxic and harmful raw materials. During the reporting period, the Changzhou Base was included in the list of the first batch of key enterprises of cleaner production audits in Jiangsu Province in 2022 according to the Notice on the Announcement of the First Batch of Key Enterprises of Compulsory Cleaner Production Audits in 2022 by the Department of Ecology and Environment of Jiangsu Province. In line with the requirements of cleaner production audit for key enterprises, Changzhou Base carried out a cleaner production audit to achieve energy saving and consumption reduction, reduce end-treatment burden, reduce pollutant emission and increase economic benefits. In this round of cleaner production audit, Changzhou Base analyzed the causes of waste generation from "etching process" and "sewage treatment station", developed cleaner production plan, improved cleaner production organization and management system, and advanced cleaner production. The audit was completed and accepted by the end of 2022.

## Case A wastewater equipment failure emergency drill in Chuzhou Base



At 14:00 on January 24, 2022, EHS departments of Chuzhou Base organized a wastewater equipment failure emergency drill. During the drill in which the sewage network was damaged, the external discharge of sewage was cut off and the accident emergency pool was enabled. The relevant personnel quickly arrived at the site, fully prepared the site materials, and wore PPE, rendering accurate and efficient organization and reasonable division and achieving the expected goal.



The wastewater station engineer was informed by the inspector of the leakage of the northeast corner of the municipal sewage network



Immediately after viewing the site, the wastewater station engineer called to arrange personnel to cut off the drainage



Arranged personnel to launch the sewage discharge reflux pump and discharge the external sewage into the accident emergency pool



External drainage was quickly discharged into the accident pool (capacity of 5000m<sup>3</sup> a day)



The leader of the Power Department contacted the Management Committee in time to explain the situation and request for maintenance, and the drill ended

## Pollutant control

We maintain up-to-standard discharge of pollutants and strictly comply with the relevant laws and regulations of each production base. The domestic bases observe national standards such as the Emission Standard of Pollutants for Battery Industry, Integrated Wastewater Discharge Standard, Wastewater Quality Standards for Discharge to Municipal Sewers, Integrated Emission Standard of Air Pollutants, Emission Standard of Cooking Fume, Emission Standard for Industrial Enterprises Noise at Boundary, etc. The Malaysia Base manages pollutants in compliance with local environmental protection requirements, and incorporates pollutant compliance management into our annual EHS targets such as hazardous waste disposal rate and 100% discharge compliance rate to minimize the negative impact of production activities on the environment.

We entrusted qualified professional third-party units to monitor the three wastes on a regular basis. According to the results of the monitoring report, the pollutant emissions of each production base have met the standards in the past three years.

### Pollutant Control List of Risen Energy

Pollutant category	Main characteristic pollutants	Monitoring frequency
Wastewater	PH value Chemical oxygen demand Suspended substance Total phosphorus Total nitrogen Ammonia nitrogen Fluoride	Changzhou Base and Chuzhou Base 1 time/half year;
	PH value SS BOD COD Petroleum Animal and vegetable oils	Ninghai Base, Yiwu Base 1 time/year;
	SS Animal and vegetable oils Petroleum PH value BOD COD Ammonia nitrogen Total nitrogen Total phosphorus	Malaysia Base 1 time/month
Exhaust gas	Fluoride Hydrogen chloride Chlorine Nitrogen oxides Particulate matter (PM)	Chuzhou Base 1 time/half year;
	Particulate matter (PM) Tin and its compounds Non-methane total hydrocarbon	Changzhou Base 1 time/half year;
	Cooking fume	Ninghai Base, Yiwu Base, Malaysia Base 1 time/year;
Noise	Environmental noise at plant boundary	1 time/year

## Sewage treatment and discharge

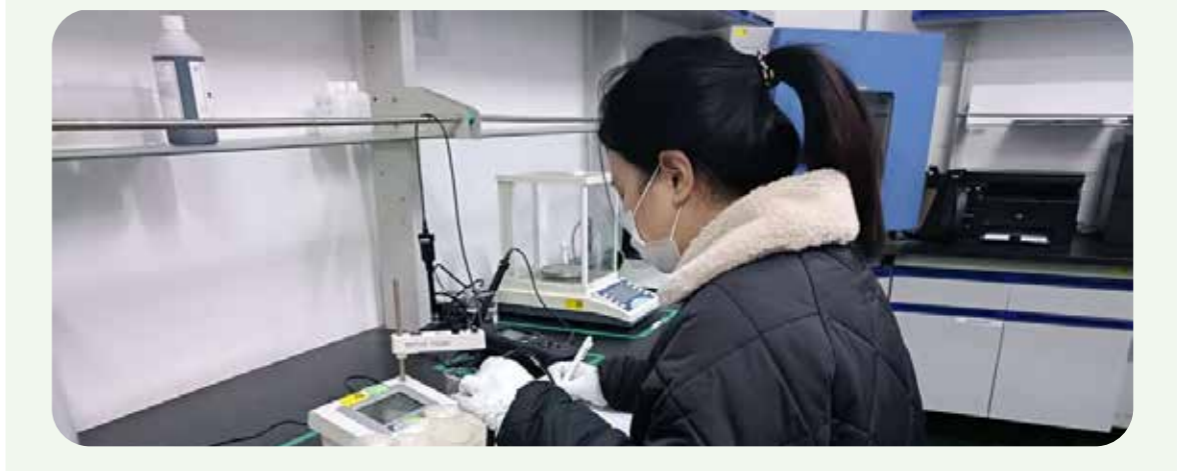
In accordance with laws and regulations and relevant standards such as the Water Pollution Prevention and Control Law and the Integrated Wastewater Discharge Standard, Risen Energy formulated the Sewage Management System and performs follow-up supervision and management to strengthen the sewage management of the Group and its subsidiaries, regulate the workflow of sewage collection, treatment, regular testing, training, and emergency response, and prevent sewage from polluting the environment. The Group and each subsidiary establish a Sewage Source List, which provides statistics on sewage generating equipment and its area name, location, major pollutants, sewage treatment facilities, and discharge outlets to ensure compliance management of sewage discharge from the source.

The sewage discharge system of each plant implements a rainwater and sewage separation system, and the sewage (including production sewage and domestic sewage, etc.) is collected and discharged to the sewage network of the site, so as to avoid the discharge of pollutants exceeding the standard due to the mixing of rainwater and sewage. Domestic sewage enters the sewage network through the sewage pipes designated by the municipal department and is discharged after reaching the standard. The wastewater generated from the production process is treated to the standard and then discharged. The bases involved in battery production have all installed online testing equipment for wastewater discharge, including Changzhou, Chuzhou and Malaysia Bases, which implement real-time dynamic monitoring.

### Case Emergency disposal drill for abnormal total wastewater discharge in Changzhou Base

To better cope with abnormal conditions in the process of wastewater disposal, Changzhou Base comprehensively tested emergency plans and emergency facilities and enhanced personnel emergency awareness and response capability as well as the capacity of the emergency team. It organized a special drill in March 2022 apart from basic training of emergency skills and emergency tabletop exercises.

The drill improved the emergency response and disposal ability of the professional team and strengthened the cooperation of various function groups. After the drill, the working group carefully analyzed and summarized the shortcomings, optimized the emergency plan, and laid a good foundation for effective and rapid response to environmental pollution.

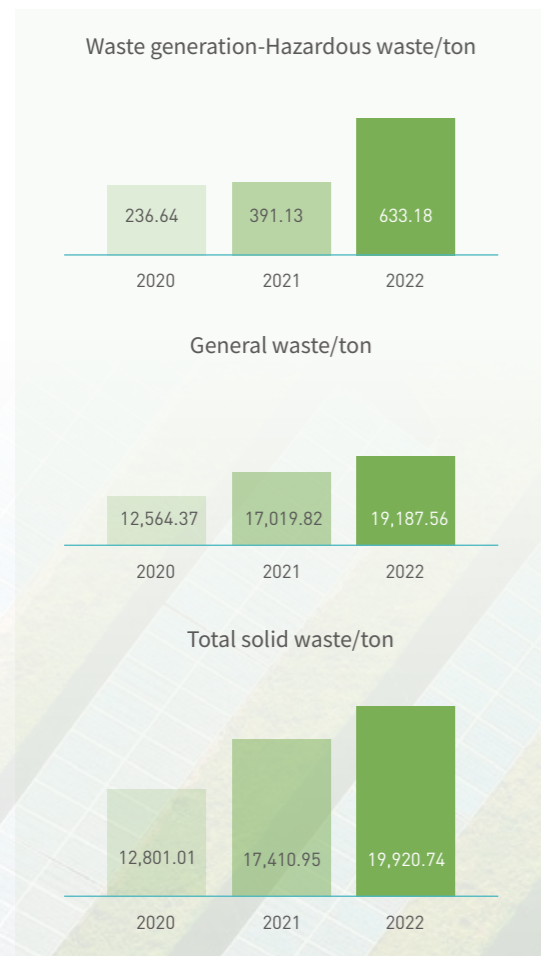


## Solid waste

Risen Energy, in accordance with laws and regulations and relevant standards, has formulated the Hazardous Waste Management System, Emergency Response Plan for Environmental Emergencies and other management systems to enhance the management of hazardous waste of the Group and its subsidiaries, standardize the workflow of hazardous waste identification, declaration and registration, collection, storage, transfer, sign setting, training, and emergency management, prevent hazardous waste from polluting the environment and strengthen follow-up supervision and management.

We organize each unit to identify various types of hazardous waste, compile the Hazardous Waste List, formulate annual hazardous waste management plans through the National Solid Waste Management Information System, and delineate the responsible departments to facilitate the implementation of hazardous waste disposal responsibilities. Moreover, we sign hazardous waste disposal contracts with qualified third-party companies, implement the targeted transfer of hazardous waste and archive records of transfer events and keep transfer sheets. During the reporting period, 100% of the hazardous waste was disposed of by qualified third-party companies.

### Waste Generation from 2020 to 2022\*



We have incorporated hazardous waste management training into our annual training plan, formulated precautionary measures and emergency plans for hazardous waste-related accidents, and conducted regular training and drills to effectively enhance the management awareness and practical skills of hazardous waste practitioners. During the reporting period, hazardous waste management training and emergency plan drills were conducted at all bases.

\*The data statistics cover Ningbo, Yiwu, Chuzhou, Changzhou and Malaysia bases.

## Exhaust gas emission reduction

Exhaust gas is mainly generated from processes including welding, lamination, wiping, laboratory extraction, etc. The exhaust gas is mainly fluoride, hydrogen chloride, chlorine gas, nitrogen oxides, particulate matter and other pollutants characteristic of the battery manufacturing industry, as well as other pollutants such as non-methane total hydrocarbons, tin and its compounds, and oil fumes. We have formulated the Exhaust Gas Management System in accordance with laws and regulations and relevant standards to standardize the workflow of exhaust gas collection, treatment, regular testing, training and emergency response to enhance exhaust gas management and prevent air pollution. The EHS departments of each production base have introduced the Waste Gas Source List and regularly carried out waste gas testing and waste management training to ensure up-to-standard air pollutant emissions.

For laminated exhaust gas, we used "electrostatic oil mist + UV photolysis + activated carbon adsorption device" for treatment, which can reach the Level 2 standard of Emission Limits of Air Pollutants from New Sources in the Integrated Emission Standard of Air Pollutants (GB/T 16297) after treatment. For other types of exhaust gas, we adopted "activated carbon adsorption + catalytic combustion device" to collect the exhaust gas through the gas collection hood, which is then adsorbed by activated carbon. Upon saturation, the exhaust gas is regenerated through exhaust heat exchange of catalytic combustion equipment, and the purification rate of desorbed exhaust gas can reach 90% after combustion in the catalytic bed. At the same time, we employed low volatile and low VOCs content products to reduce the generation of VOCs from the materials themselves and effectively reduce the impact on the surrounding environment. The oil smoke generated during the operation of our canteen is also treated by the oil smoke purifier and then discharged.

During the reporting period, the exhaust gases from all production bases met the emission standards.

## Noise control

We have formulated the Environmental Noise Management System in accordance with laws and regulations and relevant standards to strengthen the control of noise pollution in the Group and its subsidiaries and reduce the adverse impact on the environment. The EHS department of the Group is responsible for regular statistics and analysis of the noise testing reports of the factory boundaries and each production base, and assists each production base in preparing noise pollution prevention and control plans and promoting noise pollution improvement. The EHS departments of production bases organize the identification of noise sources, form a list of environmental noise pollution sources, draw a noise map of the plant area, carry out visual management, and supervise the implementation of noise source control measures.

As a production enterprise, our main noise source is the working noise of machinery and equipment. We select low-vibration and low-noise equipment to reduce noise from the source. High-noise equipment is subject to vibration damping and sound insulation measures to mitigate the impact of mechanical noise on the surrounding environment, and the frequency of equipment maintenance is increased to avoid noise generated by abnormal friction of equipment.

During the reporting period, noise testing at each production bases met the standards.





## Community development

We have been actively giving back to the community and undertaking social responsibility. As a civic-minded enterprise, Risen Energy has made use of its advantages in products and services to carry out various community giving back and charity activities to facilitate the sustainable community development. In the future, we will assume our responsibilities as a corporate citizen and continue our attention and dedication to important social issues such as community welfare, caring for the elderly, helping children in need, and public welfare fundraising. During the reporting period, we spent a total of RMB 4,135,000 on public welfare.

### Donations

In April 2022, we donated RMB 1 million to Ninghai Charity Federation for various public welfare charities such as poverty alleviation, poverty relief and school aid; in December, we donated RMB 150,000 and purchased RMB 300,000 in supplies to support the collaboration in central and western China and fully promote rural revitalization.

### Student aid

To send "Messages of Love", we insist on helping students in need nationwide. In June 2022, we donated 1,500 books each to Xihu Primary School in Sanchuan Town and Xinyi Primary School in Chenghai Town, Yongsheng County, Lijiang, Yunnan Province, to set up Haifeng Library No. 21 and No. 22. In July 2022, we donated 2,500 books to Zhenqin Town, Chengduo County, Yushu Tibetan Autonomous Prefecture, Qinghai Province, to set up Haifeng Library No. 23 and No. 24. In December 2022, we donated 2,000 books to Dayaji Primary School in Xibuhe Township, Ninglang County, Lijiang City, Yunnan Province, to set up Haifeng Library No. 25.

#### Case Knowledge Lights Up the Dream Grassland--Risen Energy Haifeng Library Set up in Yushu, Qinghai



In July 2022, Risen Energy's Love Team went to Zhenqin town, Chengduo County, Yushu Tibetan Autonomous Prefecture, Qinghai Province, donated books and other learning materials to two teaching sites in Xiuma Village and Qiongzhe Village, and set up No. 23 and No. 24 Haifeng Library, lighting up the grassland world with knowledge and realizing the learning wishes of "little herders".

Knowledge is the wings for the children to build their hometowns and realize their ideals. Haifeng Library allows them to achieve their dreams. We have donated 25 modern library rooms with abundant books to schools in Lijiang, Yunnan, Conjiang, Guizhou, Yushu, Qinghai, Nagqu, Tibet, Ulanqab, Inner Mongolia and Huining, Gansu since 2016. In the future, we will continue to donate more books to more poor villages, boost the construction of talent education in backward areas, facilitate "rural revitalization", "common prosperity" and other national strategies, and make greater contributions to social progress and development.



## Volunteer service

As a responsible enterprise, Risen Energy pays attention to the public welfare of the local community, actively organizes volunteers and carries out various activities to contribute to the construction of a harmonious and friendly social environment.

#### Case Offered holiday blessings to the elderly during the Double Ninth Festival



The Double Ninth Festival is a day of respecting and loving the elderly. Every year at this time, volunteers from Risen Energy will visit the elderly in homes for the elderly, promoting the traditional virtues of respecting, loving, respecting and helping the elderly of the Chinese nation. In September 2022, volunteers of Risen Energy visited the elderly as scheduled, offering care and holiday blessings to the elderly, thus demonstrating the corporate social responsibility of Risen Energy.



#### Case Helped Ninghai to Fight against the Pandemic



In May 2022, we worked together to overcome the pandemic. The spring rain did not stop Risen Energy from expressing sympathy for front-line workers. To facilitate prevention and control in Ninghai and demonstrate our responsibility and commitment, we went to each highway intersection chokepoint in Ninghai to express sympathy for front-line anti-pandemic personnel and contribute to the pandemic prevention and control in Ninghai.



# Independent Assurance Report



## ASSURANCE STATEMENT

### SGS-CSTC'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE 2022 CORPORATE SUSTAINABILITY REPORT OF RISEN SUBMITTED BY RISEN ENERGY CO., LTD

#### NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS-CSTC was commissioned by the RISEN ENERGY CO., LTD (hereafter as "Risen Energy") to conduct an independent assurance of the Chinese version of the 2022 Corporate Sustainability Report of Risen Energy (hereinafter called "the Report").

#### INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all Risen Energy's Stakeholders.

#### RESPONSIBILITIES

The information in the Report and its presentation are the responsibility of the directors and the management of Risen Energy

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all Risen Energy's stakeholders.

#### ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance and standards, which including:

- The principles of reporting process contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) as:
  - GRI 1: Foundation 2021, for report quality
  - GRI 2: General Disclosure 2021, for organization's reporting practices and other organizational detail
  - GRI 3: Material Topics 2021, for organization's process of determining material topics, its list of material topics and how to manages each topic
- and the guidance on levels of assurance contained within the AA1000 series of standards.

The assurance of this report has been conducted according to the following Assurance Standards:

- SGS ESG & SRA verification regulations (Refer to GRI Principles and AA1000 Guides)

The Assurance has been conducted at a moderate level of scrutiny.

#### REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below, and evaluation of adherence to the following reporting criteria:

Reporting standards	
1	The <Listed Company Social Responsibility Guide> By Shenzhen Stock Exchange
2	GRI Standards 2021(Reference)

#### ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, onsite interviews with relevant Risen Energy employees at their headquarters located at Tashan Industry Zone, Meilin Street, Ninghai County, Zhejiang Province; Documents and records are reviewed and confirmed with relevant employees of other subsidiaries as necessary.

#### LIMITATIONS AND MITIGATION

Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

The on-site verification was only at the Risen Energy head-office and did not involve other branches.

This verification only conducted interviews with staff of Risen Energy and access to relevant materials and didn't involve external stakeholders.

#### STATEMENT OF INDEPENDENCE AND COMPETENCE

SGS is the world's leading inspection, verification, testing and certification company, SGS is recognized as the global benchmark for quality and integrity. SGS is a global leader in inspection, testing and verification, operating in more than 140 countries/ areas, providing services including management systems and service certification; quality, environmental, social and ethical audits and training; environmental, social and sustainability report assurance. SGS affirms that it is a completely independent organization from Risen Energy, and that there is no bias or conflict of interest against Risen Energy, its affiliates and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised of CCAA registered ISO 9001, ISO 14001, ISO 45001, ISO37001, ISO37301 auditor and SGS recognized CSR/ESG lead auditor.

#### VERIFICATION/ASSURANCE OPINION

On the basis of the methodology described and the verification work performed, the information and data contained within the Report verified is accurate and reliable, which have provided a fair and balanced representation of corporate sustainability activities by Risen Energy in 2022. There was no non-compliance with reporting standards in any material topics.

#### The CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

In our opinion, The Report of Risen Energy for 2022 is presented in accordance with the Introduction disclosure requirements of the <Listed Company Social Responsibility Guide> by Shenzhen stock exchange and refer to GRI standard (2021)

#### REPORT PRICIPLES

##### Accuracy

Parts of data in the report were calculated based on short term report. Its accuracy might exist gap with actual performance.

##### Balance

The Report disclosed the positive and non-positive information, basically complying with the balance principle.

##### Clarity

The Report used various expression ways such as words, charts, graphs, photos and combination with the case analysis, it was easily understood by stakeholders.

##### Comparability

The Report disclosed performance indicators of Risen Energy in 2022, some performance indicators were disclosed the historic information for comparison.

# GRI Indicator Index

<b>Instructions for use</b>	Risen Energy reported the information referenced in this GRI Standards Reference Table with reference to the GRI standards from January 1, 2022 to December 31, 2022.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

GRI2: General Disclosures 2021		
2-1	Organizational details	Company profile
2-2	Entities included in the organization's sustainability reporting	Report Profile
2-3	Reporting period, frequency and contact point	Report Profile
2-5	External assurance	Independent Assurance Report
2-6	Activities, value chain and other business relationships	Company profile Market layout
2-7	Employees	Human resource development
2-9	Governance structure and composition	Corporate governance
2-10	Nomination and selection of the highest governing body	Corporate governance
2-11	Chairman of the highest governance body	Corporate governance
2-12	Oversight role of the highest governance body in terms of management impact	Sustainability management structure
2-13	Delegation of responsibility for managing impact	Sustainability management structure
2-14	The role of the highest governance body in sustainability report	Sustainability management structure
2-15	Conflict of interest	Corporate governance
2-17	Common knowledge of the highest governance body	Corporate governance
2-22	Statement on sustainability strategy	President's Message
2-27	Compliance with laws and regulations	Review 2022
2-28	Membership of associations	Associations
2-29	Approach to stakeholder engagement	Stakeholder participation
GRI201: Economic Performance 2016		
3-3	Management of material topics	Company profile
201-1	Economic value directly generated and distributed	Company profile

**Completeness**

The Report covered the identified material aspects and their boundaries and relatively completely reflected the significant impacts on economy, environment, and society, so that the stakeholders could assess the performance of Risen Energy in the reporting period.

**Sustainability Context**

Risen Energy presented its efforts to the sustainable development in economic, environment and social aspects. The performance was presented in the sustainable context.

**Timeliness**

The data and information in the Report was on a regular schedule and available in time. Risen Energy will report on a regular schedule with one year to assure the good timeliness.

**Verifiability**

Risen Energy has established the management process about the sustainability report, and it was timely collected, recorded, and analyzed the information and data which disclosed in the report. The information and data disclosed in the report are realistic and verifiable.

**Management Approach**

The report discloses the management approach of determined material topics.

**KEY PERFORMANCE INDICATOR DISCLOSURE**

Risen Energy had disclosed the key performance indicators about the economic, environmental, and social subject which applicable to the relevant reporting Guides.

**Findings and recommendations**

Detail report of the good practices, findings and recommendations for continuous improvement were presented in SGS internal management report which has been submitted to Risen Energy.

Signed:



For and on behalf of SGS-CSTC

David Xin

Sr. Director – Knowledge

16/F Century Yuhui Mansion, No. 73, Fucheng Road, Beijing, P.R. China

May, 20<sup>th</sup>, 2023

WWW.SGS.COM

GRI203: Indirect Economic Performance 2016		
3-3	Management of material topics	Community development
203-1	Infrastructure investment and support services	Community development
GRI205: Anti-corruption 2016		
3-3	Management of material topics	Compliance operation
205-2	Communication and training of anti-corruption policies and procedures	Compliance operation
GRI206: Anti-competitive Behavior 2016		
3-3	Management of material topics	Compliance operation
205-2	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Compliance operation
GRI302: Energy 2016		
3-3	Management of material topics	Energy saving and consumption reduction
302-1	Energy consumption within the organization	Energy saving and consumption reduction
302-3	Energy intensity	Energy saving and consumption reduction
302-4	Reduction of energy consumption	Energy saving and consumption reduction
GRI303: Water and Effluents 2018		
3-3	Management of material topics	Pollutant control
303-1	Interactions with water as a shared resource	Pollutant control
303-2	Management of water discharge-related impacts	Pollutant control
GRI305: Emissions 2016		
3-3	Management of material topics	Addressing climate change
305-1	Direct (Scope 1) GHG emissions	Addressing climate change
305-2	Energy indirect (Scope 2) GHG emissions	Addressing climate change
305-4	GHG emissions intensity	Addressing climate change
GRI306: Waste 2020		
3-3	Management of material topics	Pollutant control
306-1	Waste generation and significant waste-related impacts	Pollutant control
306-2	Management of significant waste-related impacts	Pollutant control
306-3	Generated waste	Pollutant control

GRI308: Supplier Environmental Assessment 2016		
3-3	Management of material topics	Sustainable Supply Chain
308-1	New suppliers that were screened using environmental criteria	Sustainable Supply Chain
GRI401: Employment 2016		
3-3	Management of material topics	Human resource development
401-1	New employee hires and employee turnover	Human resource development
401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	Human resource development
401-3	Parental leave	Human resource development
GRI403: Occupational Health and Safety 2018		
3-3	Management of material topics	Operational safety
403-1	Occupational Health and Safety Management System	Operational safety
403-3	Occupational health services	Operational safety
403-4	Occupational health and safety matters: workers' participation, consultation and communication	Operational safety
403-5	Workers' occupational health and safety training	Operational safety
403-7	Prevention and mitigation of occupational health and safety impacts directly related to business relationships	Operational safety
GRI404: Training and Education 2016		
3-3	Management of material topics	Human resource development
404-2	Programs for upgrading employee skills and transition assistance programs	Human resource development
404-3	Percentage of employees under regular assessment on performance and career development	Risen Energy and UNSDGs
GRI405: Diversity and Equal Opportunity 2016		
3-3	Management of material topics	Human resource development
405-1	Diversity of governance organizations and employees	Human resource development
GRI406: Non-discrimination 2016		
3-3	Management of material topics	Human resource development
406-1	Incidents of discrimination and corrective actions taken	Human resource development
GRI407: Freedom of association and collective bargaining		
3-3	Management of material topics	Human resource development
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human resource development

GRI408: Child labor 2016		
3-3	Management of material topics	Human resource development
408-1	Operations and suppliers at significant risk for incidents of child labor	Human resource development
GRI409: Forced or Compulsory Labor 2016		
3-3	Management of material topics	Human resource development
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human resource development
GRI413: Local communities 2016		
3-3	Management of material topics	Community development
413-1	Operations with local community engagement, impact assessments, and development programs	Community development
GRI416: Customer health and safety 2016		
3-3	Management of material topics	Quality management
416-1	Assessment of the health and safety impacts of product and service categories	Quality management
GRI418: Customer privacy 2016		
3-3	Management of material topics	Customer service
418-1	Substantiated complaints concerning breaches of customer privacy and loss of customer data	Customer service

Address: Tashan Industrial Park, Meilin Street, Ninghai County, Ningbo City, Zhejiang Province

Tel: 0574-59953588

E-mail: [marketing@risenenergy.com](mailto:marketing@risenenergy.com)

---