



**MINGYANG**

**2023**

ENVIRONMENTAL SOCIAL AND  
GOVERNANCE REPORT

## About the Report

The 2023 Environmental, Social, and Governance Report of Mingyang Smart Energy Group Co., Ltd. adheres to the principles of objectivity, standardization, transparency, and comprehensiveness, and details the company's specific practices and performance in environmental protection, social responsibility, and corporate governance for the year 2023.

## Time Frame

From January 1, 2023, to December 31, 2023. To ensure the completeness of the report, some content may extend beyond this range.

## Report Scope

The scope of this report covers the business operations of Mingyang Smart Energy Group Co., Ltd. and its subsidiaries.

## Terminology Explanation

For convenience of expression, "Mingyang Smart Energy Group Co., Ltd." may be referred to as "Mingyang Smart Energy", "Mingyang", "the Company," or "we" in this report. The controlling parent company, "Mingyang New Energy Investment Holding Group", is referred to as "Mingyang Group".

## Compilation Basis

- The Ten Principles of the United Nations Global Compact (UNGC)
- The United Nations Sustainable Development Goals (SDGs)
- International Organization for Standardization's ISO 26000: Guidance on Social Responsibility (2010)
- Global Reporting Initiative (GRI) Sustainability Reporting Standards (2021 Version)
- Chinese Academy of Social Sciences Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-ESG 5.0)

## Data Sources and Reliability Assurance

The information and data cited in this report are derived from government open data, Mingyang Smart Energy's internal statistical reports, third-party questionnaire surveys, administrative documents, reports, and other sources. Mingyang Smart Energy ensures that the content of this report does not contain any false records, misleading statements, or material omissions.

## Report Availability

You can access or download this report on the official website of Mingyang Smart Energy Group Co., Ltd. ([www.myse.com.cn](http://www.myse.com.cn)). If you have any questions or suggestions regarding the report, you MAY send an email to [myse@mywind.com.cn](mailto:myse@mywind.com.cn) or call 0760-28138687.

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## Chairman's Address



Chairman

张卫东

In today's world, the development of the world economy is influenced by compounding elements, such as international political disputes, concerns over energy security, and the fluctuations of economic cycles. At the same time, a magnificent green industrial revolution is spreading all over the world under the driving of the energy revolution, leading to the transformation and upgrading of numerous traditional industries such as mining, automotive, shipbuilding, and steel, and bringing a comprehensive and profound industrial innovation. This is shaping a new green economic system and forging new pillars for industrial development. Mingyang have maintained strategic determination, and adhered to the principle of "grasping major trends, strengthening internal capabilities, and doing our part", we have courageously embraced challenges, proactively seized opportunities, actively led changes, and contributed the wisdom and strength of Mingyang people to write a new chapter in the era of the economy characteristic of "Carbon Peaking and Carbon Neutrality Goals".



**Follow the strategic guidance, and lead the energy revolution.** Mingyang comprehensively carries forward an innovation layout across land and sea, and propels wind power into the "Carbon Peaking and Carbon Neutrality" and "Cost Effective" era through innovative technologies. This year, we successfully launched the world's largest MySE semi-direct-drive offshore wind turbine, and the world's first "wind-fishing integrated" intelligent device, the "Mingyu No. 1", was deployed and started fishing. The "OceanX" dual-rotor floating offshore platform is poised to venture into deep waters. China's first true deep-water floating wind turbine, the "CNOOC Tide", successfully developed by us, has laid an important technological foundation for the development and utilization of deep-water wind resources. We successfully rolled off the world's largest onshore wind turbine generator system in terms of single-unit capacity and rotor diameter, as well as the world's first 30MW pure hydrogen gas turbine, and set off again towards the visions of "To Become a Global Leader in Sharing Smart and Affordable Clean Energy".



**Adhere to innovation-driven digital and intelligent development.** Mingyang uphold the "technology-first" philosophy, focus the technological research and development efforts on cutting-edge fields such as energy storage technology, photovoltaic modules, and hydrogen energy, and has established the nation's leading comprehensive energy laboratory – the Mingyang Tiancheng Laboratory. In southeastern Henan Province, Mingyang has commenced construction on China's first zero-carbon industrial park in the central region of China and successfully undertaken the world's first deep-water green "e-hydrogen-ammonia-methanol" project at the million-ton level, and has also strategically cooperated with BASF to jointly build the first offshore wind farm under Sino-Germany cooperation, providing 100% green electricity and zero-carbon solutions for a lighthouse factory. Mingyang is vigorously adopting digital methods, deeply promoting the construction of intelligent wind farms, and have successfully created the world's first "Ocean Intelligent Brain" AI platform, leading the marine energy industry into a new era of digital development.



**Empowering diversity, we co-create a green future.** Mingyang practices the value propositions of "pursuing excellence", "openness and win-win cooperation", "innovative cooperation", "achieving customer success" and "contributor-centricity", and continuously creates greater value for stakeholders. In terms of internal empowerment, we have continuously enhanced shareholder value through compliant and steady operations, and have nurtured a growth platform for employees based on the core principles of fairness and equality. Externally, we have innovated clean energy applications to address climate change, joined hands with global partners to build a sustainable value chain, remained committed to putting manufacturing in the leader seat, shouldered social responsibilities, actively donated to the Hope Project, provided the disaster relief efforts, supported national rural revitalization, and demonstrated greater commitment and actions in social services.

Green development has no end, but a higher starting point. With the accelerated global "Carbon Peaking and Carbon Neutrality" process and the compounding effect of the "net zero mechanism", clean energy is boosting the green industrial revolution across the world, and carbon neutrality is reshaping the global trade landscape. The year of 2024 marks the beginning and a critical year for Mingyang to embark on green, high-quality development and strive to build a world-class enterprise. We will adhere to innovation-driven development, build a new green productive force, focus on breakthroughs in key technologies such as digital energy and integrated marine development, leverage technology to drive the low-cost advantage of green electricity, establish new competitive advantages in carbon costs, and propel economic high-value growth with the surging new green momentum. Join us now to build a beautiful world featuring blue skies, green land, and clean water, make a new contribution to promote global green, low-carbon, high-quality development, and build a community with a shared future for humanity! Living up to the great era and drawing a green chapter!

# Embarking on Mingyang Smart Energy

## Company Overview

Mingyang Smart Energy Group Co., Ltd. (601615.SH, MYSE.L), established in 2006, stands as a leading and globally influential smart energy conglomerate in China. Our operations span across the development and management of clean energy sources such as wind power, photovoltaic power, energy storage, and hydrogen energy, as well as the research, development, manufacturing, and engineering technical services for high-end equipment. We have established a comprehensive industrial ecosystem for high-end new energy equipment, encompassing wind power, photovoltaic power, hydrogen power, and energy storage, and we are ranked among the top echelons of China's Top 500 Enterprises and the Global Top 500 New Energy Companies.

As a frontrunner in the global new energy equipment industry and an supplier of complete smart energy solutions, Mingyang Smart Energy is committed to green, intelligent, and inclusive energy. Upholding the mission of "Innovate Clean Energy for All", we have established over 20 production bases across the nation, set up six regional operation and maintenance service centers, and over 400 parts warehouses. Globally, we have established a research and innovation platform with "one headquarters and five centers". We hold nearly 2,000 patents and software copyrights and have obtained design and type certification for over 50 models.

### In 2023

<p>Mingyang Smart Energy achieved a revenue of <b>27.859</b> billion yuan with a basic earnings per share of <b>0.16</b> yuan</p>	<p>We were ranked <b>420th</b> among China's Top 500 Enterprises</p>	<p><b>205th</b> among China's Top 500 Manufacturing Enterprises</p>	<p>And <b>33rd</b> among the Global Top 500 New Energy Enterprises</p>
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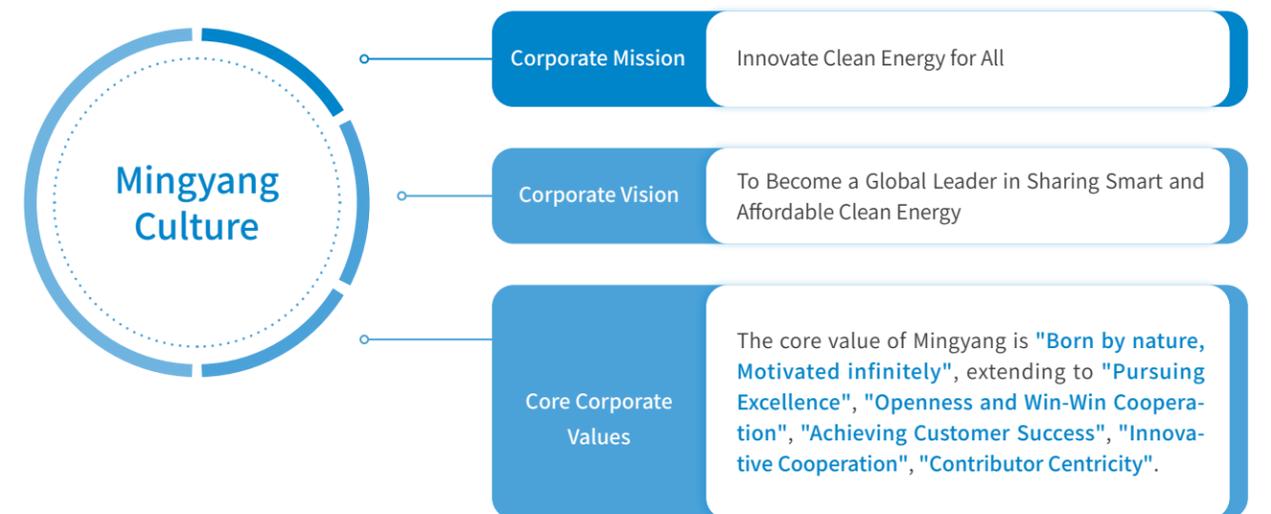
## Business Layout

Adhering to the concept of "global cooperation, global sharing", Mingyang Smart Energy engages in new energy technology cooperation and business operations in over 30 countries across Asia, Europe, and the Americas. We collaborate on technology, resource synergies, and supply chain system development with renowned universities and international certification testing institutions in countries like Denmark, Germany, Norway, and the United Kingdom.



Global Presence

## Corporate Culture



## Major Events in 2023

### Selected as One of 2022 Forbes China's Top 50 Sustainable Development Industrial Enterprises

On February 7, Mingyang Smart Energy was selected as one of the "2022 Forbes China Top 50 Sustainable Development Industrial Enterprises" for its outstanding performance in new energy technology innovation, zero-carbon application scenario development, and green transformation of high-end equipment manufacturing, showcasing the high recognition from authoritative institutions and industry experts for our green and low-carbon transformation achievements.



### Major Breakthrough in Onshore Wind Turbine Blade Manufacturing

On April 15, Mingyang Smart Energy's self-developed MySE216 ultra-large onshore fiberglass blade was successfully launched. With a rotor diameter of 216 meters, it features large size, lightweight, and high reliability, strikes the best balance between blade power generation performance and turbine cost, and becomes the onshore turbine blade with the largest rotor diameter globally.



### First Sino-German Cooperation in Offshore Wind Farm Construction

On July 21, Mingyang Smart Energy reached an agreement with the global chemical giant BASF to jointly construct and operate an offshore wind farm in South China, the first Sino-German project involving the development, construction, and operation of an offshore wind farm. This project will powerfully drive BASF's Zhanjiang Integrated Base towards 100% green electricity supply, create a green lighthouse project and provide new solutions and benchmarks for global sustainable development.



### "Mingyu No.1", the world's first wind-fishing integrated intelligent equipment, was built and successfully harvested fish.

On August 12, the wind turbine equipped with "wind-fishing integrated intelligent aquaculture cage" independently developed by Mingyang Smart Energy was successfully launched in Yangjiang City, Guangdong Province, marking the completion of the world's first wind-fishing integrated intelligent equipment "Mingyu No.1". On November 10, "Mingyu No.1" successfully yielded a rich harvest, announcing the complete success of the wind turbine jacket foundation and aquaculture cage integration development model test, exploring a new path for the integration of "offshore wind power and marine ranching" development.



### World's Largest Single-Unit Capacity and Largest Rotor Diameter Offshore Wind Turbine Launched

On December 12, Mingyang Smart Energy's MySE18.X-20MW offshore wind turbine, the world's largest single-unit capacity and largest rotor diameter offshore wind turbine to date, was successfully launched. This milestone marks another significant step in China's offshore wind power development and is a crucial move by Mingyang Smart Energy, as a leader in the offshore wind power industry, to actively promote grid parity for offshore wind power and the development in deep and remote sea.



### Launch of the First Deep and Remote Sea Floating Wind Power Platform

On March 26, Mingyang Smart Energy's MySE7.25-158 floating wind turbine was successfully launched, becoming China's first "double hundred" deep and remote sea floating wind power platform with a water depth of over 100 meters and an offshore distance exceeding 100 kilometers.



### First entry into the Philippine market

On May 12, Mingyang Smart Energy signed a contract with Vena Energy, a Singaporean renewable energy company, for the largest wind power projects in the Philippines in terms of installed capacity, the Talim 212.5 MW onshore wind power project and the Sembrano 93.75 MW onshore wind power project. The contract is the first time for the Philippines to purchase Chinese wind turbine products, marking the official entry of Chinese wind turbines into the Philippine market, and also representing the international market's great recognition and trust in Mingyang Smart Energy.

### First Batch of "Guangxi-Made" Wind Turbines for the ASEAN Maritime Region Officially Launched

On September 9, the first batch of Mingyang Smart Energy's "Guangxi-made" large megawatt offshore wind turbines was launched, and simultaneously the Fangchenggang New Energy Equipment Industry Cluster project was initiated. Together with the Guangxi Autonomous Region government, we aim to build an international intelligent manufacturing center for onshore and offshore wind power, and strongly promote the high-quality integration of local offshore wind power, ocean energy, and marine economy development.



### The Qingzhou 4 Offshore Wind Project of Yangjiang was on-grid at full capacity

In December, the Qingzhou 4 Offshore Wind Project of Yangjiang, which is the domestic offshore deep-water wind power project with the furthest offshore distance and the deepest depth, was on-grid at full capacity. This project provides clean energy generation of about 1.83 billion kWh/a, saves 570,000 tons of standard coal per year, reduces sulfur dioxide by 11,000 tons per year and carbon dioxide by 1.4 million tons per year.



## 2023 Key Performance

 Environmental Performance	Total environmental protection investment: <b>110</b> million yuan	Total greenhouse gas emissions: <b>112,197</b> tCO <sub>2</sub> e	Scope 1 greenhouse gas emissions: <b>7,116</b> tCO <sub>2</sub> e
	Scope 2 greenhouse gas emissions: <b>105,081</b> tCO <sub>2</sub> e	Electricity consumption: <b>162,548,474</b> kWh	Water consumption: <b>1,609,340.25</b> m <sup>3</sup>
	Diesel consumption: <b>453,778.57</b> L	Natural gas consumption: <b>14,905,862.08</b> m <sup>3</sup>	Volatile organic compounds (VOCs) emissions: <b>8,322.3</b> kg
 Social Performance	Total R&D technicians: <b>2,400</b>	R&D investment: <b>1.005</b> billion yuan	Cumulative number of domestic patent applications: <b>1,935</b>
	Total employees: <b>13,500</b>	Labor contract signing rate: <b>100%</b>	Social insurance coverage rate: <b>100%</b>
	Production safety investment: <b>21.9755</b> million yuan	Charitable donations: <b>85.6693</b> million yuan	Poverty alleviation and rural revitalization investment: <b>38</b> million yuan
 Economic Performance	Total assets: <b>83.861</b> billion yuan	Total taxes paid: <b>1.161</b> billion yuan	Operating revenue: <b>27.859</b> billion yuan

## ESG Honors

National Intellectual Property Demonstration Enterprise	Grassroots contact point for legislative (normative document) work, Zhongshan Municipal People's Government	2023 Zhongshan New Era "Four Most" Youth Collective
Advanced Collective for Youth Safety in Zhongshan	Healthy Enterprise in Zhongshan	Forbes China Sustainable Development Industrial Enterprises
Gaogong Golden Globe Award - Enterprise of the Year 2023	Pioneer in China's Wind Energy for 2023	2023 Top 50 Hydrogen Energy Enterprises
First Prize for National Corporate Culture Outstanding Achievements for 2022-2023	"MySE18MW Semi-Direct Drive Offshore Wind Turbine Generator System" honored as one of the Top Ten Zero-Carbon Innovation Technologies in China	"MySE8.3-180 Wind Turbine Generator System" included in the 2023 Advanced Clean Equipment List
Key Technologies and Applications for Quantifying and Enhancing the Strength of New Energy Access Systems in Conjunction with Equipment and Power Grids awarded the First Prize of the China Electrotechnical Society Science and Technology Award	Key Technologies and Equipment for Disturbance-Resilient Flocking Optimization Control in Large-Scale Wind Farms awarded the First Prize of the Mechanical Industry Science and Technology Award	MySE12-242 Large Megawatt Offshore Wind Turbine Project recognized as a 2023 Typical Case of Technological Innovation in Carbon Peaking and Carbon Neutrality
Global Offshore Wind Power Pioneer Leading Wind Power into the Dual Carbon Era awarded a 2023 outstanding case of the Enhancement of Quality and Efficiency in Manufacturing Industry in Guangdong-Hong Kong-Macao Greater Bay Area.		

# ESG Management

## ESG Planning

Mingyang Smart Energy has always integrated social responsibility and ESG into its business operations and management. We have established an implementation mechanism for social responsibility and ESG that consists of "responsibility inclusion, responsibility implementation, and responsibility deepening". Through top-level design, institutional safeguards, formulation of key indicators, tracking, and optimization, we comprehensively coordinate and promote the company's social responsibility and ESG efforts in areas such as corporate governance, products, research and development, environment, employees, and communities.



**Responsibility Inclusion**

The concepts of social responsibility and ESG are integrated into our strategic guidance, with an unwavering commitment to green and low-carbon principles and innovation-driven development. We have established and improved a social responsibility and ESG management system, optimized social responsibility and ESG evaluation indicators, and cultivated a professional social responsibility and ESG team.

**Responsibility Implementation**

Combining the concept of green energy and drawing from industry characteristics and independent innovation capabilities, we implement industry-based poverty alleviation plans. During implementation, we continuously track the progress of various social responsibility and ESG initiatives and establish a multi-level evaluation system. We strengthen the use of public welfare platforms such as charity funds and carry out assistance and support efforts.

**Responsibility Deepening**

Our senior executives are responsible for guiding the strategic direction of corporate social responsibility, addressing key challenges in promoting social responsibility efforts, and advancing the implementation of social responsibility and ESG initiatives. At the same time, we continuously cultivate an awareness of social responsibility among our management and employees, and build a team of social responsibility and ESG professionals who dare to innovate, take responsibility, and do the deed.



## ESG Organizational System

To further enhance the company's ESG management level, we improve the ESG management system, and strengthen ESG management capabilities. We have announced the establishment of an ESG Management Committee upon approval by the Board of Directors.

### ESG System Structure and Responsibility

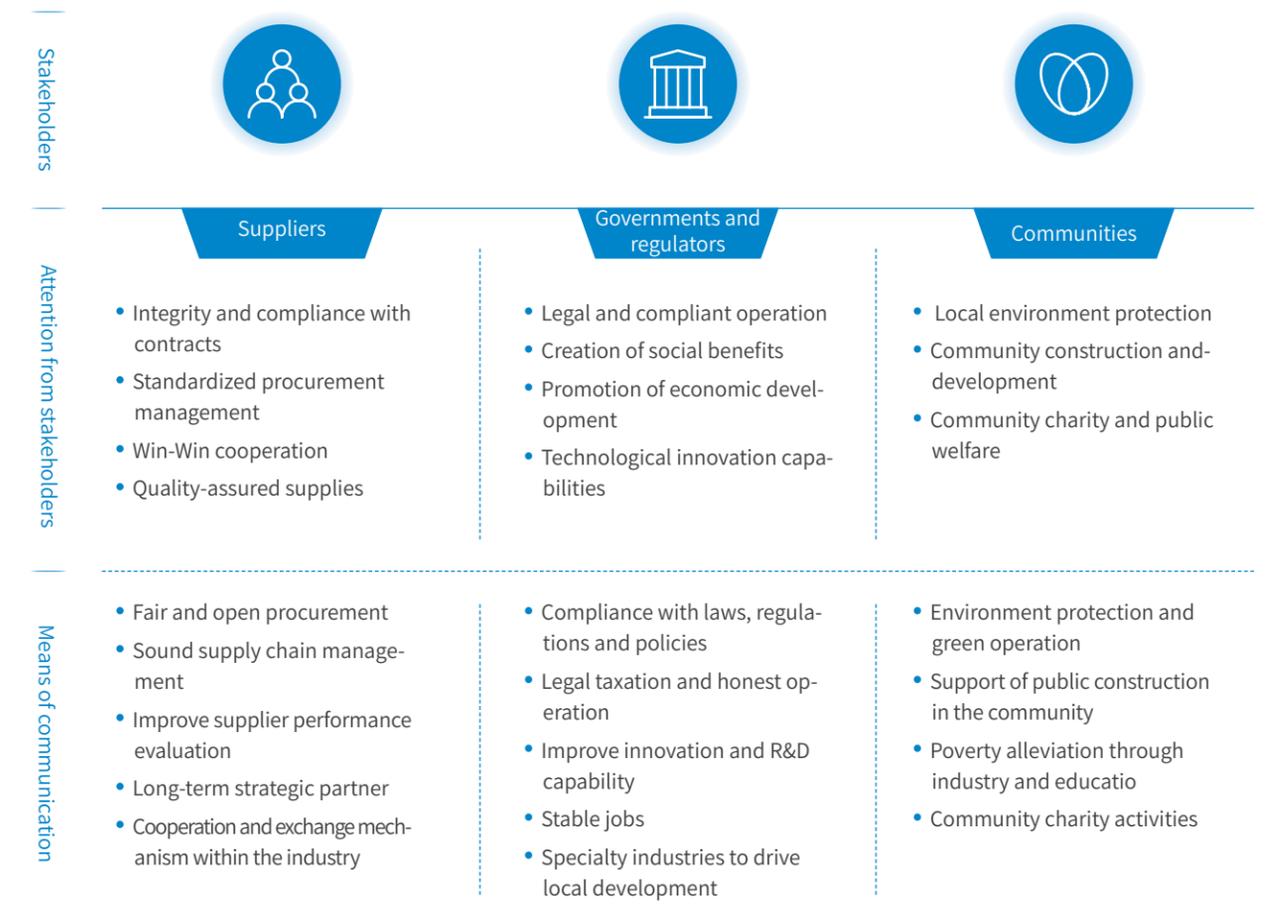
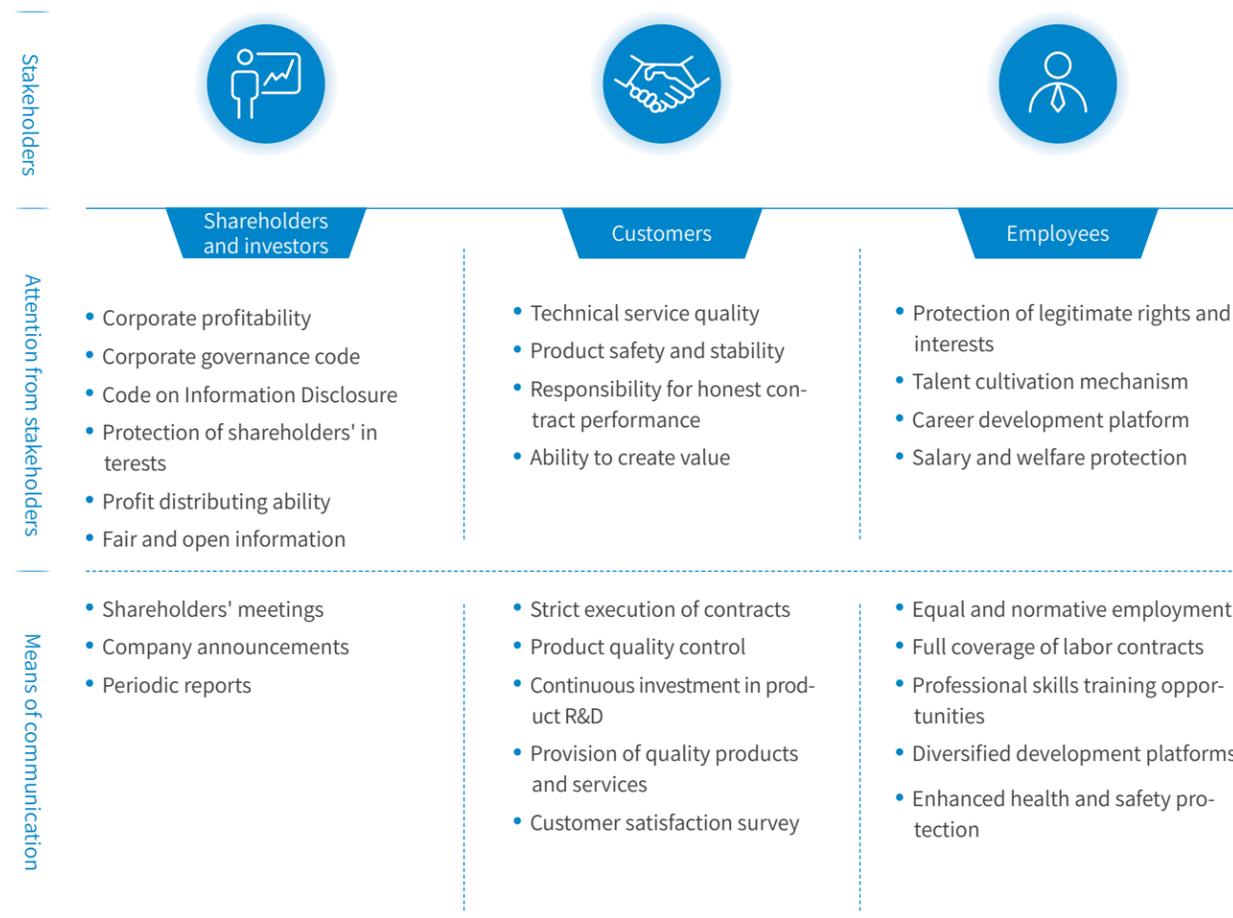
Items	Responsibilities
<b>Members of the ESG Committee</b>	<ul style="list-style-type: none"> <li>The committee is staffed by members of the company's board of directors, including independent non-executive directors</li> <li>The chairperson of the committee is typically the chairman of the Board of Directors</li> </ul>
<b>Authority of the ESG Committee</b>	<ul style="list-style-type: none"> <li>Powers of appointment, resource access, information access, and review</li> </ul>
<b>Functions of the ESG Committee</b>	<ul style="list-style-type: none"> <li>Supervising the formulation and implementation of the company's ESG strategy</li> <li>Other functions: including, but not limited to, supervising the budgeting and expenditure related to the enterprise's ESG efforts, internal and external communications on ESG efforts, stakeholder communication, and reviewing ESG reports</li> </ul>
<b>Function of the ESG Execution Team</b>	<ul style="list-style-type: none"> <li>Members of the ESG Execution Team primarily consist of heads and executors from various departments pertinent to ESG-related efforts</li> <li>Ensuring compliance with relevant ESG regulations within their respective professional domains</li> <li>Identifying the ESG risks faced by the enterprise through ongoing communication with stakeholders, reporting to the board of directors, and developing management policies and plans for each ESG risk</li> <li>Establishing ESG management objectives and work plans, which are subject to board approval</li> <li>Reporting on ESG achievements and compiling ESG reports</li> </ul>

### ESG Work Plan

<b>Improving ESG indicator systems</b>	<ul style="list-style-type: none"> <li>Developing ESG indicator systems for the Group by referring to industry standards and advanced enterprises' ESG indicators</li> </ul>
<b>Setting up ESG management structure</b>	<ul style="list-style-type: none"> <li>Establishing the ESG governance structure</li> </ul>
<b>Establishing ESG target indicators</b>	<ul style="list-style-type: none"> <li>Collecting data on the basis of the ESG indicator system</li> <li>Benchmark the current status against leading enterprises to establish ESG target indicators and identify the responsible department</li> </ul>
<b>Target submission</b>	<ul style="list-style-type: none"> <li>The responsible department submits the work plan</li> </ul>
<b>Special follow-up</b>	<ul style="list-style-type: none"> <li>Organizing key tasks and forming specialized groups for follow-up</li> </ul>
<b>ESG report publication</b>	<ul style="list-style-type: none"> <li>Publication of the annual ESG report</li> </ul>

## Communication with Stakeholders

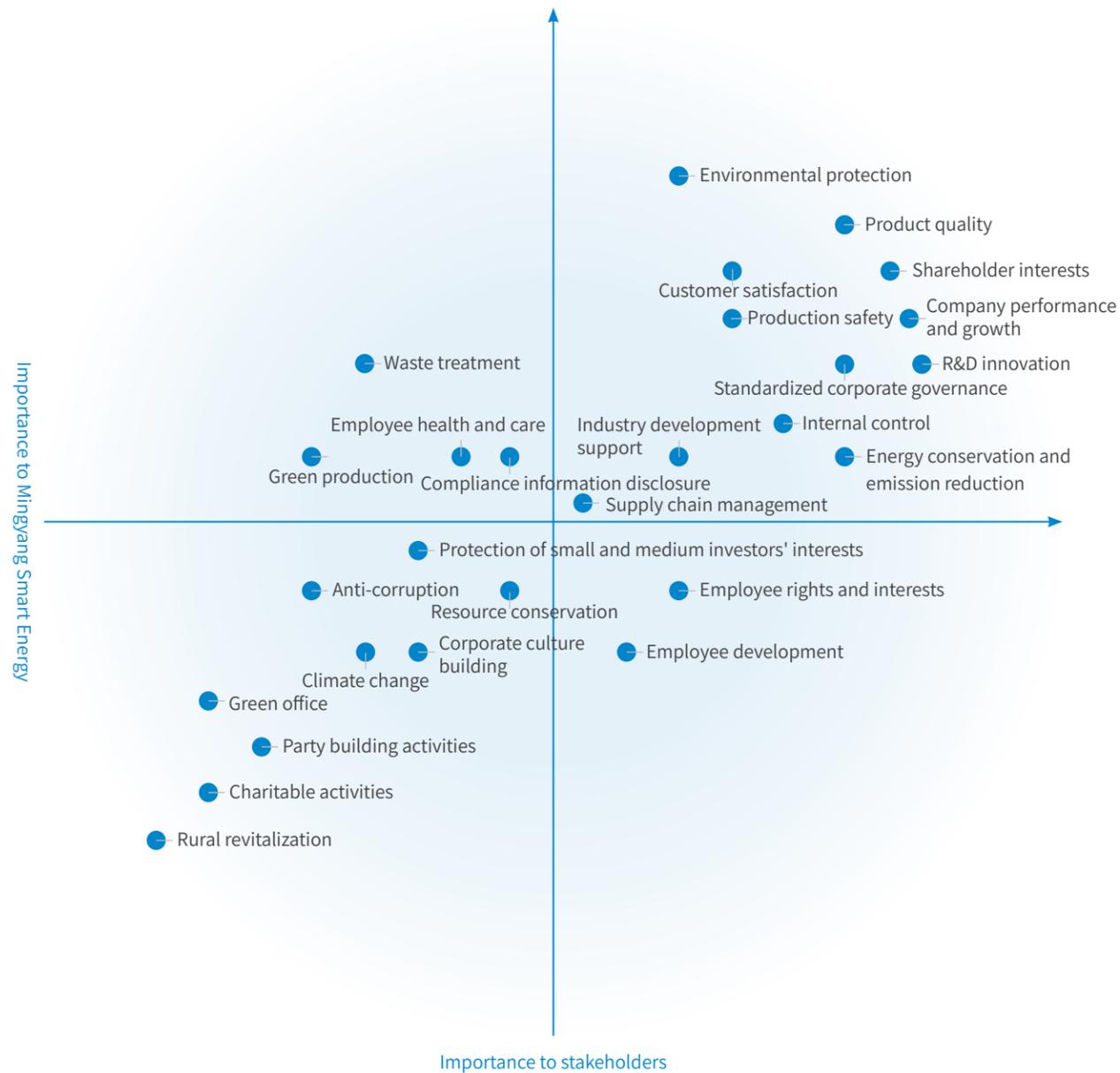
We attach great importance to the concerns of its stakeholders and actively engages in communication with them. We endeavor to respond to the reasonable demands of stakeholders to the greatest extent possible by understanding their demands, opinions and suggestions, and incorporating substantive issues of concern into the our decision-making and actual operations.



## Identification of Substantive Issues

Drawing upon relevant domestic and international standards, guidelines, and initiatives related to environment, society, and governance, we comprehensively identified 27 key issues that are closely followed by stakeholders, spanning environmental performance, social performance, and corporate governance dimensions.

Based on stakeholder expectations and the strategic context of corporate sustainability, coupled with factors such as national policies, industry dynamics, and annual hot issues, we distributed a substantive issue analysis questionnaire on the corporate environmental, social, and governance report to stakeholders. This allowed us to assess the importance of areas like corporate governance, product and service quality, production safety, employee development, and social welfare activities.



## Special Topic Wind Power Technology Breakthroughs Enable Smart Energy for Global Benefit



Amidst the global energy revolution and sustainable development trends, wind power technology is advancing rapidly, becoming a driving force for energy structure transformation. As a leading player in China's wind power industry, Mingyang Smart Energy has always adhered to an innovation-driven development philosophy. We actively integrate global R&D resources and continually pursue breakthroughs in wind power technology. Over the past decade, we have successively launched the world's largest, most technologically advanced, and proprietary large-scale onshore and offshore wind turbines. We have also persistently overcome major technical challenges surrounding integrated marine energy development, including high-end core components, new materials, marine energy, and marine engineering. This has enabled the high-end application of new energy technologies in diverse scenarios. While setting a benchmark for China's wind power industry, we have also made "Mingyang's Contribution" to the development of clean energy globally.

### Harnessing the Wind and Breaking the Waves

Technological innovation is the foundation and driving force behind wind power development. Mingyang Smart Energy is dedicated to developing advanced wind turbine equipment and frontier breakthrough technologies. We have deeply cultivated three directions: onshore, offshore, and floating. We actively build onshore wind turbine products suitable for different scenarios and needs, explore the "offshore wind power + marine ranching" development model, and continuously promote floating wind power technology innovation, empowering the sustainable growth of the wind power industry and new energy sectors.

### Onshore Wind Turbines with Great Potential

We focus on R&D and innovation in wind power technology, constantly pursue technological progress and enhance wind turbine capabilities. Through in-depth research and meticulous development, we have achieved significant results in onshore wind turbine R&D, and continuously driven the advancement and development of onshore wind power technology.

#### MySE11-233 Onshore Wind Turbine

Our independently developed MySE11-233 wind turbine is currently the world's largest onshore unit in terms of single-unit capacity and rotor diameter. It features a series of customized innovations for the extreme environmental conditions of wind, sand, high temperatures, and cold in desert, gobi and wasteland wind power bases. Utilizing heat management technology, maintenance-free sand filtering, and upward placement techniques, among other advanced technologies, the turbine avoids the impacts of wind and sand erosion, ground subsidence, and dune migration. Equipped with networking wind turbine technology, it has a low short-circuit capacity grid-connection capability, enabling operation in weak grid environments and effectively matching the needs of desert and gobi areas. The turbine blades adopt high-efficiency airfoils and anti-sand designs to enhance durability.

### MySE216 Onshore Oversized Fiberglass Blade

Our independently developed MySE216 onshore oversized fiberglass blade offers advantages of large size, light weight, and high reliability. The blade can be installed on 5MW and 6MW class onshore wind turbines and is suitable for Mingyang Smart Energy's flagship models MySE7.15-216 and MySE8.5-216 for desert, gobi, and wasteland wind power bases. The launch of this blade not only leads the domestic trend of larger onshore wind turbines, drives down wind energy costs, but also promotes the development and upgrading of the entire industry chain including R&D, manufacturing, and testing of large equipment for desert and gobi base areas, supporting energy structure adjustment and transformation in these regions and nationwide.

### MySE10.X-23X Onshore Wind Turbine

Our independently developed MySE10.X-23X onshore wind turbine was officially launched in May 2023, with a rotor diameter exceeding 230 meters, making it the world's largest onshore wind turbine blade launched to date. With its ultra-long rotor diameter and 10.X MW ultra-high single-unit capacity, the MySE10.X-23X wind turbine can be widely applied in onshore medium and high wind speed areas. The ultra-long blades incorporate an innovative "five-in-one" matrix of materials, processes, structures, lean manufacturing, and intelligent digitalization, combined with multi-objective optimization methods, they may effectively address extreme conditions such as severe cold, high temperatures, and wind and sand, improving production reliability and structural safety, and ensuring excellent aerodynamic efficiency and power generation capability.

## Offshore Wind Power Powering the Seas

As domestic and international offshore wind farms gradually move towards deeper waters, coupled with the market demand for offshore wind power grid parity, we have accelerated the R&D of ultra-large Megawatt offshore wind turbines. We are exploring integrated marine energy development with offshore wind farms as the base platform, promoting the synergy and innovative development of global leading technologies, our own industrial chain advantages, and abundant marine ecological resources.

### M10 Wind turbine generator system

As Mingyang Smart Energy's first offshore double-fed Large Megawatt wind turbine generator system, the M10 boosts an all-new integrated drivetrain solution. Combined with a lightweight component structure design philosophy and efficient double-fed generation technology, when paired with a giant rotor exceeding 250m in diameter, its unit cost is significantly reduced. A comprehensive advantage of high efficiency, high reliability, and high economic performance is achieved, and our competitiveness in the offshore wind turbine field is effectively enhanced.



Official launch of M10 wind turbine generator system

### MySE18.X-28X Wind Turbine

As the world's largest 18MW offshore wind turbine, the MySE18.X-28X has a rotor diameter exceeding 280m and a maximum swept area of 66,052 square meters. Building upon Mingyang Smart Energy's semi-direct drive technology route, it features innovations and breakthroughs including MPC technology and DTC technology, and enables laser radar sensing for over 1,000m and camera sensing for over 600m, which effectively improves measurement data accuracy and turbine operation safety. By applying WMC technology and blade aerodynamic innovations, it enhances blade power generation efficiency and overall wind farm output. The successful development of the MySE18.X-28X is an important measure to actively promote offshore wind power grid parity, reduce offshore wind power construction costs, and position for development in deeper waters.

### "Mingyu No.1"

The "Mingyu No.1" employs a 50-year anti-typhoon design for extreme sea conditions, innovates with a net cage solution and marine engineering breakthroughs to solve the issue of frequent typhoons in the South China Sea, capable of withstanding super typhoons of up to Category 17. As the world's first "jacket foundation wind turbine + net cage" integrated smart equipment for fishery and wind power generation, it incorporates an intelligent aquaculture system with functions like smart feeding, smart monitoring, automatic net cleaning, and automatic fish harvesting enabled by big data and AI. While undertaking offshore power generation, it can conduct intelligent farming of high-quality fish species like golden pomfret and groupers. It is the first to deeply integrate "offshore wind power generation + marine ranching" across marine areas, structures, power, information transmission, operations and maintenance. Mingyu No. 1 is also the world's first low-carbon fishery model to achieve green power directly supplied to aquaculture in an integrated manner, not only meeting the power demands for automation and intelligence in deep and remote sea aquaculture equipment, but also realizing breakthroughs in integrated wind power-fishery technology, typhoon-resistant net cage technology, and intelligent deep and remote sea aquaculture technology.



Offshore Installation of "Mingyu No.1" Prototype

### MySE22MW Offshore Wind Turbine

The MySE22MW offshore wind turbine is equipped with DTC technology, self-optimizing control technology, and MPC technology. With over 1,000 sensors, it comprehensively senses and monitors components, turbine posture, marine environmental factors, and grid factors to optimize power generation. Additionally, its design incorporates key core technologies for floating wind turbines such as multi-field coupled integrated simulation testing technology for floating platforms, mooring system design technology, and control technology, making it suitable for fixed-bottom and floating wind power applications.

## Floating Wind Turbines Conquering Deep Waters

Since the installation and application of China's first offshore floating anti-typhoon wind turbine "Sanxia Pioneer" in 2021, Mingyang Smart Energy has continued technological innovation, led industry breakthroughs, and actively practiced the development and application of floating wind turbines in China. In 2023, we focused on R&D innovations in key areas such as the development and utilization of deep-water wind resources, turbine performance optimization, and enhanced safety and reliability to consistently advance floating offshore wind power technology.

### "CNOOC Tide"

By breaking through multiple key floating wind power technologies such as multi-system integrated simulation technology and anti-typhoon yaw backup power supply technology, we successfully realized the application of China's first true deep-water floating anti-typhoon wind turbine, the MySE7.25-158 "CNOOC Tide" floating unit. After commissioning, the turbine's generated electricity is transmitted through a dynamic subsea cable into the offshore oilfield power grid for oil and gas production, providing power assurance for deep-water oil and gas development. The successful R&D of "CNOOC Tide" marks a major breakthrough in China's offshore wind power technology and provides valuable experience and technical support for the global development of offshore wind power.



MySE7.25-158 "CNOOC Tide" Floating Wind Turbine

**MySE16.X-260 Turbine**

The MySE16.X-260 wind turbine utilizes globally leading floating control technology and a floating platform motion control strategy, and enables adaptation to complex operating environments of wind, waves and currents. With an annual average wind speed of 8.5m/s, its annual power generation can reach 67 million kWh. The launch of this wind turbine product further enhances the high-end equipment manufacturing capabilities of China's complete industrial chain, including large slewing bearing, gearbox, generator, and large casting manufacturer, and drives progress in floating wind turbine equipment technology and optimization of the wind power industry structure.

Our noticeable wind power technological strengths not only lead industry advancement, but also provide solid support and assurance for Mingyang Smart Energy's global expansion. As the first Chinese company to export offshore wind turbines to Europe, Southeast Asia and other regions, we have achieved numerous breakthroughs in wind power technology. Our innovations have not only gained recognition in the domestic market, but have also shone on the international stage. Through cooperation and exchanges with countries worldwide, we share "Chinese Wisdom and Solutions", enable more regions to efficiently develop and utilize wind energy resources, and strive to contribute wisdom and strength to promote high-quality, green, and low-carbon development globally.

**Going Global and Making Continuous Breakthroughs**

Adhering to the international development philosophy of "Smart Energy Benefits the World", we accelerate our global business layout by establishing four major business centers: the Americas Center, European Center, Middle East and North Africa Center, and Japan, Korea and Southeast Asia Center. We intensify localized development efforts, carry out new energy investment and project localization cooperation in over 30 countries and regions worldwide including Europe, Japan, Korea and the Americas, promote the overseas deployment and application of on-shore and offshore wind power to enable clean energy for all. In 2023, we achieved a breakthrough in countries like Japan and the Philippines, became the first Chinese wind turbine manufacturer to enter the Japanese and Philippine markets, reflecting the full recognition and trust in Mingyang Smart Energy's products from international markets.

**Case | First Chinese Offshore Wind Turbine Entered Japanese Wind Power Market**

In March 2023, Mingyang Smart Energy successfully delivered the MySE3.0-135 offshore wind turbine for the Nyuzen Town offshore wind power project in Japan. This turbine obtained certification from Japan's Ministry of Economy, Trade and Industry (METI) and ClassNK, marking the first time a Chinese wind turbine manufacturer's product was adopted for a Japanese offshore wind power project.



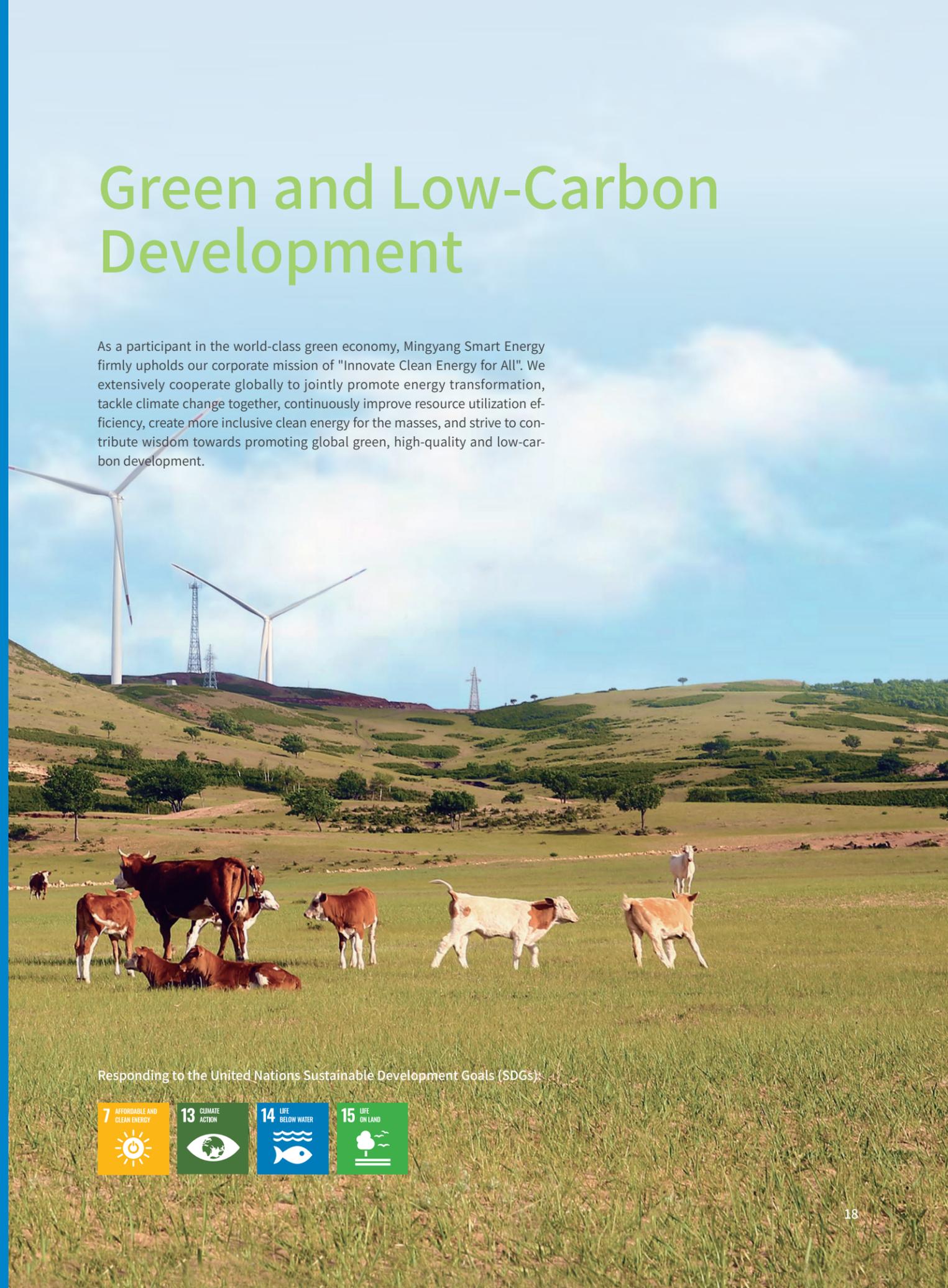
**Case | Accelerated Entry into South Korean Market**

In May 2023, Mingyang Smart Energy signed a localization cooperation agreement with Unison, a South Korean wind turbine manufacturer and wind power company. An investment of approximately 2 billion will be made to jointly establish a new nacelle assembly plant, blade manufacturing plant, and develop and invest in onshore and offshore wind farms with Unison. This will facilitate our entry into the South Korean wind power market under localization requirements and strengthen business expansion in South Korea and globally.



# Green and Low-Carbon Development

As a participant in the world-class green economy, Mingyang Smart Energy firmly upholds our corporate mission of "Innovate Clean Energy for All". We extensively cooperate globally to jointly promote energy transformation, tackle climate change together, continuously improve resource utilization efficiency, create more inclusive clean energy for the masses, and strive to contribute wisdom towards promoting global green, high-quality and low-carbon development.



Responding to the United Nations Sustainable Development Goals (SDGs):



## Addressing Climate Change

Mingyang Smart Energy is committed to actively addressing climate change with a global perspective. We conduct in-depth assessments of climate risks and develop strategies to mitigate them. We provide low-carbon solutions, enhance energy structure optimization, and lead the future with green technologies. We refrain from the ecological redlines, respect nature, protect biodiversity, and ensure a harmonious balance between economic development and environmental protection. We share our insights, vigorously participate in international exchanges with an open mind to explore a path of clean energy development. Fulfilling our responsibilities with actions and leading the future with intelligence, we are fully prepared to address the climate change crisis and safeguard our beautiful planet.



## Climate Risk Management

Identifying, analyzing, and managing climate-related risks and opportunities are crucial components of our comprehensive climate change response strategy and essential for developing our medium- to long-term sustainable development plans. Following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we identify, analyze, and manage climate risks and opportunities with noticeable potential influences with the guidance of our business characteristics, internal and external market environments, and expert advice.

### Governance

We have set up an ESG management organization with the ESG Management Committee as the highest decision-making body, which includes climate change-related risks and opportunities in term of reference of ESG management. For the responsibilities and division of each management level, please refer to the ESG Management section of this report.

### Strategy

In 2022, the Intergovernmental Panel on Climate Change (IPCC) released its sixth assessment report, in which an in-depth analysis of the impacts of climate change is presented. The report clearly states that without effective mitigation strategies, the critical threshold of a 1.5-degree Celsius global temperature rise may be reached before 2030. We profoundly recognize the multi-faceted risks that climate change poses to our business and the potential financial impacts that may arise from climate transition risks. However, challenges and opportunities coexist, and climate change also presents possibilities for innovation, driving us to innovate our business and help us transition to a low-carbon economy, and gain a competitive advantage in the market. Against the backdrop of achieving Carbon Peaking and Carbon Neutrality Goals, we actively analyze policy trends, proactively formulate response strategies, conduct identification, assessment, and analysis of climate-related risks and opportunities, and continuously improve the management process of climate risks to ensure effective management.

### Risk Management

In light of our business and strategy, we assess climate-related risks and opportunities with the guidance of external experts. We construct a matrix of climate-related risks and opportunities based on the assessment results. By considering the probability and impact of risks and opportunities, we identify the substantial risks and opportunities and consistently improve the response mechanisms for climate-related risks and opportunities.

### A. Climate risk assessment process



### B. Analysis matrix of climate-related risks and opportunities.



C. Analysis of financial impact from climate-related risks

Risk category	Detailed description	Term of impact	Value chain link	Potential impact/financial impact
<b>Physical risks</b>				
Acute physical risks (extreme natural disasters)	The intensification of climate change leads to an increased frequency of extreme weather events, such as heavy rainfall, floods, and typhoons. These extreme natural disasters can destabilize wind energy resources, disrupt the normal operation of wind turbines, and elevate the risks associated with business operations, product sales, and product maintenance.	Short-term	Operation	Increased operation cost ↑ Decreased business revenue ↓ Depreciated fixed assets ↓
Chronic physical risks (long-term risk change)	The global phenomenon of rising temperatures and sea levels poses a direct threat to numerous coastal and low-lying urban areas, potentially causing disruptions in our manufacturing processes, mid to long-term operations, and offshore wind turbine operations.	Long term	Operation	Increased operation cost ↑ Depreciated fixed assets ↓
<b>Transition risks</b>				
Policy and law risks	Domestic and international climate-related laws and industry standards are becoming increasingly stringent, with new policies and regulations being introduced. We may encounter regulatory pressures and risks of litigation. As the global demand for low-carbon and renewable energy sources grows, policies and subsidies related to clean energy may undergo changes. Shifts in policy could negatively impact our business development and profitability.	Medium and long term	Operation	Increased operation cost ↑
Market risks	Although the clean energy sector is expanding, the pace and pattern of the global energy transition may not meet expectations. Should the global market's acceptance of clean energy slow down, it could affect Mingyang Smart Energy's investment returns and development plans.	Medium and long term	Products and services	Decreased business revenue ↓
Reputation risks	Stakeholders are increasingly concerned about the impacts of global warming and climate change, and their expectations for our actions in handling the climate crisis are rising. Failure to take appropriate measures to mitigate climate change could affect our brand image, leading to a decline in business value and reputation.	Medium and long term	Operation Products and services	Decreased business revenue ↓
Supply chain risks	The manufacturing of wind turbines is highly dependent on the supply chain. Issues such as raw material shortages, production delays, or rising costs could impact our general performance.	Short and medium term	Products and services Logistics	Increased operation cost ↑ Decreased business revenue ↓
Technology/innovation risk	As a technology-focused enterprise, Mingyang Smart Energy must invest more time and capital in technological research, development and innovation. The uncertainty in the duration of innovative research and the conversion of innovation into tangible results pose risks of high investment with slow returns, which could threaten our cash flow.	Medium and long term	R&D	Increased operation cost ↑
<b>Opportunities</b>				
Market opportunities	We actively spot opportunities in the new green economy markets, achieves diversified operations and secures a leading edge in the overall transformation of the low-carbon economy by participating in carbon asset trading, carbon sinks, and green investment and financing projects.	Long term	Products and services	Increased business revenue ↑
Product/service opportunities	By developing new low-carbon products and services that meet market demands and the shifting preferences of customers and consumers, we can gain additional revenue, reputation, and business volume.	Short and medium term	Products and services	Decreased business revenue ↑
Resource optimization opportunities	we expedite the integration of resources and increases investment in energy conservation and emission reduction. Through technological upgrades and the deployment of energy-saving equipment, Mingyang Smart Energy builds more energy-efficient office spaces and constructs low-carbon infrastructure. This effectively reduces the consumption of water, electricity, gas, and other energy sources, and decreases resource usage and indirect operational costs.	Short term	Operation	Decreased operation cost ↓

Indicators and Goals

We track environmental indicators related to climate change, such as carbon emissions, energy consumption, and water resources, and actively conduct internal carbon footprint assessments. For more information on these indicators, targets, and progress, please refer to the sections "Emphasizing Environmental Management" and "Enhancing Resource Conservation" in this report, as well as the Key Performance Indicators in the appendix. Below is a list of the core indicators that we continuously monitor.

	2021	2022	2023
 Total greenhouse gas emissions	63,057 tCO <sub>2</sub> e	42,928 tCO <sub>2</sub> e	112,197 tCO <sub>2</sub> e
 Scope 1 greenhouse gas emissions	3,557 tCO <sub>2</sub> e	3,975 tCO <sub>2</sub> e	7,116 tCO <sub>2</sub> e
 Scope 2 greenhouse gas emissions	59,500 tCO <sub>2</sub> e	38,953 tCO <sub>2</sub> e	105,081 tCO <sub>2</sub> e
 Carbon dioxide emissions for 10,000 yuan revenue	0.02 Ton/10,000 yuan	0.01 Ton/10,000 yuan	0.04 Ton/10,000 yuan
 Electricity consumption	93,057,988.78 kWh	68,301,892.73 kWh	162,548,474 kWh
 Natural gas consumption	585,720.63 Cubic meters	774,463.8 Cubic meters	14,905,862.08 Cubic meters
 Gasoline consumption	492,749.66 Liter	302,054.79 Liter	378,931.51 Liter
 Diesel consumption	427,449 Liter	344,107.14 Liter	453,778.57 Liter
 Water consumption	698,904.175 Cubic meters	533,003.91 Cubic meters	1,609,340.25 Cubic meters

## Low-carbon Solutions

As a leading clean energy company, Mingyang Smart Energy provides abundant low-carbon solutions for different users and customers in various regions and scenarios, from matrix equipment technologies for wind, solar, storage, and hydrogen to innovative solutions for smart energy scenarios, and contribute to the national goals of "Carbon Peaking and Carbon Neutrality Goals".

### Typical Low-Carbon Solution: Integrated Wind-Solar-Storage-Hydrogen

With the development and maturity of the hydrogen energy industry, innovative business formats integrating renewable energy with hydrogen energy and energy storage continue to emerge, and the integrated development of wind, solar, storage, and hydrogen has attracted much attention.

#### Overview of Integrated Wind-Solar-Storage-Hydrogen

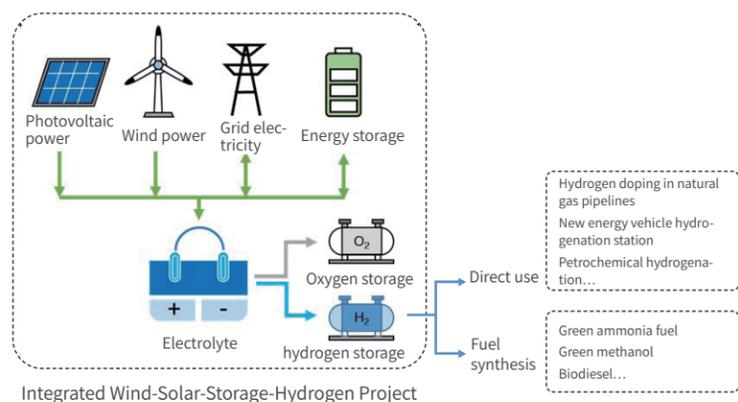
The integrated wind-solar-storage-hydrogen system refers to a system that couples a power system with a hydrogen production system driven by renewable energy. The system specifically includes renewable energy power generation, power transmission, electrical load, water electrolysis hydrogen production, and hydrogen transmission and storage.

Wind power and photovoltaic power generation are the primary power sources for the system, and energy storage batteries are also configured to smooth out the time-scale fluctuations in power supply. The peak shaving and valley filling of wind and solar power are initially buffered by energy storage on the power supply side. The electrolyzer, as the primary electrical load, provides the system with additional flexible load by matching hydrogen and oxygen storage tanks, couples the electrical energy and hydrogen energy of the electrochemical reaction inside the electrolyzer, and accordingly reduces the investment cost of power generation equipment for the entire system.

There are two modes for the power side of the integrated wind-solar-storage-hydrogen energy system: off-grid and on-grid. In the off-grid mode, the integrated wind-solar-storage-hydrogen system is not connected to the power grid, which places higher demands on the hierarchical control of energy storage, hydrogen storage, and electrolyzer systems to accommodate the fluctuations of new energy output. In the on-grid mode, the system is connected to the external power grid, so that the system still maintains secure and reliable operation even under extreme conditions. Grid access requires the support at the project site.

#### Technical Advantages of Integrated Wind-Solar-Storage-Hydrogen Systems

New energy sources such as wind and photovoltaic power generation are intermittent and volatile. Integrated wind-solar-storage-hydrogen systems transform the aforementioned energy into hydrogen and use hydrogen as an energy carrier to smooth out the temporal and spatial fluctuations of new energy power. Relying on the communication system constructed by Mingyang Smart Energy's independently developed integrated wind-solar-storage-hydrogen frequency modulation system and intelligent control technology, the integrated wind-solar-storage-hydrogen project can achieve rapid response, controllability, and predictability, which constitutes a technical advantages of Mingyang Smart Energy's integrated wind-solar-storage-hydrogen system.

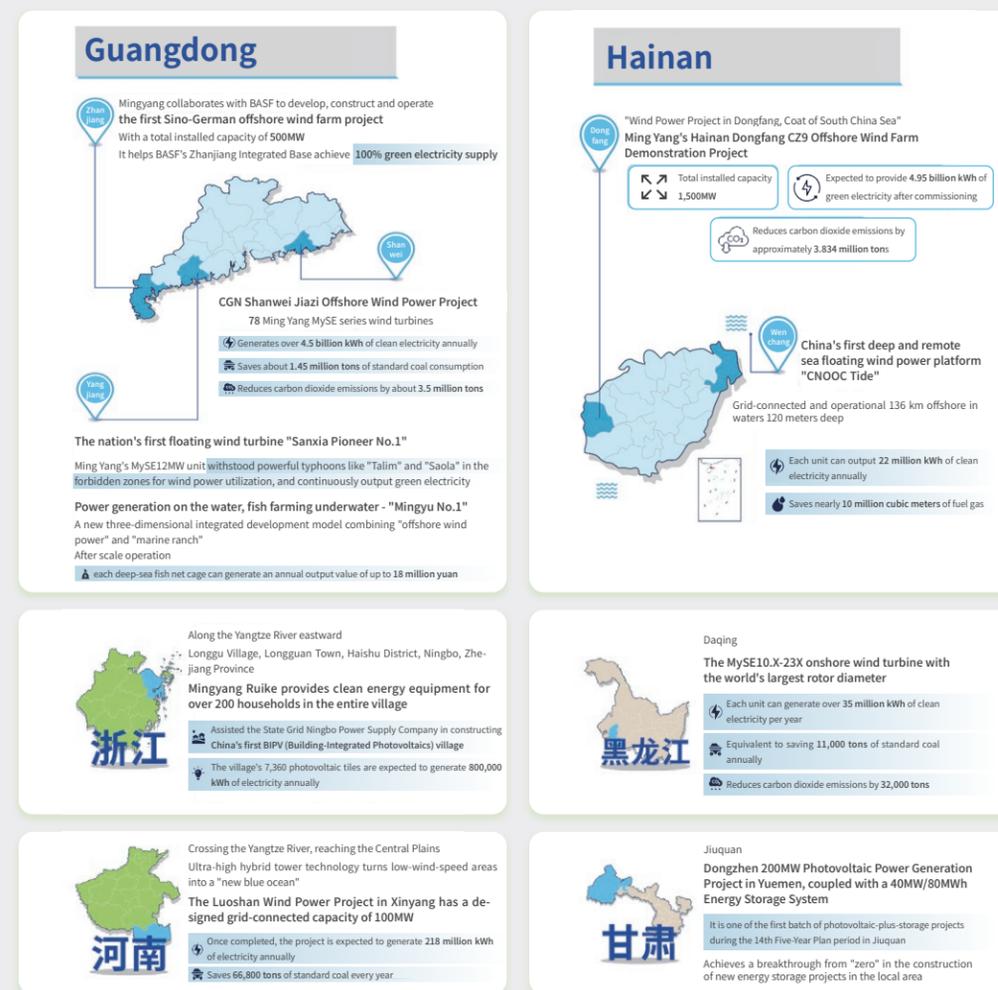


System Schematic Diagram of an Integrated Wind-Solar-Storage-Hydrogen Project

#### Practices of Integrated Wind-Solar-Storage-Hydrogen

We go all out in building a complete industrial ecosystem for wind, solar, storage, and hydrogen. In 2023, we invested in the construction of an integrated wind power hydrogen production project in Duolun County, Inner Mongolia. Relying on the 100MW wind power in Duolun and equipped with an 8,000Nm<sup>3</sup>/h hydrogen production system with a hydrogen storage scale of 500,000Nm<sup>3</sup> and an annual hydrogen production capacity of 3,016 tons, the project is expected to be put into operation in October 2024. The project utilizes wind power to generate electricity and electrolysis water to produce hydrogen, with an annual power generation capacity of up to 303.4 million kWh, saving 91,200 tons of standard coal per year, reducing the emission of 256,000 tons of carbon dioxide, 28.4 tons of soot, 94.5 tons of sulphur dioxide and 94.5 tonnes of nitrogen oxides, which will not only significantly improve the energy structure, environmental quality and urban infrastructure of the surrounding areas of Duolun County.

Since establishment, Mingyang Smart Energy has accumulated a global installed capacity exceeding 55 gigawatts (GW), and has put into operation more than 800 wind and photovoltaic power generation projects around the world, with our green footprints spreading to all corners of the world.



Green Footprints of Mingyang Smart Energy

## Maintaining Ecological Systems

The ecological environment is inextricably linked to human survival and development. We are dedicated to maintaining the balance of ecological systems, respecting the right to existence of flora and fauna, and avoiding any damage to their habitats due to business development. As such, we are committed to biodiversity conservation and marine ecological protection to safeguard the beauty of nature.

### Protecting Biodiversity

Biodiversity protection is both a fundamental requirement for maintaining the balance of the Earth's ecosystem and an effective measure for climate regulation. Mingyang Smart Energy vigorously participates in biodiversity conservation efforts. Through restocking and releasing, we provide reasonable compensation for fishery resources, typically selecting locally suitable species for release into natural water bodies. This increases the population numbers of target species, protects and restores endangered or declining species, and enhances the ecological functions of water bodies.

As the construction and operation of Mingyang Smart Energy's wind turbines may impact birds and their habitats, we introduce non-reflective materials to all blade coatings during the production process. This minimizes the visual impact of the wind turbine blades on birds, and reduces the risk of collisions between birds and wind power facilities. Additionally, we have established bird observation and rescue stations, where we utilize radar monitoring equipment to track bird flight paths in real-time and predict potential collision risks with wind turbines, which also provides a basis for further development of measures for scientific protection.

### Maintaining Marine Ecosystems

Protecting the ecological environment of the ocean, which is a "cradle" of life on Earth and a "regulator" of climate, is the fundamental requirement and basic guarantee for the expedited construction of a strong marine country and achieving harmonious coexistence between human beings and the ocean, and also an indispensable and important part of the construction of ecological civilization. Mingyang Smart Energy is well aware of the importance and urgency of protecting marine ecology, and is actively involved in the cause of marine biodiversity protection.

Prior to construction, we implement avoidance measures for fish spawning grounds, ensure that seabed cable and pile foundation installations are completely separated from the spawning period of *priacanthus tayenus* (May to July), to protect fish reproduction. During the construction process, we establish danger zones and warning zones for fish activity. For instance, during the pile driving for wind turbine foundation, we designate a 450-meter radius from the pile center as the danger zone and an approximately 4.5-kilometer radius as the warning zone, in which we arrange potential deterrence or relocation of fish to prevent harm.

## Sharing Mingyang's Insights

In November 2023, Mingyang Smart Energy was invited to attend the 28th Conference of the Parties (COP28) to the United Nations Framework Convention on Climate Change in Dubai, United Arab Emirates. This conference was the largest climate event in history, where participants shared insights, fostered consensus on key challenges and solutions for addressing climate change, and jointly planned for the sustainable development of humanity and the Earth. Zhang Qiyong, President and Chief Technology Officer of Mingyang Smart Energy, attended various activities and presented a speech at the China Pavilion. Drawing from the advantages and extensive experience of a new energy manufacturer, he shared with the world China's innovative practices in wind power technology, as well as Mingyang's thoughts and efforts towards global green development. This provided new thinking and solutions for addressing the climate crisis.



Zhang Qiyong, President of Mingyang Smart Energy, shared China's innovative practices in wind power technology at COP28

## Emphasis on Environmental Management

Mingyang Smart Energy highly values the environmental impact of our production and operation processes. It has formulated multiple internal environmental management policies, established a sound environmental management system, and integrated the green concept into every stage of product design, manufacturing, sales, operation, and maintenance. We actively promotes environmental protection concepts, and contribute more blue skies to the Earth.

### Environmental Management System

We stringently comply with relevant laws and regulations such as the Environmental Protection Law of the People's Republic of China, the Water Pollution Prevention and Control Law of the People's Republic of China, the Air Pollution Prevention and Control Law of the People's Republic of China, the Solid Waste Pollution Prevention and Control Law of the People's Republic of China, and the Environmental Noise Pollution Prevention and Control Law of the People's Republic of China. Based on the requirements of ISO 14001:2015 Environmental Management Systems, we have established an environmental management system and obtained ISO 14001 certification. Additionally, we have formulated the Environmental Protection Management System Compilation to manage on-site environmental protection, strengthen the monitoring and management of environmental protection equipment operation and pollutant emissions, and developed contingency plans for environmental emergencies, along with corresponding environmental protection facilities and equipment.

### Environmental Monitoring

We vigorously proceed with a series of environmental monitoring actions, including hydrodynamics, marine ecology, fishery environment, marine water quality, sediment monitoring, landform and siltation observation. Through data monitored, we evaluate the health status of the aforementioned ecological systems, promptly detect and prevent environmental pollution, and provide scientific basis and data support for further formulating environmental protection plans and management.

### Carbon Footprint Assessment

In 2023, we commissioned a professional third-party organization to execute a carbon footprint inventory, and systematically evaluate the greenhouse gas emissions of Our 28 business units and 7 business types (wind turbine assembly, wind turbine blades, wind turbine towers, photovoltaic manufacturing, electrical & power electronics, wind farm construction/operation and maintenance, of-fice). This inventory accurately controlled the carbon emission sources of various production and operation processes, comprehensively understood the energy usage, energy-saving technology application, and other aspects of each business unit, and provided crucial data support for subsequent carbon reduction planning and comprehensive carbon management.

The third-party organization identified 8 major emission sources for Mingyang Smart Energy through research and investigation, including Scope 1 (fossil fuel combustion emissions, sulfur hexafluoride leakage emissions, carbon dioxide protective gas leakage emissions, fire extinguisher leakage emissions, air conditioning refrigerant leakage emissions, methane leakage emissions from wastewater treatment) and Scope 2 (purchased electricity emissions, purchased heat emissions). After inventory and calculation, the Corporate Carbon Emission Inventory Report was issued and showed that Mingyang Smart Energy's total greenhouse gas emissions in 2023 were 112,197 tCO<sub>2</sub>e, with Scope 1 emissions of 7,116 tCO<sub>2</sub>e and Scope 2 emissions of 105,081 tCO<sub>2</sub>e.



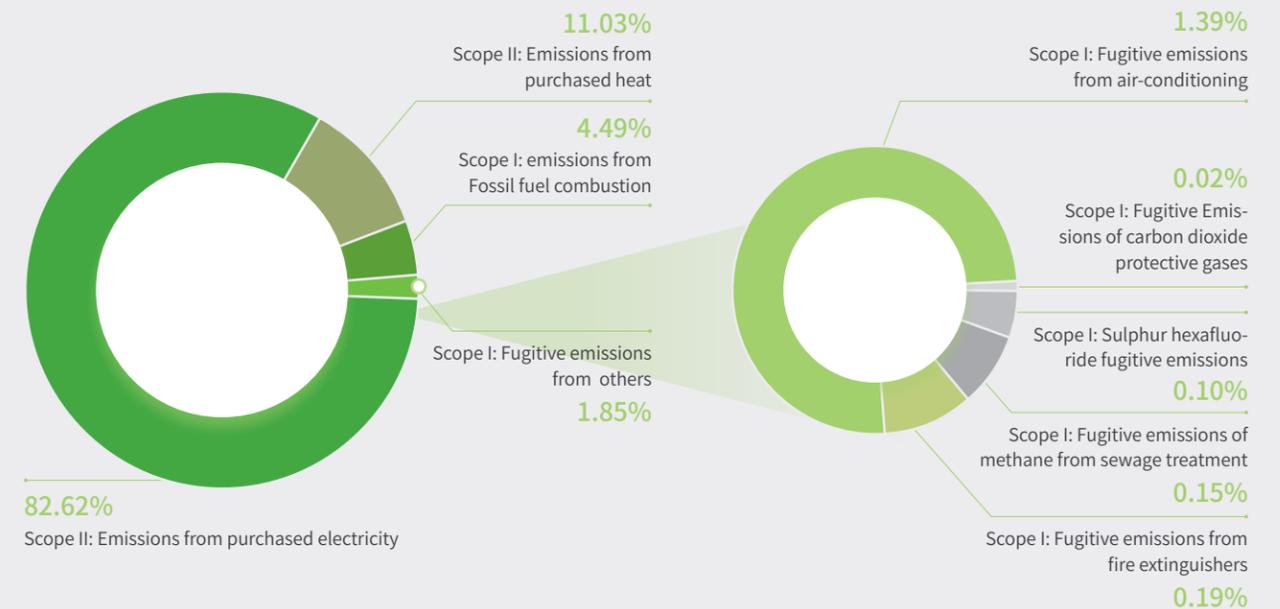
Showed that :

Mingyang Smart Energy's total greenhouse gas emissions in 2023 were **112,197** tCO<sub>2</sub>e

Scope 1 emissions of **7,116** tCO<sub>2</sub>e

Scope 2 emissions of **105,081** tCO<sub>2</sub>e

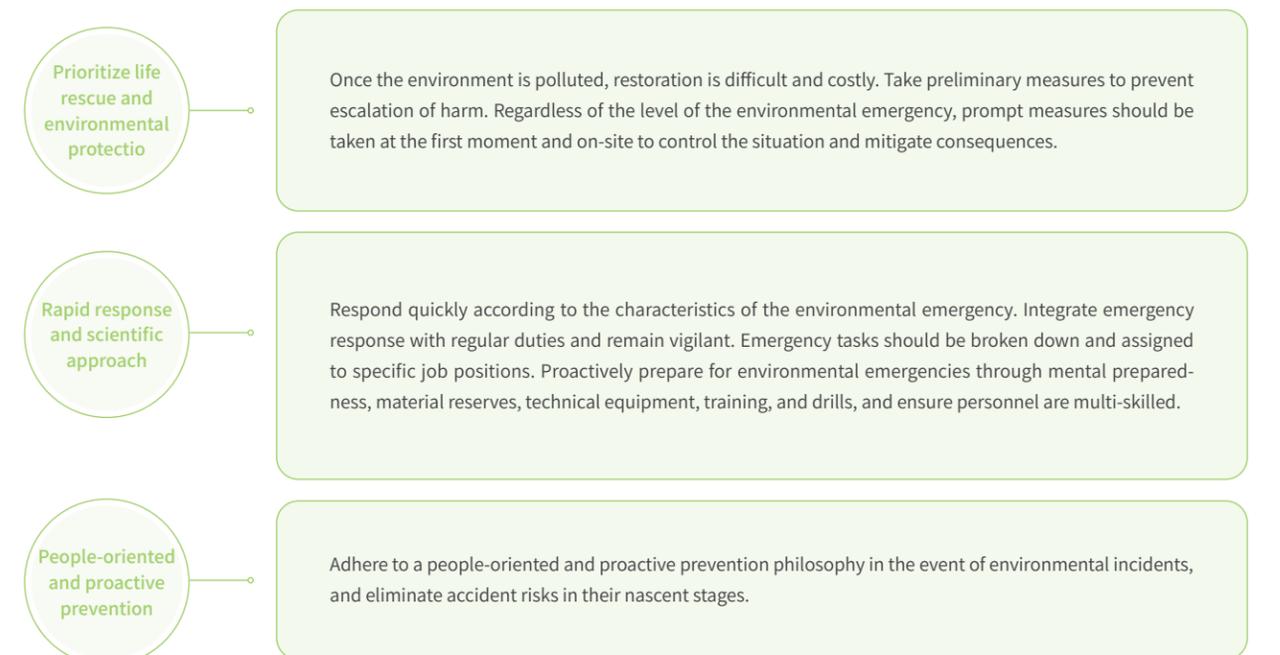
#### Mingyang Smart Energy Scope 1&2 GHGs Emission Share by Category



### Environmental Emergency Mechanism

We have standardized post-incident response procedures by formulating environmental warning and emergency plans to enhance incident response capabilities, avoid or mitigate impacts, and strengthen coordination between the enterprise and the government.

#### Principles for Environmental Emergency Response



## Environmental Protection Training

We continuously increase our efforts in environmental training to ensure that every employee receives at least one environmental protection training session per year. We communicate environmental protection laws and regulations, our environmental policies and objectives, control measures for significant environmental factors, pollution prevention facilities, typical environmental accident cases, and basic knowledge for preventing environmental accidents to our employees. This enhances their awareness of environmental issues and guides them to establish a proper environmental protection mindset.

## Promoting Green Civilization

We strive to be an advocate for green living and actively participate in the "Earth Hour" event. On April 22, World Earth Day, Mingyang Smart Energy also issued a call to "Protect Our Common Home" by building a full industrial chain of wind, photovoltaic, storage, and hydrogen to construct a green defense line and safeguard the "Earth for All Life."

### Case | Depicting a Clean Energy Future, Sowing Seeds of Green Hope

In June 2023, the month in which International Children's Day and World Environment Day were celebrated, Mingyang Smart Energy organized a themed painting competition, "I Depict the Future of Clean Energy". Nearly a hundred artworks from children across the country were received. With boundless creativity and vibrant colors, the paintings vividly portrayed the future of environmental protection, ecological construction, and pollution control from the perspective of kids. This further promoted the concept of green and clean energy as well as environmental protection, and attracted more public attention and participation.



Winning Artworks from the "I Depict the Future of Clean Energy" themed painting

## Strengthening Resource Conservation

Mingyang Smart Energy adheres to the basic national policy of conserving resources and protecting the environment, as well as the major national strategy of developing a circular economy. We strive to create an energy-efficient and low-consumption work environment, continuously optimize water resource management and waste management measures, reduce environmental pollution and impact, and lay a solid foundation for achieving long-term sustainable development.

### Using Green Power

In 2023, we purchased and used 5,285.902 MWh of green power, accounting for 3.15% of our total power usage. Four business units purchased green power are:



This helped us reduce **3,014.5499** tCO<sub>2</sub>e of emissions.

### Creating an Energy-Efficient Environment

Within our manufacturing system, we implemented water and energy conservation, emission reduction, green space irrigation with well water, reduction of workshop electricity consumption, hot water supply system renovation, and the introduction of battery-balanced heavy forklifts.



In 2023, these measures collectively saved us **1.3983** million yuan

For non-manufacturing systems, we focused on air conditioning energy efficiency, lighting works, and water supply and drainage energy conservation to create a green office environment. We deeply explored the potential of energy supply, and achieved reasonable resource allocation and application. We utilized variable frequency air-conditioners to reduce power consumption, selected appropriate lighting methods, reasonably utilized natural lighting, and set up automatic control modes such as voice and light control. We also used control switches to reduce transformer power loss and employed energy-efficient valves to control the water output at various outlets in the park, reducing water waste.

## Water Resource Management

Mingyang Smart Energy strictly complies with relevant laws such as the Water Law of the People's Republic of China and the Water Pollution Prevention and Control Law of the People's Republic of China as it continuously strengthens water use, drainage, and water pollution prevention management.

In 2023, our total water consumption was **1,609,340.25** cubic meters

### Water Conservation

We emphasize the rational utilization of water resources. Through implementing efficient water resource management strategies, we strive to reduce water consumption and improve water resource utilization efficiency. We prioritize the use of water-saving equipment and techniques, and continuously optimized water usage in production and operation processes to reduce waste. For example, from May 1 to October 31 each year, the Xilin Gol plant uses underground well water for irrigating green spaces, and saves approximately 3,800 tons of tap water.

### Wastewater Treatment

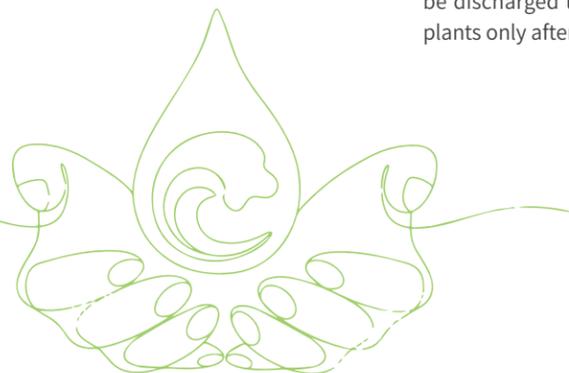
We apply different methods to treat water pollution from various sources. For ship wastewater, construction ships are furnished with collection devices to accommodate ship domestic sewage and oily sewage. Ship domestic sewage and oily wastewater are transported and treated by capable entities. For domestic sewage generated by maintenance personnel during operation, collection tanks are installed in the toilet of the booster station shelter, and the sewage is collected by ship and treated at the onshore central control center before being reused.

### Wastewater Discharge

We have established a wastewater treatment facility system to monitor wastewater discharge in real-time. Wastewater treatment equipment is regularly inspected and maintained to ensure effective treatment. For workshop wastewater that cannot meet national or local discharge standards, corresponding treatment measures must be taken, and the treated wastewater can only be discharged to designated sewage treatment plants only after meeting the standards.



In 2023, we discharged **467,559** cubic meters of domestic wastewater.



## Waste Management

Based on the ISO 14001 Environmental Management System, we have formulated a series of regulations, including the Hazardous Waste Management System, Hazardous Chemical Safety Management System, and Hazardous Waste Disposal Management Measures. Effective waste management measures are adopted to strictly control the emission of exhaust gases and various types of waste.

In 2023, we generated **282.23** tons of hazardous waste and **9,999.4** tons of non-hazardous waste.



We have designated containers or temporary storage areas for recyclable waste, non-recyclable waste, and hazardous waste in each department, with appropriate labels. Departments internally classify waste, with domestic garbage and industrial solid waste placed in general waste areas, and hazardous waste placed in the hazardous waste area. Household garbage and industrial solid waste are transferred from departments to the Support Service Center, while the Procurement Management Department is responsible for tendering for qualified recycling companies to handle hazardous waste. The Safety and Environmental Protection Office arranges for qualified recycling companies to process hazardous waste regularly.

## Exhaust Gas Management

We employ advanced exhaust gas treatment equipment for purification and emission control, continuously monitors and detects exhaust gas emissions to ensure compliance with regulations and standards. Additionally, we require production departments to implement ventilation, purification treatment, regular replacement or cleaning of dust collectors and filter cartridges to meet the workshop hygiene standards outlined in the Design Hygiene Standards for Industrial Enterprises. Emissions from workshops must meet environmental protection requirements, and treatment facilities must operate normally to prevent exhaust gas pollution caused by equipment failures.

## Noise Management

We emphasize noise prevention and control during production processes. During maintenance of construction vessels and equipment, we take the initiative to post construction notices and complaint hotlines, and welcome nearby residents to communicate and supervise noise issues during construction. For high-noise pile driving, we introduce a soft start method (starting with low-intensity impacts and gradually increasing) to minimize the influence of construction noise on the surrounding environment.



# "Hard Core" High-Quality Products

Mingyang Smart Energy is committed to driving the sustainable development in the energy industry through technological innovation. We continuously focus on the research and development of innovative technologies in the new energy field, and empower enterprise management efficiency and business operation efficiency with advanced digital technologies. With our unique Mingyang Active Quality Management Model, we produce "hard core" products with robust quality and reliable safety, and fully showcase the brand strength and solid capabilities of Mingyang Smart Energy.

Responding to the United Nations Sustainable Development Goals (SDGs):



## Persisting in Innovative R&D

Mingyang Smart Energy upholds scientific research and innovation as our core values, continuously solidifies R&D management foundation, strengthens product innovation, focuses on the R&D and application of new technologies, processes, and equipment, and persistently drives the innovative development of new energy technologies and products.

### R&D Management

#### Innovation Management System

We persistently improve our innovation management system, establish an innovation management organization system that encompasses key departments such as the Central Research Institute, Strategic Business and Industry Planning System, Finance and Capital System, Integrated Management and Support System, New Business System for Photovoltaic Energy, Stored Energy, and Hydrogen Energy, Manufacturing Business Group, Power Plant Business Group, E-Hydrogen-Ammonia-Methanol Business Group, Marine Energy Business Group, and Regional Companies. We have formulated the R&D Project Management Specification, Technical Expert Database Management Measures, R&D Reward Management Measures, Patent Management Measures, Paper Management Measures, Technical Innovation Management Rules, Innovation Committee Rules of Procedure, Technical Standard Management Measures, New Product Development Control Procedures, and Technical Change Control Procedures, among other innovation management systems, laying a solid foundation for innovation management operations.

#### Innovative R&D Layout

Adhering to the core concept of technology-driven development, we view innovation as the primary driving force for progress. Focusing on three key areas – complete machine product R&D, technological innovation research, and R&D infrastructure construction, Mingyang Smart Energy continuously explores and pursues technological innovation, promotes the transformation and application of innovative achievements, and strengthens innovative R&D capabilities.

In 2023, our R&D investment reached 1.005 billion yuan (including capitalized R&D expenses), accounting for 3.61% of our operating revenue, exceeding the industry average. We carried out 77 R&D projects, including 21 complete machine R&D projects, 13 key component R&D projects, and 43 technological innovation projects.

#### Innovation Capability Incubation

We vigorously build innovation platforms, advance R&D infrastructure construction, strengthen the introduction and cultivation of high-quality domestic and international R&D talents, and continuously enhance our independent innovation incubation capabilities.

#### Case | Establishing a Comprehensive Energy Smart Laboratory with High Standards and a High Profile

In May, the Mingyang Tiancheng Laboratory was officially unveiled in Zhongshan. The Tiancheng Laboratory is divided into eight experimental areas for artificial intelligence, complete machine performance, metallic materials and mechanical properties, component reliability, hydrogen energy, high-performance concrete, composite blade materials, and heavy-load mechanical performance. It covers R&D testing for large offshore and onshore wind turbines, as well as testing and verification for the integrated development of new energy sources such as hydrogen energy, energy storage, marine ranching, and marine energy. This forms a five-level comprehensive energy experimental system ranging from materials, components, subsystems, complete machines, to energy fields, and provides strong support for our R&D efforts in the smart energy field.



## Intellectual Property Management

Mingyang Smart Energy, as a National High-tech Enterprise, National Technology Innovation Demonstration Enterprise, and National Intellectual Property Advantage Enterprise, places considerable value on intellectual property protection. We have established a comprehensive intellectual property management system, set up a dedicated intellectual property management department and designated full-time intellectual property management personnel to comprehensively oversee basic management, strategy formulation, infringement monitoring, evaluation and maintenance, licensing and transfer, employee training, document and contract management, and other intellectual property-related work. We have formulated the Patent Management Measures, R&D Project Management Specifications, Paper Management Measures, Technical Innovation Management Rules, and Special Reward Management Measures to provide an institutional basis for effective intellectual property protection, and motivate employees to consistently innovate and create value. We also actively present specialized training sessions on intellectual property management systems, intellectual property management practices, and more, to enhance the professional capabilities and skills of relevant personnel and raise awareness of intellectual property protection.

Statistics of intellectual properties				
Quantitative indicators	Unit	2021	2022	2023
Cumulative number of domestic patent applications	Item	1,316	1,732	1,935
Accumulated number of domestic invention patents	Item	514	688	829
Cumulative number of overseas patent applications	Item	1	8	9
Accumulated number of overseas patents granted	Item	1	1	1
Cumulative number of copyrights	Item	311	238	576 (Papers + software copyrights)

## Technological R&D

### Energy Storage Technology

We possess deep-reaching technological accumulation in the energy storage field, and successfully develop cutting-edge technologies such as grid oscillation suppression, virtual synchronous generation, virtual power plants, and intelligent temperature control and balancing. We have independently developed core equipment including power conversion systems (PCS), energy management systems (EMS), and battery management systems (BMS), which enhance the efficiency and safety of energy conversion.

### Photovoltaic Modules

We are making steady progress in R&D efforts in areas such as photovoltaic cells and modules, and preparing the technological foundation for the large-scale production and commercialization of new technologies.

In photovoltaic cell R&D, we focus on the application of low-cost, high-efficiency photovoltaic cells, and work on the development of heterojunction cells and perovskite/tandem solar cells. Heterojunction cells use high-minority-carrier-lifetime n-type silicon wafers as the base material, featuring a low temperature coefficient. The cell thickness is reduced from the traditional 175μm to 100μm, with silicon material consumption effectively reduced. Perovskite/tandem solar cells employ organic-inorganic halide perovskite semiconductors as the absorber layer, specifically designed for highly efficient photoelectric conversion, offering advantages such as flexible preparation and low cost. Currently, Perovskite/tandem solar cells have the highest theoretical efficiency among photovoltaic cells for civil use.

In module technology R&D, we focus on technological innovations for photovoltaic cell modules, undertake independent development of high-efficiency heterojunction photovoltaic modules, high-efficiency TOPCon modules, and all-black residential photovoltaic modules. The high-efficiency heterojunction photovoltaic module empowered by the leading microcrystalline technology

achieves technological leadership with its comprehensive advantages such as high conversion efficiency, high bifaciality, excellent low-light performance, low temperature coefficient, and high stability. TOPCon, as the current mainstream next-generation cell technology, has module power outputs exceeding 700W for certain models, realizes lower leveled cost of electricity while offering advantages such as high conversion efficiency, compatibility with existing PERC production lines, and exceptional cell parameter performance. The all-black residential photovoltaic module uses all-black cells, all-black frames, all-black backsheets, all-black busbars, aesthetic glass, and other raw materials, which allows black architectural facades to combine high-standard design with outstanding power generation benefits, highly suitable for various building rooftops.

## Hydrogen Energy R&D

Leveraging synergistic advantages in the new energy and smart energy industries, we actively carried out the R&D of PEM hydrogen production technology and related equipment, which has laid the technological and hardware foundation for the large-scale application of hydrogen energy. Concurrently, as the Customized Hydrogen Production Experimental System for Huanghe Hydropower Development Co., Ltd." project is successfully delivered, and the Electrolyzer Prototype Development of PEM Water Electrolysis Hydrogen Production and Development of BOP Integrated System for Containerized PEM Hydrogen Production projects continually achieve phased results, we are accelerating our pace in the field of hydrogen energy R&D.

### Case

#### Mingyang Smart Energy's First E-Hydrogen-Ammonia-Methanol integrated Demonstration Project Officially Commenced

In October, the groundbreaking ceremony for Mingyang Smart Energy's Linxi 2GW Wind-Solar-Storage-Hydrogen-Methanol Integrated Demonstration Project was held at the Linxi County Industrial Park. As the first project following the establishment of our e-hydrogen-ammonia-methanol development strategy, the project involves a total investment of 17.4 billion yuan. Following the alkaline water-based electrolysis production technology, it can produce 940 million Nm<sup>3</sup> of high-quality hydrogen annually, with a hydrogen production capacity of 190,000 Nm<sup>3</sup>/h and the ability to produce 1 million tons of green methanol per year. This not only represents an important manifestation of our implementation of e-hydrogen-ammonia-methanol strategy, but also holds significant importance for the iterative R&D of hydrogen production technologies.



## Advancing Digital Transformation

Mingyang Smart Energy actively advances digital transformation by adopting advanced technological management concepts, independently developing intelligent digital platforms and tools, improving digital management mechanisms, and leveraging cutting-edge technologies such as artificial intelligence, satellite communication, and digital twins as driving forces to facilitate the digitalization of our business operations. Simultaneously, the company enhances information security management measures to facilitate the smooth progress of digital transformation and upgrading, and propel digital transformation into a new phase.

### Digital Management

#### Operational Management Digitalization

With the ERP system as the core, we are gradually erecting business systems such as R&D PLM, high-performance simulation computing, marketing CRM, procurement supply chain SRM, manufacturing MES, wind farm operation and maintenance EAM, OA collaborative office, budget management, fund planning, and EHR, to achieve comprehensive informatization coverage in various business domains. Under the guidance of digital transformation objectives, we have upgraded and optimized the SAP system. Based on the LTC process management and full-closure project management model, we have integrated the business flows, data flows, and information flows between various business systems, ensured smooth "end-to-end" operations and enabled the visual display, analysis, and monitoring of core operational indicators. Currently, we are bringing the ERP system in practice in business sectors such as intelligent manufacturing, power plant operations, e-hydrogen-ammonia-methanol, offshore business, and new photovoltaic-storage-hydrogen businesses, and organize multiple rounds of business and operational training to promote efficient collaboration and optimization across all business sectors.

Additionally, in line with the global development strategy, we have developed the Mingyang Big Data Application System (Digital Earth) to empower and enhance overall operational efficiency. Built upon applications of artificial intelligence and advanced digital technologies, this system integrates the four major modules of digital R&D, digital manufacturing, digital assets, and 3D development. Focused on improving management efficiency in areas such as R&D design, manufacturing, and asset operation and maintenance, the system was officially launched in June 2023.

#### R&D Management Digitalization

Vigorously employing cutting-edge digital technologies, we have established the "E+Work Digital Management Platform", and built the "E+Load R&D Collaborative Management Platform" to promote the systematization, automation and transparency of technological R&D management.

E+Work Digital Management Platform

Encompassing six major business modules, namely R&D management, cost reduction and control, talent management, asset management, administrative management, and cultural development, and over forty functional items, the platform is our first independently developed digital R&D management platform, featuring core advantages such as standardized data integration, automated report generation, refined aggregated analysis, and simplified multidimensional analysis, and it lays the foundation for the development of subsequent "E+" series platforms, including the load verification platform ("E+Load"), new energy post-evaluation automation system research ("E+Val"), and intelligent spare parts inventory management system ("E+Stock").

E+Load R&D Collaborative Management Platform

By converting the manual load verification process into an integrated digital and automated system, this platform reduces the communication costs and time expenditure for R&D personnel while improving load verification efficiency and accuracy, further unlocking and releasing the innovative potential of researchers. In 2023, the platform was in the trial operation phase, with a 27.78% increase in verification efficiency, and it will be officially fully activated in 2024.

## Business Digitalization

### Digitalization of Marine Energy

We vigorously develop "hard technologies" for deep and remote seas, and continuously make new contributions to the digitalization of marine energy. In 2023, our pioneering deep and remote sea AI integrated energy management platform Deep Fusion X was officially launched. This platform can effectively solve the data island problem existing in the three-dimensional integrated development process of energy, and by strengthening big data governance, sharing, analysis and prediction, it enhances the management of the entire life cycle of integrated marine energy, thereby realizing holographic perception, intelligent transmission, and collaborative control. Simultaneously, we have established a comprehensive attitude monitoring and data application system for offshore units, through which we analyze and study the raw data collected from offshore wind turbine components and subsystems, enables early identification of premature damage to components such as blades, bearings, and bolts, and provides technical guidance for differentiated maintenance of offshore units.

#### Case | First "Marine Intelligent Brain" Deep and Remote Sea AI Platform in the World Officially Launched

In May, the "Marine Intelligent Brain" Deep Fusion X, an AI integrated energy management platform for deep and remote seas pioneered by Mingyang Smart Energy, was officially launched. The advanced technologies applied, such as holographic perception technology and satellite communication technology, will provide robust technical support and assurance for the integrated three-dimensional development of marine energy.

➤ **Precise prediction of complex marine conditions:** Relying on the holographic perception technology that integrates multi-modal "air-machine-sea" data, Deep Fusion X can achieve spatio-temporal embedded meteorological and hydrological forecasting. Based on obtaining medium and long-term weather and hydrological data for individual wind turbines, it establishes models to provide high-precision wave predictions.

➤ **Connecting deep and remote sea communications:** Based on the integrated application of "sea-land-air" omnidirectional satellite communications and submarine fiber optics, it establishes a data communication link for online management of deep and remote sea units, and ensures smooth information flow throughout the entire life cycle of deep and remote sea operations. Through technologies such as the Automatic Identification System (AIS) and satellite communications, it builds a deep and remote sea safety monitoring network and sets up electronic safety fences, and provides a double guarantee for the safe and stable operation of offshore wind turbines.

➤ **Synergizing "wind, solar, storage, and hydrogen":** Deep Fusion X can efficiently integrate with offshore wind power, seawater hydrogen production, marine ranching, offshore photovoltaics, energy storage, and other integrated energy sources, enable real-time identification of the reliability of each energy unit, and becomes the remote "commander" of the offshore integrated energy system.



## Intelligent Wind Farm Construction and Operation

The company adopts a multi-pronged approach to promote the construction of intelligent wind farms, strengthen intelligent maintenance, while improving energy production efficiency and ensuring the stable operation of wind farms.

**Establishing a unit energy efficiency evaluation system**

Utilizing statistical analysis and deep learning algorithms, we construct unit energy efficiency assessment and energy efficiency diagnostic models, form a unit energy efficiency evaluation system to provide strong support for energy management scheduling and intelligent maintenance of digitalized new energy power plants.

**Applying network perception technology**

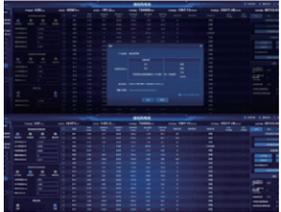
The SNMP protocol is adopted to collect, analyze, alert, display, and manage data from network devices such as servers, switches, and firewalls running in wind farms, which enables rapid localization of abnormal network device points and improves equipment management and maintenance efficiency.

**Strengthening meteorological power prediction**

By establishing a weather forecast correction model, we achieve weather forecast output for individual units, and in combination with unit data, develop high-precision short-term and ultra-short-term prediction models, completing the research and development of a wind power prediction system.

**Developing a grid adaptation - energy management module**

The grid adaptation energy management module features functions such as reactive power instruction coordinated adjustment at the field level, autonomous voltage regulation at grid connection points, reactive power compensation device control, and active power micro-adjustment for individual units. The module can reduce pitch mechanism actions and generator rotational torque fluctuation frequency, and lower wind turbine fatigue loads, and is suitable for various reactive voltage adjustment scenarios in wind farms.



Grid Adaptation - Energy Management Subpage

**Developing a new energy field station-level panoramic monitoring system**

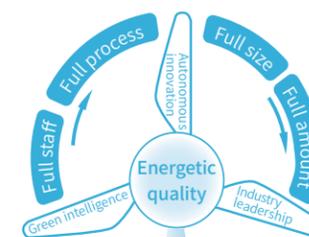
The panoramic monitoring R&D project mainly consists of an emergency monitoring layer, field station network layer, and source control terminal, and enables real-time tracking of fault processes at new energy field stations, lean control, controllable resource pool monitoring, and multi-frequency oscillation monitoring. It has currently completed semi-physical simulation environment testing.

## Information Security

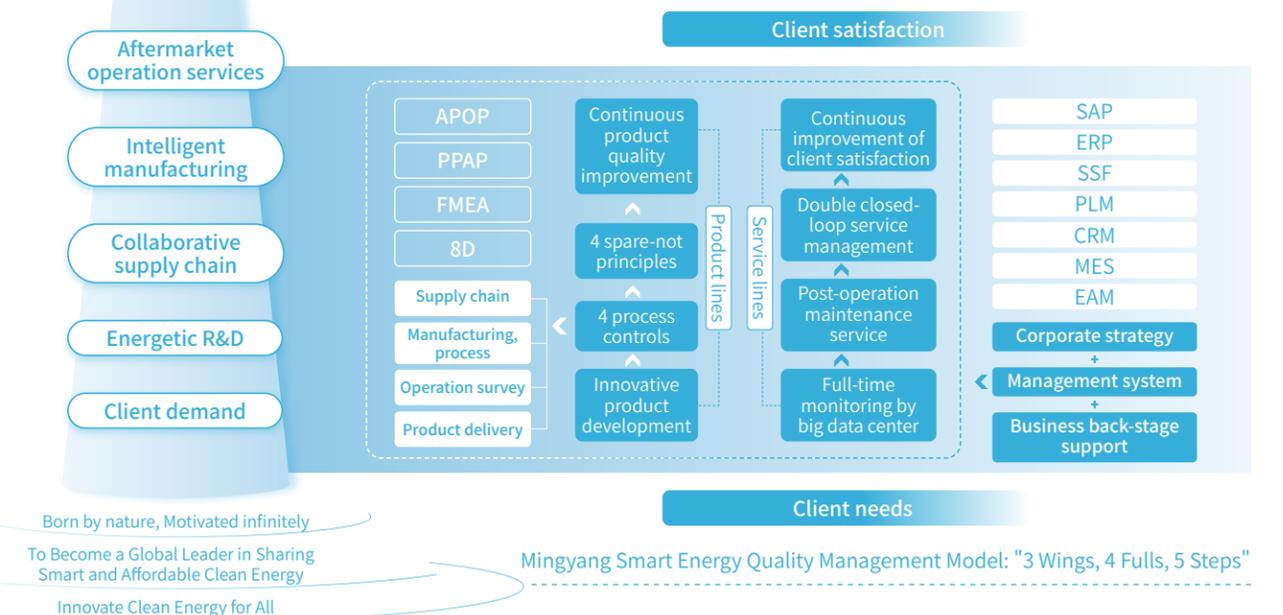
We place great importance on information and network security, and consistently improve information security management systems such as the Management Regulations on Computer and Network Usage, Management Regulations on System Accounts, and Backup Management Regulations to ensure the standardization of information security. Meanwhile, by adjusting wide area network (WAN) firewall policies, optimizing log collection and alert mechanisms, deploying additional internet security devices, strengthening internal system maintenance, and strictly managing system accounts, we enhance the security protection capabilities of internal systems and the ability to withstand external network attacks. Furthermore, we actively conduct information security training activities to raise the awareness of network security among our employees, promoting the continuous improvement of information security management.

## Guaranteeing Product Quality

On the basis of strict compliance with the Product Quality Law of the People's Republic of China, GBT 19000-2016 Quality Management System and other product quality related regulations and standards, we adhere to the strategic orientation of "quality and efficiency-centered", establish the annual quality objectives of "strictly controlling quality risks, paying close attention to product quality and improving the overall quality level", follow the "3 Wings, 4 Fulls, 5 Steps" Mingyang Smart Energy Quality Management Model, carrying out efficient linkage and lean management of the business front-end, middle-end, and back-end, to promote the development of quality management towards standardization, normalization, refinement and full process-oriented. In 2023, there were no recalls of our products sold or shipped for safety and health reasons.



- **"3 Wings"**: Take "Independent Innovation, Green Intelligence, Industry Leadership" as the quality management goal
- **"4 Fulls"**: Introduce the total quality control standard of "full staff, full process, full amount, full size"
- **"5 Steps"**: Covering the whole life cycle quality management of "forward-looking management of client demand, collaborative management of supply chain, dynamic innovation of technology development, realization of intelligent manufacturing, and provision of high-quality after-market operation and maintenance services".



## Quality Management System

We adhere to the ISO 9001-2015 quality management system standard and have established a comprehensive quality management system covering design, research and development, manufacturing, sales, and after-sales service, and have obtained TÜV Rheinland certification. Guided by the principle of "getting it right the first time", we have built a quality control system around six core aspects: project management, product development, manufacturing, supply chain management, engineering operations, and non-conforming product disposal. This ensures quality control throughout the entire lifecycle of our products.

Simultaneously, we enhance the development of a quality culture based on the concept of "getting it right the first time". We establish quality policies, philosophy, and work principles, and implement a quality management documentation system with the "Three-All" approach (i.e., clear procedural documents for all information exchange, detailed work instructions for all required tasks, and precise work records for all quality and service control points), which guarantees that each aspect of quality management has "got it right the first time".

**Quality Policy:** Embrace the concept of "getting it right the first time", provide highly reliable products and exceptional client service, and continuously create value for the energy industry and human society.

**Quality Philosophy:** The value of a company is determined by a single screw! Build the Mingyang brand with sincerity, emphasizing excellence in quality.

**Quality Work Principles:** Adhere to the four "Spare-Not" principles and the PDCA (Plan-Do-Check-Act) principle.

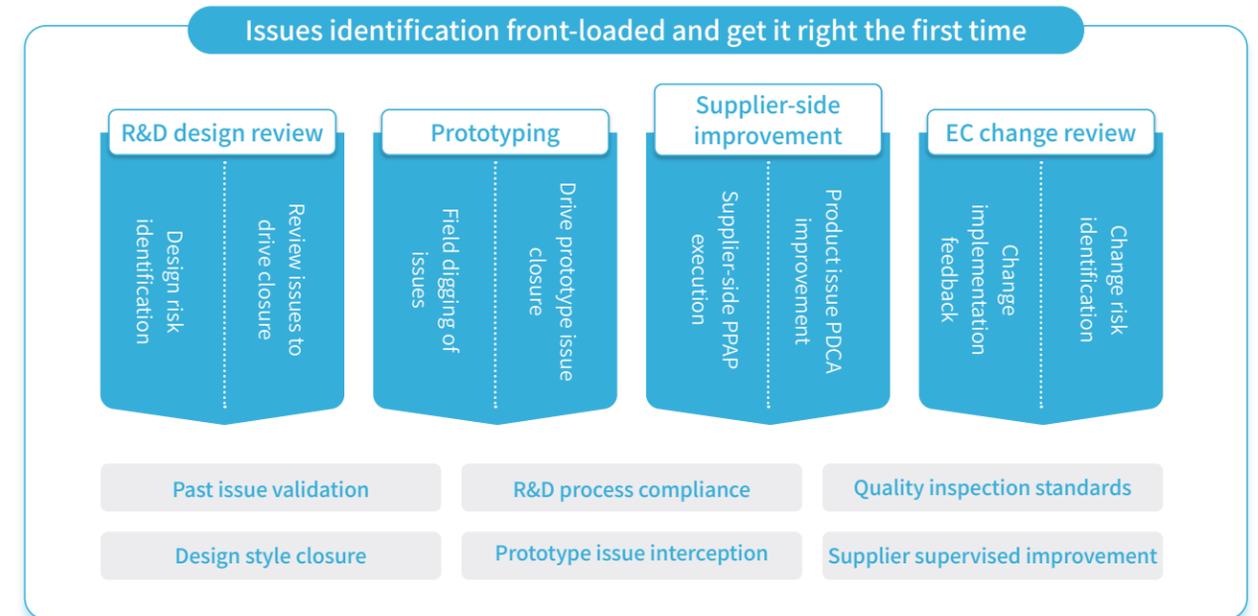
## Project Quality Control

We focus on end-to-end project quality control that lasts from contract risk to product delivery, including contract refinement and proactive risk prevention, meticulous management of crucial process steps, to ensure timely completion of projects with high quality and quantity.

End-to-End Project Quality Control - Quality Control Dimensions (Partial)					
Contract Review	Configuration Review	Quality control valve	Component production	Complete machine assembly	Engineering installation
Identification of client requirements	Component quality performance	Component control requirements	Raw material control	Process red-line control	Site inspection of lifting works
Identification of contract risks		Complete equipment control requirements	In-process control of component manufacturing	Review of process exceptions	Maintenance of long-term idle units
	Development progress of component prototypes	Lifting control requirements	Pre-shipment testing of components	Warehousing control of qualified goods storage	Control of key points in commissioning
			Packaging control of components	Traceability management of complete machine	

## R&D Quality Control

We implement the R&D quality control of "risk identification beforehand, and get it right at the first time", and build a comprehensive and effective control system and apply it by constructing perfect R&D system standards, preventing R&D quality risks, strengthening process monitoring, and carrying out node reviews and other diversified measures.



## Manufacturing Quality Management

Adhering to the three-no principles of "no acceptance of substandard products, no production of substandard products, and no flow of substandard products", we are promoting standardized manufacturing quality, comprehensively identifying and documenting all product and process characteristics, and establishing a quality management model that covers the entire lifecycle from incoming materials to process and delivery. This ensures the reliability of quality control throughout the entire product assembly process.

In the whole process quality control, we focus on the management of critical quality control points and key indicators for the complete machine. During the production and manufacturing process, we set quality red lines and process quality indicators. Meanwhile, we utilize the SAP system and EAM system to trace the incoming inspection of raw materials and the assembly information of process components, and verify the quality maintenance work orders in the wind farm, and realize information inquiry and management throughout the entire process from raw material intake to wind farm installation and maintenance. Additionally, daily, weekly, and monthly quality meetings are adopted at all our bases to ensure the continuous and effective promotion of quality management efforts.

Product Quality and Safety Inspection Procedures	
Control plans	Develop and implement assembly PFMEA and control plans according to new process development requirements.
Assembly Inspection	Formulate process inspection cards based on the control plans and job instructions, and conduct full-amount, full-process inspections.
Factory Testing	100% of the units undergo static testing, gearbox testing, gearbox vibration testing, and functional performance testing.
Finished Product Inspection	All units are warehoused according to the complete machine inspection card, and packaging protection inspections are conducted before shipment.

## Supply Chain Quality Control

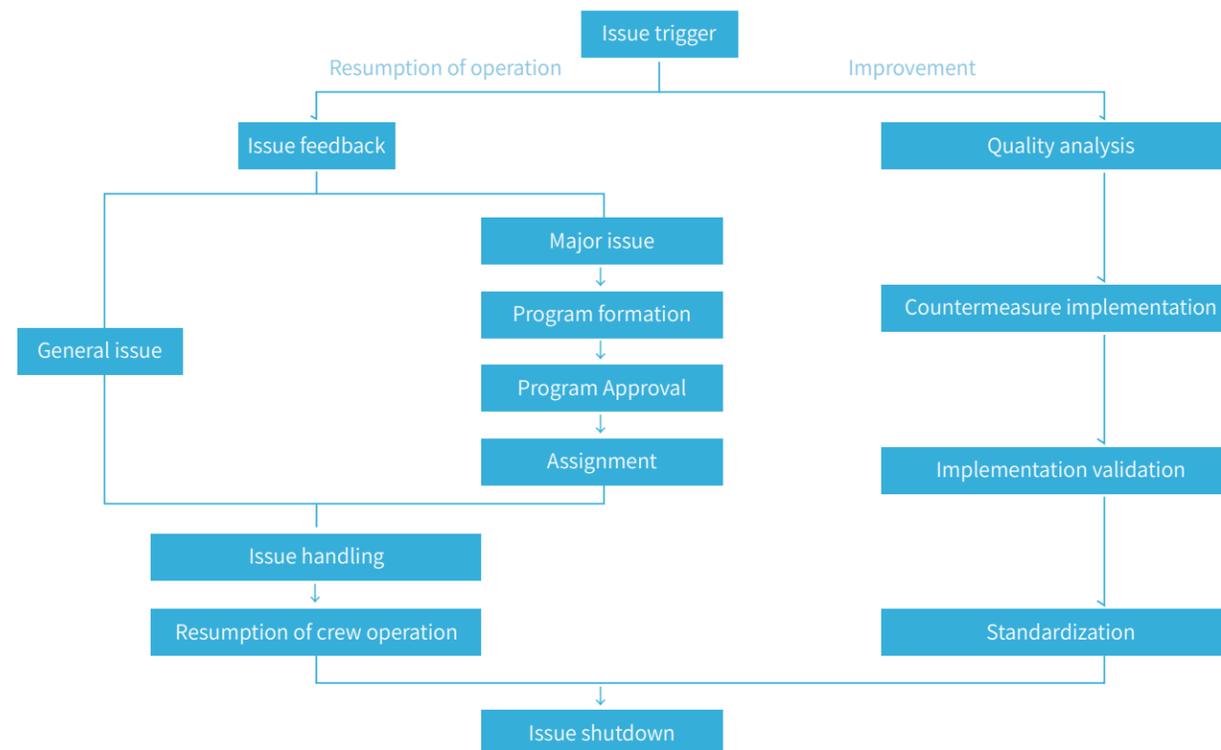
Centering on the four key aspects of new supplier admission, new product development, mass production quality assurance, and quality improvement, we have established a "zero-defect" core supply chain quality management system. This systematically manages the quality of wind turbine components, and guarantees consistent and stable product quality.

### "Zero Defect" Supply Chain Quality Control

 <p>New supplier admission</p>	<ul style="list-style-type: none"> <li>➤ <b>Professional evaluation team:</b> Composed of design, quality, and procurement departments;</li> <li>➤ <b>Systematic evaluation items:</b> Comprehensively assess supplier capabilities from management systems, design and development, quality control, capacity, and services;</li> <li>➤ <b>Scientific evaluation indicators:</b> Set scientific and rigorous scoring standards, with "single-item red lines".</li> </ul>
 <p>New product development OTS &amp; PPAP</p>	<ul style="list-style-type: none"> <li>➤ <b>Implement supplier OTS verification:</b> Supplier design, sample trials, full-size inspections, FMEA, performance and functional tests, reliability and durability tests, etc.;</li> <li>➤ <b>Implement new product PPAP verification:</b> <ol style="list-style-type: none"> <li>① Sample verification: Production process conformity verification + product verification + wind farm operation verification;</li> <li>② Small batch verification: Production process compliance verification + product verification + wind farm operation verification.</li> </ol> </li> <li>➤ <b>Mass production is approved after complete verification.</b></li> </ul>
 <p>Mass production guarantee</p>	<ul style="list-style-type: none"> <li>➤ <b>Full-process supervision of core components:</b> Implementation of full-amount, full-size management standards;</li> <li>➤ <b>Standardized management of supplier production processes:</b> Establish Control Plans for all components and supervise process conformity;</li> <li>➤ <b>4M change management:</b> Monthly statistics and review of supplier change points to eliminate impacts;</li> <li>➤ <b>Supplier performance management:</b> Incentivize outstanding suppliers and support underperforming ones based on monthly quality performance;</li> <li>➤ <b>Annual supplier audits:</b> Formulate overall supply chain planning based on audit results.</li> </ul>
 <p>Quality improvement and promotion</p>	<ul style="list-style-type: none"> <li>➤ <b>Past defects verification:</b> Past defects are verified, improved, and expanded horizontally to ensure that past defects do not reoccur;</li> <li>➤ <b>Quality anomalies improvement:</b> Address quality anomalies by finding root causes and effective countermeasures through 8D, 5 Whys, etc.;</li> <li>➤ <b>Supplier rectification and overhaul:</b> Upgrade improvement methods, conduct specific improvement analyses and problem-solving;</li> <li>➤ <b>Supplier optimization:</b> Eliminate unqualified suppliers.</li> </ul>

## Engineering Operation and Maintenance Quality Control

We adopt a dual closed-loop management model of "rapid issue response closed-loop" and "quality improvement closed-loop". Through big data monitoring and alarms, as well as proactive inspections, we ensure rapid issue handling and reliable unit operation by establishing online issue feedback processing systems and offline physical issue handling processes.



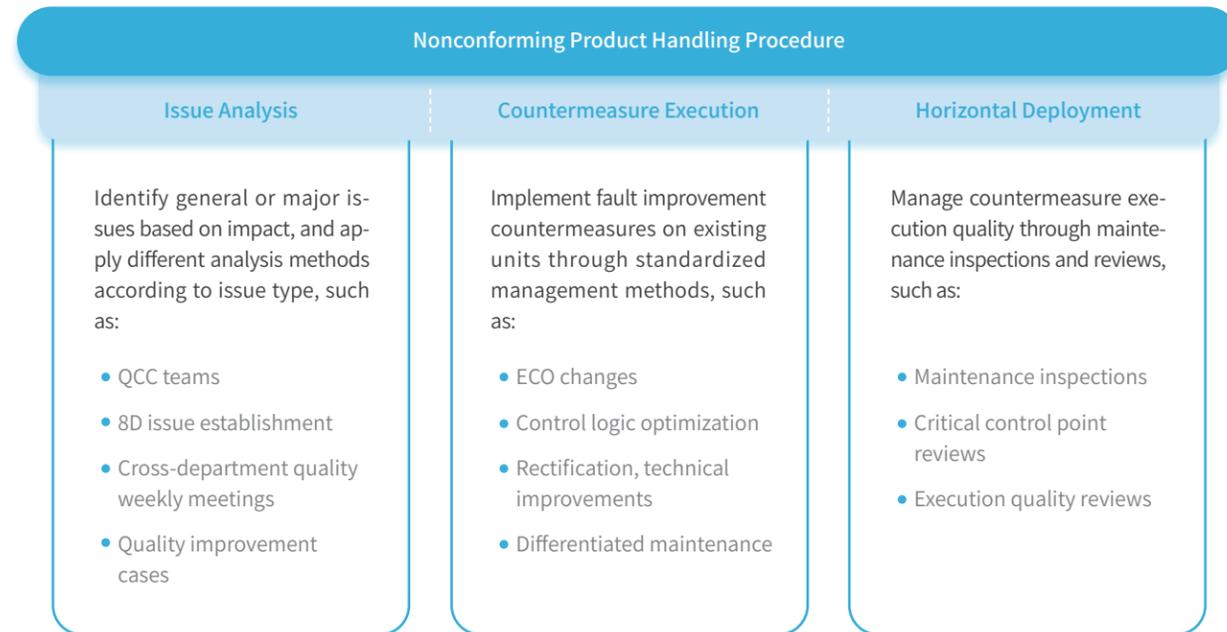
Dual Closed-Loop Management Model

Simultaneously, we have built a digital management platform for risk control of existing units. Through its monitoring system and operation alert mechanism, we can promptly identify abnormal states of in-service units. Combined with troubleshooting, maintenance, and technical improvements, we eliminate potential risks. We also utilize the digital management platform to consistently manage risk control strategies, and ensure real-time operational quality of in-service units.



## Nonconforming Product Disposition

We have improved and implemented a quality issue analysis and improvement mechanism. For nonconforming products, we conduct thorough analysis and implement improvement measures, and promptly and strictly review and verify the effectiveness of improvements to effectively prevent recurrence of similar issues.



## Honest and Reliable Partners

Mingyang Smart Energy has been deeply cultivating the high-end equipment manufacturing industry for new energy, building a high-quality service system, strengthening standardized and sustainable supplier management, and constructing a multi-party cooperation ecology involving government, enterprises and academia. This allows us to continuously deepen partnerships and create even greater value for all parties.

Responding to the United Nations Sustainable Development Goals (SDGs):



## Optimizing Customer Service

Mingyang Smart Energy has always adhered to the philosophy of "being customer-centric and creating value for customers". We take customers' needs and expectations as the starting point and goal of its services, and meticulously meet their diverse needs. It strives to improve service quality and serve customers with a responsible attitude, and to create greater value for them.

### Full-Process Service System

Based on personalized customer needs, we have built a full-process service system to provide excellent pre-sales, in-sales, and after-sales services, and continuously improve customer satisfaction.

#### | Full-Process Service System



## Optimizing Customer Service

We value the customer service experience, and continuously optimizes customer services and comprehensively enhance service quality through precise delivery plan control, smooth operation and turnover chain, refined project management, and complaint handling.

### | Enhancing Delivery Precision

We have established accuracy standards for assessing demand, forecasting production capacity, supply-side and customer-side project situations. We monitor the supply chain readiness, logistics support and other information, continuously track material preparedness, production output, logistics, on-site installation, pre-acceptance, final acceptance, and payment collection. These metrics are specified for each project to precisely control delivery plans and ensure timely completion of customer projects.

### | Ensuring Operational Fluency

We continuously monitor and analyze inventory turnover, reasonably allocate various resources to ensure smooth operations, and achieve an 80-day inventory turnover to effectively shorten delivery cycles.

### | Refined Project Management

We implement refined "one project, one policy" management, formulate delivery plans and institutionalize the Domestic Lean Project Management Process and Project Management Guidelines on One Principal and Three Deputies. This clarifies execution processes and functional responsibilities. We also use a digital operations platform for dedicated control over project plans, execution risks, and key issues to improve operational efficiency and optimize the customer experience.

### | Complaint Handling and Satisfaction Surveys

We continuously revise the Customer Complaint and Satisfaction Survey Management Measures, optimize complaint handling and response processes, clearly define responsibilities of each department, and set strict requirements for response efficiency and quality. Complaint handling effectiveness is included in employee performance evaluations to strengthen management. After receiving a complaint, we respond and process it within the stipulated period, promptly address customer grievances and follow up on resolution effectiveness. In 2023, we received 897 customer complaints with a 100% resolution rate.

The President's Office regularly conducts customer satisfaction surveys through questionnaires, invites customers to comprehensively evaluate us across multiple dimensions including product delivery, project progress, and technical services, so that we can analyze satisfaction levels and continually optimize services based on customer feedback. In 2023, our customer satisfaction rate was 81% with an 87.1% survey coverage rate.

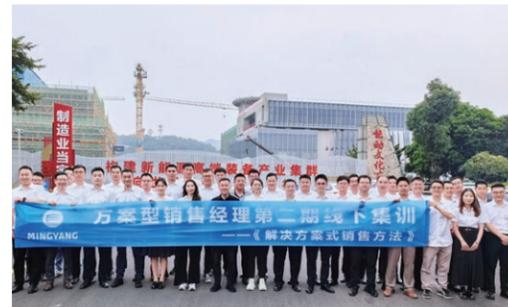


## Responsible Marketing

We have insisted on holding marketing activities in a responsible manner. We organized the training with the theme of "three leads and two forces", "solution-oriented sales manager training program", "sales commander phase II training", etc. to improve the professional ethics and sense of responsibility of sales personnel. In addition, we have established and improved marketing activity supervision mechanism to regularly conduct compliance audits on marketing activities of employees for the purpose of finding, treating and correcting the non-compliant marketing behavior in time.



In 2023, we held **20** responsible marketing training activities for customers and published **1** fair marketing science popularization article.



Solution-oriented sales manager offline training II

Besides, we have also provided customers with wind power knowledge popularization activities such as "onshore wind power solutions", explained wind power development trends and related policies for customers, encouraged customers to realize green energy transformation and use clean and environmentally friendly power generation methods and assisted in low-carbon development of customers. Furthermore, we have provided customized training courses covering three major electrical controls and mechanical components of wind turbines for customers in Mingyang University, and helped our customers maximize the operational management efficiency, self execution operation and maintenance capabilities of customer electric fields on the Tianjin Base Practical Training Platform. In 2023, we held 20 responsible marketing training activities for customers and published 1 fair marketing science popularization article.

## Customer Information Security

We continue to improve our customer information protection system and strengthen customer information confidentiality to ensure that customer information and privacy are safely and properly managed. We strictly require all departments to well manage the customer information in customer communication, and to summarize information related to customer communication to relevant departments. Customer information must not be left within the scope of individual departments or individuals. When an employee leaves the company, we assign the customer information receiver and the handover supervisor to hand over, sort out and file the customer documents. We establish the customer file information hierarchical access system, and set up the customer information review permission. It is not allowed to access or send customer files and materials without authorization.



## Supplier Management

We attach great importance to the construction and maintenance of the supply chain, continuously improve the supplier management system, promote suppliers to actively fulfill their social responsibilities, and work together to promote the coordinated development of the new energy supply chain with a view to creating more value for the development of suppliers, as well as for the economy, society, and environment.

### Supplier Management System

We establish many supplier management systems to strictly manage the full process of supplier selection, evaluation, development and capacity building, and performance evaluation, further controlling supply chain operation risks and striving to build a highly reliable supply chain.



### Number of suppliers by region



Total **459** supplier

## Supplier Social Responsibility Management

### Responsibility management

We actively promote suppliers to fulfill their social responsibilities, incorporate social responsibility factors into supplier access conditions, strictly review supplier bribery, colluded bidding and other violations, prioritize selecting suppliers with good social responsibility awareness and business ethics, and build a strong and stable supply chain with suppliers.

We focus on the social responsibility management and ESG fulfillment practices of suppliers. In accordance with our social responsibility policy, we formulate and implement the Corporate Social Responsibility Statement and Commitment which requires suppliers to conduct self-assessment and self-inspection in social responsibility field such as business ethics, labor rights, health and safety, and environment according to requirements.

We clearly require suppliers to pass quality management system certifications such as ISO9001 or IATF16949, and require suppliers to strictly implement quality management system requirements and physical quality control requirements, and well control product quality and safety. We encourage suppliers to do daily work in accordance with ISO14001 environmental management system certification, OHSAS18001 occupational health and safety management system, and SA8000 social responsibility standards, to obtain relevant certifications and to actively assume social responsibilities. In addition, we hold or co-organize supplier conferences, provide training and support to suppliers, and advocate for synchronous innovation and healthy development between suppliers and the company to jointly promote sustainable social development. In 2023, our 123 suppliers held certification certificates for quality, environment, and occupational health and safety management systems, accounting for 26.8% of the total number of suppliers.

The company's suppliers must make the following commitments to fulfill the SA8000 social responsibility standard:

-Comply with all provisions of the SA8000 social responsibility standard and local labor laws and regulations, including:

- Prohibit child labor and forced labor, and do not cooperate with any suppliers or subcontractors which employ child labor or force the labor.
- Respect the freedom of workers and prohibit forced labor in any form.
- Provide safe and hygienic working and living conditions to ensure the safety and health of employees.
- Promote labor and employer cooperation, respect the freedom of association and collective bargaining rights of employees.
- Provide an equal and fair working environment, and prohibit discriminatory behaviors in any form.
- Respect the basic human rights of employees and prohibit insulting behaviors any form.
- Reasonably make production plans and arrange workers' working hours, rest hours and vacation.
- Provide reasonable wages and benefits, at least meeting the basic needs and minimum wage standards of workers.
- Comply with applicable environmental management rules, regulations, and standards, and comply with local environmental practices.
- Keep factory safety procedures to prevent unauthorized goods from delivery (such as drugs, dangerous goods or explosives, and other prohibited biological materials).

- Accept and actively cooperate with audits on site in aspect of social responsibilities, and provide truthful and complete information for the required audits.
- Take corrective and remedial measures promptly for any non-compliance with SA8000 social responsibility standards.

### Compliance review

We identify integrity risk points closely related to suppliers in the six major business processes, such as procurement, sales, logistics, as well as administrative logistics, finance, production, and other business modules strictly in accordance with the relevant requirement of Integrity Manual, and regular carry out compliance reviews on suppliers to ensure their legal and compliant behavior.

- Incorporate anti-fraud provisions into the annual procurement supplier contract and sign an Integrity Procurement Agreement with key suppliers. In 2023, the supplier's Integrity Procurement Agreement was applied to all suppliers.
- In each bidding and negotiation process, set integrity discipline promotion link. In 2023, we provided over 300 business ethics and anti-corruption training sessions to suppliers, covering over 1000 participating companies, effectively enhancing their awareness of integrity.
- Develop a Mingyang Colluded Bidding Review Model for 11 common colluded bidding phenomena, and participate in the review of colluded bidding behaviors in bidding, negotiation, and other stages. In 2023, we identified a total of 11 problematic projects, and punished 5 suppliers in form of suspension of bidding or fines.

## Enhancing Industry Cooperation

We fully leverage the leading role of the main enterprise in the high-end equipment manufacturing chain of new energy, comprehensively promote diversified cooperation with government, enterprises, universities, and research institutions, actively participate in the research and formulation of industry standards, continuously strengthen international exchanges and cooperation, and jointly promote the high-quality development of the new energy industry.

### Strengthening Multi-party Cooperation

We enhance its advantages in the high-end equipment manufacturing industry of new energy, actively cooperate closely with the government, enterprises, and research institutions, cooperate with all parties to promote the development of the new energy industry, and open up a new situation of win-win cooperation.

### Deepening government and enterprise cooperation

We continue to deepen strategic cooperation with local governments, actively respond to the strategic plans of local governments, and build high-end offshore wind power equipment manufacturing bases in coastal areas such as Guangdong, Guangxi, and Hainan, promoting the transformation of local energy structure and serving the high-quality development of local economy.

According to the strategic deployment of "One Core, One Belt, and One Zone" in Guangdong Province, the company lays out marine energy equipment manufacturing industry bases in Shanwei in eastern Guangdong and Yangjiang in western Guangdong, promoting the high-quality and clustered development of high-end new energy equipment industry in Guangdong.

Mingyang Smart Energy Yangjiang Industrial Base ▶



Actively responding to the Guangxi government's call of "the Greater Bay Area enterprises entering Guangxi", we combine the advantages of local marine resources to vigorously promote the construction of projects such as offshore wind power, marine ranching, and seawater hydrogen production, effectively driving the development of the local new energy industry and building a new pattern of energy and power supply in the autonomous region.

▶ Launching ceremony of the new energy equipment industry group project in Fangchenggang City



We have signed a comprehensive strategic cooperation agreement with the Hainan Provincial Government to create a new and green business operation model for the production, storage, transportation, and processing of "electro hydrogen ammonia alcohol" in Hainan, promote the high-quality development and utilization of deep sea energy, and assist in the construction of a green energy island in Hainan.

▶ Signing a comprehensive strategic cooperation agreement with Hainan Government



### Strengthening enterprise cooperation

We have signed strategic cooperation agreements with leading domestic and foreign power companies such as CHD, SPIC, CR Power, BASF, and ACWA Power. Based on our leading advantages in respective industries, we focus on promoting energy transformation, building a new power system, and achieving the "carbon peak and carbon neutrality" goals, carry out deep and close cooperation in offshore and onshore wind power development, new energy technology innovation, and comprehensive intelligent energy, further promoting the healthy and orderly development of the new energy industry.

#### Case Establishment of comprehensive strategic partnership with ACWA Power

In September, at the China (Guangdong) - Saudi Arabia Economic and Trade Cooperation Conference held in Riyadh, the capital of Saudi Arabia, we signed a strategic memorandum of understanding with ACWA Power, the largest private seawater desalination company in the world, the leader of future energy transformation, and the pioneer of green hydrogen energy with the view to strengthening cooperation in the fields of green hydrogen energy and ammonia, and jointly promoting the development and utilization of renewable energy and comprehensive smart energy worldwide.



### Promoting the industry-academia-research integration

We actively explore a new mode of cooperation with universities and scientific research institutions to jointly build a world-class innovation platform. We carry out in-depth cooperation with well-known universities such as Tsinghua University and Sun Yat-Sen University, as well as research institutions such as the Beijing Institute of Nanoenergy and Nanosystems, Chinese Academy of Sciences and the Guangzhou Energy Research Institute to build high-level industry-academia-research base such as the Northern Smart Energy Research Institute and Tiancheng Laboratory. In addition, we focus on new energy frontier technology fields such as

wind power, hydrogen energy and energy storage, integrate industry-leading technology and experimental resources, speed up the transformation of scientific and technological achievements, promote the deep integration of "industry, academia, research and application", and drive the innovative development of new energy industry.



Unveiling ceremony of the Hydrogen Research and Development Academician Workstation of Mingyang Smart Energy Northern Smart Energy Research Institute



Mingyang Tiancheng Laboratory

### Formulating Industry Standards

As a pilot unit for the standardization of wind power equipment in the national high-end equipment manufacturing industry, a pilot company for the Guangdong Provincial Wind Power Standardization Complex, and a company undertaking the Secretariat of the Guangdong Provincial Wind Power Standardization Technical Committee, we actively participate in the proposal and preparation of international ISO and IEC standards, take the lead in the formulation and revision of international standards, national standards, industry standards and group standards, promote the research and development of technical standards in the wind power field, and drive the upstream and downstream of the industrial chain to form a standardized industry ecosystem. As of December 2023, we led and participated the preparation of 3 industry standards, 3 group standards, and 1 local standard; participated in the preparation of 17 international standards, 70 national standards, 116 industry standards, and 27 group standards, totaling 237 standards.

As of December 2023:



Case

Establishment of comprehensive standard technical cooperation with National Technical Committee 50 on Wind Energy Generation Systems of Standardization Administration of China

In September, we signed a three-year strategic cooperation agreement with National Technical Committee 50 on Wind Energy Generation Systems of Standardization Administration of China for comprehensive standardization technology cooperation in standard formulation, standard system construction, standardization training and other aspects, assisting in promoting the standardization construction and development of the wind power industry.



Participating in Overseas Exchange

Adhering to the concept of "global cooperation and global sharing", we expands its international cooperation fields with a positive and open attitude, participate in and promote international economic and trade exchanges, and jointly promote the healthy and rapid development of the global new energy industry.

Case

Attending the Guangdong-Hong Kong-Macao Greater Bay Area and Europe Economic and Trade Cooperation Conference

In September, we were invited to attend the Guangdong-Hong Kong-Macao Greater Bay Area and Europe Economic and Trade Cooperation Conference held in Munich, Germany. At the conference, we introduced its cooperation with world leading energy enterprises such as NEA and AE Solar, as well as the business development in European. we showcased the current status of technical cooperation, resource collaboration, and supply chain system construction with many well-known universities and international certification bodies in Denmark, Germany, and the United Kingdom. We also signed a joint venture project with Neuman & Esser Group in Germany to manufacture key hydrogen energy equipment and share the "Chinese wisdom and solutions" for wind and photovoltaic power resource development with the world.



# Beautiful and Harmonious Society

Benefiting human society is an important part of corporate mission of Mingyang Smart Energy. We have focused on social focal issues for a long term such as rural energy transformation, rural revitalization, poverty alleviation and intelligence assistance. We assist in the revitalization of rural industries and the construction of green and beautiful countryside with advanced technologies, support public welfare with financial resources, drive regional development with employment support, enhance people's sense of happiness and social harmony, and paint a beautiful picture of coexistence and prosperity between people and society.



Responding to the United Nations Sustainable Development Goals (SDGs):



## Devoting into Rural Revitalization

Mingyang Smart Energy actively explores the implementation path of rural energy transformation, organically combines energy investment and construction with rural revitalization, empowers the development of rural wind power to reduce costs and improve efficiency, and realizes the beautiful dream of "electricity from around".

### Smart Rural Construction

We actively promote the revolution of rural energy production and consumption, carries out five major projects for the development of clean energy in rural areas, including rural comprehensive energy intelligent control platform, carbon neutrality demonstration town, clean energy demonstration village, clean energy source network load storage integration demonstration zone, and clean energy inclusive innovation demonstration platform. We fully develop local renewable energy resources, creates carbon neutrality demonstration villages with high proportion of using clean energy, and contributes solutions and wisdom to the construction of a modern rural energy system.

Case

#### Attending the Second Rural Energy Development Conference and sharing the construction plan for "Smart Green and Beautiful Town"

In June, Mingyang Smart Energy attended the 2023 (Second) Rural Energy Development Conference and shared the overall solution for building "smart green and beautiful town", which is combined by the integrating construction solution for biomass gasification station with environmental and economic benefits, the photovoltaic power generation solution for promoting green and efficient development of agriculture and fishery, and the distributed wind power construction solution for developing scattered idle land. The "smart green and beautiful town" allow us to achieve efficient utilization of land resources, agricultural resources, and various clean energy sources, and to create a town that achieves carbon neutrality, contributing Mingyang unique smart energy crystallization to lighting up green and beautiful rural areas.



## Carrying out the "Thousands of Townships and tens of thousands of Villages Harnessing the Wind Program"

The company implements the "Thousands of townships and tens of thousands of villages harnessing the wind program" which meets the policy requirements for the wind power industry proposed in the 14th Five-Year Plan for the Development of Renewable Energy. We actively responds to the call for wind power to go to the countryside, and establishes pilots in Xinyang, Henan, and Wenshan, Yunnan in the development model of "wind power+empowering rural areas", which innovates investment and construction models and land use mechanisms, promotes the layout of distributed wind power projects, and effectively supports rural wind power construction and low-carbon transformation of clean energy.

The pilot of "harnessing the wind"

- Wenshan, Yunnan:** Our Yunnan production base implements the "harnessing the wind program" rural revitalization decentralized wind power project in Qiubei County, Wenshan City, promotes the development of local building materials, transportation and other related industries, plays a positive role in expanding employment and developing the tertiary industry, and drives the development of local economy and social progress.
- Xinyang, Henan:** Our Xinyang Production Base has launched the "harnessing the wind program" in Huaibin, Xinyang City, to explore rural wind power resources, revitalize rural land stock, and share power generation revenues. We build Huaibin County into the first county in China with full coverage of wind power, generating collective income more than 17 million yuan, providing nearly 100 jobs, and achieving a win-win situation for both enterprises and villages.

### The Project for Hundreds of Counties, Thousands of Towns, and Myriads of Villages

This project is the top project in promoting high-quality development in Guangdong. We promote the development of rural cultural tourism, agriculture and fishery, education, and other industries, upgrades rural infrastructure, and does practical things and seeking benefits for the local people through paired assistance, industrial assistance, poverty alleviation donations, and government-enterprise joint construction.

## Enthusiastic in Public Welfare and Charity

Keeping the original intention of "serving the country through industry", Mingyang Smart Energy engaged in public welfare fields such as volunteer service, poverty alleviation, education, disaster relief and rescue for many years. We transform the "Motivated" creativity into a continuous social welfare, benefiting a wider range of people.



In 2023, Mingyang Smart Energy totally invested RMB **85.6693** million in public welfare and charity.

### Community Volunteering

We advocate employees to actively participate in volunteer services. The group's labor union coordinates the establishment of a volunteer team to manage volunteering expenses, regularly organize public welfare blood donation, park cleaning, community condolences and other activities. We create a series of cultural public welfare brands such as "July 1st Blood Donation" and "Chongyang Elderly Respecting". With the love and enthusiasm of the employees, We convey the positive energy of dedication and love to society.



In 2023, we have a total of **1,636** persons who have participated in volunteer activity.



July 1st Blood Donation



Double Ninth Festival condolence activity in Shabian Community

## Disaster Relief and Rescue

We continue to notice natural disasters such as earthquakes, typhoons, and floods. Through charitable donations, we contribute to disaster relief and post disaster reconstruction, which interprets social responsibility through practical actions. In December 2023, we donated RMB 20 million to earthquake stricken areas in Gansu and Qinghai for emergency rescue, procurement of disaster relief materials, resettlement of affected people's lives, and post disaster reconstruction.

Certificate of donation of RMB 10 million to earthquake stricken area in Qinghai



## Mingyang Education Fund

Education is the foundation of a century development plan. We have established Mingyang Education Fund and signed donation agreements with the Zhongshan Red Cross Society, the Torch Development Zone Red Cross Society, and the Torch Development Zone Education Guidance Center, for basic education projects such as assisting impoverished students, rewarding advanced students, and campus construction.

## Assisting in Regional Development

Mingyang Smart Energy relies on the industrial layout of the subsidiaries and production bases, actively employs local labor with appropriate age, serves various artistic activities and sports events, and empowers local economic and cultural development.

### Driving Local Employment

"Keeping employment stable" is the top priority of the "stability on the six fronts", which is related to the overall situation of basic people's livelihoods, economic development and social stability. We have implemented localized employment policies in underdeveloped areas such as Yunnan and Inner Mongolia, and prioritized the employment of local labor in campus recruitment and social recruitment. We actively connect with local universities and timely releases employment needs to maximize the consolidation of employment as the foundation of people's livelihood.

#### Driving employment performance

- **Xilin Gol League Base:** Providing internship and employment opportunities for the locals, and introduced 162 talents in production, technology, and management.
- **Daqing Base:** Combining the local "one-time job expansion subsidy" policy, introduced fresh college graduates and recruited 1,256 new employees.

### Serving Cultural and Sports Undertakings

We pay close attention to the development of urban culture, sports, and tourism. We encouraged our employees to actively participate in activities such as Dali Binchuan Grape Culture Tourism Festival, Yangjiang Hailing Island Marathon, and Zhanjiang Xuwen Marathon. We organized the activities with the theme of "Running with Wind", advocated a green lifestyle like recycling materials, and empowered the development of green ecological civilization in the city.



Participation in Yangjiang Hailing Island Marathon

## Fair and Healthy Growth

We always adhere to the people-oriented development concept, continuously improve the employee rights protection mechanism, improve the employee training and development system, safeguard the safety and health of employees, focus on improving employee well-being, and strive to create a fair, healthy, equal, and loving working environment for employees. We build a sustainable enterprise with employees.

Responding to the United Nations Sustainable Development Goals (SDGs):



## Protecting Employee Rights and Interests

We respect, maintain and protect the basic rights and interests of employees, strictly implement compliant employment policies, improve the salary and benefits system and democratic management mechanism, deeply get the needs and expectations of employees, and take practical measures to improve employee satisfaction. In 2023, we realized 100% of labor contract signing rate and social security coverage rate.

### Compliant Employment

We adhere to the basic principles of compliant employment, implements various laws and regulations such as the Labor Law of the People's Republic of China and the Labor Contract Law of the People's Republic of China, firmly oppose the non-compliant behaviors such as forced labor and child labor, and are committed to creating a diverse, inclusive and equal environment.

#### Implementing equal employment

We have formulated and promulgated internal recruitment regulations such as MF-WI-HR-024 Recruitment Management System B1 which clearly stipulates the strict implementation of equal employment and open and fair recruitment management requirements in recruitment. The regulations ensure that workers are not discriminated against due to differences in race, ethnicity, gender, nationality, religious beliefs, etc., and effectively ensure the fairness, legality and standardization of recruitment.



#### The Recruitment Management System clearly stipulates that

- All needed jobs of the company shall be published in real-time, and internal or external recruitment shall be conducted in open recruitment.
- In the recruitment process, the company shall ensure consistency in the recruitment process and personnel selection criteria, and select candidates based on their match degree with the position.
- The basic requirements for recruiting new employees are that they must be at least 18 years old. Any violation of child labor regulations will be dealt with severely.

**Enhancing diversified employment** We actively respond to the General Secretary and President Xi Jinping's instructions to promote high-quality and full employment, improves internal and external recruitment processes, takes many measures to expand employment channels, implements classified policies to promote employment for key groups such as college graduates and retired soldiers, and strives to expand employment capacity and improve employment quality.

#### Improving the internal and external recruitment channels

##### Internal recruitment



Based on the principle of respecting the professional development of talents, we have established and improved the internal circulation mechanism of talents and distributed the internal recruitment information to all employee through our OA platform and the WeChat official account. Human Resources Department is responsible for coordinating the internal recruitment and management to open up the talent development channel.

##### External recruitment



We fully expand our external recruitment channels and hold campus recruitment through promotional and double-selection meetings in target universities in the spring and autumn recruitment periods. In addition, we publicly select personnel from society based on employment needs in forms of job fairs, intermediary agencies, headhunting, online recruitment, etc.

#### Promoting employment for key groups

We pay attention to the employment of key groups such as veterans, college students, and migrant workers. We actively collaborate with local government authorities and associations such as the Veterans Affairs Bureau and the Veterans Promotion Association to participate in online/on-site recruitment fairs for outstanding veterans which provided job opportunities. Furthermore, we actively respond to the call of the State Council to stabilize and promote employment, and mainly recruit groups such as migrant workers and college graduates in many channels such as campus recruitment, social recruitment, and online recruitment, contributing to alleviating employment pressure.

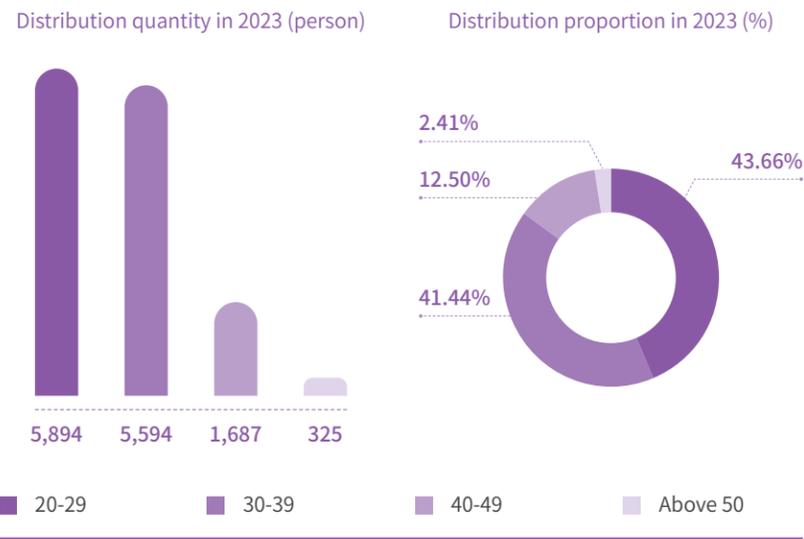
#### Key performances

##### In 2023, in the company

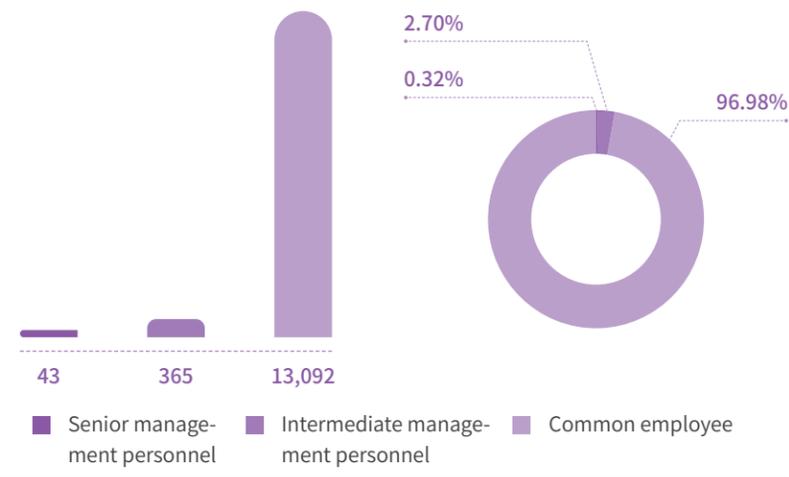
Total number of employees .....	<b>13,500</b>	Number of female employees .....	<b>2,094</b>
Proportion of female middle and above level employees .....	<b>13.73</b>		
Number of disabled persons .....	<b>98</b>	Number of ethnic minority employees ....	<b>1,020</b>
Number of fresh graduates .....	<b>942</b>	Number of new employed persons .....	<b>2,025</b>



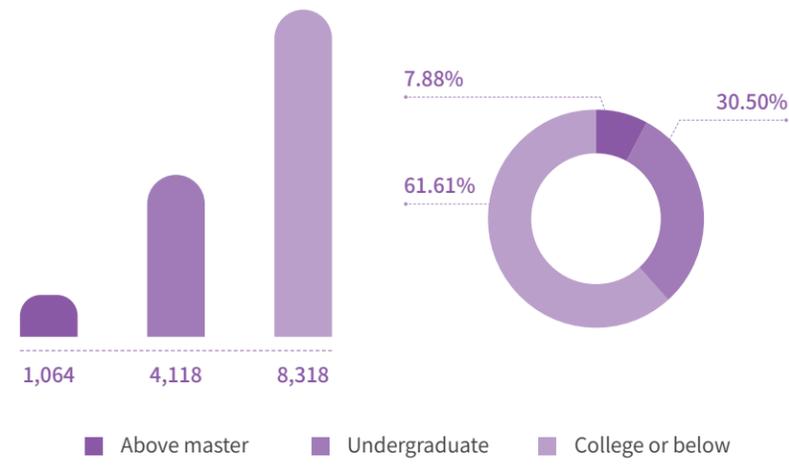
 Employee age



 Employee title



 Employee education background



## Salary and Benefits

With the salary levels and distribution mechanisms of operating location and peer companies as benchmark, we formulate and release the Salary Management Measures, continuously strengthen market-oriented salary management systems and differentiated salary incentive systems, and are committed to providing employees with competitive salaries and a diversified and multi-level welfare guarantee system, enhancing their sense of security and happiness.

### Salary structure

Monthly salary+performance bonus+year-end bonus+various subsidies (heatstroke prevention subsidies, heating subsidies, rental allowances, catering allowances, communication subsidies, etc.)

### Statutory benefits

Five insurances and one fund (pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing provident fund), statutory holidays, paid annual leave, marriage leave, maternity leave, paternity leave, sick leave, etc.

### Autonomous welfare

Supplementary medical insurance, employer liability insurance, and diversified life services (including accommodation, cafeteria, gym, yoga class and basketball court, football field, badminton hall, table tennis hall, running team, etc.)

### Incentive policies

Annual salary adjustment, promotion salary adjustment, year-end performance bonus, project bonus, high amount of interest-free house purchase loan, medium and long-term equity incentives, etc.

## Democratic Management

We respect and support the expression of democratic rights and interests of employees, continuously optimize and improve the employee communication management system, formulate the Internal Communication Management Procedure, regularly carry out various forums, employee representative conferences, satisfaction surveys and other activities, and open up internal communication channels such as OA, email, enterprise WeChat, telephone, and employee opinion boxes to effectively protect the democratic rights of employees, such as the right to know, participate, express and supervise.

We actively conduct employee satisfaction surveys in forms of questionnaires, symposiums, and other forms. We deeply know the employees' needs and expectations in terms of work environment, training and development, compensation and benefits. We provide timely feedback and summary of the survey results, propose corrective measures and relevant tracking records to comprehensively improve employee satisfaction and promote employee participation in development of the company.

## Emphasizing Employee Development

We firmly establish the development concept of making progress and growing together with employees, based on the career development plan for the full life cycle of talents and the company's strategic development goals, and deeply implement the talent strategy of "double hundred cultivation, leader highlight, and entrepreneurship encouragement". In addition, we continuously optimize and improve the existing training system and career development channels, help employees achieve comprehensive development and business performance, and create a high-quality "talent engine" for the achievement of the group's strategic goals and sustainable development.

### Employee Training

Based on our guidance thought of building a talent supply chain for the future, we comprehensively carry out talent team construction and training, and improve the employee training system, continuously improve training systems such as the Training Management System, Lecturer Management System and Qualification Rating Evaluation Management System. We are committed to creating a more professional training platform for employees.

In 2023



Mingyang School independently developed more than **40** professional high-quality courses

Mingyang group developed more than **600** courses.



organized an internal lecturer team with nearly **300** lecturers

#### Employee training system

#### Key performances

In 2023, in the company

Employee training coverage rate: **81.58%**

Total investment in employee training: RMB **7.6213** million

Total duration of employee training: **1,112,240h**

#### Strategic guiding ideology

Build a talent supply chain for the future

#### Four-factor strategy layout

Practical, customized, systematic and branded

#### Five key businesses

Project management and specific business group training system, talent pool and new force career development plan, establishment of training and certification center and client system planning, lecturer and course resource system planning, qualification system planning and national professional level certification

#### Nine core project groups

Project management, training programs for the four main business lines, three talent echelons, cultivation of new talents in social and school recruitment, establishment of certification centers and skill certification, customer training and brand building, internal trainer team building, development of management and professional line courses, and implementation of task qualification plans for title evaluation

#### Digital platform support

Employee training management measures, internal trainer management measures, continuing education management measures, talent echelon construction management measures, point management measures, online learning platform management and operation, and construction of management system of training and certification center

### Featured training programs

We attach great importance to the construction and cultivation of talent echelons, and build a talent training matrix based on job responsibilities, required professional skills and requirements. We have successively promoted characteristic training projects such as "leading force, main active force, innovative power, and active new generation" to meet the diversified training needs of employees, continuously improve their management level and professional skills, and accumulate kinetic energy for the long-term development of the company.

Training program	Object	Positioning/target	Form
Leading force	Group senior management and core backbone	Build a high-quality and sustainable core leadership teams	We collaborate with Tsinghua University School of Economics and Management to offer themed courses such as "energy enterprise strategy practice, low carbon economy and carbon peak and carbon neutrality strategy, industry analysis and development prospects, and enterprise management and innovation".
Main active force	Middle management group	Cultivate many reserve talents who know strategies, excel in business, and are good at management	We conduct themed courses around topics such as "business thinking, coaching leadership, high-performance teams, performance management and improvement, and technological innovation".
Innovative power	Professional technical staff	Create professional new talents and technological stars	We offer many high-quality courses such as professional technical courses and beginner management courses. Through a dual line training model of professional general abilities and specialized business abilities, the courses are connected to actual work scenarios
Active new generation	Fresh graduates	Accelerate cultural integration and assist in job competency	We design a learning map around the dimensions of "thinking transformation, business integration, growth breakthrough, and cultural coexistence", builds a theme course system, and organizes a lecturer team.



### My-learning platform

We have carefully created "My-learning" internal learning platform that integrates course learning and community interaction. This platform breaks down the temporal and spatial barriers of traditional offline classrooms, greatly improves the convenience and accessibility of employee training, and provides employees with learning resources and communication opportunities anytime, anywhere. In 2023, My-learning platform held over 4,000 training programs (including online learning plans, O2O programs, offline programs, live broadcasts, exams, etc.), covering 250,000 people.

### Training and assessment

We have established a comprehensive employee training and assessment mechanism which is closely linked with the salaries and promotions of employees and responsible leaders, with a view to motivating employees in careful learning, encouraging the main responsible persons of each business module to actively take on the quality management of employee training, and ensuring that the quality and effectiveness of employee training are comprehensively improved.

**Employee training and assessment**

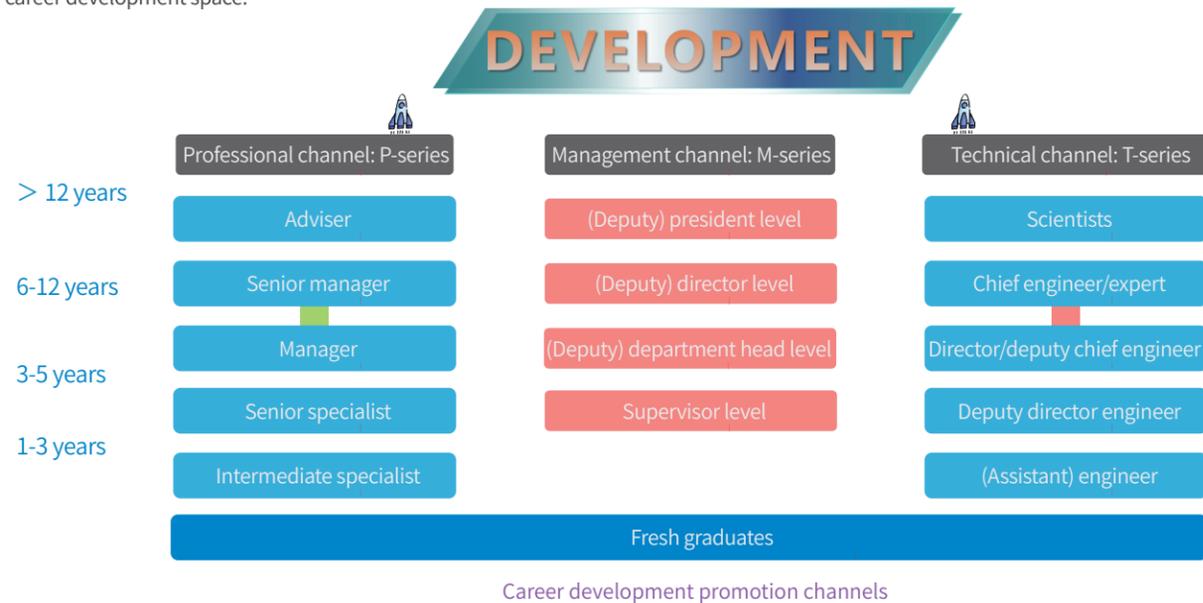
We take a point-based management approach and manage the points based on attendance, classroom performance, homework, and value contribution. In addition, we conduct a talent inventory based on student performance, ability and quality, and development potential, identify outstanding students with high potential, and provide them with career development incentives, such as training resources, promotion and job change.

**Training and assessment for responsible leaders**

Set assessment indicators such as "department training hours per capita  $\geq$  2 hours", "successor training", "course development and teaching", etc. The qualification standards for professional channels (T, P, E, and O sequences) specify the requirements for "number/duration of lecturers and course development".

## Employee Promotion

We deeply recognize the individual differences in employee development. In accordance with the needs of the company's talent echelon construction, we adhere to the principles of fairness, openness, and impartiality to create a clear and transparent career promotion road for employees, ensuring that all employees can enjoy equal promotion opportunities. Furthermore, we comprehensively consider the unique attributes of every business module, carefully design diversified promotion channels and standards, and form a multi-career channel system integrating management channels, business channels, and professional channels to provide employees with broader career development space.



## Realizing Employee Care

We prioritize the occupational health of our employees and continuously optimize their work environment to ensure efficient work in a comfortable and healthy environment. In addition, we also pay close attention to the daily lives of our employees. We actively hold condolence and assistance activities, provide necessary support and assistance to them in a timely manner and wholeheartedly hold employee caring activities with a view to improving their sense of happiness and belonging, and promoting the comprehensive development of employees and the long-term prosperity of the company.

### Occupational Health Management

We are committed to creating a safe and healthy working environment for our employees. We continuously improve and evaluate the occupational health and safety management system, and formulate relevant systems such as occupational disease hazard prevention and control responsibility system, occupational disease hazard warning and notification system, occupational disease prevention and control publicity and education training system. In addition, we regularly conduct employee occupational examinations, comprehensive examinations, and special examinations, establish employee health management files, and know the occupational health status of employees. Furthermore, we actively carry out various occupational health training and promotion to strengthen the basic knowledge of occupational health for all employees.



ISO45001 certificate

In 2023

the regular physical examination rate of our employees reached over **95%**

the number of employees with occupational diseases in the year was **ZERO**

with **ZERO** occurrences of occupational diseases

### Employee Caring and Assistance

We deeply care about the lives of our employees, build a labor union service system with a focus on "inclusive services and precise assistance", and regularly carry out condolence visits for key employee groups such as employees with difficulties and employees in first production line. Besides, we fully leverage the caring role of the group's "love fund" and provide assistance to compliant employees in accordance with the "Love Fund Management Measures", bringing warm to employees.

In 2023

Mingyang Love Fund provided assistance to **14** employees



## Balancing Work and Life

We focus on the physical and mental health of our employees, and set up sports venues such as gyms, basketball courts, football fields, badminton courts, table tennis courts, and billiards fields in the office area to meet their daily fitness and entertainment needs and help them relieve work pressure. Furthermore, we organize a variety of cultural and sports activities such as sports meet, basketball friendly matches, and Spring Festival Gala. We offer courses such as yoga, jazz dance, Pilates, and flower arrangement to help employees cultivate their interests and hobbies in their spare time, so as to better balance work and life and improve the overall quality of life.



Women's Day Theme Activity



Basketball Friendship Tournament



Jazz class members performance



May 4th walking event



Collective wedding on the 30th anniversary celebration



2024 Spring Festival Gala

## Strengthening Safety Production

We deeply implement the General Secretary and President Xi Jinping's strategic deployment on the new security pattern in the report of the 20th National Congress of the Communist Party of China, comprehensively coordinate safety and development, and continuously improve the safety production management system and safety emergency management mechanism, implement a dual prevention mechanism of safety risk grading control and hazard investigation and governance, which effectively strengthen the safety production management of employees, contractors, suppliers and other stakeholders, and consolidate the main responsibility of enterprise safety production. In 2023, we invested a total of RMB 21.9755 million in safety production, and had no major safety accident.

### Safety production Management System

Persisting in the safety management concept of "sensible leadership, direct responsibility and local management", we continuously improve and perfect the safety production management system and emergency management mechanism, and issue many safety production management systems, plans, operation manuals, and other documents. Besides, we implement the principle of "the one who is in charge is responsible", improve the organizational structure of safety production management, ensure the horizontal and vertical coverage of the safety production responsibility system for all employees, and comprehensively strengthen the guarantee of safety production system and organizational guarantee.

#### Top level system

We establish and improve various safety production management systems. We have issued many institutional documents such as Safety Production Responsibility System, Safety Production Reward and Punishment System, Safety Education and Training Management System, Equipment Safety Management System, Work Injury Accident Management System, and Emergency Plan Management System which effectively strengthen the standardization of safety production management.

#### Management Structure

We have established a Safety Production Committee and Safety Committee Office/Safety Environment Office at the company level which are responsible for unified research and deployment of annual safety production management. In addition, we promote the establishment and improvement of a three-level safety management structure for all subordinate companies. We ensure that employees from senior to grassroots levels can clearly know their safety responsibilities, and ensure that all safety measures are effectively implemented, forming a good atmosphere of full participation and joint maintenance of safety production.

#### Management objectives

Based on the actual safety production situation of the company, we develop the Safety Production Objective Management System and Safety Production Objective Indicator Assessment System. The safety team is responsible for making annual and monthly safety production goals according to the company's overall strategy and safety production needs, and submitting them to the general manager for approval. The safety responsibilities are broken down into different departments and personnel in form of safety target responsibility letter. A sound institutional system and management framework ensure the clarity, operability, and quantifiability of safety production management objectives, in order to promote the continuous improvement and efficient execution of our safety production.

#### Emergency management

We continuously improve our emergency management systems, prepare and issue the Emergency Plan for Safety Production Accidents, and prepare special emergency plans such as Special Emergency Plan for Fire Accidents, Special Emergency Plan for Lifting Accidents, Special Emergency Plan for Container Explosion Accidents, and Special Emergency Plan for Limited Space Accidents to enhance our ability to respond to risks and prevent accidents. In addition, we regularly conduct safety emergency drills and training to enhance the emergency response ability, coordination and cooperation ability, and crisis handling ability of personnel at all levels in emergencies by simulating real scenarios, ensuring that they can make quick and accurate judgments and take action in emergencies. In 2023, we organized a total of 71 safety emergency drills throughout, with a total of 24,005 participants.

## Safety Hazard Investigation and Management



In 2023, we inspected **2,355** places in total

identified **10,454** hazards

with a total hazard rectification rate of **100%**

We highlight the investigation and treatment of safety hazards in production, establish and implement a dual prevention mechanism of safety risk classification control and hazard investigation and treatment, and regularly hold special activities for safety hazard investigation and treatment. We carry out daily hazard investigation, comprehensive hazard investigation, seasonal hazard investigation, professional hazard investigation, major activities, pre-holiday hazard investigation and accident analogy hazard investigation to timely identify and eliminate potential risk sources, and ensure the safety and stability of the production process.



To eliminate the risks of falling and tilting of the web in lifting by beam and lifting straps ways, we use the web pressure fixture method for overall lifting, positioning, and fixation, to avoid the risk of falling and tilting of the web in lifting. This method effectively solves the problem of structural adhesive dripping, and improves production efficiency.



Previous web straight beam and sling lifting mode



Current web pressure fixture method lifting mode



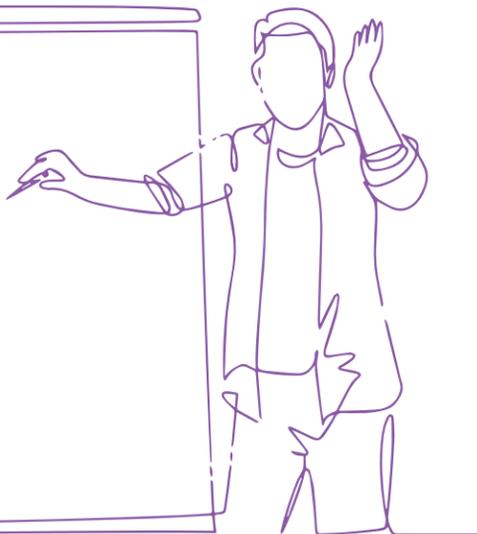
In the past, the blade was installed by a forklift and transfer fixture. Manually assist the rotation in middle part of blade. The previous method has the disadvantages of high labor strength and high safety risk. At present, the blade is remotely installed by blade intelligent transfer vehicle. Only two workers are required (one for operation and one for warning).



Previous blade installation method by forklift and transfer fixture



Current blade installation method by intelligent transfer vehicle



## Cultivation of Safety Production Culture

We continuously strengthen the cultivation and promotion of safety production culture. Through various measures such as safety production education, professional training, and practical exercises, we create a safety production culture atmosphere of "safety for production, production for safety", and comprehensively enhance employees' safety production awareness and ability to respond to emergencies to ensure that every employee can deeply know and practice the concept of safety production, and jointly build a safe and stable working environment.

### Safety production education

We have established a comprehensive and systematic safety production education system. We convey the latest requirements and key precautions for safety production to employees in time by utilization of diversified communication channels, such as pre-class meeting, special topic meeting and safety technical disclosure. We have also taken measures such as organizing employees to watch accident case education propaganda videos, posting safety production banners in office areas, and organizing employees to sign and promise on the banners to further deepen their awareness of safety production.



Safety culture wall in Tianjin Base



"No accident production" oath taking event in Daqing Base

### Safety production training

We effectively fulfill our main responsibilities of safety production management training, design corresponding training plans for different positions and responsibilities, and regularly organize employees to participate in training activities about safety operation procedures, accident prevention measures, emergency rescue and other content to ensure that each employee has necessary safety knowledge and skills. In addition, we actively promote the participation of stakeholders such as subordinates, contractors, and suppliers in training. Through experience sharing and exchange, we jointly promote the overall improvement of safety production level.

In 2023, we organized **2,903** training sessions in total

with **112,930** participants

**441,287** hours of training

### Case

#### Daqing base held a fire emergency activity

In November, the Safety and Environment Office of Daqing Base held a fire education and emergency drill with the theme of "prevention first, life supreme". The the Safety and Environment Office hung fire education posters in 5 populated areas such as the blade factory and office building, and organized employees to watch fire education warning videos. Workshop supervisors and section chiefs were organized to conduct a "zero tolerance" fire inspection in areas under their management, creating a cultural atmosphere of fire safety. In addition, fire emergency drill was conducted in the workshop to explain basic fire knowledge to employees, to enhance their ability to extinguish initial fires, and comprehensively enhance their fire emergency response capabilities.



# Keeping Stable Operation

The stable operation is a solid foundation for a company to maintain vitality and healthy development. Mingyang Smart Energy continuously improves the corporate governance structure, comprehensively strengthens legal and compliant management, adheres to business ethics, enhances risk control capabilities to further enhances the operational efficiency and provide strong guarantees for sustainable development.

Responding to the United Nations Sustainable Development Goals (SDGs):

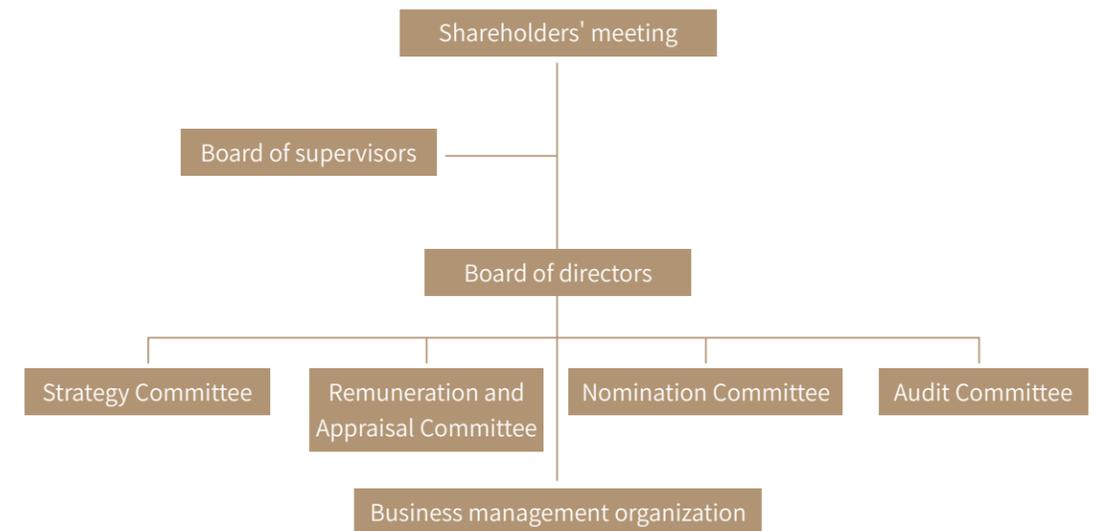


## Company Governance

Mingyang Smart Energy strictly complies with the requirements of laws and regulations such as the Company Law, Securities Law, and Code of Conduct for Listed Companies, continuously improves the corporate governance structure, enhances the level of board governance, strengthens information compliance disclosure and investor relationship management, and continuously enhances the effectiveness of corporate governance to safeguard the sustainable development of the company.

### Governance Structure

We establish a standardized and rigorous corporate governance structure, and clearly define the responsibilities of the shareholders' meeting, board of directors, board of supervisors, and special committees of the board of directors. The board of directors has four specialized committees. The Strategy Committee is responsible for reviewing major strategic direction matters such as refinancing. The Audit Committee is responsible for reviewing major financial decision-making matters such as annual and quarterly reports. The Remuneration and Appraisal Committee is responsible for reviewing executive compensation and equity incentives. The Nomination Committee is responsible for reviewing by election director matters. The functions of these committees are scientifically and reasonably divided, providing organizational support to the efficient governance of the company.



In 2023, the company held:

Shareholders' meeting 4 Nr	adopted proposals 24 Item	adopted proposals 10 Nr	Board of directors 65 Item
Board of supervisors 9 Nr	Nomination Committee 4 Nr	Strategy Committee 2 Nr	

## Governance of Board of Directors

We attach great importance to the diversity of our board members. We recognize that a diversified Board of Directors can provide a broader perspective and a wide range of professional experience, which not only helps to enhance the science of decision-making, but also improves the overall effectiveness of corporate governance. We also value the comprehensive governance ability and professional expertise of the Board members. During evaluating the composition of the Board and reserving candidates for directorships, the Board and the Board Nomination Committee will consider a number of aspects, including gender, age, cultural and educational background, professional qualifications, skills, knowledge, and experience in the industry and the region to ensure that the board members have efficient governance and scientific and comprehensive decision-making capabilities. The Board Nomination Committee and the Directors will continuously review the implementation of the diversity policy to ensure its effectiveness. In addition, we have imposed restrictions on the number of concurrent positions that independent non-executive directors may hold on the boards of directors of other listed companies to ensure their can focus on corporate governance affairs.



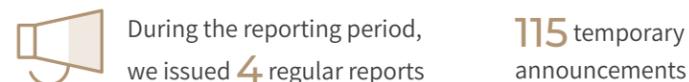
## Investor Relations

Based on the requirements of Shanghai Stock Exchange and China Securities Regulatory Commission, we have formulated and implemented the Investor Relations Work Management System to strictly ensure the transparency and quality of information disclosure on major issues, deepen investor exchanges, and effectively protect the legitimate rights and interests of investors, especially small and medium-sized investors.

### Information disclosure

We disclose information through official media and platforms such as China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times, and the Shanghai Stock Exchange website to ensure that all investors can access to the company's information in a fair way.

Adhering to the principles of true, accurate and complete information disclosure, we urge relevant personnel to strictly comply with information disclosure regulations and insider information confidentiality, and fairly disclose significant information to all investors.



### Communication and interaction

We actively hold various forms of investor communication and exchange activities through diversified communication channels such as online performance briefing, public information consultation hotline, and "e-Interactive" investor relationship interaction platform, to smooth the communication channels between investors and senior management of the company, respond to key issues of concern to investors, and enable investors to accurately know operation situation and strategic planning of the company. In 2023, we answered over 700 investor hotlines and answered 197 investor questions on the "e-Interactive" platform, thereby keeping sufficient and good communication with various investors.

## Compliance Management

We attach great importance to compliance management. We establish an effective compliance management system, strictly controls the implementation of internal control audits and anti-corruption, and strengthens employee compliance awareness education and training to ensure the compliance and legality of the company's daily operations and business activities, and promotes high-quality development of the company through efficient and compliant measures.

### Building a Strong Compliance Defense Line

In our compliance management system, we establish a clear mechanism of "three defense lines" to ensure effective implementation of compliance management at all levels.



## Internal Control Audit Supervision

We highlight internal audit. We continuously optimize and improves the company's internal audit system, audit work system, and audit supervision system, and strengthen the training of the audit team work ability, to effectively improve the quality and efficiency of audit, and ensure the stable and compliant operation of the company.

### Strengthening internal audit



we sorted and optimized various key processes, and audited **59** items



the annual infrastructure project settlement was reduced by RMB **4.05** million

We continue to improve our internal audit systems and policies, and have revised and prepared audit systems such as the Internal Audit System, Internal Control Audit System, Internal Audit Problem Rectification Management System, and Internal Audit Rewards and Punishments System to promote the systematization and standardization of internal audit work and effectively enhance the internal audit capabilities of the company. On the other hand, we continuously optimize our internal audit systems. In 2023, we established an internal audit department directly led by the Audit Committee. The audit department is specifically responsible for evaluating the effectiveness of internal controls, checking the compliance and efficiency of business activities, and auditing the accuracy and compliance of financial statements. Therefore, our compliance governance level has been effectively improved.

In 2023, we sorted and optimized various key processes, and audited 59 items, including internal control audit, infrastructure audit, and special audit. In 2023, the annual infrastructure project settlement was reduced by RMB 4.05 million, effectively improving the transparency and accuracy of fund management. The audit work achieved significant results.

### Improving the supervision system

We have established a three-in-one supervision and management system of "internal supervision, external supervision, and collaborative supervision". The management, internal audit department, and legal risk control department conduct daily internal supervision of various departments. Third party organizations such as government regulatory authorities, industry associations, and accounting firms conduct external supervision. In addition, we synchronously establish information sharing and collaborative supervision mechanisms among departments within the company and between the company and external institutions to ensure the effectiveness and independence of audit.

### Strengthening audit training

We conduct a comprehensive evaluation of the capabilities of the audit team. Based on the evaluation results, we develop a training system for auditors that meets the actual situation and ability needs to provides auditors with basic courses about audit theory, internal control evaluation, team communication and collaboration, professional skills courses, and soft skills training courses with a view to enhancing the work skills and comprehensive quality of the audit team. we expand the learning channels for auditors, and continuously improve training efficiency and quality through Mingyang School online learning platform, external audit institution joint training, and offline interactive learning mode.

## Cultivating a Compliance Culture

Based on business changes and strategic priorities, we regularly provide targeted and focused compliance training for employees every year to help them know the latest laws, regulations, and compliance requirements, to enhance their compliance awareness and risk prevention capabilities, and to gradually cultivate and establish a compliance culture.

## Maintaining an Integrity Atmosphere

Regarding maintaining an integrity atmosphere as important mission, we continuously revise the anti-corruption system, carry out special integrity rectification activities, create a integrity culture atmosphere, and severely punish and handle corruption incidents with a view to enhancing employees' awareness of integrity and self-discipline, and guarding the bottom line of integrity.

### Building an integrity system

We actively promote the construction of anti-corruption systems. We issue a series of important systems such as the Anti-fraud Management System, Disciplinary Inspection and Supervision Management Measures, Disciplinary Inspection and Supervision Audit Department Problem Clues Management Measures, and Part-time Supervisors and Part-time Supervision Correspondents Management System. We restrain and standardize employee behavior in system to prevent corruption from the source. We make efforts to build a stereoscopic anti-corruption prevention and control system of "cracking, preventing, integrating, and building".

### Special governance of violations

In 2023, our Discipline Inspection and Supervision Department took the lead in carrying out a special rectification activity against the event that internal management personnel withheld department and employee bonuses under the pretext of collecting group construction costs. The department carried out a special investigation on the "small vaults" of various departments and subsidiaries.

In this special rectification activity, the company identified **7** violating departments

involving **144** people

### Promoting an integrity culture

We closely rely on the core values system of "Born by nature, Motivated infinitely", and builds an integrity culture system with "doing things honestly, being a clear person, and utilizing clean energy" as its core values. We also form a specific codes of conduct for an integrity culture that covers aspects such as respecting the law and discipline, putting the system first, self-discipline and self-reflection, risk awareness, and accountability for violations, thereby creating an integrity and honest work atmosphere.

In 2023, we conducted **2** special integrity education activities

produced and distributed **535** promotional posters

distributed more than **2,000** anti-fraud themed promotional mouse pads

we held **11** anti-corruption and integrity training sessions

covering over **10,000** employees

Case | Integrity warning education conference advocated the integrity atmosphere

On the occasion of the 10th National Constitution Day, we held an integrity warning education conference in the multifunctional hall on 5F of the headquarters building. Zhang Chuanwei, Secretary of the Party Committee and Chairman of the Group, emphasized to employees the three points of "following rules", "respecting regulation", and "keeping integrity", and put forward requirements for employees in terms of compliance with laws and regulations, anti-corruption, and integrity style. The conference invited investigation experts from Zhongshan Municipal Public Security Bureau and experts from the Central Commission for Discipline Inspection to give lectures. Through case analysis and interpretation of laws and regulations, the conference popularized integrity knowledge to attendees and enhanced their legal and integrity awareness.



Punishing corruption incidents severely

We punish corruption incidents with a "zero tolerance" attitude, and takes decisive measures to ensure the implementation of rules and regulations and the maintenance of operational order. In 2023, we imposed disciplinary measures such as terminating labor contracts, recovering disciplinary gains, and issuing notices of criticism on personnel involved in illegal use of company equipment and consumables for paid business, false invoicing, and reimbursement violations. We proactively analyze the causes afterwards, continuously revise and improve relevant rules and regulations, conducts internal training and education conferences to enhance employee compliance awareness, and further strengthen internal supervision to prevent another relevant incidents.

Improving the reporting mechanism

We are committed to creating a public, transparent and open corporate image, and have formulated many systems such as the Management Measures for Problem Clues of the Discipline Inspection, Supervision and Audit Department, Anti-fraud Management System, and Reward System for Reporting and Handling Meritorious Personnel. We improve the reporting mechanism for corruption incidents, and encourage employees, suppliers, external organizations, and other stakeholders to complain and report any corruption behavior of the company in letters, phone calls, online, and other means.

After receiving the complaint and report clues, we submit them to the case committee for acceptance and review by the case manager. We require the committee to provide disposal opinions and make treatment plans within one month from the date of receiving the problem clues. It is strictly prohibited for any staff member to disclose the information of the reporting person and the content of the reporting materials to the reported person in any form. We strictly maintain the confidentiality of the reporting person's information, and promise that employees will not be subjected to any form or degree of retaliation due to the reporting behavior. For personnel who have effectively stopped various disciplinary violations and recovered the company's economic losses, we reward them based on the willingness of the reporting person according to the recovered economic losses.

## Risk Control

Mingyang Smart Energy firmly believes that good risk management is a strong support for the healthy development of the company. We continuously improve the risk management system, strengthen risk control, provide risk control training, and improve risk control capabilities to ensure the normal and orderly operation of the company's business.

### Risk Management System

We attach great importance to the company's risk management, and continuously improves the risk management system from five aspects: organizational system, control system, operating mechanism, institutional system, and information system to strengthen the construction of risk management capabilities.

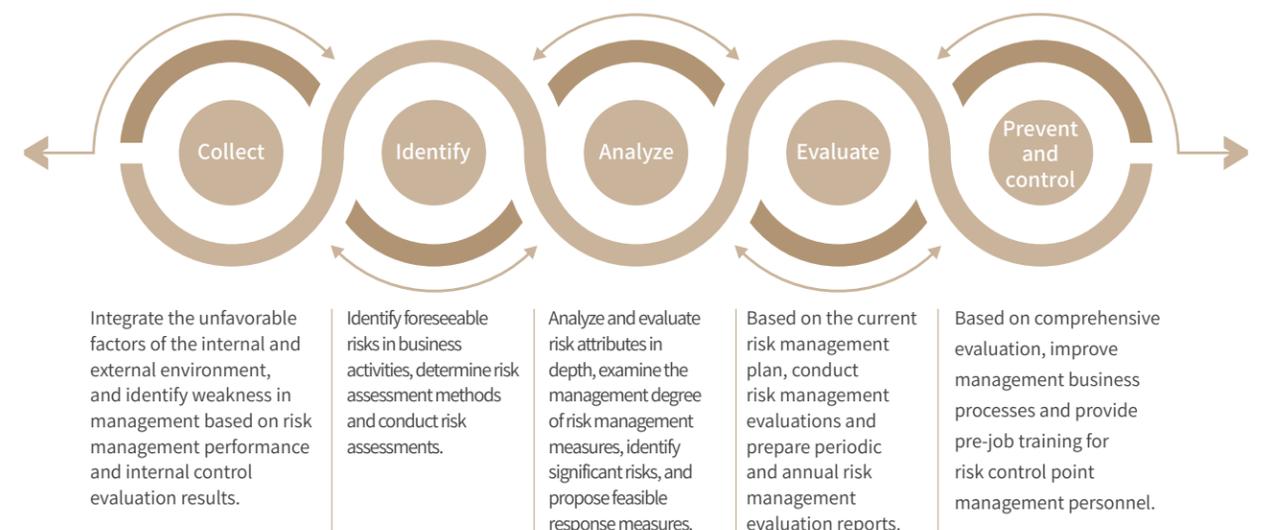
#### Control system

We have established three defense lines for risk management, including functional departments and business units, risk management departments and risk management committees, as well as audit and supervision departments and audit committees with a view to promoting the comprehensive integration of risk management requirements into our management activities and business processes, and comprehensively enhancing risk prevention capabilities. In 2023, we established Safety and Risk Management Committee which is directly led by the CEO and is composed of vice presidents in charge of various business sectors to further consolidate the organizational foundation of risk management.

#### Operating mechanism

We have formulated many rules and regulations such as the Risk Management System, Contract Management Guidelines, and Group Litigation Handling Regulations to standardize our risk management behavior and promote the institutionalization and systematization of risk management. We improve the nine major risk management operating mechanisms, including decision-making mechanism, execution mechanism, and constraint mechanism, clarify the roles of each functional agency and the procedures of risk identification, evaluation, handling, and feedback, improve risk management assessment and reward and punishment mechanisms, and enhances the efficiency of risk management.

Risk control procedures



## Information systems

We apply information technology to various aspects of risk management, establish a risk management information system covering all aspects of risk management and internal control systems, and complete the collection, storage, processing, analysis, testing, transmission, reporting, and disclosure of information to improve the efficiency of risk management.

## Strengthening Risk Control

We highlight special inspections, and take COSO internal control framework, enterprise risk management framework, and ISO31000 risk management guidelines as the work guidelines. In case of actual operation situation or abnormal phenomena in daily operations of business sectors, we effectively identify various risks through risk identification methods such as on-site investigation, audit form investigation, and feasibility study. We provide corrective or preventive measures to the relevant business leaders based on the identified risk points, continuously follow up on the rectification situation, and incorporate the implementation results of rectification in performance evaluation to determine risk management responsibilities and promote the implementation of risk handling.

In 2023, we inspected 7 special risk investigation items, including internal control, contract standardization management, and sales compliance inspection. We identified 10 major risks in procurement contract compliance, supplier quality responsibility, and stagnant materials, and proposed targeted action plans and suggestions for handling these risks.

## Risk Management Training

To enhance the risk prevention awareness of employees, we provide a series of risk control training courses for employees in various positions, including enterprise new apprenticeship training, sales contract precaution and risk prevention training, and legal risk prevention training for winning contracts from the perspective of judicial judgments. We sorts out contract risks and analyzes classic cases. Therefore, employees can recognize and know the risks in their work and improve their legal awareness. Our control capabilities are improved. In 2023, we cooperated with a third-party law firm to provide a themed training on Contract Business Risk for employees (mainly project managers). 66 people participated in the training, and the duration was approximately 6h.

### Risk control training system

#### Training on enterprise employment system

For employees in the Human Resources Department and production line, we provide online training on Employer Compensation Rights, Legal Risks and Prevention in the Four Major Links before Signing Labor Contract, etc. to enhance risk awareness of employees in Human Resources Department for the signing of employment contracts, improve employee legal awareness, and protect their labor rights and interests.

#### Sales contract precaution and risk prevention training

Provide online training courses for employees in the sales and project management departments, such as Identification and Prevention of Risks in Bidding and Sales Contracts, Contract Validity and Contract Breach Liability, and Legal Training on Contract Validity. We sort out the risks in sales contracts, provide reminders on legal risks commonly in the process of sales and project management for employees, and propose corresponding suggestions.

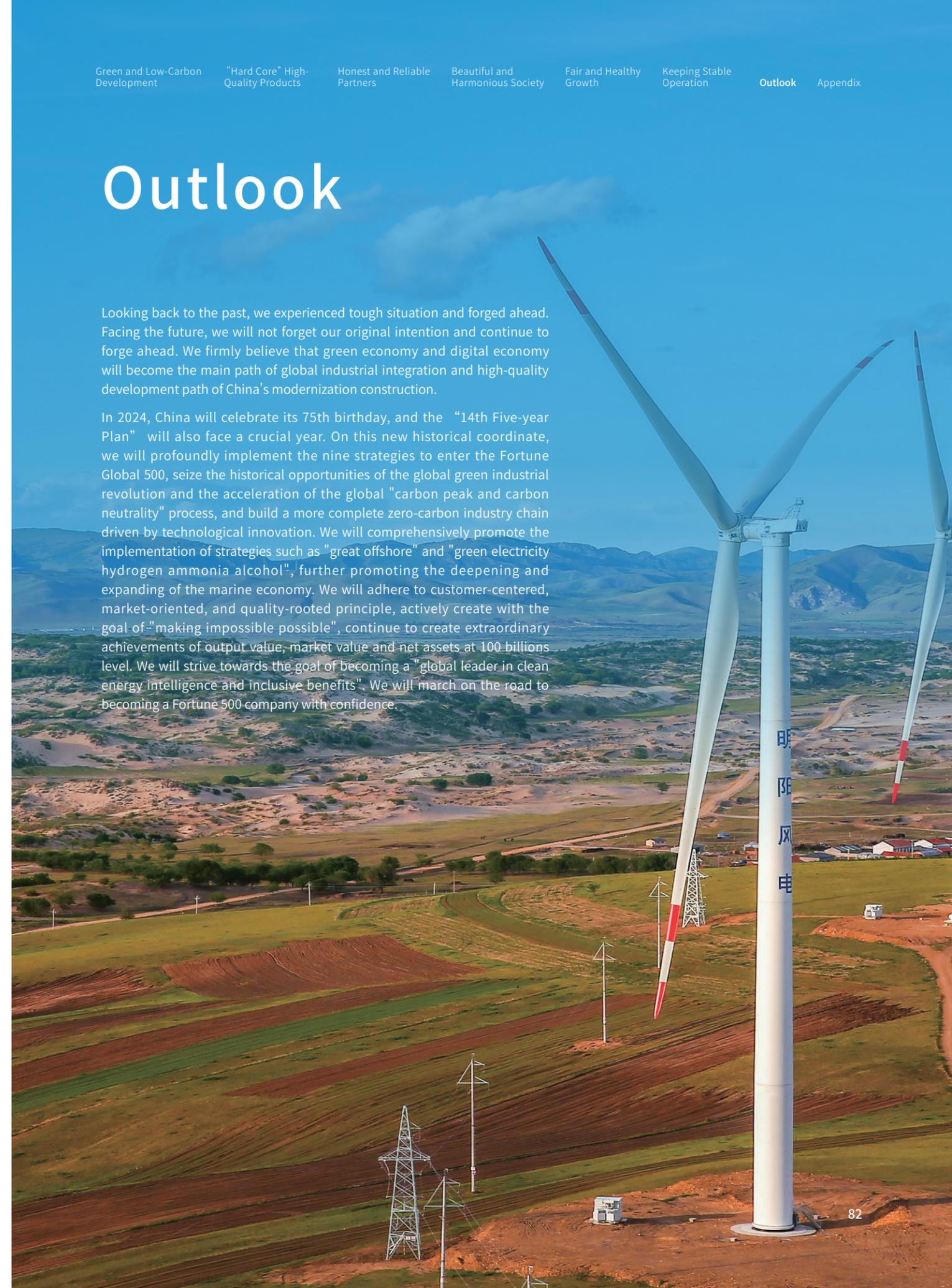
#### Legal risk prevention training for winning contracts from the perspective of judicial judgments

For employees of departments such as the Legal Risk Control Department, Tendering and Bidding Department, and Contract Business Department, we provide themed training such as Delivery Risk Case Seminar and Training (Qinghai Haiyan and Mangya Projects as Examples) and Risk Identification and Prevention of Bidding and Sales Contracts. The employees learn classic cases, borrow judicial perspectives, and combine practical experience in bidding, contract signing, and other stages during contract performance, thereby increasing their understanding of the Tendering and Bidding Law and improving their practical abilities.

# Outlook

Looking back to the past, we experienced tough situation and forged ahead. Facing the future, we will not forget our original intention and continue to forge ahead. We firmly believe that green economy and digital economy will become the main path of global industrial integration and high-quality development path of China's modernization construction.

In 2024, China will celebrate its 75th birthday, and the "14th Five-year Plan" will also face a crucial year. On this new historical coordinate, we will profoundly implement the nine strategies to enter the Fortune Global 500, seize the historical opportunities of the global green industrial revolution and the acceleration of the global "carbon peak and carbon neutrality" process, and build a more complete zero-carbon industry chain driven by technological innovation. We will comprehensively promote the implementation of strategies such as "great offshore" and "green electricity hydrogen ammonia alcohol", further promoting the deepening and expanding of the marine economy. We will adhere to customer-centered, market-oriented, and quality-rooted principle, actively create with the goal of "making impossible possible", continue to create extraordinary achievements of output value, market value and net assets at 100 billions level. We will strive towards the goal of becoming a "global leader in clean energy intelligence and inclusive benefits". We will march on the road to becoming a Fortune 500 company with confidence.



## Appendix

### Table of key performance

#### Business performance

Name of index	Unit	2021	2022	2023
Total assets	100 million	615.50	689.41	838.61
Operation revenue	100 million	272.16	307.48	278.59
Net profit attributable to owner of parent company	100 million	31.58	34.45	3.72
Earnings per share	Yuan	1.63	1.57	0.16
Asset-liability ratio	%	69.93	58.86	66.07
Total tax	100 million	13.74	18.57	11.61
Global cumulative installed wind power capacity	GW	33.61	39.99	50.18
Global newly increased installed wind power capacity	GW	7.22	6.375	10.19

#### Environmental performance

Name of index	Unit	2021	2022	2023
Total investment in environmental protection	100 million	0.3	0.6	1.1
Total emission of greenhouse gas	tCO <sub>2</sub> e	63,057	42,928	112,197
Scope 1 greenhouse gas emissions	tCO <sub>2</sub> e	3,557	3,975	7,116
Scope 2 greenhouse gas emissions	tCO <sub>2</sub> e	59,500	38,953	105,081
Carbon dioxide emissions for 10,000 Yuan revenue	t/10,000 Yuan	0.02	0.01	0.04
Power consumption	kWh	93,057,988.78	68,301,892.73	162,548,474
Natural gas consumption	m <sup>3</sup>	585,720.63	774,463.8	14,905,862.08
Gasoline consumption	L	492,749.66	302,054.79	378,931.51
Diesel consumption	L	427,449	344,107.14	453,778.57
Water consumption	m <sup>3</sup>	698,904.175	533,003.91	1,609,340.25
Non-methane hydrocarbon emission	kg	999.01	566.34	1,976.72

Name of index	Unit	2021	2022	2023
Volatile organic compound (VOCs) emission	kg	16,684.68	3,331.25	8,322.3
Nitrogen oxide emission	kg	257	449	450.35
Chemical oxygen demand emission	kg	6	11	242.01
Chemical oxygen demand emission	t	/	14.47	34.13
Ammonia nitrogen emission	t	0.47	1.95	4.01
Domestic wastewater emission	m <sup>3</sup>	488,685.23	237,267.60	467,559
Total non-hazardous waste	t	17,942.43	14,133.71	9,999.4
Total hazardous waste	t	519.67	392.26	282.23

Note: as a large number of new production base are put into operation in 2023, so the environmental data has a large increase over last year.

#### Social performance

Name of index	Unit	2021	2022	2023
Complete machine inspection pass rate	%	96.58	97.01	97.05
Degree of satisfaction of production quality	%	95.00	92.78	92.79
R&D technician	Person	2,088	2501	2,400
Proportion of R&D technicians	%	21	22	17.78
R&D investment	100 million	10.55	10.98	10.05
Proportion of R&D to operation revenue	%	3.88	3.57	3.61
Number of new patent applications per year	Item	/	/	258
Cumulative number of domestic patent applications	Item	1,316	1,732	1,935
Cumulative number of domestic invention patent applications	Item	514	688	829
Cumulative number of oversea patent applications	Item	1	8	9
Number of new patents granted annually	Item	/	/	155
Cumulative number of patents granted	Item	/	/	1,120
Cumulative number of domestic patents granted	Item	/	/	1,119
Cumulative number of oversea patents granted	Item	1	1	1
Total number of employees	Person	10,089	11,475	13,500
Number of male employees	Person	8,732	9,835	11,406

Name of index	Unit	2021	2022	2023
Number of female employees	Person	1,357	1,640	2,094
Percentage of female employees in middle management and above	%	/	/	13.73
Number of employees with master degree or above	Person	561	768	1,064
Number of employees with bachelor degree	Person	2,741	3,455	4,118
Number of employees with college degree or below	Person	6,787	7,252	8,318
Number of national minority employees	Person	939	956	1,020
Number of disabled employees	Person	/	/	98
Total investment in employee training	10,000 Yuan	537.59	882.68	762.13
Total duration for employee training	h	443,253	458,486	1,112,240
Per capita training time	h	43.77	49.02	97.17
Labor contract signing rate	%	100	100	100
Social insurance coverage rate	%	100	100	100
Physical examination coverage rate	%	/	/	95
Per capita paid vacation days per year	Day	/	/	7
Number of new graduates received	Person	/	/	942
Increased quantity of employment	Person	/	/	2,025
Employee satisfaction	%	95.53	96.04	95.47
Number of employees in occupational disease risk positions	Person	714	1,203	988
Number of employees who have participated in occupational disease checkups	Person	714	1,203	988
Number of employees with occupational diseases	Person	0	0	0
Occupational diseases occurrence	Nr.	0	0	0
Number of incidents punished for violating occupational health and safety laws and regulations	Nr.	0	0	0
Number of people died due to work	Person	/	/	0
Proportion of number of people died due to work to total number of people	%	/	/	0
Safe production input	10,000 Yuan	747.69	4,298.92	2,197.55
Safety training person-time	Person	18,934	35,971	121,701
Safety training coverage rate	%	100	100	100

Name of index	Unit	2021	2022	2023
Total duration of Safety training	h	194,667	243,438	441,287
Number of safety emergency drills	Nr.	13	24	71
Total number of person participating safety emergency drills	Person-time	8,957	13,250	24,005
Number of major safe production accident	Nr.	0	0	0
Charitable donations	10,000 Yuan	2,146.16	1,074	8,566.93
Rural revitalization investment	10,000 Yuan	/	730.64	3,800

## Report Index 1

### TCFD Index

TCFD Framework	Recommended disclosure	Disclosures
Governance	Describe the board's oversight of climate-related risks and opportunities.	P19
	Describe management's role in assessing and managing climate related risks and opportunities.	
Strategy	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	P19
	Describe the impact of climate related risks and opportunities on the organisation's businesses, strategy, and financial planning.	
	Describe the resilience of the organisation's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario.	
Risk Management	Describe the organisation's process for identifying and assessing climate-related risks.	P19-21
	Describe the organisation's processes for managing climate related risks.	
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	
Metrics and Targets	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	P22
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.	
	Describe the targets used by the organisation to manage climate related risks and opportunities and performance against targets.	

## Report Index 2

### HKEx' s Environmental, Social and Governance Reporting Guide

Subject Areas, Aspects, General Disclosures and KPIs		Mapping Chapters
<b>A. Environmental</b>		
Aspect A1: Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Low-carbon Solutions Waste Management
	KPI A1.1 The types of emissions and respective emissions data.	Table of key performance
	KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Table of key performance
	KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management Table of key performance
	KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management Table of key performance
	KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Waste Management
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Strengthening Resource Conservation
	KPI A2.1 Direct and / or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in ' 000s) and intensity (e.g. per unit of production volume, per facility).	Table of key performance
	KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Table of key performance
	KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimizing the issuer' s significant impact on the environment and natural resources.	Climate Risk Management
	KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Maintaining Ecological Systems
Aspect A4: Climate Change	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Risk Management
	KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Risk Management

Subject Areas, Aspects, General Disclosures and KPIs		Mapping Chapters
<b>Social</b>		
Employment and Labour Practices		
Aspect B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Protecting employee rights and interests
	KPI B1.1 Total workforce by gender, employment type (for example, full or parttime), age group and geographical region.	Protecting employee rights and interests
	KPI B1.2 Employee turnover rate by gender, age group and geographical region.	Protecting employee rights and interests
Aspect B2: Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Strengthening safety production Realizing employee care
	KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Table of key performance
	KPI B2.2 Lost days due to work injury.	Table of key performance
	KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Strengthening safety production
Aspect B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Emphasizing employee development
	KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Protecting employee rights and interests
Aspect B4: Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Protecting employee rights and interests
	KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	Protecting employee rights and interests
	KPI B4.2 Description of steps taken to eliminate such practices when discovered	Protecting employee rights and interests

Subject Areas, Aspects, General Disclosures and KPIs		Mapping Chapters
Operating Practices		
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	Supplier management
	KPI B5.1 Number of suppliers by geographical region.	Supplier management
	KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supplier management
	KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supplier management
Aspect B6: Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Guaranteeing Product Quality
	KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Guaranteeing Product Quality
	KPI B6.2 Number of products and service related complaints received and how they are dealt with.	Optimizing Customer Service
	KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	Persisting in Innovative R&D
	KPI B6.4 Description of quality assurance process and recall procedures.	Guaranteeing Product Quality
	KPI B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Optimizing Customer Service
Aspect B7: Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Compliance management
	KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Compliance management
	KPI B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Compliance management
	KPI B7.3 Description of anti-corruption training provided to directors and staff.	Compliance management

Subject Areas, Aspects, General Disclosures and KPIs		Mapping Chapters
Community		
Aspect B8: Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Enthusiastic in public welfare and charity
	KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Enthusiastic in public welfare and charity
	KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	Enthusiastic in public welfare and charity

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## Reader Feedback

### Dear readers:

Thank you for reading 2023 Environmental, Social, and Governance Report of Mingyang Smart Energy Group Co., Ltd.. We are very interested about your comments on the Report, please provide your valuable comments and suggestions on this Report and feedback to us so that we can continuously improve it.

### Multiple choice questions: (please tick the appropriate box)

As a stakeholder of Mingyang Smart Energy, what is your relationship to Mingyang Smart Energy?

- Government       Employees       Community  
 Investors       Clients       Business partners  
 Academic institute       Industry peer \_\_\_\_\_

What is your overall comment on this Report?

- Excellence       Good       Average       Below Average       Poor

What do you think of the quality of the ESG information disclosed in the report?

- Very High       High       Average       Below Average       Low

What do you think of the structure of the report?

- Very Reasonable       Reasonable       Average       Below Average       Poor

What do you think of the report layout design and presentation?

- Excellence       Good       Average       Below Average       Poor

### Open-ended questions:

What other information you need to know that has not been disclosed in this Report?

What are your comments and suggestions on Mingyang Smart Energy's ESG management?

What other information would you like to know through Mingyang Smart Energy's ESG Report?

