



ESG

2024

SUSTAINABILITY  
REPORT







# CONTENTS

About This Report	01
Message from the Management	03
Sustainable Development Highlights	04
About Hoymiles	06
Special Feature 1: Adhering to Technological Innovation, Creating New Quality Productive Forces	10
Special Feature 2: Consolidating the Layout of Global Business, Supporting the Development of Green Energy	11
<b>Appendix</b>	
Appendix I: Performance Form	101
Appendix II: Indexes	107
Appendix III: Independent Assurance Statement	112
Appendix IV: Feedback	114

## Sustainable Governance

01

Implementing Development Policy and Enhancing Governance Foundations	13
Implementing Compliant Corporate Governance, Protecting Stakeholders' Rights and Interests	22
Adhering to Integrity and Anti-Corruption, Sticking to the Bottom Line of Integrity	31

## Industry Value

03

Building Responsibility Chain, Coordinating Industry Development	52
Strengthening Innovation-Driven Development, Leading the Industry Upgrading	56
Keeping Strict Control of Quality and Safety, Fortifying the Line of Defense for Security	64
Optimizing Customer Service, Improving Customer Experience	71
Ensuring Information Security, Protecting Customer Privacy	72

## Environmental Protection

02

Responding to Climate Challenges, Assisting in Low-carbon Transformation	36
Improving Environmental Management, Safeguarding Environmental Protection Boundaries	39
Optimizing Energy Utilization, Achieving Energy Conservation and Consumption Reduction	44
Exploring Material Circulation, Improving Resource Efficiency	50
Protecting Ecological Balance, Maintaining Biological Diversity	50

## Good Life

04

Protecting Labor Rights and Interests, Energizing Employees' Vitality	76
Focusing on Health and Safety, Creating a Secure Workplace	90
Fulfilling Social Responsibility, Contributing Corporate Power	97

# About This Report



This is the Sustainability Report (hereinafter referred to as "this Report") released by Hoymiles Power Electronics Inc. (hereinafter referred to as "Hoymiles", "the Company", or "We"). In the principles of objectivity, standardization, transparency, and comprehensiveness, this report provides a detailed disclosure of the Company's practices in sustainable development in 2024.

## Reporting Scope

This report covers Hoymiles Power Electronics Inc. Unless otherwise specified, the scope of this report is consistent with that of the Company's Annual Report.

## Certification Statement

This report has been independently verified by Shenzhen Value Online Information Technology Co., Ltd. The verification standards, scope, methodology, and conclusions are detailed in Appendix III.

## Preparation Basis

- Shanghai Stock Exchange *Self-Regulatory Supervision Guidelines for Listed Companies in Shanghai Stock Exchange No. 14 - Sustainability Report (for Trial Implementation)*
- Global Reporting Initiative *Sustainability Reporting Standards (GRI Standards)*
- China Enterprise Reform and Development Society *Guide to Corporate Sustainability Reporting in China (CASS-ESG 6.0)*
- Task Force on Climate-related Financial Disclosures (TCFD) *Framework*
- UN Sustainable Development Goals (SDGs)
- Sustainability Accounting Standards Board (SASB) *Standards*

## Reporting Period

This report covers the period from January 1, 2024 to December 31, 2024 (the "Reporting Period"). To improve the comparability and completeness, some sections of this report may be appropriately extended to previous years or contain forward-looking statements. This report is released on an annual basis, consistent with the financial year.

## Data Source

Data sources used in this report include public data from government agencies, the actual operational data, annual financial data, internal statistical reports of the Company, third-party questionnaire surveys, third-party evaluations or interviews, etc. The original data of the actual operation of the Company is sourced from Hoymiles, Hengming Electronics and Haining Hengli. A clarification is provided on the scope of some data that is not aligned with the consolidation scope of the above. The financial data in this report is expressed in RMB. For any discrepancy between this report and the financial statements, the financial statements shall prevail.

## Appellation Description

Term	Interpretation
Hoymiles, the Company, or We	⊗ Hoymiles Power Electronics Inc.
Hengming Electronics, Hengming	⊗ Zhejiang Hengming Electronics Co., Ltd., a wholly-owned subsidiary of the Company
Suzhou Hoymiles	⊗ Suzhou Hoymiles New Energy Technology Co., Ltd., a wholly-owned subsidiary of the Company
Hangzhou Heli	⊗ Hangzhou Heli New Energy Co., Ltd., a wholly-owned subsidiary of the Company
Haining Hengli	⊗ Haining Hengli Energy Technology Co., Ltd., a wholly-owned subsidiary of the Company
Zhejiang Hoymiles	⊗ Zhejiang Hoymiles Clean Energy Co., Ltd., a wholly-owned subsidiary of the Company
Zhejiang Henghe	⊗ Zhejiang Henghe New Energy Co., Ltd., a wholly-owned subsidiary of the Company

## Confirmation and Approval

This report was approved by the Board of Directors of the Company on April 29, 2025 and was released in conjunction with the Annual Report. The Board pledges to exercise oversight over the contents of this report, ensuring its absence of any false records or misleading representations, and assuming responsibility for its truthfulness, accuracy and completeness.

This report is published in Chinese, with the English version derived from the Chinese translation. In the event of any discrepancies between the two versions, the Chinese version shall prevail.

## Access to this Report

This report is available for review and download on the websites of the Company ([www.hoymiles.com](http://www.hoymiles.com)) and the Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)).





## Message from the Management

Adapting to the trends of the times, Hoymiles embraces the new energy economy, and cultivates new quality productive forces. This has presented Hoymiles with historic development opportunities. Since the establishment of Hoymiles, our steadfast commitment to the philosophy of responsibility, greenness, harmony and standardization has led and supported us in forging ahead on the journey of entrepreneurship, innovation, growth and development.

As a leading enterprise in the field of green and smart energy, Hoymiles has always integrated the ESG philosophy with our development and value. For Hoymiles, the essence of practicing ESG lies in applying, implementing, integrating, and reflecting the ESG philosophy and standards in all aspects and links, such as governance structures, strategic planning, business operations, production management and risk control, to address the uncertainties and emergencies arising from climate change, environmental challenges, and social problems, including the frequent occurrence of extreme climate, geopolitical and macro-policy changes, etc. This drives Hoymiles to identify and anticipate risks, discover and seize opportunities, make decisions that are more beneficial to our long-term development, and achieve the high-quality sustainable development of the Company.

For more than a decade, the practices and performance of Hoymiles in environmental, social, and governance (ESG) are mainly reflected in the following aspects:

First, Hoymiles responds to and implements the national "carbon peaking and carbon neutrality" goal, contributing to the global green and low-carbon transformation. As a leading manufacturer of photovoltaic (PV) and energy storage products in the field of new energy, Hoymiles has produced and installed a large number of PV inverters, PV power generation systems, energy storage systems, and other PV and energy storage products for more than a decade, and played an important role in promoting the transformation from traditional energy to clean energy.

Second, Hoymiles leads the technological innovation to create new quality productive forces. Relying on self-developed theoretical achievements in circuit topology and control algorithms, we have built multiple development platforms of power and electronic products such as PV inverters and energy storage inverters, continuously optimized the performance, reliability and cost of the products, and launched several highly competitive product series in the market.

Third, Hoymiles gradually builds an environmental and climate management mechanism. We integrate environmental and climate risk management with our production, operations, supply chain management, and internal risk management, and establish measures for environmental and climate risk prevention and control, as well as emergency management systems against all risk sources. In addition, we also identify environmental and climate risks, address environmental and climate challenges, and discover environmental and climate opportunities.

Fourth, Hoymiles strives to build green productivity. We develop and apply energy-saving and environment-friendly technologies and processes, strictly control the discharge of pollutants in compliance with relevant standards, and effectively enhance the efficiency of resource utilization. Through self-built PV power stations, we are addressing a portion of our production electricity needs with green power, and gradually increasing the green power usage rate in our overall energy consumption.

Fifth, Hoymiles strengthens the foundation of ESG management, and organizes and institutionalizes the fulfillment and

implementation of social responsibilities. In accordance with applicable laws and regulations, we gradually establish sound systems and operating procedures in fields such as employee management, safety production, quality assurance, supplier management, protection of customers' rights and interests, and social welfare, to standardize and improve the ESG practices of Hoymiles.

Sixth, Hoymiles explores the governance mechanism of entrepreneurial enterprises that give equal importance to high-speed development and standardized operation, and forms a governance structure characterized by standardization, innovation, efficient decision, and a combination of diversity and specialization. Efforts have been made to cultivate core values of respect and equality and create a relaxed and harmonious corporate atmosphere.

We are fully aware that ESG is not a slogan, but a genetic code for the long-term sustainability of a company. We will uphold the core philosophy of "responsibility, greenness, harmony and standardization" and integrate sustainable development into every aspect of Hoymiles' s development.



# Sustainable Development Highlights

## ESG Performance Highlights in 2024

### Operating Performance

Operating Income

**19.93** in RMB 100 million

Net Profit Attributable to Shareholders of the Listed Company

**3.44** in RMB 100 million

Total Assets

**83.33** in RMB 100 million

Total Taxes

**2.12** in RMB 100 million

### Performance in Business Ethics

Signing Rate of the Commitment to Integrity by New Employees

**100%**

Duration of Training on Anti-Corruption and Integrity

**25** hours

Major Violations of Business Ethics

**0** case

Incident of Corruption

**0** case

### Environmental Performance

Total Investment in Environmental Protection

**37.52** in RMB 10,000

Photovoltaic Power Generation

**1,827,374** kWh

Coverage Rate of Green Power

**23.45%**

Total Water Consumption

**27,260** tons

Clean Energy Usage Rate

**8%**



## Performance in Sustainable Procurement

Total Suppliers

**291**

Suppliers with Quality Management System Certification

**129**

Suppliers with Environmental Management System Certification

**107**

Suppliers with Occupational Health and Safety Management System Certification

**105**

Suppliers participating in on-site audits of Corporate Social Responsibility (CSR)

**128**

Signing Rate of Supplier Code of Conduct by New Suppliers

**100%**

## Performance in Labor and Human Rights

Total Investment in Social Welfare

**13** in RMB 10,000

Investment in Employee Training

**81.74** in RMB 10,000

Total Hours of Employee Training

**15,872** hours

Total Number of Persons Trained

**989** person-times

Proportion of Female Employees

**35.98%**

Proportion of Female Employees in Management

**34.10%**

Coverage Rate of Occupational Health Checkup

**100%**

Signing Rate of Employment Contract

**100%**

Coverage Rate of Social Insurance

**100%**

## ESG Honors in 2024





# About Hoymiles

## Company Profile

Founded in 2012, Hoymiles Power Electronics Inc. is a high-tech enterprise specializing in PV and energy storage, with a focus on power electronics technologies. The Company, listed on the STAR Market of the Shanghai Stock Exchange ( "SSE STAR Market" ) in 2021 (Stock Name: Hoymiles; Stock Code: 688032), is a smart energy solution provider integrating research, production, and sales of new energy products mainly including microinverters, energy storage inverters, etc.

Since 2021, Hoymiles has been ranked first in China and second in the world in terms of shipment of microinverters. Now, the microinverter, energy storage inverter and other products of the Company have been widely used in fields of PV power generation and energy storage worldwide, serving customers throughout the Americas, Europe, Asia and many other countries and regions.

Hoymiles started the layout for the industrial and commercial energy storage business segment in 2017. Since 2022, new products such as commercial and industrial energy storage all-in-one machines, high-voltage household energy storage systems, large-scale energy storage systems, and many other new energy storage products of the Company have entered the market. These products successively received numerous certifications and awards both domestically and internationally, and gained widespread market recognition.

## Corporate Culture



### Our Mission

To make the power energy smarter



### Our Vision

To become a globally-leading smart energy partner



### Our Values

Integrity, Responsibility, Professionalism, Efficiency





## Development History

### 2012

- Officially established the Company

### 2013

- Obtained the Golden Sun certification with three-phase PV grid-connected inverters
- Established a cooperative relationship in power electronics technology R&D with Fuji Electric of Japan.

### 2014

- Gradually obtained CSA (North America), BV (Europe), SAA (Australia), and CQC (China) certifications with microinverters since 2014

### 2015

- Recognized as a National High-Tech Enterprise.
- Successively launched micro-inverter products on markets in North America, Europe, Latin America, and other regions.

### 2016

- Awarded the "Second Prize of the National Natural Science" (Winner: Yang Bo, General Manager of Hoymiles)

### 2017

- Had micro-inverter products passed the National Frontrunner Certification
- Became an authorized laboratory of the CSA Group
- Launched the highly cost-effective 4-in-1 single-phase microinverter series

### 2018

- Obtained the qualification of the provincial high-tech enterprise research center
- Participated in the compilation of the national standards of the energy industry: NB/T 42142-2018 Technical Specification of Photovoltaic Grid-Connected Microinverter and NB/T 42143-2018 Technical Specification of Photovoltaic Module Power Optimizer

### 2019 年

- Rated as a "National Key Software Enterprise"

### 2020

- Recognized as a "National PV Manufacturing Standard Enterprise of the Ministry of Industry and Information Technology"
- Launched the first-generation three-phase microinverters adapted to industrial and commercial systems, and expanded the application scenarios of microinverters and the first-generation of three-phase energy storage products

### 2021

- Officially listed on the SSE STAR Market on December 20, 2021 (Stock Name: Hoymiles; Stock Code: 688032)

### 2024

- Rated as a Single Champion Manufacturing Enterprise
- Launched the first "MiT-Series" 5,000W 8-in-1 microinverter in the world
- Launched the world's first AC-coupled micro storage product - MS Micro Storage
- Put the Mexican Manufacturing Base into operation officially

### 2022

- Launched a new product series, the HRSD rapid shutdown devices adapted for string systems, upgraded energy storage solutions, and released the second-generation hybrid energy storage inverters
- Appraised as one of the fourth batch of "Little Giant" Specialized and Sophisticated Enterprises that Produces Novel and Unique Products

### 2023

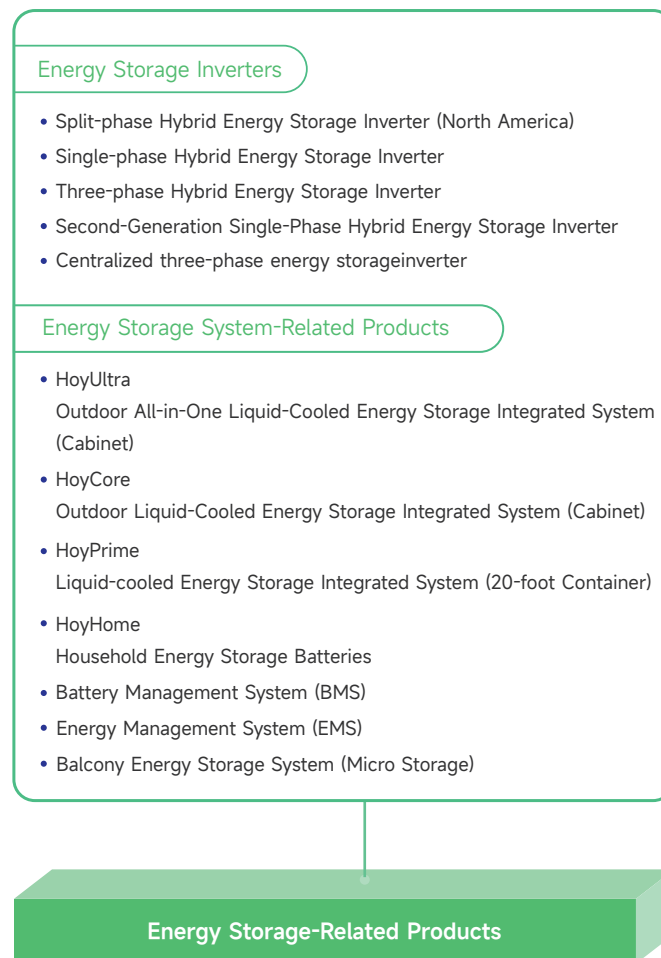
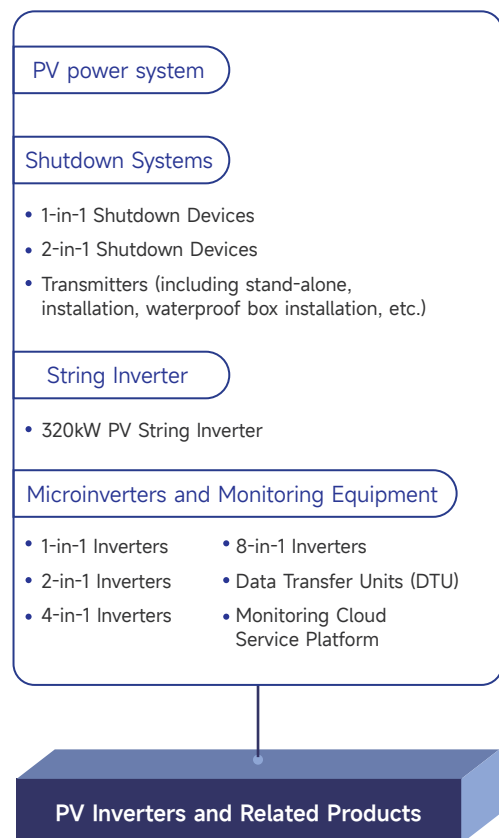
- First launched Wi-Fi-integrated microinverters, and FLEX-series new products worldwide
- First introduced "HPCS-Series Centralized Energy Storage Products" and HIM-Series all-in-one boosting machines
- Established a post-doctoral workstation in Zhejiang Province



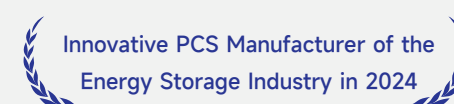
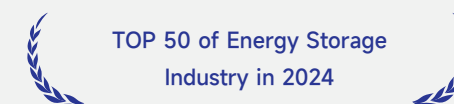
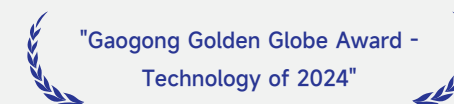
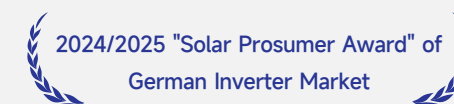
## Business Overview

The Company is mainly engaged in the R&D, manufacturing and sales of products related to PV inverter and energy storage. Among others, the PV inverters and related products mainly include microinverters and monitoring equipment, Series inverter shutdown devices, and PV power generation systems. The products related to energy storage mainly include energy storage inverters and energy storage systems.

The main products of the Company are as follows:



## Honors in 2024





Innovative Microinverter  
Manufacturer of the  
Photovoltaic  
Industry in 2024

Top 10 Energy Storage PCS  
Brands on Energy Storage  
List in 2024

2024 "Good PV" Top 10  
Brands of Distributed PV  
Inverters

Single Champion  
Manufacturing Enterprise

PVBL 2024 Global Most  
Influential Distributed  
Solar PV Brand

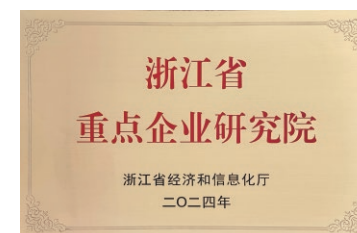
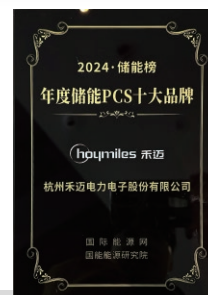
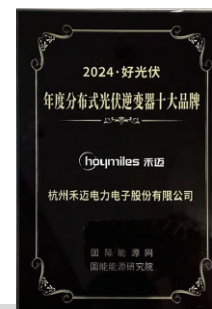
High-tech Enterprise

"Optical Energy Cup" 2024  
China Energy Storage  
Industry Outstanding PCS  
Supplier

Headquarters Enterprise  
of Hangzhou City

Key Enterprise Research  
Institute of Zhejiang  
Province

Annual Innovation  
Enterprise on Capital  
Market Value List





## Special Feature 1

# Adhering to Technological Innovation, Creating New Quality Productive Forces

Since its establishment, Hoymiles always adheres to the core philosophy of technological innovation, continuously pursues excellence and strives to provide a series of high-quality green energy products to society. We are committed to building a "globally-leading energy partner" and contributing to the realization of a sustainable energy future through unremitting efforts and continuous innovation.

In 2024, The total R&D investment of the Company was RMB 266.1145 million, a year-on-year increase of 7.41%, accounting for 13.35% of the operating revenue. The Company obtained 106 new authorized intellectual property rights, and owned a total of 331 authorized intellectual property rights, including 41 invention patents, 27 utility model patents, 17 design patents, 91 software copyrights, and 155 others (including overseas trademarks). The R&D team continues to expand, with 588 R&D personnel, an year-on-year increase of 211. The quality of personnel is constantly improving, ensuring the Company maintains a talent pool for technological leadership.

Due to long-term investment in R&D, the Company continues to maintain a leading position in the inverter technology field, stand out in fierce market competition, and win the respect and trust of customers. In 2024, the Company launched MiT, the world's first microinverter with a power of up to 5,000W. Compared to traditional inverters which have a shorter warranty period and generally need to be replaced every 10 years, the warranty period of MiT can last up to 25 years. Its inherently safe design eliminates the risk of high-voltage DC arcing, and provides customers with a more cost-effective solution while ensuring the stable operation of the system. MiT adopts 4-channel MPPT to ensure that each PV module can output the maximum power, and it features low start-up voltage and high resistance to extreme climates such as high temperature or severe cold, thus prolonging the effective duration of power generation. MiT is perfectly compatible with ultra-high power modules, expanding its application scenarios. Its powerful performance has received unanimous praise in the industry.

Building on the solid foundation of microinverter products, the Company is actively expanding into energy storage-related products. In the energy storage application field, the Company launched the MS Micro Storage (MS-A2 series), the world's first AC-coupled micro energy storage product in 2024. MS is 100% compatible with all microinverters and supports an off-grid mode, which brings great convenience to users who have adopted balcony PV systems.

In 2024, the Company launched HPCS125 --- the next-generation liquid-cooled energy storage inverter with higher protection level. This new product is designed to address challenges in industrial and commercial energy storage markets, such as complex application scenarios, ever-changing requirements, and derating under high temperatures. Focusing on achieving energy efficiency and safety, it inherits the intelligent liquid cooling design and provides high-performance solutions for the application of industrial and commercial energy storage products.

Now, the Company has several innovative projects that are at the development or commissioning stage, which involve energy storage all-in-one systems based on full liquid cooling design, high-power energy storage inverter control platforms, low-cost three-phase microinverter systems. These projects are at an advanced technical level within the industry. For example, the Company is researching key technologies such as arc detection and fault location for PV optimizers, new conversion topologies and controls for grid-tied inverters, to provide foundational support for the development of next-generation products.

We will continue to tap and explore new technological fields and promote technological breakthroughs and innovations in response to the ever-changing market demands. Meanwhile, we will focus on aligning R&D achievements with market needs, continuously launching competitive products and solutions to enhance product performance, improve the product matrix, and create greater value for customers.



## Special Feature 2

# Consolidating the Layout of Global Business, Supporting the Development of Green Energy

With the increasing attention to green energy worldwide, Hoymiles, as a member of the new energy industry, has firmly taken steps toward global expansion.

After more than 10 years of development, we have established sales subsidiaries in the Netherlands, Australia, Singapore, the United States, Germany, and other countries, further strengthening our globalization strategy. The Company has obtained over 1,000 product certifications for microinverters globally, and its energy storage inverters have successively passed grid connection certifications in important markets such as Germany, Poland, France, the UK, Australia, Austria, and Pakistan.

In 2024, the manufacturing base of the Company in Monterrey, Mexico was open for operation. Mr. Yang Bo, General Manager of Hoymiles, said at the opening ceremony: "This new manufacturing base represents the expansion of our business scale, and reflects our confidence in investing in the development of renewable energy in North America and Latin America." The success in the Mexico Manufacturing Base enables the Company to respond more flexibly to market fluctuations and policy changes in the complex and ever-changing global economy, and also enhances the robustness of the supply chain and the speed of product service responses, supporting the business expansion of the Company. It may also create new job opportunities locally in Mexico and promote local economic development. The operation of the base will directly affect hundreds of families, and the renewable energy products it serves will also contribute to the global green transformation.

In the future development path, Hoymiles will continue to uphold the brand philosophy of "Making Open Energy Accessible to All", and accelerate the global business layout with the help of technological innovation and market expansion to serve a wider range of market needs.





# 01

## Sustainable Governance

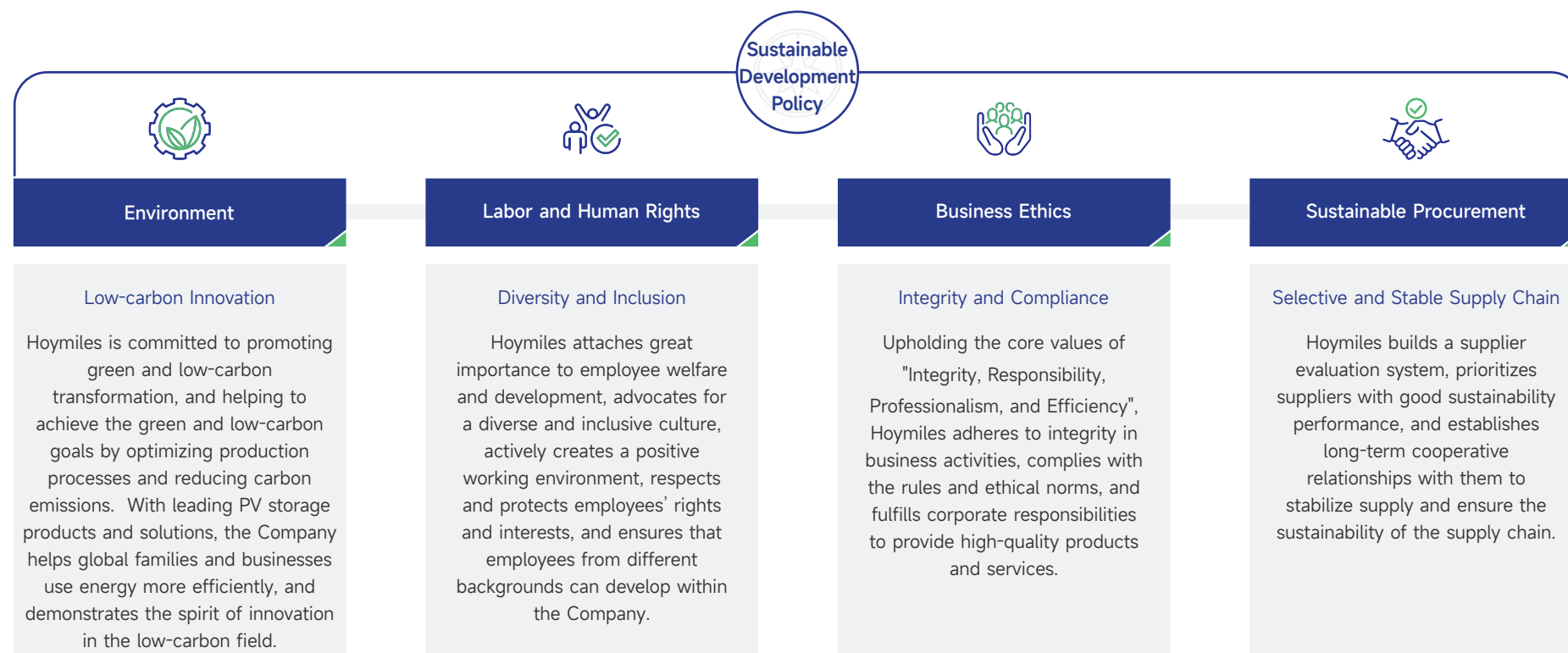
- Implementing Development Policy and Enhancing Governance Foundations
- Implementing Compliant Corporate Governance, Protecting Stakeholders' Rights and Interests
- Adhering to Integrity and Anti-Corruption, Sticking to the Bottom Line of Integrity



# Implementing Development Policy and Enhancing Governance Foundations

## Sustainable Development Policy

Hoymiles upholds "low-carbon innovation" to promote environmental development, practices "diversity and inclusion" to protect labor and human rights, adheres to "integrity and compliance" to comply with business ethics, and maintains "a selective and stable supply chain" for sustainable procurement to implement sustainable development principles.





## Sustainable Development Vision and Goal

The Company takes on the role of an industry leader, actively responds to the national "carbon peaking and carbon neutrality" strategy and the UN Sustainable Development Goals (SDGs), and adheres to the commitment to natural ecology, social development, employee growth, and customer value in all aspects. We have established a dynamic risk management mechanism, deeply integrated the philosophy of sustainable development into strategic decisions, and continued to promote the transformation of the Company into a modernized business model that is green, low-carbon, synergistic, and quality-first.

### SDGs Responded

SDGs	Specific Actions	Corresponding Section
	Eliminate gender discrimination, guarantee women's equal rights in employment and other aspects, promote women's economic independence, practice social responsibility, make public welfare donations, and support rural revitalization.	04 Good Life Protecting Labor Rights and Interests, Energizing Employees' Vitality Fulfilling Social Responsibility, Contributing Corporate Power
	Prevent the pollution of water resources, guarantee the safety of water use in agriculture, maintain the balance and stability of the ecosystem, protect biodiversity, and provide a good ecological environment for agricultural production	02 Environmental Protection Improving Environmental Management, Safeguarding Environmental Protection Boundaries Protecting Ecological Balance, Maintaining Biological Diversity
	Adhere to safe production, conduct safety training, strengthen the prevention and treatment of occupational diseases, create a healthy environment for employees, promote social fairness and inclusion, reduce the negative impact of poverty and inequality on health, and enable all employees to enjoy good health and well-being.	04 Good Life Protecting Labor Rights and Interests, Energizing Employees' Vitality Focusing on Health and Safety, Creating a Secure Workplace
	Establish a complete learning and development system, establish an internal trainer team, leverage the online learning platform of Hoymiles Academy, assist employees in learning and growth, support the development of colleges and universities, and deepen the industry-university-research cooperation.	04 Good Life Protecting Labor Rights and Interests, Energizing Employees' Vitality Fulfilling Social Responsibility, Contributing Corporate Power
	Eliminate gender discrimination in employment, ensure equal rights for men and women in job opportunities, career development, and remuneration, provide women with equal promotion opportunities and vocational training, strictly implement equal pay for equal work, legally ensure the paid leave rights of female employees, regularly organize cultural and sports activities for female employees, and establish a Women's Committee in the trade union to safeguard the legitimate rights and interests of female employees.	04 Good Life Protecting Labor Rights and Interests, Energizing Employees' Vitality



SDGs	Specific Actions	Corresponding Section
	<p>Strengthen water resource protection and pollution prevention, prevent the pollution of water bodies from domestic wastewater and other sources, improve the water measurement system, strengthen patrol inspection and maintenance of water facilities, and use water-saving devices to reduce water consumption per unit of output and improve water resource utilization efficiency.</p>	<p>02 Environmental Protection Improving Environmental Management, Safeguarding Environmental Protection Boundaries Optimizing Energy Utilization, Achieving Energy Conservation and Consumption Reduction</p>
	<p>Vigorously develop renewable energy such as solar energy, gradually increase the proportion of renewable energy in the energy consumption structure, promote the development of the renewable energy industry, improve the power generation efficiency of renewable energy, reduce costs, and choose and replace energy-efficient equipment. Optimize production processes, improve energy utilization efficiency, and reduce energy consumption per unit of product; invest in the construction of technically innovative agricultural-photovoltaic complementary and household PV power station projects, and promote the optimization and upgrading of local energy structures.</p>	<p>02 Environmental Protection Optimizing Energy Utilization, Achieving Energy Conservation and Consumption Reduction 04 Good Life Fulfilling Social Responsibility, Contributing Corporate Power</p>
	<p>Create ample employment opportunities, prohibit illegal labor such as forced labor and child labor, strengthen the training system, provide good career development opportunities and promotion channels, and ensure that workers receive reasonable wages, good working conditions, occupational safety and health protection.</p>	<p>04 Good Life Protecting Labor Rights and Interests, Energizing Employees' Vitality Focusing on Health and Safety, Creating a Secure Workplace</p>
	<p>Continuously strengthen R&amp;D capabilities and industry-university-research collaboration, promote breakthroughs in core power electronics technologies such as PV and energy storage, enhance energy conversion efficiency and system security, focus on green and low-carbon development, accelerate the large-scale application of clean energy solutions, vigorously promote training in innovation and development, promote the development of new quality productive forces, and strengthen the protection of intellectual property rights</p>	<p>03 Industry Value Strengthening Innovation-Driven Development, Leading the Industry Upgrading</p>
	<p>Prioritize employment opportunities for vulnerable groups, promote pay equity, cultivate an inclusive culture that safeguards workers, prohibit all forms of discrimination based on gender, region, race, and other factors, and ensure fair treatment for all employees</p>	<p>04 Good Life Protecting Labor Rights and Interests, Energizing Employees' Vitality</p>
	<p>Strengthen environmental supervision, reduce air, water, soil, and noise pollution, select and replace with energy-efficient equipment, optimize production processes, purchase or produce renewable energy, optimize water usage processes, improve electricity and water usage reviews, and strengthen facility inspection and maintenance</p>	<p>02 Environmental Protection Improving Environmental Management, Safeguarding Environmental Protection Boundaries Optimizing Energy Utilization, Achieving Energy Conservation and Consumption Reduction</p>



SDGs	Specific Actions	Corresponding Section
	Optimize production processes, introduce advanced technology and equipment, accurately control material usage, and reduce waste Utilize material recycling and reuse systems to turn production waste into reusable resources, implement full lifecycle management of products, conduct strict evaluation and management of suppliers, require suppliers to comply with standards on environment, labor, and human rights, and promote the sustainable development of the entire supply chain.	02 Environmental Protection Optimizing Energy Utilization, Achieving Energy Conservation and Consumption Reduction Exploring Material Circulation, Improving Resource Efficiency 03 Industry Value Building Responsibility Chain, Coordinating Industry Development Keeping Strict Control of Quality and Safety, Fortifying the Line of Defense for Security
	Reduce carbon emissions, increase the use of renewable energy, and lower energy consumption per unit of product	02 Environmental Protection Addressing Climate Challenges, Supporting Low-Carbon Transformation
	Regularly hire professional testing agencies to monitor wastewater discharge outlets, conduct routine inspections and maintenance of wastewater treatment facilities, strictly control the discharge of wastewater that meets discharge standards, and minimize the impact on the water environment.	02 Environmental Protection Improving Environmental Management, Safeguarding Environmental Protection Boundaries
	Classify and manage waste, implement low-waste production processes, ensure 100% centralized and standardized treatment of hazardous waste, use energy-efficient equipment, optimize production processes and reduce environmental impact	02 Environmental Protection Improving Environmental Management, Safeguarding Environmental Protection Boundaries Protecting Ecological Balance, Maintaining Biological Diversity
	Conduct legal and compliant operations, standardize the functioning of the General Meeting of Shareholders, the Board of Directors, and the Board of Supervisors, strengthen the risk management and control mechanisms, enhances investor relations management and anti-corruption initiatives. and prohibit all forms of violations of human rights	01 Sustainable Governance Implementing Compliant Corporate Governance, Protecting Stakeholders' Rights and Interests Adhering to Integrity and Anti-Corruption, Sticking to the Bottom Line of Integrity 04 Good Life Protecting Labor Rights and Interests, Energizing Employees' Vitality
	Promote the sustainable development of the supply chain by building the ESG management system for suppliers, enhance procurement efficiency and improve the stability of the supply chain by relying on suppliers' digital management, promote sunshine procurement, and build an honest and sustainable business ecosystem.	03 Industry Value Building Responsibility Chain, Coordinating Industry Development

## Sustainable Development Governance

### Governance Framework for Sustainable Development

To ensure the effective implementation of the sustainable development strategy, the Company has built a three-tier governance system of "Decision-Management-Execution". The Board of Directors, as the highest decision-making body, is responsible for reviewing the sustainable development strategy framework and major related issues, and the compliance of the annual sustainability report. The management of each business unit is responsible for decoding the strategy, formulating phased implementation plans and supervising the implementation of relevant projects. An ESG Special Working Group has also been established to coordinate and advance specific work in environmental, social, and governance dimensions.

### Information Management Mechanism for Sustainable Development

To deeply implement the sustainable development strategy in depth, the Company has established information disclosure and management indicators covering topics such as climate change, energy utilization, product quality and technological innovation, and continuously improved the ESG management indicator database. Through a regular data collection and analysis mechanism, the Company monitors the operating effectiveness of the sustainable governance system to ensure that employees at all levels reach a clear consensus on strategic objectives and implement them effectively.

### Sustainability Risk Management

To address changes in the internal and external environments, the Company has established a comprehensive risk management system, formulated a series of risk management systems, regularly identified and assessed potential risks, and formulated countermeasures.

Risk Type	Description	Corresponding Section <sup>1</sup>
Physical Risk	An increase in the frequency and intensity of extreme climate (e.g. typhoons, floods, or high temperatures) may lead to production interruption, equipment damage, and supply chain disruption.	02 Environmental Protection Addressing Climate Challenges, Supporting Low-Carbon Transformation
Policy Risk	The government may introduce stricter climate change regulations, and the Company will need to invest more resources to meet the requirements of the new regulations, such as increasing the investment in environmental protection equipment and improving the production process, which will increase the cost of compliance	02 Environmental Protection Addressing Climate Challenges, Supporting Low-Carbon Transformation

<sup>1</sup>For details of the management of related risks, please refer to the corresponding sections.



Risk Type	Description	Corresponding Section <sup>1</sup>
Market Risk	Climate change has led to changes in the global energy supply and demand pattern, and triggered fluctuations in energy prices, which may increase the cost of production processes for products such as PV inverters and energy storage devices.	02 Environmental Protection Optimizing Energy Utilization, Achieving Energy Conservation and Consumption Reduction
Patent Risk	Failure to conduct timely patent searches or protections may lead to infringement disputes or the loss of technological exclusivity.	03 Industry Value Strengthening Innovation-Driven Development, Leading the Industry Upgrading
Risk of Project Change	Failure to effectively control changes in demands, technologies, supply chains, or targets may result in wasted resources or schedule delays.	03 Industry Value Strengthening Innovation-Driven Development, Leading the Industry Upgrading
Order Management	Customers cancel orders.	03 Industry Value Keeping Strict Control of Quality and Safety, Fortifying the Line of Defense for Security
Customer Satisfaction	Low customer satisfaction results in the loss of customers.	03 Industry Value Keeping Strict Control of Quality and Safety, Fortifying the Line of Defense for Security
Product Delivery	Delayed delivery of products leads to customer dissatisfaction or claims	03 Industry Value Keeping Strict Control of Quality and Safety, Fortifying the Line of Defense for Security

## Supervision and Assessment of Sustainable Development

The Company continuously builds a sustainable development supervision and assessment mechanism. In departmental assessments, indicators related to sustainable development are established in strict alignment with strategic planning, and a dynamical evaluation is conducted as per multidimensional indicators such as the achievement of operational goal, the advancement efficiency of key tasks, and the effectiveness of transformation of innovation achievements.

## Communications with Stakeholders

### Identification of Stakeholders

Stakeholders generally refer to individuals or groups whose rights and interests are or may be affected by the activities of the Company. The business development of the Company involves multiple stakeholders. To ensure that this report has accurately focused content, achieves effective communication, and meets stakeholders' demands and expectations, the Company conducts stakeholder identification based on the *Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 14 - Sustainability Report (for Trial Implementation)*.




### Communication Channel for Stakeholders

The Company establishes diverse communication channels to widely collect the expectations and suggestions of stakeholders.

Stakeholders	 Shareholders and Investors	 Customers	 Employees	 Suppliers	 Communities	 Government and Regulatory Agencies	 Media
Communication Channels	<ul style="list-style-type: none"> <li>General Meeting of Shareholders</li> <li>Information Disclosure</li> <li>Performance Briefings</li> <li>SSE E-Interactive</li> <li>Roadshows</li> </ul>	<ul style="list-style-type: none"> <li>Customer Follow-up</li> <li>After-sales Service</li> <li>Customer Satisfaction Surveys</li> </ul>	<ul style="list-style-type: none"> <li>Employees' Congress</li> <li>Employee Training</li> <li>Employee Activities</li> <li>Health Checkups</li> <li>Trade Union</li> </ul>	<ul style="list-style-type: none"> <li>Business Cooperation</li> <li>Transparent Procurement</li> <li>Supplier Evaluation and Audit</li> </ul>	<ul style="list-style-type: none"> <li>Social Welfare</li> <li>Rural Revitalization</li> </ul>	<ul style="list-style-type: none"> <li>Information Disclosure</li> <li>Inspection and Supervision</li> <li>Research and Discussion</li> </ul>	<ul style="list-style-type: none"> <li>Roadshows</li> <li>Performance Briefings</li> <li>Press Conference</li> <li>Press Release</li> </ul>
Topics of Concern	<ul style="list-style-type: none"> <li>Protection of shareholders' Rights and Interests</li> <li>Corporate Governance Compliance</li> <li>Internal Control and Risk Management</li> <li>Communications with Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Governance Compliance</li> <li>Internal Control and Risk Management</li> <li>Communications with Stakeholders</li> <li>Innovation and Promotion</li> <li>Safety and Quality of Products and Services</li> </ul>	<ul style="list-style-type: none"> <li>Protection of Employees' Legal Rights and Interests</li> <li>Training and Development</li> <li>Occupational Health and Safety</li> </ul>	<ul style="list-style-type: none"> <li>Responsible Supply Chain Management</li> <li>Corporate Governance Compliance</li> <li>Internal Control and Risk Management</li> </ul>	<ul style="list-style-type: none"> <li>Contribution to Society</li> <li>Rural revitalization</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Governance Compliance</li> <li>Internal Control and Risk Management:</li> <li>Tax Compliance</li> <li>Anti-Bribery and Anti-Corruption</li> <li>Anti-Unfair Competition</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Governance Compliance</li> <li>Internal Control and Risk Management:</li> <li>Communications with Stakeholders</li> </ul>



## Assessment Process and Methods of Material Topics

Materiality Assessment Process	Assessment Method
<div>Learn about the background of the Company</div> <div>  </div>	<p>Use the value chain to analyze the ESG-related impacts, risks, and opportunities that exist in each topic of the Company, as well as the claims and expectations of stakeholders.</p>
<div>Conduct preliminary topic screening</div> <div>  </div>	<p>Establish and improve the 2024 topic pool of the Company by reference to topics stated in the standards of GRI and SASB, as well as main topics of concern in the same industry both at home and abroad.</p>
<div>Assess the materiality of topics</div> <div>  </div>	<p>Conduct research and analysis on stakeholders in the form of surveys, and based on survey analysis results and expert judgment, finally determine 4 topics with double materiality and 17 topics with impact materiality.</p>
<div>Confirm material topics</div>	<p>Formulate a list of topics with both impact materiality and financial materiality, and ensure relevant topics are disclosed in this report.</p>

## Matrix of Material Topics





Topics without Financial Materiality or Impact Materiality	Description
Water resource utilization	Financial Materiality: The water costs account for a very low proportion of the Company' s total cost and do not pose any significant potential risk exposure; Impact Materiality: The consumption and pollution of water resources by production activities of the Company are negligible and have no significant correlation with industry policies or stakeholder demands.
Ecosystem and Biodiversity Protection	Financial Materiality: The costs related to ecological protection account for a very low proportion of the Company' s total cost, and do not pose any significant potential risk exposure; Impact Materiality: The direct intervention of production activities on ecosystems is negligible and has no significant correlation with industry policies or stakeholder demands.
Equal Treatment of Small and Medium-Sized Enterprises	The disclosure of this topic applies to any enterprise with accounts payable (including bills payable) exceeding RMB 30 billion or accounting for more than 50% of its total assets at the end of the Reporting Period, and any enterprise that has publicly disclosed overdue payment to small and medium-sized enterprises through the National Enterprise Credit Information Publicity System either themselves or through their holding subsidiaries. This topic does not apply to the Company.
Contribution to Society	Financial Materiality: The expenditures related to social contributions account for a very low proportion of the Company' s total cost and do not pose any significant potential risk exposure; Impact Materiality: The direct intervention of production activities on social groups is negligible and has no significant correlation with industry policies or stakeholder demands.
Rural revitalization	Financial Materiality: The expenditures related to rural revitalization account for a very low proportion of the Company' s total cost and do not pose any significant potential risk exposure; Impact Materiality: The direct intervention of production activities on rural groups is negligible and has no significant correlation with industry policies or stakeholder demands.
Due Diligence	Financial Materiality: The expenditures related to due diligence account for a very low proportion of the Company' s total cost and do not pose any significant potential risk exposure; Impact Materiality: The direct intervention of production activities on the supply chain is negligible and has no significant correlation with industry policies or stakeholder demands.
Communications with Stakeholders	Financial Materiality: The expenditures related to communication account for a very low proportion of the Company' s total cost and do not pose any significant potential risk exposure; Impact Materiality: The direct intervention of production activities on stakeholders is negligible and has no significant correlation with industry policies or stakeholder demands.

## Topics with Double Materiality (both Financial Materiality and Impact Materiality)



### Environment

Energy Utilization,  
Response to Climate Change



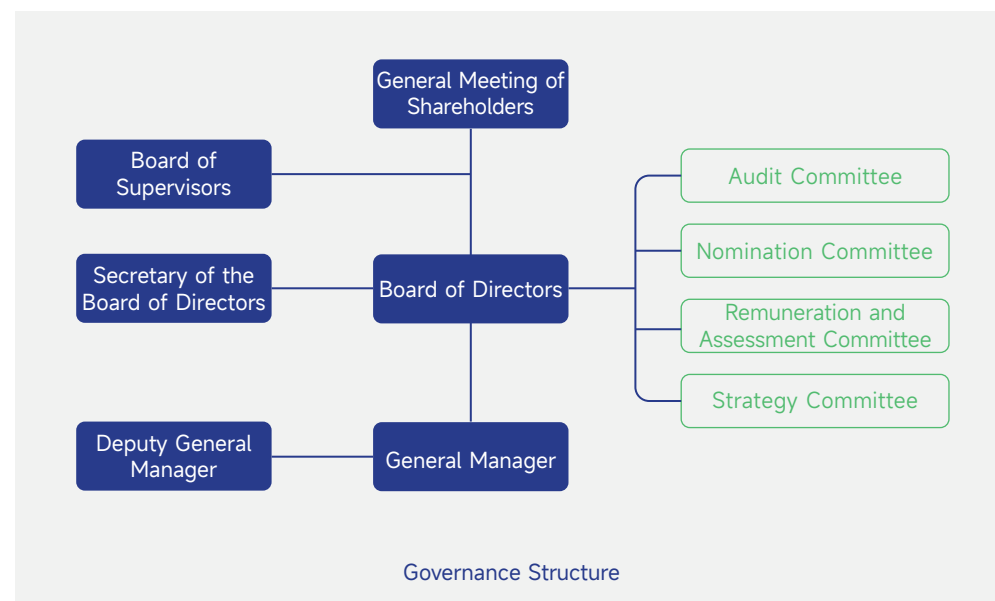
### Society

Innovation-driven Development,  
Safety and Quality of  
Products and Services

# Implementing Compliant Corporate Governance, Protecting Stakeholders' Rights and Interests

## Governance through the General Meeting of Shareholders, the Board of Directors, and the Board of Supervisors

In strict compliance with applicable laws and regulations such as the *Company Law of the People's Republic of China* (hereinafter referred to as the "Company Law") and the *Securities Law of the People's Republic of China* (hereinafter referred to as the "Securities Law"), Hoymiles has formulated management systems such as the *Articles of Association of Hoymiles Power Electronics Inc.* (hereinafter referred to as the "Articles of Association"). We continuously optimize our management system and internal governance structure to effectively protect the legitimate rights and interests of shareholders and other stakeholders.



## General Meeting of Shareholders

The convening, holding, and voting procedures of the General Meeting of Shareholders of the Company comply with applicable laws and regulations such as the *Company Law*, the *Rules for the General Meeting of Shareholders of Listed Companies* and the *Rules Governing the Listing of Stocks on the STAR Market of the Shanghai Stock Exchange*, as well as regulatory documents and the Articles of Association.

The voting on the proposals at the General Meeting of Shareholders is conducted through a combination of on-site voting and online voting. To safeguard the investment interests and legal rights of minority shareholders, significant matters affecting the interests of minority investors are subject to separate voting for minority shareholders, and a law firm is hired to issue a legal opinion for the General Meetings of Shareholders.

## During the Reporting Period

The Company held a total of **5** General Meetings of Shareholders, including **1** Annual General Meeting of Shareholders and **4** Extraordinary General Meetings of Shareholders, at which **20** proposals were reviewed.



## Board of Directors

The Board of Directors of the Company, accountable to the General Meeting of Shareholders, reviews major matters in the business activities of the Company, and makes decisions or submits them to the General Meeting of Shareholders for approval. In strict compliance with the provisions and requirements of the *Company Law*, the *Articles of Association* and the *Rules of Procedure of the Board of Directors*, Hoymiles clarifies the scope of authority of the Board of Directors, improves and standardizes the operation of the Board of Directors in aspects such as the procedures of convening meetings and reviewing proposals voting, as well as voting modes and resolution content, thereby fully utilizing the decision-making role of the Board of Directors.

### During the Reporting Period

The Company held **13** meetings of the Board of Directors, at which **52** proposals were reviewed and approved, with the attendance rate of directors being **100%**.

#### Independence

The Board of Directors consists of four specialized committees: the Audit Committee, the Nomination Committee, the Remuneration and Assessment Committee, and the Strategy Committee. These committees assist the Board of Directors in fulfilling its decision-making and monitoring functions, and play an important role in promoting the standardized operation and healthy development of the Company.

### During the Reporting Period

The Company held a total of **9** meetings of specialized committees, at which **25** proposals were reviewed, with the attendance rate of committee members being **100%**.

#### Names of Specialized Committees

#### Composition

##### Audit Committee

Chairperson: Ms. Zhu Hongxia (Independent Director) (Accounting Professional)  
Member: Mr. Mao Chen  
Member: Mr. Ye Weiwei (Independent Director)

##### Nomination Committee

Chairperson: Mr. Chen Xiaoming (Independent Director)  
Member: Mr. Shao Jianxiong  
Member: Ms. Zhu Hongxia (Independent Director)

##### Remuneration and Assessment Committee

Chairperson: Mr. Ye Weiwei (Independent Director)  
Member: Mr. Chen Xiaoming (Independent Director)  
Member: Ms. Shao Jianying

##### Strategy Committee

Chairperson: Mr. Shao Jianxiong  
Member: Mr. Yang Bo  
Member: Mr. Ye Weiwei (Independent Director)

The independent directors account for the majority of the Audit Committee, the Remuneration and Assessment Committee, and the Nomination Committee under the Board of Directors, and Ms. Zhu Hongxia, the Chairperson of the Audit Committee, is an accounting professional, which complies with the applicable laws and regulations and the provisions of the *Articles of Association*.

In alignment with the Measures for the Administration of Independent Directors of Listed Companies, and the Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies on STAR Market No. 1 - Standardized Operation, Hoymiles has formulated the System of Work of Independent Directors, clearly defining the responsibilities and performance guarantees of independent directors to ensure that independent directors can effectively exercise their powers. Additionally, the Company stipulates that independent directors should diligently perform their duties, play a role in decision-making, supervision and balance, and professional consultation within the Board of Directors, safeguard the overall interests of the Company, and protect the legitimate rights and interests of minority shareholders.

#### As of the end of the Reporting Period

As of the end of the Reporting Period, the Company

had **3** independent directors, accounting for **33.33%** of the total directors.

#### Diversity

The Company is committed to building a diversified team for the Board of Directors by giving full consideration to factors such as the gender, educational background and specialty of its members, which helps to improve the quality of decision-making by the Board of Directors.

Members of the Board of Directors	Age	Gender	Education Background	Specialty
Shao Jianxiong	61 years old	Male	Bachelor' s Degree	PV Industry
Yang Bo	44 years old	Male	Doctoral Degree	PV Industry
Zhou Lei	43 years old	Male	Bachelor' s Degree	PV Industry
Zhao Yi	42 years old	Male	Doctoral Degree	PV Industry
Shao Jianying	58 years old	Female	College Degree	PV Industry
Mao Chen	44 years old	Male	Doctoral Degree	PV Industry
Chen Xiaoming	58 years old	Male	Bachelor' s Degree	Law
Ye Weiwei	56 years old	Male	Doctoral Degree	Business Management
Zhu Hongxia	50 years old	Female	Bachelor' s Degree	Accounting

#### As of the end of the Reporting Period

The Company had **9** directors, including **2** female directors, accounting for **22.22%** of the total.



## Board of Supervisors

The Company elects Supervisors in strict accordance with the selection and appointment procedures stipulated in the *Company Law* and the *Articles of Association*, and all supervisors carry out their work in accordance with the *Articles of Association*, the *Rules of Procedure of the Board of Supervisors* and other relevant regulations, and effectively perform their supervisory duties, and effectively supervise the Company's material matters, financial operations, and the compliance of the performance of duties by the directors and senior management.

The Board of Supervisors consists of 3 supervisors, including 1 employee representative supervisor. During the Reporting Period, the convening and voting procedures of the Board of Supervisors were in compliance with the *Company Law*, the *Articles of Association* and other relevant provisions.

### During the Reporting Period

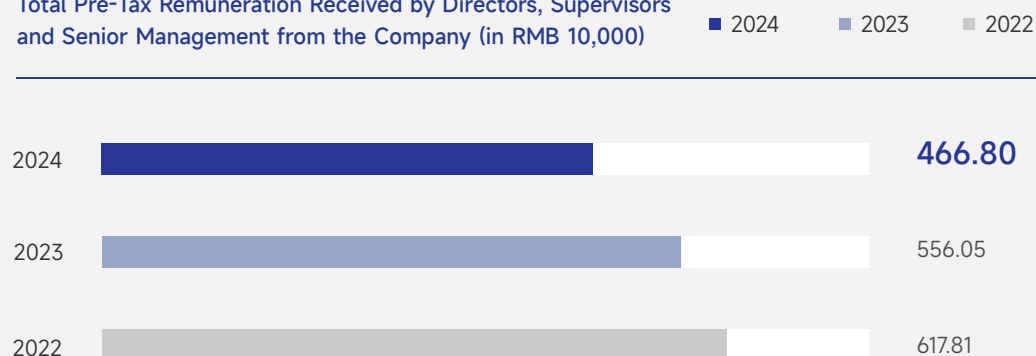
The Company held **7** meetings of the Board of Supervisors, at which **28** proposals were reviewed and approved, with an attendance rate of supervisors being **100%**.

## Management of Remuneration for Directors, Supervisors and Senior Management

Pursuant to the *Company Law* and the *Articles of Association*, the Company establishes relevant remuneration and assessment systems, and creates a comprehensive remuneration and assessment system for directors, supervisors, and senior management. Based on internal relevant systems and the actual operation needs of the Company, and by reference to industry and regional salary levels, the Company has formulated a remuneration package for directors, supervisors, and senior management for 2024, which fully motivates directors, supervisors, and senior management, help to improve operational efficiency and quality, and ensure the achievement of the operational goals of the Company.

The directors, supervisors and senior management of the Company receive remuneration in accordance with the relevant remuneration management system of the Company.

Total Pre-Tax Remuneration Received by Directors, Supervisors and Senior Management from the Company (in RMB 10,000)



## Compliant Operation

Hoymiles attaches great importance to the construction of the risk compliance governance system, and adheres to the philosophy of compliance management, with risk management as the core, internal control as the means, and compliance management as the basis. We are committed to building a virtuous cycle of risk management to promote the high-quality development of the Company.

### Compliance Management System

To establish and improve the Company's compliance management system, perfect the compliance management mechanism, clarify compliance responsibilities, cultivate a compliance culture, and ensure lawful and compliant operation, the Company, in strict compliance with the *Company Law* and other applicable laws and regulations and in combination with the realities of the Company, formulates compliance management systems such as the *External Guarantee Management System*. This effort aims to establish and improve the compliance management system, optimize the operation mechanism, and define the compliance responsibility, thus ensuring the compliant operations of the Company.

#### During the Reporting Period

No negative incident in the field of compliance occurred in the Company.

### Training on Compliance

Hoymiles attaches great importance to the cultivation of compliance culture, continuously strengthens employees' awareness of compliance, and improves the level of compliance management of the Company by regularly organizing employees to participate in themed training on compliance. In 2024, all directors, supervisors, and senior management of the Company completed the compliance training on the independent director system organized by the Shanghai Stock Exchange, and then all independent directors to participate in follow-up training. In addition, the personnel of the Office of the Board of Directors were arranged to attend a specialized training on the "sustainability (ESG) report" for listed companies organized by the Shanghai Stock Exchange.

#### During the Reporting Period

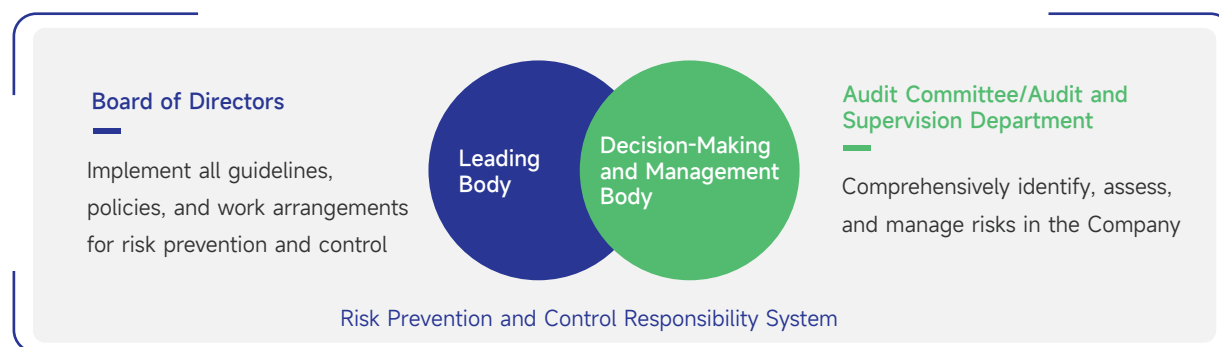
The Company offered **3** training sessions on compliance, with **18** person-times of participants and a total duration of **54** hours.



## Risk Management

In accordance with applicable laws and regulations and relevant policies, the Company has formulated risk management systems such as the *Safety Risk Identification and Control System*, the *Fire Safety Management System*, the *Management System of Work Safety in Confined Spaces*, and the *Potential Safety Hazard Identification and Management System*, to standardize risk management efforts, continuously optimize risk management processes and effectively enhance risk handling, prevention and control capabilities.

To achieve the effective management of risk prevention and control, the Company has established a risk prevention and control system led by the Board of Directors, with the Chairman serving as the highest leader of risk control, and the Audit Committee/Audit and Supervision Department acting as the decision-making and management body, to fully implement the risk prevention and control responsibilities of all relevant parties.



To continuously strengthen compliance management and the construction of a risk prevention and control system, the Company has formulated a special risk assessment system for major decisions, on the basis of the establishment of a long-term mechanism for dynamic risk assessment. Each functional department shall prepare feasibility study plans and carry out special risk assessment when studying and formulating matters involving major business decisions (including but not limited to major investment projects, asset disposal, etc.), and finally form a written report to be reviewed and approved at the meeting of the executive management team. The implementation of this system is beneficial for the Company to achieve full-process risk management in the decision-making process, effectively ensuring the scientific implementation and stable operation of the Company's strategic planning.



## Tax Risk Management

Hoymiles enhances internal management and risk prevention by developing four core centers: the Master Data Management Center, the Global Inventory Center, the Connected Transactions Center, and the Global Planning and Order Center. These centers, equipped with built-in compliance checks and risk warnings, can automatically verify the pricing reasonableness of connected transactions to ensure compliance. This effectively mitigates tax risks that may arise from improper tax handling of connected transactions and strengthens the control of tax risks through internal management processes.

Indicator	Unit	2022	2023	2024
Total Tax Payment	RMB10,000	17,304.92	28,605.27	21,202.88

## Training on Risk Management

During the Reporting Period, the Company organized special training on risk management to continuously strengthen employees' awareness of risk prevention and control through systematic training. This effort helped the Company enhance risk identification and response capabilities, and built up risk prevention and control barriers for the sustainable development of the Company.

### During the Reporting Period

The Company offered **2** training sessions on risk management, with **46** person-times of participants and a total training duration of **86.5** hours.

### Labor Relation Classification and Risk Prevention



In 2024, the Company offered training on "Labor Relations Classification and Risk Prevention". The training primarily covered the basics of labor relations and legal frameworks, risk identification and prevention strategies, and response measures. It provided systematic learning courses to help the Company achieve employment compliance, scientific risk management and prevention, as well as harmonious labor relations, thereby ensuring the stable operation of the Company.





## Internal Control

The Company has established an internal audit system in accordance with the *Basic Standard for Enterprise Internal Control* and other laws and regulations, and the Audit and Supervision Department carries out supervision, inspection and assessment of the completeness, reasonableness and operational effectiveness of the internal control system, and conducts audits on the legality, compliance, authenticity and completeness of accounting vouchers, ledgers, and other economic materials and related economic activities. Through systematic auditing work, we continuously optimize our internal control mechanisms and financial accounting processes, ensuring that the internal control system and financial accounting comply with laws, regulations, and internal management standards. As of the end of the Reporting Period, the Company has completed the *2024 Annual Self-Assessment Report on Internal Control of Hoymiles Power Electronics Inc.*

Hoymiles always regards the optimization and enhancement of internal management as a necessary path for sustainable development. By introducing advanced auditing philosophy and methods, setting up a professional auditing team, and conducting an all-round review of the key business areas, we create a standardized and efficient development environment, and help to steadily increase our value in the market.

### During the Reporting Period

The Company implemented a total of nine audit projects involving nine fields including supply chain, fixed assets, quality and production, revealing **97** issues, and proposed corresponding improvement suggestions for these issues.

### As of the end of the Reporting Period

Total of **75** issues were identified for rectification, amongst which **70** have been rectified, with a rectification completion rate of **93%**.

Note: Some issues to be rectified require cross-year continuation due to long-term resource allocation and other reasons. The Company has formulated a corresponding plan to continue the rectification in 2025.

## Investor Relations Management and Shareholders' Rights and Interests

### Communication with Investors

Hoymiles attaches great importance to the protection of legitimate rights and interests of shareholders and other stakeholders. In accordance with the *Guidelines for the Investor Relations Management by Listed Companies*, the *Rules Governing the Listing of Stocks on the STAR Market of the Shanghai Stock Exchange* and other laws, regulations, and normative documents, the Company has formulated the *Investor Relations Management System* to regulate the interaction and demand handling between the Company and investors.

The Company actively communicates and exchanges with investors through various channels, including performance briefings, investor hotlines, and SSE E-Interactive, to effectively safeguard the legitimate rights and interests of investors and promote the construction of a long-term, stable, mutually trusting and beneficial cooperative relationship between the Company and investors.

### 2024

Participation in Road Shows & Strategy Meetings

**49** times

Performance Briefings Convened

**3** times

Interactions with Investors on SSE E-Interactive

**13** times

## Information Disclosure Management

In strict compliance with the *Measures for the Administration of Information Disclosure by Listed Companies* and other related rules, the Company has formulated systems such as the *Information Disclosure Management System* and the *Information Disclosure Delay and Exemption Management System* to regulate the Company's information disclosure behavior, strengthen information disclosure management, and effectively improve the quality of information disclosure.

The Company always adheres to the principles of openness, fairness, and justice in disclosing information. Through disclosure channels such as the website of the Shanghai Stock Exchange, Shanghai Securities Journal, and China Securities Journal, the Company discloses information in a timely and accurate manner, ensuring that all investors have equal rights to information.

### During the Reporting Period

The Company disclosed **4** periodic reports and **76** interim announcements. The Company was penalized for **0** violations related to information disclosure.

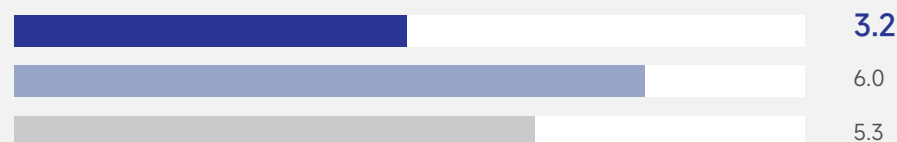
In 2024, the Company obtained an **"A"** rating in information disclosure.

## Shareholders' Rights and Interests

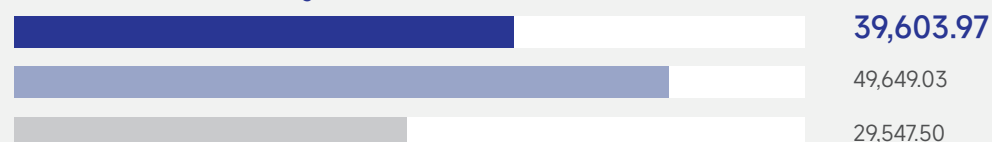
The Company has formulated scientific and effective profit distribution decision-making procedures and adjustment mechanisms to ensure that the entire distribution process is open and transparent, to fully safeguard minority shareholders' right to information and participation and effectively safeguard their legitimate rights and interests.

Indicator ■ 2024 ■ 2023 ■ 2022

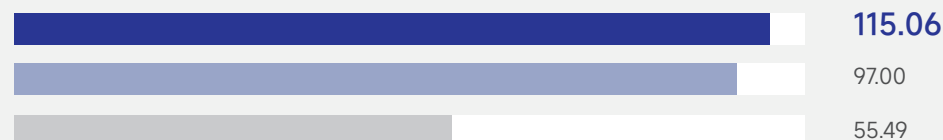
### Cash Dividend per Share (RMB)



### Total Cash Dividend (Including Tax) (RMB 10,000)



### Proportion to Net Profit Attributable to Shareholders of the Listed Company in Consolidated Financial Statements (%)



Note: The cash dividend per share for 2023 is the sum of the 2023 semi-annual cash dividend (2.4 yuan per share) and the 2023 annual cash dividend (3.6 yuan per share).



## Adhering to Integrity and Anti-Corruption, Sticking to the Bottom Line of Integrity

### Anti-bribery and Anti-corruption System

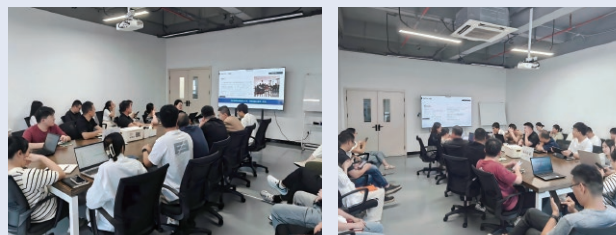
In strict compliance with laws and regulations such as the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Monopoly Law of the People's Republic of China* and the *Interim Provisions on Prohibiting Commercial Bribery Behaviors by the State Administration for Industry and Commerce*, the Company has developed and published internal management systems such as the *Policy on Business Ethics* to strengthen employees' awareness of business ethics, shape the culture of honesty and integrity, win the recognition of society, and clarify the code of conduct for employees.

The Company requires employees to sign the *Confidentiality Agreement*, the *Non-Competition Agreement*, the *Commitment to Integrity* when they join the Company, and provides training on business ethics to all employees to ensure they understand and comply with relevant policies. The Company also signs the *Agreement on Transparent Cooperation* with its partners.

The Company offers anti-corruption training for management and all employees every year, promoting the integration of integrity culture with corporate governance and business, injecting "integrity power" into corporate governance.

#### Specialized Training on Integrity

In 2024, the Company organized colleagues and leaders from related departments to participate in anti-fraud training. The training centered on discipline, contract law, malpractices, provisions of laws, and corporate culture, aiming to enhance compliance awareness and standardize the work behaviors of the personnel of the Purchasing Department.



#### During the Reporting Period

The Company did not have any corruption incidents, and the signing rate of the *Commitment to Integrity* for new employees was **100%**.

Number of Employees Participating in Training

**25** persons

Total Hours of Employee Training

**25** hours

Average Training Hours per Employee

**1** hour/person

## Measures for Anti-Bribery and Anti-Corruption

### Business Ethics Risk Management





The Company has established a control mechanism for anti-commercial bribery and anti-corruption, to promote the construction of an anti-commercial bribery and anti-corruption risk management system. In addition, the Company has formulated the *Integrity Management System* to standardize the integrity management of employees, publicize the culture of integrity, create a good corporate culture, resist undesirable cultures, and promote the formation of a cultural atmosphere of anti-corruption and integrity.

#### Regulations on Integrity and Self-Discipline

Prohibition of Accepting Benefits	Employees are not allowed to accept gifts such as cigarettes, alcohol, or cash from business units or individuals; they are not allowed to accept gifts or invitations that may influence the Company's management policies.
Prohibition of Improper Reimbursement	Employees are prohibited from reimbursing expenses that should be paid personally through company business reimbursement.
Prohibition of Improper Profit	Employees are not allowed to illegally collect kickbacks or other personal profits during economic transactions; they are not allowed to engage in favoritism or fraud in project bidding.
Prohibition of Unauthorized Promises	No employee shall make promises on behalf of the Company without prior approval of the Company.
Prohibition of Improper Hospitality	Public funds must not be used for personal banquets, and public relations or business receptions must not be conducted in violation of reception regulations.
Prohibition of Misappropriation of Company Property	Employees must not utilize their position for illegal appropriation of any property of the Company.

The Human Resources Center is responsible for promoting integrity management and organizing the signing of the *Commitment to Integrity*. The Administration Center is responsible for registering, storing, and handling items voluntarily submitted by employees. The Audit and Supervision Department is responsible for collecting, auditing, and verifying integrity-related complaints and reports.

#### Measures for Integrity Management

	<b>Signing of the Commitment to Integrity</b> Sign the Commitment to Integrity
	<b>Supervision and Reporting</b> Strengthen inspection and supervision reports, establish channels for collecting regulatory information, and publish regulatory emails and complaint phone numbers.
	<b>Improvement of Internal Control Mechanisms</b> Enhance the internal control mechanisms of the Company.
	<b>Promotion of Systems and Regulations</b> Strengthen the promotion of integrity-related systems and regulations.

If an employee violates the regulations on integrity and self-discipline or the commitment to integrity, the Company will terminate the employment contract and will never rehire them. In severe cases, the matter will be handed over to judicial authorities for handling.

## Construction of Whistleblowing Channels

The Company advocates for full participation in internal governance and is committed to building a fair, transparent, and compliant corporate culture. We have established multi-dimensional reporting channels such as telephone, anonymous mailboxes and letters, and open all monitoring channels to all employees and partners, to ensure that stakeholders participate in corporate governance through a transparent mechanism.

Upon receipt of a report, the Audit and Supervision Department will review and handle the matter in accordance with the process of recording, assessment, investigation, result evaluation, rectification measures and feedback results to ensure that the report is properly handled, and promptly inform the whistleblower of the handling results. The Company undertakes to strictly protect the privacy of the whistleblower and will not disclose the whistleblower's personal information without his/her consent.

In addition, the Company strictly prohibits any form of retaliation against the whistleblower. Once retaliation is found, the Company will be given disciplinary action in accordance with applicable laws, with the maximum penalty being the termination of the employment relationship. We also strengthen the construction and improvement of the whistleblower protection mechanism to ensure the safety, rights and interests of the whistleblower are protected properly.

## Conflict of Interest

The *Policy on Business Ethics* formulated by the Company requires employees to avoid any situation that may involve conflicts of interest between personal and company interests or may lead to such conflicts, and to refuse participation in any conflicting activities. If a situation arises that may cause a conflict of interest between the interests of Hoymiles and that of any individuals, employees must immediately report to their superiors and seek guidance.

### Whistleblowing Channels

#### Acceptance Department:

Audit and Supervision Department

#### Anonymous Reporting Email:

audit@hoymiles.com

#### Whistleblowing Hotline:

0571-28056110

#### Reporting Address:

Audit and Supervision Department, Floor 16, Building 5, Caizhi SF Innovation Center, No. 99, Housheng Street, Kangqiao Avenue, Gongshu District, Hangzhou City, Zhejiang Province, China



## Anti-Unfair Competition

Hoymiles strictly adheres to the principles of fair market competition and the applicable regulations on fair competition in the business locations, to maintain a good market order, protect the rights and interests of consumers, and enhance the Company's reputation in the market. Meanwhile, we avoid participating in or implementing monopolistic behaviors or any acts that restrict or hinder fair market competition, such as: reaching agreements with other competitors on fixed prices, market division, or production limitation, or abusing market dominance, such as predatory pricing, refusal to deal and tying sales, to firmly oppose all forms of unfair competition.

Hoymiles strictly implements the marketing management system by clearly defining the responsibilities and behavioral norms of the marketing team, combined with a dynamic supervision and evaluation mechanism for the entire marketing process. This ensures the marketing system operates in compliance, efficiency, and collaboration, and continuously promotes the healthy business development of the Company.

## Anti-Money Laundering

Money Laundering refers to the act of covering up and concealing the source and nature of illegally obtained funds by various means, so as to make them legalized in form. Hoymiles commits to comply with anti-money laundering laws and never provides any facilitation for money laundering activities. All employees are required to be vigilant about any suspicious transactions when conducting business, to ensure that they are not involved in any form of money laundering activities.

### During the Reporting Period

Training on Responsible Marketing

1<sub>time</sub>

Number of Participants in Training on Responsible Marketing

94<sub>persons</sub>

Total Duration of Training on Responsible Marketing

1,504<sub>hours</sub>

No incidents related to unfair competition or monopoly occurred in the Company.





# 02

## Environmental Protection

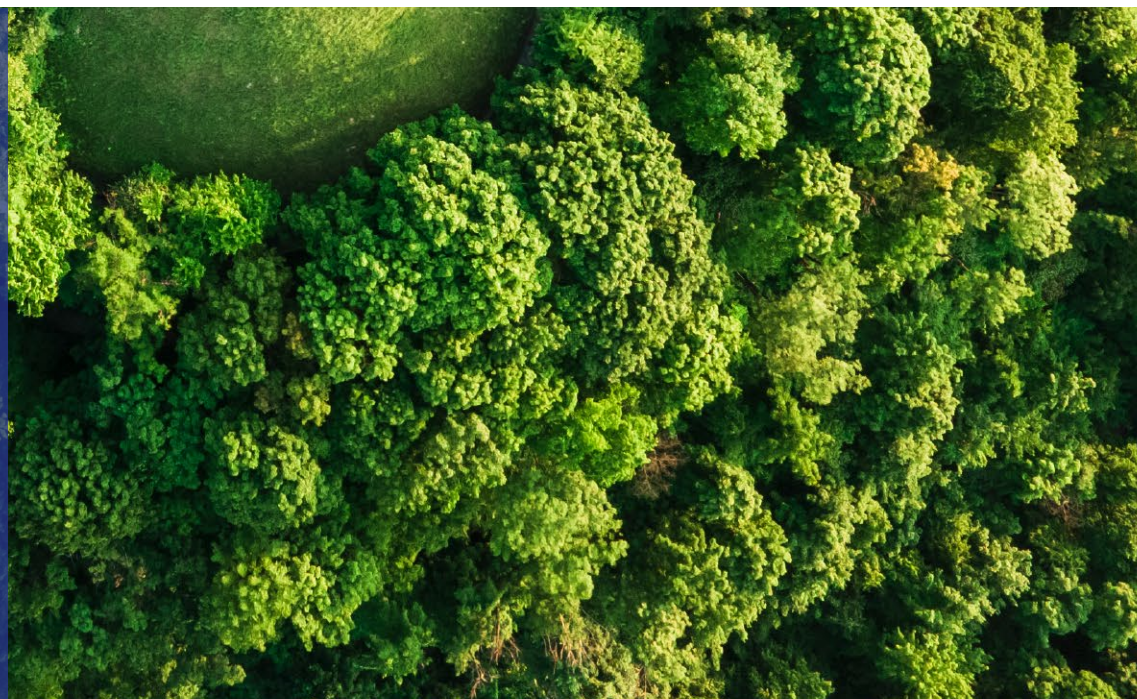
- Responding to Climate Challenges, Assisting in Low-carbon Transformation
- Improving Environmental Management, Safeguarding Environmental Protection Boundaries
- Optimizing Energy Utilization, Achieving Energy Conservation and Consumption Reduction
- Exploring Material Circulation, Improving Resource Efficiency
- Protecting Ecological Balance, Maintaining Biological Diversity





# Responding to Climate Challenges, Assisting in Low-carbon Transformation

Under the background of the global active response to climate change and the vigorous advocacy of green and sustainable development, Hoymiles, in alignment with the national carbon peaking and carbon neutrality" policy goals and by reference to the TCFD Recommendations, actively establishes and improves the Company's climate change management system, systematically deploys climate change risk management and reduces GHG emissions. The Company deeply understands its responsibility and mission in responding to climate change, and is committed to leading the industry towards a green transformation through practical actions and contributing to global climate governance.



## Governance to Address Climate Change

Hoymiles attaches great importance to efforts for addressing climate change, and actively builds a governance system led by the Board of Directors and centered on the Executive Management Team Meeting ( "EMT Meeting" ). Among others, the EMT Meeting, as the core of strategic decision-making, fully considers the impact of climate change factors on the long-term development of the Company when considering the Company's development strategy, major investment decisions and other matters, ensuring that the Company' s strategy aligns with the goals of addressing climate change. Other departments of the Company, leveraging their professional advantages, provide technical and other support for the specific implementation of the decisions of the Board of Directors, thereby building a strong synergy to effectively support the Company's climate change efforts. This guarantees the Company's efficient decision-making and synergistic promotion in addressing climate change, and realizes the organic fusion of the Company's objective of addressing climate change and its overall development strategy.

## Strategies to Address Climate Change

Relying on a comprehensive risk management framework, Hoymiles comprehensively examines and measures the impact of climate factors in its value chain, analyzes the typical climate risks and potential opportunities in each link of the value chain in depth, and scientifically predicts the financial effects that may be generated by these elements. On this basis, the Company has designed a set of targeted climate risk response and opportunity-seizing strategies, taking into account the demands of key stakeholders such as customers, employees and suppliers, and the Company's long-term strategic plan, to lead the Company into a new chapter of green and sustainable development.



Risk Type	Risk Drivers	Description of Risk	Value Chain Links Where the Risk Occurs	Likelihood of Occurrence	Impact Duration	Financial Impact	Response Strategy
Physical Risk	Extreme Climate Events	An increase in the frequency and intensity of extreme climate (e.g. typhoons, floods, or high temperatures) may lead to production interruption, equipment damage, and supply chain disruption.	Production process	Medium	Short and medium term	Increase in equipment maintenance costs, production standstill losses, and liquidated damages for delivery delays	<ul style="list-style-type: none"> <li>◆ Formulate emergency response plans to ensure quick response in the event of extreme climate events;</li> <li>◆ Strengthen resistance of facilities, such as reinforcing plants and drainage systems, and setting up emergency power supply mechanisms;</li> <li>◆ Establish emergency communication mechanisms with suppliers to ensure continuity of the supply chain</li> </ul>
Policy Risk	Changes in Policies, Laws and Regulations	The government may introduce stricter climate change regulations, and the Company will need to invest more resources to meet the requirements of the new regulations, such as increasing the investment in environmental protection equipment and improving the production process, which will increase the cost of compliance	Production and operation processes	Medium	Medium and long term	Increase in compliance costs	<ul style="list-style-type: none"> <li>◆ Regularly pay attention to the updates of climate change-related regulations;</li> <li>◆ Formulate and implement energy-saving and emission-reduction plans; promote the construction of PV and energy storage equipment in the plant area, increase the proportion of renewable energy usage, reduce reliance on traditional energy, and align with green development regulatory guidance.</li> </ul>
Opportunity Type	Opportunities	Description of Opportunity	Value Chain Links Where the Opportunity Occurs	Likelihood of Occurrence	Impact Duration	Financial Impact	Realization Strategy
Market Opportunities	Increasing Demand for Green Products	As enterprises and consumers place increasing importance on energy conservation and emission reduction, the Company can develop and promote energy-saving PV inverters, energy storage systems, and other energy-efficient products, gaining more business opportunities.	Downstream value chain	High	Medium and long term	Increase in sales revenue and profits	<ul style="list-style-type: none"> <li>◆ Gain a deep understanding of market demand and accurately target the customer base;</li> <li>◆ Increase investment in R&amp;D, and launch innovative and competitive energy-saving products;</li> <li>◆ Actively carry out marketing activities to publicize the advantages of products in energy conservation and emission reduction.</li> </ul>

Note: 1. Likelihood of occurrence: low likelihood means the risk/opportunity has a very small chance of occurrence, typically almost never occurring based on past experiences or being rare in the industry; medium likelihood means the risk/opportunity has a moderate chance of occurrence, and may happen within a certain time frame, with some historical cases, but not frequent; high likelihood means the risk/opportunity has a high chance of occurrence, usually frequent in business processes, with multiple relevant historical cases.

2. Impact Duration: the short term means the impact on the Company is usually rapid and temporary, lasting for a short period, typically not exceeding 1(inclusive) year; the medium term means the impact on the Company is relatively sustained, typically having a significant impact within 1 to 5 (inclusive) years; the long term means the impact on the Company is profound and lasting, usually lasting more than 5 years.

## Management of Impact, Risk, and Opportunity to Address Climate Change

Hoymiles attaches great importance to the profound impact of climate change on corporate operations and sustainable development, and actively establishes a scientific climate risk and opportunity management system. We formulate the *Management Procedures on Response to Risks and Opportunities*, and regularly prepare the *Risk and Opportunity Assessment and Analysis Form*. In terms of management processes, the Quality Management Department of the Company organizes the identification and determination of potential risks and emerging opportunities related to climate change at the beginning of each year. Each center (department) combines qualitative and quantitative methods to conduct in-depth assessments and, based on the severity, frequency, and opportunity potential of the risks, determines the corresponding coefficients, providing a basis for the planning of response measures. After developing feasible response strategies and clarifying the responsible departments, the Quality Management Department continuously follows up on the execution of these measures, organizing reviews at regular intervals and increasing the frequency of reviews in specific circumstances, such as regulatory changes or corporate structural adjustments. Each center (department) is responsible for the identification, evaluation, and formulation and implementation of response measures related to risks and opportunities within its business. Through this series of measures, Hoymiles continuously enhances its ability to respond to climate change, laying a solid foundation for the Company to address climate change and achieve sustainable development.



### Risk Acceptance

Applicable to low risks, such as small and repetitive losses, no effective reduction or avoidance measures, and a risk coefficient lower than 4.



### Risk Mitigation

Applicable to general risks where the cost of avoidance measures is too high, cannot be eliminated, or has no effective avoidance measures in place, with a risk coefficient ranging from 5 to 14.



### Risk Avoidance

Applicable to high risks, such as the impacts of losses are significant, where feasible changes reduce the chances of loss and the extent of losses and risk coefficients are higher than 14.

## Metrics and Targets to Address Climate Change

Hoymiles has formulated targeted and forward-looking metrics and targets for addressing climate change, taking into account international and domestic policy guidance for addressing climate change, and the Company's business expertise and technological advantages in the fields of PV and energy storage. Currently, the Company has set key objectives such as reducing carbon emissions, increasing the proportion of renewable energy usage, and lowering energy consumption per unit of products, and we have broken down these overall targets into specific departments and business segments. Meanwhile, the Company uses regular assessments and dynamic adjustment mechanisms to optimize metrics and targets in a timely manner based on actual execution, market changes, and technological advancements, ensuring that the Company's climate change response efforts can progress steadily. In the future, the Company will gradually enhance the challenge of the target of addressing climate change, and continuously increase the investment in fields such as the application of green energy and the R&D of low-carbon technologies, to realize a more ambitious target of addressing climate change.



# Improving Environmental Management, Safeguarding Environmental Protection Boundaries

## Improvement of Environmental Management System

In strict compliance with applicable laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, as well as relevant standards such as *GB/T 24001-2016 Environmental Management Systems --- Requirements with Guidance for Use*, Hoymiles has formulated internal documents such as the *Environmental Factor and Hazard Source Identification Procedure*, and established a detailed and comprehensive environmental management system and operational processes, to clearly define the responsibilities and authorities of each department in environmental management. Additionally, the Company regularly conducts internal audits and management reviews. Based on the results of these audits and reviews, issues and shortcomings in the operation of the environmental management system are identified in a timely manner. Targeted improvement measures are then formulated and

followed up for implementation. In addition, the Company regards training on environmental management as an important initiative to enhance employees' awareness of energy conservation and climate action and strengthen their environmental management capability. We regularly prepare the annual *EHS Training Schedule* and carry out training on environmental management in an orderly manner on topics such as basic knowledge of environmental protection, awareness enhancement, and the safe handling and management of hazardous waste. Through the implementation of this series of comprehensive measures, Hoymiles continuously enhances environmental management level, ensures that the Company's environmental protection work consistently complies with regulatory requirements, and provides solid institutional support for the Company's environmental management efforts.

### During the Reporting Period

No major environmental accidents or environmental violations occurred in the Company.

Hoymiles and its wholly-owned subsidiaries (i.e., Zhejiang Hoymiles, Hangzhou Heli, Haining Hengli, and Zhejiang Henghe<sup>2</sup>) have all passed the ISO 14001:2015 (including GB/T 24001) Environmental Management System Certification.

### Environmental Management System Certification Certificate



Hoymiles



Zhejiang Hoymiles



Hangzhou Heli



Haining Hengli



Zhejiang Henghe

<sup>2</sup>Environmental Management System Certification of Zhejiang Henghe officially takes effect in January 2025.

## 

Hoymiles attaches great importance to environmental monitoring and EIA of projects. Its subsidiaries strictly implement relevant work requirements. From the beginning of new projects, the Company commissions third-party testing agencies with professional qualifications to conduct EIA and regular environmental testing of pollutants such as wastewater, waste gas, and noise. The Company regularly calibrates, maintains, and updates monitoring equipment to ensure the stability of equipment performance. We also strengthen the professional training of monitoring personnel, enhance their operational skills and data interpretation abilities, and ensure the efficient execution of monitoring work. Through comprehensive and standardized environmental monitoring work, the subsidiaries can accurately control the pollution emissions on project sites, achieve scientific management of water, air, noise, and solid waste emissions, effectively guarantee the project operation in line with the requirements of environmental protection, and set up a good image of corporate environmental protection.

### Testing of Wastewater, Waste Gas and Solid Waste of Hengming Electronics in 2024



According to the *Report on Testing of Wastewater, Waste Gas and Solid Waste of Hengming Electronics in 2024*, the Company monitors both organized (such as DA002 welding fume exhaust pipes) and unorganized waste gas emissions, covering indicators such as particulate matter, ammonia, hydrogen sulfide, and odor concentration. The monitoring results comply with the relevant standards required by regulatory documents such as *GB 16297-1996 Integrated Emission Standard of Air Pollutants*. In wastewater monitoring, the Company tests the pH value, chemical oxygen demand, suspended solids, ammonia nitrogen, and five-day biochemical oxygen demand at the domestic sewage discharge outlet. All indicators at the sewage discharge outlet meet the requirements for Level-3 Limits as stated in *GB 8978-1996 Integrated Wastewater Discharge Standard* and *DB33/887-2013 Indirect Emission Limits of Nitrogen and Phosphorus Pollutants in Industrial Wastewater*. In terms of noise monitoring, the Company sets multiple monitoring points at the plant boundary according to the *Emission Standard for Industrial Enterprises Noise at Boundary (GB12348-2008)* to ensure that both daytime and nighttime noise levels meet the limits required for Class 2 areas.

### 2024 Environmental Impact Assessment of Microinverter Project of Hengming Electronic



According to the Environmental Impact Reporting Form (Pollution Impact) for Construction Projects, the Company commissioned professional units to carry out studies on the environmental impact of products, and considered the degree of compatibility between the project planning and the local land use planning, as well as compliance with the red line of ecological protection, the bottom line of environmental quality, the upper line of resource utilization and the ecological environment zoning access. During the construction of the project, the Company strictly implements the EIA standards and carries out targeted treatment and disposal of waste gas, waste water, noise and solid waste. After the completion of the project, the Company carries out acceptance work in accordance with relevant regulations to ensure that all environmental protection facilities operate stably and pollutants are discharged within the required standards. Additionally, the Company has established a comprehensive environmental risk prevention and control system, prepared emergency plans, and conducted regular drills to continuously improve its ability to address environmental risks. This ensures that the full-lifecycle compliance of our projects with environmental protection requirements and embodies the philosophy of sustainable development.



## Emergency Response Plans and Drills Against Environmental Risk

To enhance the ability to respond to emergency environmental events, Hoymiles regularly prepares *Emergency Drill Plans* against environmental risks at the subsidiary level, actively carries out environmental management emergency drills, and compiles the *Summary of Emergency Drills*. In 2024, the Company conducted three emergency drills for hazardous chemical leakage, to test employees' emergency response speed, leakage handling skills, and coordination capabilities between departments. These emergency drills for environmental management have helped the Company accumulate valuable experience in responding to sudden environmental events such as hazardous chemical leakages, further improve its environmental emergency management system, effectively control environmental risks within acceptable limits, and demonstrate the high attention and proactive efforts of Hoymiles in environmental safety management, thus laying a solid safety foundation for the sustainable development of the Company.

### Emergency Drill of Hazardous Chemical Leakage in Hoymiles Park in Suzhou



On November 1, 2024, the Hoymiles Park in Suzhou conducted an emergency drill for hazardous chemical leakages, with participation from relevant personnel engaged in R&D, warehouse material, facility, administration, and security. The drill simulated the leakage of alcohol from the explosion-proof cabinet of hazardous chemicals, which enhanced the employees' mastery of the emergency treatment process of hazardous chemicals leakage, improved the Company's ability to respond and take emergency measures to such environmental emergencies, and effectively reduced the risk of pollution caused by the leakage of hazardous chemicals to the environment.

## Management of Wastewater, Waste Gas, Solid Waste and Noise

Adhering to sustainable development, Hoymiles attaches great importance to the management of waste gas, wastewater, solid waste and noise, and strictly abides by the relevant national laws and regulations and industrial standards. We have prepared the *Operating Procedures for Catalytic Combustion Waste Gas Treatment Equipment*, the *Hazardous Waste Management System* and other institutional documents related to pollutant treatment, and established a system to manage waste gas, wastewater and solid waste through source control, process management, and end treatment. Meanwhile, the Company continuously promotes internal management optimization and technological innovation, regularly evaluates and improves management processes and measures, and strives to enhance pollution reduction and treatment capacity, taking practical actions to promote green development and contribute to building a green ecological environment.

### Waste Gas Treatment

The Company adopts the advanced treatment process of "dry filtration + activated carbon adsorption/desorption + catalytic combustion" to treat the waste gas generated by catalytic combustion and other production processes. The organic mixed waste gases to be treated first pass through an induced draft fan, where particulate matter is deeply removed through a dry filter. They then enter an activated carbon adsorption chamber, where the VOC components are effectively absorbed, and the clean air is discharged through a chimney. Some of the saturated honeycomb carbon is then desorbed using heated gas. The desorbed concentrated organic waste gases are sent to the catalytic furnace for catalytic combustion, and discharged after being converted into carbon dioxide and water vapor. According to the *Operating Procedures for Catalytic Combustion Waste Gas Treatment Equipment*, the waste gas treatment equipment should be operated synchronously with the production process equipment, and the untreated waste gas shall not be directly discharged. The Facility Department is responsible for daily inspection, regular maintenance, replacement of consumables, and organization of monitoring. The user departments must ensure the normal operation of the waste gas collection facilities and promptly report any faults for repair to ensure the stable operation of the waste gas treatment facilities.

## Wastewater Treatment

The wastewater generated by the projects of Hoymiles is mainly domestic sewage. The domestic sewage undergoes pre-treatment in a septic tank, which effectively removes some pollutants from the wastewater before it is directed into the sewage network of the park. The treated wastewater meets the Level-3 standard as stated in *GB 8978-1996 Integrated Wastewater Discharge Standard* (For treatment of ammonia nitrogen and total phosphorus, please refer to Tabel 1 of *DB 33/887-2013 Indirect Discharge for Emission Limitation of Nitrogen and Phosphorus for Industrial Wastewater*). To ensure the effectiveness and stability of wastewater treatment, the Company regularly employs professional testing organizations to test the sewage effluent at the sewage outlets and pay close attention to the sewage discharge indicators. In addition, efforts are made to have wastewater treatment facilities regularly inspected and maintained, ensure the normal operation of the equipment, strictly control the discharge of wastewater to meet the standards, and effectively reduce the impact on the surrounding water environment.

## Solid Waste Treatment

For hazardous waste and general solid waste, the Company categorizes and processes waste internally based on its waste flow. For general solid waste, the Company adopts methods such as comprehensive utilization, harmless disposal or landfill to avoid environmental pollution. For hazardous waste, the Company strictly adheres to relevant regulations in the processes of collection, labeling, storage, treatment, and transportation, to ensure that the records match with materials, the waste is disposed of legally, and information is entered in a timely manner with retention of copies. The temporary storage warehouse of hazardous waste has perfect protection measures, such as windproof, sunproof, rainproof, leakproof, seepage-proof and anticorrosion measures, and is equipped with corresponding safety equipment and warning signs. Each department has specific responsibilities in hazardous waste management. For example, the Facility Department is responsible for system formulation, plan submission, reception and storage, recordkeeping, disposal coordination, and supervision and inspection; the Engineering Department assists in introducing low-waste production processes; and other relevant departments are responsible for source reduction, classified collection, and standardized temporary storage.

## Noise Treatment

The Company has developed solutions to address noise generated by project equipment operations from multiple dimensions. In planning and layout, the Company, following the principles of "separating noisy and quiet areas" and "making a rational layout", concentrates high-noise equipment in the central area of the plant area to reduce the impact on surrounding areas. For technical noise control, the Company installs basic vibration isolation or shell damping on equipment to reduce noise generation and propagation; provides silencers on equipment fans to further reduce noise intensity; and places air compressors in soundproof rooms for focused noise reduction. In terms of management measures, the Company requires that doors and windows be closed during production to create a closed noise-reduction space; strengthens vehicle management regulations, strictly forbidding vehicle horn use and low-speed driving within the plant area to reduce mobile noise sources; and enhances equipment maintenance to ensure that equipment operates in good condition and avoid additional noise from equipment failures.

Key Performance	Unit	2024
Waste Gas Emission	10,000 m <sup>3</sup>	4,066.7
Wastewater Discharges	Ton	23,171
Total Quantity of Waste Recycled	Ton	54.0600
Volume of Hazardous Waste Generated	Ton	38.3625
Volume of Hazardous Waste Disposal	Ton	38.2745



Region	Types of Hazardous Waste Emissions	Unit	2024
Hangzhou	Waste Cleaning Agent Packaging, Waste Sealing Glue Packaging, Waste Rags, Waste Filter Cotton (HW49)	Ton	4.8755
	Waste Filling Glue (HW13)	Ton	32.0395
	Paint Sludge and Waste Cleaning Agent (HW12)	Ton	0.4265
	Used Circuit Boards (HW49)	Ton	0.0135
	Waste Cleaning Liquid (HW49)	Ton	0.5045
	Waste Activated Carbon (HW49)	Ton	0.294
	Waste Toner Cartridges (HW49)	Ton	0.011
Suzhou	Waste Coolant (HW06)	Ton	0.075
	Waste Packaging (HW49)	Ton	0.02
	Waste activated carbon (HW49)	Ton	0.015
Haining	Packaging Materials Contaminated With Hazardous Substances (HW49)	Ton	0.01
	Waste Cleaning Agents (HW06)	Ton	0.075
	Oily Waste Rags (HW49)	Ton	0.003

#### Types of Wastewater Pollutants:

Key Performance	Unit	2024
Chemical Oxygen Demand (COD)	Ton	4.226
Five-day Biochemical Oxygen Demand (BOD <sub>5</sub> )	Ton	0.314
Suspended Solids	Ton	1.410
Ammonia Nitrogen (NH <sub>3</sub> -N)	Ton	0.276
Total Phosphorus (Calculated at P)	Ton	0.017
pH	/	8.430

### Metrics and Targets for Environmental Management

Hoymiles has established clear environmental management metrics and targets in terms of waste gas, wastewater, and noise, taking into account the policies, regulations, industry standards, and the actual situation of the Company's own operations. The Company carries out scientific monthly dismantling of these overall targets, refines the responsibilities to specific departments, and regularly prepares documents such as the Breakdown of Annual Management Targets and the Annual Targets Data Statistics Table. In 2024, the Company made every effort to pursue the goals of no environmental complaints throughout the year, full compliance with the standards for the discharge and treatment of waste gas, waste water, noise and solid waste, and 100% centralized and standardized treatment of hazardous waste. In 2025, the Company will further maintain the high standards of complying with the standards for the discharge of water, gas, noise and solid waste, strictly control and prevent the occurrence of major environmental pollution accidents, and continue to maintain the Company's good performance in terms of environmental compliance, and set a benchmark for green development in the industry.

# Optimizing Energy Utilization, Achieving Energy Conservation and Consumption Reduction

## Energy and Water Resources Management

Hoymiles attaches great importance to the management of energy and water resources. In strict compliance with applicable laws and regulations and industry standards such as the *Energy Conservation Law of the People's Republic of China* and the *Water Law of the People's Republic of China*, the Company formulates internal management systems related to energy consumption such as the *Procedures for the Management of Energy and Resources*, and continuously improves the governance system of energy and resources. In March 2025, the Company passed the ISO 50001:2018 Energy Management System Certification. In terms of organizational structure, the Company has formed a management model centered around the Administration Center (Administration Department) and supplemented with coordinated cooperation from various departments. Among others, the Administration Department is responsible for the comprehensive management of energy and resources such as water and electricity, and assumes the important responsibilities of supervision, coordination and guidance. Each center (department) is responsible for energy and resource management within its functional scope and actively cooperates with the unified management of the Administration Department. The close integration of governance systems and organizational structure provides a solid institutional guarantee for the efficient management of energy and resources, laying a solid foundation for the sustainable development of the Company.



## Energy and Water Resources Management Strategy

In the global wave of pursuing sustainable development, energy and water resources management is becoming increasingly important for the new energy and PV industries. Hoymiles has established a comprehensive risk management system that systematically identifies and evaluates the opportunities and challenges brought by energy and water resources management throughout the entire supply chain, and scientifically predicts the potential financial impacts of these factors. On this basis, the Company fully values and incorporates the needs and expectations of core stakeholders, such as customers, employees, and suppliers. In line with the long-term strategic planning, we have developed corresponding strategies for responding to energy and water resources management risks as well as seizing opportunities. This drives the Company to steadily progress along the path of green and sustainable development.

Risk Type	Risk Drivers	Description of Risk	Value Chain Links Where the Risk Occurs	Likelihood of Occurrence	Impact Duration	Financial Impact	Response Strategy
Market Risk	Fluctuations of Energy Price	Climate change has led to changes in the global energy supply and demand pattern, and triggered fluctuations in energy prices, which may increase the cost of production processes for products such as PV inverters and energy storage devices.	Production process	Medium	Short and medium term	Rising production costs and compressed profit margins	<ul style="list-style-type: none"> <li>◆ Evaluate and adopt renewable energy, such as solar energy, and plan related measures in advance;</li> <li>◆ Pay attention to energy price fluctuations, and respond proactively and promptly;</li> <li>◆ Implement energy-saving measures to reduce energy consumption</li> </ul>





Opportunity Type	Opportunities	Description of Opportunity	Value Chain Links Where the Opportunity Occurs	Likelihood of Occurrence	Impact Duration	Financial Impact	Realization Strategy
Market Opportunities	Increase in market demand	Global demand for energy storage is rising, and the number of energy projects is increasing, leading to a sustained demand for PV inverters and energy storage inverters. The Company can expand its market share by leveraging its product advantages.	Downstream value chain	High	Medium and long term	Increase in sales revenue and brand influence	<ul style="list-style-type: none"> <li>◆ Increase in marketing efforts to optimize products and energy management solutions for energy project characteristics;</li> <li>◆ Expand sales channels and strengthen cooperation with various energy project developers and installers</li> </ul>



## Management of Impacts, Risks, and Opportunities Occurring in Resource Management

### Energy and Water Resource Risk Management

Hoymiles adheres to the fundamental philosophy of prioritizing prevention and making continuous improvement. We fully identify the potential risks and opportunities in energy and water resources management, and respond effectively through a series of management processes to ensure the stable supply and efficient use of energy and water resources. This helps us reduce the negative impact of risks on our operations, and seize the opportunities brought by external environmental changes.

Risk Identification		Collect and analyze internal and external information, and comprehensively identify the potential risks in each link of the Company's value chain, by taking into account the characteristics of the industry and the Company's business.
Risk Assessment		Apply professional tools and methods to scientifically assess the likelihood of the occurrence of risks and the extent of their impact, and determine the level of risks.
Risk Response		Formulate strategies for different levels of risks, such as establishing long-term cooperation with suppliers to stabilize the supply of energy, and increasing investment in R&D to improve the efficiency of energy use.
Risk Review		Regularly review energy risk management and adjust and optimize it according to market changes and company development to ensure the effectiveness and adaptability of risk management.



## Practices Energy Conservation and Consumption Reduction

Hoymiles always adheres to the philosophy of sustainable development, actively fulfills social responsibilities, and takes multiple measures for energy conservation and consumption reduction.

### »» Proactive Selection and Replacement of High-Efficiency Equipment

The Company strictly follows the high-efficiency standard in equipment selection, and improves energy efficiency through technology or equipment upgrading. For example, heating systems are equipped with automatic temperature control systems, and fans adopt variable frequency speed control technology; power is precisely adjusted according to actual needs; motors, air compressors, transformers, and air conditioners of the equipment to be purchased all meet high energy-efficiency levels, to minimize the energy consumption from the source.

### »» Optimization of Production Processes

The Company continuously improves production processes and operating methods to enhance production efficiency and reduce energy consumption per unit of product. For example, in the electrical stress testing of microinverters in the reliability laboratory, the Company increased the number of DC sources, optimized the testing process, and upgraded the software of the host computer, significantly improving testing efficiency and reducing energy consumption. Originally, two DC sources could only test one unit at a time. After improvements, the number of tests increased significantly, saving 75% of the testing time and reducing energy consumption by RMB 60,400, which is calculated at an annual production capacity of 2 million units and a sampling ratio of 1/10,000. Additionally, we adjust our production schedule and reasonably arrange equipment operating times to avoid equipment running without load and further reduce energy consumption.

### »» Purchase or Production of Renewable Energy

The Company actively explores and utilizes renewable energy to reduce dependence on traditional energy sources. During the Reporting Period, the Company achieved a clean energy use rate of 8%. The Company plans to use 500 m<sup>2</sup> of idle roof space to install PV generation units with an installed capacity of 50 kW, which can generate approximately 49,300 kWh of electricity annually. This will not only help reduce the Company's energy costs, but also reduce carbon emissions and achieve sustainable use of energy in the Company.

### »» Optimization of Water Usage Processes

The Company optimizes water usage processes, such as closing the water supply valve before cleaning the underground water tank, so that the tank is cleaned only after the water in it has been used up, thus avoiding unnecessary waste of water resources.

### »» Improvement of Electricity and Water Consumption Audits

The Company has established comprehensive ledgers for water and electricity consumption. In accordance with standards such as the *GB17167-2006 General Principle for Equipping and Managing the Measuring Instrument of Energy in Organization of Energy Using*, the Company calculates and analyzes energy and water consumption to promptly identify and address abnormal consumption.

### »» Enhancement of Patrol Inspection and Maintenance of Facilities

The Company carries out regular maintenance of production equipment, to ensure that the equipment is in good operating condition and improve the efficiency of energy utilization. Additionally, the Company has assigned dedicated personnel to perform a patrol inspection on water facilities. The personnel of the Administration Department inspects the water usage of the restaurant twice a day, and the personnel of the Facility Department conducts unscheduled inspections daily, reading meters once per day, and performing year-on-year and month-on-month comparisons to promptly identify water usage fluctuations and abnormal situations, and resolve the causes. Other relevant personnel conduct weekly inspections of faucet leaks and re-mark the location of water valves, so that the valves can be promptly closed and repaired in case of leaks.



## Key Performance

Indicator		Unit	2024
Energy Usage	Gasoline	Liter	17,800
	Diesel	Ton	2,328.34
	Annual Electricity Consumption	kWh	7,791,335.05
	Photovoltaic Power Generation	kWh	1,827,374
Water Resource Utilization	Total Water Consumption	Ton	27,260

## Metrics and Targets for Resource Efficiency

Hoymiles has established clear metrics and targets for energy and water resource management. In terms of energy management, the Company sets goals for specific projects such as energy consumption per unit of industrial added value, and plans to further reduce energy consumption through continuous optimization of energy management measures, equipment upgrades, and improvements in production processes. Meanwhile, the Company actively promotes the optimization of the energy structure, such as utilizing roof space to install PV equipment to increase the use rate of renewable energy. For water resource management, the Company aims to reduce water resource waste. Through improving water metering systems, strengthening inspections and maintenance of water facilities, and using water-saving devices, we continuously reduce water consumption per unit of output value, improve water resource utilization efficiency, and push the Company towards more efficient and sustainable water resource management.



## Green Office

Hoymiles actively promotes the philosophy of green office, responds to national policies on energy conservation and emission reduction, and encourages employees to start from small actions for the effective implementation of measures for green office.

### Electricity Conservation

The Administration Center divides the lights and air-conditioners in the office area, posts responsibility labels, and assigns electricity usage responsibility to departments. We conduct spot checks on energy usage periodically to remind or report any wasteful behavior, thus strengthening employees' awareness of energy conservation.

### Paper Conservation

Employees are encouraged to use both sides of paper, reuse waste paper, advocate paperless office practices, reduce unnecessary printing/color printing, and avoid printing unrelated content.

### Water Conservation

Water-saving sanitary ware such as water-saving toilets and urinals are adopted in the plant area to achieve water conservation in facilities. We advocate turning off water taps in time to avoid the waste of water, and encourage employees to bring their own water cups for daily office work and meetings, reducing the use of bottled water.

### Conservation of Office Supplies

The Company follows the principle of greenness, thrifty and frugality, and implements unified procurement, issuance and recycling of office supplies to reduce the waste of resources.



## Exploring Material Circulation, Improving Resource Efficiency

Hoymiles, in the principles of efficiency, greenness, and sustainability in material usage, continuously optimizes material management processes to improve resource utilization efficiency. The Company strictly selects suppliers and gives priority to environment-friendly and recyclable materials to reduce the impact on the environment from the source. During production, Hoymiles adopts advanced production processes and equipment to precisely control material usage, minimize waste, and through material recycling and reuse

systems, convert waste generated during the production process into reusable resources. Additionally, the Company actively promotes the digital transformation of material management, and adopts big data and intelligent technology to achieve precise control and optimized allocation of materials, reduce inventory costs and improve operational efficiency. Through these measures, Hoymiles achieves a win-win outcome in both economic and environmental benefits in material usage, and sets a model for the sustainable development of the PV industry.

## Protecting Ecological Balance, Maintaining Biological Diversity

Hoymiles always regards ecological environmental protection and biodiversity protection as an important responsibility for corporate development, and strictly abides by a series of laws and regulations and international conventions, such as the *Environmental Protection Law of the People's Republic of China* and the *Regulations of the People's Republic of China on Nature Reserves*. During project implementation, the Company uses high-efficiency equipment and optimizes production processes to reduce energy consumption, which decreases energy consumption and indirectly reduces pressure on the ecological environment. We

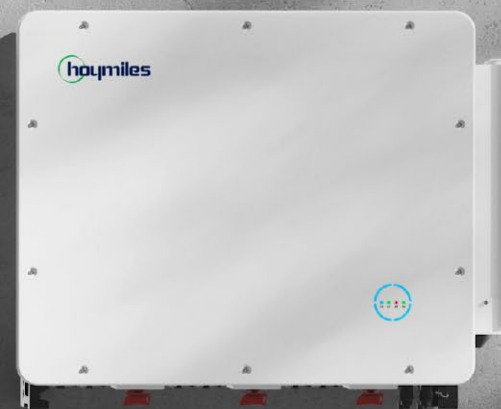
continuously monitor and evaluate the ecological environment around our projects to promptly identify and respond to potential environmental issues, and ensure the sustainability and environmental friendliness of the projects. During the Reporting Period, the Company's business mainly centered on the R&D, production and sales of power electronics, and our production bases and operation sites did not involve nature reserves, ecological conservation habitats, sensitive ecosystems or ecologically fragile areas. All production and operation activities, products and services of the Company have not caused any significant impact on ecosystems or biodiversity.



# 03

## Industry Value

- Building Responsibility Chain, Coordinating Industry Development
- Strengthening Innovation-Driven Development, Leading the Industry Upgrading
- Keeping Strict Control of Quality and Safety, Fortifying the Line of Defense for Security
- Optimizing Customer Service, Improving Customer Experience
- Ensuring Information Security, Protecting Customer Privacy



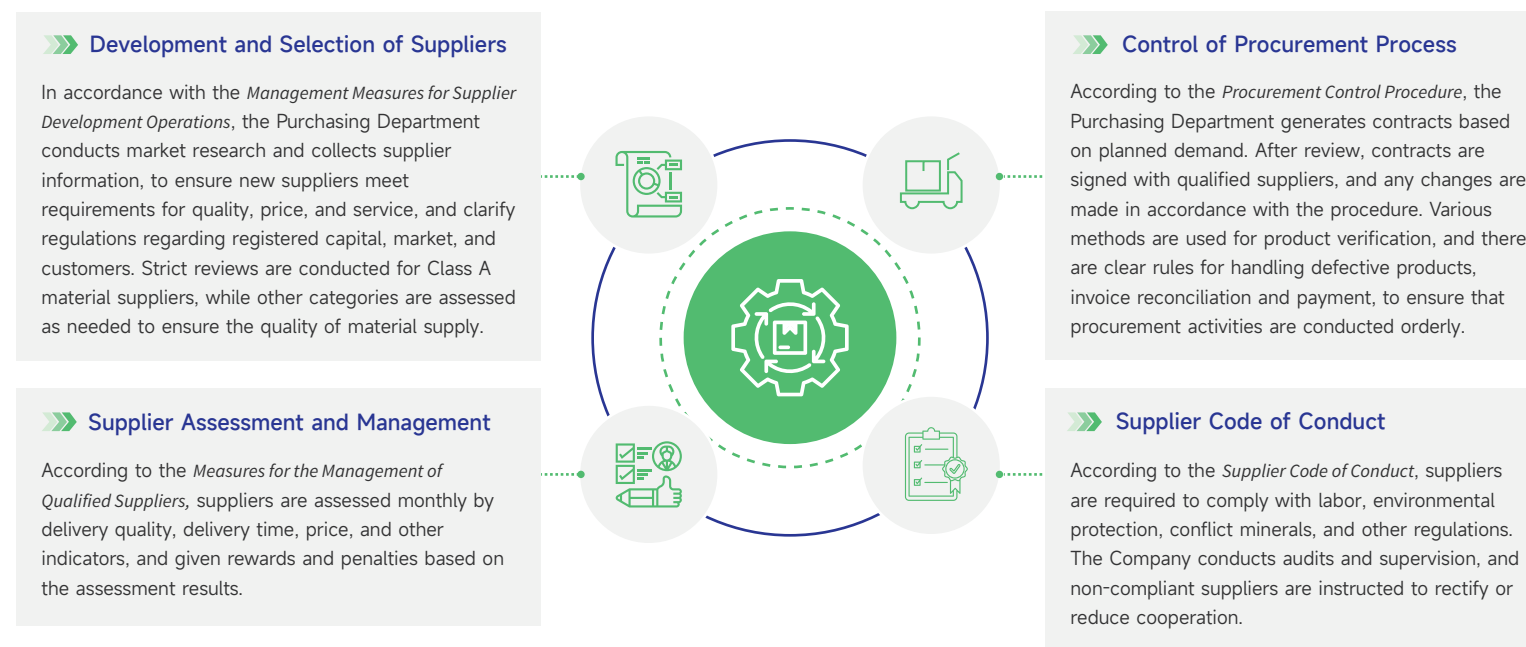


# Building Responsibility Chain, Coordinating Industry Development

Hoymiles continuously promotes the construction of a sustainable supply chain by building a full-process systematic framework to strengthen supplier collaboration and compliant operations. By relying on digital platforms to optimize procurement efficiency, and combined with compliance mechanisms and capacity improvement measures, the Company continuously enhances the resilience of the supply chain.

## Supply Chain Management System

The Company has established a standardized management system covering the whole cycle of supplier development, selection, assessment and cooperation. With quality assurance as the core, we follow strict entry standards and assessment mechanisms, and embed risk control and compliance supervision in the procurement process through scientific assessment, dynamic optimization and process control, to achieve the synergistic development of the Company and the supply chain.



### At the end of the reporting period

the company introduced the Supplier Code of Conduct, which includes provisions on environmental protection, labor rights, and respect for human

rights. **100%** of new suppliers have signed the Supplier Code of Conduct, and existing suppliers are gradually signing the code, with the current signing rate at **63%**.

## Supplier ESG Management

Hoymiles has established a comprehensive and systematic supplier ESG management system by formulating policies such as the Sustainable Procurement Policy, the *Conflict Mineral Control Policy*, and the *Supplier Code of Conduct*, to promote the sustainable development of the supply chain.

### Policy Formulation



#### Environment

- Suppliers are required to comply with environmental protection regulations, and obtain and update environmental permits and certifications.
- Suppliers are required to implement environmental protection measures in links such as resource management, waste disposal and GHG emissions, and comply with the requirements of the REACH regulation to ensure the safe use of chemicals.
- Suppliers are encouraged to comply with environmental protection regulations and set up effective environmental management systems in accordance with the requirements of ISO 14001.



#### Social Responsibility

- Suppliers are required to ensure the elimination of forced labor, child labor, and other such practices, and to provide a safe and healthy working environment.
- Suppliers must comply with the *Conflict Mineral Control Policy*, conduct due diligence on the relevant minerals and metals in their supply chain, ensure that their supply chain does not contain minerals from conflict regions, and adhere to the OECD Guidelines for Conflict Minerals.





The Company guides suppliers in self-assessment with the *Supplier Self-Assessment Form*, and in combination with supply chain due diligence, gains an in-depth understanding of the suppliers' ESG management status. Additionally, the Company refers to the *Sustainable Procurement Theory and Practice* to clarify the reward and cooperation incentive mechanisms for outstanding suppliers with good ESG/CSR performance. Additionally, the *Procurement Framework Agreement* integrates ESG-related requirements into contract terms, legally regulating supplier behavior and ensuring effective implementation of ESG management measures.

### Specific Actions

#### »» Formulation of Contracts and Standards

Incorporate social and environmental clauses into contracts signed with suppliers and formulate a code of conduct for suppliers

#### »» Assessment and Management

- Conduct CSR risk analysis for suppliers and evaluate environmental or social practices through questionnaires, etc.
- Perform on-site/online due diligence of suppliers using the *Supplier Audit Checklist*.

#### »» Personnel Training and Capacity Building

- Provide purchasing personnel with training on social and environmental issues within the supply chain.
- Offer capacity building for suppliers on environmental or social issues.

#### »» Incentives and Evaluation

- Develop incentive plans based on suppliers' environmental and social performance.
- Evaluate suppliers for REACH compliance and terminate cooperation with non-responsive suppliers
- Implement supplier diversification programs
- Integrate sustainable procurement goals into the performance assessment of the purchasing personnel.

Hoymiles has established a corporate social responsibility (CSR) evaluation framework covering the entire supply chain. The Company has completed the design of the first round of evaluation forms and started a pilot program. Through a systematic evaluation and auditing mechanism, the Company ensures that suppliers comply with international standards in labor rights, environmental protection, and compliance governance. During the Reporting Period, the Company conducted on-site audits of 128 suppliers (44%), focusing on verifying the compliance of agents and original factories in production environment, employee rights and interests, and environmental protection measures.

The Company officially joined the UNGC in November 2024 and made a public commitment to sustainable procurement.

### Key Performance

Total Suppliers

291

Suppliers with Quality  
Management System Certification

129

Suppliers with Environmental  
Management System Certification

107

Suppliers with Occupational Health and  
Safety Management System Certification

105

Suppliers Participating in on-site Audits of Corporate Social Responsibility (CSR)

128

Note: All production-oriented suppliers of the Company all have quality management system certification, environmental management system certification and occupational health and safety management system certification.

## Supplier Digital Management

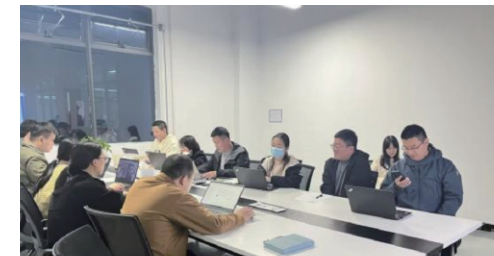
The Company has deeply integrated digitalization into supplier management, incorporating it into the supply chain ESG management module. Fully relying on the SRM system to carry out business, we use digital methods to streamline various stages such as sending procurement orders, reconciling invoices, and processing delivery notes, achieving real-time online interaction with suppliers. This system covers the entire lifecycle process from the management of potential suppliers, to the exit of suppliers. Through multi-module collaboration, data reporting, and decision support functions, the system enhances efficiency and strengthens the stability of the supply chain.



## Transparent Procurement

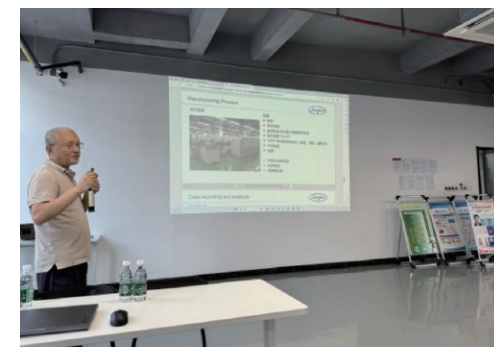
On May 29, 2024, Hoymiles organized anti-corruption training for the purchasing personnel. The training centered on sustainable procurement policy, emphasized clean business ethics, and covered theoretical explanation and on-site operation demonstration. The Purchasing Department and relevant personnel participated the training, with a training coverage rate of 100%. This training effectively enhanced procurement personnel's awareness of self-discipline and integrity, further standardized the Company's procurement process, and laid a solid foundation for creating a healthy and fair procurement environment.

The Company continues to promote the supply chain anti-corruption due diligence mechanism, stipulating business integrity clauses in supplier contracts and conducting regular compliance assessments. This ensures that all links in the supply chain comply with anti-corruption laws, regulations, and industry standards, creating a trustworthy and sustainable business ecosystem.



## Training on Supply Chain

Hoymiles is focused on the long-term development of the supply chain and actively conducts systematic training for suppliers. The training covered 21 Purchasing Department personnel, achieving 100% training coverage. The Company invites professionals in the industry to explain the application, performance and production process of various products, and in combination with the sustainable procurement framework, carries out training on topics such as environmental compliance, labor and human rights protection, business ethics, and health and safety, to help suppliers enhance their awareness of sustainable development and practical ability, and promote the efficient and synergistic development of the entire supply chain.



# Strengthening Innovation-Driven Development, Leading the Industry Upgrading

Hoymiles has established a full-process innovation governance framework to strengthen the coordination between technological innovation and risk prevention through systematic R&D management and matrix organizational structure. Through industry-academia-research cooperation and green project practices, the Company accelerates industry technology upgrades and low-carbon transformation, and achieves the enhancement of both innovation capacity and sustainable competitiveness.

## Governance for Innovation-Driven Development

### Innovative R&D System

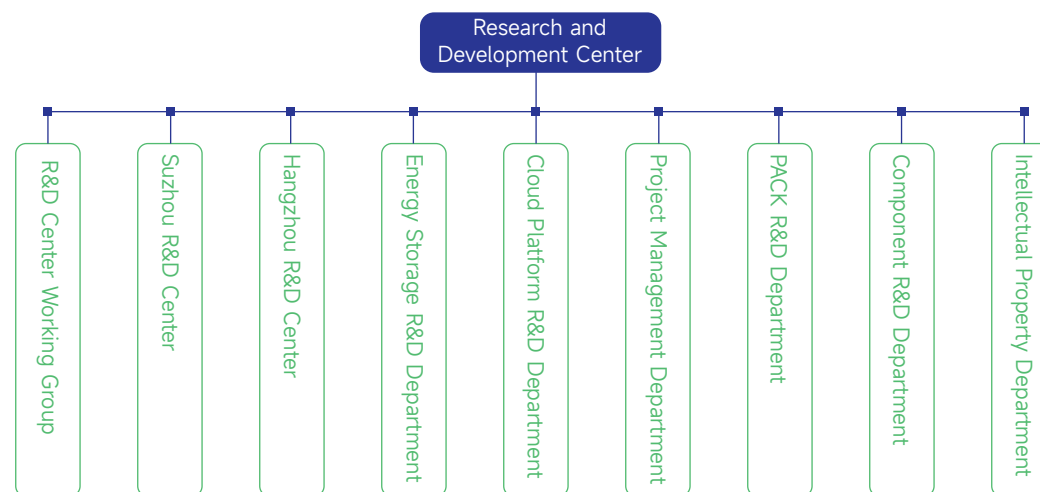
The Company has established a sound system for innovation and R&D management. Based on the R&D structure, we have formulated processes and management standards covering product design, development, and project management, such as the *Control Procedures for Product Design and Development* and the *Management Measures for R&D Project*. During the Reporting Period, the Company introduced the IPD R&D management system, in which multiple technical and decision-making review points are set up in the HPDP process to control the whole process from the requirement conceptualization to product release. The change process standardizes change requests, reviews, and execution stages to ensure orderly changes. The customized solution process ensures smooth project development from marketing to delivery. Meanwhile, the Company has built platforms for TR reviews, DCP reviews, change management, and demand management, to support R&D from multiple dimensions, including technical evaluation, investment decision, change management, and demand control.





## Organizational Structure for Innovation Management

Hoymiles takes R&D Center as the core hub, with R&D Center Working Group to coordinate relevant work. The Company has set up regional R&D Centers in Suzhou and Hangzhou to stay close to the market and technology frontier. Specific project R&D covers departments such as the Energy Storage Project R&D Department and the Cloud Platform R&D Department, each focusing on different technological fields. In addition, the Project Management Department ensures the efficient advancement of R&D projects, while the PACK R&D Department and the Component R&D Department focus on hardware development. The Intellectual Property Department protects R&D results, and all departments collaborate to drive the technological innovation and sustainable development of the Company.



## Innovation Incentive Mechanism

The Company continuously strengthens the driving force of technological innovation by building a dual-track mechanism of "project matrix management" and "full-cycle intellectual property incentive". The Company has implemented standardized management systems such as the *Intellectual Property Incentive System*, and implemented cross-departmental collaborative R&D matrices. With special incentive funds and mechanisms tied to results transformation, the Company forms an "Innovation - Protection - Application" closed-loop management process. By optimizing resource allocation through a graded patent evaluation system, we effectively increase the proportion of our core technology products.



## Strategy for Innovation-Driven Development

The Company systematically organizes the risk and opportunity assessment table, and continuously strengthens risk management and strategic opportunity identification capabilities. By establishing a multi-dimensional risk prevention and control system, the Company addresses various risks while actively exploring structural transformation opportunities.

### Risk

Risk Type	Description of Risk	Likelihood of Occurrence	Impact Duration	Financial Impact	Response Strategy
Risk of Project Change	Failure to effectively control changes in demands, technologies, supply chains, or targets may result in wasted resources or schedule delays.	Low	Short term	Increased project costs lead to opportunity cost losses and higher maintenance costs.	<ul style="list-style-type: none"> <li>◆ Establish change management process, control demand change, technology change, supply chain change, target change and other aspects of the project, and realize change traceability</li> </ul>
Patent Risk	Failure to conduct timely patent searches or protections may lead to infringement disputes or the loss of technological exclusivity.	Low	Short term	Legal litigation costs, loss of product removal, and waste of R&D resources	<ul style="list-style-type: none"> <li>◆ Continuously carry out patent searches, to prevent infringement of newly designed and developed technologies or products;</li> <li>◆ Apply for patents for new designs, IP, trademarks, etc.; protect patents in a timely manner; make layout of intellectual property rights; prevent patent infringement when the product is launched; and enhance technological competitiveness.</li> </ul>

### Opportunities

Opportunity Type	Description of Opportunity	Likelihood of Occurrence	Impact Duration	Financial Impact	Realization Strategy
Upgrade of Change Management System	Project change management is established to reduce resource waste and schedule delays, improving operational efficiency and project profit margins.	High	Medium and long term	Reduction in project overrun risk and improvement in product profitability	<ul style="list-style-type: none"> <li>◆ Construct a systematic change management system that covers demand, technology, supply chain, and goal changes across all dimensions.</li> </ul>

## Management of Impact, Risk, and Opportunity of Innovation-driven Development

Hoy miles has established a comprehensive risk and opportunity management framework in innovation practice, and achieved the coordinated development of risk control and value creation through systematic processes and mechanism design. The Company continuously optimizes the innovation ecosystem, effectively balances risks and opportunities, and injects momentum into innovation-driven development.



Relying on the HPDP product development process, a risk pre-control mechanism is built, and dynamic risk assessments are conducted at key TR review nodes. Through systematic processes, the Company achieves full-cycle control of risk identification, analysis, and response measures.



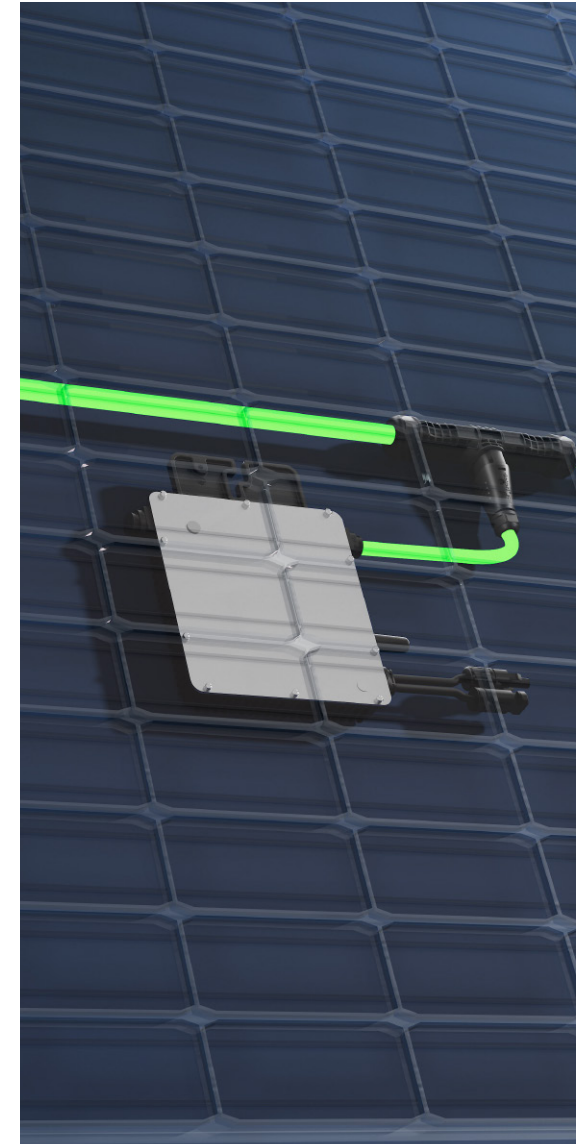
We set up the position of Management Engineer for project portfolios, and establish a dynamic management system for the project pipeline. Through resource demand forecasting and priority assessment, the Company achieves efficient resource allocation and optimization across projects, improving resource utilization efficiency and input-output effectiveness.



In the HPDP process demand phase, the product quality goals are clearly defined, and strict reviews and process control are implemented at the TR review nodes in each project execution phase.

## Metrics and Targets

The company drives breakthroughs in core power electronics technologies such as photovoltaic and energy storage by continuously strengthening its R&D capabilities and promoting industry-university-research collaboration. We enhance energy conversion efficiency and system safety while focusing on green and low-carbon development, to accelerate the large-scale application of clean energy solutions. The Company will continue to optimize the innovation governance system, strengthen intellectual property protection, balance innovation vitality and risk prevention, and achieve an organic unity of technological leadership, market competitiveness, and sustainable development.





## Scientific and Technological Innovation Projects

### Cooperative R&D

The Company continues to deepen collaborative innovation with universities and scientific research institutions to build an open technology R&D system. By jointly undertaking provincial key R&D projects, the Company carries out key technology R&D in the fields of power semiconductor device design and energy router technology, and promotes the industrialization and application of digital design and intelligent evaluation technology. Additionally, the Company actively builds an international technology exchange platform, invites domestic and foreign well-known expert teams to conduct field visits to laboratories, production bases and application scenarios, and carries out technical seminars around the R&D of new power electronic equipment, the provision of integrated energy solutions and other cutting-edge directions, to promote the in-depth fusion of academic theories and industrial practices, and to provide an innovative driving force for the industry's technological iteration and sustainable development.

The Company focuses on the PV and energy storage sector, actively collaborating with the government to carry out cooperative research projects. By leveraging our technological expertise and utilizing government policy support and resource coordination capabilities, we explore innovative development models. In the process of project promotion, the Company always pays attention to ecological environmental protection, and is committed to realizing the harmonious coexistence of clean energy utilization and ecological environment. The collaborative projects also have actively promoted local economic development, improved people' s livelihoods, created employment opportunities, increased residents' income, and injected strong momentum into the region's sustainable development, showcasing good comprehensive benefits.

### 85MW Agricultural-Photovoltaic Complementary Power Station in Hunan Town, Qujiang District



Hoymiles and the People' s Government of Qujiang District jointly invested in the construction of 85MW Agricultural-Photovoltaic Complementary Power in the Poverty Alleviation Office of Hunan Town, Qujiang District, with a total land area of more than 4,000 mu, a total investment of about 595 million yuan, a total installed capacity of 85MW, and an average annual power generation capacity of 82.3 million kWh. The project utilizes mountain resources and adopts the agricultural-PV complementary model, which effectively solves the economic weaknesses of the impoverished people in the reservoir area while protecting the original ecology.



## Independent R&D

Hoymiles continuously builds up the core technology system in the field of clean energy, and has formed three major technology clusters of PV inverters, fast shutdown devices and energy storage inverters. Among others, the core PV product (the microinverter) eliminates the risk of high DC voltage through an innovative component-level architecture, while simultaneously improving power generation efficiency and operational convenience; the rapid shutdown device builds a millisecond-level safety protection system to meet international safety standards; the energy storage inverter uses multi-port energy conversion technology and combines an intelligent management system to achieve multi-mode switching. These technological achievements have comprehensively improved the Company's energy conversion efficiency, system safety, and intelligent control levels, providing key technological support for promoting the green energy transition.

Indicator	2024	Cumulative
PV Power Generation Supported by Inverter (GWh)	2,069.72	4,509.54
PV Installed Capacity Supported by Inverter (GW)	2.12	4.32
PV Facility Emission Reduction Supported by Inverter (Ton)	2,063,511	4,496,015

### BIPV PV Project in Qingdao Leader Technology Park



The Company actively promotes green technology innovation. In the BIPV PV project in Qingdao Leader Technology Park, the Company integrates component-level power electronic technology with building structures and adopts an intelligent monitoring system to support full lifecycle management, improving energy utilization efficiency and operational reliability. This enables the collaborative innovation of clean energy systems and industrial facilities, helping to reduce the industry's carbon emission intensity and providing a replicable technological path for the green transformation of the industrial and commercial sectors.



## Training on Innovative Development

Under the guidance of the innovation-driven development strategy, the Company vigorously promotes innovation-driven training and public education: R&D Department III offered specialized training on S-Miles AI, which covers technical principles, application scenarios, and operational skills, targets all department staff, helps them master the application of this technology in R&D and improves R&D efficiency and innovation ability; and the Project Management Department also provided training focused on innovative project management models and advanced management tools, to optimize management processes, improve project delivery quality and efficiency, and enhance the Company's competitive advantage in the market.



## Promotion of the Development of New Quality Productive Forces

Hoymiles effectively integrates agricultural planting and PV power generation through innovative projects such as the 30MW Agricultural-Photovoltaic Complementary Power Station in Dazhou, Zhejiang, and the 30MW Agricultural-Photovoltaic Complementary Power Station in Zhoujia Town, creating a "green energy + modern agriculture" collaborative development model. The project uses three-dimensional space utilization technology to ensure the original agricultural production function while providing approximately 45 million kWh of clean energy annually, achieving an annual carbon reduction of about 36,000 tons. Through innovative practices such as planting economic crops and cultivating medicinal plants under PV panels, it improves land comprehensive utilization efficiency, explores an eco-friendly agricultural development path, promotes the coordinated development of agricultural modernization and green energy, and injects new momentum into regional economic high-quality development.





## Protection of Intellectual Property Rights

### Intellectual Property Management System

In strict compliance with domestic and international intellectual property laws and regulations, the Company has formulated systems such as the *Intellectual Property Application Process* and the *Intellectual Property Risk Identification and Risk Management Process*, and established a full-cycle risk warning and management system covering the creation, management, protection, and implementation of intellectual property, to continuously improve the innovation incentive and risk prevention mechanisms and ensure intellectual property compliance at all stages of R&D, production, and sales. On the basis of respecting others' intellectual property, the Company continuously enhances the value of intellectual property through technological innovation and standardized management.

During the Reporting Period



No dispute related to intellectual property rights occurred in the Company.

### Full-process Intellectual Property Right Management System

Hoymiles has established an intellectual property management framework covering the entire lifecycle of HPDP, deeply embedding patent layout into the demand analysis, technology planning, design verification, and commercialization stages. Through dynamic patent searches and compliance review mechanisms, the Company ensures the innovation and non-infringement of technical solutions. Meanwhile, we set up fast protection channels for core technologies, key intellectual properties, trademarks, and industrial designs, and implement forward-looking patent layouts to effectively balance innovation vitality and risk prevention, safeguarding the rights and interests of R&D results, while enhancing the Company's technological competitiveness through the conversion of intellectual property value.

The Company has built an intellectual property management system in compliance with national standards, with certification covering the intellectual property management of PV grid-connected inverters in R&D, production, and sales stages. This has effectively strengthened the protection of innovative results and improved corporate governance efficiency.



### Key Performance

Total Invention Patents Held

**41** items

Total Utility Model Patents Held

**27** items

Total Design Patents Held

**17** items

Total Software Copyrights Held

**91** items

Others (including Overseas Trademarks)

**155** items

Indicator	Number Applied in 2024	Number Obtained in 2024	Total Number Applied	Total Number Obtained
Invention Patents	23	8	109	41
Utility Model Patents	19	11	50	27
Design Patents	10	5	24	17
Software Copyrights	7	22	91	91
Others	3	60	174	155
Total	62	106	448	331

## Keeping Strict Control of Quality and Safety, Fortifying the Line of Defense for Security

Hoymiles always considers product safety and quality governance as the core of corporate development. The Company has established a standardized management system covering the entire lifecycle, using system norms, process control, and digital technologies, to systematically promote risk prevention and quality improvement in the supply chain, delivery, and customer service stages, and continuously optimize the quality management mechanism.



## Governance for Safety and Quality of Products and Services

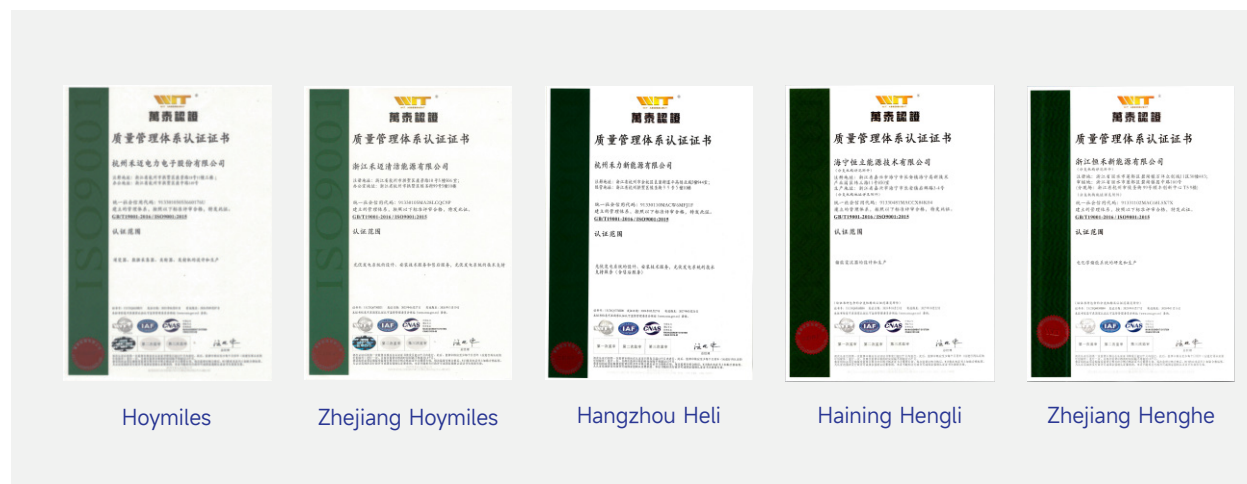
### Management System of Safety and Quality of Products and Services

Hoymiles always adheres to the product quality management policy of "pursuing excellence, environmental protection, and safety and health, and continuously improves the product and service quality assurance system. The Company has sorted out a list of systems covering the full-lifecycle of products, including core processes such as product design, production manufacturing, quality inspection, supply chain management, and after-sales service. Over 80 system documents have been formulated to ensure standardized and regulated operations at each stage.

In the "pursuit of excellence", the Company strengthens the quality control of raw materials and finished products through special specifications such as the *Periodic Confirmation and Inspection Procedures for Key Components and Materials* and the *Specification for the Reliability Test of Protective Devices*. The philosophy of "environmental protection" runs through the design, production and packaging processes. For example, the *Carton Foam Inspection Standard* strictly regulates the use of environment-friendly materials. The philosophy of "safety and health" is ensured through systems such as the *Product Labeling Method* and the *Specifications for Handling Process Abnormalities* which safeguard product safety and employee operational compliance.

### Quality Management System Certification

The Company always considers quality management as the core cornerstone of sustainable development, and ensures that product quality and service levels continuously meet market demand through the construction of a scientific and sound management system and a strict product certification mechanism. During the Reporting Period, Hoymiles has passed the ISO 9001 and CQC certification. Zhejiang Hoymiles, Hangzhou Heli, Haining Hengli, and Zhejiang Henghe<sup>3</sup> have all passed the ISO 9001 International Quality Management System certification, and will continue to deepen the quality management system construction, and continuously improve product competitiveness through both technological innovation and strict certification.



<sup>3</sup>The ISO 9001 Quality Management System Certification of Zhejiang Henghe officially takes effect in January 2025.



## Product Quality and Safety Strategy

### Risk

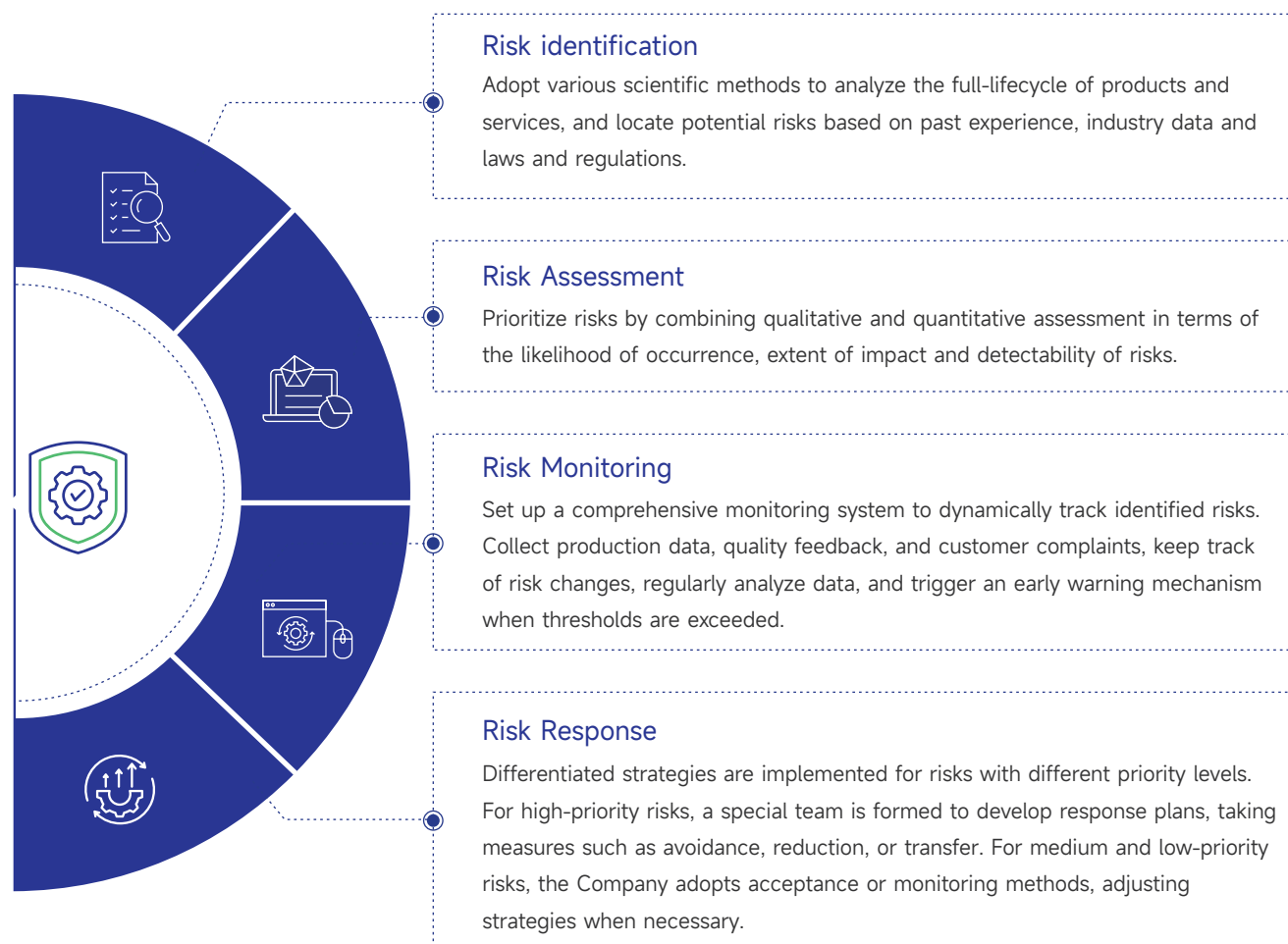
Risk Type	Description of Risk	Likelihood of Occurrence	Impact Duration	Financial Impact	Response Strategy
Order Management	Customers cancel orders.	Low	Short term	This may lead to direct sales revenue loss, waste of invested raw materials and production costs, and increased storage costs due to inventory backlog.	<ul style="list-style-type: none"> <li>◆ Ensure delivery by accelerating procurement and production progress.</li> <li>◆ Enable salesperson to conduct effective communication with customers.</li> </ul>
Customer Satisfaction	Low customer satisfaction results in the loss of customers.	Low	Short term	This may lead to loss of customers, directly reduce the current sales revenue and affect the future of long-term earnings; and the Company needs to invest more resources in the development of new customers and increase marketing costs, which further squeeze profitability	<ul style="list-style-type: none"> <li>◆ Ensure product quality and timely delivery, improve the after-sales service system, and maintain positive communication with customers to stabilize them.</li> </ul>
Product Delivery	Delayed delivery of products leads to customer dissatisfaction or claims	Low	Short and medium term	<p>This may trigger customer claims and return costs, and lead to customer loss or order reduction, which directly reduces current revenues;</p> <p>Urgent processing and other remedial measures will increase operating costs and squeeze profits.</p>	<ul style="list-style-type: none"> <li>◆ Develop a reasonable production plan;</li> <li>◆ formulate the production plan according to the principle of prioritizing delivery dates;</li> <li>◆ Send out shipment notices to customers in the way as agreed in the contract.</li> </ul>

### Opportunities

Opportunity Type	Description of Opportunity	Likelihood of Occurrence	Impact Duration	Financial Impact	Realization Strategy
Opportunities in Optimization of Customer Relationship Management	The improvement of customer satisfaction and the establishment of long-term cooperative relationships enhance customer loyalty, repeat orders and word-of-mouth effect.	High	Medium and long term	Increase in customer retention rates and repurchase income, reduction in new customer acquisition costs, and enhancement of brand loyalty and pricing power.	<ul style="list-style-type: none"> <li>◆ Establish a closed-loop customer feedback mechanism to regularly analyze satisfaction data and make targeted improvements to products and services.</li> </ul>
Opportunities in Enhancement of Supply Chain Response Capability	The Company may shorten the delivery cycle and reduce the risk of order cancellation by optimizing the production plan and supplier coordination to enhance market competitiveness	High	Medium and long term	This may reduce the inventory backlog and warehousing costs, free up liquidity, reduce the risk of order cancellation and the loss of expedited production, and improve the efficiency of resource utilization and the stability of cash flow	<ul style="list-style-type: none"> <li>◆ Strengthen production process control and establish a digital supplier collaboration platform.</li> </ul>

## Management of Impact, Risk and Opportunity of Safety and Quality of Products and Services

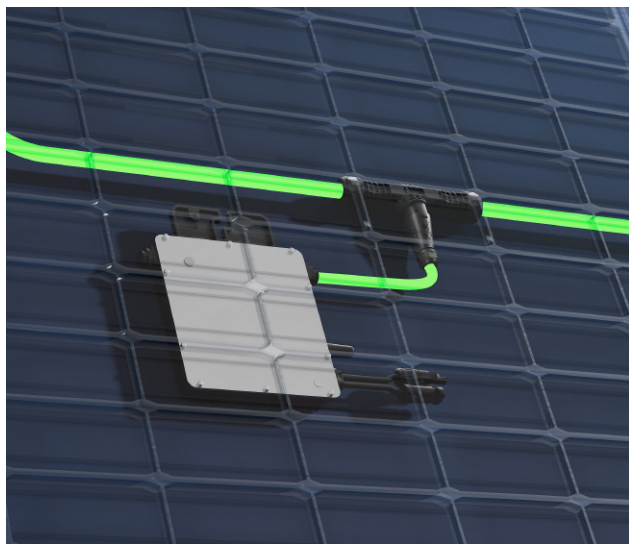
Hoymiles formulated the *Risk and Opportunity Control Procedures* to continuously optimize the product risk management framework. Through the four-step closed-loop management system of "Identification - Evaluation - Monitoring - Response", the Company systematically promotes risk management throughout the product lifecycle.



During the Reporting Period, the Company actively conducted quality audits. In May 2024, the Company underwent an external supervision audit by WIT. The audit results indicated that the Company's management system had been well implemented and maintained, and the system was generally effective. In November of the same year, an internal audit was organized, focusing on the clauses of the management system and the special requirements of CQC certification rules. The Company systematically and comprehensively audited all departments, locations, and processes involved in the design, production, and service of products related to Hoymiles and Hangzhou Heli. One minor nonconformance was identified, and the responsible department was required to make corrections. Through internal and external quality audits, the Company continuously identifies and improves issues in product and service safety management, continuously enhancing risk management levels, ensuring the safety of products and services, and safeguarding the interests of stakeholders.

## Metrics and Targets for Product Quality and Safety

Hoy miles continues to deepen the construction of product safety and quality management system and drive the achievement of quality objectives through quantitative indicators. During the Reporting Period, the Company strictly adhered to the quality standards of a product yield  $\geq 99.9\%$  (microinverter products) and a production line FPY  $\geq 99.2\%$  (Hoy miles' s microinverter production line), achieving the goal of over-completion through full-process control. In the next year, the Company will further raise its quality objectives to a production line pass rate  $\geq 99.3\%$  (Hoy miles' s microinverter production line), and integrate the product yield  $\geq 99.9\%$  (microinverter products) into the regular assessment system. The quality-related departments will be clearly designated as the responsible entities, strengthening process control and result-oriented assessment mechanisms.



## Management Measures for Safety and Quality of Products and Services

### Product Lifecycle

The Company strictly abides by the quality control system, controls the procurement of raw materials from the source, standardizes the production and processing processes, strengthens the quality inspection, optimizes the storage and transportation conditions, ensures the stability and reliability of product quality, and supplies the market with products that meet the high standards in a professional and rigorous manner.

#### Inspection of Raw Materials

Incoming materials are sampled and inspected according to the *Specification for Incoming Material Inspection* in combination with dynamic management of supplier quality files, to ensure that raw materials meet technical standards.

#### Control of Production Process

The first-piece inspection and process inspection are conducted in accordance with the *IPQC Inspection Procedure*, to monitor the stability of process parameters and continuously control the entire production process.

#### Verification at Finished Product Warehouse

Finished products are sampled and inspected according to the *FQC Inspection Procedure*, focusing on verifying functional indicators and reliability, and establishing batch quality traceability records.

#### Management of Shipment Release

Final shipment inspection is completed in accordance with *OQC Inspection Procedures*, and product identification, performance parameters, and packaging compliance are verified to achieve delivery quality traceability.

Two single-phase microinverters of Hoy miles have been certified by international authoritative organizations, receiving product lifecycle assessment (LCA) recognition and meeting the PEP ecopassport® program standards. The Company has always emphasized the environmental impact of products throughout their entire lifecycle. From design and development to disposal, we practice green philosophy, and continuously reduce the environmental footprint of products through measures such as optimizing energy efficiency, using environment-friendly materials, and improving recycling systems, thereby taking practical actions to promote sustainable development in the industry.



## Management of Hazardous Materials

Hoymiles, in strict compliance with international environmental standards and domestic regulations, has established the *Management System for Storage, Custody, and Usage of Hazardous Chemicals*. The Company implements standardized lifecycle management of chemicals, covering procurement, storage, usage, and disposal processes. This helps to continuously optimize hazardous material management measures, effectively control risks, ensure compliance, and promote green and sustainable production.



## Product Recall Mechanism

The Company, in strict compliance with international quality standards and regulations on the protection of consumers' rights and interests, establishes a closed-loop management system for product returns and recalls covering the entire product lifecycle. Through standardized process design, cross-departmental collaboration mechanisms, and digital control measures, the Company ensures that product quality issues are traceable, risks are manageable, and responsibilities are enforceable.



### Key Performance

Product Percent of Pass

**99.99%**

Number of Internal Quality Audits in a Year

**1**time

Number of Sampling Inspections by Third-Party Organizations

**3**times

Number of Product Recalls

**0**pieces

## Training on Quality

Hoymiles has carried out systematic and comprehensive training based on the goal of quality improvement. The training covers various fields of knowledge, including quality management methods, production process knowledge, and product-related standards. The training enhances employees' awareness of quality and operational skills, and improves the standardization and accuracy of product production, inspection, and other processes.

### Key Performance

Participants in Training on Quality

**2,390**person-times

Total Hours of Training on Quality

**1,095.39**hours

Training on Quality

**226**times

# Optimizing Customer Service, Improving Customer Experience

## Informatization Management System

The Company relies on an intelligent management system to build a digital hub for customer resources, establishing comprehensive customer information files and continuously iterating and updating them. Through a multi-dimensional data verification mechanism, the Company precisely identifies and eliminates duplicate customer data. By using intelligent allocation algorithms, the Company achieves automated matching and dynamic optimization of customer resources, improving resource allocation efficiency. At the same time, the system supports a customizable label system, allowing flexible configuration of customer classification dimensions based on business needs, forming a refined hierarchical management model. It also automatically generates customer profile portraits based on behavioral data, providing data support for marketing strategy development.

## Customer Complaint and Feedback

The Company has established the *Customer Handling Processes* and Rules, and created a standardized complaint handling mechanism. The full-process response system ensures efficient closed-loop management of customer demands. The Company also implements problem tracing and systematic rectification, turning complaint data into a basis for product quality improvement, driving design optimization and process enhancement, and transforming customer complaints into opportunities for quality improvement. This creates a virtuous cycle of "service improvement - product upgrade - customer satisfaction", ultimately achieving simultaneous improvement of service quality and brand reputation.

## Customer Satisfaction

Hoymiles incorporates the customer feedback mechanism into the core module of the customer relationship management system, and realizes the closed-loop service by building a multi-dimensional information collection mechanism. The Company has established an interactive network covering digital platforms, traditional communication channels, and offline scenarios, systematically collecting market feedback data. Using an intelligent analysis system, the collected information is processed structurally, generating satisfaction evaluation reports that include customer demand insights. This supports deeper interaction between the Company and its customer base, continuously enhancing market response capability and customer value creation.

### Key Performance

Customer Satisfaction  
**93.6%**

## Enhancement of Globalized Services

Hoymiles focuses on the global clean energy market by building a global service system covering the PV and energy storage sectors. The Company has set up comprehensive operation centers in four core overseas regions, forming a "regional management + localized service" collaborative model. Relying on localized service teams and a multilingual technical support system, the Company provides customers with full-cycle services, from product selection to operation and maintenance optimization. Additionally, product information is updated in real-time, and remote technical support is provided through a digital platform. A rapid response mechanism for customer demands is established, combining online and offline training and communication activities to continuously improve service accuracy and customers' technical application capabilities.



## Ensuring Information Security, Protecting Customer Privacy

Hoymiles emphasizes the protection of core data and customer privacy. On one hand, we keep our core data and customer information confidential through access control and data encryption systems. On the other hand, we build an information security management system around the EU GDPR regulations and the ISO 27001 information security management system, to strengthen standardized management of personnel, servers, and information security risks.

### Information Security Management System

The Company attaches great importance to information security management and has developed the *Information Security Management Manual*. In line with ISO/IEC27001:2022 and based on our business characteristics, we have established an information security management system to safeguard information assets, meet stakeholder needs, and enhance information security construction.

#### »» Planning and Deployment

Integrate internal and external factors, identify information security risks and opportunities, assess and dispose of risks in accordance with procedures, formulate and decompose annual objectives, and optimize the system by using the PDCA cycle to standardize change management

#### »» Basic Support

Provide resources for the information security system, allocate personnel reasonably and train them to improve their capabilities, enhance employee security awareness, establish communication mechanisms, and standardize document and record management.

#### »» Risk Control

Ensure business processes comply with system requirements, conduct risk assessments, develop and implement mitigation plans, record results, and optimize risk mitigation processes.

#### »» Performance Evaluation

Build a performance evaluation system to monitor and assess information security status, conduct regular internal audits, hold at least one management review annually, and improve the system based on the results.

#### »» Continuous Improvement

Promptly address emerging issues, analyze causes, develop measures, assess effectiveness, and adjust the system when necessary. Make continuous improvement through various methods, emphasize customer feedback, and implement corrective actions

## Information Security Risk Management

To effectively manage information security risks and ensure the stable operation of the information security management system, the Company has developed the *Procedure for Information Security Risk Management* and established a risk assessment method for identifying risks applicable to the information security management system, as well as those identified in business information security and legal/regulatory requirements. Appropriate risk control measures are taken within the acceptable range of risk.

### Preliminary Preparation and Planning

Establish a risk assessment team under the leadership of Information Security Management Team and formulate and issue the *Information Security Risk Assessment Plan*.

### Asset Identification and Assignment

Identify seven categories of information assets, enable each department identify and assign value to own assets, and comprehensively evaluate and determine critical assets.

### Risk Identification and Assessment

Consider factors such as threats and vulnerabilities to identify risks faced by assets and verify the effectiveness of existing security measures.

### Risk Calculation and Classification

Calculate risk values based on relevant factors, divide risks into five levels, and identify unacceptable risks.

### Risk Response and Treatment

Adopt different measures for acceptable and unacceptable risks, determine the implementation priority, and formulate and implement the risk processing plan; enable the information security executive team to test and rehearse the information security emergency response strategy and emergency response plan on a regular basis.

### Continuous Evaluation and Optimization

Reassess risks after treatment, regularly or based on specific situations, conduct information security risk assessments, and dynamically adjust asset lists and control measures.

## Information Security Management Goal

The Company is committed to ensuring information security, with a clear information security management goal to ensure that the number of major information security incidents per year is zero. This goal is advanced in coordination with the information security management policy. The goal is broken down by the General Manager to each department, with management representatives overseeing implementation, and full staff promotion, training, and assessments to achieve efficient operation of information security management and ensure the sound development of the Company's business.

## Audit of Information Security System

Hoymiles conducted an internal audit of the information systems during the Reporting Period, thoroughly reviewing the status of the Company's information systems. The scope covered organizational, general control, and application control levels, and no significant systemic risks were found. A series of improvement suggestions were proposed in areas such as strategic planning, system construction, system functionality, and data management. The Company will actively promote corrective actions based on the audit opinions, further improve information system management, enhance information security protection levels, and strengthen the information foundation for the stable development of the Company's business.

## Information Security Management System Certification

The Company has passed the ISO/IEC 27001:2022 Information Security Management System certification and established an information security management system in accordance with international standards in the design and production processes of inverters, DTUs, and disconnectors. This system effectively identifies, assesses, and controls information security risks, and ensures the confidentiality, integrity, and availability of related information assets, significantly enhancing the level of information security management.



## Protection of Customer Privacy

Hoymiles consistently places high importance on customer privacy protection, strictly adhering to information security safeguards. By following standard regulations, clearly defining responsibilities, conducting risk control, strengthening operational communication, and continuously supervising improvements, the Company is dedicated to providing solid protection for customer privacy and fulfilling its responsibility and commitment in the field of information security.

### During the Reporting Period

No major incidents involving the breach of information security, data, or customer privacy occurred in the company.

### Compliance with Norms and Standards

Comply with ISO/IEC27001:2022 standards and applicable laws and regulations to build an information security management system and protect customers' privacy in all aspects.

### Clear Division of Responsibilities

Set up an information security team, clearly define the responsibilities of each department, and make precise efforts in the R&D, human resources, marketing and other business links to effectively protect customers' privacy.

### Execution of Risk Control

Formulate the *Procedures for Information Security Risk Management* to comprehensively assess the risk of customers' privacy-related information assets and to comprehensively assess the risk of the information assets and the privacy of the customers.

### Enhancement of Operational Communication

Establish an information security reporting and complaint mechanism, make use of a variety of communication channels to understand internal and external feedback in a timely manner, and ensure the information security management team is responsible for receiving relevant suggestions, requests and complaints.

### Continuous Supervision and Improvement

Construct a perfect supervision and evaluation mechanism, and regularly carry out performance evaluations, audits and reviews to timely identify and solve problems in customer privacy protection.



# 04

## Good Life

- Protecting Labor Rights and Interests, Energizing Employees' Vitality
- Focusing on Health and Safety, Creating a Secure Workplace
- Fulfilling Social Responsibility, Contributing Corporate Power



## Protecting Labor Rights and Interests, Energizing Employees' Vitality

Employee rights and interests are the core driving force for the development of the Company. Hoymiles strictly abides by the *Labor Law of the People's Republic of China* and other laws and regulations, and has established an employee rights and interests protection system covering the whole process of recruitment, growth, compensation and welfare, focusing on the improvement of employees' health, safety and career satisfaction. The Company resolutely eliminates child labor and forced labor, opposes discrimination and harassment in the workplace, and creates a diverse, equal and inclusive working environment, so that each employee can achieve professional growth in respect and care.

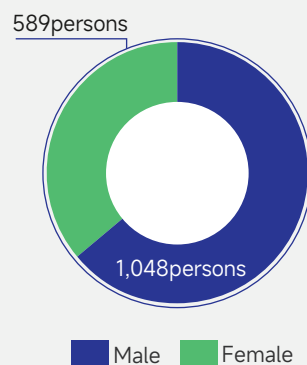
During the Reporting Period, the Company achieved an employment contract signing rate of **100%** and a social insurance coverage rate of **100%**.

### Employee Composition

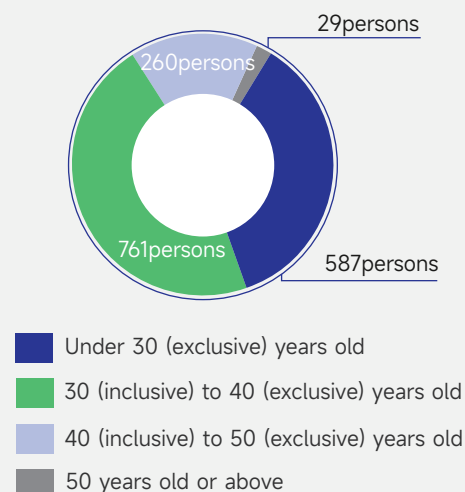
Number of Employees  
**1,637** persons

Number of Employees with Disabilities  
**2** persons

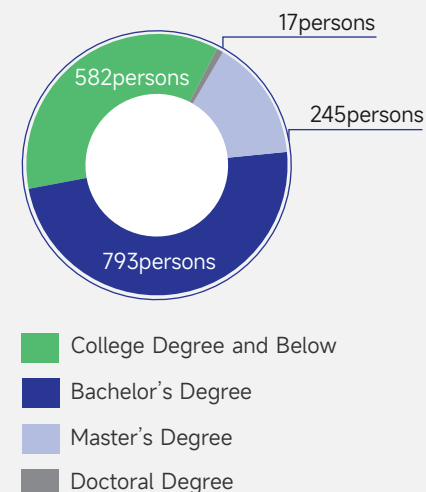
Number of Employees (by Gender)



Number of Employees (by Age)



Number of Employees (by Education Background)



## Labor Governance

The Company continues to promote institutionalization, and builds a scientific and perfect internal governance system by formulating the Recruitment Management System and other human resource management systems. Hoymiles, in strict compliance with laws and regulations such as the requirements of the *Labor Law of the People's Republic of China*, and the *Labor Contract Law of the People's Republic of China*, embeds labor rights protection standards into the entire business management process. The Company strengthens compliance management mechanisms, ensures that all human resource management processes are legal and compliant, and provides institutional safeguards for employee rights management, to achieve a coordinated balance between business development and the protection of employees' rights and interests.

The Company strictly abides by national laws and regulations and prohibits any form of illegal and forced labor, including child labor, illegal immigration, slavery or human trafficking and other involuntary or exploitative labor. The Company prohibits any form of forced labor in business operations, including recruitment, and bans the recruitment of employees under the age of 18 for any position.

During the Reporting Period



The Company did not engage in child labor or forced labor.

## Diversity, Equality, and Inclusion

### Diversity, Equality, and Inclusion Management

Hoymiles is committed to fairly compensating employees regardless of their gender, race, or membership status. We ensure pay equality among employee groups and use this as a basis to develop projects for improvement and enhancement.

#### Promotion of Gender Equality

Eliminate gender discrimination in the workplace and ensure that male and female employees enjoy equal opportunities in recruitment, promotion, etc.

#### Focus on Disadvantaged Groups

Support women's career development, the employment of disadvantaged groups, and pay equity

#### Promotion of Inclusive Culture

Emphasize the establishment of an inclusive culture that respects the diverse backgrounds of our employees, and encourages employees of different cultures and beliefs to achieve mutual understanding and cooperation

In the recruitment and assessment process, the Human Resources Center conducts open recruitment and treats all candidates fairly. During recruitment, no discrimination is allowed based on race, religion, disability, gender, age, sex, skin color, political affiliation, or other differences. The Company does not interfere with employees' beliefs, lifestyle habits, or specific rights in the aforementioned areas. Any form of gender, regional, or ethnic discrimination is prohibited, ensuring equal opportunities and treatment for every job applicant.

In the recruitment process, we ensure that all workers receive equal compensation under the same conditions, based on job grading and salary setting.

During the Reporting Period

The Company did not engage in labor discrimination or other human rights violations.



## Protection of Women's Rights and Interests

Hoymiles attaches great importance to the protection of women's rights and interests, strictly implements the equal pay system for equal work, and guarantees the rights of women employees to enjoy paid leave such as maternity checkup leave, maternity leave, nursing leave, childcare leave, and paternity leave in accordance with laws and regulations. Moreover, the Company firmly adheres to the principle of gender equality in promotions, ensures that female employees have the same promotional opportunities as male employees, and eliminates any promotion discrimination based on gender.

The Company establishes a Women's Committee within the trade union to present female employees' voices, and protects their legitimate rights and interests. Additionally, the Company organizes regular diverse cultural and sports activities to enrich the extracurricular cultural life of female employees.

2024

Proportion of Female Employees in Management

**34.10%**


### Holiday Gifts Reflecting Thoughtful Intent, Stories Illuminating with Emotional Resonance

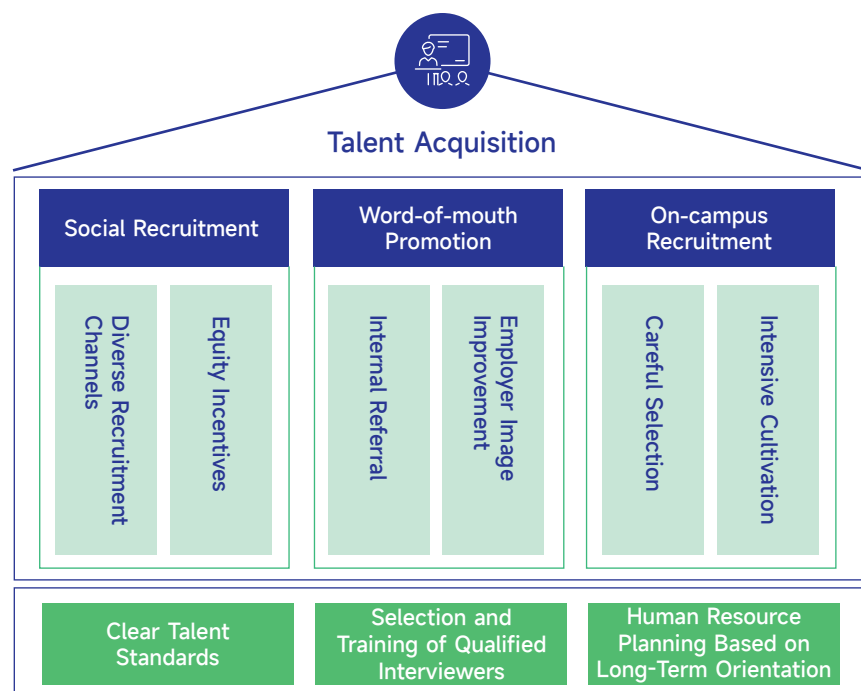
On March 8, 2024, the International Women's Day, the Company hosted the "To the Hot Self" series event. The event included providing a half-day holiday in the afternoon, giving welfare supplies, writing short-term goals/inspirational stories with a chance to win a lottery, and organizing female employees to watch the movie Hot and Spicy. This event allowed female employees to feel the warmth and attention from the Company, and showcased the Company's commitment to gender equality and support for female employees.



## Employee Recruitment and Employment

Hoymiles attaches great importance to the strategic layout of talents, and regards the talent reserve as the core kinetic energy for the sustainable development of the Company and an important source of innovation and competitiveness. To meet the demands of high-quality development, the Company has established and improved systematic talent policies such as the *Recruitment Management System*, continuously expanding high-end talent reserves and improving the diversified talent introduction mechanism to accurately attract industry elites. At the same time, the Company has built a multi-dimensional talent recruitment system covering campus recruitment, social recruitment, and internal referrals, forming a regular and large-scale talent supply chain that injects continuous vitality into the Company's innovative development. During the recruitment process, the Human Resources Center reviews the age of applicants and strictly prohibits the recruitment of employees under the age of 18 for any position.

During the Reporting Period, the R&D Center employed external consultants, with whom it signed labor agreements, paid fair and reasonable remuneration and established effective communication channels and feedback mechanisms.



### On-campus Recruitment



2024

Frequency of Campus Recruitment

1time

Number of Employees Recruited from Campus Recruitment

86persons

Number of Female Employees Recruited

19persons

Number of Male Employees Recruited

67persons

## Remuneration and Benefit

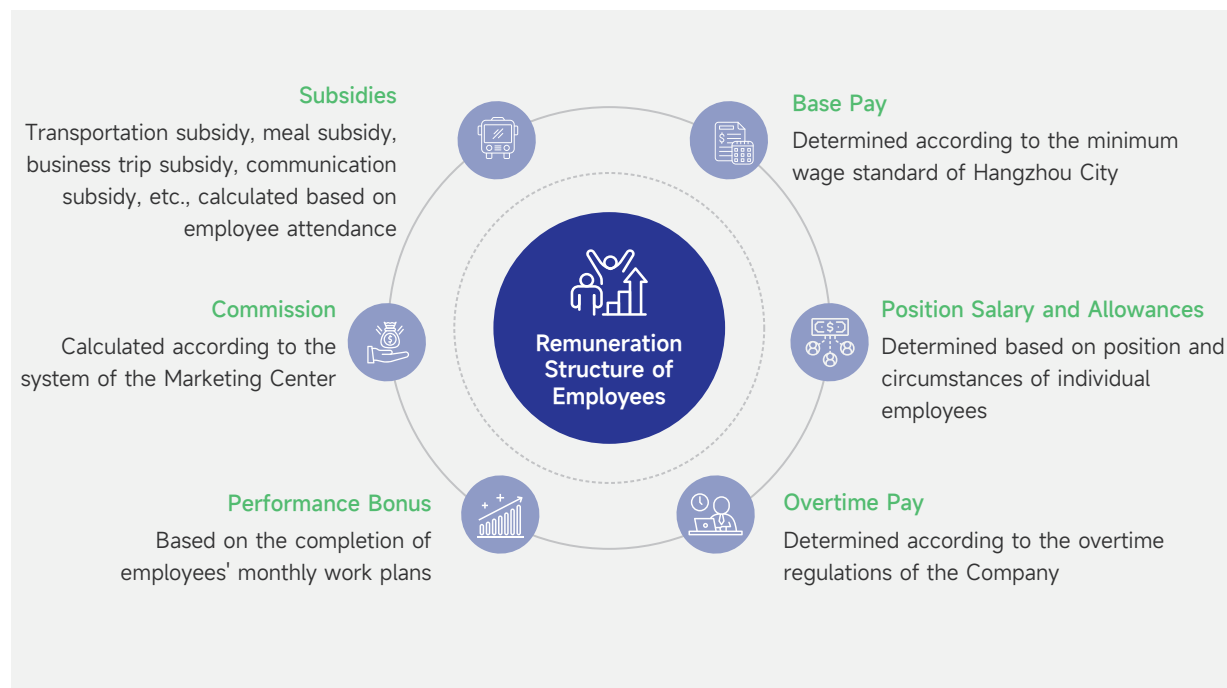
### Remuneration System

The Company has formulated the *Remuneration Management System*, and annually evaluated the market competitiveness of employees' remuneration in the light of the industry's compensation level, and to design a leading remuneration strategy. To maintain the ongoing vitality of the workforce, the Company scientifically determines remuneration based on employees' value contributions.

To attract and retain outstanding talent and key business personnel, and to stimulate continuous enthusiasm for all employees to contribute to the Company, we have built a compensation structure that adapts to the market system and internal employee development.

#### During the Reporting Period

The Company paid salaries on time and no salary arrears occurred.



The Company implements different working systems for different positions, including non-fixed working hours, comprehensive working hours, and standard working hours. The standard working hours system is Monday to Friday, from 08:30 to 17:30, with a 1-hour lunch break (the lunch break time is subject to the Company's relevant notice). Non-fixed working hours positions are generally arranged according to the Company's work schedule. Positions under the comprehensive working hours system generally follow the Company's working hours during non-extended work periods.

#### During the Reporting Period

the Company's average salary per employee as RMB

**249.9** thousand and the revenue generated

per employee as RMB **1.2174** million



## Employee Benefits

Hoymiles always views employees as the core resource for the Company's development, and has formulated the *Welfare Management System* to continuously optimize a diversified welfare system and stimulate team vitality. While legally providing basic guarantees, the Company customizes supplementary insurance plans based on employees' differentiated needs, organizes professional health checkups regularly, and enhances team cohesion through employee clubs, cultural and sports events, and other special activities, comprehensively improving employees' job satisfaction and sense of corporate belonging.

Insurance	Five Social Insurance and one house fund, Accident Insurance, Overseas Business Travel Insurance
Subsidies	Transportation subsidies, communication subsidies, meal subsidies, high-temperature subsidies, cold-weather subsidies, dinner subsidies, taxi subsidies
Allowances	Overseas expatriate allowance, stationing allowance
Holidays	Public holidays, annual leave, maternity leave, and other statutory holidays
Team Building	Annual meeting, department outing
Care for Employee	Birthday gifts, birthday parties, holiday gifts, health check-ups, and daily snacks supply
Other Welfare	Flexible working hours, fitness center in the park, and dormitory

In 2024, the Company implemented the 2024 Restricted Stock Incentive Plan and the 2024 Employee Stock Ownership Plan. Among them, under the 2024 Restricted Stock Incentive Plan, the Company granted 1,389,100 restricted shares at a price of 86.99 yuan per share to 185 eligible participants. A total of 22 employees participated in the 2024 Employee Stock Ownership Plan, subscribing to 54,321,949.40 units of the plan, corresponding to 624,462 shares from the Company's repurchased shares held in a dedicated securities account.

### During the Reporting Period

Total Expenditure on  
Employee Benefits

RMB **9.4684** million



## Employee Activities

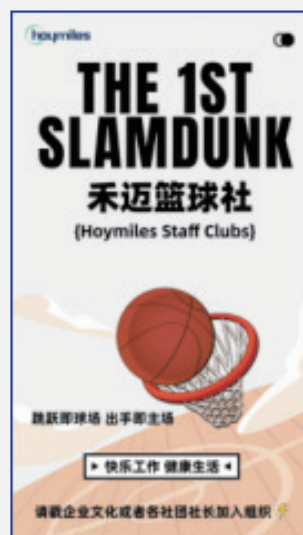
To ensure that employees can have proper relaxation and rest after busy work, the Company continues to enhance the cohesion and sense of well-being of its employees by providing a wealth of cultural and sports activities and advocating a healthy lifestyle.

Employees of the Company have voluntarily established Hoymiles staff clubs, enabling every employee to work happily and live healthily with healthy mind and body.

### Five Major Staff Clubs of Hoymiles



Weekly regular activities;  
occasional themed events



Biweekly regular  
activities; occasional  
themed events



Biweekly regular  
activities; one themed  
event every six months



Offline – monthly themed  
activities; Online – “Go Out  
to Have Fun”



Occasional activities



Basketball Game



Badminton Tournament



Football Match

## Step by Step to Build Your Dreams



The General Party Branch of the Company launched a public welfare event for International Children' s Day on June 1. From May 6 to May 14, participants clocked in for 6 days in the [National Sports Meet] circle, with a daily minimum of 6,666 steps and uploaded screenshots from a step-counting app. Those meeting the requirements had a schoolbag donated in their name to children in Tibet by the General Party Branch of the Company (a maximum of 120 schoolbags). The top 3 in step count every day also received the souvenirs of Hoymiles. A total of 120 employees participated in the event, resulting in the donation of 120 schoolbags, 10 canvas bags, and 2 boxes of watercolor pens to the Primary School of the Baida Town.





## Democratic Management by Employees

### Democratic Communication and Management

The Company, in strict compliance with the *Trade Union Law of the People's Republic of China* and other applicable laws and regulations, establishes the trade union. Based on the actual situation of the Company, we have formulated the *Trade Union Management System*. To promote effective communication between employees and the Company, we have taken the following measures:

- » Held monthly new employee meetings to listen to employees' demands and provide positive feedback.
- » Carried out annual questionnaire research, mainly focusing on the six dimensions of salary performance, teamwork, organizational development, company recognition, training and development, and communication, to listen to employees' demands and opinions.
- » Opened the [CEO' s Appointment] column, and enable employees regularly communicate with General Manager on a one-on-one basis every month in the form of the [General Manager's Lunch Program] and other forms of communication.
- » Established internal communication channels (both real-name and anonymous), where employees can reflect their own demands.

#### During the Reporting Period

The Company held **1** Employee Congress at which one project was reviewed and approved.

### Performance Feedback and Appeal



#### Performance Feedback

Close Communication

Direct supervisors are required to maintain timely communication with their subordinates regarding performance evaluation goals and results and reach a consensus.

Timely Guidance

Direct supervisors need to provide guidance to subordinates on performance indicators and key tasks, solve existing problems, and assist in achieving evaluation goals.

Feedback Filing

Direct superiors are required to regularly submit performance evaluation data, including evaluation results and communication outcomes, online, and have them filed by the Human Resources Center.



### Performance Appeal and Handling

If the evaluated individual is unclear about or disagrees with the evaluation results, they should first consult their direct or indirect leader. If they are dissatisfied with the consultation result, they may file a written appeal with the Human Resources Center.

The Human Resources Center is the department responsible for accepting performance evaluation appeals. The appeal of the department or employee will be investigated and coordinated by the Human Resources Center, which will propose a solution. If the dispute cannot be resolved, it will be submitted to the Company's General Manager for arbitration.

Upon receiving an employee appeal, the Human Resources Center must respond within 3 working days regarding whether the appeal will be accepted. Appeals without objective factual basis, based solely on subjective assumptions, will not be accepted. For accepted appeals, the Human Resources Center will first investigate the content of the employee's appeal, then coordinate and communicate with the department head where the employee works. If coordination cannot be achieved, the Human Resources Center reports to the Company's General Manager for a final decision and informs the complainant of the progress.

Performance  
Appeal

Appeal  
Acceptance

Grievance  
Flowchart

### Collective Contract

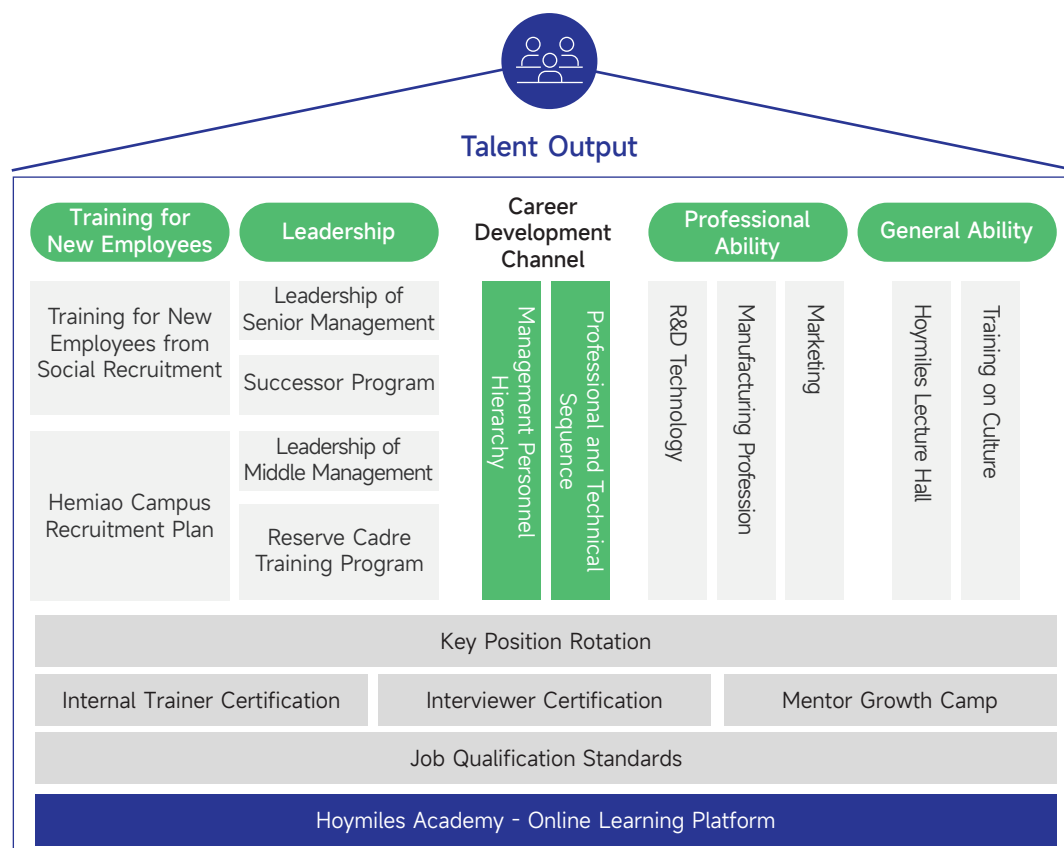
- To strengthen the Company's occupational safety and health management, prevent and reduce production safety accidents and occupational disease hazards, protect employees' safety, health, and legal rights, and promote the healthy and harmonious development of the Company, we have signed the *Special Collective Agreement on Employees' Safety and Health*.
- To promote the establishment of a harmonious and stable socialist new type of labor relations, better protect and realize the legitimate rights and interests of female employees, and unite female employees to play an active role in creating a harmonious enterprise and achieving the Company's development goals, we have signed the *Special Collective Agreement on Protection of Female Employees' Rights and Interests*.



## Employee Training and Development

### Employee Training System

The Company attaches great importance to the cultivation and development of talents, upholds the talent philosophy of fostering “self-driven, studious and diligent” talent, formulates the *Training Management System*, the *Internal Trainer Management System*, the *New Employee Mentor Management System* and other related rules, to establish a sound, full-stage and multi-level talent cultivation system.



Hoymiles Training and Development System

The Company has established a sound learning and improvement system from employees. On the one hand, we set up a team of internal trainers to summarize the internal knowledge and experience, enrich the training resources, and help the staff to grow comprehensively. On the other hand, with the help of online learning platform of Hoymiles Academy, the Company provides employees with convenient learning services, promotes talent cultivation and performance improvement, and promotes the realization of corporate strategy. As of the end of the Reporting Period, the Company had 15 internal trainers.

### Advantages of Hoymiles Academy

#### Explicit Advantages

- » **Improvement of Learning Efficiency:** The online learning mode of Hoymiles Academy breaks the limitation of time and space, and employees can learn according to their own rhythm and schedule, which greatly improves the learning efficiency
- » **Visualization of Learning Achievements:** Hoymiles Academy visualizes the learning achievements of the employees by means of points, learning progress bar, certificates, etc.
- » **Enrichment of Learning Resources:** The platform provides rich and diversified learning resources, including video courses and other learning resources, to meet employees' diverse learning needs.



### Implicit Advantages

- » **Cultivation of Self-Learning Ability:** The online learning platform encourages employees to learn and explore independently, fostering self-learning abilities and problem-solving skills.
- » **Enhancement of Personal Competitiveness:** In a competitive workplace environment, continuous learning is key to enhancing personal competitiveness.

Type of Training	Frequency	Trainee
Training for New Employees	Once a month	New Employees
Leadership training	Once a year	Management Personnel
Training on Skills	Irregular	Frontline Personnel
Training on Production Safety	Irregular	Frontline Personnel

### Courses of Hoymiles Academy



In 2024, the Company entered into a cooperation agreement for internal training on leadership, to help the Company carry out professional, systematic and continuous corporate learning training.

## During the Reporting Period

The Company offered a total of **27** training sessions at the Company level, with **989** person-times of participants, a total training duration of **15,872** hours, a coverage rate of **62%**, and an average training duration of **16.05** hours per employee.



### Where

- »» **Training for New Employees:**  
9 sessions, 602 person-times of participants, and a total training duration of 7,648 hours
- »» **Training for Employee from Campus Recruitment:**  
1 session, 88 person-times of participants, and a total training duration of 3,520 hours
- »» **Training for Middle Management:**  
13 sessions, 32 person-times of participants, and a total training duration of 1,472 hours
- »» **Training on Business-Finance Integration:**  
1 session, 93 person-times of participants, and a total training duration of 1,488 hours
- »» **Training on Annual Business Plan:**  
1 session, 94 person-times of participants, and a total training duration of 1,504 hours
- »» **Training on Common Knowledge:**  
2 sessions, 80 person-times of participants, and a total training duration of 240 hours
- »» **Hoymiles Academy:**  
covering all employees (excluding direct category employees), with a total accumulated learning time of 18,581.60 hours, and a total of 243 new knowledge points added.



Leadership Training for Middle Management



Training for New Employees



"Hemiao" New Power Special Training Camp

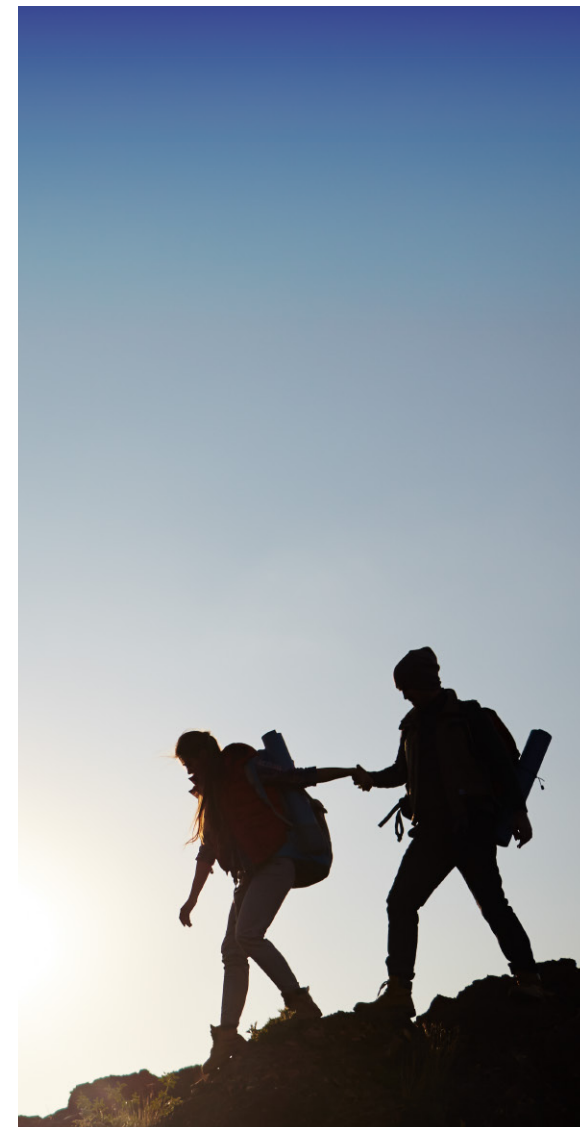
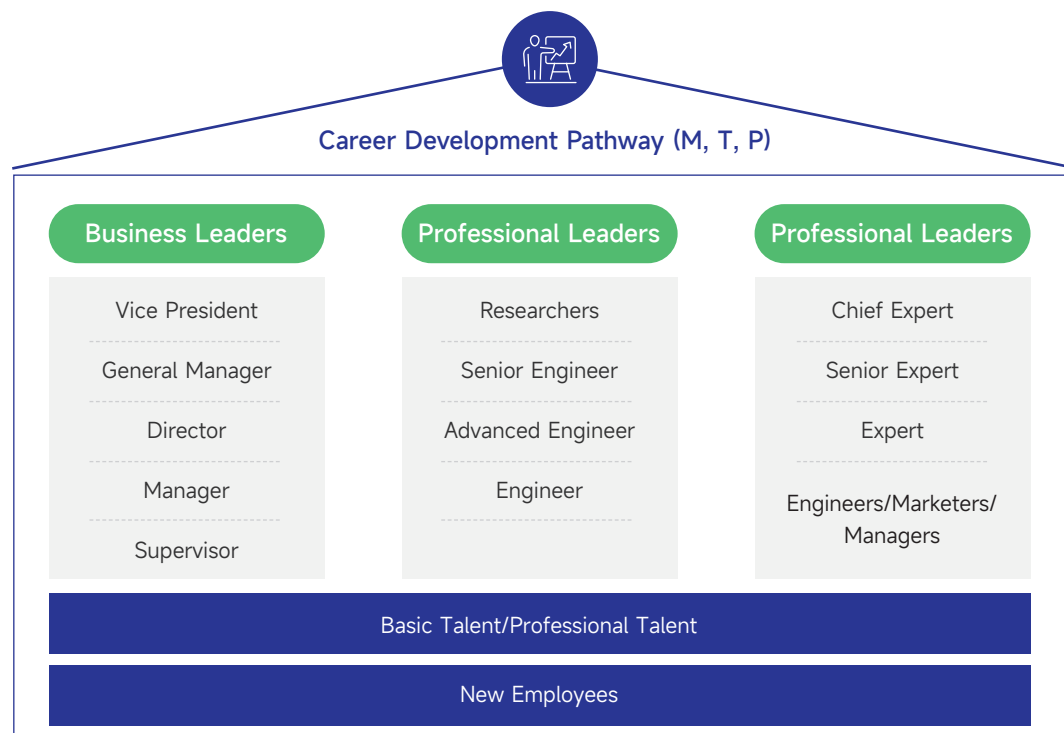


"Hemiao"

## Career Development

The Company adheres to the "people-oriented" development philosophy, dynamically optimizes the career development system based on the business development stage, continuously opens internal promotion channels, achieves a deep integration of corporate talent needs and employee career growth, and builds a co-creation and shared value community. Through mechanisms such as the *Cadre Management System*, employees participate equally in career promotion, ensuring that talent development and corporate strategy resonate in harmony.

To standardize the management of job transfers and ensure the legal rights and interests of both the Company and our employees, we have formulated the *Transfer Management System*. Job transfers include job reassignment, promotions, etc. The Company may adjust an employee's position and work location based on actual needs, as well as the employee's expertise, skills, abilities, and performance. Employees are required to initiate the Transfer Application Process which will be executed after being approved at each level.





## Focusing on Health and Safety, Creating a Secure Workplace

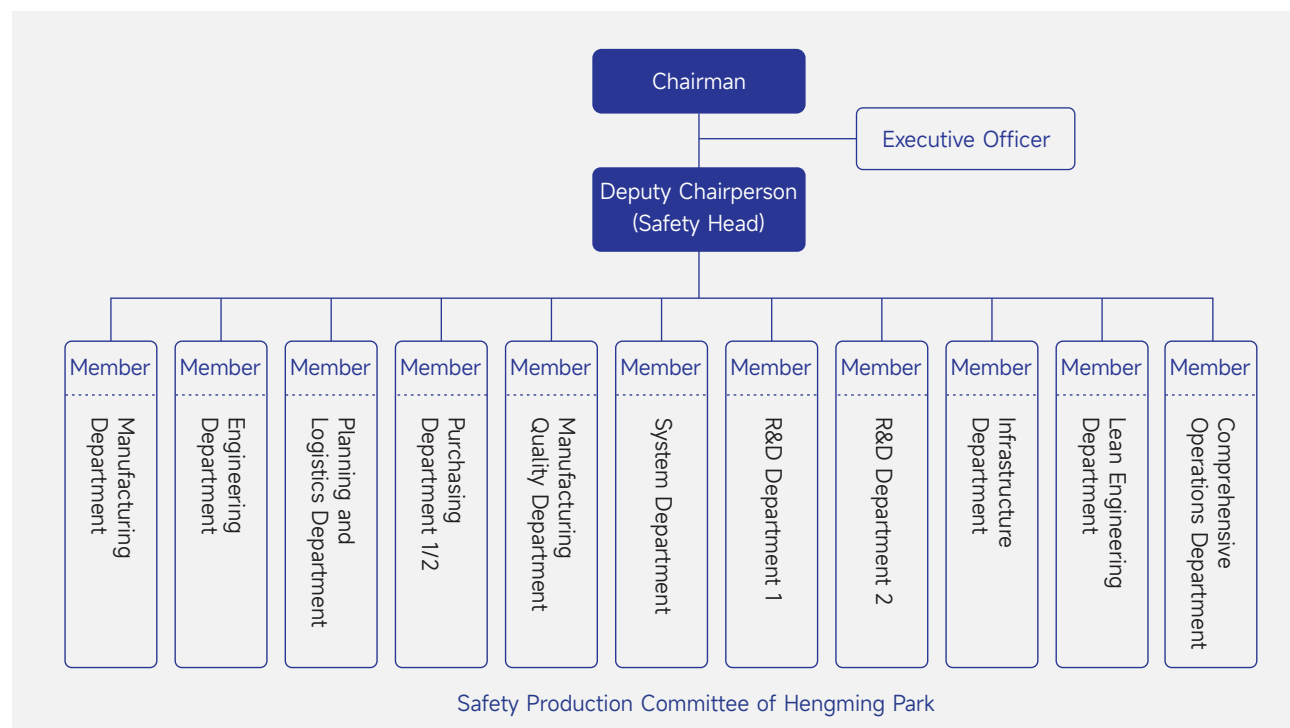
The Company, in strict compliance with the requirements of laws and regulations such as the *Law of the People's Republic of China on Work Safety* and the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*, builds a perfect occupational health and safety management system in view of the potential occupational health and safety risks in the key links of the operation environment, operation management and R&D design, aiming to create a safe and healthy working environment for the employees and fully protect employees' rights and interests.

During the Reporting Period

No major safety production accidents occurred in the Company.

### Occupational Health and Safety Governance

The Company has established a dedicated Occupational Health and Safety Management Department responsible for daily safety supervision, management, and coordination, and has formulated safety health management systems and operational procedures, such as the *Safety and Health Management System*, to standardize safety and health management during production processes and ensure employees' safety and health during production, and prevent various safety accidents and occupational hazards. Meanwhile, to ensure the professionalism of occupational health and safety management, we focus on improving the professional skills and abilities of relevant personnel, regularly organizing safety management personnel to participate in professional training to enhance their expertise and management level.



The management of the Company is responsible for formulating and implementing the safety production management system and ensuring the investment in safety production; the person in charge of each department is responsible for the work of safety in production in the department and the implementation of safety measures; the individual employees need to comply with the safety regulations and report the discovery of hidden safety hazards promptly. Individual employees are required to comply with safety regulations, use labor protection equipment correctly, and report potential safety hazards in a timely manner.

The Company discusses and formulates production safety objectives in the light of the hot issues of production safety in the industry and the actual situation of production safety in the previous period, and clarifies the safety objectives and responsibilities of the persons in charge of each department and the employees. To ensure the continuous health and stability of the Company's production safety work, the Company adopts the safety target assessment for each department.

The Company management attaches great importance to occupational health and safety, recognizing the critical role of good occupational health and safety management in the long-term development of the enterprise. They proactively promote the establishment and implementation of the ISO 45001 system, providing necessary resources and support for the system's operation. Meanwhile, the Company continually improves occupational health and safety performance, continuously identifies issues in the system's operation, and makes improvements to optimize and perfect the management system.

At present, Hoymiles and Zhejiang Hoymiles, Hangzhou Heli, Haining Hengli, and Zhejiang Henghe have all passed the ISO 45001 occupational health and safety management system certification.



Hoymiles



Zhejiang Hoymiles



Hangzhou Heli



Haining Hengli

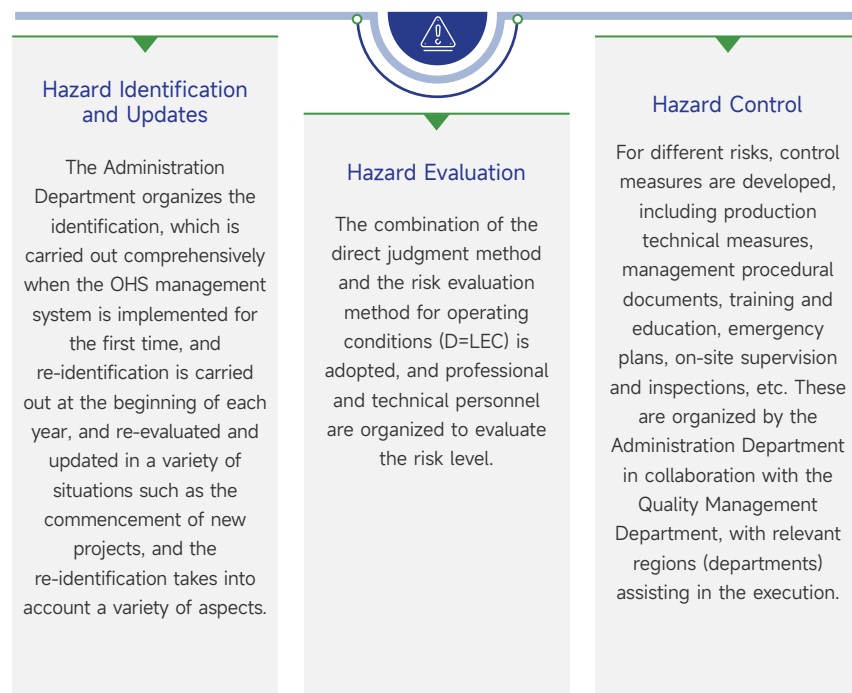


Zhejiang Henghe

## Occupational Health and Safety Risk Management

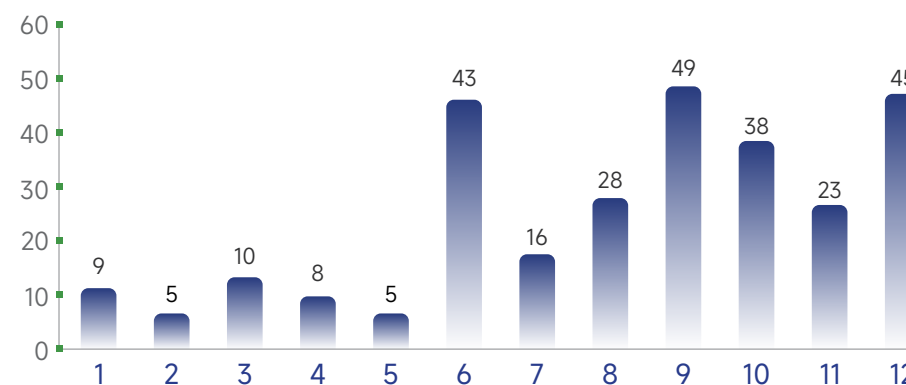
Hoymiles has built a set of systematic and comprehensive risk management system, from risk identification, evaluation to control, thus forming a closed-loop management to effectively reduce the impact of all kinds of risks on the Company's operations.

The Administration Department organizes each center (department) to identify occupational health hazard factors, conducts preliminary assessments, submits declarations when necessary, and perform periodic monitoring and management to ensure employee health.



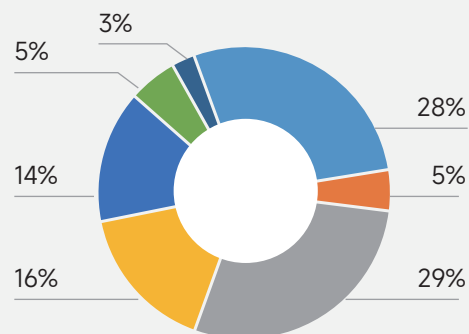
Indicator	Unit	2024
Rectification Rate of Potential Safety Hazards	%	100
Number of Safety Production Accidents in the Year	Case	0
Work-Related Fatalities	Person	0
Total Number of Work-Related Injuries	Person	4
Number of Working Days Lost Due to Work-Related Injuries	Working Days	153

Data of Hazard Identification in Each Park from January to December





Statistics on the Categories of EHS Hazards from January to December

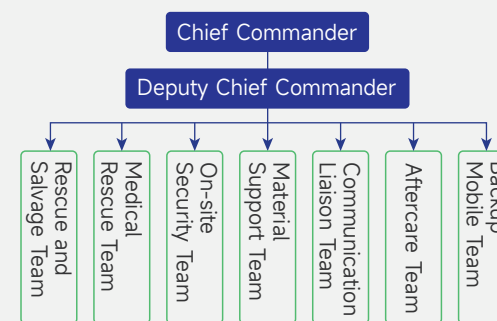


- Fire Safety
- Equipment Safety
- Personnel Protective Equipment
- Environmental Protection
- Electrical Safety
- Others
- Chemical Safety

#### During the Reporting Period

The Company conducted **14** comprehensive/pre-holiday safety inspections, and **279** safety hazards were identified, with a correction rate of **100%**.

To cope with possible emergencies, the Company has formulated the *Emergency Response Plan for Production Safety Accidents* and other plans to clarify the emergency organization and responsibilities, emergency response, post-disposal, emergency protection, special emergency plan, and on-site disposal plan, with the aim of standardizing the Company's emergency management of production safety accidents and effectively responding to various types of accidents.

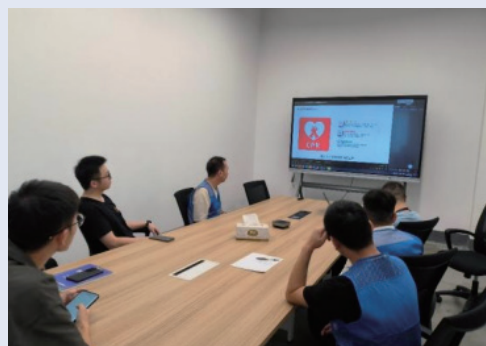


Organizational Structure for Emergency Response

### Emergency Drill for Electric Shock Accident



On September 26, 2024, the Haining Factory conducted an emergency drill for electric shock accident, aiming to help on-site personnel enhance their safety awareness, master operation requirements for electric shock accident, improve emergency response capabilities for unexpected events, and ensure the safety of the employees and properties of the Company.



## Fire Evacuation Drill



On August 30, 2024, the Hoymiles Base in Suzhou implemented a company-wide fire evacuation drill. The drill effectively prompted the employees to master the escape and firefighting skills, and also tested the Company's emergency organization and the ability of coordination and cooperation in the process of emergencies.



## Emergency Drill for Hazardous Chemical Leakage



On August 13, 2024, Hengming Park organized an emergency drill for hazardous chemical leakage, aiming to help on-site personnel enhance their safety awareness, master operation requirements for leakage plugging, improve emergency response capabilities for unexpected events, and ensure the safety of the employees and properties of the Company.



Indicator	Unit	2024
Training on Safety	Session	31
Coverage Rate of Training on Safety	%	100
Number of Participants in Safety Training	Person-times	1,392

## Metrics and Targets for Occupational Health and Safety

To strengthen safety management, the Company has set up a perfect occupational health and safety production index system, which covers hidden danger investigation and rectification, detection of occupational hazards, etc. Specific occupational health and safety production targets have been formulated accordingly, aiming at creating a zero-accident, zero-injury and healthy and harmonious working environment, and safeguarding the health and safety of employees.

Management Goals for 2024	Achievement
No occupational diseases occurred throughout the year, and no acute poisoning accidents, or fire accidents, or serious injury accidents occurred in the Company.	Achieved
Occupational health checkups are carried out once a year during in-service period	Achieved
Hazardous wastes are 100% centralized and standardized	Achieved
Safety inspections are carried out 1 time per quarter, with a hazard identification and rectification rate being 100%.	Achieved

During the Reporting Period, the Company hired a third-party organization to detect and evaluate the occupational disease hazard factors in the micro-reversal workshop and issued the *Report on the Testing of Occupational Disease Hazard Factors at Workplaces of Hoymiles Power Electronics Inc.* All test results meet the relevant standards.

## Safety Management Measures

To ensure the physical and mental health of employees and the safety of the working environment, we have implemented a series of comprehensive and detailed safety management measures, aiming to create a zero-accident and zero-injury working environment.

### Safety-Related Activities

- ▶ During the 2024 Safety Month, activities such as safety knowledge quiz competitions, safety garden parties, and safety challenge events were held, attracting over 1,000 participants.
- ▶ During the 2024 Fire Safety Month, fire safety knowledge promotion, fire accident warning video viewing, and hands-on firefighting equipment drills were implemented.
- ▶ Hoymiles Academy pushed out safety propaganda videos such as "Safety Efforts Never Stop: Wishing You a Safe New Year" and "First Lesson of Work: Talk Safety".



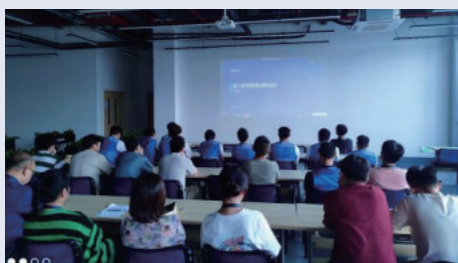
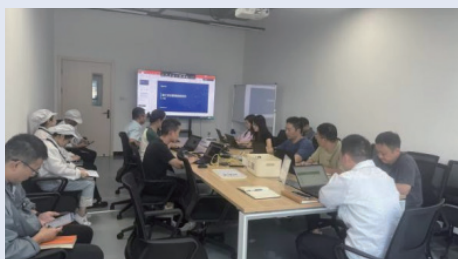


The Company formulated the *Construction Safety Management System* to standardize the construction safety management process and ensure construction safety.

## Training on Construction Safety



During the Reporting Period, the Facility Department carried out training on construction safety management process, covering the definition of construction work, scope and duties of each department, application requirements and process, and operation control, etc. This helped to improve the level of construction safety management, reduce safety accidents, and safeguard the order and safety of the construction site.



## Job Training for Occupational Hazards



During the Reporting Period, the Manufacturing Center/Facility Department organized occupational health basic knowledge training, aiming to popularize the basic knowledge of occupational health and help employees understand the philosophy related to occupational health, hazardous factors and key points for protection.



Indicator	Unit	2022	2023	2024
Coverage Rate of Occupational Health Checkup	%	100	100	100
Permit Holding Rate for Personnel Engaged in Special Operations	%	100	100	100
Investment in Work-Related Injury Insurance	RMB 10,000	5.09	15.36	17.87
Coverage Rate of Work-Related Injury Insurance	%	100	100	100

# Fulfilling Social Responsibility, Contributing Corporate Power

As a leading company in the field of PV energy, Hoymiles has always regarded social responsibility as an important kernel of corporate development. While deeply engaged in technological innovation and global market expansion, we have devoted ourselves to community construction and public welfare, demonstrating the corporate commitment of “taking from society, giving back to society” through diversified practices.

## Social Welfare

The Company fully leverages its advantages and professional capabilities to continuously carry out public welfare volunteer projects in fields such as supporting education, technology, talent, and community development, to express gratitude and give back to society's care and support through practical actions.

During the Reporting Period

The Company invested a total of RMB

**130** thousand in public welfare.

### | Supporting Universities to Cultivate Talents, Promoting Industrialization of Scientific Research



The Company pays attention to innovation, education and talents, actively supports the development of education in universities and colleges, deepens the industry-university-research cooperation, and promotes scientific and technological achievements to industrialization. The 2024 Asian PhD School on Advanced Power Electronics was held in Hangzhou, where the Company was specially acknowledged by the Zhejiang University School of Electrical Engineering. This demonstrates the Company's commitment to education and talent development, encouraging more young students to scale scientific heights and contribute wisdom and strength to social development. In addition, the Company has set up platforms for communication and interaction, encouraging university students and industry-university-research institutions to visit the Company, and communicate fully with company executives and human resources colleagues, which has facilitated close ties between academia and industry, promoted technological progress in the field of power electronics, and fostered talent development.



## Rural Revitalization

Hoymiles actively practices rural revitalization strategy. The Company closely follows national directives on green development, energy conservation, and emission reduction. By donating to build PV power stations for village collectives, the Company contributes to the sustainable development of villages and towns. In Lishui and several rural areas in Zhejiang Province, Hoymiles has invested in and constructed innovative technological projects such as agricultural-PV complementary and household PV power stations. These power stations not only achieve the environmental goal of pollution-free and zero emissions, but also effectively promote the optimization and upgrading of the local energy structure, demonstrating Hoymiles' firm determination and practical actions in promoting the development of green energy.

### Agricultural-Photovoltaic Complementary Power Station in Tea Garden, Yanquan Street, Xiandu Town, Liandu District, Lishui City



This project is jointly invested and constructed by Lishui Huguang New Energy Co., Ltd. and Jinhua New Energy Co., Ltd. under the control of State Power Investment Corporation. The first phase of the project covers an area of over 4,400 mu, with a total investment of approximately 704 million yuan and a total installed capacity of 264 MW. The annual power generation capacity is 277,184,000 kWh, which can save about 84,308.55 tons of standard coal per year, and reduce approximately 225,007.08 tCO<sub>2</sub>e of GHG gas emissions, 1,713.81 tons of sulfur dioxide (SO<sub>2</sub>), and 580.49 tons of nitrogen oxides (NO<sub>x</sub>) annually. The local government actively attracts investment and promotes rural revitalization and common prosperity by extending and supplementing the chain. The project adopts the agricultural-PV complementary model, realizes three-dimensional utilization of land, protects the ecology and at the same time, and becomes the core benchmark "10,000 mu and 1,000 megawatts" project in the rural revitalization demonstration area. The second phase of the project is planned to cover 9,500 mu, with a total investment of approximately 1.491 billion yuan. Construction is planned to start in 2025, signaling a new leap in the region's green energy and rural revitalization efforts.







## PV-enabled Rural Revitalization Project in Zhejiang Province

Zhejiang Province is actively exploring the new model of "PV + Rural Revitalization", taking the PV industry as a key breakthrough, deeply integrating green energy development and agricultural and rural development, and opening up a new road of synergistic development of ecology and economy. The government, through policy guidance, technological innovation, and project implementation, vigorously promotes the large-scale application of PV projects in rural areas, aiming to help increase farmers' income, develop rural collective economies, and promote the construction of beautiful villages. Under the strong support of strategic backgrounds and policies such as the "Ten Million Project" and "Muguang Action", Zhejiang Province has adopted a cooperation model involving rooftop renting by residents, government subsidies, the investment and construction by State Power Investment Corporation Jinhua New Energy Co., Ltd., and the operation and maintenance by Hangzhou Heli New Energy Co., Ltd. This model has been widely applied in Jinhua, Lishui, Wenzhou, Quzhou, and other regions. The total installed capacity of the PV project is as high as 6.625 MW, with an average annual power generation of 7.95 million kWh, which is expected to save about 2,385 tons of standard coal per year and significantly reduce GHG emissions, with a carbon dioxide reduction of about 6,254 tons. In addition, the cooperating farmers can increase their annual income by about 4,500 yuan, achieving a win-win situation in both economic and ecological benefits.



## Support for Community

### University-Enterprise Collaboration Displays the Charm of Technology, and Integration of Science and Education Cultivates an Innovative Future



In 2024, the Company established a close partnership with Maiyuqiao Primary School (Wenrun Campus), aiming to promote the growth and education of children through resource sharing and complementary advantages. To give students a more intuitive understanding of new energy technology, we specially set up a product display area in the Science and Technology Building, showcasing the Company's advanced products and technologies and allowing students to experience the charm of new energy technology up close. Additionally, we are actively discussing with the school the construction of a PV smart classroom and plan to jointly launch new energy-themed science popularization courses. Through lively and engaging teaching methods, we aim to guide students in understanding the principles, applications, and development prospects of new energy, cultivating their scientific spirit and innovative thinking.



## Appendix I • Performance Form

### Governance Dimension

#### Operating Performance

Indicator	Unit	2022	2023	2024
Total Assets	RMB 100 million	73.18	72.28	83.33
Operating Income	RMB 100 million	15.37	20.26	19.93
Net Profit Attributable to Shareholders of the Listed Company	RMB 100 million	5.33	5.12	3.44
Total Taxes	RMB 100 million	1.73	2.86	2.12
Sales of Microinverters	10,000 Set	116.41	131.88	98.62
Sales of Monitoring Equipment	10,000 Set	19.65	23.75	22.93

#### Corporate Governance

General Meeting of Shareholders				
Indicator	Unit	2022	2023	2024
General Meeting of Shareholders Convened	Time	4	5	5
Extraordinary General Meeting of Shareholders Convened	Time	3	4	4
Number of Proposals Reviewed and Approved	Item	15	21	20

Board of Directors				
Indicator	Unit	2022	2023	2024
Meetings of the Board of Directors Convened	Time	12	13	13
Number of Proposals Reviewed and Approved	Item	37	47	52
Attendance Rate	%	100	100	100
Number of Members of the Board of Directors	Person	9	9	9
Number of Independent Directors	Person	3	3	3
Number of Female Directors	Person	2	2	2
Meetings of Specialized Committees Convened	Time	9	12	9

Board of Supervisors				
Indicator	Unit	2022	2023	2024
Meetings of the Board of Supervisors Convened	Time	11	11	7
Number of Proposals Reviewed and Approved	Item	20	30	28
Attendance Rate	%	100	100	100

Management of Remuneration for Directors, Supervisors, and Senior Management				
Indicator	Unit	2022	2023	2024
Total Pre-Tax Remuneration Received by Directors, Supervisors and Senior Management from the Company	RMB 10,000	617.81	556.05	466.80



## Risk Management

Training on Risk Management		
Indicator	Unit	2024
Training Sessions on Risk Management	Time	2
Number of Participants in Training on Risk Management	Person-time	46
Total Hours of Employees' Participation in Training on Risk Management	Hour	86.5

## Investor Relations Management and Shareholders' Rights and Interests

Communication with Investors				
Indicator	Unit	2022	2023	2024
Participation in Road Shows & Strategy Meetings	Time	/	36	49
Interactions with Investors on SSE E-Interactive	Person-time	20	24	13
Performance Briefings Convened	Hour	3	3	3

Information Disclosure				
Indicator	Unit	2022	2023	2024
Regular Reports for Public Disclosure	/	4	4	4
Provisional Reports for Public Disclosure	/	61	82	76
Penalties for Violations in Information Disclosure	Time	0	0	0

Annual Cash Dividends				
Indicator	Unit	2022	2023	2024
Cash Dividend per Share	RMB	5.30	6.0	3.2
Total Cash Dividend (Including Tax)	RMB 10,000	29,547.50	49,649.03	39,603.97
Proportion to Net Profit Attributable to Shareholders of the Listed Company in Consolidated Financial Statements	%	55.49	97.00	115.06

## Business Conduct

Training on Anti-Corruption for Directors and Employees		
Indicator	Unit	2024
Number of Employees Participating in Training on Anti-Corruption	Person	25
Total Duration of Training on Anti-Corruption for Employees	Hour	25
Average Duration of Anti-Corruption Training Received by Employees	Hour/Person	1

Training on Responsible Marketing		
Indicator	Unit	2024
Number of Participants Training on Responsible Marketing	Person-time	1
Total Duration of Training on Responsible Marketing	Hour	94
Training on Responsible Marketing	Time	1,504

## Environmental Dimension

### Environmental Compliance Management

Indicator	Unit	2023	2024
Total Investment in Environmental Protection	RMB 10,000	62.44	37.52
Environmental Emergency Drills Conducted:	Time	/	3

### Pollution and Waste

Indicator	Unit	2022	2023	2024
Waste Gas Emission	10,000 m <sup>3</sup>	1,195.2	2,891.2	4,066.7
Wastewater Discharges	Ton	/	/	23,171
Total Quantity of Waste Recycled	Ton	/	/	54.0600
Volume of Hazardous Waste Generated	Ton	39.30	60.32	38.3625
Volume of Hazardous Waste Disposal	Ton	39.30	60.32	38.2745

### Types of Wastewater Pollutant

Indicator	Unit	2024
Chemical Oxygen Demand (COD)	Ton	4.226
Five-day Biochemical Oxygen Demand (BOD <sub>5</sub> )	Ton	0.314
Suspended Solids	Ton	1.410
Ammonia Nitrogen (NH <sub>3</sub> -N)	Ton	0.276
Total Phosphorus (Calculated at P)	Ton	0.017
pH	/	8.430

### Water resource management

Indicator	Unit	2023	2024
Total Water Consumption	Ton	28,700	27,260
Water Consumption per Million Yuan of Operating Revenue	Ton	14.17	13.68

### Energy Management

Indicator	Unit	2022	2023	2024
Annual Electricity Consumption	kWh	3,237,359	5,720,380	7,791,335.05
Photovoltaic Power Generation	kWh	/	1,456,300	1,827,374
Gasoline	Liter	/	/	17,800
Diesel	Ton	/	/	2,328.34
Clean Energy Usage Rate	%	/	1.40	8

## Social Dimension

### Product Quality

### Training on Quality

Indicator	Unit	2024
Training on Quality	Time	226
Total Hours of Training on Quality	Hour	1,095.39
Number of Participants in Training on Quality	Person-time	2,390

## R&D and innovation

Indicator	Unit	2022	2023	2024
Investment in R&D	RMB 10,000	9,739.95	24,774.53	26,611.45
Percentage of R&D Investment in Operating Income	%	6.34	12.23	13.35
Total Invention Patents Held	Item	32	36	41
Total Utility Model Patents Held	Item	44	24	27
Total Design Patents Held	Item	8	13	17
Total Software Copyrights Held	Item	62	69	91
Others (including Overseas Trademarks)	Item	70	171	155

### R&D Team

Indicator	Unit	2022	2023	2024
Number of R&D Personnel	Person	213	377	588
Percentage of R&D Personnel	%	18.83	28.63	35.92

### Number of R&D Personnel (by Education Background)

Indicator	Unit	2022	2023	2024
College Degree and Below	Person	55	58	59
Bachelor's Degree	Person	118	236	362
Master's Degree	Person	46	73	152
Doctoral Degree	Person	6	10	15

### Number of R&D Personnel (by Gender)

Indicator	Unit	2022	2023	2024
Male	Person	179	309	483
Female	Person	34	68	105

## Protection of Customers' Rights and Interests

### Customer service

Indicator	Unit	2024
Customer Satisfaction	%	93.6

### Protection of Customer Information and Privacy

Indicator	Unit	2022	2023	2024
Training on Data Security	Time	2	9	10
Number of Participants in Training on Data Security	Person-time	286	456	236
Number of Incidents Involving Leakage of Customer Information	Case	0	0	0

## Supply chain management

Indicator	Unit	2022	2023	2024
Total Number of Suppliers	/	217	270	291



## Labor's Rights And Interests

Employee Recruitment and Employment				
Indicator	Unit	2022	2023	2024
Employment Contract Signing Rate	%	100	100	100

Avoidance of Child Labor or Forced Labor				
Indicator	Unit	2022	2023	2024
Number of Incidents of Child Labor	Case	0	0	0
Complaints of Forced Labor	Case	0	0	0

Diversity and Equal Opportunity				
Indicator	Unit	2022	2023	2024
Number of Employees	Person	1,131	1,317	1,637
Number of Employees with Disabilities	Person	1	1	2

Number of and Employees (by Gender)				
Indicator	Unit	2022	2023	2024
Female	Person	523	566	589
Male	Person	608	751	1,048

Number of Employees (by Age)				
Indicator	Unit	2022	2023	2024
Under 30 (exclusive) years old	Person	247	409	587
30 (inclusive) to 40 (exclusive) years old	Person	513	625	761
40 (inclusive) to 50 (exclusive) years old	Person	290	247	260
50 years old or above	Person	84	36	29

Number of Employees (by Education Background)				
Indicator	Unit	2022	2023	2024
Doctoral Degree	Person	7	12	17
Master's Degree	Person	72	155	245
Bachelor's Degree	Person	284	551	793
College Degree and Below	Person	770	599	582

Protection of Women's Rights and Interests				
Indicator	Unit	2022	2023	2024
Proportion of Female Employees in Management	%	34.38	36.07	34.10
Return Rate of Employees on Maternity Leave	%	100	100	100

Benefits and Compensation				
Indicator	Unit	2022	2023	2024
Social Insurance Coverage Rate	%	100	100	100
Total Expenditure on Employee Benefits	RMB 10,000	523.25	628.54	946.84

Employee Training		
Indicator	Unit	2024
Investment in Employee Training	RMB 10,000	81.74
Training Sessions	Sessions	27
Total Hours of Training:	Hour	15,872
Total Number of Persons Trained	Person-time	989
Coverage Rate of Employee Training (Training Ratio of Employee)	%	62

## Occupational Health and Safety

Safety Production				
Indicator	Unit	2022	2023	2024
Number of Safety Production Accidents	Case	0	0	0
Number of Work-Related Deaths	Person	0	0	0
Total Number of Work-Related Injuries	Person	/	/	4
Number of Working Days Lost Due to Work-Related Injuries	Working Days	/	/	153
Identification and Rectification Rate of Potential Hazards	%	/	/	100

Training on Safety		
Indicator	Unit	2024
Training on Safety	Session	31
Coverage Rate of Training on Safety	%	100%
Number of Participants in Safety Training	Person-time	1,392

Occupational Health				
Indicator	Unit	2022	2023	2024
Coverage Rate of Occupational Health Checkup	%	100	100	100
Permit Holding Rate for Personnel Engaged in Special Operations	%	100	100	100
Investment in Work-Related Injury Insurance	RMB 10,000	5.09	15.36	17.87
Coverage Rate of Work-Related Injury Insurance	%	100	100	100

## Social Welfare

Indicator	Unit	2022	2023	2024
Total Investment in Social Welfare	RMB 10,000	21	0	13

## Appendix II

### Indexes

Corresponding Section		Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 14 - Sustainability Report (for Trial Implementation)	Global Reporting Initiative "Sustainability Reporting Standards" (GRI Standards)	Guide to Corporate Sustainability Reporting in China CASS-ESG 6.0
About This Report		Article 4 and Article 6	2-2/2-3	P1.1/P1.2
Message from the Management		/	/	P2.1
Sustainable Development Highlights		/	/	/
About Hoymiles		/	2-1	P3.1-P3.3
Sustainable Governance				
Implementing Development Policy and Enhancing Governance Foundations	Sustainable Development Policy	Articles 12 and 13	2-22	G1.1.7
	Sustainable Development Vision and Goal	Article 11 and Article 19	/	G1.1.11
	Sustainable Development Governance	Articles 11, 12, 18, and 19	2-9/2-14	G1.1.1/G1.1.2/G1.1.4/G1.1.5/G1.1.8/G1.1.10
	Communications with Stakeholders	Article 9 and Article 53	2-29	G1.3.1/G1.3.2
	Management of Material Topics	Article 5	3-1/3-2/3-3	G1.1.9
Implementing Compliant Corporate Governance, Protecting Stakeholders' Rights and Interests	Governance through the General Meeting of Shareholders, Board of Directors, and Board of Supervisors	/	2-27	/
	Management of Remuneration for Directors, Supervisors, and Senior Management	/	2-19/2-20	/
	Compliant Operation	/	2-27	/
	Risk Management	/	2-27/207-1/207-2	/
	Internal Control	/	2-27	/



Corresponding Section		Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 14 - Sustainability Report (for Trial Implementation)	Global Reporting Initiative "Sustainability Reporting Standards" (GRI Standards)	Guide to Corporate Sustainability Reporting in China CASS-ESG 6.0
Adhering to Integrity and Anti-Corruption, Sticking to the Bottom Line of Integrity	Investor Relations Management and Shareholders' Rights and Interests	/	2-27	/
	Anti-bribery and Anti-corruption System	Article 55	2-27	G2.1.1/G2.1.7
	Measures for Anti-Bribery and Anti-Corruption	Article 55	205-2	G2.1.2/G2.1.3
	Anti-Unfair Competition	Article 56	2-27/206-1	G2.2.2
	Anti-Money Laundering	/	2-27	/
Environmental Protection				
Responding to Climate Challenges, Assisting in Low-carbon transformation	Governance to Address Climate Change	Article 12 and Article 21	/	E1.1.1
	Strategies to Address Climate Change	Articles 13 to 17, 21 and 22.	201-2	E1.1.2/E1.1.6
	Management of Impact, Risk, and Opportunity to Address Climate Change	Articles 18, 21, and 23	/	E1.1.3/E1.1.6
	Metrics and Targets to Address Climate Change	Article 19 and Article 21	/	E1.1.4
Improving Environmental Management, Safeguarding Environmental Protection Boundaries	Improvement of Environmental Management System	Article 31	2-27	E2.1.1
	Environmental Monitoring and Environmental Impact Assessment (EIA) Acceptance	/	/	E2.1.9
	Emergency Response Plans and Drills Against Environmental Risks	/	/	E2.4.1-E2.4.3
	Management of Wastewater, Waste Gas, Solid Waste and Noise	Articles 30 and 31	2-27/306-2/306-3/306-4/306-5	E2.1.6/E2.2.6
	Metrics and Targets for Environmental Management	/	/	E2.1.7
Optimizing Energy Utilization, Achieving Energy Conservation and Consumption Reduction	Energy and Water Resources Management	Article 35	302-1/302-3	/
	Energy and Water Resources Management Strategy	Articles 34 to 36	302-4	E3.1.1/E3.3.2

Corresponding Section		Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 14 - Sustainability Report (for Trial Implementation)	Global Reporting Initiative "Sustainability Reporting Standards" (GRI Standards)	Guide to Corporate Sustainability Reporting in China CASS-ESG 6.0
	Management of Impacts, Risks, and Opportunities Occurring in Resource Management	Article 35	302-1/302-3/302-4	E3.1.1/E3.1.2/E3.1.4/E3.1.5/E3.2.1/E3.2.3
	Metrics and Targets for Resource Efficiency	Article 35	/	E3.3.2
	Green Office	Article 35	302-4	E3.2.3/E3.3.2
	Exploring Material Circulation, Improving Resource Efficiency	/	/	E3.3
	Protecting Ecological Balance, Maintaining Biological Diversity	Article 32	101-1/101-2	E2.3
Industry Value				
Building Responsibility Chain, Coordinating Industry Development	Supply Chain Management System	Articles 44 and 45	414-1	S3.1.3
	Supplier ESG Management	Article 45	414-1	S3.1.2/S3.1.3
	Supplier Digital Management	Article 45	414-1	S3.1.3
	Transparent Procurement	Article 45	/	S3.1.3
	Training on Supply Chain	/	/	/
Strengthening Innovation-Driven Development, Leading the Industry Upgrading	Governance for Innovation-Driven Development	Articles 12, 41 and 42	/	S2.1.2/S2.1.6/S2.1.7
	Strategy for Innovation-Driven Development	Articles 12 to 17, 41 and 42	/	S2.1.1/S2.1.4-S2.1.7/S2.1.8-S2.1.11
	Management of Impact, Risk, and Opportunity of Innovation-driven Development	Articles 18, 41 and 42	/	S2.1.3/S2.1.12
	Metrics and Targets	Articles 19, 41 and 42	/	S2.1.2
	Scientific and Technological Innovation Projects	Articles 41 and 42	203-1	S2.1.3-S2.1.5/S2.1.9-S2.1.12
	Training on Innovative Development	Articles 41 and 42	/	/
	Promotion of the Development of New Quality Productive Forces	Articles 41 and 42	203-1	S2.1.13

Corresponding Section		Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 14 - Sustainability Report (for Trial Implementation)	Global Reporting Initiative "Sustainability Reporting Standards" (GRI Standards)	Guide to Corporate Sustainability Reporting in China CASS-ESG 6.0
Keeping Strict Control of Quality and Safety, Fortifying the Line of Defense for Security	Protection of intellectual property rights	Articles 41 and 42	/	S2.1.9-S2.1.11
	Governance for Safety and Quality of Products and Services	Article 12 and Article 47	/	S3.3.1
	Product Quality and Safety Strategy	Articles 12 to 17, and Article 47	/	/
	Management of Impact, Risk and Opportunity of Safety and Quality of Products and Services	Article 18 and Article 47	/	/
	Metrics and Targets for Product Quality and Safety	Article 19 and Article 47	/	/
	Management Measures for Safety and Quality of Products and Services	Article 47	416-1/417-1	S3.3.5
	Product Recall Mechanism	Article 47	416-1/417-1	S3.3.5
	Employee Training on Quality	Article 47	/	/
Optimizing Customer Service, Improving Customer Experience	Informatization Management System	Article 48	/	S3.4.1
	Customer Complaint and Feedback	Article 44	/	S3.3.6
	Customer Satisfaction	Article 44	/	/
	Enhancement of Globalized Services	/	/	/
Ensuring Information Security, Protecting Customer Privacy	Information Security Management System	Article 12 and Article 48	417-1	S3.4.1
	Information Security Risk Management	Article 18 and Article 48	417-1	S3.4.1
	Information Security Management Goal	Article 18 and Article 48	417-1	S3.4.1
	Audit of Information Security System	Article 18 and Article 48	417-1	S3.4.1
	Information Security Management System Certification	Article 18 and Article 48	417-1	S3.4.1
	Protection of Customer Privacy	Article 48	417-1	S3.4.3/S3.4.4



Corresponding Section		Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 14 - Sustainability Report (for Trial Implementation)	Global Reporting Initiative "Sustainability Reporting Standards" (GRI Standards)	Guide to Corporate Sustainability Reporting in China CASS-ESG 6.0
Good Life				
Protecting Labor Rights and Interests, Energizing Employees' Vitality	Labor Governance	Article 50	2-7/401-1/405-2	S4.1.3/S4.1.4/S4.1.6/S4.1.9
	Diversity, Equality, and Inclusion	Article 50	2-7/401-3/405-2/406-1	/
	Employee Recruitment and Employment	Article 50	2-7	S4.1.1/S4.1.2/S4.1.11
	Remuneration and Benefits	Article 50	2-7/2-19/401-2	S4.1.5/S4.1.7
	Democratic Management by Employees	Articles 49 and 50	2-7/407-1	S4.1.12
	Training and Development	Article 50	2-7/404-1/404-2/404-3	S4.3.1-S4.3.6
Focusing on Health and Safety, Creating a Secure Workplace	Occupational Health and Safety Governance	Article 50	2-27/403-1	S4.2.2
	Occupational Health and Safety Risk Management	Article 50	2-7/403-2/403-3/403-5	S4.2.1/S4.2.4
	Metrics and Targets for Occupational Health and Safety	Article 50	2-7/403-9	/
	Safety Management Measures	Article 50	2-7/403-6/403-7	S4.2.5/S4.2.6
Fulfilling Social Responsibility, Contributing Corporate Power	Social Welfare	Article 40	203-1	S1.2.1/S1.2.2/S1.2.5/S1.2.6
	Rural revitalization	Article 39	203-1	S1.1.2-S1.1.5
	Support for Community	/	203-1	/
Performance Form		Article 6	/	A2
Indexes		Article 57	/	A3
Independent Assurance Statement		Article 58	2-5	A4
Feedback		Article 9	/	A6

# Appendix III

## Independent Assurance Statement

### Independent Assurance Statement

To Hoymiles Power Electronics Inc.,

Shenzhen Value Online Information Technology Co., Ltd. ("Value Online" or "we"), has been commissioned by Hoymiles Power Electronics Inc. (the "Company" or "Reporting Organization") to undertake independent and limited assurance engagement ("assurance engagement") on the information and data disclosed in the Company's 2024 Sustainability Report ("Report") concerning the Company's environmental, social and governance (ESG) performance. Now we disclose the results and conclusions of the assurance engagement to the users of the Report in the form of this independent assurance statement.

For any discrepancies or inconsistencies between the Chinese and English versions of this assurance statement, the Chinese version shall prevail.

#### I. Independence and Competence

Value Online and the Reporting Organization are entirely independent entities. All members of the Value Online assurance team have no commercial relationships with the Reporting Organization, its directors, executives, or department managers that would result in any conflict of interest. Our assurance team has performed this assurance engagement in an independent and impartial manner.

Value Online has been accredited by AccountAbility, and our assurance team is composed of professionals seasoned in the industry. The relevant personnel have received specialized training on sustainability standards and guidelines, including AccountAbility's AA1000 Assurance Standard v3 ("AA1000AS v3"), the Global Sustainability Standards Board's (GSSB) GRI Standards, the International Sustainability Standards Board's (ISSB) International Financial Reporting Standards - Sustainability Disclosure Standards, the Shanghai Stock Exchange's and the Shenzhen Stock Exchange's and the Beijing Stock Exchange's Sustainability Reporting Guidelines, and the Hong Kong Stock Exchange's ESG Reporting Code. Our team has in-depth research and practical experience regarding sustainability-related standards, evaluation frameworks, and verification criteria.

The Value Online assurance team has a comprehensive understanding of and practical experience in the application of AA1000AS v3 and performs sustainability related assurance in accordance with Value Online's internal assurance procedures.

#### II. Responsibilities of the Reporting Organization and the Assurance Provider

The Reporting Organization is responsible for preparing its Report in accordance with applicable laws, regulations and guidelines, and fully responsible for the content of the Report. It is also responsible for implementing relevant internal controls to ensure the preparation of the Report is free from any material misstatements or omissions. Any questions recording the content of this independent assurance statement or related matters will be addressed by the Reporting Organization.



深圳价值在线信息科技有限公司  
 公众电话: 400-880-3388/755-23618011 官方网站: www.valueonline.cn  
 公司地址: 中国深圳市福田区景田路时代广场B座9、13、14、15层

Value Online is responsible for performing an assurance engagement on the Reporting Organization's Report within the Assurance Scope according to the AA1000AS v3, and issuing an independent assurance statement to the Reporting Organization. This independent assurance statement serves solely as a conclusion regarding the matters in the Reporting Organization's Report within the Assurance Scope, and is not intended for any other purpose. All verification and certification review results are internally reviewed by professionals to ensure that our methods are rigorous and transparent.

#### III. Assurance Standard

Value Online has employed the "Type 1 Moderate" level of assurance in the AA1000AS v3 to assess the extent to which the Reporting Organization adheres to the Four Principles of the AA1000 Assurance Principles (2018) ("AA1000AP (2018)"): Inclusivity, Materiality, Responsiveness, and Impact ("Four Principles").

#### IV. Assurance Scope

Time scope:  
 The assurance is limited to the ESG related information and data disclosed by the Reporting Organization in the Report during the period from January 1, 2024 to December 31, 2024, and to the materiality assessment, management, and actions for the topics. Any data or information beyond this time period or not included in the Report is outside the scope of this assurance.

Information scope:  
 The assurance is limited to the information and data covered in the Report provided by the Reporting Organization, excluding data and information related to suppliers, contractors, and other third parties. This assurance is based on and limited to the materials provided by the Reporting Organization that are associated with the Report, and assesses the nature and extent of the Reporting Organization's adherence to the Four Principles (Inclusivity, Materiality, Responsiveness, and Impact) as outlined in the AA1000AS v3. The Reporting Organization is responsible for the accuracy and completeness of the information and data provided.

Physical scope:  
 The physical premises for on-site inspection and sampling are located at:  
 6th Floor, Building 5, Caizhi Shunfeng Innovation Center, No. 99 Housheng Street, Kangqiao Subdistrict, Gongshu District, Hangzhou, Zhejiang Province, China.

#### V. Assurance Approach

Value Online has conducted the assurance engagement solely for the Reporting Organization, with the following activities:

- Understanding the process by which the Reporting Organization adheres to the AA1000 Assurance Principles, and conducting interviews and sampling tests to assess the extent of the Reporting Organization's adherence to the Four Principles of the AA1000AS v3;
- Collecting and assessing evidence and management statements that support the Reporting Organization's adherence to the Four Principles of the AA1000AS v3;
- Reviewing and inspecting the Reporting Organization's management practices, business processes, and evidence collection procedures through interviews and sampling; Conducting management interviews regarding the effectiveness of processes that have an impact, with interviewees including senior management, department heads, and managers responsible for



深圳价值在线信息科技有限公司  
 公众电话: 400-880-3388/755-23618011 官方网站: www.valueonline.cn  
 公司地址: 中国深圳市福田区景田路时代广场B座9、13、14、15层

- sustainability;
- Any other procedures deemed necessary by Value Online.

## VI. Limitations

The limitations and mitigation methods of Value Online during the assurance engagement include as follows:

- Value Online performed no duplicate assurance of the financial data and information disclosed in the *Report* that have been audited by other independent third-party organizations. We only verified the related conclusionary data and information that were audited;
- Value Online performed no assurance on the sustainability performance indicators disclosed in the *Report*. Instead, our assurance was limited to confirming the existence of explicit data sources for the sustainability performance indicators through interviews and the verification of factual evidence;
- Value Online cannot provide an opinion on descriptive statements, beliefs, inferences, wishes, expectations, future plans, or any forward-looking information included in the *Report*. We only verified the factual evidence supporting such statements;
- In future assurance engagements, Value Online will continuously focus on the improvement in the Reporting Organization's sustainability information disclosure and management practices, in line with the purpose of continuous improvement.

## VII. Conclusions

Our assurance conclusions concerning the Inclusivity, Materiality, Responsiveness, and Impact principles outlined in the AA1000AS v3 are as follows:

### Inclusivity

The reporting organization has identified key stakeholders and established a stakeholder communication mechanism, maintaining ongoing engagement through multiple channels to understand their expectations and key concerns. The Reporting Organization has considered expectations and impacts on significant stakeholders in formulating relevant policies. In our professional opinion, the reporting organization upholds the "Inclusivity" principle.

### Materiality

The reporting organization conducted a materiality (significance) assessment for its *Report* through stakeholder questionnaire surveys, employing appropriate methodologies to identify material topics. The assessment results are clearly presented within the *Report*. In our professional opinion, the reporting organization observes the "Materiality" principle.

### Responsiveness

The reporting organization maintains dedicated communication channels with key stakeholders to

 **价值在线**  
VALUEONLINE  
深圳价值在线信息科技有限公司  
公司电话: 400-880-3888/0755-23618811 官方网站: www.valueonline.cn  
公司地址: 中国深圳市福田区景基源时代广场B座9、13、14、15层

gather their concerns and actively addresses critical sustainability topics such as climate change response, innovation-driven initiatives, and occupational health and safety. In our professional opinion, the reporting organization complies with the "Responsiveness" principle.

### Impact

The reporting organization has established a sustainability management framework and operational mechanisms to identify significant impacts within its operations. Through engagement and communication with stakeholders, it formulates policies to improve social and environmental outcomes while regularly monitoring sustainability-related performance metrics. In our professional opinion, the reporting organization adheres to the "Impact" principle.

 **AA1000**  
Licensed Report  
000-542/V3-68V2K

 Shenzhen Value Online Information Technology Co., Ltd.  
Appt 20th, 2024, Shenzhen, China

 **价值在线**  
VALUEONLINE  
深圳价值在线信息科技有限公司  
公司电话: 400-880-3888/0755-23618811 官方网站: www.valueonline.cn  
公司地址: 中国深圳市福田区景基源时代广场B座9、13、14、15层



## Appendix IV

### Feedback

Thank you for reading the 2024 Sustainability Report of Hoymiles Power Electronics Inc. To improve Hoymiles's performance in environment, society, and governance, further enhance its sustainable development capabilities and levels, and strengthen communication with all sectors of society, we sincerely hope that you will provide valuable feedback and suggestions on our work and report amidst your busy schedule, through the following modes.

Tel.: 0571-28060318

Fax: 0571-28056101

Email: dongmiban@hoymiles.com

Address: Floor 6, Building 5, Caizhi SF Innovation Center, No. 99, Housheng Street, Kangqiao Avenue, Gongshu District, Hangzhou City, Zhejiang Province, China

#### Your Information

Name: \_\_\_\_\_ Tel: \_\_\_\_\_

Unit: \_\_\_\_\_ Email: \_\_\_\_\_

#### Multiple Choice Questions (Please check the appropriate box)

1. Your overall assessment of this 2024 Sustainability Report of Hoymiles:

☐ Good ☐ Average ☐ Needing Improvement ☐ Not understand

2. How do you think Hoymiles has performed in terms of customer service?

☐ Good ☐ Average ☐ Needing Improvement ☐ Not understand

3. How do you think Hoymiles has performed in terms of technological innovation?

☐ Good ☐ Average ☐ Needing Improvement ☐ Not understand

4. How do you think Hoymiles has performed in terms of corporate governance?

☐ Good ☐ Average ☐ Needing Improvement ☐ Not understand

5. How do you think Hoymiles has performed in terms of team building?

☐ Good ☐ Average ☐ Needing Improvement ☐ Not understand

6. How do you think Hoymiles has performed in terms of social welfare?

☐ Good ☐ Average ☐ Needing Improvement ☐ Not understand

7. How do you think Hoymiles has performed in terms of sustainable supply chains?

☐ Good ☐ Average ☐ Needing Improvement ☐ Not understand

8. Do you have any comments on Hoymiles' s performance in sustainable development?

\_\_\_\_\_