

GOODWE

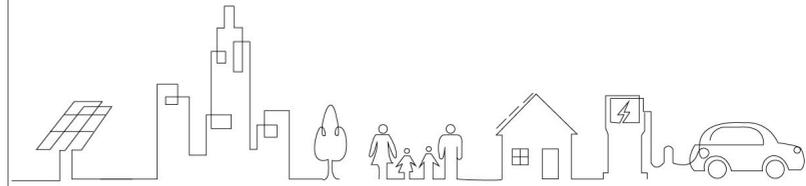
2021

GOODWE TECHNOLOGIES CO., LTD.

SOCIAL RESPONSIBILITY REPORT



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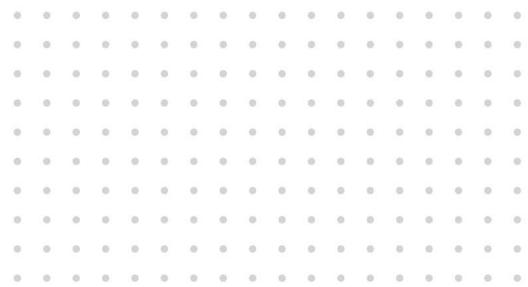
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About This Report

This report is the first corporate social responsibility (CSR) report released by GoodWe Technologies Co., Ltd. Under the principles of objectivity, transparency, and comprehensiveness, it discloses in detail GoodWe Technologies Co., Ltd.'s sustainability practice and achievements, focusing on topics of stakeholders' concerns.

Reporting period

From January 1 to December 31, 2021 (the "reporting period"). Some of the content may trace back to previous years or extend to 2022 as appropriate.

Reporting scope

The report takes GoodWe Technologies Co., Ltd. as the subject and includes all its subsidiaries within the scope of its consolidated financial statements.

Preparation basis

This report is prepared according to the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange (January 2022 Revision)*, the *Rules for the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchange*, the *Self-regulatory Guidelines for Companies Listed on Shanghai Stock Exchange No. 2: Voluntary Disclosure*, and the *Guidelines Regarding Environmental, Social, and Corporate Governance Disclosure for Companies Listed on Shanghai Stock Exchange (Consultation Paper)*. It also extensively refers to the *Sustainability Reporting Standards* of the Global Reporting Initiative and the *Chinese CSR Report Preparation Guide 4.0 (CASS-CSR 4.0)*.

This report is determined in accordance with an established set of procedures for identifying and prioritizing material economic, environmental, and social topics; determining report boundaries; collecting information for the report; preparing the report; and reviewing the information in the report.

References

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

Data sources

All information and data cited by this report comes from the Company's official documents, statistical reports, and financial statements. The materials are provided by GoodWe and its partners for the disclosure of GoodWe's sustainability progress and management and not for any commercial purposes.

Languages

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

Confirmation and approval

Upon confirmation by the management, this report is approved by the Board of Directors and released on April 25, 2022.

Access

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

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

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Message from the Executives

The year 2021 marked the start of the 14th Five-Year Plan and the transition to carbon neutrality. It was also the first year after GoodWe went public on the Shanghai Stock Exchange Science and Technology Innovation Board (also known as the SSE STAR Market). Since the Company's establishment, we have adhered to the development vision of "Driving the World's Smart Energy Future" and are dedicated to new energy generation and power supply equipment. We continue to invest in product technology innovation and research and development (R&D), diversifying our business beyond new energy power and power supply equipment to energy interconnection capable of monitoring power generation, photovoltaic (PV) energy storage, adjusting the crests and troughs of power demand and collecting data on load power demands. We are committed to providing overall solutions such as smart energy management for residential, commercial and utility scale PV systems worldwide. We have been deeply engaged in new energy power and power supply equipment for more than ten years. Our technological R&D covers power electronics, new energy control, energy management, energy storage conversion, and mass data collection, storage, and application. Our products have passed many international authoritative certifications and tests, including TÜV Rheinland, SAA, CGC, TÜV SÜD, BV, and CQC.

We see that clean energy, represented by photovoltaics, replaces fossil energy as the primary energy source for social development. The energy transition is surging and unstoppable. On the other hand, we recognize that against the backdrop of climate change, sustainability will be our foundation. As GoodWe enters its second decade of development, its members are exploring, pursuing, pioneering, thinking, and improving for the better in energy transformation and conquering one peak after another. We insist on leading development

with technology and revolutionizing the industry with products. We prioritize improving service quality and continuously push the boundaries of smart energy. Furthermore, we actively assume corporate social responsibility with actions. We are committed to contributing to economic, social, and environmental sustainability and working with stakeholders to embark on the path of sustainability.

We insist on compliance and assume corporate social responsibility.

We always observe laws and regulations in our operations. We have a sound corporate governance structure system, continuously optimize our internal control and compliance management mechanism, and improve our comprehensive risk management system to ensure compliance and transparency in operations as the guarantee for the Company's sustainable and high-quality development. Moreover, we endorse the organic integration of corporate social responsibility and our business development, constantly improve our social responsibility management, upgrade our social responsibility practices, and share our development achievements with stakeholders. In 2021, after a year of rapid development since listing, the Company saw a significant increase in performance to RMB 2.68 billion in revenue. We were ranked among the China Energy (Group) 500 for the first time. On the 23rd (of the Year 2020) *China Securities Journal* Golden Bull Award for listed companies, the Company received the Golden Bull Award for Science and Technology Innovation 2020. The Company joined the United Nations Global Compact (UN Global Compact) and pledged to support the ten principles of the UN Global Compact in human rights, labor, environment, and anti-corruption, to actively contribute to the realization of the UN Sustainable Development Goals.

We foster innovation and pursue excellence.

We insist on boosting the industry and leading industry transformation with innovation. We continue to strengthen self-reliant R&D and technological innovation and constantly push smart energy boundaries. We have a sound quality management system and consolidated our quality management against high standards and strict requirements. We always seek the best and provide customers with first-class products with premium quality and excellent performance. In 2021, we launched the Lynx Home F Series and Lynx Home U Series of residential energy storage lithium batteries and the GW50K-ETC industrial and commercial energy storage inverter. We increased our efforts in empowering a variety of energy storage application settings and accelerating the construction of new energy generation systems. As a candidate in the technical area of advanced manufacturing and automation, we were ranked among Jiangsu's 100 Most Innovative Private Enterprises 2021, a list released by the Jiangsu Academy for Science and Technology for Development. In the Netherlands, Australia, Poland, Spain, South Africa, and Pakistan, we were recognized as a Top Inverter Brand by the authoritative research institute EuPD Research, setting a record in the industry. In the practical efficiency test of 30kW medium-power PV inverters for residential PV published by TÜV Rheinland's "All Quality Matters," GoodWe's GW30K-MT smart PV inverter excelled in input capability, conversion efficiency, power quality, output capacity, and thermal stability, and won the first place in the Medium-power PV Inverter for Residential PV category. It was the sixth consecutive year that we won the TÜV Rheinland "All Quality Matters" Award.

We conserve lucid waters and lush mountains for a green future.

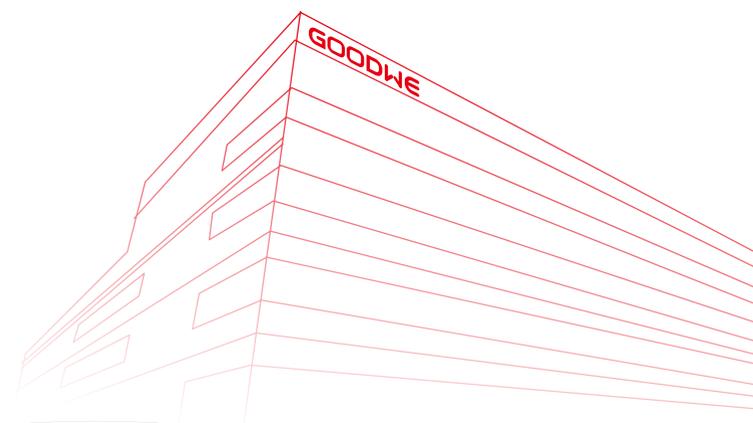
We uphold green development and actively respond to China's carbon peaking and carbon neutrality goals. While promoting energy conservation and emission reduction within the Company, we strive to become a significant driving force in the global energy transition and a big contributor to ecological civilization's construction with our green product innovation. Moreover, we actively advocate eco-friendliness and environmental protection among employees and the public, publicize ecological conservation and environmental protection knowledge, and work with all sectors of society to achieve the harmonious coexistence of humans and nature. In 2021, we increased our efforts in energy storage by launching green products such as residential energy storage lithium batteries and industrial and commercial energy storage inverters to accelerate the construction of new power systems.

The second phase of the GoodWe Guangde manufacturing base had its foundation stone laid. Once the project is completed, it will add an annual production capacity of 500,000 PV inverters to meet the growing market demand. We actively carried out carbon inventory to build a statistical basis for setting strategic goals to reduce greenhouse gas (GHG) emissions and better fulfill the goal of carbon neutrality. We calculated the carbon footprint in the entire lifecycle of our products. We obtained the green footprint evaluation certificate and China's first green product certificate.

We work with stakeholders in harmony and for common progress.

We insist on deep communication and dialogues with internal and external stakeholders such as customers, employees, suppliers, partners, and the public. We continually improve our customer service management system, support employees to grow and develop, promote the construction of a sustainable supply chain, and devote ourselves to public welfare and volunteering. We create diversified value for stakeholders and work with them in harmony and for common progress with these endeavors. In 2021, our after-sales service capabilities met the highest five-star standard in a professional evaluation. We received the seven-star authoritative certification in the Customer Satisfaction Index evaluation. We have reached strategic cooperation with Shaanxi Jinze Industry, Inspur Academy of Science and Technology, Zhongxin Power Distribution, Arctech, CSPU, Jcon Building Technology, and Towngas Smart Energy. We jointly leverage our respective strengths and carry out in-depth, multi-dimensional, and interdisciplinary cooperation in these partnerships. We encourage the Company and employees to negotiate, work together, build mechanisms, and create and share benefits, which won us the title of Jiangsu's Model Enterprise in Labor Relations 2021. We invested RMB 1 million to build poverty-relief power stations for 16 poverty-stricken families across the country, extending our public welfare cause to the greater public.

We have come a long way while new journeys await us. The new era of carbon neutrality is calling! GoodWe is gathering momentum and preparing for the new journey. In the future, we will work to pave a path for smart energy with a positive attitude and the courage to overcome obstacles. We will put GoodWe's force into the zero-carbon era and join hands with stakeholders to create a new pattern for GoodWe's sustainable and high-quality development!



About GoodWe

Company profile

GoodWe Technologies Co., Ltd. (SSE STAR Market: 688390), established in 2010, is a high-tech enterprise headquartered in Suzhou New District. We feature the conversion, energy storage conversion, and energy management of new energy power and power supply equipment, focus on reducing power costs and improving power efficiency, aim for building hybrid energy systems and energy value creation, and integrate independent R&D, production, sales, and service. Our main business products include grid-connected PV inverters, energy storage PV inverters, smart data collectors, and SEMS smart energy management systems. Relying on the existing advantageous resources, we lead industry development with top-quality PV products and services. Our total workforce is more than 2,000, including over 600 core R&D personnel.

GoodWe is dedicated to the R&D, production, and sales of new energy power and power supply equipment such as solar energy and energy storage. Moreover, we are committed to providing overall solutions such as smart energy management for residential, industrial, and commercial users, and ground power stations. We have launched more than 20 series of grid-connected and energy storage PV inverter products, with a power range from 0.7 to 250 kW. The Company's products have received dozens of relevant certifications and government listings. They are sold on a large scale throughout China and in more than 100 countries and regions. With the internationally recognized strong market performance, we have been ranked among the world's top ten inverter brands by IHS. According to Wood Mackenzie, an internationally renowned power and renewable energy research institution, the Company's PV inverter shipments ranked seventh in the

global market in 2018. The Company's residential energy storage inverter shipments ranked first in 2019.

GoodWe is widely acclaimed for its consistent and reliable product quality and has received numerous awards. In 2017, we were endorsed by the Ministry of Industry and Information Technology as a government-recommended brand. For six consecutive years, we won the TÜV Rheinland "All Quality Matters" Award. Our medium- and high-power-range products have obtained the Forerunner Certificate of China Quality Centre (CQC). As a result of its responsibility to users, GoodWe has purchased product liability and error and omission insurance for all of its products to alleviate global users' concerns. Our next-generation product appearance has created a new fashion in industrial aesthetics and won the internationally renowned Red Dot Design Award. Beyond those, GoodWe has received several recognitions from the government, including the High and New Tech Enterprise, Provincial Engineering Technology Center, Provincial Industrial Design Center, Provincial Postdoctoral Innovation Workstation, Provincial Workstation for Graduates, and Best Employer. The GoodWe ES series bi-directional energy storage inverter was rated as a High and New Tech Product by the government, recognizing the globally leading technical caliber of our energy storage products.

The Company has established subsidiaries or customer service centers in Australia, the UK, South Korea, Germany, the Netherlands, Spain, India, Turkey, Brazil, Mexico, the US, and Japan to provide customers with meticulous pre-sale in-sale, and after-sale integrated services. Against the drastic change in energy interconnection, GoodWe sticks to the business foundation of power electronics technology, continue developing and innovating new energy conversion technology, energy storage technology, and smart energy management systems and platforms, and promotes the Company's products and solutions to the international market. As a major driving force in the global energy transition, we will join hands with power grids, industrial and business parks, communities, and customers to drive the world's smart energy future!



1,034,000

Total power stations



1,059,000

Total online inverters



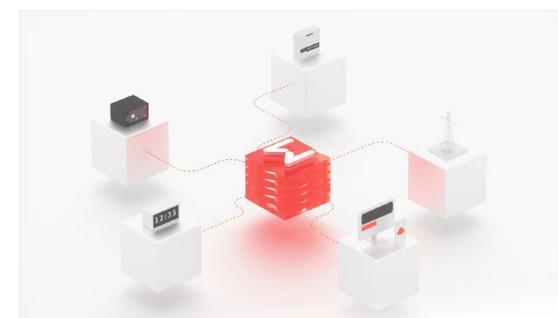
28,289

Gross generation (GWh)



28,204,000

Carbon emissions reduced (tonne)



Our solution system

History



2010

Foundation of the Company



2011

Built a functional team and started product R&D



2012

The GW4000-SS inverter awarded the double A PHOTON test, ranking among the top three in the world
 Awarded China Top Ten Inverters of the Year by PV China
 The GoodWe engineering technology research center for solar on-grid inverters in Suzhou approved

2013

The GW17K-DT inverters awarded the double A PHOTON test, ranking among the top six in the world
 Nominated as a National High and New Tech Enterprise by the government



2014

The engineering technology research center for grid-connected inverters for renewable energy power supply in Jiangsu Province approved
 The DSS series and SDT series inverters awarded High and New Tech Products in Jiangsu Province
 Top 20 in the PV power station industry



2015

Awarded the Best Manufacturer of PCS by the China International Energy Storage Conference
 Awarded the Top Ten Highlights at SNEC

2019

Chairman Huang Min recognized as Jiangsu Province Technology Entrepreneur
 Ranked as the world's No. 7 PV inverter company
 Distinguished with the TÜV Rheinland "All Quality Matters" Award for the fourth consecutive year
 Joining the Society of Entrepreneurs and Ecology (SEE)

2018

Distinguished with the Award of Top Brand PV Netherlands 2018
 Distinguished with the China Benchmark Power Station
 Honored with the Red Dot Design Award
 Distinguished with the TÜV Rheinland "All Quality Matters" Award

The Beijing Center established to accelerate the strategic layout
 Recognized as the Best Employer in Suzhou for the fourth consecutive year
 Listed on the SEE STAR Market
 Distinguished with the TÜV Rheinland "All Quality Matters" Award for the fifth consecutive year
 Ranked as Global No. 1 Hybrid Inverter Supplier by Wood Mackenzie
 Selected as a Green Supply Chain Management Enterprise in the Fifth Batch of Green Manufacturing List by the Ministry of Industry and Information Technology

2020

2021

Received the seven-star authoritative certification in the Customer Satisfaction Index evaluation
 Distinguished with the TÜV Rheinland "All Quality Matters" Award for the sixth consecutive year
 Recognized as a Top Inverter Brand by EuPD Research for the fifth consecutive year
 Ranked in China Energy (Group) 500
 Foundations laid for the second phase of the Guangde manufacturing base, adding an annual capacity of 500,000 PV inverters
 Ranked among Jiangsu's 100 Most Innovative Private Enterprises 2021



Corporate culture

Mission



- We are determined to become a major driving force in the global energy transition, building a sustainable future for Earth, human, and future generations, and guarding lush mountains and lucid waters, the blue sky and white clouds.

Vision



- Driving the World's Smart Energy Future

Values



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

Good CSR performance in 2021

CSR highlights

Economic

Quantitative Performance Indicator	Unit	2019	2020	2021
Total assets	CNY	1,013,964,009.26	2,559,664,007.27	3,714,703,328.03
Operating revenue	CNY	945,354,024.96	1,589,084,062.93	2,678,113,764.75
Net profits attributable to the shareholders of the listed company	CNY	102,815,144.05	260,285,504.55	279,535,000.04
Basic earnings per share	CNY/share	1.56	3.64	3.18
Rate of return on common shareholders' equity	%	27.79	34.99	18.12

Corporate governance

Quantitative Performance Indicator	Unit	2019	2020	2021
Shareholders Meeting	session	3	3	7
Resolutions passed by the Shareholders Meeting	item	24	21	19
Meeting of the Board of Directors	session	4	5	13
Resolutions passed at meetings of the Board of Directors	item	37	36	45
Meeting of the Board of Supervisors	session	2	4	8
Resolutions passed at meetings of the Board of Supervisors	item	15	13	25

Integrity

Quantitative Performance Indicator	Unit	2021
Percentage of employees signing the Letter of Integrity Commitment	%	100
Anti-corruption training	session	12
Trainees of anti-corruption training	person	459

Environmental

Quantitative Performance Indicator	Unit	2021	
Energy used	Comprehensive power consumption	MWh	21,100.08
	Natural gas	m ³	30,689
	Total water consumption	tonne	31,835
Energy saved	Power saved	MWh	1,512.54
Total waste gas emissions		m ³	73,244,000
Total dust discharge		tonne	0.0624
Total effluent discharge		tonne	25,468
Hazardous waste	Waste chemical packages, waste cleaning agent, and waste activated carbon	tonne	23.52
	Grease tank waste	tonne	1.80
Non-hazardous waste	Yard waste	tonne	0.50
	Household waste	tonne	21.60
	Kitchen waste	tonne	21.60

Social

Employment

Quantitative Performance Indicator	Unit	2019	2020	2021	
Total workforce	person	971	1,567	2,223	
By function	Production personnel	person	308	811	928
	Sales personnel	person	227	205	256
	R&D personnel	person	167	280	615
	Finance personnel	person	23	29	33
	Administrative personnel	person	71	79	161
	Operational support personnel	person	116	69	185
	QC personnel	person	59	94	45
By academic degree	Master's degree and above	person	62	88	178
	Undergraduate	person	323	434	868
	Junior college	person	196	274	421
	High school and below	person	390	771	756
Percentage of employees signing labor contracts	%	100	100	100	
Coverage of social insurance	%	100	100	100	

Employee training

Quantitative Performance Indicator	Unit	2021
Total employee training hours	hour	37,158
Employee training	session	118
Trainees of employee training	person	12,020
Average hours of training per employee	hour	24.7

Occupational health and safety

Quantitative Performance Indicator	Unit	2021
Work-related deaths	person	0
Work-related injuries	person	2
Lost time due to work-related injuries	hour	936

Products and services

Quantitative Performance Indicator	Unit	2019	2020	2021
Complaints or legal actions concerning misleading or deceptive promotional information	case	0	0	0

R&D

Quantitative Performance Indicator	Unit	2021	2021 年
R&D investment	CNY		188,465,218.24
R&D personnel	person		615
Percentage of R&D personnel in the total workforce	%		27.67
Patents	New invention patents	item	13
	New utility model patents	item	34
	New design patents	item	12
	Total new patents	item	59
	Invention patents held	item	44
	Utility model patents held	item	82
	Design patents held	item	18
Trademarks	Total patents held	item	144
	New trademarks	item	1
	Total trademarks held	item	35

Supplier management

Quantitative Performance Indicator	Unit	2021
Total production material suppliers	entity	180

Public welfare

Quantitative Performance Indicator	Unit	2021	
Volunteering	Volunteering activities	session	2
	Volunteering activity duration	hour	176
	Employees participating in volunteering activities	person	26
	Number of volunteers	person	54
Public welfare	Total public welfare donations	CNY	65,057

Major CSR recognitions

- ★ **Model Organization 2018 – 2020**
Commission for Guiding Cultural and Ethical Progress of Suzhou New District
- ★ **Suzhou New District Top 20 Rapid-growing Innovative Enterprises 2020**
Suzhou New District Top 10 Innovation Enterprises in Foreign Trade Development 2020
Suzhou New District
- ★ **Gold Award in Suzhou Excellent Industrial Design Award**
Industry and Information Technology Bureau of Suzhou Municipality
- ★ **Inverter Brand Recommended by Installers**
Most Business Potential PV Enterprise
Most Influential Inverter Enterprise: Shield Award of Efficiency and Reliability
Most Influential PV Storage Solution Provider
The Shine Cup Judging Panel
- ★ **10 Most Influential Inverter Brand**
Organizing Committee of China Distributed PV Conference
- ★ **Most Potential Enterprise of the Fifth Ave Award**
China Low-voltage Electrical Appliance Industry and Renewable Energy Power Generation System Industry Association
- ★ **Model Organization 2018 – 2020**
EuPD Research
- ★ **China Patent Award of Excellence**
Enterprise with Harmonious Labor Relations in Suzhou New District 2020
National Intellectual Property Administration
- ★ **Zero-carbon Star in the Shandong Market 2021**
Shandong Solar Industry Association
- ★ **Technologically Advanced “Little Giant” Enterprise (Manufacturing) in Jiangsu Province 2021**
Industry and Information Technology Department of Jiangsu Province
- ★ **Enterprises That Abide by Contracts and Keep Promises**
Suzhou Municipal Administration for Market Regulation
- ★ **Model Enterprise in Credit Management in Suzhou**
Suzhou Municipal Development and Reform Commission
- ★ **Innovation Pioneer**
Suzhou Leading Talents' Association
- ★ **Enterprise with Harmonious Labor Relations in Jiangsu Province 2021**
Jiangsu Third-party Commission for Coordinating Labor Relations
- ★ **Jiangsu Engineering Research Center 2021**
Jiangsu Provincial Development and Reform Commission
- ★ **2A Organization in Labor Protection in Suzhou 2019 – 2020**
Human Resources and Social Security Bureau of Suzhou Municipality
- ★ **Model Organization in Suzhou 2018 – 2020**
Commission for Guiding Cultural and Ethical Progress of Suzhou Municipality
- ★ **Outstanding Contribution Entity Award 2021**
China Photovoltaic Industry Association
- ★ **China Top 10 Distributed PV Inverter Brands**
China Photovoltaic Industry Association
- ★ **The 10th Shine Cup Influential PV Inverter Brand 2021**
Polar Star (Guangfu.bjx.com.cn)
- ★ **Chinese Distributed PV Enterprise with Outstanding Contribution 2021**
China Industrial & Commercial and Household PV Brand Alliance

01



Good Foundation for Stable and Further Development

Operational compliance is the foundation of a company's steady development. We approve the organic integration of social responsibility management into our operations and development, promote the construction of the corporate governance system and capacity, and progress our internal control and compliance management. We adhere to business ethics, consolidate the groundwork for operational compliance, and improve our social responsibility management. This way, we ensure the Company's quality development and guide it to a higher level.

Improving corporate governance

Upgrading compliance management

Enhancing responsibility management



Improving corporate governance

The Company strictly abides by the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies* of the China Securities Regulatory Commission, and the regulatory requirements of the Shanghai Stock Exchange on corporate governance. We have formulated the *Rules of Procedure for the Shareholders Meeting*, the *Rules of Procedure for the Board of Directors*, the *Rules of Procedure for the Board of Supervisors*, the *Management System for Related Transactions*, the *Management System for External Guarantees*, and the *Management System for Outward Investment*. In this way, we have promoted the standardized and procedural management of the Company and effectively regulated the Company's operations. We have also formed a corporate governance structure composed of the Shareholders Meeting, the Board of Directors, the Board of Supervisors, and the business management. It is a system of checks and balances, with powers and responsibilities clearly set for each party.

Shareholders and Shareholders Meeting

The Company organizes annual general meetings in strict accordance with relevant laws, regulations, and the *Articles of Association*. During the reporting period, the Company held the Annual General Meeting 2020 and six extraordinary general meetings to ensure that all shareholders of the Company, especially minority shareholders, can fully exercise their voting rights. The convening, organization, deliberation, and voting procedures of the Shareholders Meeting comply with statutory requirements.

Directors and the Board of Directors

The Company's Board of Directors is comprised of eight directors, including three independent directors. It meets mandatory requirements in the number and composition of people. Under the Board of Directors there are four special committees, namely, the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee, and the Strategy Committee. All members of the special committees are directors. The Board of Directors and the special committees have their own rules of procedure or work rules. All special committees perform their functions in accordance with the Company's relevant regulations and provide strong support for the Company's scientific decision-making. During the reporting period, the Company held 13 meetings of the Board of Directors.

Supervisors and the Board of Supervisors

The Company's Board of Supervisors is comprised of three supervisors, one of which is the employee representative supervisor. It meets mandatory requirements in the number and composition of people. In the spirit of being, All supervisors are responsible to shareholders and perform their duties earnestly and diligently in strict accordance with laws, regulations, the *Articles of Association*, and the *Rules of Procedure of the Board of Supervisors*. The Company's Board of Supervisors effectively supervises the Company's finance and the legality and compliance of the Company's directors and senior management personnel in performing their duties. During the reporting period, the Company held 8 meetings of the Board of Supervisors.

2021

Shareholders Meetings Resolutions passed by the Shareholders Meeting

7

19

Meetings of the Board of Directors

Resolutions passed at meetings of the Board of Directors

13

45

Meetings of the Board of Supervisors

Resolutions passed at meetings of the Board of Supervisors

8

25

Information disclosure management

The Company emphasizes transparent operations and strictly abides by the *Rules for the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchange*, the *Measures for the Administration of Information Disclosure by Listed Companies*, and other regulatory requirements. We have established the *Information Disclosure Management System* and other internal systems to regulate information disclosure and reporting procedures to ensure accurate, timely, fair, and complete disclosure of relevant information. We earnestly fulfill our information disclosure obligations and continue to improve information transparency. During the reporting period, the Company received the Golden Bull Award for Science and Technology Innovation 2020 on the 23rd (of the Year 2020) China Securities Journal Golden Bull Award for listed companies.

Investor relations management

The Company attaches great importance to investor relations management and has formulated the *Investor Relations Management System*. We communicate and interact with investors in an all-around way via the investor hotline, email, the SSE E-interaction, and investor exchange meetings. We listen to their opinions and suggestions and protect their legitimate rights and interests. In this way, we have established a good image of the Company in the capital market and enhanced the capital market's understanding of the Company.

Upgrading compliance management

We implement strict compliance management. We continually upgrade our organizational compliance management structure, improve our compliance management policies and systems, optimize our compliance management processes and mechanisms, and explore the best compliance management practice. This way, we continuously strengthen the Company's integrity and compliance foundation, laying the groundwork for elevating our business and ensuring the Company's healthy and sustainable growth.

Compliance management system

We have developed a GoodWe Internal Control Manual and other internal compliance management systems and measures to institutionalize and standardize our compliance management. We classify and categorize business modules according to the Company's actual conditions and build a risk control matrix for business modules, covering organizational structure, development strategy, human resources, social responsibility, corporate culture, information, and communication. Moreover, we list the responsibilities and obligations concerning social responsibility in the internal control manual and set the responsible department for social responsibility and risk levels. These measures facilitate competent departments to control the business and ensure the Company's healthy, stable, and sustainable development.

We commission third-party professional auditors for internal control audits of the Company. By such supervisory means, we check our business compliance and give instructions to help business departments further improve compliance and employees enhance their compliance awareness. During the reporting period, we completed the review and update of all the Company's systems and carried out projects to improve our processes and management mechanisms.

We emphasize raising employees' compliance awareness. We have established a long-term compliance training mechanism to provide employees with a foundational understanding of compliance and the Company's compliance management policies and systems, ensuring that all employees understand and adhere to the Company's compliance goals and requirements.



Training on risks and negotiation key points in overseas warehousing contracts



Training on common legal risks and their prevention

Business ethics management

We insist on lawful and honest operations and strictly abide by the *Anti-Money Laundering Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China*. We regulate our conduct against high business ethical standards, implement integrity management in a “zero-tolerance” approach, and promote employees’ integrity and compliance throughout our business work. We have established working mechanisms for cracking down on commercial bribery, reporting, and complaints. We have created a clean and upright compliance environment and built an honest and clean workforce.

We require employees to sign integrity commitments and cooperative suppliers to sign integrity agreements to promote integrity. We carry out integrity education and set up the supervision mailbox and other channels to regulate employees’ and suppliers’ compliance, creating a healthy and positive business atmosphere. None of the Company’s employees were involved in any lawsuits or administrative penalties concerning corruption during the reporting period.

Reporting and complaints

Good and unblocked petition and reporting channels guarantee people to report problems positively and actively. To regulate the performance of duties and promote ethical practice, we have established an effective reporting and complaint system. We release reporting channels such as contact numbers and email addresses and encourage stakeholders to report any suspected illegal or improper conduct. After receiving a report, we will immediately investigate and handle the reported matter and promptly give feedback to the whistleblower.

Whistleblower protection

We continually improve our whistleblower protection system to ensure the strict confidentiality of whistleblowers’ information and protect their legitimate interests. Any retaliation against whistleblowers will be severely punished.



Percentage of employees signing the Letter of Integrity Commitment

100%



Anti-corruption training

12 sessions



Trainees of anti-corruption training

459 person



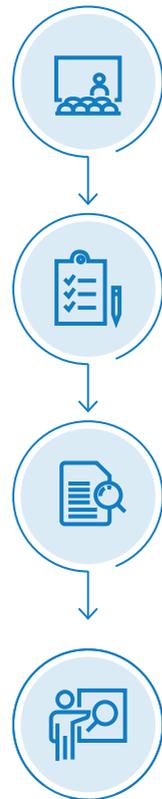
Enhancing responsibility management

We emphasize the organic integration of social responsibility and our operations and development. We are constantly improving our social responsibility management system, defining the direction of social responsibility management, developing new social responsibility work methods, and consolidating our social responsibility practice accomplishments. In this way, we share our development achievements with stakeholders, continuously create greater value for stakeholders, and pursue the joint sustainable development of the Company, the economy, communities, and the environment.

Analysis of material topics

We conducted interviews and questionnaire surveys on material and social responsibility topics with nearly 900 internal and external stakeholders regarding these topics' impact on corporate sustainability during the reporting period. After fully understanding our stakeholders' expectations and suggestions, we analyzed the material topics to provide a basis for formulating the long-term social responsibility strategy. We identified eight high-materiality topics, 13 medium-materiality topics, and four low-materiality topics. Among them, the high-materiality topics make up the key part of this report. We will disclose the relevant content in detail in the following sections.

The process of material topic analysis



Identify potential material topics

Based on peer benchmarking analysis, external policy research, surveys on industry trends, and consultation of relevant documents, we identify potential material topics that can reflect the impact of the Company's business on the economy, society, and the environment, or on stakeholders' assessment and decision-making concerning the Company.

Prioritize the topics

We conduct interviews and questionnaire surveys with stakeholders to understand their prioritized concerns. Based on the results, we form a matrix for material topics.

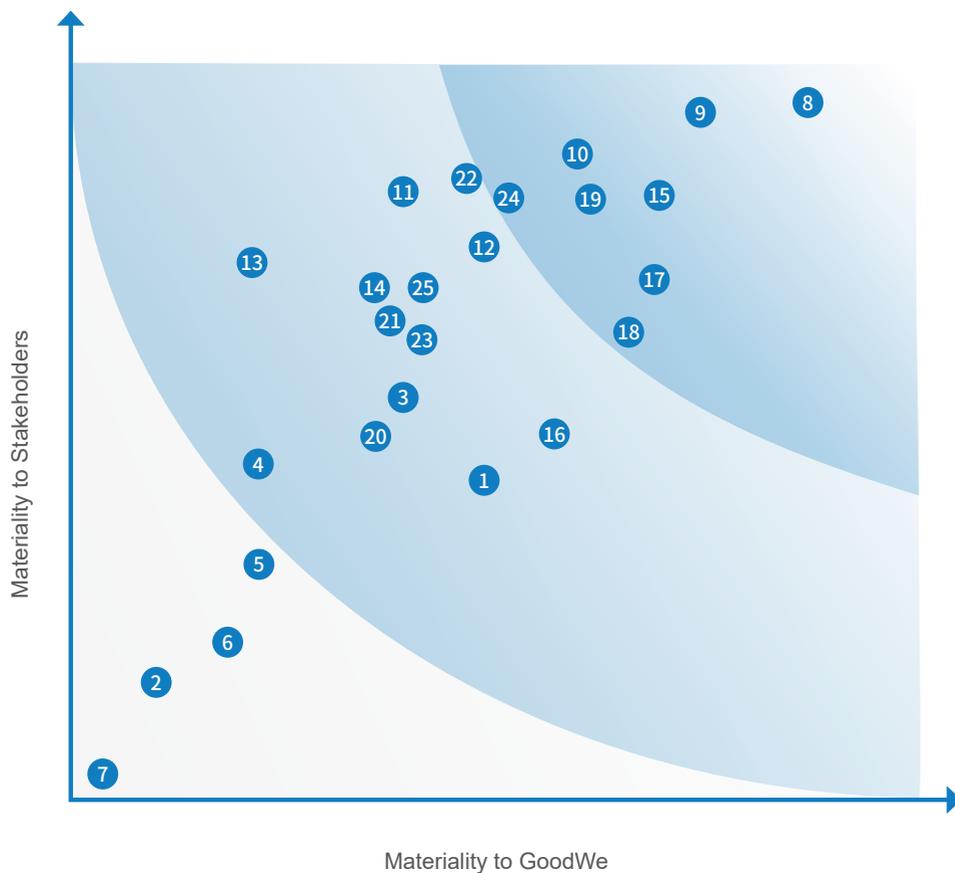
The management examine the results

We submit the results of the material topic matrix to the management to confirm the materiality and impact of the identified topics, and truthfully reflect the Company's performance on relevant topics in the report.

Review

We check whether the report reasonably describes the Company's impact and sustainability performance, and whether the report compiling process reflects the intent of the reporting principles. We also invite comments from stakeholders.

GoodWe 2021 Material Topic Analysis Matrix



» High-materiality topics

- 8 Product and Service Quality
- 9 R&D Innovation
- 15 Protection of Employee Rights and Interests
- 10 Protection of Intellectual Property Right
- 17 Employee training and Development
- 19 Occupational Health and Safety
- 18 Employee Care
- 24 Performance Growth

» Medium-materiality topics

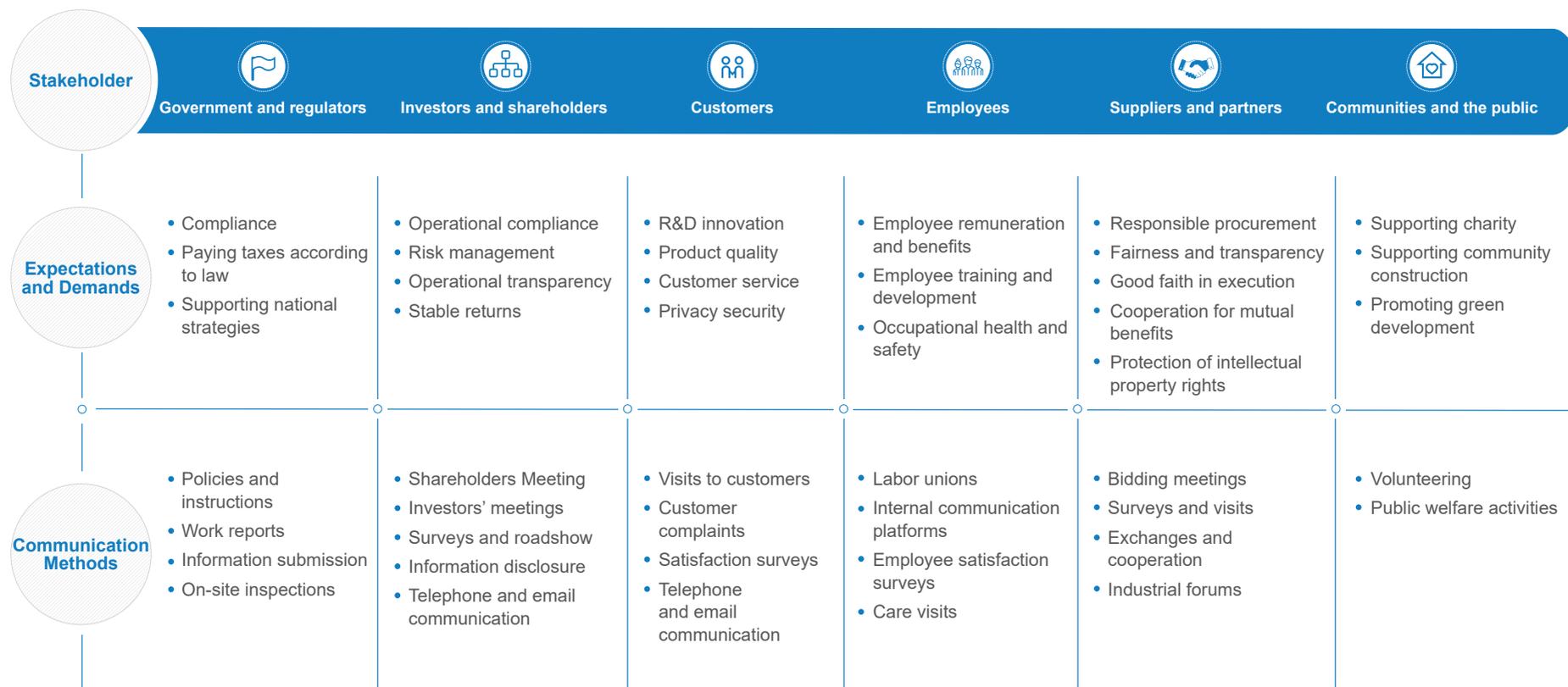
- 22 Compliance
- 12 Customer Privacy Protection
- 11 Industrial Cooperation and Development
- 16 Employee Remuneration and Benefits
- 25 Business Ethics and Anti-Corruption
- 23 Operational Transparency
- 21 Corporate Governance
- 14 Equal Opportunity and Diversity
- 1 Clean Energy Exploitation and Utilization
- 3 Energy Conservation and Consumption Reduction
- 20 Public Welfare and Investment
- 13 Supply Chain Management
- 4 Resource Recycling

» Low-materiality topics

- 5 Waste Management
- 6 Response to Climate Change
- 2 Water Use and Management
- 7 Biodiversity Conservation

Stakeholder communication

We are dedicated to building good cooperative and mutually beneficial relationships with stakeholders and strive to achieve win-win cooperation and maximize value. During the reporting period, we expanded diversified communication channels, established a real-time, effective, and long-term communication mechanism, learned about stakeholders' expectations and demands, and actively responded to stakeholders with practical actions.



Contributing to the UN SDGs

In September 2015, the United Nations Sustainable Development Summit adopted the 2030 Agenda for Sustainable Development. The agenda covers 17 Sustainable Development Goals (SDGs), pointing out the direction for countries and businesses worldwide to promote sustainable development. We examined the relevance of the SDGs and corporate social responsibility management practices and identified 11 core goals based on current business operations and future strategic development directions. We will focus on devoting resources and leveraging our strengths in relevant target areas to support the realization of the UN SDGs fully.

We have also joined the UN Global Compact and pledged to support its ten principles in the areas of human rights, labor, environment, and anti-corruption. We are committed to integrating the Global Compact and its principles into corporate strategy and culture, actively build partnerships with other member companies and jointly take sustainable development actions, to contribute to the realization of the UN SDGs.



02



Good Innovation Capabilities and Pursuit of Excellence

We firmly believe that innovation is the primary driving force for development and uphold the craftsmanship spirit of pursuing excellence. We improve our self-reliant innovation capabilities and scientific and technological R&D capabilities, expand product application settings, and strengthen overall quality management. As a result, we forge high-quality products for customers and society, and we continually inject new vitality and momentum into the Company's and industry's high-quality development.

Strengthening R&D innovation

Strengthening quality management

Accelerating the integration of informatization and industrialization



Strengthening R&D innovation

We continue to push forward with our innovation-driven development strategy. We strengthen the cultivation of innovative talents, improve the construction of innovation systems and mechanisms, and fully mobilize the forces of the industry, universities, and research institutions, to stimulate employees' enthusiasm and potential for innovation and continuously open up new prospects for innovation and development.

R&D innovation orientation

Since its establishment, the Company has adhered to the development vision of "Driving the World's Smart Energy Future" and the R&D policy of "production, development, planning, and pre-research proceeding in parallel." We actively respond to market demand for new energy by increasing our investment in product technology innovation and R&D, diversifying our business beyond new energy power and power supply equipment to energy interconnection capable of monitoring power generation, PV energy storage, power peak shaving, and collecting data on load power demands. The Company has mastered many core technologies of new energy, energy storage conversion, and energy interconnection, including the on/off-grid seamless switching technology, vehicle-to-grid (V2G) technology, off-grid microgrid control technology, energy management technology for energy storage inverters, and Internet of Things (IoT) device data acquisition technology. These innovations have also been incorporated into our products.



GoodWe's product families



Ground PV inverters



Storage batteries



Industrial and commercial PV inverters



Smart energy management system and accessories



Residential PV inverters



PV construction materials



Storage inverters

For more than 10 years, we have been deeply involved in new energy power and power supply equipment, and we have developed an effective R&D system. Our technological R&D covers power electronics, new energy control, energy management, energy storage conversion, and mass data collection, storage, and application. We offer a comprehensive range of new energy power and power supply equipment, as well as smart energy solutions in general. Our in-depth analysis and mining of customer needs bring our products closer to the market and ensure forward-thinking and continual product R&D. Our products have passed many international authoritative certifications and tests, including TÜV Rheinland, SAA, CGC, TÜV SÜD, BV, and CQC.

R&D capability building

The Company follows a market-driven strategy that is built on technological innovation. We have put up a professional R&D team with rich R&D experience and strong self-reliant innovation ability. We have set up R&D centers in Suzhou, Shenzhen and other places, with more than 600 core R&D personnel. The Company's R&D center has been recognized as Jiangsu Research Center the Renewable Energy Grid-connected Inverter Engineering Technology, Jiangsu Certified Enterprise Technology Center, Suzhou Research Center for Grid-connected PV Inverter Engineering Technology, Suzhou Industrial Design Center, and Jiangsu Industrial Design Center. The Company has been recognized as a High and New Tech Enterprise, Provincial Engineering Technology Center, Provincial Industrial Design Center, Provincial Postdoctoral Innovation Workstation, and Provincial Workstation for Graduates.

Meanwhile, we engage in technical discussions and exchanges with external institutions. We have collaborated on scientific research with the Suzhou Institute of North China Electric Power University, Soochow University, Nanjing University of Aeronautics and Astronautics, Beijing Jiaotong University, Shanghai Jiaotong University, and the Hefei University of Technology. We foster industry-university-research collaboration and bring together resources from universities, society, and enterprises to create a win-win innovation ecosystem.

Joining hands with Soochow University to establish a Clean Power Collaborative Innovation Center

China's goals of "peaking carbon dioxide emissions in 2030 and achieving carbon neutrality in 2060" have become a beacon, leading the R&D and innovation of a new generation of technologies. GoodWe took the initiative to establish a Clean Power Collaborative Innovation Center with Soochow University. The center is designed to solve the technical bottleneck of clean energy power based on the technology and operational characteristics of China's large-scale clean energy power. It achieves intelligent and efficient green power through technology innovation, provides critical technical support for clean energy power generation, grid connection, and consumption, and uses technology to speed the achievement of carbon neutrality. Our collaboration with Soochow University will result in significant advances in important clean energy technologies, as well as deepening collaboration in personnel training, scientific research, and social services.



苏州大学 — 固德威

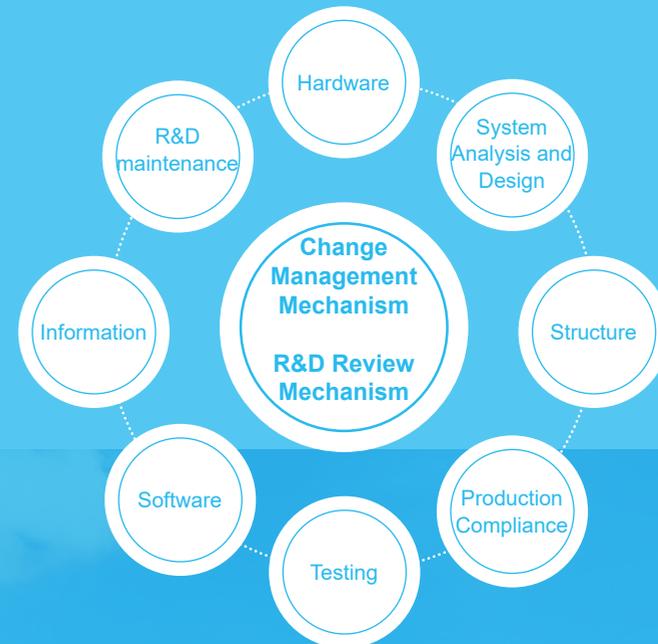
清洁电力协同创新中心



R&D system reform

We stay on top of market trends and adhere to the innovation principle and have formed a featured product development management model. During the reporting period, the Company systematically introduced the advanced Integrated Product Development (IPD) method to establish a customer-demand-oriented R&D model. With the IPD, The Company has increased cross-departmental collaboration, improved the quality and efficiency of product development, and improved market delivery speed. So far, GoodWe has created an R&D system supported by the change management and R&D review mechanisms, under the main framework comprised of eight enabling processes, including R&D maintenance, system analysis, design, and testing. Relying on the main framework of IPD, we develop the R&D design and development process, set the process activities, input and output deliverables at each stage of a project, and standardize and guide the R&D process.

The structure of GoodWe's R&D system



Innovation achievement application

We are committed to making every power station digital and intelligent, to provide a complete integrated solution for future smart energy. To achieve this vision, we constantly accelerate our product innovation and iteration. During the reporting period, we launched the Lynx Home F Series and Lynx Home U Series residential energy storage lithium batteries and the GW50K-ETC industrial and commercial energy storage inverter. We stepped up our efforts to empower a wide range of energy storage applications while also speeding up the development of new energy generation systems.



**GoodWe ETC
Series PV hybrid
energy storage
system**

The product supports the functions of PV access, battery energy storage, grid-connected output, and off-grid output. It follows a simple, Plug & Play modularized design consisting of four main modules (DC/DC, DC/AC, STS & EMS modules). It has the UPS function and can switch to backup mode in less than 10 ms ensuring uninterruptible power supply for critical loads. It supports three-phase unbalanced access for intelligent electrical load management. It offers 110% continuous AC overloading on backup for maximum power output and remote shutdown function for system safety.



**GoodWe HT
Series 1500-V
high-power PV
inverter**

The product achieves up to 99% conversion efficiency with advanced topology, innovative inverter control technology, and 12 MPPTs. It supports 1.5x DC overmatch, allowing a maximum input current of 20 A per string. It is compatible with bifacial high-efficiency components, improving power generation and user investment returns. The product has the functions of string intelligent detection, IV curve scanning, and nighttime SVG, which can reduce line loss and save energy. The product power boasts line communication 2.0, and the DC side supports two strings and one access, saving cables and construction costs.



GoodWe SEMS

GoodWe's Smart Energy Management System (SEMS) is an intelligent monitoring operation and maintenance platform for PV power stations. It is designed to solve the three major problems in distributed photovoltaic power generation projects: difficult problem positioning, troubleshooting, and processing. It also helps distributed EPC manufacturers and operation and maintenance service providers to build a standardized, large-scale, and professional system platform. The product includes platforms for data monitoring, data analysis, and calculation reporting systems. It is also a platform that supports systemic administration, with data security methods, smart logic, and a variety of customizations.

With our unwavering efforts in product R&D, society has acknowledged our accomplishments. During the reporting period, the Company has received honors such as the distributed/residential inverter brand recommended by installers and the most influential solar energy storage solution enterprise. The Company ranked among Jiangsu's 100 Most Innovative Private Enterprises 2021 in the field of advanced manufacturing and automation technology, a list released by the Jiangsu Academy for Science and Technology for Development. Moreover, we received the title of Top Inverter Brand issued by the authoritative research institution EuPD Research in the Netherlands, Australia, Poland, Spain, South Africa, and Pakistan, setting a new industry record.



Protection of intellectual property rights

GoodWe emphasizes intellectual property management. We strictly abide by the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*, and continuously promote the construction and improvement of the internal intellectual property management system. Based on the national standard *Enterprise Intellectual Property Management*, we have created an intellectual property management manual that is tailored to the Company's current situation. We also meticulously implement the *Intellectual Property Management System*, the *Intellectual Property Risk Management Control Procedures*, and the *Intellectual Property Contract Management and Control Procedures*. We protect our intellectual property rights and avoid infringing the intellectual property rights of others. By the end of the reporting period, we had obtained the intellectual property management system certification.



During the reporting period, the Company was involved in **no** disputes or cases concerning intellectual property rights.



The Company conducts online and offline intellectual property training to improve the understanding of intellectual property rules and regulations among R&D personnel and technical managers, as well as to raise employee awareness of intellectual property protection.



During the reporting period, we held **5** special training sessions



launched **14** intellectual property-related courses on the internal training platform

Indicator		Unit	2021	
Intellectual property rights	Patents	New invention patents	item	13
		New utility model patents	item	34
		New design patents	item	12
		Total new patents	item	59
		Invention patents held	item	44
		Utility model patents held	item	82
		Design patents held	item	18
	Total patents held	item	144	
Trademarks	New trademarks	item	1	
	Total trademarks held	item	35	

Strengthening quality management

GoodWe regards product quality as its lifeline. We always adhere to the quality policy of “quality first, customers as top priority, pioneering and innovative, and common growth” and the quality philosophy of “doing the right thing right the first time.” We practice the craftsmanship spirit in the whole lifecycle of products, and insist on providing customers with products with excellent quality and performance.

Product quality system

GoodWe has been working on quality system building and certification. We have received the ISO 9001:2015 quality management system certification, based which we have formulated the *Quality Manual*. During the reporting period, the Company also received the China National Accreditation Service for Conformity Assessment (CNAS) laboratory accreditation certificate and the certificate for measurement assurance issued by Jiangsu Metrology Association.



We observe the general standards of export destinations to ensure that our exported products have excellent reliability and quality. We observe the following product standards in major countries and regions:

Country/Region	Product Standards Observed
Europe	CE /RED / IEC 62109-1/ IEC 62109-2/ IEC 62477-1
Germany	VDE-AR-N 4105
U.K.	G98/ G99
U.S./Mexico	UL 1741/ CSA C22.2 No. 107.1/ IEEE 1547 /UL1699B /UL9540
Australia	IEC 62109-1/ IEC 62109-2/ IEC 62477-1/ AS/NZS4777.2
Japan	JIS C 4412/ JETGR0002-1
South Korea	KS C8564/ KS C8565

Improving management procedures

Based on the IPD process, we have established the RAT (Requirement Analysis Team), PDT (Product Development Team), and IPMT (Integrated Portfolio Management Team) to manage product development and process quality from requirement management, project approval, opening, review, and decision-making. The structured and staged development process provides corresponding quality management procedures for deliverables at each stage. We plan the quality activities at each stage, clarify the objectives of each quality activity, and realize project quality objectives at each stage, to achieve the overall goals of the project. Moreover, we have set up an interface between the ITR (Issue to Resolved) process and the IPD process. In problem-solving, the R&D Department can turn the problem into an opportunity for product quality improvement in time based on the information fed into the IPD interface via the ITR.

Upgrading product quality

GoodWe is committed to providing customers with high-quality products. We have introduced automated product manufacturing equipment, regularly commission third parties to calibrate production line equipment, carry out various quality publicity and training sessions, and have established a product recall mechanism. These diversified measures help us to continuously improve product quality.



Harness automation equipment replacing manual operation in the production line

We are replacing manual operation with harnesses automation, and have realized the integration of single wire cutting and stripping, sleeving heat shrink tubes, terminal crimping, label printing, and heat shrinking. This move reduces manpower and minimizes product quality problems caused by human deviation.



To strengthen quality management, we built a product recall mechanism as well as a return and exchange process for quality problems. The cooperation of relevant departments and real-time follow-up provide an efficient closed-loop for customers' quality complaints and guides future improvement of product quality.



The technical service staff analyze and confirm the quality problems raised by customers or salespersons, register customer information, and fill out the *Customer Complaint Record Form*.

If a product is confirmed to be returned or exchanged after the analysis of the Technical Service Department and the approval of the heads of the department, the customer may return the device. The Technical Service Department receives the returned device, fills out the *Product Demand Form*, and arranges the delivery of a device from the after-sale spare parts warehouse to the customer.

The Technical Service Department sends the returned device to the after-sales defective product warehouse, and summarize the return. For serious returns (causing losses to customers or affecting customers' subsequent production), the Quality Department will lead a quality review meeting to determine the handling plan and follow-up improvement and preventive measures.

After-sales maintenance engineers repair the failed device recalled due to after-sales customer complaints, and fill out the *Maintenance Record Form*. After repairing, they put it into the after-sale spare parts warehouse as an after-sale replacement. In terms of management, after-sales repaired devices will be recorded in the *Repaired Device Inventory Table*.

GoodWe's product recall process

The Company continuously increases quality training for employees, enhances employees' quality knowledge and awareness, and instills the quality philosophy and quality culture into employees. During the reporting period, we carried out the Quality Month campaign and the Annual Quality Conference.



We put up quality slogans and posters at the elevator entrance, staff rooms, and workshop entrance to promote the Quality Month campaign and encourage all employees to participate. We also communicated the quality philosophy of “doing the right thing right the first time.”



We post about the Quality Month. Through communication, we let employees have a deep understanding of the origin, background, and purpose of the Quality Month campaign.



We release executives' message for the first Quality Month. Through videos and transcripts of executives' message, we demonstrated top-down engagement and stressed the “quality first” philosophy.



We organized an online-offline quiz covering total quality management and IPD-related knowledge.



We invited teams and individuals to describe the importance of quality from different perspectives based on their departments and positions.



We solicited rationalization suggestions and promptly identified quality improvement needs to provide support for excellent quality improvement.



We carried out QCC (Quality Control Circle) training for many departments of the Company to extend relevant employees' quality management knowledge and help employees better solve practical problems at work.



GoodWe's Quality Month campaign

During the reporting period, TÜV Rheinland's “All Quality Matters” Award announced the results of the practical efficiency test of 30kW medium-power PV inverters for residential PV. In the TÜV test, GoodWe's GW30K-MT smart PV inverter excelled in input capability, conversion efficiency, power quality, output capacity, and thermal stability, and won the first place in the Medium-power PV Inverter for Residential PV category, as a result, it is the most trusted option for residential distributed PV quality. It was the sixth consecutive year that GoodWe won the TÜV Rheinland's “All Quality Matters” Award.

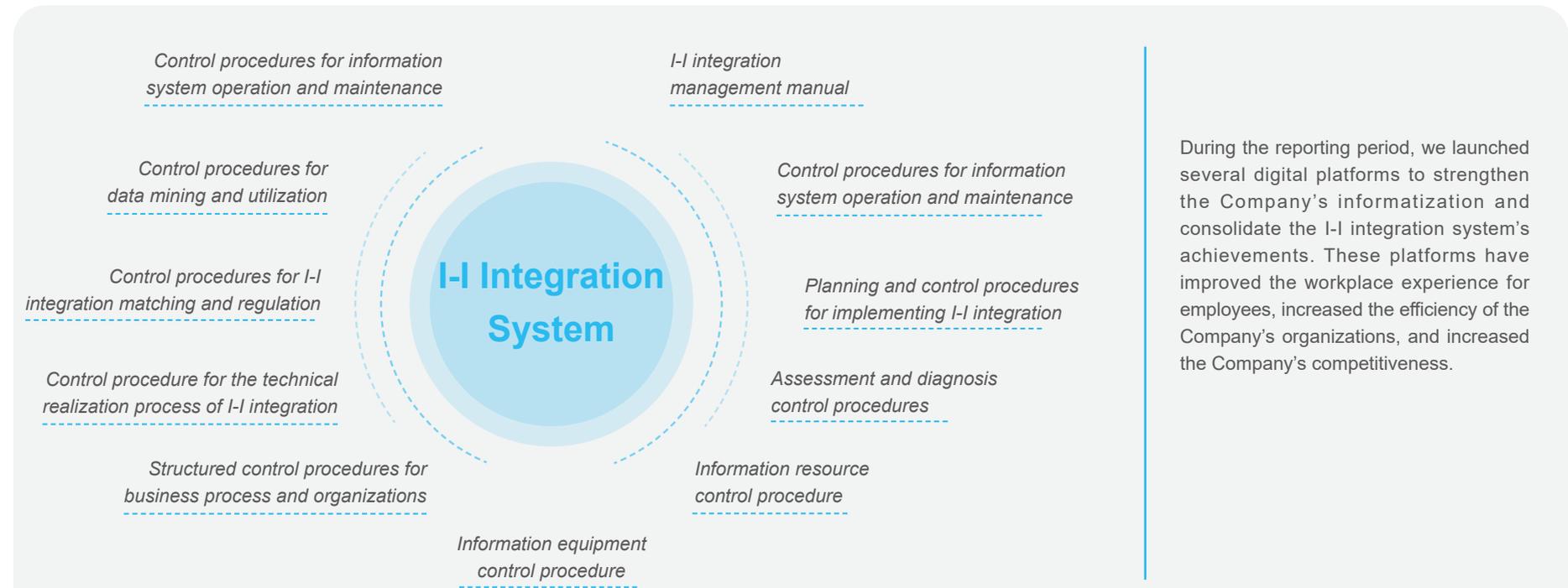


Accelerating the integration of informatization and industrialization

We continuously improve our management mechanism for the integration of informatization and industrialization (I-I integration). To this end, we have developed several sound standardization procedures, including the *I-I Integration Management Manual*, the *Identification and Control Procedure for Sustainable Competitive Advantages*, the *Planning and Control Procedures for Implementing I-I Integration*, the *Assessment and Diagnosis Control Procedures*, and the *Control Procedures for Information Resource*.



During the reporting period, we received the **AA** Integration of Informatization and Industrialization Management Certificate.



During the reporting period, we launched several digital platforms to strengthen the Company's informatization and consolidate the I-I integration system's achievements. These platforms have improved the workplace experience for employees, increased the efficiency of the Company's organizations, and increased the Company's competitiveness.

03



Good Cause for Ecological Conservation

Against the backdrop of the goals of “carbon peaking and carbon neutrality,” we adhere to the idea of “ecology as priority and green development” and increase our efforts in environmental protection. We conserve resources, reduce energy consumption and pollution emissions. With these efforts, we protect lucid waters and lush mountains, blue sky and white clouds, and contribute to the creation of a sustainable future for the Earth and human beings.

Strengthening environmental management

Promoting energy conservation and emission reduction

Practicing green office



Strengthening environmental management

We attach great importance to environmental stewardship. We stress green development in our operations and pay attention to the possible impact of climate change on us. We have built a sound environmental management system, planned environmental impact assessments, and strengthened environmental target and risk management. With these efforts, we have improved the efficiency of environmental management to progress the cause of sustainability.

Environmental management system

We strictly abide by the *Environmental Protection Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China*, the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, and the *Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution*. We improve our environmental management and operation model from time to time according to relevant laws, regulations, and regulatory requirements, and are build a resource-saving and environment-friendly enterprise.

We are active in constructing the environmental management system. We stipulate the responsibilities and authority of positions involved in environmental activities, provide resources for the establishment, operation, and continuous improvement of the Company's environmental management system, and implement the system into every section of the Company's operation. We have assigned the responsibilities and capability requirements of the general manager, environmental safety and health managers, department managers, and EHS managers, and designed the work procedures of the environmental safety and health management system. Moreover, we minimize the discharge of pollutants in production and operation activities. We carry out and advance third-party system certification and review, committed to bringing the internal environmental management to international standards.



During the reporting period, we received the

ISO 14001

environmental management system certification.

Environmental impact assessment

We are committed to compliance in environmental impact assessments (EIAs). We analyze and demonstrate the possible environmental impact of the Company's production and operation, based on which we put forward preventive measures and countermeasures. All our projects have passed EIAs in terms of environmental disasters, ecological impact assessments, water and air quality analysis, and noise monitoring. We incorporate environmental factor identification and environmental monitoring into the whole process of a project, and report environmental monitoring data and EIA results to competent government agencies in a timely manner, to constantly improve our environmental management performance and data system construction.

During the reporting period, our environmental prevention and control systems were effectively functioning, and there was no environmental pollution incident or any form of environmental administrative punishment.

Environmental goal management

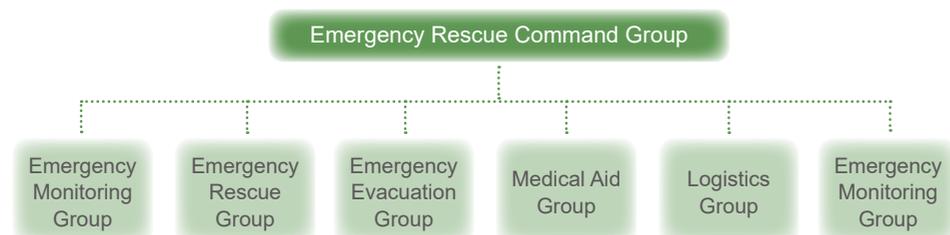
We set EHS management goals at the beginning of each year based on our business conditions and strategic development plan and referring to industry development trends and external policies and regulations. This practice is designed to effectively improve our environmental management performance and achieve quantitative control and continuous mitigation of environmental impact. The goals cover the discharge of wastewater and waste gas in compliance with regulatory requirements, and the lawful disposal of hazardous waste and solid waste. We also develop corresponding goal achievement plans and implementation pathways, and take actions and implement measures to ensure the realization of these goals.

Environmental risk management

We actively implement the *Measures for the Environmental Emergency Response Management* and the Measures for the Administration of Environmental Emergency Response Plans for Enterprises and Institutions (for Trial Implementation). We have developed contingency plans for environmental emergencies and established an organizational structure for emergency rescue.

We identify and assess the risks of environmental emergencies. The Company is identified as a risk enterprise regarding atmospheric and water environmental emergencies, with a risk level of "general." The main risks of the Company are the leakage of ethanol and other substances, fire accidents caused by high temperature and open flames, and environmental risk events caused by the failure of waste gas treatment facilities. In response to potential risks, we continuously improve our emergency operation procedures for extreme scenarios. We monitor the storage and transportation of hazardous chemicals, sources of fire and explosion, and leakage of hazardous chemicals and take emergency preventive measures. We investigate potential environmental safety hazards, allocate emergency facilities and rescue supplies, and strengthen emergency training and drills. Moreover, we improve our emergency containment and disposal plans for accidental waste liquid and wastewater (including fire tail water), to enhance our emergency response capabilities.

The emergency rescue organizational system



Against the backdrop of global warming, extreme weather events such as blizzards, rainstorms, typhoons, and floods occur more frequently and persist longer. We identify and analyze climate-related risks that affect the Company, and develop response measures to improve the Company's adaptability to climate change.

Preventive measures for natural disasters

Preventive Measures for Lightning

- The project design observes the third type of lightning protection buildings in the Code for Design Protection of Structures against Lightning (GB50057-2010).
- All exposed conductive parts of electrical equipment are reliably grounded. All metal objects such as equipment and structures in the building are reliably grounded nearby. All lightning protection measures have been tested by qualified testing agencies and passed the lightning protection inspection before being put into production and use.
- We send personnel to regularly inspect lightning protection facilities. We commission qualified testing agencies to conduct lightning protection testing before the rainy season every year to ensure that the lightning protection devices are reliable and effective.

Preventive Measures for Storms and Floods

- Our factories are equipped with good drainage systems, which can deal with heavy rain and floods.
- We dredge the drainage system before the rainy season to ensure unblocked drainage. We pay attention to the weather forecast issued by the meteorological department and prepare for disasters.
- During the rainstorm, when the puddles in the factory cannot be drained in a short time, we will immediately take measures to prevent rainwater from pouring back, and use pumps to drain the water when necessary.
- The terrain elevation in the workshop is 0.15 m higher than the outdoor natural elevation to prevent backflow.

Preventive Measures for Earthquakes

- All structures in the factory are strictly fortified against 7-magnitude earthquakes. In the event of an earthquake, the power transmission and water supply systems (except the emergency lighting system) will be quickly shut down and cut off and open fires will be extinguished to prevent secondary disasters after the earthquake.

Environmental protection awareness communication

We enhance employees' low carbon and environmental protection awareness, create a green culture, and communicate environmental protection among employees in various forms. We have four green propositions, namely, "Act for a green, low-carbon, beautiful home," "WE are in action for green life," "GoodWe members protect the blue sky and white clouds," and "Guard lush mountains and lucid waters, guard our future," to enhance employees' green awareness. Moreover, we insist communicating the idea of environmental protection, and improving employees' understanding and awareness of ecological and environmental protection.



During the reporting period, we carried out

52 environmental protection training sessions for new employees



engaging **1,040** people



Online environmental protection training sessions

Promoting energy conservation and emission reduction

We strictly abide by the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, and the laws, regulations, and standards concerning pollutant discharge management in the place where we operate. We have established an effective internal control system on environmental protection according to relevant environmental laws and regulations, national and industry standards. The system is comprised of the *Three-Simultaneity Management System* (that the safety devices of a construction project must be designed, built and put into production and use simultaneously with the main part of the project), the *Noise Control Procedure*, the *Waste Gas Control Procedure*, the *Management Regulations on Classified Collection of Solid Waste*, the *Waste Control Procedure*, and the *Wastewater Control Procedure*. We leverage our technological advantages to use renewable energy at a high proportion, conserve resources and reduce emissions, and go all out for China's goals of "peaking carbon dioxide emissions in 2030 and achieving carbon neutrality in 2060."



By the end of the reporting period, the Company had received the **ISO 50001** energy management system certification



Resource conservation

We take resource conservation measures when using energy, water, and packaging materials. By optimizing the energy structure, using low-carbon energy, reducing energy consumption, and improving energy efficiency, we try our best to conserve the ecology in our production and operation, and perform the social responsibility of a resource-conserving enterprise.

Energy utilization

In terms of energy utilization, we uphold green development, empower green energy, and reduce the energy consumption in production and operation. We improve our resource management model, increase energy utilization efficiency, perform corporate responsibility, and build a resource-conserving enterprise. We increase adjustments of energy structure, optimize our energy structure strategies, and focus on green and low-carbon transformation. We use more clean and renewable energy, and continuously reduce GHG emissions from the Company's operations. During the reporting period, we used LED lamps in the lighting of the whole plant to reduce power consumption, centrally managed air conditioners, controlled the temperature of the air-conditioned area, and reduced additional power consumption. Through process improvement, equipment renewal to improve production efficiency, and use of outdoor natural wind to replace air-conditioning (cooling) in winter, we balanced the temperature of aging equipment.

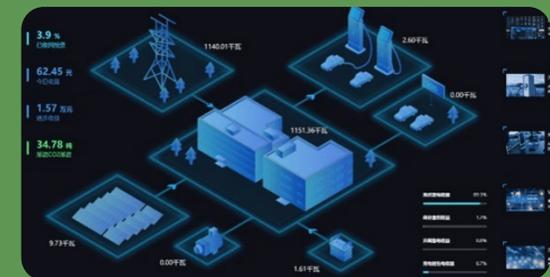
We put efforts in optimizing and upgrading the energy structure, vigorously increasing the use of renewable energy through self-built PV systems. Our rooftop PV system applies in many practical settings, including solar storage and charging, V2G, and off-grid energy storage, which can be used for small outdoor demonstration power stations to test the R&D of inverter-related products and display them in practical settings and on smart energy platforms. PV systems cover all of our factory rooftops. Among them, we have installed 350-kW PV and 80-kWh energy storage in the Suzhou headquarters building, with a total investment of RMB 1.6 million. In response to green travel, the Company has set up many dedicated parking spaces for new energy vehicles, and built PV carports illuminated by energy-saving LED lamps for new energy vehicles. We have also built PV solariums on the top floor of the office building to receive visitors or hold meetings. Due to the large electricity load, the PV-generated power is fully absorbed by the factory. According to estimates, PV can provide 350,000 kWh of clean electricity every year, accounting for 5.5% of the headquarters' annual power consumption. It can save electric charges of RMB 280,000, 105 tonnes of standard coal, and 348.95 tonnes of carbon dioxide emissions.



Suzhou headquarters' rooftop



A solarium



The interface of the smart microgrid platform

GoodWe Technologies (Guangde)'s 2.76-MW rooftop distributed PV and park energy interconnection project

The 2.76-MW rooftop distributed PV and park energy interconnection project of GoodWe Technologies Co., Ltd. is committed to creating a model for industrial park energy conservation. It realizes the efficient utilization of renewable energy and the interconnected and coordinated operation of the microgrid, and improves the operation efficiency and energy efficiency management of the energy system in the park.

We are active in advancing this project. Its microgrid energy storage and flexible loads make it a model for maximizing the utilization of local renewable resources. Its construction of a smart energy management platform in the park makes it a model for comprehensive technical and economical operation of energy production and sales. Its multi-phase and multi-type microgrid projects and construction of a multi-dimensional smart energy management platform make it a model for the coordinated operation of park-level energy interconnection.



As a responsible enterprise in the renewable energy industry, we have actively responded to China's strategic goals of "carbon peaking and carbon neutrality." We carry out Scope-1 and Scope-2 carbon inventories in our operations in accordance with the ISO 14064-1 standard, to better work for the "carbon neutrality" mission and provide a scientific reference for the strategic goal of reducing GHG emissions in the future. We have collated and summarized the GHG emissions of the Company's facilities based on operational control rights. In the future, we will continue to optimize our carbon inventories to lay a solid foundation for reducing carbon emissions.

Scope ¹	Scope 1 ²	Scope 2 ³	Total
Emissions (tonne of CO ₂ e)	397	8,516	8,913
Percentage	4.454%	95.546%	100%

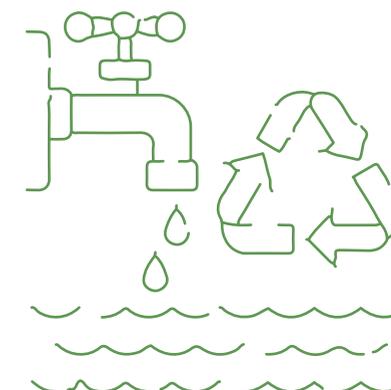
¹ The organizational boundary covered by the carbon inventory is GoodWe Technology Co., Ltd. It is a summary of GHG sources or sinks at the facility level based on operational control rights.

² Direct (Scope 1) GHG emissions are calculated in accordance with the 2006 IPCC Guidelines for National Greenhouse Gas Inventories published by the Intergovernmental Panel on Climate Change (IPCC).

³ Indirect (Scope 2) GHG emissions are calculated according to the China's Regional Grid Average Carbon Dioxide Emission Factors 2010 released by the National Development and Reform Commission.

Water use

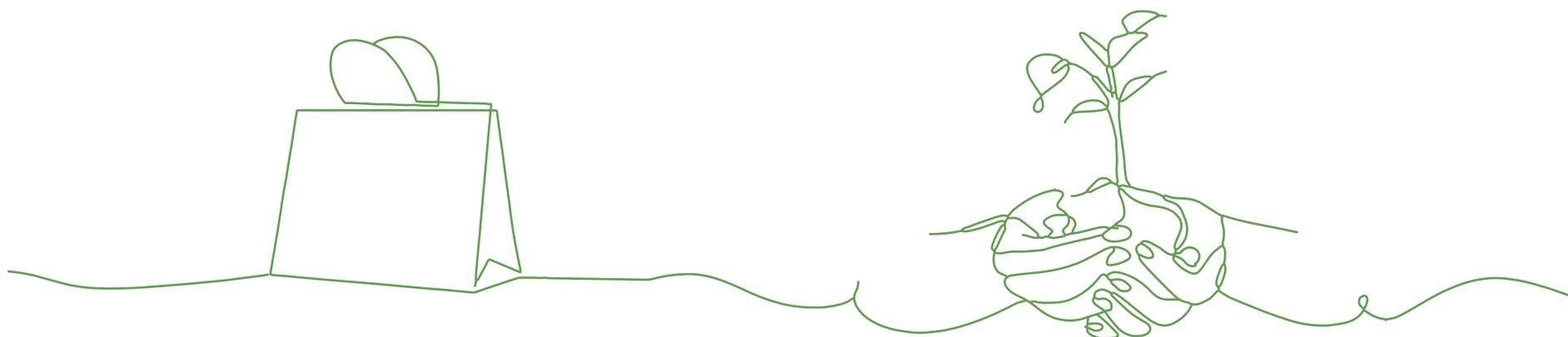
In terms of water use, we strictly abide by the *Water Law of the People's Republic of China* and relevant laws and regulations. We do our utmost to optimize the management of energy-saving technological transformation and improve water conservation and efficiency. During the reporting period, we installed water-saving toilets and sensor urinals in the restrooms. The water air conditioners in our manufacturing workshops used circulating water. Fish ponds in our landscape gardens adopted circulating filtration. We conserve water in manufacturing and daily life and reuse water to reduce the impact of resource shortages and environmental damage.



Use of packaging materials

In the use of packaging materials, we practice “plastic reduction”. We limit the procurement of plastic packaging materials, use renewable materials, and encourage recyclable packaging, to reduce the consumption of packaging materials. Moreover, our lightweight products and the high-power density design reduce product volume and packaging size, increasing the load of overseas transportation and packaging and reducing transportation costs and carbon emissions. Our new products are all compliant with the European pallet stacking requirements. On the premise of ensuring packaging’s functions of protection, convenience, and sales, we try our best to reduce packaging materials and increase its reuse rate, explore the reduction and replacement of packaging products, and fully unleash the reuse value and green value of packaging materials. Moreover, as aluminum plates are not prone to rusting and can be recycled, our machine casings are all made of aluminum alloys. Our machine casings are dusted. For powder materials, we insist on choosing international renowned brands that meet the European environmental protection standards.

	Indicator	Unit	2021
Resource used	Comprehensive power consumption	MWh	21,100.08
	Natural gas	m ³	30,689
	Water consumption	tonne	31,835
Resource saved	Power saved	MWh	1,512.54



Emission reduction

We actively reduce emissions in production processes. We emphasize the management of waste generated in our production and operation activities, and take measures to reduce waste generation. We have established an accountability management system for solid waste pollution prevention and control, wastewater control procedures, solid waste control procedures, noise control procedures, emergency preparedness and response control procedures, and waste gas control procedures. These initiatives are designed to regulate the treatment of wastewater, waste gas, and solid waste and reduce emissions, and minimize the adverse environmental impact of the Company's operations.

In terms of waste gas management, we reduce the emissions of tin and its compounds and VOC mostly with air-proof processes and equipment. The waste gas generated in our production and operation is filtered by a professional waste gas treatment system, adsorbed by an activated carbon adsorption tower, and filtered through a chimney for a second time before being discharged to the outside. In terms of solid waste management, we reduce waste packaging materials mostly by optimizing packaging. For example, we use sustainable green packaging and accelerate ecological packaging design and the development and recycling of green packaging materials around the core elements of green packaging, such as weight reduction, recycling, and reusing. Moreover, we commission organizations with environmental protection qualifications to regularly recycle and centrally process activated carbon and waste rubber buckets. For the waste generated in daily office work, we classify it and store it centrally. Recyclables will be recycled and the rest will be commissioned to municipal agencies for collection and disposal. For the kitchen waste generated in our outsourced restaurants, we launch the "Clear Your Plate" campaign and advocate employees to save food to reduce kitchen waste. We also commission qualified third-party organizations to recycle and clear kitchen waste. In terms of wastewater management, we do not discharge wastewater in processes and production but only domestic wastewater. Our wastewater is pretreated and discharged into the park's sewage pipe network for centralized treatment by the municipal sewage treatment plant.

Indicator		Unit	2021
Total waste gas emissions		m ³	73,244,000
Total dust discharge		tonne	0.0624
Total effluent discharge		tonne	25,468
Hazardous waste	Waste chemical packages, waste cleaning agent, and waste activated carbon	tonne	23.52
Non-hazardous waste	Grease tank waste	tonne	1.80
	Yard waste	tonne	0.50
	Household waste	tonne	21.60
	Kitchen waste	tonne	21.60

Green products

We insist on continuous innovation in new energy conversion technology, energy storage technology, and smart energy management system platforms. We create green products and empower the zero-carbon era. During the reporting period, we launched green products such as residential energy storage lithium batteries and industrial and commercial energy storage inverters. We increased our efforts in energy storage to accelerate the construction of new power systems. We provided zero-carbon smart energy solutions for the “Ningguilai” emergency quarantine apartments in Nanjing’s Lishui District, contributing green ecological power to COVID-19 prevention and control. At the 13th Chinese Renewable Energy Conference and Exhibition, we showcased full-scenario smart energy solutions to contribute more zero-carbon solutions to carbon neutrality. We have been committed to realizing the eco-friendliness of our products, improving the green power of our products, and making ecological electricity better serve life.

We actively carry out green product certification and product carbon footprint certification. As the Company’s green development goes deeper, we have received the green footprint evaluation certificate and China’s first green product certificate. Today, our PV inverters, which produce and convert green power, are produced in a green and low-carbon manner. As a responsible enterprise, we practice green development, and help China’s green and low-carbon development with actions. During the reporting period, we conducted a product carbon footprint survey on the GW136K-HTH model, including its raw materials and manufacturing, and its carbon footprint was 1,173 kg CO₂eq. China Quality Certification Center (CQC) issued China’s first green product certificate for this product.



Practicing green office

We practice the idea of green, sustainable, and low-carbon office in daily office work and corporate culture construction, and try our best to enhance employees' awareness of energy conservation and environmental protection. We encourage all employees to cherish every kWh of power, every drop of water, and every piece of paper, and practice green and low-carbon office methods in every detail of office operations. We work hard to create a low-carbon and green workplace, contributing to the creation of a green, environmentally friendly, energy-saving, and low-carbon living environment.

Promoting power conservation

- Put an end to “permanent lights” and use natural light more. Computers, printers, copiers, shredders, and other electronic devices activate the power saving mode to reduce standby power consumption.
- Promote natural ventilation and reduce the use of air conditioners. The temperature of the air conditioner in summer shall not be lower than 26°C, and in winter, only when the room temperature is lower than 5°C can the air conditioner be on. Turn off the air conditioner half an hour before get off work.
- Take less elevators and take more stairs to keep fit and save energy.

Increasing water use efficiency

- Strengthen daily maintenance inspections to prevent “running and dripping” and “long running water.”
- Use high-efficiency irrigation methods such as sprinkler irrigation, drip irrigation, and micro-irrigation in greening.

Advocating new office models

- Advocate online paperless office. Transmit information through the intranet as much as possible to reduce paper waste.
- Advocate good habits of saving office consumables and double-sided printing and writing.

Implementing garbage classification

- Set up and build garbage classification facilities and keep the environment around clean. Take actions to drive the people around to participate in garbage classification.



Garbage classification in office areas



The newly-built classified garbage collection area



The timetable for classified garbage collection



The “Clear Your Plate” campaign in the canteen

04



Good Partnerships for a Better Future

We firmly believe that win-win cooperation is the primary driving force behind development. We are committed to building an open and inclusive partnership through various measures, including improved customer service, increased industry dialogue and exchanges, and the development of a sustainable supply chain. We work with customers, suppliers, and other stakeholders to achieve common progress, mutual benefits, and win-win results.

Improving customer service

Promoting industrial development

Tightening supply chain management



Improving customer service

We are customer-centric and strive to address a wide range of market needs. Our service management system is continually being improved, and we are actively responding to customer needs. We strictly protect customer privacy and information security, increase the quality and efficiency of customer service in a variety of ways, and strive to continually improve customer satisfaction.

Integrated services

The Company has established local service offices in United States, Japan, Italy, Germany, the Netherlands, Australia, Brazil, Mexico, India, South Korea and other countries based on the industry laws, regulations, and policies in those markets, and market development and service needs. These local service offices provide customers with four levels of support, namely the local service hotline, headquarters technical support, R&D technical support, and training support. Professional technical engineers are on staff at the offices all year to provide one-stop services to customers including product consultation, system design, installation, commissioning, and after-sales service. The Company has set up a free 24/7 after-sales service hotline to provide better and faster service to customers. The Company has also created two-hour service circles to quickly respond to customers' needs. By now, the Company has nearly 20 service vehicles, forming a fast service response network.

Responsible marketing

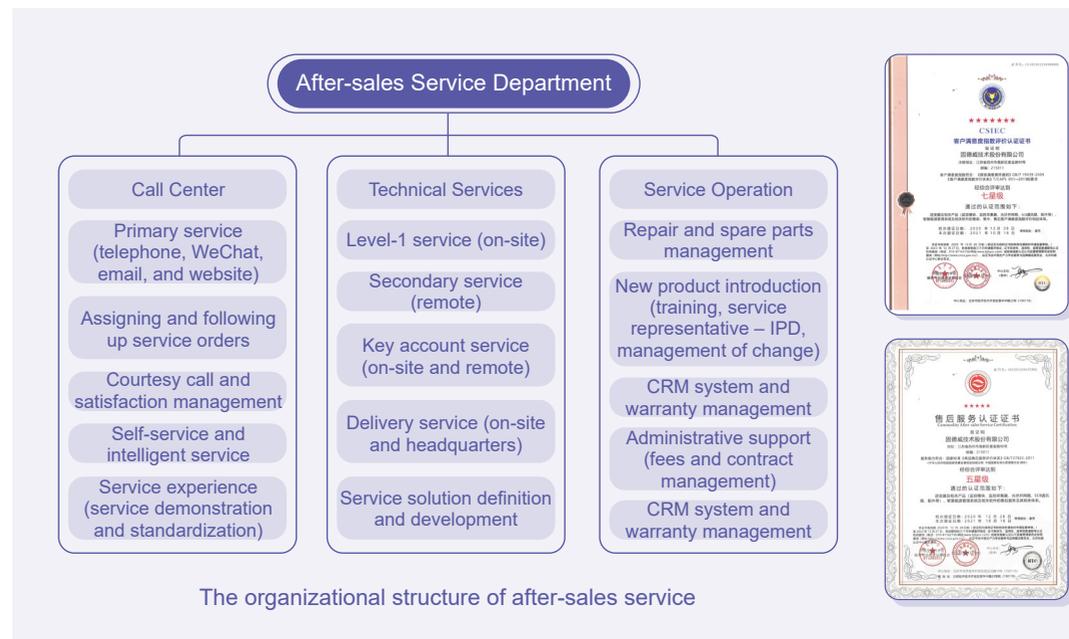
We strictly abide by the *Advertising Law of the People's Republic of China* in promotion and marketing. We strictly forbid exaggerated and deceptive publicity and are steadfast in maintaining a transparent promotion culture. We carry out well-regulated publicity and demonstrate product features by placing advertisements and promotion videos on CRH trains, the Chinese Renewable Energy Conference and Exhibition, and the International Forum on Energy Transitions. During the reporting period, the Company received no complaints or legal proceedings for misrepresenting or deceiving consumers in promotional content.

After-sales service management

To regulate the after-sales service and to improve customer satisfaction and trust in products, we built a solid after-sales service process and divided the after-sales service organizational structure according to different functions. During the reporting period, GoodWe's after-sales service capabilities received the highest professional five-star rating and passed the authoritative seven-star Customer Satisfaction Index evaluation at one time.



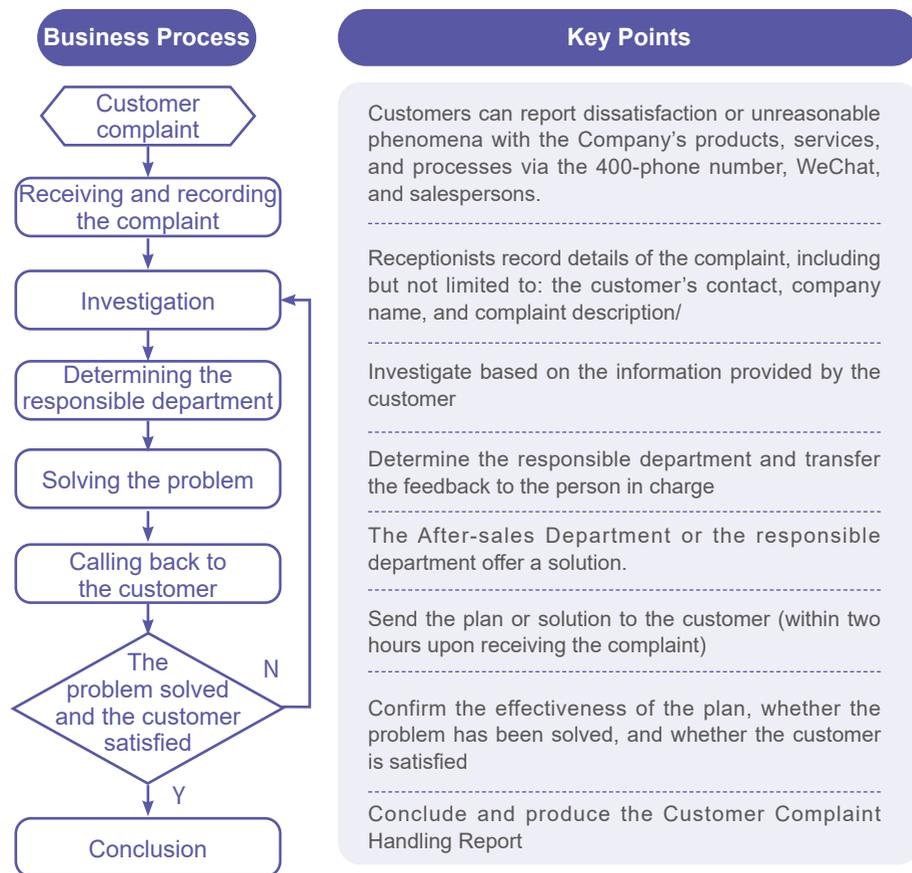
The after-sales service process



The organizational structure of after-sales service

Complaints and their handling

We attach great importance to customer complaints and feedback. We have formulated the *Customer Complaint Handling Process*, actively open up complaint channels, and optimize the complaint handling mechanism. Customers can report dissatisfaction or unreasonable phenomena with the Company's products, services, and processes by calling the 400-phone number, using WeChat, or speaking with salespeople. To ensure that customer complaints are handled in a timely and proper manner, we impose timeliness requirements on the handling of customer complaints. Complaint receptionists must respond within 15 minutes of receiving a client complaint, provide a preliminary solution within two hours, and resolve the problem within 24 hours.



Customer satisfaction surveys

We are always improving our customer service tracking. We understand customers' product and service satisfaction by conducting customer satisfaction surveys, discovering and analyzing our products and services' strengths and weaknesses, and carrying out targeted improvement projects. During the reporting period, the Company actively conducted satisfaction surveys, and the customer views on the after-sales service satisfaction are as follows:



Information security and customer privacy

We emphasize protecting our customers' privacy. With permission and the encryption system, we keep customer information and the Company's other data private. On the other hand, as required by the EU GDPR, we have developed numerous management systems, such as personal data protection risk assessment, personal data protection management measures, the information security management system, the information security emergency plan, and the customer data confidentiality system. These management systems improve our standardization of personnel, server, and information security risks.

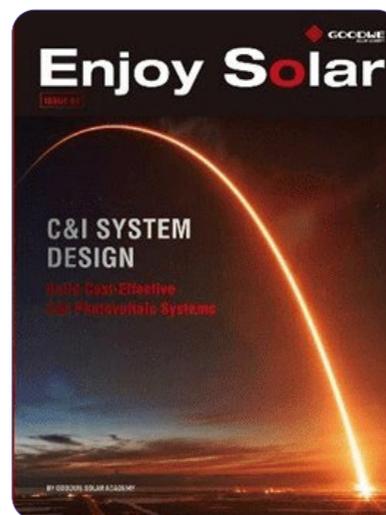
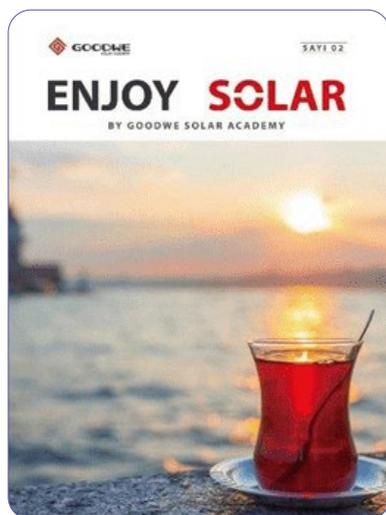
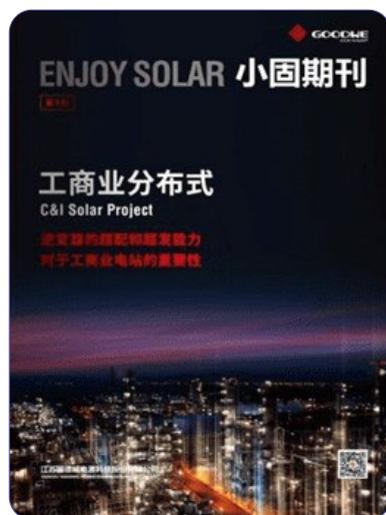
In terms of cybersecurity, we created a network architecture with a next-generation firewall at its core and a security resource pool that integrates IPS, AV, and WAF to achieved intranet-intranet and intranet-extranet traffic security protection. In terms of data security, we recently introduced encryption software internally to enable the encryption of all employees' data assets. Combined with the encryption gateway, we achieved the upload decryption and download encryption of the business system. In terms of terminal security, we have implemented access management for unknown devices using a client that integrates "access and desk management." We have also installed a local firewall to achieve end-to-end isolation of dangerous ports. Meanwhile, each terminal was equipped with anti-virus software for all-round security protection.

Promoting industrial development

As a leading PV enterprise in China, we consider it our responsibility to promote the industry's continual technological advancement. We have established the GoodWe Solar Academy, who is responsible for the operation of both online and offline professional academic platform dedicated to sharing knowledge of inverters and PV applications. The academy provides professional PV system solutions as well as tailored training for global PV technicians, making PV solutions more intuitive and accessible.

We host PV Makers, Good Knowledge Sharing, GoodWe Solar Community, Good Focus on Quality, and ATO around the world. We focus on current hot topics, gather key resources from various parties, provide communication and sharing opportunities, and build a platform for the industry's common development at these events. By the end of the reporting period, more than 50,000 people from over 4,000 companies had attended our events. Our events are widely recognized in the industry and among our peers. We have also hosted a number of live streaming events which reached Chinese, European, Asian-Pacific, and Latin American markets, to share PV market development and technology trends with global PV technicians.

We also run the *Enjoy Solar* to popularize PV knowledge for professionals, dig deep into the pain points of the industry, and provide the most comprehensive technical interpretation. During the reporting period, we published three Chinese issues (with 21 articles in total) and one English (with 6 articles), which have brought good social benefits and communication value.



Enjoy Solar



PV community livestreaming

In 2021, GoodWe shared inverter and PV application knowledge with technicians every fortnight, providing professional PV system solutions and tailored training for global PV technicians. The program made PV solutions more intuitive and accessible, formed an culture of industry technology exchange and knowledge sharing, and promoted the healthy and orderly development of the PV industry.



The PV Makers event

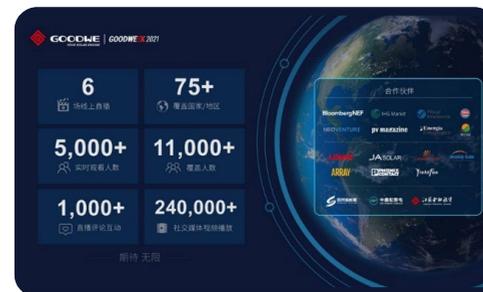
PV Makers is a high-end PV seminar organized by GoodWe Solar Academy and co-hosted by a number of strategic partners. The event features market development analysis, the sharing of new technology, existing industry pain points, and potential solutions. It is intended to motivate PV technicians and stimulate thought and discussion on technology, application, marketing management and control to support industrial development.

In 2021, GoodWe hosted an offline conference for customer exchange and sharing themed by “Carbon Inspiration,” which invited key technicians and customers from GoodWe’s residential, industrial and commercial, and energy storage fields. The conference focused on various topics, including the development opportunities for the PV industry against the advancement of “carbon neutrality,” the clean, low-carbon, safe, and efficient energy system that China will focus on during the 14th Five-Year Plan period, the control of total fossil energy, the improvement of energy utilization efficiency, the implementation of renewable energy alternative actions, deepening power system reform, and building a new power system with renewable energy as the mainstay.



The first GoodWeek

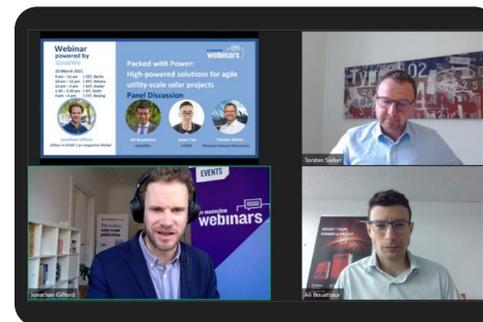
In March 2021, GoodWe successfully held the first GoodWeek. In this event, GoodWe collaborated with world-renowned analysis institutions, major equipment manufacturers, and design experts to bring industry market analysis and trend interpretation to global customers, discussed new industry patterns and new pathways with global partners, and helped users timely and deeply learn about “new technologies, products, markets, and ecosystems”.



By the end of the reporting period, GoodWeek held **6** livestreaming sessions

attracting more than **5,000** participants

reaching more than **11,000** viewers



We are active in various industry associations and chambers of commerce, participate in various industry forums and exhibitions, continuously expand industry communication channels, and work with peers to seek high-quality development of China's PV industry. During the reporting period, the Company was invited to the SNEC International Photovoltaic Power Generation and Smart Energy Exhibition, the 8th Global Solar + Energy Storage Conference & Expo, the 13th Chinese Renewable Energy Conference & Exhibition, the 2nd China Photovoltaic Conference, the International Forum on Energy Transitions, the 5th Renewable Energy Grid-connected Technology and Policy Forum, and the 5th Distributed Photovoltaic Carnival. At the nine events, GoodWe and outstanding peers studied the key and potential technical problems in the development of the new energy power supply industry, and shared and exchanged strategic experience and market trends. In this way, GoodWe has supported talent development in the industry and promoted the continuous innovation and progress of the new energy power industry.



GoodWe participating in various industry forums and exhibitions

GoodWe is a member of the following industry associations:

Industrial Association	Title
China Photovoltaic Industry Association	Executive director
Shandong Solar Energy Industry Association	Executive director
Guangdong Solar Energy Association	Executive member
European Photovoltaic Industry Association	Executive director
Hebei Photovoltaic New Energy Chamber of Commerce	Director
Jiangsu Province Renewable Energy Industry Association	Deputy director
China Industry and Commerce and Household Brand Alliance (Photovoltaic Green-Ecosystem Organization)	Deputy chief director
Hubei Solar Energy Association	Vice president
Jiangsu PV Industry Association	Member
All-China Federation of Industry and Commerce (ACFIC)	Member

SNEC, Shanghai, GoodWe's first event after being listed

The SNEC, Shanghai, was the first event that GoodWe participated in after being listed. In this exhibition, GoodWe released a variety of products and advanced technologies ranging from grid connection to energy storage and batteries, creating smart solutions for green energy in all settings and sharing them with global customers. GoodWe showed its hard and core scientific and technological strength and offered an SNEC with depth, enthusiasm, visions, and humanity.



Tightening supply chain management

We insist on equal and mutually beneficial, close, and stable collaborations with excellent suppliers, and on optimizing supply chain business processes, and preventing supply chain risks. We build a sustainable supply chain and collaborate with suppliers to establish a positive, clean, and transparent supply ecosystem.

We strictly abide by the *Bidding Law of the People's Republic of China* and the *Regulation on the Implementation of the Bidding Law of the People's Republic of China*. We have established solid internal systems and measures for procurement bidding and supplier management. We are constantly optimizing the supplier admission mechanism, bidding mechanism, and supplier performance evaluation mechanism in order to promote bidding, procurement, acceptance, and payment compliance, ensure fair, open, and transparent bidding and procurement and prevent procurement violations.

During the reporting period, we launched Supplier Relationship Management (SRM), a platform for supplier lifecycle management. It is comprised of multiple modules, including supplier lifecycle management, quality management, procurement source locating, procurement bidding, procurement execution, and reconciliation management. By creating an all-digital platform, we were able to reduce offline workload while also achieving platform-based, efficient, and green management.



By the end of the reporting period, we had a total of

180 production material suppliers



Qualification review and admission

We have strict standards and procedures in place for reviewing and admitting suppliers. We require supplier candidates to provide registered capital, production scale, customer distribution, equipment capabilities, supply sources, R&D capabilities, certification systems, and agency qualifications. We also require companies to submit reports on intellectual property, environmental health and safety, and hazardous substance control. We comprehensively score and review suppliers in terms of quality systems, production management, supply chain, financial status, and delivery capabilities. Candidates can only be listed as qualified suppliers after passing the review.

Assessment and evaluation

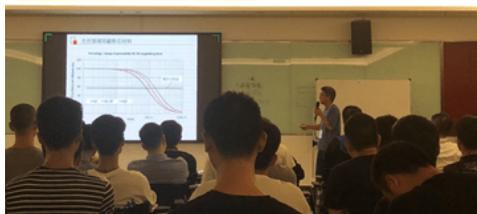
We have developed a sound supplier evaluation and assessment process and mechanism, and assess suppliers according to the *Supplier Control Procedures*. We evaluate suppliers on a monthly and annual basis for delivery quality, OTD, cost performance, and cooperation. We have four rates, A, B, C, and D, and we use different procurement strategy management models based on the supplier's rating. We offer advice to suppliers rated C and D. If they show no improvement or if their improvement does not meet the standard, they will be removed and disqualified as suppliers. Through dynamic and continuous monitoring and evaluation of suppliers' supply capacity and enthusiasm, we have mobilized existing suppliers' enthusiasm to improve supply quality, delivery time, and costs ensuring suppliers' practice and promoting cooperation with excellent suppliers.

Communication and assistance

We maintain good and close communication with our suppliers. We hold supplier conferences every year according to the actual situation, depending on the situation, and we are always increasing the frequency with which we communicate with suppliers. Through videoconferencing and mail, we conduct in-depth interviews with key suppliers on current production saturation, performance results, integrity and confidentiality requirements, industry procurement strategies, and future development directions. We also learn about the features of suppliers' product models, product quality, delivery time, and after-sales service. We will also provide targeted improvement suggestions for suppliers based on this information and our use of specific products. When a supplier is in need, we will provide applicable technical guidance or training, as well as to conduct irregular technical exchanges or quality exchanges.

We are active in supplier assistance, such as paying suppliers in advance to enable them to collect payments as quickly as possible and prioritizing local suppliers to assist struggling enterprises. For supply difficulties and problems, we conduct special research and consult with suppliers to find possible solutions.

Technical application and product development communication and quality/environmental management training for suppliers:



During the reporting period, we conducted over

100 technical exchanges, quality guidance, and training sessions with suppliers, as well as other related activities

Supply chain risk management

We believe that a stable supply chain system can help us reduce risks, improve product quality, and achieve sustainability. To ensure material procurement quality and regulate procurement activities, we have developed a number of internal management policies, including the *Supplier Control Procedures*, the *Supplier Evaluation Report*, the *Procurement Framework Agreement*, the *Confidentiality Agreement*, the *Safety Environment, Energy, and Social Responsibility Management Agreement*, the *No-Use of Conflict Minerals Commitment*, the *Restriction or No-Use of Hazardous Substances Commitment*, and the *Supplier Intellectual Property Status Report*. These policies define the management principles and content of each section in the supply chain.

Regarding anti-corruption among suppliers, we strictly abide by the *Criminal Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, and other laws and regulations on anti-bribery and anti-corruption. We continuously strengthen the integrity governance of suppliers, sign anti-corruption agreements with suppliers, and carry out anti-corruption publicity campaigns for suppliers. We set up internal and external reporting channels for the integrity of suppliers to rigorously ensure the compliance of cooperative suppliers.

Green supply chain

We advocate for green development and set targets for the green supply chain management. We outlined the principles of green supplier selection and the requirements for review, control, material acceptance, and supplier information management. We undertake green audits and evaluations on suppliers on a regular basis to ensure that the materials they deliver match the Company's green production requirements. Against the backdrop of China's objective of "carbon neutrality," we combine green manufacturing theories and supply chain management technologies based on the concept of product lifetime. We appreciate the coordination and collaboration of upstream and downstream supply chain enterprises in order to ensure the Company's products are safe, reliable, efficient, and environmentally friendly. We were included in the *Fifth Batch of Green Manufacturing List* published by the Ministry of Industry and Information Technology of the People's Republic of China and became a national Green Supply Chain Management Enterprise. It demonstrates that we play a key role in both the upstream and downstream of the green supply chain, as well as our determination to pursue green development and intelligent manufacturing.



To further enhance our deployment of strategic cooperation in the supply chain, we invite suppliers of sheet metal parts and die-casting parts to set up factories near the GoodWe Guangde base. This change increases the supply chain's cooperative stickiness and supporting service capabilities while also lowering transportation and packaging costs. Moreover, we assist suppliers in the installation of green PV solar power plants and offer preferential pricing on GoodWe inverters. As a result, we support and encourage partners to practice energy conservation and consumption reduction, as well as leading the creation of a "green alliance" in the industrial chain.



Good Practices for Strengthening People-Oriented Concept

Employees are GoodWe's most valuable asset and an inexhaustible source of motivation for our sustainable development. We cultivate, attract, and retain talent through fairer talent recruitment, a diverse range of remuneration and benefits, efficient communication mechanisms, sound occupational health and safety, and numerous humanistic activities to achieve common development with talents.

Protecting the rights and interests of employees

Promoting employee's development

Occupational health and safety

Focusing on humanistic care



Protecting the rights and interests of employees

We always adhere to the principle of "striver-centered," earnestly protect and safeguard the legitimate rights and interests of employees, promote the negotiation and cooperation between the Company and employees, and jointly build mechanisms, create benefits, and share interests with employees, to build harmonious and stable employment relationship and achieve common development with employees.

Recruitment and employment

GoodWe strictly abides by the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and other laws, regulations, and policies. We have actively formulated internal regulations and norms such as the *Recruitment Management Measures*, the *Human Resources Management Procedures*, *Employee Handbook*, the *General Rules for Recruitment System Management*, and the *Social Responsibility Management System*. We regulate and manage the recruitment and promotion, salary, and dismissal, working hours, holidays, and other welfare benefits of employees and protect their rights and interests. To ensure the fair and just development of employees, we abide by the employment policies of equal employment and equal pay for equal work and eliminate all discrimination against gender, region, nationality, sexual orientation, religion, and political stance, as well as prohibiting child labor and forced labor.

We have formulated diversified, standardized, and transparent recruitment methods, including social recruitment, campus recruitment, internal referrals, and other channels, and actively publicized recruitment information through media and networks to improve the Company's reserve of high-quality, innovative talents. In addition, we pay great attention to vulnerable groups and work with the Suzhou Disabled Persons Federation to encourage disabled people's employment by actively hiring disabled persons.

During the reporting period, the Company was awarded the title of "Excellent Enterprise with Harmonious Labor Relations in Jiangsu Province in 2021".



Total number of employees

2,223 person



Labor contract signing rate

100%



Social insurance coverage

100%

In 2021

Salary and welfare

We continuously improve our salary and welfare system and the composition structure of salary and welfare and strive to provide competitive salary guarantees for employees. At the same time, we have introduced an employee incentive mechanism, provided opportunities for salary adjustment every year, and strive to meet the needs of different talents to attract, retain and motivate talented people.

The Company has devised an equity incentive plan to align the personal interests of directors, executives, and employees with those of shareholders. During the reporting period, the Company deliberated and approved three proposals, including the *Proposal on the Restricted Equity Incentive Plan in 2021 (Draft) and Its Summary*, the *Proposal on the Management Measures for the Implementation and Assessment of the Restricted Equity Incentive Plan in 2021*, and the *Proposal on Submitting to the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to the Restricted Equity Incentive Plan in 2021*. The equity incentive plan is primarily intended for employees who will contribute to the Company's long-term development, including core management positions and key departments, as well as front-line employees (team leaders, drivers, etc.), to incentivize them to stay with the Company for the medium and long term, focus on the Company's long-term benefits, and help the Company achieve its long-term development goals. By the end of the reporting period, we have carried out three sessions of the equity incentive plan, covering more than 200 people.

We also provided excellent supplementary benefits for employees based on statutory benefits, highlighting the Company's responsibility and care for employees.

Statutory
benefits

Social insurance; housing provident fund; holidays that longer than the statutory ones

Universal
benefits

Cash gift for holiday, birthday, wedding and maternity; pension fund; financial aid for serious illness; communication preferential benefits; fitness facilities, reading room; special dining, dormitory; accident and serious illness insurance

Special
benefits

Loving fund; health check-up; fund for department activities; EAP service station for employee's well-being

Diversified benefit packages of the Company

Employee communication

We attach great importance to employee communication and exchange, encourage employees to make reasonable suggestions to the Company's management, and actively safeguard their legitimate rights and interests. We enable employees to fully participate in our management through smooth democratic communication and positive feedback to improve employee satisfaction.

Democratic communication

We uphold the principle of democratic management. We have established various democratic organizations, such as Trade Union Committee, Labor Supervision Committee, and Women Workers' Committee, and built diversified communication channels such as the sunshine communication platform, suggestions for rationalization platform, and interaction and praise platform to encourage democratic communication and discussion. Adhering to the slogan of "If there is a problem, go find Good's trade union", we held trade union congress quarterly during the reporting period. The agenda covered many topics, such as the report on important trade union programs, the resolution of trade union matters, and group discussion of topics. We conducted a survey of employee concerns, assisted them in communicating concerns to management for prompt resolution, and encouraged them to make constructive suggestions for improvement to increase the Company's efficiency and contribute to employee well-being.

Sunshine communication platform

- Encourage employees to express their real thoughts, and assign special personnel to answer or deal with employees' problems or dissatisfaction within 24 hours
- By the end of the reporting period, 237 employee feedback problems had been received, covering catering, manufacturing equipment and facilities, systems and processes, EHS safety and other aspects. The timely feedback rate of the problems reached 100%

Suggestions for rationalization platform

- Formulate the *Suggestions for Rationalization Management Measures*, establish a Rationalization Evaluation Department, and encourage employees to submit suggestions through OA platform. Adopt and implement feasible suggestions after deliberation, and give rewards or commendations for the suggestions

Interaction and praise platform

- Set up an interaction and praise platform in Wechat App, encourage employees to praise role models worthy of learning and advocacy, and explain the reasons for the praise with pictures and articles. The open platform promotes the high-frequency interaction between employees and plays a role of role model publicity at the same time



The Company commended employees who put forward suggestions for rationalization

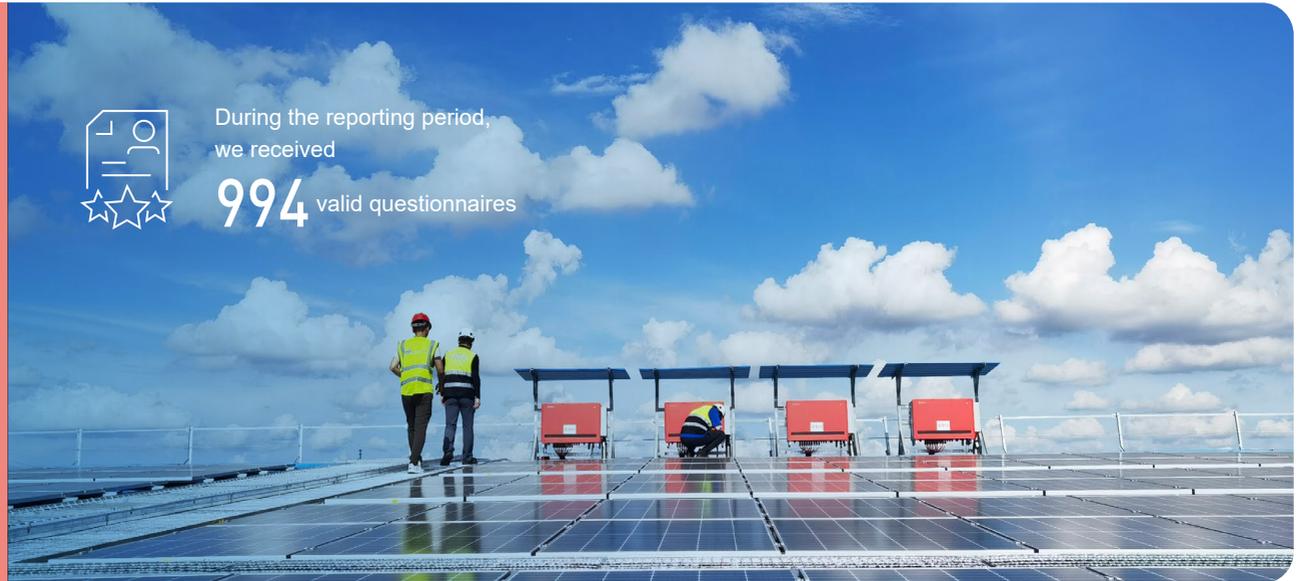
Employee satisfaction

We always respect the expectations and demands of employees. We investigate employees' job satisfaction and collect their problems at work through annual employee satisfaction surveys to determine the management status of employees, form specific analysis reports, and finally provide references and suggestions for optimizing our management measures. By the end of the reporting period, we received 994 valid questionnaires.



During the reporting period,
we received

994 valid questionnaires



GoodWe won the Award of "Suzhou Best Employer" for five consecutive years

In the selection of Suzhou best employer in 2021, GoodWe won the two awards of "Most Popular Employer among College Students in 2021" and "Most Innovative Entrepreneurial Employer in 2021". This is the fifth consecutive year that GoodWe received the awards. The selection of Suzhou best employer is one of the most authoritative employer brand selection events in Suzhou, which has attracted hundreds of high-quality enterprises in Suzhou. The event covers four aspects of expert evaluation, employee perception, public voting and brand diagnosis, aiming to build a bellwether of Suzhou employer brands and a model of best employer brand and rally the strongest strength in the era of transformation. GoodWe has won the awards for five consecutive years. This is an affirmation and support for the Company's management and employees and also urging us to strive to become a good friend and partner of employees and contribute to the high-quality development of the region.



Promoting employee's development

GoodWe regards the growth and development of employees as the foundation of the Company's long-term development and implements the concept of "growing together with talents and customizing professional development paths for employees" to create a high-quality workforce and provide human resource guarantees for the sustainable development of the Company.

Employee promotion

We have formulated internal systems such as the *GoodWe Cadre Qualification Management System* and the *GoodWe Cadre (Management) Qualification Code of Conduct* to clarify each employee's growth, promotion, and career development path. Based on the Company's rank system framework, we have built horizontal and vertical career development paths for employees to release their potential and creativity.

Vertical employee development is based on career development channels. We evaluate our employees in an all-round way through the review of the Human Resources Committee, 360-degree evaluation, debriefing, etc., and set different ranks based on five dimensions: basic conditions, professional knowledge, moral quality, behavior performance, and professional abilities, building a platform for employee's vertical in-depth development and rank promotion. At the same time, to ensure the fairness of the promotion mechanism, we invited third-party experts to oversee the evaluation data and make every effort to build a fair, scientific, and reasonable promotion mechanism.



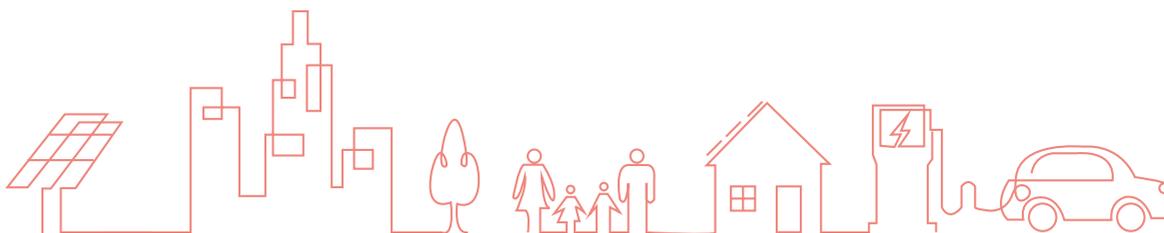
Applicable to employees who lead a group of personnel to engage in a specific professional or technical work. Being both supervisors and executors, they are required to meet a professional or technical qualification standard or above.

Applicable to middle management personnel of the Company, who are fully responsible for the quality, efficiency and cost of the departments under their jurisdiction, and participating in the formulation of the strategic direction, resource allocation, requirements on cost and time of the work under their jurisdiction, with subordinates including at least junior supervisors and ordinary employees. The management abilities of middle management personnel should be above the elementary-level.

Applicable to senior leaders of the Company, who are fully responsible for a certain operational process or function, and participating in the formulation of the Company's long-term strategy and macro instruction.

Cadre promotion process

Horizontal employee development takes the internal talent market as a channel. We assist employees in changing their career development path by establishing a smooth internal talent flow mechanism - "Good's talent market", and provide them with free development opportunities within the Company. By the end of the reporting period, "Good's talent market" had helped one salesman and one R&D personnel quickly find a new stage in the Company.



Employee training

We focus on long-term talent development, offering a variety of training and development programs for employees based on a scientific and systematic training system, and assisting employees in improving their professional knowledge and comprehensive abilities.

New employee training

The recruitment of recent graduates injects fresh blood into the Company's development. To help recent graduates better enter the workplace, integrate into the GoodWe family, and begin to transform from student to employee we specially planned the "Foal Eagle" recent graduates training program. During the reporting period, 38 recent graduates had been selected to participate in the program.



Role cognition

Mainly carried out in the form of centralized training. Through introducing the Company's history, products, systems, corporate culture, departments and other contents, help recent graduates form a basic understanding of the Company and establish corporate awareness and loyalty as soon as possible, and achieve the role cognition and positioning as employees.



Role transformation

Mainly carried out in the operation center to help recent graduates preliminarily understand the processes at the manufacturing end and the products from the perspective of producing and manufacturing, to lay a practical foundation for future R&D and design.



Professional training

Mainly carried out in the R&D center through the combination of classroom training and on-the-job observing and learning, help the recent graduates have an in-depth understanding of the departments and the business and master relevant technologies.

Processes of training project for recent graduates

In addition, the Company also carried out a series of vocational training programs for new employees to enable them to integrate into the Company and get to work faster.

New employee training programs of the Company

Good's newcomers training



Good's newcomers training is a monthly standardized induction training for employees who have not yet participated in newcomer training in the whole Company. It is divided into offline and online courses. Offline courses mainly involve personnel system, administrative system, company introduction, corporate culture, company visit, etc; The online ones cover the introduction of all departments, the operation guides of office software and processes and other necessary courses for newcomers, with a total of 15 courses.

During the reporting period, 440 trainees joined Good's newcomers training.

Training for new front-line employees



The training for new front-line employees is conducted twice a week according to the frequency of new employees' enrollment. The training includes four general courses, covering safety production, personnel system, administrative system, company introduction, etc. Besides, there are also six professional training courses with the combination of theory and practice.

During the reporting period, the training for new front-line employees covered a total of 865 people.

Professional skill training

The Company offers training programs in line with the professional development of posts in professional fields such as sales, operation, and R&D. It formulates corresponding professional courses for employees to help them smoothly fulfill their duties and improve their professional skills.



Public Speech & TWI training for front-line management personnel



To improve the employee training mechanism and further create a positive learning atmosphere in the Company, we launched the "Shisheng plan" for new R&D employees. By adopting the "tutorial system," we utilize our technology backbone to its utmost potential in "teaching, helping, and leading," helping employees get familiar with the working process and improve their professional skills and qualities. During the reporting period, the project has covered 103 people.

Cadre training

An excellent management talent pool is an important factor for a company's sustainable and rapid development. To promote the construction of the Company's talent level and improve the leadership of management personnel, we regularly conduct management reserve training plans for management personnel and backbone members to form a "resource pool" of GoodWe's management cadres to ensure that the Company has sufficient reserves of management cadres and that "there are successors for management and replacements for positions."



"Desheng plan"

In 2021, GoodWe actively carried out cadre training. "Desheng plan", a phased training for cadres and employees at different levels, mainly covers practical management skills, leadership, management quality and soft power. Phase I contains 12 courses for senior management teams and candidates, covering 600 people; Phase II contains 11 courses for management personnel and candidates, covering 550 people; Phase III contains 18 courses for young cadres and backbone employees, covering 810 people.



In addition, we promoted the construction of a knowledge base, focused on the all-around digital management of employee learning, and built an internal online learning platform We-learning. We-learning can provide online course creation, searching, learning, examination, evaluation, and other services that provide multidimensional data support for training diagnosis and play a good role in activating the learning atmosphere of all staff. By the end of the reporting period, We-learning had uploaded 505 courses covering various fields, distributed in different course sections such as leadership, strategic planning, human resource management, marketing, financial management, product R&D, innovation, and reformation, etc.

We also continued to promote the quality of our workforce by encouraging employees to pursue lifelong learning in order to maximize their professional potential. We conducted an education promotion plan for all staff members, set up education promotion classes jointly with the Suzhou Federation of Trade Unions and Gaoxin District Federation of Trade Unions, and provided participants with rewards after their graduation. In addition, we also organize employees to apply for PMP certification in project management and subsidize their total costs. During the reporting period, 13 employees had passed their examination and achieved self-improvement.



Employee training duration

37,158 hours



Employee training

118 sessions



Employees covered by the training

12,020 person



Training hours per employee

24.7 hours



Occupational health and safety

We strictly abide by the *Work Safety law of the people's Republic of China*, the *Fire Prevention Law of the People's Republic of China* and other laws and regulations related to occupational health and safety and fire safety in the workplace. We also formulated internal systems such as the "*Five Simultaneities*" *Management System for production Safety* and the *Management System of Safety Protection Equipment*, continued to promote the construction of long-term production safety mechanism, strictly fulfilled the main responsibility of production safety, focused on various hidden dangers of work safety, and constantly implemented detailed investigation and rectification, comprehensively improving the level of production safety management.

During the reporting period, the Company passed ISO 45001 occupational health and safety management system certification and the three-level safety standardization recertification assessment.



During the reporting period, the Company conducted

119 safety training sessions



more than

5,700 participants

Work safety

The Company improves its risk identification and evaluation system by establishing a dual prevention mechanism, implementing hierarchical management and control of the identified risks with specific measures, and assigning relevant responsibility to the person in charge of each region. At the same time, the Company actively investigates potential safety hazards, conducts a regular internal high-frequency investigation for different levels, and sets up weekly director inspections, monthly department manager inspections, and special inspections on holidays, to fully ensure the work safety of employees.

In terms of chemicals application safety, the Company has formulated strict control procedures to manage the whole process from procurement, storage, receiving, daily management to waste disposal, to ensure that there are no accidents related to chemicals, such as leakage, fire, personal injury, and environmental pollution.

To deal with the impact of safety accidents caused by extreme circumstances, we formulated an emergency operation process for extreme circumstances and the *Operation Specifications of Emergency Plans* for natural disasters. We improved our ability to deal with risks and prevent accidents by improving the emergency plans for extreme weather, fire, explosion, and other extreme circumstances such as lightning, rainstorm, flood, and earthquake. At the same time, the Company regularly carries out emergency drills to improve employees' ability to deal with emergencies. During the reporting period, the Company carried out safety emergency drills twice.

To consolidate and enhance employees' safety awareness, quality, and relevant skills, we established a set of safety education and training mechanisms covering all employees, including regular safety education, and training and We-learning online platform training. At the same time, We also provide customized training to meet the needs of various positions in order to help employees enhance their safety awareness and skills in real-life scenarios.



EHS training of the Company in 2021

Occupational health

The Company has formulated internal occupational health and safety systems such as the *Occupational Diseases Prevention and Control Management System*, the *Occupational Hazard Notification System*, the *Occupational Hazard Detection and Evaluation Management System*, and the *Occupational Hazard Declaration System*. We regularly identify the occupational hazard factors in the production plant, store the detection results in our occupational health archives and publish them to front-line personnel, to strengthen the management of occupational health monitoring. In addition, we provide all employees with accident and serious disease insurance, we conduct annual health checks, and provide diagnosis and treatment care for employees with abnormal physical examination indicators, to provide employees with their health status indicators in time and ensure their health and safety in an all-round way.

We are committed to creating a comfortable workplace and atmosphere for employees by equipping fitness facilities in office areas, improving employees' comfort during work, and encouraging employees to pay attention to their health and maintain a good habit of exercise and fitness.



Comfortable office area of GoodWe

Focusing on humanistic care

Employees become not only like-minded comrades in arms but also family members of GoodWe because of the Company's heartwarming corporate culture. We strive to foster an atmosphere of unity, harmony, and fraternity among our employees by actively organizing employee care and vibrant recreational and sporting activities and making every effort to enhance employees' sense of happiness, identity, and belonging.

Conducting employee care

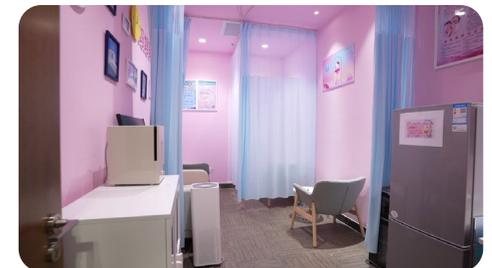
We pay attention to the development of female employees, insist on protecting their legitimate rights and interests, and carry out caring activities for them to ensure their physical and mental health and stimulate their enthusiasm for devotion to work.



Yoga activities on Mother's Day



Performance on Women's Day



Baby Care Room ----a harbor for working moms

Publicity activity on the theme of "UN's International Day for the Elimination of Violence against Women"

November 25 of each year is the International Day for the Elimination of Violence against Women designated by United Nations. To further prevent and stop family violence, protect women's legitimate rights and interests and build an equal, harmonious and civilized family atmosphere, GoodWe planned a publicity activity on the theme of "UN's International Day for the Elimination of Violence against Women", calling on the world to pay attention to gender violence and jointly create harmonious and stable relations between men and women.



In addition, we also focus on needy employees and actively provide assistance to the employees or their families who are suffering from poverty or major diseases, to help them pull through.

Enriching employee's lives

We continue to strengthen the spiritual culture development of employees, actively build platforms for employees to show their talents, express themselves and cultivate their sentiment, carry out various holiday activities and sports activities, set up clubs for football, basketball and other sports, and focus on employees' mental health, creating a sunny, healthy and positive atmosphere.

Diversified cultural and sports activities of the Company



Dumpling-making event before Chinese New Year



Lantern-making during the Lantern Festival



Outdoor activities for personal quality development



Good-date family banquet

To promote the cohesion of the Company, GoodWe holds a Good-date family banquet at least once a year. In 2021, two family banquets were held with the themes of "the moon represents my 'innovative minds' and" racing with the moon•new era ". Employees who won the GoodWe's "Innovation of the Times" award and the employee representatives of the four newly established business departments were invited to have interactive communication with the Company's executives and chairman.



Good-date Family Day event

To express our gratitude to employees for their hard work and promote the relations and communication between the Company and employees and between employees and their families, GoodWe launched the "Good-date Family Day" event in January 2021, and held a series of interesting activities. More than 40 employee families gathered together and enjoyed themselves.



06



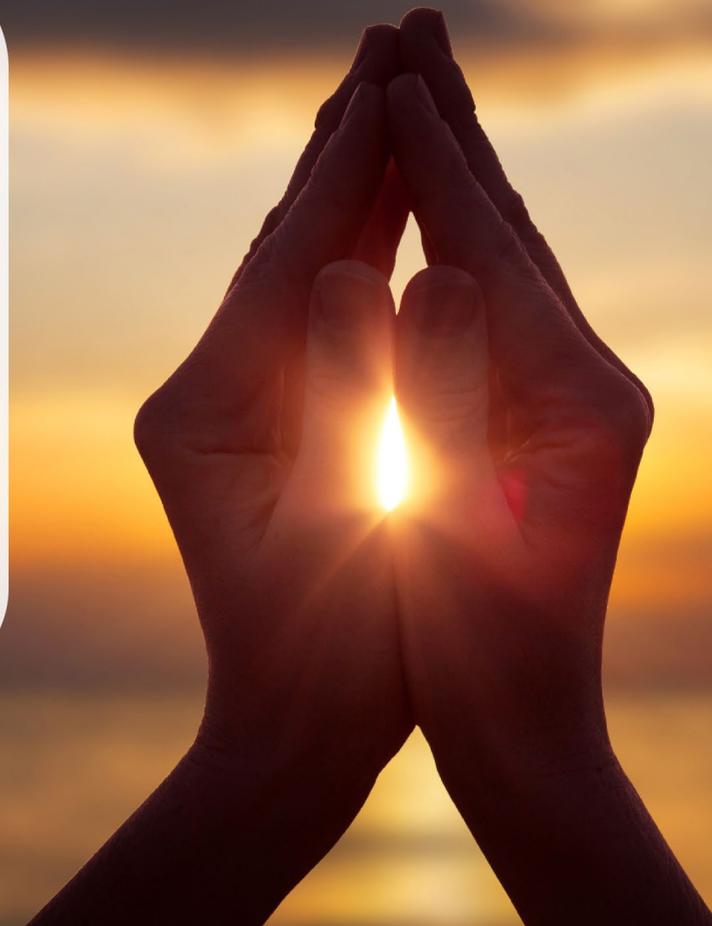
Good Vision for Harmony and Happiness

We carry forward the virtue of helping the poor and assisting the needy. We are committed to sending warmth and help to people in need by participating in social public welfare undertakings and voluntary service activities to convey the concept and awareness of green development to the public and unify with society to realize the vision for harmony and happiness.

Contributing to
local communities

Boosting rural
revitalization

Popularizing green
knowledge



Contributing to local communities

As a leading enterprise in the field of PV inverters, in the process of advocating the concept of public welfare, engaging in public welfare undertakings, and carrying out voluntary services, we pay attention to making use of our technical resources to feedback the society, helping communities to realize clean power generation, and contributing to the development and construction of local communities, and strive to spread civilized, harmonious, green, and healthy social customs.



GoodWe donated light storage devices to slums in Rio, Brazil

In 2021, GoodWe jointly initiated and participated in the Energia Que Vem da Favela project with LONGi Group and Brazil's local partner Revulusolar, which established Brazil's first slum solar energy co-op in Rio. GoodWe strongly supported Brazil's PV energy development by delivering inverters to the local neighborhood committee for free and sending a team to install the equipment, helping the local community get rid of poverty and get rich.



Donation of PV inverter to Australian Animal Care Association SAFE

During the COVID-19 pandemic period, GoodWe cooperated with local partners in Australia to provide assistance to Saving Animals from Euthanasia (SAFE), a non-profit public welfare animal care organization, by donating a PV inverter to help the organization realize green power generation.





Sent materials to the medical staff who are responsible for coronavirus vaccination, including **50** boxes of yogurt and **50** cases of porridge.



Donated RMB **50,000** to the Charity Federation of Gaoxin District during the 99 Giving Day event.



Offered help and donation to **4** disabled children in Gaoxin District.



Mobilized employees to actively sign up for the whole staff nucleic acid test drill carried out in Suzhou, with a total of **48** applicants, and **20** of them were sent according to the actual needs of the government.



Encouraged employees to actively participate in public welfare blood donation activities, with **50** blood donors donated a total of **15,400**ml blood.



Sent **16** boxes of seasonal fruit loquats to police officers in the Golden Community of Gaoxin District.

The Company actively carried out public welfare and voluntary activities



GoodWe donated vegetables to Vietnamese people during the COVID-19 pandemic

In July 2021, the COVID-19 pandemic situation in Vietnam became relatively serious, and the local residents in Ho Chi Minh City were in difficulties. GoodWe donated a total of seven tons of vegetables to local residents through local charities to ensure their quality of life.



GoodWe provided care packages for local medical staff in Australia during the COVID-19 pandemic

In 2021, to express the gratitude for the outstanding contributions made by Australian medical staff to the fight against the pandemic, GoodWe and its largest partner in Australia, One Stop Warehouse, donated medical care packages to local health care workers.



Volunteering

Volunteering activities	Volunteering activity duration
2 sessions	176 hours
Employees participating in volunteering activities	Number of volunteers
26 person	54 person

Public welfare

Total public welfare donations
65,057 CNY



Boosting rural revitalization

The new energy industry has gradually become an important supplement to the rural economy and an important channel for increasing farmers' income. As the main force to promote global energy reform, we can provide full-scenario products and solutions for the rural PV market in the new journey of "Rural Revitalization." We paved the way for local households with blue PV modules or green and environment-friendly PV building materials. With beautiful design and excellent quality, the PV inverter in the yard can continuously convert the solar light source into green electric energy for the families. The unused electricity can also be sold to the power grid to generate income. While supporting the construction of modern and beautiful countryside, this practice can also realize the common progress towards high-quality "common prosperity."

By the end of the reporting period, we had extensively carried out PV poverty alleviation in Anhui, Shanxi, Yunnan, Gansu, Guizhou, Jiangxi, Hebei, and other regions, helped build numerous PV poverty alleviation power stations, and ensured the stable increase of farmers' income.



GoodWe donated public welfare power stations

GoodWe invested more than RMB 1 million to build public welfare power stations for dozens of households in poverty across the country to ensure local power consumption. At the same time, GoodWe strictly controls the quality of each inverter for poverty alleviation projects, to provide safe, reliable, efficient and intelligent inverter for each poverty alleviation PV power station, maintain stable operation of the power stations, and ensure the income of local farmers.



GoodWe helped the whole county promote "green and zero carbon" practices

After the policy of "whole-county promotion" was put forward by Shandong Province, GoodWe helped Anqiu City of Shandong province build a green energy development role model village for the comprehensive development and utilization of solar energy, geothermal energy and biomass energy, and create a green and low-carbon rural model with good living and producing conditions in Shandong. In view of the complex distributed PV roof resources, the high difficulty of decentralized operation and maintenance of power stations, the safety of PV system, power grid access and the selection of product equipment, GoodWe took the lead in launching the "whole-county promotion and whole-scenario solution", and assisted Anqiu City in developing and building "whole" PV power stations in multiple scenarios, such as "PV village", "agriculture and PV Industrial complementarity" and "Industrial Park" at the product end, technology end and service end, to create a "gold medal" role model for the whole county. During the reporting period, GoodWe won the title of "star of zero carbon" with its profound resources in Shandong market and outstanding contribution to green and low-carbon development.



Whole-county promotion of "PV village"



Whole-county promotion of "agriculture and PV Industrial complementarity" new model



Promoting the construction of Zero Carbon Park

Popularizing green knowledge

To guide society to better practice the green, healthy, low-carbon, and environmental-friendly lifestyle, we popularized the concept and knowledge of environmental protection to the public through diversified channels and forms to drive social low-carbon development. At the same time, we also actively launched initiatives to the whole society to advocate all sectors to join us to protect the natural environment, promote clean power consumption, and work together to build a harmonious and livable ecosystem.

PV knowledge publicity short videos

In 2021, we actively spread green knowledge by posting videos on short video platforms such as Tiktok, Kuaishou and Bilibili. The video contents include "Understanding solar power generation in one minute", "Understanding carbon trading in three minutes", "PV • anti-fraud • pioneer", "How does energy storage make money" and so on, aiming to popularize the knowledge of PV and low-carbon to the public, and enhance their understanding.





GoodWe cooperates with high-speed railway to popularize PV power generation knowledge

During the Spring Festival travel rush, GoodWe cooperated with high-speed railway by putting advertisements at four railway stations, including Beijingnan Railway Station, Ji'nanxi Railway Station, Shanghai Hongqiao Railway Station and Hangzhoudong Railway Station, to spread the knowledge of PV power generation, enhance social understanding of PV, and make PV accessible for every households.



Clean energy promotional films

During the Mid-Autumn Festival and Spring Festival in 2021, GoodWe launched promotional films such as "Lighting the way home with PV" and "Tick tick, Ultraman is home". While saluting the practitioners in the new energy PV industry, GoodWe popularized the knowledge of clean energy to the public and called on everyone to jointly write a new chapter of green life.



"The 24 solar terms" popularization

Agricultural production is closely related to the rhythm of nature. The "24 solar terms" is the product of ancient agricultural civilization. It is a knowledge system formed by ancient ancestors through complying with farming season, observing celestial movement and recognizing the changing laws of seasons, climate and phenology within a year. In 2021, GoodWe launched the twenty-four solar terms promotion and popularization activities through its WeChat official account, to attract social attention to climate change and make sure that the "24 solar terms" culture will last long.



Appendix

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GRI 201 Economic performance	201-1 Direct economic value generated and distributed	P06	None
	201-2 Financial implications and other risks and opportunities due to climate change	P02-03	None
GRI 203 Indirect economic impacts	203-1 Infrastructure investments and services supported	P59-63	None
	203-2 Significant indirect economic impacts	P59-63	None
GRI 204 Procurement practices	Management approach	P13-14/P44-46	None
GRI 205 Anti-corruption	Management approach	P12-14	None
	205-2 Communication and training about anti-corruption policies and procedures	P12	None
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GRI 301 Materials	301-2 Recycled input materials used	P34-35	None
	301-3 Reclaimed products and their packaging materials	P34-35	None

	Standard number and description	Page	Omission
GRI 302 Energy	302-1 Energy consumption within the organization	P34	None
	302-2 Energy consumption outside of the organization	P34	None
	302-4 Reduction of energy consumption	P34	None
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GRI 303 Water	303-3 Water recycled and reused	P33	None
GRI 305 Emissions	305-1 Direct (Scope 1) GHG emissions	P33	None
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	305-5 Reduction of GHG emissions	P32	None
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	P35	None
GRI 306 Effluents and waste	306-1 Water discharge by quality and destination	P35	None
	306-2 Waste by type and disposal method	P35	None
GRI 307 Environmental Compliance	307-1 Non-compliance with environmental laws and regulations	P29	None
GRI 308 Supplier environmental assessment	308-1 New suppliers that were screened using environmental criteria	P44-46	None

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GRI 401 Employment	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	P48	None
GRI 403 Occupational Health and Safety	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	P56	None
GRI 404 Training and education	404-1 Average hours of training per year per employee	P54	None
	404-2 Programs for upgrading employee skills and transition assistance programs	P52-54	None
GRI 405 Diversity and equal opportunity	Management approach	P13-14/P48	None
	405-1 Diversity of governance bodies and employees	P48	None
GRI 413 Local communities	Management approach	P13-14/P59-65	None
	413-1 Operations with local community engagement, impact assessments, and development programs	P59-65	None
GRI 414 Supplier social assessment	414-1 New suppliers that were screened using social criteria	P44-45	None
GRI 416 Customer health and safety	Management approach	P13-14/P17-27/P38-40	None
	416-1 Assessment of the health and safety impacts of product and service categories	P17-27/P38-40	None
GRI 417 Marketing and labeling	417-1 Requirements for product and service information and labeling	P39	None
	417-2 Incidents of non-compliance concerning product and service information and labeling	P39	None
GRI 419 Socioeconomic compliance	Management approach	P11-14	None

Glossary

Abbreviation	Full name in English	Full name in Chinese
SEMS	Smart Energy Management System	智慧能源管理系统
TUV	Technischer Überwachungs Verein	德语技术监督协会
CQC	China Quality Certification Centre	中国质量认证中心
SNEC	SNEC PV POWER EXPO	国际太阳能光伏大会暨 (上海) 展览会
SEE	Society of Entrepreneurs & Ecology	阿拉善生态协会
SDGs	Sustainable Development Goals	联合国可持续发展目标
SAA	Standards Association of Australian	澳大利亚标准协会
CGC	China General Certification Center	北京鉴衡认证中心
BV	Bureau Veritas	必维认证
IPD	Integrated Product Development	集成产品开发管理
UPS	Uninterruptible Power System	不间断电源
SVG	Static Var Generator	静止无功发生器
PLC	Power Line Communication	电力线通信
EPC	Engineering Procurement Construction	设计、采购、施工一体化
CNAS	China National Accreditation Service for Conformity Assessment	中国合格评定国家认可委员会

Abbreviation	Full name in English	Full name in Chinese
RAT	Requirement Analysis Team	需求分析团队
PDT	Product Development Team	产品开发团队
IPMT	Integrated Portfolio Management Team	集成产品管理团队
ITR	Issue to Resolved	问题到解决
QCC	Quality Control Circle	品管圈
V2G	Vehicle-to-grid	车辆到电网
VOC	Volatile Organic Compounds	挥发性有机化合物
IPS	Intrusion Prevention System	入侵防御系统
AV	Antivirus Programs	病毒防护软件
WAF	Web Application Firewall	网站应用级入侵防御系统
SRM	Supplier Relationship Management	报告中特指供应商全生命周期管理平台
EHS	Environment Health Safety	环境、职业健康安全管理体系
OTD	Order to Delivery	订单到货时间
PMP	Project Management Professional	项目管理专业人士资格认证
SAFE	Saving Animals from Euthanasia	澳洲动物关爱协会：从安乐死中拯救动物

Feedback Form

Thank you for reading the *2021 Social Responsibility Report of GoodWe Technology Co., Ltd.* To provide you and other stakeholders with more valuable information and further improve GoodWe's social responsibility management ability and level, we sincerely hope to listen to your valuable comments and suggestions on this report. Please give us your feedback through the following channels:

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What kind of stakeholders do you work for?

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

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

- Yes Average No

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

- Yes Average No

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

- Yes Average No

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

- Yes Average No

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

- Yes Average No

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

GOODWE



THANK YOU