SANY®

2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

SANY Renewable Energy Co., Ltd.

CONTENTS

Overview

01

Sustainable Development Management

02

Forging Ahead with Innovation, Succeeding with Quality

03

Green, Low-Carbon, and Eco-Friendly

04

People-Oriented, Uniting for Progress

05

Upholding Integrity and Principles

Appendix

About This Report

Report Description

SANY Renewable Energy Co., Ltd. 2025 Environmental, Social and Governance ("ESG") Report (hereinafter referred to as "this report") is the fourth ESG report published by SANY Renewable Energy Co., Ltd., and is intended to objectively and truthfully disclose the Company's strategies, policies, measures and achievements in sustainable development to all stakeholders.

Basis of Preparation

This report is prepared in accordance with the Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial) by the Shanghai Stock Exchange and the Guide No.13 for Self-Regulatory Supervision on Listed Companies of the SSE STAR Market—Compilation of Sustainable Development Reports. Meanwhile, this report also refers to the GRI Sustainability Reporting Standards issued by the Global Sustainability Standards Board (GSSB), International Financial Reporting Sustainability Disclosure Standards No. 2 Climate-related Disclosures issued by the International Sustainability Standards Board (ISSB), and the United Nations Sustainable Development Goals (SDGs).

Report Scope

This report covers SANY Renewable Energy and its holding subsidiaries, consistent with the scope of the Company's 2025 Annual Report. Environmental data covers major production bases and key office locations. Any discrepancies between specific information or data boundaries and the overall reporting scope are explicitly noted in the main text.

This report is an annual report, covering the period from January 1, 2025, to December 31, 2025. To enhance the comparability and completeness of the report content, some content may appropriately reference past or future years.

Abbreviations

For clarity and readability, "SANY Renewable Energy", "we" and "the Company" in This Report refer to SANY Renewable Energy Co., Ltd. Unless otherwise specified, the full Company names and abbreviations used in this report are shown in the table below.

Full Company Name	Abbreviation Used in This Report
SANY Renewable Energy Co., Ltd.	SANY Renewable Energy
Sany Zhangjiakou Wind Power Technology Co., Ltd.	Sany Zhangjiakou
Sany (Shaoshan) Wind Power Equipment Co., Ltd.	Sany Shaoshan
Sany Renewable Energy Equipment (Chenzhou) Co., Ltd.	Sany Chenzhou
Tongyu County Sany Wind Power Equipment Technology Co., Ltd.	Sany Tongyu
Sany (Bayannur) Wind Power Equipment Co., Ltd.	Sany Bayannur
Sany (Tacheng) Wind Power Equipment Co., Ltd.	Sany Tacheng
Sany (Barkol) Wind Power Equipment Co., Ltd.	Sany Barkol
Sany (Xilingol) Wind Power Equipment Co., Ltd.	Sany Xilingol
Beijing Sany Intelligent Motor Co., Ltd.	Sany Intelligent Motor

Data Sources

All financial data in this report comes from the Company's annual report, while other data is sourced from official documents or public files, as well as third-party verification data. Unless otherwise specified, all amounts are in CNY. Some figures and percentages in this report have been rounded, so the totals shown in some tables may not necessarily equal the sum of the individual items.

Confirmation and Approval

This report was confirmed by management and approved by the Board of Directors on April 22, 2026. The Board of Directors of SANY Renewable Energy assures that there are no false records, misleading statements, or material omissions in the content of this report.

Access to This Report and Feedback

This report is published in both electronic and printed formats. The electronic version can be downloaded from the Shanghai Stock Exchange (SSE) website, or the official website and WeChat official account of SANY Renewable Energy.

Your opinions and suggestions are highly valuable to us. For any inquiries or recommendations regarding the Company' s sustainability disclosures and performance, please email us at sanyreir@sany.com.cn.

Message from the Chairman

Chairman of SANY Renewable Energy Co., Ltd.

Li Qiang

As the global energy transition surges forward, clean energy has become the core driver of global sustainable development. As a leader in the wind power equipment supply and services, SANY Renewable Energy integrates sustainability into its corporate strategy and operations. The Company has established its sustainability strategy and management objectives around four core areas: innovation leadership, green transition, talent development, and robust governance. This approach is designed to drive coordinated progress in economic performance, environmental responsibility, and social value.

We commit to product innovation, empowering the energy transition with outstanding quality. In 2025, upholding the concept of "every bit of achievement originates from innovation", we focused on the wind power industry's core market demand for intelligent and full-scenario solutions, utilized technological innovation to continuously upgrade our product portfolio, developed the 12.X~16.X MW onshore and offshore platform series, and launched a number of industry-leading benchmark products, including the SI-270150 wind turbine and the SI-242 series wind turbines, achieving full coverage of onshore and offshore wind power scenarios. Meanwhile, we deepened R&D and application of intelligent manufacturing technologies to consistently enhance product reliability and stability. We also leveraged advanced technologies such as eco-smart wind farms and intelligent O&M to improve grid stability and efficiency, creating long-term value for our customers.

We adhere to green development, addressing the challenges of our time through climate action. 2025 marked the tenth anniversary of the Paris Agreement, when global climate governance entered a critical phase. We continued to improve our corporate climate governance and climate risk management, while actively capitalizing on climate opportunities, to accelerate SANY Renewable Energy's decarbonization, thereby enhancing the Company's climate resilience. Additionally, we fulfill our corporate environmental responsibilities by strengthening environmental management and optimizing resource use efficiency. In doing so, we are committed to establishing a green, low-carbon, and sustainable production model. Sany Shaoshan Blade Factory was successfully recognized as a "National Green Factory" for its excellent environmental management and technological innovation. It marks a significant milestone in our adaptation of green manufacturing.

We are dedication-driven, harnessing talent echelons to empower our growth momentum. In 2025, we continuously improved employee rights and interests protection and incentive mechanisms. By introducing a "high compensation, high standards, high efficiency" talent policy, establishing a dual-track career progression system for both management and technical paths, and developing a global talent acquisition network, we successfully built a high-caliber team with both professional competence and a strong sense of responsibility. Those efforts provide solid talent support for the Company's long-term stable growth.

We uphold integrity, consolidating our development foundation with high standards of governance. In 2025, we continuously enhanced our corporate governance system and risk management mechanisms. By doing so, we strengthened our management over business ethics and compliance, with the aim of creating a transparent and standardized operational environment. We optimized the Supplier Code of Conduct and regularly conducted sustainability risk surveys on supply chain and corporate social responsibility (CSR) assessments on suppliers. Those actions reinforced the identification and control of ESG risks in our supply chain, effectively safeguarding the labor and human rights, occupational health and environmental rights of all stakeholders in the supply chain, and contributed to building a responsible and sustainable industrial ecosystem.

"Promoting Efficient Utilization of Clean Energy" is SANY Renewable Energy's long-standing vision, as well as a key path to contribute to global sustainable development and climate governance. Moving forward, we will steadfastly drive industrial upgrading through innovation, promote value chain transformation through collaboration, and integrate into the global cooperation system with an open approach. We aim to serve global customers with more efficient and reliable clean energy solutions, working with worldwide stakeholders to embrace a greener, lower-carbon, and sustainable new stage.

About SANY Renewable Energy

Company Profile

SANY Renewable Energy Co., Ltd. was founded in 2008 and is committed to becoming a global leader in the field of clean energy equipment supply and services. The Company was officially listed and traded on STAR Market of Shanghai Stock Exchange on June 22, 2022 (stock code: 688349). SANY Renewable Energy is among the Global Top 500 New Energy Companies and recognized by the Ministry of Industry and Information Technology of the People's Republic of China as the Benchmark Enterprise for Intelligent Manufacturing. In recent years, its market share has continued to rise, and it had become the world's fifth-largest wind turbine manufacturer overall and one of the top five in China by the end of 2025.

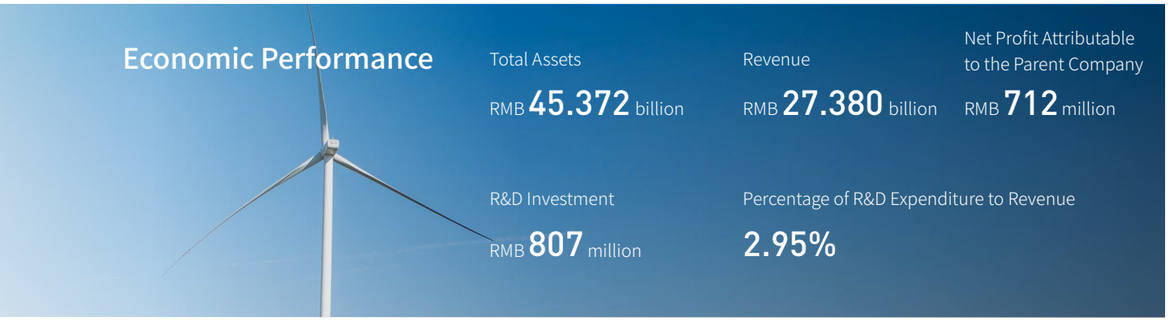
Business Overview

The main businesses of SANY Renewable Energy include the R&D, manufacturing and sales of wind turbines, and the designing, construction, and operation management of wind farms. With the vision of "Promoting Efficient Utilization of Clean Energy", we deeply engage in the entire wind turbine industry chain, from independent research and development of core components, integrated innovation of wind turbine systems, to investment and development of new energy projects and intelligent operation and maintenance of wind farms, providing optimal solutions for the entire lifecycle of clean energy.

Corporate Culture

Driven by the concept of "Leading the Future with Intelligent Manufacturing" and our vision of "Promoting Efficient Utilization of Clean Energy", SANY Renewable Energy is actively contributing to China's goals of "Carbon Peaking and Carbon Neutrality" and supporting the global transition to clean energy.

ESG Performance Highlights



Economic Performance

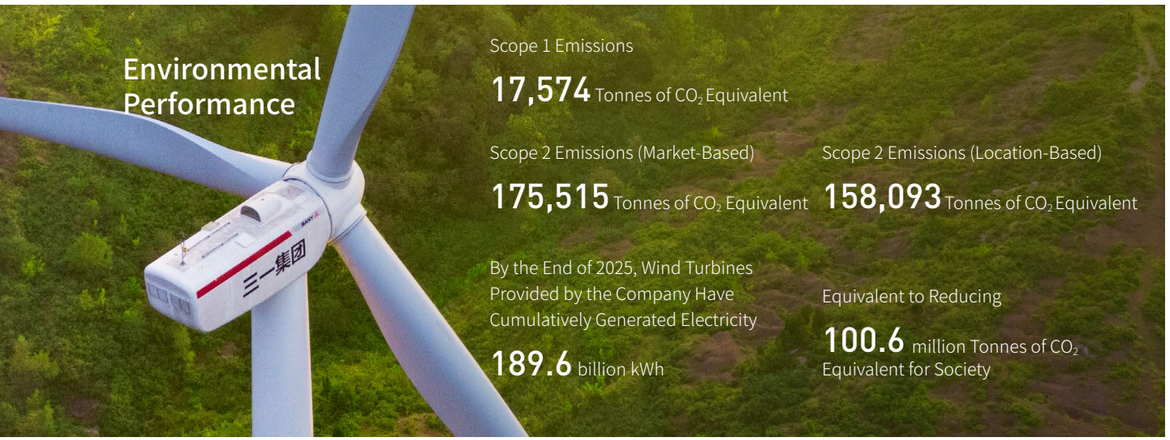
Total Assets
RMB **45.372** billion

Revenue
RMB **27.380** billion

Net Profit Attributable to the Parent Company
RMB **712** million

R&D Investment
RMB **807** million

Percentage of R&D Expenditure to Revenue
2.95%



Environmental Performance

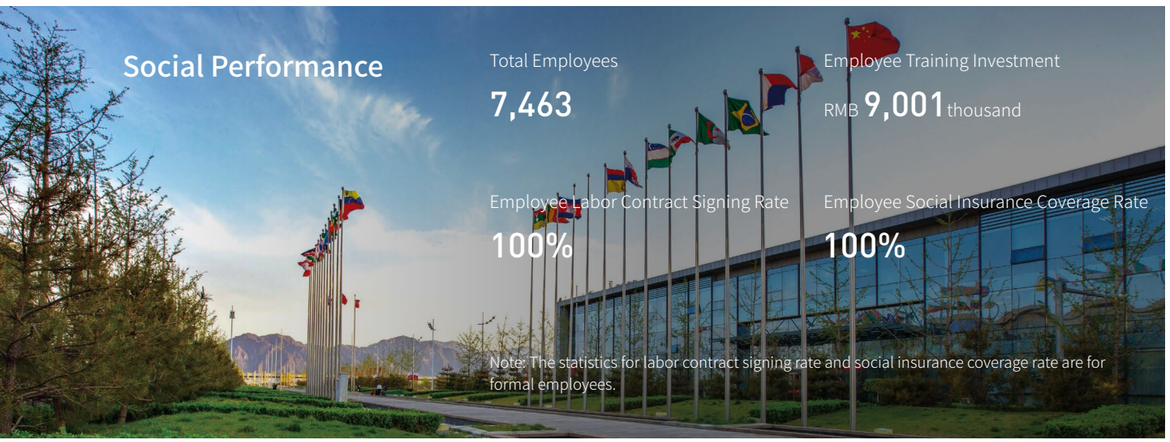
Scope 1 Emissions
17,574 Tonnes of CO_2 Equivalent

Scope 2 Emissions (Market-Based)
175,515 Tonnes of CO_2 Equivalent

Scope 2 Emissions (Location-Based)
158,093 Tonnes of CO_2 Equivalent

By the End of 2025, Wind Turbines Provided by the Company Have Cumulatively Generated Electricity
189.6 billion kWh

Equivalent to Reducing
100.6 million Tonnes of CO_2 Equivalent for Society



Social Performance

Total Employees
7,463

Employee Training Investment
RMB **9,001** thousand

Employee Labor Contract Signing Rate
100%

Employee Social Insurance Coverage Rate
100%

Note: The statistics for labor contract signing rate and social insurance coverage rate are for formal employees.

ESG Ratings

S&P Global

The 2025 S&P Global Corporate Sustainability Assessment (CSA) score has risen to 70 points and has been included in the "2026 Global Sustainability Yearbook"

70

CDP

CDP Climate Change Rating: B

B

SILVER | Top 15%
ecovadis
Sustainability Rating
FEB 2026

EcoVadis rating reached Silver, ranking in the top 15% of the industry.

Silver

Awarded the highest Wind ESG rating of AAA, with a comprehensive score of 9.49 out of 10. Ranked first among 395 selected companies in the electrical equipment industry.

AAA

Selected for the "2025 A-share Listed Companies Best Practices in Social Dimensions TOP50" published by Huazheng Index, with ESG comprehensive rating upgraded from A to AAA.

AAA

ESG Recognition and Awards

- Included in the "2024-2025 Forbes China Sustainable Innovation Development Enterprises List", becoming the only Company from the wind turbine manufacturing sector on the list.
- Selected for the S&P Global Commodities 2025 Tier1 Clean Energy Technology Companies List.
- Awarded the title of "Top 100 ESG Listed Companies in China" in the 19th edition.
- Included in the 2025 Yidong ESG Value 100 List.
- Awarded the 2025 Yidong Listed Company Excellence in Investor Relations Award.
- SANY Shaoshan Lighthouse Factory was selected as an ESG Environmentally Friendly Case by 21st Century Business Herald.

Note: All ESG recognition and awards set out in this report are as of the release date.

01

Sustainable Development Management

SANY Renewable Energy deeply integrates the concept of sustainable development into its strategic planning, operational management, and business practices, establishing a comprehensive governance structure for sustainable development. It formulates sustainable development strategies and management goals to lead the industry towards high-quality development, contributing to the global clean energy cause and a sustainable future.

Sustainability Issues

Sustainable Governance

UN Sustainable Development Goals (SDGs)

Sustainable Development Vision

SANY Renewable Energy upholds the vision of "Promoting Efficient Utilization of Clean Energy", actively responds to the global sustainable development agenda and China's "Carbon Peaking and Carbon Neutrality"goals, and is accelerating toward becoming a global leader in clean energy equipment and services. At the same time, we work with industry partners to build an ESG ecosystem, forge consensus through responsibility, pool strength through collaboration, and jointly write a new chapter for sustainable development.

United Nations Global Compact (UNGC)

As a member of the United Nations Global Compact (UNGC), SANY Renewable Energy is committed to supporting the ten principles in the four areas of human rights, labor, environment, and anti-corruption. We are dedicated to continuously integrating sustainable development into our business strategy and operations, co-creating ESG value with our partners, and promoting the achievement of the United Nations Sustainable Development Goals.

China ESG Alliance

As a member of the China ESG Alliance and a leader in clean energy technology, SANY Renewable Energy collaborates with industry partners to promote low-carbon innovation, share best practices, and support the green transformation of the supply chain, continuously deepening its commitment to sustainable development.

Sustainability Strategy

By establishing a sustainability strategy framework centered on four strategic pillars, i.e., green development, talent cultivation, excellent quality and business integrity, the Company drives sustainable commercial practices and organizational transformation, creating value for all stakeholders.

Vision	To Promote Efficient Utilization of Clean Energy
Sustainability Driving Force	Becoming a global leader in the field of clean energy equipment supply and services, contributing to China's "Carbon Peaking and Carbon Neutrality" initiative and the world's clean energy transition
Strategic Pillars	Green Development / Talent Cultivation / Excellent Quality / Business Integrity
Strategic Goals	Taking decarbonization as a core strategy, continuously reducing the overall environmental impact of the Company's operations and products, to create an environment friendly enterprise. / Adhering to the talent concept of "hard work and perseverance in achieving success", and attracting high-quality talents by continuously enhancing the training system and improving employee benefits. / Increasing investment in R&D to manufacture intelligent wind turbines that "can sense, decide and execute" and building intelligent wind farms that "achieve ultimate safety, excellent energy performance, and optimal operation and maintenance". / Regarding honesty as the basic principle, and continuously improving business ethics rules and regulations to realize sound management.

Progress toward 2025 Sustainable Development Management Goals

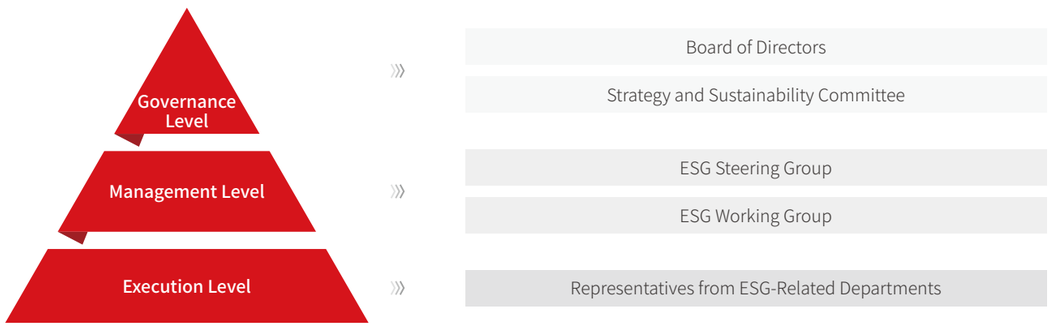
SANY Renewable Energy actively responds to the United Nations 2030 Agenda and its 17 Sustainable Development Goals (SDGs), aligning its sustainable development management with the global sustainable development vision for 2030. The Company has identified key matters under each material topic across the four strategic pillars to form its sustainable development management goals. Based on these goals, it formulates and implements action plans, continuously tracks performance and keeps advancing toward the achievement of its sustainable development goals.

Pillars	Material Issues	Sustainability Management Goals	Key Performance in 2025	SDGs
Green Development	• Response to climate change • Emission and waste management • Biodiversity protection • Environmental compliance management • Energy management • Water resource management • Opportunity from clean technologies • Product lifecycle management	• Develop carbon strategies to progressively manage and reduce Scope 1, 2 and 3 greenhouse gas (GHG) emissions • Achieve 100% compliant disposal of general and hazardous waste • Promote product environmental impact certifications and reduce lifecycle carbon footprint per unit product	• Total energy consumption: **355,590.00** MWh • Proportion of renewable energy consumption: **13.17%** • Total water withdrawal: **878,597.73** m^3 • Total water discharge: **474,748.92** m^3	7, 12, 13, 14, 15
Talen Cultivation	• Equality and diversity • Labor and human rights protection • Human capital development • Occupational health and safety	• Zero incident in practice • Employee satisfaction improvement • Zero tolerance and zero violation for labor rights violations and zero human rights incidents in operations • Career guidance for all employees	• Number of child labor and forced labor incidents: **0** • Number of harassment and discrimination incidents: **0** • Employee satisfaction survey score: **81.1** • Training coverage rate: **88.2%**	3, 4, 5, 8, 10
Excellent Quality	• R&D and innovation • Sustainable supply chain • Safety and quality of products and services	• Advance research on offshore wind turbines and onshore large megawatt technologies, and promote the adoption and scaling of clean energy • Achieve 100% signing rate for the Supplier Code of Conduct	• R&D investment: RMB **807** million • Number of R&D personnel: **835** • Percentage of suppliers signed the Supplier Code of Conduct: **100%**	7, 9, 12, 17
Business Integrity	• Business ethics • Sustainable governance • Compliance and risk management • Data security and privacy protection	• Conduct business ethics training with a 100% coverage rate • Ensure a 100% signing rate for the Business Ethics Commitment Letter among employees • Foster an atmosphere of integrity in business operations, and strengthen mechanisms for supervision, inspection and restraint	• Percentage of employees receiving cumulative business ethics training: **100%** • Percentage of operational sites that have conducted internal audits/risk assessments on business ethics issues: **100%**	16, 17

Sustainable Development Governance

SANY Renewable Energy fully recognizes the importance of sustainable development governance to the Company's high-quality and sustainable development. We have established a governance structure covering the governance level, management level and execution level, and we continue to improve and optimize our sustainable development management mechanisms to effectively advance the achievement of our sustainable development goals.

SANY Renewable Energy's Sustainability Governance Structure



Governance Level

The Board of Directors is the highest responsible body for matters related to the sustainable development of SANY Renewable Energy. Under the Board, the Strategy and Sustainability Committee is responsible for the Company's long-term development strategy, major strategic investments, sustainable development planning and ESG work. It also oversees ESG work, reviews progress toward ESG goals and provides recommendations, thereby supporting the Board's scientific decision-making. For details, please refer to the Rules of Procedure for the Strategy and Sustainability Committee. As of the end of the Reporting Period, the Committee consisted of three members whose professional backgrounds covered engineering technology, energy science, finance and other fields. All members possess extensive experience in the clean energy sector and are therefore able to provide forward-looking guidance and professional decision-making support for the Company's sustainable development governance and ESG risk management.

The Strategy and Sustainability Committee is required to convene at least one meeting each year. For details of meetings held, please refer to the Company's 2025 Annual Report. The Committee reviewed and approved the Company's 2025 ESG report, heard management's updates on ESG progress during the Reporting Period and future work plans, and discussed ESG trends and latest developments affecting the Company and the industry. Based on the latest market and regulatory sustainability trends and updates to the Company's business development strategy, the ESG Steering Group and the ESG Working Group also report major ESG decision-making matters to the Strategy and Sustainability Committee on an ad hoc basis.

Management Level

The ESG Steering Group and ESG Working Group are responsible for assisting the Strategy and Sustainability Committee in guiding and supervising the Company's ESG work, implementing ESG strategies and goals. The ESG Steering Group consists of Company management involved in key ESG management responsibilities, responsible for formulating ESG strategies and goals, reviewing ESG plans and major ESG projects, and promoting cross-functional ESG collaboration. The ESG Working Group is responsible for developing the Company's ESG implementation plan, promoting strategy execution, regularly collecting information from relevant ESG departments, monitoring plan execution, and ensuring goal achievement, while regularly reporting work progress to the ESG Steering Group.

Execution Level

The execution layer consists of representatives from various functional departments involved in the Company's ESG matters, responsible for the implementation and promotion of ESG-related tasks. This includes identifying ESG risks and opportunities in daily operations, formulating ESG goals and work plans tailored to the business, and regularly reporting work progress to the ESG Steering Group and the ESG Working group.

Stakeholder Engagement

SANY Renewable Energy has established diversified channels of communication with stakeholders to gain an in-depth understanding of their expectations and suggestions regarding the Company's sustainable development. Relevant views are incorporated into sustainable development management and operational decision-making, and stakeholder concerns are actively addressed through concrete actions.

Stakeholders	Expectations and Requirements	Communication Channels
Customers and Business Partners	• Integrity and compliance • Product and service quality • Product innovation • Sustainable operation	• Contract performance • Customer feedback mechanism • Market research • Daily liaison • Executives meeting
Shareholders and Investors	• Corporate performance • Investment return • Risk control and compliance governance • Authenticity, accuracy, timeliness and completeness of information disclosure • Sustainable operation	• Annual and other periodic reports • Investor relations website • Shareholders' meeting • Board meeting • Information disclosure • Visitor reception
Government and Regulators	• Compliant operations • Tax compliance • Employment promotion • Contributing to local economic development • Implementing national initiative of carbon peaking and carbon neutrality	• Response to national policies • Special conference • Communication and reporting • Surveys and interviews • Inspection and evaluation
Employees	• Employees' rights and interests • Occupational health and safety • Career development plan • Remuneration and benefits	• Employee meeting, daily communication • Complaint mechanism • Employee training • Employee caring activities • Employee satisfaction survey
Suppliers	• Mutual benefits and integrity in contractual performance • Long-term cooperation • Supplier assistance and empowerment • Building green supply chains	• Contract performance • Information announcement • Supplier assessment and audit • Supplier communication and training
Communities and Non-Governmental Organizations	• Ecological environment protection • Promoting economic development and employment • Charity events and donations	• Organizing charity events • Voluntary services and community visits • Open day • Public media coverage

Materiality Assessment

SANY Renewable Energy places great importance on the analysis and assessment of material sustainability topics, regarding this as the core foundation of sustainable development management. The results of the materiality assessment are treated as important considerations in the Company's strategy implementation, major transaction decisions and risk management, thereby promoting coordinated development in economic value, environmental responsibility and social value, and continuously enhancing comprehensive competitiveness and long-term value creation. At the same time, we review the mechanisms, procedures and results of the materiality assessment every year to ensure alignment with the Company's strategic direction and the expectations of internal and external stakeholders.

SANY Renewable Energy's Process for Analyzing the Importance of Sustainable Development Issues

Step 1: Understand the Background of Company Activities and Business Relationships

- By analyzing the Company's operational activities, product services, and business area distribution, we focus on identifying the factors related to the value chain's upstream and downstream that impact sustainable development. We assess the potential impact of external environments such as laws, regulations, regulatory policies, and industry trends on the Company, and comprehensively identify key internal and external stakeholders that are affected by the Company and that affect the Company.

Step 2: Establish the Issue List

- Based on the 21 issues set out in the Guidelines, and in conjunction with ESG management trends, industry practices, capital market concerns, and regulatory requirements, we confirmed 20 issues highly relevant to the Company's sustainable development, referencing the Company's strategic planning, business realities, and stakeholder communication results.

Step 3: Importance Assessment of Issues

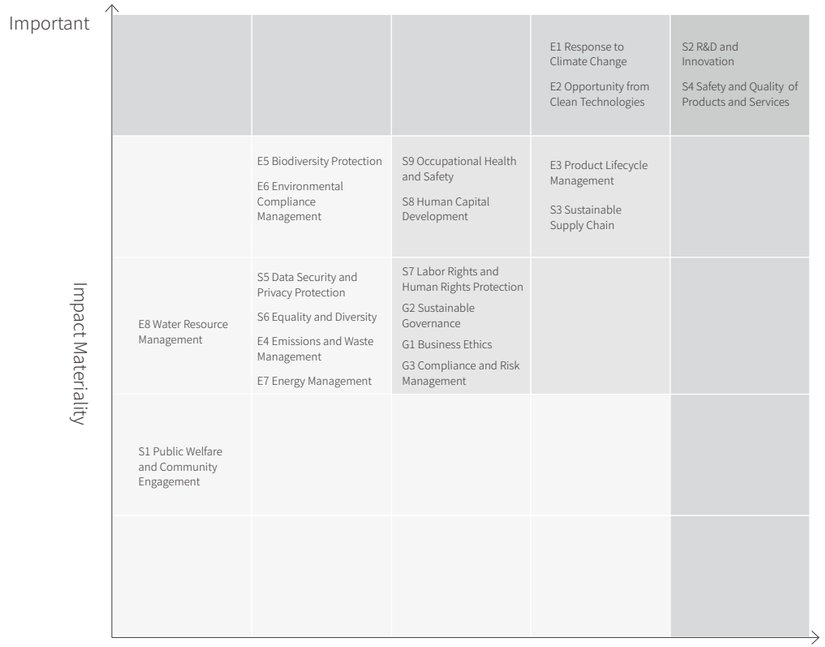
- We analyze the nature of the impact generated by sustainable development issues (positive or negative) and whether it occurs (actual or potential); we prepare an "Impact Importance" assessment questionnaire and invite internal and external stakeholders to participate in the survey, evaluating the importance of the issue's impact based on "severity of impact (scale, scope, irreparability)" and "likelihood of occurrence".
- Combining external environments, industry development trends, and the Company's operational situation, we identify risks and opportunities related to sustainable development issues; we prepare a "Financial Importance" assessment questionnaire and invite Company management, department representatives, and core investors to evaluate the financial importance of the issues from two dimensions: "importance of financial impact" and "likelihood of financial impact".
- Based on the survey results and in conjunction with internal management communication and discussions with external experts, we set importance threshold standards, forming SANY Renewable Energy's dual importance matrix for ESG issues.

Step 4: Review and Confirmation

- The Board of Directors approves and confirms the ranking of dual materiality topics and the dual materiality matrix.
- Key disclosures of identified material topics are made in the annual ESG report.

In 2025, we conducted a comprehensive review of the 2024 dual materiality assessment results and, in light of the Company's development plans, business characteristics and management views, raised the rankings of both impact materiality and financial materiality for the topic "Safety and Quality of Products and Services", and also raised the ranking of impact materiality for "Product Life Cycle Management". Based on the assessment results, the Company identified four highly important topics, eight relatively important topics and eight generally important topics. For the dual-materiality topics of "R&D Innovation" and "Safety and Quality of Products and Services", the Company provides disclosures in this report under the four dimensions of "Governance", "Strategy", "Impact, Risk and Opportunity Management", and "Indicators and Targets" in accordance with the requirements of the Shanghai Stock Exchange guidelines. For the topics of Climate Change Response and Opportunity from Clean Technologies, which are material only from an impact perspective, the Company provides disclosures in accordance with the relevant provisions of the Shanghai Stock Exchange guidelines. For other topics of concern to the Company that are not impact material or financially material, or that are not applicable during the Reporting Period , this report provides disclosures or explanatory statements with reference to mainstream international sustainability disclosure standards and the Company's actual circumstances.

SANY Renewable Energy 2025 Materiality Assessment Matrix



Generally Important	Relatively Important	Highly Important
E4 Emissions and Waste Management	E3 Product Lifecycle Management	S2 R&D and Innovation ▲★
E5 Biodiversity Protection	S3 Sustainable Supply Chain	S4 Safety and Quality of Products and Services ▲★
E6 Environmental Compliance Management	S7 Labor Rights and Human Rights Protection	E1 Response to Climate Change ★
E7 Energy Management	S8 Human Capital Development	E2 Opportunity from Clean Technologies ★
E8 Water Resource Management	S9 Occupational Health and Safety	
S1 Public Welfare and Community Engagement	G1 Business Ethics	
S5 Data Security and Privacy Protection	G2 Sustainable Governance	
S6 Equality and Diversity	G3 Compliance and Risk Management	

Note: ▲ indicates financial materiality issues; ★ indicates impact materiality issues.

The Company has incorporated the assessment of significant issues into its comprehensive risk management process, relying on its risk management and internal control system to strictly control related risks while actively seizing relevant opportunities to promote long-term development. We have selected issues with high rankings in both financial significance and impact significance, comprehensively sorting their scope of influence, risks and opportunities, and affected stakeholders, and outlining their management policies. For details, please refer to the table below. During the Reporting Period, the sustainable development-related risks and opportunities identified by the Company have not had a significant impact on the Company's financial condition, operating results, or cash flow for the current and next fiscal year.

Topics	Impacts, Risks and Opportunities	Description	Affected Value Chain Segments	Time Horizon
R&D and Innovation	Positive actual impact	Driven by technological R&D, the Company leverages its leading R&D capabilities and technical expertise to create value for customers and provide the market with clean technology solutions, supporting the clean energy transition across society.	• Operation • Downstream value chain	Short-term Mid-term Long-term
	Risk	Failure to formulate an effective R&D strategy or maintain technological leadership may weaken the competitiveness of the Company' s products, lead to a continuous loss of market share, and reduce revenue.	• Operation	Mid-term Long-term
	Opportunity	Leveraging its technological advantages, the Company offers wind turbine products characterized by high reliability, high power generation efficiency, and low levelized cost of electricity, thereby continuously enhancing competitiveness, consolidating and expanding market share, and driving revenue growth.	• Operation • Downstream value chain	Mid-term Long-term
Climate Change Response	Positive actual impact	Through technological innovation and product optimization, the Company improves the efficiency and reliability of wind turbines, increases the adoption of wind power, and supports the global clean energy transition. It also promotes intelligent operation and maintenance and green manufacturing to enhance energy efficiency and contribute to global carbon neutrality goals.	• Upstream value chain • Operation • Downstream value chain	Short-term Mid-term Long-term
	Negative actual impact	Although wind energy contributes to emission reduction, the procurement, manufacturing, transportation, and installation of wind turbines still consume energy and generate a carbon footprint.	• Upstream value chain • Operation	Short-term Mid-term
	Risk	Climate change is increasing the frequency of extreme weather events such as heavy rainfall, hail, strong winds, and thunderstorms. Long-term shifts in climate patterns may raise the operation and maintenance costs of wind farms, while short-term extreme weather may damage fixed assets, disrupt operations, increase operating costs, and reduce revenue.	• Operation	Short-term Mid-term Long-term
	Opportunity	The Company continues to invest in R&D and innovation in renewable energy, aligning with the global green energy transition trend. By continuously providing customers with wind energy and other renewable energy products and services, the Company enhances its revenue.	• Operation • Downstream value chain	Short-term Mid-term Long-term
Opportunity from Clean Technologies	Positive actual impact	The 28th United Nations Climate Change Conference calls on countries around the world to triple global renewable energy capacity by 2030 and to double the annual increase in global energy efficiency. At the 30th United Nations Climate Change Conference, the European Union committed to investing € 300 billion to support the global energy transition. Meanwhile, a series of policies introduced by national and local governments encourage and support the development of the wind power industry. If SANY Renewable Energy effectively seizes the opportunities in clean technology, it can contribute greater energy and wisdom to China's goals of "Carbon Peak and Carbon Neutrality" and the global clean energy transition.	• Upstream value chain • Operation • Downstream value chain	Short-term Mid-term Long-term
	Opportunity	Engaging in clean technology R&D and application helps reduce the Company's operating costs, expand market opportunities and share, build a strong brand image, and increase revenue.	• Operation • Downstream value chain	Short-term Mid-term Long-term

Note: Short-term (0-3 years), Medium-term (3-10 years), Long-term (over 10 years).

Topics	Impacts, Risks and Opportunities	Description	Affected Value Chain Segments	Time Horizon
Safety and Quality of Products and Services	Positive actual impact	High-quality and safe wind turbine equipment directly impacts customers' operational efficiency and economic performance. Ensuring the safety and quality of wind turbine products and services is essential to promoting clean energy adoption and maintaining public trust.	• Downstream value chain	Short-term Mid-term Long-term
	Risk	Product quality and safety incidents may lead to regulatory penalties, order reductions or cancellations, customer complaints, and compensation claims, resulting in increased operating costs, damage to brand reputation, shrinking market share, and reduced revenue.	• Operation • Downstream value chain	Short-term Mid-term Long-term
	Opportunity	Strong product quality management reduces failure rates, lowers maintenance costs, and improves operational efficiency, thereby enhancing market competitiveness and customer trust, and boosting the Company' s revenue.	• Downstream value chain	Short-term Mid-term Long-term
Sustainable Supply Chain	Positive actual impact	The Company strengthens supply chain risk management, assists suppliers in improving ESG performance, avoids sourcing conflict minerals, and promotes sustainable supply chain development. It also actively enhances supplier diversity and ensures fair treatment of SMEs in the supply chain to amplify sustainable impact.	• Upstream value chain • Operation	Mid-term Long-term
	Risk	Inadequate ESG risk management in the supply chain may lead to environmental or social incidents and supply disruptions, which could damage the Company' s reputation, affect business continuity, and reduce revenue.	• Upstream value chain • Operation • Downstream value chain	Short-term Mid-term Long-term
	Opportunity	Building a sustainable supply chain enhances supply stability and security, mitigates ESG risks, supports supply chain transformation and upgrading, ensures business continuity, strengthens market position, and increases the Company' s revenue.	• Upstream value chain • Operation • Downstream value chain	Mid-term Long-term
Product Life Cycle Management	Positive actual impact	By practicing circular economy principles and actively managing environmental impacts across the product lifecycle, the Company improves resource efficiency and reduces resource consumption and waste generation.	• Operation • Downstream value chain	Short-term Mid-term Long-term
	Negative actual impact	During the lifecycle of its products, the Company may face environmental challenges at the manufacturing and decommissioning stages of wind power equipment, such as the negative ecological impacts of raw material extraction and waste disposal.	• Upstream value chain • Operation • Downstream value chain	Short-term Mid-term Long-term
	Opportunity	Through the use of low-carbon and green materials, optimization of production processes, and adoption of renewable energy, the Company enhances its environmental performance, meets customer demand for environmentally friendly and sustainable products, and improves market competitiveness and brand image.	• Upstream value chain • Operation • Downstream value chain	Short-term Mid-term Long-term

Note: Short-term (0-3 years), Medium-term (3-10 years), Long-term (over 10 years).

02

Forging Ahead with Innovation, Succeeding with Quality

Driven by our vision of "Promoting Efficient Utilization of Clean Energy", SANY Renewable Energy ramped up efforts in the wind power sector. Regarding innovation as the foundation of our development and quality as the cornerstone of our development, we courageously shoulder the responsibility as a trailblazer in the era of green and low carbon development and exemplify the strength of "Intelligent Manufacturing in China" through craftsmanship and perseverance.

Sustainability Issues

R&D and Innovation, Safety and Quality of Products and Services, Product Lifecycle Management

UN Sustainable Development Goals (SDGs)

Sustainable Product Development

Upholding the concept of "every bit of achievements originates from innovation", SANY Renewable Energy embeds sustainability across the entire value chain of product R&D, sticking to green design, low-carbon innovation and leading technology. The Company focuses on forward-looking R&D layout and open innovation, continuously iterating and upgrading our wind power equipment product portfolio, so as to enhance energy efficiency and environmental friendliness across the product lifecycle.

Governance

The Board of Directors, as the core governance body for the Company's R&D and innovation, is fully responsible for overseeing key matters such as the Company's long-term R&D strategic planning and significant strategic R&D investments. At the governance level, it ensures the sustainability and foresight of R&D and innovation, guaranteeing close alignment with the Company's sustainability strategy and global energy transition trends. The Company has established a global, professional, and multi-domain R&D management structure, which has formed a globally distributed R&D team with collaborative hubs in locations such as Beijing, Changsha, Shanghai, and Europe, serving as the executive level to drive the development of cross-regional collaborative platforms. Additionally, by bringing together global technical talents and R&D resources, we achieved cross-regional and cross-disciplinary collaboration on core technologies of wind power, and built comprehensive R&D capabilities covering the entire chain from wind turbine design and core component R&D to intelligent O&M and green manufacturing, thereby providing organizational and systematic support for sustainable product development.

Strategy

The Company regards "high reliability, high power output and low cost per KWh" as its core product R&D goals, and closely follows global wind turbine technology trends towards "higher, larger, longer, lighter, and smarter" designs. We integrate green, low-carbon, and sustainable concepts throughout the entire R&D process to create products that combine trailblazing technologies with environmental friendliness. We have formulated innovation and R&D management policies such as the Product Development Management Measures, Technical Development Management Measures, and the R&D Patent Work and Management Regulations. With continuous efforts to improve R&D efficiency and the capability to translate results into applications, we have been consolidating and expanding our industry-leading position in the core technology fields of large megawatt intelligent turbine, transformer box in nacelle design, intelligent wind farm O&M, independent pitch control system, ultra-high tower barrel, long blades, etc. Furthermore, we have strengthened our talent acquisition and development system, and also established management policies like the Management Measures for R&D Project Incentives and the Management Provisions for Title Appraisal with the R&D Division to stimulate the vitality of our R&D team and drive technological breakthroughs and continuous innovation.

Impact, Risk and Opportunity Management

The Company views technological innovation as a core driver for achieving sustainability and manages its impacts, risks, and opportunities proactively. We have integrated risk management into product development and other stages throughout the product lifecycle. Relying on a sound intellectual property protection system and close cooperation with academia and industry partners, we effectively manage innovation risks. Concurrently, we delve into customer needs and industry development trends. Leveraging our technological expertise, we continuously develop innovative products and solutions to seize market opportunities.

Environmental Management Throughout Product Lifecycle

We have integrated risk and environmental management into the entire product lifecycle—development, production, use, O&M, and recycling. We define the objectives and measures of environmental management for each stage to further enhance the environmental friendliness and sustainability of our products and reduce their environmental impact. Moreover, we conduct carbon footprint certification for our key products, and entrust qualified third parties to issue Life Cycle Assessment (LCA) for them. During the Reporting Period, our SI-172625 model wind turbine generator set obtained an Environmental Product Declaration (EPD) verification certificate.

Product Design and Development

Factors such as environmental protection, low energy consumption, high reliability, and low carbon emissions are incorporated as core considerations. We design light and compact products to reduce raw material consumption. Concurrently, we research and apply alternative materials to continuously reduce the weight of wind turbine components and minimize the environmental impact throughout product lifecycle starting from design.

Product Operations and Maintenance

We provide our customers with the Wind Turbine Generator Set Maintenance Manual and the Wind Turbine Generator Set Specification, which have established standardized and regulated product O&M mechanisms of our products. We make all these efforts to guide customers in scientific maintenance, extending product service life and enhancing lifecycle power generation efficiency.

Product Recycling and Reuse

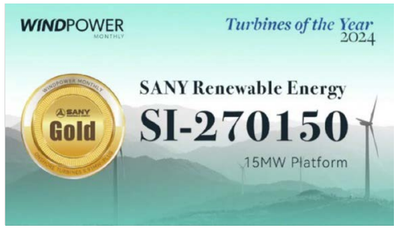
During the Reporting Period, the Company conducted research on decommissioned blade disposal solutions and continuously monitored the development of recyclable resin technologies, as part of our technical planning and preparation for blade recycling and reuse. We also advocated the practice of repairing and reusing main components of down-to-tower generators to reduce resource waste and foster the circular economy within the wind power industry.

Innovative Products

Focusing on the core market demand for intelligence and full-scenario adaptability in the wind power industry, the Company proactively capitalizes on industry opportunities brought by the global energy transition, driving the continuous upgrade of our product portfolio through technological innovation. By launching multiple industry-leading benchmark products, we managed to cover all onshore and offshore wind power scenarios. Simultaneously, we actively promote industry-university-research cooperation and exchanges. We carry out annual R&D cooperation with research institutions on key products and technologies, to navigate the Company's R&D, innovation and patent portfolio planning. During the Reporting Period, we collaborated with Central South University on rain erosion testing technology research. The project involved exploring the impact of raindrop diameter and rainfall intensity on test results and conducting modelling and simulation studies of the rain erosion testing process.

Case **SANY Renewable Energy's 15 MW Set Awarded "Onshore Turbines of the Year"**

In January 2025, SANY Renewable Energy's SI-270150 15 MW wind turbine was awarded the gold medal (Top 1) in Windpower Monthly's "Turbines of the Year 2024 (5.91 MW+)" selection, recognized for its outstanding innovation, engineering quality, and product performance. The Company's large-megawatt onshore wind turbines have won this international accolade for two consecutive years. This model is built upon the 12.X~ 16.X MW sea-land platform, with a designed lifespan extended to 25~30 years. It features a rotor diameter of 270 meters and a swept area of 57,256 m^2 (equivalent to 8 standard football pitches), enabling efficient coverage of various medium-to-high wind speed application scenarios.



Case

SANY Renewable Energy's First Batch of Commercial Offshore Wind Power Orders

On November 4, 2025, the first unit installation of the SANY Renewable Energy offshore wind power project at Xiangyun Island, Tangshan, Hebei, was successfully completed. As SANY Renewable Energy's first batch of commercial offshore wind power orders, this not only marks a milestone for a single project but also signifies SANY Renewable Energy's successful crossing of the land-sea boundary, officially entering the global offshore wind power arena. The Hebei Tangshan Xiangyun Island offshore project employs 20 units with a single capacity of 8.5 MW and 10 units of 8 MW offshore wind turbines, with a rotor diameter of 230 meters. This is a marine product tailored for the sea conditions of Xiangyun Island based on the 8.X-10.X MW offshore and onshore platform. This project is a key offshore wind project in Hebei Province, expected to generate 799,105 MWh of electricity annually, saving 268,800 tonnes of standard coal per year and reducing carbon dioxide emissions by approximately 675,700 tonnes annually.

Case

SANY Renewable Energy's Industry-first SI-242 Series for Full-scenario Onshore Site Adaptability

On October 20, 2025, the highly anticipated global wind energy event—the China Wind Power 2025 (CWP 2025)—grandly commenced in Beijing. Under the theme of "Shared Value, Reliable Partnership", SANY Renewable Energy showcased the industry's first full-scenario onshore site adaptability model series—the SI-242 series—alongside our full lifecycle verification system and self-developed core large components at the exhibition. The move ushers in a new era of "high value" of wind power. The SI-242 ultra-large rotor series wind turbine sets have a power range spanning 5.6 MW to 12.5 MW, with a rotor diameter of 242 meters. They break the limitations of conventional models regarding wind resource conditions and can withstand extreme winds of up to 63 m/s. This truly achieves precise coverage across the entire site spectrum, from ultra-low to medium and high wind speeds. For the same capacity, the SI-242 model can reduce the number of turbine positions by approximately 6%-18% compared to traditional solutions. This effectively addresses challenges in wind power projects such as limited position resources and complex site selection, lowering cost per KWh and reshaping the value boundaries of wind power development.

In December, Guangping Wind Farm, the first commercial batch operation project for the SI-242 series in the southern mountainous region, was successfully connected to the grid and commenced power generation in Huaihua, Hunan province. This project not only set a new record for single-unit capacity and blade length in southern mountainous wind farms but also signified the efficient transition of the Company's innovative models from launch to implementation.

Intellectual Property Management

The Company has been optimizing its intellectual property (IP) management system. We have formulated related policies such as the Administrative Measures for Patent Application and the R&D Patent Work and Management Regulations, clarifying management requirements for application, protection, and utilization of our intellectual property. We implement an intellectual property management strategy of "Four Features", namely "standardized, online, automated and intelligent". We set IP management objectives and have achieved standardized online management of intellectual property related business processes. Moreover, we place high importance on fostering employees' awareness of intellectual property protection. During the Reporting Period, we provided specialized patent training for fresh graduate employees, and disseminated the latest patent management updates and industry patent information to R&D personnel quarterly, supporting patent portfolio planning and risk avoidance for R&D and innovation. Furthermore, we were selected as a "Demonstration Entity" under the national initiative to strengthen intellectual property rights, playing an exemplary and leading role.

Industry Collaboration

The Company takes an active part in top-tier global wind power and related industry exchange events. Through technological sharing, achievement showcases, roundtable forums, and other formats, we combine forces with industry chain partners to push back the technological frontiers and contribute to the high-quality development of the industry. During the Reporting Period, we participated in multiple global wind power industry events, including the China Wind Power 2025, the Husum Wind energy trade fair in Germany, the World Artificial Intelligence Conference (WAIC), the Hangzhou Computing Conference, the 5th Wind Power Artificial Intelligence and Intelligent O&M Conference, and R&D Quality Forums.

In addition, we engage in industry standard-setting work, leveraging our technological expertise to promote the improvement of industry standards and lead the wind power industry onto a standardized, high-quality development track. During the Reporting Period, we participated in the preparation and revision of 2 national standards, including Twist-resistant Flexible Cables for Wind Power Generation with Rated Voltage 1.8/3 kV and Below and the Technical Specification for Statistical Calculation and Evaluation of Wind Turbine Generator Set Reliability Indicators Based on Real-time Data, as well as 4 group standards and 3 industry standards.

Case

SANY Renewable Energy at Husum Wind 2025

In September 2025, SANY Renewable Energy made an appearance at the Husum Wind energy trade fair in Germany under the theme "Empowering Future with Smart Wind Energy". We showcased the SI-17578 and SI-18580 models, which are specially designed for the European market, holistically meet EU market requirements in terms of materials, noise, and safety standards. During the fair, the Company co-hosted a high-level dialogue on "ESG and Sustainability" with the Global Wind Energy Council (GWEC), where in-depth discussions on building a low-carbon supply chain for the wind power industry took place. We also displayed our lifecycle wind power solutions, offering customers end-to-end services from turbine selection and site assessment to intelligent O&M. This signified our shifting from a wind turbine product supplier to a strategic partner, demonstrating our strength and commitment to building up our presence in the European and global new energy markets.

Metrics and Targets

SANY Renewable Energy's Targets in Environmental Management Throughout Product Lifecycle

2035

By 2035, we will study the lifecycle of all our mainstream products. On the premise of ensuring product quality, we will progressively increase the proportion of green or low-carbon materials through product structure optimization, material usage reduction, and sustainable material substitution.

2030

Taking 2020 as the base year, we will increase our recycling rate of mainstream wind turbine materials to 95% by 2030.

SANY Renewable Energy's Targets in Intellectual Property Management

Short-term

Enhance the management system, improve the quality and quantity of intellectual property, and make full use of patent information to avoid risks and promote technological innovation.

Medium-term

Augment the benefits of intellectual property to business operation and product R&D, enhance brand value, and guarantee the free operation of products.

Long-term

Turn the operation of intellectual property into a profit source for the Company.

Metrics

Company R&D Investment
RMB **807** million

R&D Personnel
835

Percentage of R&D Personnel
11.19%

Percentage of R&D Expenditure to Revenue
2.95%

Personnel with Master's degrees or above
415

Percentage of Personnel with Master' s Degree or above
49.70%

As of the end of the Reporting Period, the total number of valid patents held is
909

of which
286 invention patents are applied to the main business

Annual invention patent applications
85

Annual newly obtained utility model patents
61

Annual newly obtained invention patents
46

Annual invention patents granted
46

Annual newly obtained design patents
1

Annual newly obtained software copyrights
48

Lean Quality Management

Excellent quality is the unwavering pursuit and commitment of SANY Renewable Energy. Upholding the craftsmanship spirit of pursuing perfection, we pursuit for continuous improvement in quality standards, improve and reinforce our quality control system, and consistently enhance product reliability and stability. By doing so, we aim to provide customers with high-quality, high-performance products.

Governance

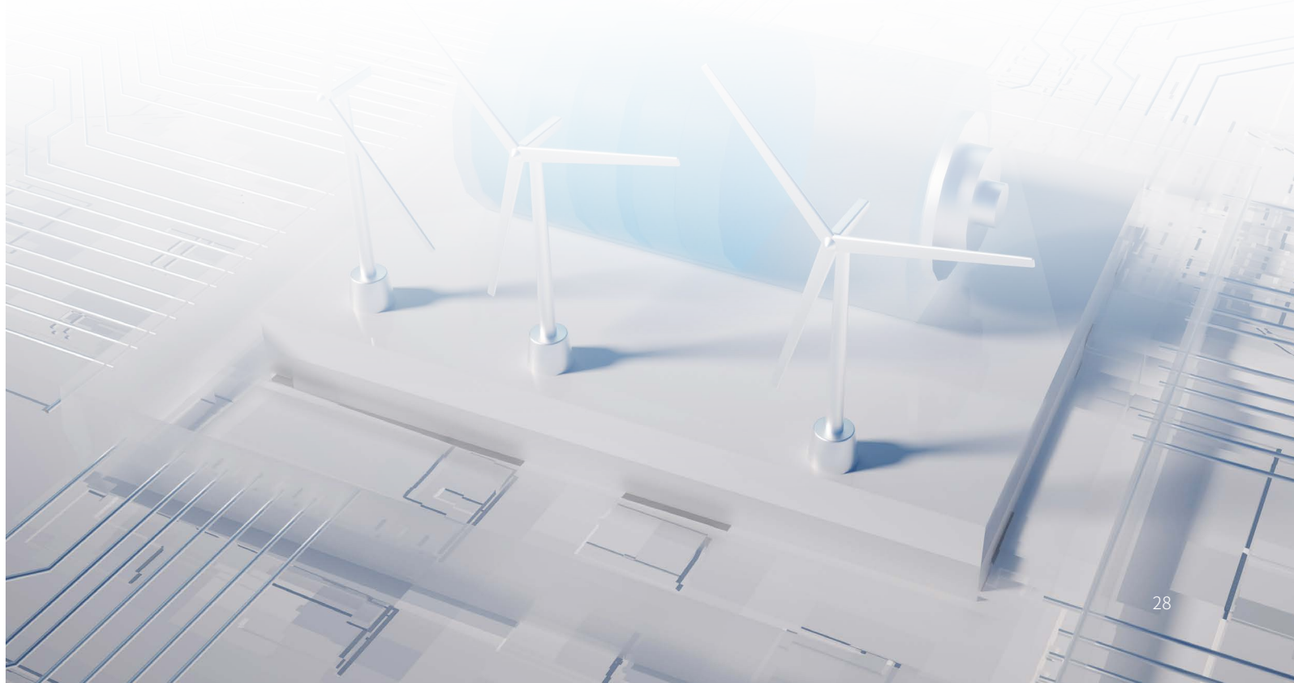
SANY Renewable Energy views quality as the foundation of management. The Board of Directors serves as the ultimate governing body for quality matters. It regularly reviews and oversees the progress of quality management initiatives and significant quality-related issues, ensuring that quality governance aligns itself with the Company's overall strategic development. At the senior management level, the Company designates a representative of the quality management system and quality head to oversee daily operations, and establishes a quality assurance department as the executing body to coordinate various quality management tasks, ensuring that quality work is carried out in a standardized and orderly manner.

Strategy

SANY Renewable Energy adheres to the quality management policy of "first-class products, first-class quality, first-class service". Focusing on domestic and foreign customers" demand for the continuous improvement of product quality, we have been improving the Company's quality management system. We have established policies such as the Quality, Environmental, Occupational Health and Safety Management Manual, Product Lifecycle Management, and Quality Management Process, defining the quality management responsibilities at different stages including design and development, manufacturing, sales, and after-sale service. During the Reporting Period, we revised management policies such as the SANY Renewable Energy Record Control Management System and the Quality Award and Punishment Management System, further optimizing quality control processes.

Impact, Risk and Opportunity Management

The Company continually improves its quality management system and strengthens supply chain quality risk prevention and control. We actively capitalize on opportunities presented by industry trends towards intelligence and refinement, empowering quality management with digital approach to comprehensively enhance product quality and reliability.



Product Quality Management

The Company has built a digitalized, integrated online quality management platform and comprehensively improves the efficiency and accuracy of quality management by utilizing digital tools to empower lifecycle quality management, handling 85% of the quality management processes online. Additionally, we continuously advance quality management system certification, deeply promoting the standardization, normalization, and systematization of quality management. By the end of 2025, 13 companies have obtained ISO 9001 Quality Management System certifications, including SANY Renewable Energy, Sany Tongyu, Sany Chenzhou, Sany Zhangjiakou, Sany Shaoshan and Sany Bayannur.

To fortify quality risk defense, the Company conducts regular internal and external quality audits, precisely identifying management weaknesses and potential risk points. We entrust external third-party institutions to conduct compliance review of the quality management system, issue review conclusions and propose improvement suggestions and enhancement plans. In addition, we select and train internal quality reviewers. Through internal review, we evaluate the effectiveness, compliance, and appropriateness of the quality management system applied at each production and operation site, thereby identifying opportunities for improvement. During the Reporting Period, the Company identified 24 non-compliance items through internal quality review, which were all resolved with a rectification rate of 100%.

Furthermore, we regard quality culture cultivation as a vital support for lean quality management. We actively carry out employee quality training and cultural promotion, establishing 10 quality culture standard initiatives. During the Reporting Period, we conduct quality training for employees, such as quality capability enhancement training and IPD5.0 system training, to strengthen their quality awareness and expertise. We have also established quality award and punishment mechanisms to commend outstanding individuals and teams in quality, integrating quality requirements into daily work, to improve quality management effectiveness and efficiency through employee incentives and restraint mechanism.

Additionally, we have formulated the Emergency Management Policy for Major Wind Farm Operation Incidents, clarifying specific procedures and responsibility divisions for both proactive and passive product recalls. Upon identification of any product safety hazard or quality defect, a recall procedure will be promptly activated, followed by a thorough root-cause analysis and the implementation of corrective measures to strictly prevent the recurrence of similar incidents.

Supply Chain Quality Management

Supply chain is the foundation for ensuring product quality. Attaching high importance to supply chain quality control, the Company has built a collaborative supply chain quality management system to effectively mitigate supply chain quality risks. We have formulated the Supplier Quality Management Manual, clarifying lifecycle quality requirements for supplier admission, assessment, evaluation, and exit, thereby regulating supplier quality behavior. During the Reporting Period, we updated management policies such as the Supplier Quality Management Policy and the Production Material Supplier Surveillance Management Policy, to further detail supplier quality control standards, and strengthen supervision and management of supplier production processes and material quality, thereby ensuring controllability of supply chain material quality.

Process Traceability

During the Reporting Period, we completed the development of a supplier quality deviation management system. This achieved lifecycle online implementation for deviation application and approval, improving deviation handling efficiency and transparency. Concurrently, we completed system integration and development to cover change requests and subsequent verification tracking for suppliers' Man, Machine, Material, Method and Environment (4M1E). This enables lifecycle traceability and controllability of supplier changes.

Performance Evaluation

We have fully incorporated quality management requirements into the Company's supplier admission and evaluation system, with clear supplier quality evaluation criteria to ensure that product quality is controlled from the source.

Empowerment Training

We have established a Supplier Quality College, providing supplier quality empowerment training in the mode of "training in practice", to communicate the quality requirements of the Company in a timely and accurate manner. During the Reporting Period, we delivered specialized training for suppliers on lifecycle quality collaborative control and efficiency enhancement. It improved suppliers' expertise and quality awareness, fostering a win-win supply chain quality ecosystem.

Intelligent Manufacturing

Coinciding with the strategic opportunity period marked by the holistic launch of the 15th Five-Year Plan and the accelerating advancement of new-era industrialization, intelligent manufacturing has become the core lever for cultivating new quality productive forces and building a modern industrial system. Positioned at this defining moment, SANY Renewable Energy adheres to the development philosophy of "high quality, high efficiency, high flexibility, and competitive cost" in wind turbine manufacturing. We continue to deepen the R&D and application of intelligent manufacturing technologies, actively seizing opportunities for product quality upgrades and enhancements in production and operational quality and efficiency. Relying on digital and intelligent technologies to empower lean quality management, we aim to become a benchmark enterprise for intelligent manufacturing in the wind power industry and take a leading role in the industry's intelligent transformation. The Company continuously optimizes the four major intelligent manufacturing modules: the Manufacturing Operation Management (MOM) platform, the Warehouse Management System (WMS), the Excellence Quality Management System (EQS), and the Internet of Things Data Acquisition System (IoT). Through the digital integration of various systems and business modules, we achieve data integration and process management on workshop production and operation. Focusing on key processes such as business operation, warehousing scheduling, equipment management, manufacturing process and quality control, we realize intelligent integration in marketing, R&D, manufacturing, service and other fields to improve management efficiency and production quality. During the Reporting Period, through measures such as launching the "Eye of Sky" system, deepening the digitalization of the Lighthouse Factory, and implementing the AI blade defect repair solution, we continuously improved quality control levels, production efficiency, and product reliability.

Manufacturing Operation Management (MOM)

We have put it in full online application across 20 factories, including blade factories, wind turbine factories and generator factories. It realizes the whole-process online management of the production, quality and logistics modules, enables the online control and tracing of process quality data, and achieves 100% paperless forms and records of on-site inspections.

Warehouse Management System (WMS)

We have connected the Warehousing Management System (WMS) of SANY Renewable Energy with the four high-bay warehouses of Sany Shaoshan Blade Factory, Sany Chenzhou Factory, Sany Intelligent Motor Factory and Wind Turbine Factory. It supports automatic loading and unloading and paperless sorting, improving the factories' in-house material outbound efficiency by 30%.

Excellent Quality Management System (EQS)

We invest a lot of resources to independently implement lifecycle quality management, realizing online management of all key business areas, including R&D quality, supplier quality, manufacturing quality, after-sales quality, quality system, and quality problem improvement.

Internet of Things Data Acquisition System (IoT)

We achieve data integration of IoT and MOM. At Sany Shaoshan and Sany Bayannur blade factories, the two systems facilitate data collection and statistics for fabric dipping machines, and data collection and automatic identification for blade forming processes. At wind turbine factories, the two systems support data collection for robots and wrenches, and online monitoring and tracing of general assembly torque.

Stringent Product Quality Control Empowered by the "Eye of Sky"

We have launched the Blade Quality "Eye of Sky" system, which is applied across 7 blade factories. It enables end-to-end online inspection and panoramic traceability, effectively addressing pain points like disconnection between quality inspection records and physical items, and ensuring inspection authenticity. Therefore, the abnormal flow of defective products is under strict control.

AI-Assisted Precise and Efficient Repair

We implement a digital blade repair solution, constructing a layup data model to enable fully automated AI-generation of repair plans. Covering 7 blade bases, we have completed modelling for the 970E blade type and conducted pilot tests. Response efficiency has improved by over 90%, and plan accuracy has risen to 98% and above.

Upgraded Lighthouse Factory with Higher Production Efficiency

We have deepened the digitalization of Sany Shaoshan Lighthouse Factory, by implementing projects like quality digitalization and online materials management. We have also introduced core intelligent equipment such as centralized infusion and robotic automated grinding equipment, and overcome challenges in manufacturing blades over 100 meters in length. Through these initiatives, the factory has achieved a leapfrog upgrade from traditional to smart manufacturing.

Case

Intelligent Manufacturing of Wind Power Equipment Empowered by Digital Craftsmen, and Redefined by Humanoid Robots

At its Wind Power 5G Fully-Connected Flexible Intelligent Manufacturing Factory in Changping, Beijing, SANY Renewable Energy completed the world's first deployment and application of full-scale industrial humanoid robots in the wind power equipment manufacturing. This was featured in a special report by CCTV Finance in its 2025 China Economic Annual Report. Two 1.76-meter-tall humanoid robots with 52 degrees of freedom were deployed at an intelligent sorting and greasing workstation. Utilizing AI visual recognition and adaptive grasping coordination, they autonomously complete the processes of bolt sorting and handling with a precision of 3 to 5 millimeters, achieving a grasping success rate of over 95%.

To accelerate the deep integration of AI technology with our operations and facilitate digital transformation, during the Reporting Period we organized the "Creating the Future with Intelligence: AI-empowered Efficiency Revolution" innovation application competition. It cumulatively received 136 project entries, and incubated 17 outstanding entries, thereby effectively identifying internal AI talent and tangibly propelled the effective implementation of AI technology across various business scenarios. In addition, we established a regular AI training system that combines "self-learning at online academy + offline intensive face-to-face sessions". It covers three major sections: general AI enlightenment for all employees, practical application of AI agents and tools, and sharing of cutting-edge technologies. This effectively fostered a positive atmosphere for proactive AI learning among the workforce, thereby driving the transformation of training outcomes into practical tools for business efficiency enhancement - efficient conversion of AI technology into productive forces.

Metrics and Targets

The Company releases the Quality Objectives Plan every year. In alignment with industry standards, customer demands, and the Company's development strategy, it defines core annual quality control objectives to continuously drive improvement in quality management.

Metrics

Number of product recall incidents due to quality issues	Number of major safety and quality liability incidents related to products and services	Amount of damages for major safety and quality liability incidents related to products and services
0	0	RMB 0

Smart Wind Farm Operations

SANY Renewable Energy actively integrates intelligent technology with clean energy, relying on advanced technologies such as smart wind farms and smart operations to enhance the stability and efficiency of grid operations, effectively promoting the green transformation of the energy structure and low-carbon development. At the same time, the Company continuously optimizes its customer service management system, constantly improving service quality and customer satisfaction, and is committed to creating long-term value for customers.

Wind Farm O&M Management

The Company enhances the operation and maintenance capabilities of wind farms through advanced digital technology and intelligent methods. By building an integrated operation system of "technology empowerment + service upgrade", it achieves efficient, safe, and sustainable operation throughout the entire lifecycle of the wind farm.

One-Stop Solution for the Entire Chain

We provide customers with a one-stop solution covering the entire lifecycle of wind farms, from early planning, EPC construction to later operation and maintenance. Through lean digital technology, we deeply integrate intelligent wind farm systems with wind turbine product design to maximize product performance and improve operational efficiency and economic benefits of the wind farm.

All-Weather Intelligent Monitoring

Focusing on the stable operation of wind turbines, we innovatively use the wind turbine health management system and intelligent operation and maintenance platform to achieve 7×24 hours real-time monitoring and online management of the entire operation and maintenance process.

Predictive Closed-Loop Operation and Maintenance

Relying on the intelligent platform, we automatically complete fault warning, health diagnosis, and unit status identification, intelligently generate work orders, and build a closed-loop system of "monitoring - analysis - prediction - improvement" to reduce the failure rate of wind turbines through proactive and precise maintenance.

With the vision of "Promoting Efficient Utilization of Clean Energy", SANY Renewable Energy relies on its own wind farm resources to continuously and stably supply clean green electricity to society, contributing to the construction of a new power system dominated by clean energy. We continue to promote the development of China Certified Emission Reduction (CCER) and green power certificates, effectively assisting customers in achieving carbon reduction compliance and green electricity usage goals. By the end of the Reporting Period, SANY Renewable Energy had developed a total of 267,372 green power certificates. At the same time, we actively promote signing Power Purchase Agreements (PPA) and Contracts for Difference (CfD), participating in the construction of clean energy in more countries and regions.

Case **Serbia Alibunar Wind Power Project, Promoting Regional Energy Transition**

In June 2025, SANY Renewable Energy successfully signed a Power Purchase Agreement (PPA) and a Contract for Difference (CfD) for the Alibunar project in Serbia. The total installed capacity of the Alibunar project reaches 168 megawatts, with an expected annual power generation of approximately 480 million kilowatt-hours, and is planned to achieve commercial operation by 2028. The project will provide a large amount of clean energy to Serbia, reducing dependence on traditional fossil fuels and helping to optimize the local energy structure.

Customer Service

The Company adheres to the business philosophy of "meeting customer needs and creating unique value for customers", dedicated to providing high-quality products and services. We have established a service Company to manage customer service work and set up project service managers at wind farm level. The on-site project team strictly follows the Company's operational processes to handle product faults, conduct regular maintenance, and implement technical improvements, ensuring standardized after-sales service for products.

We highly value customer feedback and have established a smooth and efficient communication mechanism for customer complaints and feedback. We have formulated management systems such as the Customer Response and Complaint Handling Process and the Customer Satisfaction Management Process to actively listen to and respond to customer needs in a timely manner. During the Reporting Period, we introduced new management systems including the Customer Communication and Response Mechanism for Service Companies and "Pre-Complaint Management" to further enhance customer service levels and reduce the occurrence of customer complaints. At the same time, we collect in-depth suggestions from customers regarding product and accessory improvements through regular inspections and wind farm questionnaire surveys, and develop targeted technical improvement plans to effectively address customer pain points, continuously enhancing product performance and customer satisfaction. Additionally, we conduct customer follow-up surveys every two months to understand customer opinions on product quality, cost-effectiveness, after-sales service, equipment usage, and brand perception, collecting evaluations of quality and service. During the Reporting Period, we received a total of 491 pieces of customer feedback, with a closed-loop handling rate of 93.27%, and the customer satisfaction survey results scored 93.8 points.

Responsible Marketing

SANY Renewable Energy adheres to the principle of integrity in business operations, strictly complying with the Advertising Law of the People's Republic of China, the Consumer Rights Protection Law of the People's Republic of China, and the EU Directive on Unfair Commercial Practices, as well as relevant laws and regulations in the operating locations, ensuring that marketing activities are compliant and legal. The Company resolutely eliminates false advertising and misleading information, genuinely respects customers' right to know and choose, guarantees that promotional content is true, accurate, and transparent, and maintains a fair and just market environment. During the Reporting Period, the Company did not experience any violations of marketing laws and regulations.

03

Green, Low-Carbon, and Eco-Friendly

SANY Renewable Energy regards green development as the fundamental color and pursuit of its operations. We understand that green is not only a way of development but also a value belief and a sense of responsibility. The Company aims to become a global leader in clean energy equipment and services, practices the concept of green development, fulfills corporate environmental responsibilities, promotes the efficient use of clean energy by humanity, and assists society in achieving a green energy transition.

Sustainability Issues

Response to Climate Change, Clean Technology Opportunities, Environmental Compliance Management, Energy Management, Water Resource Management, Emission and Waste Management, Biodiversity Protection

UN Sustainable Development Goals (SDGs)

Climate Change Response

SANY Renewable Energy consistently incorporates climate change into the core agenda of the Company's sustainable development, continuously deepening climate governance, improving climate risk management, actively seizing climate opportunities, and accelerating the decarbonization process, taking practical actions to help achieve the long-term goal of the Paris Agreement to "limit the increase in the global average temperature to within 1.5° C above pre-industrial levels".

Governance

Relying on a comprehensive sustainable development governance system, SANY Renewable Energy has established a three-tier climate governance structure led by the Board of Directors, executed by the management, and implemented by various functional departments. The Board of Directors is the highest responsible body for climate-related matters, responsible for reviewing and supervising the formulation and implementation of the Company's climate action strategy, assessing and managing climate risks and opportunities, setting and achieving decarbonization targets. The Strategy and Sustainability Committee assists the Board in planning and supervising the response to climate change and related green low-carbon transition work. At the management level, the Company has established an ESG Steering Group and an ESG Working Group as the core management bodies for climate-related affairs, regularly reporting on climate action progress and major decision-making matters to the Strategy and Sustainability Committee. Each business and functional department acts as the executing body, responsible for the specific implementation of climate actions and regularly providing feedback on implementation progress.

Strategy

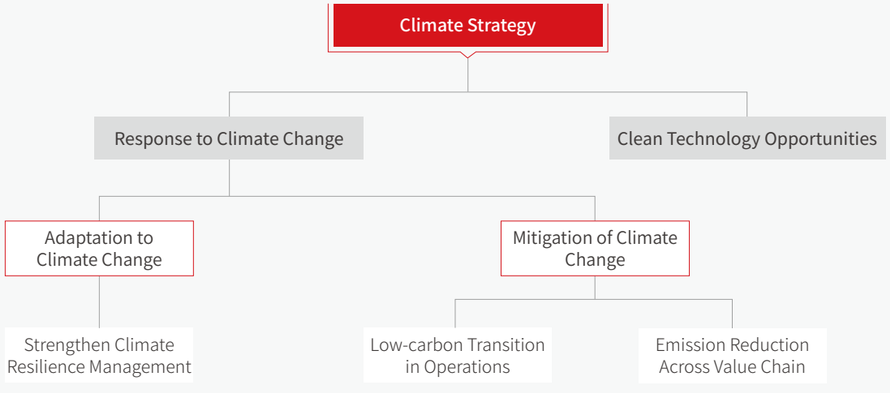
SANY Renewable Energy deeply recognizes the systemic, interwoven, and complex nature of climate change, as well as the uncertainty of climate-related opportunities and risks affecting the Company's operations and value chain. During the Reporting Period, based on the TCFD framework recommendations, the Company conducted extensive industry research and, in conjunction with its business characteristics, ultimately identified and confirmed 9 significant climate risks and opportunities. At the same time, we introduced climate scenario analysis methods, based on different global greenhouse gas emission control scenarios, and comprehensively considered the uncertainties involved in the climate adaptation process (such as the frequency and intensity of extreme weather events, regional climate differences, and changes in policy and regulatory environments) to conduct forward-looking analyses of the identified climate-related risks and opportunities. For detailed results of the climate scenario analysis, please refer to the Company's published "SANY Renewable Energy 2025 Climate Action White Paper".

Risk type			Description	Financial impact	Time horizon	Value chain affected
Physical risks	Acute physical risks	R1	**Floods:** Increasingly frequent and severe floods may damage production and operational facilities, disrupt production, and cause wind power equipment failures, resulting in asset losses and increased operating costs.	Increased operating costs Impairment of fixed assets	Medium to long term	Upstream activities Business operations Downstream activities
		R2	**Typhoons:** Rising typhoon intensity and frequency may damage wind power equipment, increase operation and maintenance (O&M) costs, and cause delivery delays. This risk is particularly acute as we expand offshore wind power operations, with potential impacts on customer confidence and brand reputation.	Increased operating costs Impairment of fixed assets	Short to medium term	Business operations Downstream activities
		R3	**Extreme temperatures:** A rise in the frequency and intensity of extreme heat may trigger power outages and equipment malfunctions, driving up production and operating costs, increasing energy consumption, and posing risks to personnel safety. Besides, extreme cold can cause icing on wind turbine blades, reducing operational efficiency and potentially damaging blades. Falling ice also presents a safety hazard for onsite personnel.	Increased operating costs Impairment of fixed assets	Medium to long term	Business operations Downstream activities
Transition risk	Policy and legal risks	R4	**Increased pricing of GHG emissions:** Driven by regulations such as the EU Carbon Border Adjustment Mechanism (CBAM) and the ongoing development of China's carbon emissions trading system, the Company faces higher compliance costs for emissions from production, operations, and export activities. In addition, carbon taxes may raise the prices of raw materials such as steel, thereby increasing wind turbine production costs and affecting profitability.	Increased procurement expenses Increased operating costs	Short, medium, and long term	Upstream activities Business operations Downstream activities
		R5	**Climate-related mandatory regulations and oversight:** Global climate compliance requirements continue to tighten. For information disclosure, companies are expected to align with standards such as the IFRS S2 Climate-related Disclosures issued by the ISSB, the EU Corporate Sustainability Reporting Directive (CSRD), the Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial), and the Guide No.13 for Self-Regulatory Supervision on Listed Companies of the SSE STAR Market—Compilation of Sustainable Development Reports. These raise compliance management costs. During operations, the Company also faces cost pressures from regulatory schemes such as the CBAM.	Increased operating costs	Short, medium, and long term	Upstream activities Business operations Downstream activities
	Market risks	R6	**Shifts in customer demand:** Amid the global transition to a low-carbon economy, demand for low-carbon products is rising sharply. Customers increasingly prefer wind turbines with low-carbon materials, green design, and superior carbon footprint performance, prompting the Company to devote more resources to design optimization and green operations. Failure to meet evolving customer demands and expectations may result in the loss of orders for products and services.	Increased R&D expenses Increased capital expenditure Decreased revenue	Medium term	Upstream activities Business operations Downstream activities
	Technology risks	R7	**Rising costs of low-carbon technology transition:** With the accelerating global energy transition and ever tightening carbon regulations, low-carbon development has become a critical direction for the Company's wind turbine products. Sustained investment in R&D is required for low-carbon and recyclable materials, as well as energy efficiency improvements, to maintain market competitiveness.	Increased R&D expenses Increased capital expenditure Increased operating costs	Medium to long term	Upstream activities Business operations Downstream activities

Opportunity type		Description	Financial impact	Time horizon	Value chain affected
Products and services	O1	**Innovation and expansion of low-carbon products and services:** Governments worldwide are gradually increasing the share of green energy to optimize the energy mix and achieve the temperature control targets of the Paris Agreement, driving growing demand for low-carbon products. As a top 500 global renewable energy Company, SANY Renewable Energy continues to innovate in low-carbon technologies and develop competitively advantaged wind turbines powered by low-carbon technologies. Besides, we provide customers with one-stop wind farm solutions, including design, construction, and operation services.	Increased revenue	Short, medium, and long term	Upstream activities Business operations Downstream activities
Market opportunities	O2	**Exploration of new sustainable businesses:** With sustained global growth in low-carbon energy demand, the capacity and diversity of new energy markets continue to expand. While expanding market share in emerging markets, the Company is actively exploring circular utilization technologies and models for end-of-life wind power equipment (such as blades and turbines), opening new business opportunities in product recycling and strengthening market competitiveness.	Increased revenue	Short, medium, and long term	Upstream activities Business operations Downstream activities

Note: Short-term (0-3 years); Mid-term (3-10 years); Long-term (over 10 years)

The Company fully considers the impact of climate factors in business layout, technology research and development, supply chain management, and investment decisions, continuously optimizing resource allocation. It incorporates the results of climate scenario analysis into the formulation of climate strategies and response measures, continuously enhancing its core capabilities to adapt to climate change and dynamically adjust strategies and business models across different time dimensions. During the Reporting Period, we further strengthened our climate resilience, promoted collaborative carbon reduction across the value chain, and accelerated sustainable product innovation, effectively addressing climate physical and transition risks while actively seizing climate opportunities and steadily advancing climate transformation.



Climate Change Response

Strengthening Climate Resilience Management—Integrating climate risk management into key processes such as product R&D, supply chain management, production operations, and wind farm maintenance. By enhancing the adaptability of wind turbines under extreme weather conditions such as typhoons, icing, and sandstorms, and relying on smart operation and maintenance platforms and all-weather monitoring systems, we strengthen meteorological warnings and operational management, continuously improving the safety and stability of wind farms and enhancing the resilience of the entire value chain in responding to climate change.

Promoting Low-Carbon Transformation in Operations—Focusing on improving energy efficiency and optimizing energy structure, the Company continuously advances decarbonization actions in operations. Through digital technology, we promote energy-saving and efficiency-enhancing measures, replace fossil energy use with electrification, and implement a renewable energy utilization strategy of "self-generated green electricity + purchased green electricity", gradually increasing the proportion of renewable energy use and reducing greenhouse gas emissions during operations.

Promoting Collaborative Emission Reduction Across the Value Chain—Continuously deepening green supply chain management, guiding suppliers to implement carbon reduction measures in raw material procurement, production, and transportation. We enhance carbon reduction awareness in the industry chain through supplier training, cooperation mechanisms, and incentive policies. At the same time, the Company strengthens product life cycle management, explores recycling and resource utilization paths for key components, and promotes upstream and downstream collaboration to achieve low-carbon transformation.

Clean Technology Opportunities

With technological advancements and cost reductions, wind power is becoming a key force in the transformation of global energy structure. SANY Renewable Energy seizes this development opportunity, focusing on promoting wind power technology innovation and industrial upgrading. Through the research and application of high-efficiency, high-reliability wind turbines, we enhance the efficiency of clean energy utilization, assisting the global energy system in accelerating its transition towards a green and low-carbon direction. For more information on wind turbine product R&D progress and order status, please refer to the Company's "2025 Annual Report".

The Company continuously enhances the large capacity and intelligence of wind turbines. By optimizing blade design, applying lightweight materials, and utilizing intelligent control systems, we improve the power generation efficiency and operational stability of the units, driving continuous progress in wind power technology and leading the industry towards high-quality development. By the end of 2025, the cumulative power generation of the wind turbines provided by the Company is expected to reach 189.6 billion kilowatt-hours, equivalent to reducing carbon dioxide emissions by 100.6 million tonnes for society.

Impact, Risk and Opportunity Management

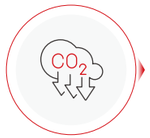
The Company incorporates climate-related risks into its comprehensive risk management process and clarifies responsibilities at all levels through the Risk Management System. Each year, the CEO's office coordinates the assessment and management of climate risks and opportunities, with the Audit and Supervision Department and other internal control personnel executing specific supervisory responsibilities, establishing a three-line defense for climate risk management across departments. The Board of Directors regularly reviews climate risk and opportunity reports, supervising management's design, implementation, and monitoring of the internal control system to ensure the effectiveness of climate risk and opportunity management.

Indicators and Targets

The Company has conducted a full value chain greenhouse gas inventory for the fifth consecutive year, accurately identifying sources of greenhouse gas emissions in operations and the upstream and downstream value chain, and deeply analyzing major emission sources. Based on the inventory results, the Company has established scientific emission reduction targets and clear decarbonization pathways, promoting low-carbon transformation across the entire chain and contributing to the achievement of sustainable development goals.

Climate Action Goals

In July 2024, the Company officially submitted the "Commitment Letter for Corporate Ambition to Support the 1.5°C Temperature Goal" to the Science Based Targets initiative (SBTi), committing to advance climate action in an open and transparent manner, aiming to achieve net-zero emissions across its value chain by 2050. The Company will set near-term, long-term, and net-zero emissions targets based on SBTi standards and plans to complete the target setting and submit it for SBTi verification within 24 months.



In 2025, the Company will conduct research on the baseline year for emission reduction targets based on the results of the value chain greenhouse gas inventory from the past two fiscal years, combined with business development plans. It will strictly align with the SBTi 1.5°C emission reduction pathway requirements and systematically advance the formulation of emission reduction targets. Focusing on key emission segments, the Company will gradually clarify critical reduction areas and implementation pathways, laying the foundation for subsequent systematic emission reduction actions and achieving net-zero emissions in the value chain.

GHG Emission Performance	
Scope 1 Emissions (Tonnes of CO_2 equivalent)	17,574
Scope 2 Emissions - Market-based (Tonnes of CO_2 equivalent)	175,515
Scope 2 Emissions - Location-based (Tonnes of CO_2 equivalent)	158,093

Environmental Compliance Management

SANY Renewable Energy has always placed a high priority on environmental compliance and ecological protection, adhering to green and low-carbon production and operational methods. The Company actively manages the potential environmental impacts during its production and operations, striving to protect natural resources and achieve harmonious coexistence and sustainable development between humans and the environment.

Environmental Management

Environmental Management System

SANY Renewable Energy strictly complies with the Environmental Protection Law of the People's Republic of China, the Environmental Impact Assessment Law of the People's Republic of China, the Cleaner Production Promotion Law of the People's Republic of China, and other national laws and regulations, as well as local environmental protection regulations and standards in other operational locations worldwide, continuously promoting environmental compliance and refined management.

The Board of Directors is the highest responsible body for the Company's environmental management. A Safety Production, Occupational Health, Fire Safety, and Environmental Protection Committee (hereinafter referred to as the Safety Committee) is established at the executive level, chaired by the Company's general manager, responsible for strategic decision-making and supervision of environmental management. The HSE Management Department, as the executing department, coordinates the construction of the environmental management system, environmental performance improvement, and daily monitoring management, ensuring that all environmental protection work operates efficiently and stably. During the Reporting Period, the Company further improved the environmental management system and updated several institutional documents. By revising the Environmental Policy, new control targets for wastewater, waste gas, solid waste, and carbon dioxide emissions were added, and the responsibilities of various functional departments in environmental management were clarified; simultaneously, the organizational structure and corresponding emergency processes in the Emergency Plan for Environmental Incidents were improved, detailing chemical storage information and wastewater treatment plant conditions, enhancing the systematic and operational aspects of emergency management. Meanwhile, the HSE Management Department optimized the personnel performance management mechanism, with the SANY Renewable Energy HSE team independently conducting assessments to ensure the independence and objectivity of environmental supervision.

The Company regularly organizes internal environmental audits covering core departments such as the manufacturing headquarters and the HSE Management Department, and commissions third-party independent organizations for annual external audits to ensure that the system operates continuously in compliance with standards and effectively achieves relevant environmental goals. By the end of 2025, SANY Renewable Energy, Sany Tongyu, Sany Chenzhou, Sany Zhangjiakou, Sany Shaoshan, Sany Bayannur, and other major production and operation sites have achieved 100% ISO 14001 Environmental Management System certification.

Environmental Emergency Drills

SANY Renewable Energy strictly adheres to national laws and regulations such as the Environmental Protection Law and the Solid Waste Pollution Prevention and Control Law, strengthening a systematic pollutant emission monitoring system to achieve digital monitoring and data archiving of the entire process of waste gas, wastewater, and solid waste emissions. During the Reporting Period, the Company continuously improved internal audit and external evaluation mechanisms, regularly conducting environmental compliance inspections and third-party supervision assessments, establishing correction and improvement processes for potential violations to ensure that pollutant emissions continuously comply with discharge permits and regulatory requirements. During the Reporting Period, the Company did not experience any major environmental emergencies.

Environmental Emergency Drills

To strengthen environmental risk prevention and control, the Company has established a rapid response process for sudden environmental incidents and improved the cross-departmental coordination mechanism. Based on actual production scenarios, we organized a "Hazardous Waste Leakage Emergency Drill" during the Reporting Period, involving departments such as manufacturing and warehousing to simulate emergency situations of hazardous waste leakage during storage and transportation, comprehensively testing the scientific nature of the emergency plan and the efficiency of the execution system's coordination. This drill was not only a practical test of emergency response capabilities but also a deep education on risk awareness for all employees. Through the simulation drill, employees gained a clearer understanding of the identification, reporting, and handling processes for sudden environmental incidents, significantly enhancing their collaborative capabilities. After the drill, the Company conducted a review of the entire process, further optimizing the early warning mechanism and emergency processes, making the emergency management system more scientific, systematic, and operational, thereby building a stronger barrier for the Company's environmental safety.

Green Factory and Low-Carbon Park Development

SANY Renewable Energy regards green manufacturing as an important direction for the sustainable development of the enterprise, fully promoting the steady construction of green factories and low-carbon parks. During the Reporting Period, the Sany Shaoshan Blade Factory successfully received the title of "National Green Factory", marking a new phase of systematic and standardized development in the Company's green manufacturing system; the Sany Shaoshan Blade Factory simultaneously formulated and implemented the Medium and Long-Term Plan for Green and Low-Carbon Development, covering five major areas: energy decarbonization, resource efficiency, clean production, green products, and land intensification, forming a comprehensive management system from planning, execution to evaluation and optimization.


国家绿色工厂评价证书
三一（韶山）风电设备有限公司

Sany Shaoshan "National Green Factory" Evaluation Certificate

Pollutant and Waste Management

SANY Renewable Energy complies with national laws and regulations, as well as those of all places where it operates, regarding pollutant emissions and solid waste disposal. We adhere to the environmental management principles of "source reduction, process control and recycling", strictly implement a pollutant emission monitoring system, and adopt advanced pollution control technologies and equipment to reduce pollutant generation and emissions. Through an institutionalized and refined management system, we promote end-to-end governance and resource utilization of wastewater, waste gas and waste. The Company continuously identifies the potential impacts of emissions of pollutants such as waste gas, wastewater and waste on employee occupational health, the working environment and the living environment of surrounding communities, and effectively reduces the potential adverse effects of abnormal emissions on employees and community residents through measures such as the efficient operation of pollution control facilities and regular environmental risk inspections.

Wastewater Management

The Company incorporates water resource protection and pollution prevention into its key environmental management work, setting annual wastewater discharge targets based on the Environmental Policy. For the year 2025, the target for wastewater discharge is set at 400,000 tonnes, and we have successfully met the annual control requirements. The Company has established wastewater treatment plants and a circulating water system, implementing a closed-loop management model of "source reduction, classified collection, compliant discharge", and regularly tests core indicators such as COD and ammonia nitrogen to ensure that wastewater discharge meets relevant standards. At the same time, we continue to promote rainwater harvesting and water-saving irrigation projects by constructing rainwater collection pools and implementing water-saving facility upgrades to improve the efficiency of water resource recycling.

Waste Gas Management

To effectively reduce atmospheric pollutant emissions, we continuously optimize the waste gas treatment system, strengthening meticulous control throughout the entire process from production process optimization to end treatment. During the Reporting Period, the Company replaced oil-based paints with water-based paints through source reduction measures, stabilizing the concentration of volatile organic compounds (VOCs) emissions below 50 grams per liter and controlling the total annual waste gas emissions within 20,000 tonnes, significantly reducing VOC emission levels. Additionally, the promotion and application of water-based coatings have effectively extended the service life of waste gas treatment materials such as activated carbon, further lowering treatment costs. In terms of end treatment, all production bases are equipped with waste gas collection and purification systems to centrally treat waste gas generated during production, ensuring that emissions continuously comply with relevant environmental protection requirements. Furthermore, we promote powder recovery devices in the powder coating process to achieve the recycling of powder materials. During the Reporting Period, the powder recovery rate reached 82%, and the amount of powder purchased decreased by 47% year-on-year, reducing waste gas pollutant emissions while enhancing resource utilization efficiency.

Waste Management

We strictly adhere to relevant laws and regulations in operational areas for waste management, formulating regulations such as Management Regulations for Waste Rubber/Waste Resin Disposal and HSE Standard Atlas for Hazardous Chemicals & Hazardous Waste. We take targeted preventive and control measures for different types of solid waste that may be generated during production operations, including household waste, industrial solid waste, hazardous waste, and construction waste, and establish a five-level control mechanism of "source reduction—substitution—recovery—reuse—regeneration" to achieve full-process traceability of waste from generation to disposal. By 2025, the Company has successfully controlled the total amount of waste to within 35,000 tonnes, with a recycling and reuse ratio of no less than 50%. We implement classified collection for non-hazardous waste, prioritizing the recovery or resource utilization of recyclable portions, while the remaining non-hazardous waste is regularly disposed of by third-party agencies. For hazardous waste, we set up dedicated temporary storage points and implement standardized management throughout the collection, storage, transportation, and disposal processes, regularly entrusting qualified third-party agencies for professional treatment.

At the same time, we continue to promote the application of comprehensive utilization technologies for industrial solid waste, strengthening cooperation with relevant enterprises to enhance the level of waste resource utilization. During the Reporting Period, Sany Shaoshan Blade Factory carried out a special project to enhance the resource utilization of hazardous waste, entrusting qualified third-party agencies to clean and recycle waste resin barrels, ensuring 100% compliant management of hazardous waste.

To strengthen employees' ability to manage hazardous waste and harmful substances, the Company promoted an environmental protection special enhancement action during the Reporting Period, conducting training and examinations on hazardous waste knowledge, covering compliance management throughout the entire process of hazardous waste generation, storage, transfer, and disposal, involving 7,382 employees across 11 production bases.

Efficient Resource Utilization

SANY Renewable Energy adheres to the resource management policy of "prioritizing conservation, driving efficiency, and clean substitution", viewing the efficient use of energy and resources as a key support for the high-quality operation of the green manufacturing system. The Company continuously enhances energy efficiency and resource recycling levels through a three-pronged mechanism of system improvement, technological innovation, and project management, injecting sustained momentum for achieving low-carbon operations.

Energy Management

The Company relies on the Energy Management Plan to build a systematic energy management system, continuously promoting three major special projects: "energy-saving appliances, green energy, and clean energy". Through the "Four Meter" monitoring system, real-time monitoring and data management of water, electricity, oil, and gas, allowing for timely identification and reduction of energy waste, and improving the precision of energy use. At the same time, to strengthen energy management and improve energy utilization efficiency, we have formulated the Energy Management Work System based on national energy work policies and energy management standards, combined with the actual production and operation of the Company. An energy management leadership group has been established to coordinate energy management decisions, and a responsibility mechanism has been set up to be implemented step by step by various departments, workshops, and teams, forming an energy management network covering the entire Company to effectively promote energy-saving measures. By the end of 2025, SANY Renewable Energy, Sany Intelligent Motor, Sany Tongyu, Sany Zhangjiakou, Sany Shaoshan, Sany Chenzhou, Sany Tacheng, and Sany Bayannur have obtained ISO 50001 Energy Management System certification.

Energy Consumption Performance	
Comprehensive Energy Consumption (MWh)	355,590.00
Total Direct Energy Consumption (MWh)	46,212.53
Total Indirect Energy Consumption (MWh)	309,377.47

In 2025, the Company focused on building an integrated pathway combining photovoltaic power generation, energy storage systems and green electricity trading to optimize its energy mix and improve energy efficiency. During the Reporting Period, renewable energy accounted for 13.17% of the energy used by SANY Renewable Energy, and purchased green electricity across the Company's sites totaled 33,575.94 MWh.

Sany Shaoshan Blade Factory

The microgrid photovoltaic system operates efficiently in a "self-consumption and surplus electricity grid connection" mode, with an annual self-consumed photovoltaic power generation of **5,626.48** MWh.

SANY Renewable Energy Nankou Industrial Park

The annual rooftop photovoltaic power generation reaches **5,696.88** MWh; purchased green electricity amounts to **29,503.46** MWh.

Sany Chenzhou Industrial Park

Achieved **100%** photovoltaic self-generation, with an annual power generation of **1,916.11** MWh, fully meeting production energy needs.

Sany Bayannur Industrial Park

Annual purchased green electricity is **2,108.48** MWh.

Green Power Certificate Trading Voucher (Partial)

Green Power Consumption Voucher (Partial)

Based on systematic energy diagnosis and focusing on energy storage optimization, the Company continues to deepen energy structure management. During the Reporting Period, Sany Shaoshan actively promoted the application of energy storage systems, continuously improving the self-consumption rate of photovoltaic power generation, significantly enhancing energy utilization efficiency.

At the same time, we further released energy efficiency potential through a series of energy-saving renovation projects.

Energy-saving Initiatives Enhance Energy Efficiency

Non-woven Tape Curing Time Reduction Project	By optimizing the process, the curing duration has been shortened from 9 hours to 5 hours. This saves 50.78 m^3 of gas per cycle, achieving annual energy savings and cost reductions of approximately RMB 115,000 and reducing CO_2 emissions by 38 tonnes per year on average.
Rotor Impregnation Efficiency Improvement and Cost Reduction Project	Through fixture improvements, the single-batch processing capacity has increased from 3 units to 4 units, improving oven loading rates. This reduces CO_2 emissions by 141 tonnes and saves energy costs of approximately RMB 220,000 per year on average.
Lean Energy Consumption Management Project	Lighting zoning and scheduled control for equipment operation have been introduced, and compressed air system leak detection and maintenance have been enhanced. This cumulatively leads to energy savings and cost reductions of approximately RMB 1.15 million for the year.

Water Resource Management

Although SANY Renewable Energy's production and operations have a relatively low dependence on water resources, we still place a high priority on the regulated use and conservation management of water resources. According to our Environmental Policy, we have incorporated water-saving targets and related indicators into our annual environmental management system. We continuously optimize the water resource recycling system and take various measures to strengthen water resource management, including establishing a reclaimed water reuse and rainwater collection system, promoting water-saving irrigation and tiered water management systems, achieving tiered utilization and recycling of water resources. We also conduct water-saving awareness campaigns covering all employees and guide them to enhance water-saving awareness through water usage quotas and monthly assessment mechanisms, continuously improving water management levels.

Water Resource Consumption and Wastewater Discharge Performance	
Total Water Intake (Tonnes)	878,597.73
Total Discharge (Tonnes)	474,748.92

Packaging Materials Management

SANY Renewable Energy actively practices the principles of green packaging and recycling, optimizing packaging material management systematically based on the concepts of reduction, reuse, recycling, and redesign. The Company continuously seeks more environmentally friendly and low-carbon packaging solutions, aiming to reduce the environmental impact of products at all stages. By 2025, the Company plans to achieve low-carbon, resource-efficient, and circular packaging materials through initiatives such as promoting wooden pallets to replace plastic ones and using biodegradable packaging films. By continuously improving packaging design and recycling processes, the Company effectively reduces material consumption and environmental burden in the production phase, further consolidating the sustainable foundation of its green manufacturing system.

Packaging Material Management Measures

Wooden Boxes

SANY Renewable Energy has established a wooden box recycling mechanism in collaboration with third-party organizations, recycling and reusing approximately 30,000 wooden boxes annually for shipping its self-manufactured products, which equates to saving 1,537.84 tonnes of wood.

Pallets

The Company promotes the use of wooden pallets to replace plastic ones and has implemented a small-scale initiative to use metal pallets instead of wooden ones, which can reduce the waste of 150 wooden pallets each month. At the same time, it assists suppliers in recycling and reusing, significantly enhancing the usage cycle of pallets and the reuse rate of their raw materials.

Packaging Films

While reducing the use of plastic packaging films, the Company opts for biodegradable and recyclable plastic packaging films for product packaging.

Biodiversity Protection

SANY Renewable Energy fully recognizes that, in the process of promoting renewable energy development, ecological protection and biodiversity conservation are responsibilities that enterprises must undertake. In 2025, the Company continued to improve its ecological management system, responded to the United Nations Convention on Biological Diversity, fully implemented the Biodiversity Protection Policy and the Biodiversity Protection Management Measures, integrated ecological protection requirements throughout the entire project life cycle, incorporated biodiversity protection into the corporate management system, and committed to making every effort to minimize its impact on the ecological environment.

Ecological Conservation Mechanism

The Company has established special management systems and emergency plans for ecological and environmental protection. Ecological protection responsibilities are integrated into the hierarchical management systems across the Safety, Quality & Environment Department, Engineering Construction Department, Production & Operations Department, Design & Research Institute, and Project Department. This creates a full-chain mechanism of "system perfection — process implementation — supervision & evaluation — emergency response". Furthermore, to address potential ecological risks at various stages, the Company has established biodiversity risk identification, emergency response, and monitoring mechanisms to ensure continuous compliant project operation and effectively prevent ecological damage incidents.

During the construction of wind farms, spatial planning is the key link that is most likely to impact biodiversity. The Company strictly implements ecological and environmental impact assessments and biodiversity risk analyses to ensure that wind farm construction does not destroy habitats or threaten endangered species, thereby minimizing the impact on birds and other organisms during operation. During the Reporting Period, we conducted ecological and environmental impact analyses and control studies for the site selection and construction phases of new plants, identifying potential risks such as ecosystem disturbance, loss of biological habitats, and environmental carrying pressure, and proposing differentiated response measures.

Ecological Conservation Initiatives

Site Selection

- Adhering to the principle of "ecology first, reasonable layout", we strictly avoid sensitive areas such as ecological protection zones, drinking water sources, and habitats of rare species, prioritizing construction in already developed areas to minimize occupation of native ecosystems.
- Before project construction, the Company prepares management requirements and methods for biodiversity survey reports and organizes on-site ecological status investigations to identify dominant species and ecological nodes in the area, providing scientific basis for decision-making.
- All projects must pass environmental impact assessments and soil and water conservation plan approvals before implementation, and specialized demonstration reports on birds, forests, and other necessary aspects are conducted for certain projects.

Construction

- Implement ecological protection-oriented construction planning, delineate construction boundaries, prohibit encroachment, and adopt on-site protection or transplantation measures for native vegetation, while constructing temporary ecological corridors to maintain ecological connectivity.
- To address pollutant emissions, establish a source control system by hardening roads and using water spraying to reduce dust, setting up sedimentation tanks and oil separation tanks to treat construction wastewater, selecting low-noise equipment, and reasonably scheduling construction periods to minimize the disturbance of dust, noise, and wastewater to surrounding biological communities.
- For soil slopes, carry out grass planting restoration.
- For steep rock slopes, use net hanging spraying technology to improve surface adhesion and soil conditions, increasing vegetation survival rates and coverage.

Completion

- Timely implement ecological restoration and compensation measures, improve soil and restore vegetation on exposed surfaces, and optimize design with ecological slope protection and concrete retaining walls to prevent soil erosion.
- In response to the terrain characteristics of mountain wind farms, abandon the "universal and standardized" retaining wall scheme, and conduct special analyses based on micro-topography, rainfall characteristics, and fill requirements to achieve resource utilization of waste, excavation and filling balance optimization, and minimize ecological disturbance, significantly reducing geological disturbance and secondary disaster risks.

Operation

- Reduce unit noise through product optimization, minimizing the potential impact of noise on local wildlife.
- Develop intelligent bird deterrents for wind farms that do not harm birds, ensuring the normal operation of wind turbines while effectively protecting bird populations.

Ecological Restoration and Vegetation Optimization

The Company continuously advances ecological restoration at wind farms, treating it as a key link in practicing green development and maintaining regional ecological balance. To this end, we continuously proceed with vegetation management and conservation, systematically enhancing site ecological functions and sustainable operation levels. Based on 3D modelling and multi-party assessments, we adopt a "vegetation measures + engineering protection" model. We adopt specialized greening designs for high slopes, ensuring slope stability while maintaining the sustainable development of the ecological landscape community.

During the Reporting Period, we compiled the Summary Report on Wind Farm Soil and Water Conservation Vegetation Measures, proposing differentiated plant configuration strategies for various climates, terrains, and soil conditions, and applying them in multiple projects. The optimized greening measures increased the survival rate and coverage of vegetation at wind farms, improving their ecological and environmental quality.

Case

Qifeng Mountain Landscape Platform Construction

In 2025, SANY Renewable Energy implemented an ecological landscape upgrade project in the second phase of the Qifeng Mountain project in Anren, creating a demonstration model that integrates ecology and culture in the wind farm. The project construction includes ecological facilities such as landscape pavilions, viewing corridors, imitation wooden railings and walkways, and camping platforms, with a total investment of RMB 1.6937 million. The project simultaneously implements lawn greening of 3,800 m^2 and the planting of 400 shrubs, optimizing soil and water conservation and landscape coordination based on terrain features.

This project, centered on "ecological restoration + cultural co-construction", successfully combines wind power facilities with natural landscapes and local culture, becoming an ecological demonstration area that integrates leisure experience, popular science education, and cultural tourism display. After the project was completed, it not only enriched the cultural life of local residents and supported the local government's implementation of ecological tourism and rural revitalization strategies but also demonstrated SANY Renewable Energy's commitment to promoting ecological civilization construction.

04

People-Oriented, Uniting for Progress

SANY Renewable Energy views talent as the driving force for corporate development. We adhere to the talent concept of "focusing on the strivers and helping employees succeed", striving to create an equal, diverse, inclusive, caring, and healthy work environment for employees, assisting them in achieving a harmonious unity of personal value and career development.

Sustainability Issues

Equality and Diversity, Labor Rights and Human Rights Protection, Human Capital Development and Occupational Health and Safety

UN Sustainable Development Goals (SDGs)

Protecting Employee Rights

SANY Renewable Energy is committed to building a fair, inclusive, and mutually supportive work environment for employees, continuously improving the human rights and labor management system to safeguard employees' legal rights and professional dignity. We have a "zero tolerance, zero violation" policy regarding labor rights incidents and integrate the concept of diversity and equality into the entire process of corporate culture and human resource management, ensuring that every employee grows and develops in a safe, fair, and respectful environment.

Equal Employment

SANY Renewable Energy adheres to the principle of fair employment based on "One Country, One Policy", strictly complies with local labor laws, continuously eliminates all forms of bias and barriers, and promotes a diverse, equal, and inclusive employment culture. The Company has established systems such as the Integrated Recruitment Management Process and the Code of Conduct for Employees in Recruitment Positions to explicitly prohibit discriminatory practices in employment and profession, ensuring that the employment process is open, transparent, fair, and just.

The Company firmly prohibits unfair treatment based on gender, age, race, nationality, religious beliefs, or other social and personal factors, providing equal employment rights and career development opportunities for all candidates. The Company actively recruits talents from diverse genders, ethnicities, nationalities, educational backgrounds, and cultures, implementing special systems such as the Guidelines for Caring for Employees from Minority and Vulnerable Groups, Guidelines for Basic Rights Protection and Career Development for Persons with Disabilities, and Guidelines for Basic Rights Protection and Career Development for Female Employees. The concept of diversity is embedded in the human resource management system, fostering an enterprise culture of equality, respect, openness, and sharing. During the Reporting Period, the Company did not receive any reports or incidents of discrimination.

Case **Supporting Employment for Local Persons with Disabilities**

SANY Renewable Energy provides equal employment opportunities for persons with disabilities in accordance with the Guidelines for Basic Rights Protection and Career Development for Persons with Disabilities, ensuring that they receive fair compensation, benefits, training, and promotion opportunities. The Company also provides necessary assistive devices, accessible facilities, and mental health support. During the Reporting Period the Company actively recruited 35 employees with disabilities, offering a total of 81 job positions for persons with disabilities.

Employee Hiring Performance

Total Number of Employees (persons)
7,463

Male Employees (persons)
6,815

Female Employees (persons)
648

Protection of Labor Rights

SANY Renewable Energy integrates respect for and protection of human rights into all aspects of its production and operations, establishing a sound human rights protection mechanism to effectively safeguard employee rights. We commit to implementing international human rights standards such as the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Human Rights Charter, and the ILO Declaration on Fundamental Principles and Rights at Work, while strictly adhering to relevant laws and regulations in our operating locations, including the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, and the Regulations on the Prohibition of Child Labor. We aim to build a compliant, transparent, and responsible employment system. During the Reporting Period, the Company updated and implemented the SANY Renewable Energy Human Rights Policy and Labor Management Manual, clarifying the human rights governance structure and departmental responsibilities, aligning with international standards and local labor laws, systematically establishing a human rights and labor management system, and setting medium- and long-term management goals. At the same time, the Company prepared the Employee Handbook and the Foreign Employee Handbook, and improved the human resources operation manuals in various employment locations, ensuring employee rights are protected throughout the entire process from recruitment to daily management. We firmly eliminate any form of forced labor and child labor, and resist all forms of harassment, discrimination, and abuse in the workplace.

SANY Renewable Energy Medium- and Long-term Labor Management Goals

Taking 2023 as the baseline year, we aim to increase the number of employees receiving human rights-related training, such as diversity acceptance, discrimination, and harassment awareness, by **10%-20%** by 2030.

We continuously improve the employee complaint and protection mechanism based on the SANY Renewable Energy Human Rights Policy and Labor Management Manual, ensuring that employee complaint channels are safe and accessible. Employees can anonymously submit opinions or complaints to the Company through email, mailboxes, Feishu, or WeChat. At the same time, the Company strictly implements a whistleblower protection mechanism to ensure absolute confidentiality regarding the names of those involved, complaint details, and event circumstances, preventing any form of retaliation. During the Reporting Period, the Company did not receive any reports or complaints regarding labor rights incidents.

In addition, the Company conducts annual training on diversity, labor, and human rights policies for employees, suppliers, contractors, and other partners, promoting the dissemination and implementation of human rights concepts throughout the entire value chain. During the Reporting Period, there were no incidents of child labor misuse, forced labor, harassment, abuse, or security violence, and the human rights and labor management assessment found no significant violations.

2025 Human Rights and Labor Management Targets	2025 Goal Completion Status
Zero human rights negative incidents (including but not limited to any form of forced labor and child labor) in our own operations.	Completed
Career management and training coverage rate ⩾ 95%	Completed
12 interactive communication meetings between the organization and employees regarding working conditions.	Completed
Employee collective agreement signing rate ⩾ 80%	Completed
Employment rate for minority and vulnerable group[1] employees ⩾ 9.5%	Completed

[1] The scope of employees from minority and vulnerable group refers to ethnic minority employees.

Employee rights protection principles

Legal employment

Workers must not be forced to work through violence or illegal means such as intimidation, coercion, threats, kidnapping, or deception. All work must respect the personal wishes of the workers, who can choose to leave the Company or terminate the contract at any time. It is strictly prohibited to withhold employees' identification cards, passports, or work permits as a condition for student employment.

Protection of minors' labor

Verify the age of job applicants before hiring to ensure that no child labor (under 16 years old), individuals who have not completed basic education, or those below the minimum employment age in our country/region are employed. This does not include apprentices in legally compliant workplaces that meet all relevant laws and regulations. All employees under 18 years old must not engage in work that may jeopardize their safety and health, and regular health checks must be conducted as required by law. Employees should be limited to work that matches their capabilities.

Protection of women's rights

Protect the rights and health of female employees, prevent sexual harassment, and provide health maintenance at work, maternity leave, social security systems, nursing leave, and parental leave, ensuring that female employees are not dismissed or discriminated against due to pregnancy. It is strictly prohibited to terminate employment or discriminate against female employees during pregnancy, maternity leave, and breastfeeding periods. In accordance with local labor laws and regulations, ensure that female employees enjoy maternity benefits that are no less than those stipulated by local laws, and return to their positions with the same benefits after maternity leave.

Fair employment and humanitarian treatment

Employees shall not be discriminated against in employment and work (such as promotion, rewards, and training) based on nationality, language, race, skin color, age, gender, sexual orientation, disability, pregnancy, beliefs, political affiliations, community membership, or marital status. Additionally, employees or prospective employees shall not be forced to undergo discriminatory medical examinations or pregnancy tests. Any acts of cruelty and inhumanity, including any form of sexual harassment, sexual abuse, corporal punishment, mental or physical oppression, verbal abuse, and human trafficking, are strictly prohibited.

We support the development of leadership and career advancement for female employees by ensuring equal development and promotion opportunities for women in the workplace through transparent and fair recruitment, promotion, and performance evaluation processes. As of the end of the Reporting Period, the data on the proportion of female employees in the Company is as follows:

Proportion of Female Employees	2025 Fiscal Year
Proportion of female employees in senior management (%)	5.06
Proportion of female employees among those with STEM[2] qualifications (%)	5.66
Proportion of female employees in management positions across all revenue-generating departments (%)	7.06

The Company respects and effectively safeguards employees' freedom of association and collective bargaining rights, continuously improving the democratic management system and promoting the constructive role of trade union organizations in corporate governance. Through forms such as employee representative assemblies and trade union committees, the Company has established a multi-level, regular democratic communication mechanism to ensure that employees have sufficient rights to express and negotiate in major decisions and system revisions. We have established specialized institutions such as the Trade Union Committee, the Funding Review Committee, and the Women's Employee Committee to represent employees in collective negotiations on topics such as salary adjustments, occupational health, safety production, training and development, and anti-harassment and anti-discrimination, forming an institutionalized dialogue mechanism. During the Reporting Period, all formal employees of the Company completed the signing of four collective agreements, including the Comprehensive Collective Contract, the Special Protection Contract for Female Employees interests, the Special Collective Wage Contract and the Special Collective Contract for Remuneration of Skilled Talents.

[2] STEM refers to the four disciplines of Science, Technology, Engineering, and Mathematics.

Compensation and Benefits

SANY Renewable Energy is value-driven, continuously improving its compensation and incentive mechanisms, adhering to equal pay for equal work, and providing employees with highly competitive salaries in the market. We aim to build a compensation system that balances fairness and motivation. Our compensation consists of basic salary, performance bonuses, allowances, and subsidies, and is personalized and differentiated for all employees based on job value and performance contributions.

During the Reporting Period, the Company focused on innovation and R&D incentives as well as expanding overseas markets, establishing an order incentive program for R&D personnel to encourage the technical team to pay attention to market demands and product gross margins, promoting the commercialization of R&D results. Additionally, the Company distributed the third phase of its medium and long-term stock incentive plan, covering key positions, R&D departments, and senior managers with a total of 1,365 instances, amounting to a total of 52.4 million yuan, significantly enhancing organizational vitality and employee cohesion.

SANY Renewable Energy deepens the implementation of the Employee Benefits Management Regulations, legally providing all employees with five social insurances and one housing fund, paid annual leave, parental leave, maternity leave, and other statutory benefits. We continuously improve the non-monetary benefits system, including meal subsidies, housing subsidies, employee dormitories, holiday benefits, birthday benefits, family visit benefits, high-temperature subsidies, employee health check-ups, and major life event benefits such as weddings, childbirth, and illness condolences, enhancing employees' sense of happiness in work and life from multiple dimensions.

2025 Employee Benefits Initiatives

Physical and Mental Health

The Company places great importance on the physical and mental health and overall development of employees. During the Reporting Period, in collaboration with the higher-level labor union, we systematically created an online comprehensive support platform for employees, covering multiple dimensions such as mental health counseling, parent-child education guidance, and personal growth skills enhancement, aimed at alleviating work and life pressures, enhancing family happiness, and supporting continuous improvement in professional capabilities.

Maternal and Infant Care

The Company pays close attention to the needs of female employees. During the Reporting Period, we upgraded the maternal and infant care room and simultaneously optimized the care policies and management processes for pregnant and nursing employees. The upgraded maternal and infant care room features a human-centered design, emphasizing privacy protection and ease of use, providing a comfortable, safe, and convenient exclusive resting and care space for female employees during pregnancy and nursing periods.

Disease Protection

During the Reporting Period, the Company's labor union, in conjunction with the Changping District Federation of Trade Unions in Beijing, provided insurance for all female employees under the "Special Disease Mutual Assistance Protection for Female Employees". This reflects the union's serious commitment to centering on employee needs, addressing practical issues for staff, and highlights the Company's deep concern for the health and well-being of its female employees.

Employee Communication

SANY Renewable Energy actively builds an open and transparent employee communication mechanism, continuously optimizing the management process for employee feedback and complaints. A multi-level communication network has been established, consisting of "Chairman's Mailbox - Employee Symposium - Voice of SANY Renewable Energy - Feishu/WeChat Complaints", effectively and promptly addressing issues raised by employees at all levels both domestically and internationally, ensuring that employee demands receive quick feedback. During the Reporting Period, all feedback was responded to and rectified in a timely manner, achieving a 100% issue closure rate.

Communication and Whistleblowing Channels for Employees

- **Reporting Email:** zengl21@sany.com.cn
- **Mobile App:** iSany
- **Internal Portal:** https://znvoe.sany.com.cn/

In the year 2025, we conducted a satisfaction survey for all formal employees, achieving a valid response rate of 95% and an overall score of 81.1/100. The survey results indicate that employees are generally concerned about career advancement and development opportunities. In response, the Company has launched the "Talent Transformation Project" to improve the talent development system and career path construction, promoting the growth of employees in alignment with organizational strategy.

Empowering Employee Development

SANY Renewable Energy adheres to the talent philosophy of "putting the achievers first and helping employees succeed", committed to creating a working paradise for new energy talents in China. Through talent attraction, training empowerment, and growth development, the Company injects continuous momentum into the high-quality operation of the enterprise.

Talent Attraction and Recruitment

The Company strictly complies with international labor standards and the Labor Law of the People's Republic of China, continuously improving systems such as the Integrated Recruitment Management Process and the Code of Conduct for Recruitment Positions. It conducts campus recruitment, social recruitment, and internal talent mobility in a lawful and compliant manner, ensuring that the recruitment process is fair, standardized, and transparent.

During the Reporting Period, to deepen school-enterprise cooperation, the Company held several campus recruitment special presentations at University of Science and Technology Beijing, China University of Mining and Technology (Xuzhou), Hunan University, and Wuhan University of Technology. On-site activities included talent profile analysis, job breakdown sharing, and workplace experience exchange, providing diverse career inspiration for young talents. During the Reporting Period, the Company's dual-channel talent attraction mechanism of "campus recruitment + social recruitment" continued to attract high-quality talents to join SANY Renewable Energy.

Case

School-Enterprise Collaborative Talent Attraction

In October 2025, SANY Renewable Energy hosted a special presentation at the University of Science and Technology Beijing. During the event, the HR team outlined the Company's talent profile, business leaders elaborated on the Competency frameworks for key roles, and senior alumni shared insights into their professional growth journeys. The atmosphere at the event was lively, with enthusiastic student interaction. SANY Renewable Energy showcased its corporate culture with sincerity and openness, further enhancing its brand influence and attractiveness among the university community.

Employee Training

SANY Renewable Energy is committed to building an open and shared learning organization, allowing every employee to realize their value through growth and achieve self-fulfillment through hard work. The Company continuously improves its training management system, constructing a capability enhancement system that covers all employees and spans the entire career lifecycle. Based on the Training Management System, the Company forms a comprehensive training matrix that advances leadership, professional skills, and technical skills through the three major modules of "Cadre Academy - Professional Academy - Craftsman Academy", helping to promote the coordinated realization of talent development and the Company's strategic goals.

Talent Development System

Leadership Academy

- **Training in senior management leadership:** Conduct seminars and training for senior management on development strategies of the Company.
- **Lingshan spirits training:** Conduct training in corporate operation and culture for leaders.
- **Three talent cultivation programs:** Initiate three talent cultivation programs named "Xunfeng", "Jifeng" and "Changfeng" to train external parties, high-potential talents and fresh graduates.

Professional Competence Academy

- **Training in professional certification:** Carry out professional training and certification for internal positions.
- **Training in external certification:** Provide external certification and training and examination support for employees in need.
- **Training for project managers:** Organize leadership training for managers in R&D and service positions to improve their management competencies.

Craftsmanship Academy

- **Skill level certification:** Hold training in skill certification for front-line technicians.
- **Training for team leader:** Conduct quality control and management competency training for all team leaders across all production stages.
- **Pre-service training for blade worker:** Deliver pre-service skill training programs to new employees at blade factory.

2025 Training Program

AI Special Training Plan

To enhance the intelligent application capabilities of all employees, SANY Renewable Energy has launched an AI special training plan covering core positions in technology, manufacturing, and management. The training adopts a "dual-driven" model of online courses + AI practical competitions to stimulate employees' innovative thinking and data application abilities. Through competition evaluations and project implementations, the Company achieves the transformation from "learning AI" to "using AI". The project covers 1,734 employees, with an overall satisfaction rate of 4.8 out of 5, effectively improving the organization's AI application capabilities and incubating a batch of feasible solutions.

Marketing Leader Program

This program adopts a dual-track training model of "training and combat combined" and "mentor-led teaching" to systematically enhance the professional capabilities and practical levels of core marketing talents. During the Reporting Period, this program has facilitated salary increases for 15 trainees and promoted 8 trainees to higher positions, strengthening the marketing team's tiered structure and business leadership.

Alibaba AI Study Tour

To deepen digital transformation and innovation capabilities, the Company organized 40 key employees from the Wind Turbine Research Institute, Process Institute, and Intelligent Research Institute to participate in a special AI study tour at Alibaba. They discussed the application scenarios and future development directions of artificial intelligence in the equipment manufacturing field, effectively broadening technical perspectives, strengthening cross-border integration and innovation implementation capabilities, and injecting new momentum into the Company's intelligent development.

To support employees' multi-level growth, the Company actively provides external educational resources and degree certification support, covering education programs such as EMBA and MBA, as well as skill level certifications for frontline employees. During the Reporting Period, a total of 1,084 employees passed skill certification exams (724 at the beginner level, 250 at the intermediate level, 109 at the advanced level, and 1 technician); 1,584 employees participated in professional certification exams, with 1,418 passing, resulting in a professional certification pass rate of 89%.

Talent Development

SANY Renewable Energy is committed to advancing the "Talent-Driven Enterprise" strategy, aiming to build a talent development system that is fully incentivized, smoothly growing, and fairly evaluated. During the Reporting Period, the Company promoted the "Three Highs" talent policy to attract outstanding talents from both domestic and international sources, gathering strivers with high compensation, forging professionals with high standards, and achieving excellence with high efficiency, creating an open, enterprising, and practical talent ecosystem. To ensure the career growth needs of employees in different positions, the Company has established a dual-channel promotion system based on the Employee Career Management Handbook and Cadre Management Process, covering management and technical channels for 15 types of positions, including R&D technology, IT, and human resources. At the same time, it standardizes the nomination, review, approval, investigation, and approval processes for employee promotions, forming a clear and quantifiable career development path that promotes a win-win situation for employee personal growth and corporate development.

Management track

The Company has established a management track that emphasizes both vertical promotion and horizontal mobility. Employees can be promoted within the "Specialist — Manager — Senior Manager" sequence through semi-annual assessments. Core personnel can gain cross-sequence promotion based on performance and organizational needs, subject to review by the Talent Committee. The Company has established a 21-level title system, covering clerical staff to core senior management. Our people are nominated for promotion based on performance appraisals and title holding cycles.

Technical track

For R&D and specialized technical talent, the Company has established a 12-level professional title system from Assistant to Expert. Professional capability and innovation achievements are recognized through an annual title evaluation mechanism, which is linked to compensation and benefit grades. This encourages technical talent to pursue continuous improvement and value realization through professional expertise.

Dual-track Career Progression System

The Company adheres to the principles of fairness and objectivity in performance evaluation, establishing and implementing the Performance Management System and Performance Management Process. Based on the nature of the position and level, a tiered performance assessment mechanism is implemented, setting differentiated assessment cycles and target requirements for different levels, creating a performance management system with SANY characteristics to ensure that performance evaluations focus on job value while also considering employee development. During the Reporting Period, 100% of SANY Renewable Energy employees regularly underwent performance evaluations.

Employee Performance Management Process

Preparation of performance contract → signing of performance contract → interview about the performance contract → self-assessment on performance → self-introduction to performance → assessment on performance → review of performance results → performance appeal → application of performance results

Supported by this performance system, the Company completed a talent inventory for 6,391 employees during the Reporting Period. Based on annual performance and job competency, the "Nine-Box" model was applied to stratify and classify talents, accurately identifying core and potential talents, providing data and decision-making basis for succession planning. To enhance talent mobility and development, the Company also improved the job rotation system, setting transitional salary and performance protection measures, encouraging practical training across departments and business units, allowing outstanding talents to accumulate experience and broaden their horizons through in-depth frontline and key position training, gradually forming a talent development pattern characterized by structural optimization and smooth mobility.

Employee Activities

The Company emphasizes emotional care for employees and organizational culture building, creating a warm and vibrant corporate atmosphere through a variety of employee activities. During the Reporting Period, we organized over a hundred activities, including the "Women's Day" theme event on March 8th, the "Summer Cool-off" initiative, youth talent networking events, Christmas Eve visits, and the "Who Will Win the Badminton Championship" tournament. Among them, the 2025 "New Year Goods Fair" attracted thousands of employees, where participants wrote Spring Festival couplets, received New Year gifts, and shared moments of reunion, enhancing employees' sense of belonging and happiness in a lively and warm atmosphere.

March 8th "Women's Day" Theme Event

"Summer Cool-off" Initiative

Youth Talent Networking Event

Badminton Tournament

Christmas Eve Visit

New Year Goods Fair · Stocking Up Feast

Occupational Health and Safety

SANY Renewable Energy always adheres to the management philosophy of "people-oriented, safety first", placing employee life, health, and safety production in a crucial position within corporate management. The Company continuously improves its occupational health and safety management system through multi-dimensional measures such as system construction, risk prevention, technological upgrades, and training education, striving to enhance safety governance levels and risk response capabilities, and is committed to creating a healthy, safe, and "zero harm" working environment for employees.

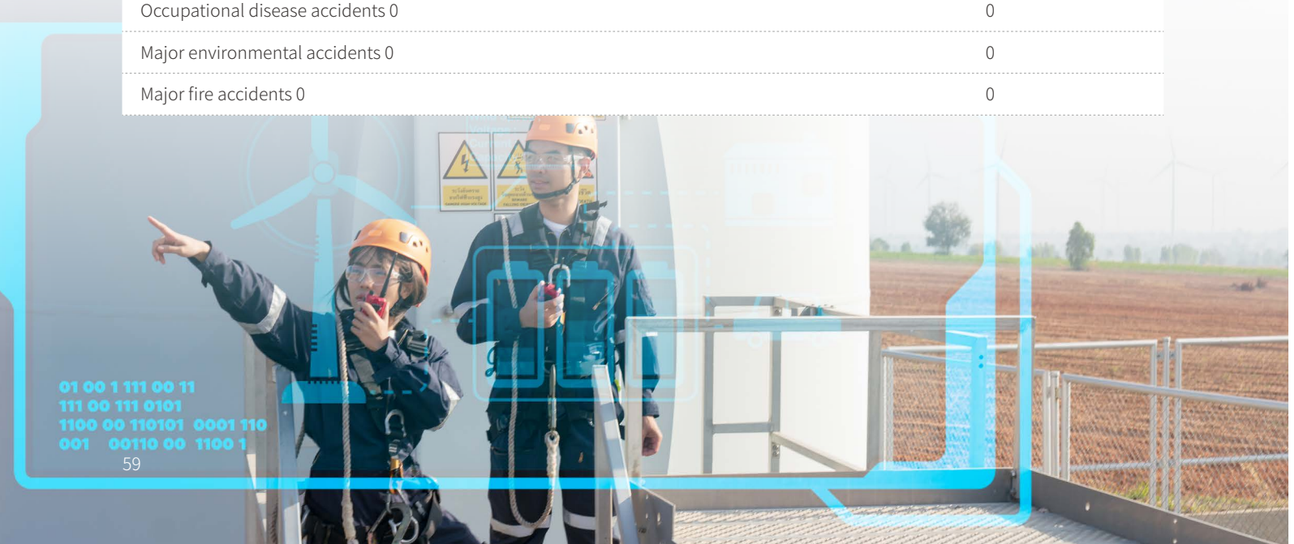
Safety System Development

SANY Renewable Energy strictly complies with relevant laws and regulations such as the Labor Law of the People's Republic of China, the Production Safety Law of the People's Republic of China, the Occupational Disease Prevention Law of the People's Republic of China, and the Fire Protection Law of the People's Republic of China. The Company formulates and implements the Employee Health and Safety Management Manual, Human Rights Policy and Labor Management Manual, and Emergency Management System for Production Safety, systematically standardizing occupational health and safety management work. Meanwhile, with the expansion of overseas business, the Company has developed the Offshore Operations Safety Management System and the Special Emergency Plan for Ship Emergencies to further improve the safety management system for overseas operations and strengthen risk prevention capabilities in offshore operations. By the end of 2025, SANY Renewable Energy, along with its 11 main production and operation sites including Sany Tongyu, Sany Chenzhou, Sany Zhangjiakou, Sany Shaoshan, and Sany Bayannur, will have achieved 100% certification through the ISO 45001 Occupational Health and Safety Management System audit.

The Company implements a top-down occupational health and safety management system, with the General Manager serving as the ultimate responsible person for occupational health and safety management. A Safety Committee is established at the executive level to make decisions and supervise major safety production matters, while the HSE Management Department is responsible for specific organization and implementation, forming a clear and hierarchical safety management structure. To further strengthen the implementation of safety responsibilities, the Company has established an independent HSE assessment mechanism, incorporating safety production goals into the performance management system. By signing HSE responsibility documents at each level, safety responsibilities are detailed and assigned to various management levels and frontline positions, promoting a model of occupational health and safety management that involves all employees and controls the entire process.

Occupational Health and Safety Management Goals and Performance

Management Goals	2025
Injury rate per thousand ⩽ 2‰	0.54‰
Accident rate for recorded work injuries per million working hours < 1 %	0.26%
Fatal accidents 0	0
Occupational disease accidents 0	0
Major environmental accidents 0	0
Major fire accidents 0	0



Occupational Health and Safety Protection

The Company systematically regulates occupational health monitoring, prevention of occupational diseases, and management of occupational hazard factors based on management systems such as the Regulations on Warning and Notification Management of Occupational Disease Hazards, Regulations on Occupational Health, Occupational Health Monitoring and Its Archive Management, and Occupational Disease Accident Handling and Reporting System, continuously improving the level of occupational health management.

SANY Renewable Energy has established a health monitoring mechanism that covers the entire career cycle of employees, strictly implementing a physical examination system for onboarding, on-the-job, and offboarding to ensure continuous attention and dynamic management of employees' occupational health status. At the same time, the Company commissions qualified third-party organizations each year to conduct assessments of occupational disease hazard factors, evaluates the current status of occupational disease hazards every three years, and issues reports on the detection of occupational disease hazard factors and the evaluation of the current status of occupational disease hazards, ensuring effective identification and control of various occupational hazard factors to continuously optimize the working environment and prevent the occurrence of occupational diseases. As of the end of the Reporting Period, the Company has no new cases of occupational diseases.

Notification of Occupational Disease Hazard Factors

For the monitored and identified occupational health and safety risks, we post notification cards regarding occupational disease hazard factors to ensure that employees are aware of the hazard factors in their positions and take protective measures as required.

Distribution of Labor Protection Supplies

Establish the Labor Protection Supplies Management System and continuously update the Labor Protection Supplies Distribution Record. Distribute labor protection supplies that meet occupational health and safety protection requirements according to job positions, including safety helmets, work clothes, anti-smash shoes, safety belts, etc.

Health Check-ups for Employees Exposed to Occupational Disease Hazard Factors

Require 100% of employees engaged in work involving occupational disease hazard factors to complete pre-job, in-job, and post-job health check-ups, and implement the requirement of one health record per person to ensure traceability.

Occupational Health Training

Conduct online training on occupational health to educate employees about the prevention of occupational diseases, identification of hazard factors, and the use of protective supplies, in order to enhance employees' awareness of occupational health protection.

Employee Mental Health

Publish the Employee Mental Health Work Guidance Manual to educate employees on the basics of mental health and help managers at all levels master fundamental employee mental health management methods.

Prevention of Repetitive Strain Injuries

Conduct training sessions for employees on knowledge and preventive measures for repetitive strain injury prevention, helping them establish awareness of such injuries. At the same time, provide automated tools like Automated Guided Vehicles (AGV) and electric forklifts to help employees reduce the likelihood of encountering work scenarios that may lead to repetitive strain injuries.

Under the framework of the occupational health and safety management system, SANY Renewable Energy strictly implements the Emergency Management System for Production Safety and the Management System for Safety Production Rewards, Penalties, and Assessments, continuously enhancing safety protection at work sites. This is achieved through improving protective equipment configurations, advancing production process upgrades, and strengthening intelligent safety controls to reduce safety and occupational health risks during production operations.

The Company, in conjunction with the Safety Risk Identification and Grading Control System, equips employees with labor protection supplies that meet safety standards based on the risk levels of different positions, and regularly conducts assessments and optimizations of protective equipment. In 2025, in response to employee feedback regarding the anti-fog performance and comfort of goggles during work, the Company organized trials for multiple models of goggles that meet safety standards. After evaluating their comprehensive safety performance and employee experience, a unified configuration of new model goggles have been completed, ensuring protective effectiveness while enhancing comfort and convenience during work.

We integrate safety concepts into production processes and equipment modifications, using automation and intelligent technology to reduce employee exposure in high-risk or high-intensity work environments. During the Reporting Period, the Company introduced automated edge trimming equipment in the blade production process, along with an efficient dust removal system, achieving automated processing of edge trimming, effectively reducing dust dispersion and lowering occupational health risks, while significantly alleviating the intensity of repetitive labor for employees. Additionally, the Company has strengthened intelligent safety protection measures in key operational areas of the production line, such as installing safety light curtain devices in robot operation areas, which automatically shut down the system when personnel enter the equipment's operating range, effectively avoiding safety hazards caused by equipment mis-operation. The Company also continues to promote the automation upgrading of the wind turbine manufacturing production line, enhancing the stability and safety controllability of the production process through automated assembly and production flow applications, thereby reducing safety risks at the source.

In addition to operational safety management, the Company also pays attention to employees' mental health and establishes a mental health care and counseling mechanism based on the Employee Mental Health Work Guidance Manual. This includes identifying and intervening in potential psychological stress risks and providing timely psychological counseling for abnormal behaviors, helping employees maintain a good physical and mental state.

Safety Production Control Measures

Identification and Assessment of Hazard Sources

According to the Hazard Source Identification and Risk Assessment Control Procedure, regular identification and assessment of hazard sources are conducted. Based on the identification results, each department must include Level I and Level II hazard sources in daily safety management and inspection tasks to reduce potential risks in safety production. For Level III and Level IV hazard sources, control files are established, and effective control measures are formulated for focused management.

Safety Grid Management

Implement a safety grid management plan, adhering to the principle of "whoever is in charge is responsible" for safety management. Each regional leader is responsible for the safety work within their jurisdiction, promoting the implementation of safety responsibilities at the regional, position, and personnel levels, achieving refined and normalized safety management.

Behavioral Safety Observation (BBSO)

Implement behavioral safety observation mechanism by observing employees' on-site operational behaviors and engaging in interactive communication. This strengthens standardized operational behaviors, promptly corrects unsafe operations, proactively identifies and eliminates safety hazards from a behavioral perspective, prevents safety accidents, and continuously cultivates safety culture.

HSE Points Assessment for Frontline Employees

Establish a HSE points assessment mechanism for frontline employees, quantifying their safety behavior performance and participation in safety activities. This evaluates and incentivizes employee safety performance, guiding them to benchmark against best practices and continuously improve, thereby promoting the accountability of safety production to individuals.

Occupational Health and Safety Training

SANY Renewable Energy has established a systematic safety education and training system and formulated the Safety Education and Training Management System. Regular safety training is conducted for all employees (including dispatched workers, interns, and temporary workers). The Company combines actual production and operational needs to conduct specialized safety training for new processes, technologies, and equipment applications. Various forms, such as emergency drills and accident case reviews, are used to enhance employees' risk identification capabilities and on-site handling skills, integrating safety concepts into daily production management.

Liquid Nitrogen Operation Emergency Drill

On September 22, 2025, the Company organized a liquid nitrogen operation emergency drill at SANY Renewable Energy's Nankou Park, simulating a liquid nitrogen pipeline leakage scenario. The drill covered risk identification for liquid nitrogen operations, explanations on wearing safety protective equipment, operational demonstrations, and emergency response process drills. This helped employees further grasp the safety operation key points and accident handling processes for liquid nitrogen operations, enhancing their ability to identify and respond to risks associated with low-temperature media. After the drill, optimization suggestions for the configuration of protective equipment for liquid nitrogen operations were proposed based on on-site feedback, further improving safety management measures in special operational scenarios.

Fire Safety Month Special Training and Drills

In November 2025, the Company organized a "Fire Safety Month" activity, with a total of 506 employees from the manufacturing department participating in online fire safety training. At the same time, offline fire drills, emergency evacuation drills, and fire equipment usage training were conducted at Sany Rizhao, Sany Chenzhou, and the SANY Renewable Energy Nankou Park. By combining systematic training with on-site drills, we further enhanced employees' ability to identify fire risks and their emergency response levels, ensuring fire safety at the production site.

Stakeholder Safety Management

We place great importance on the occupational health and safety of contractors and on-site service suppliers. We strictly implement unified safety management standards, providing safety reminders, supervision, and control throughout the entire work process. During the Reporting Period, the Company further strengthened safety management requirements for suppliers and contractors, improved the safety training system across the entire chain, and continuously enhanced the safety awareness and operational compliance of stakeholders.

Safety Management of Related Parties

Safety Policy

The Company has formulated the Relevant Party Management Policy to enforce work safety, clarifying construction safety and environmental measures and the emergency preparedness and response mechanism. The policy also provides enhanced controls for relevant parties and visitors, standardizes work safety behaviors and clarifies safety management responsibilities.

Safety Agreement

The Company signs the Agreement on the Management of Occupational Health and Safety and Environmental Protection and the Safety Notification with all relevant parties. In this way, we clarify the responsibilities of each party in work safety management and the necessary safety measures, and ensure that all visitors understand the Company's safety management standards and risk matters. We also require relevant parties to provide safety and environmental protection related construction plans and conduct strict risk review and prevention.

Safety Training

Relevant parties we engage for different operations are required to take the safety training and exams at the proper level before they can work on site. The safety training for relevant parties enables contractors to fully understand the Company's safety requirements and the precautions, as well as their safety management responsibilities. The purpose is to prevent the occurrence of accidents at the contractor side, improve contractors' safety management level, and enhance the safety awareness of construction personnel.

Case

Supplier Safety and 6S Management Training

The Company incorporates suppliers and contractors into a unified safety management system, requiring them to complete safety inspections and sign safety management agreements and 6S notifications before entering the work site. They must also undergo safety training and assessments. During the Reporting Period, the Company organized safety and 6S management training for suppliers, with a total of 44 participants, further promoting the implementation of safety management requirements for relevant parties.

Supporting Community Development

While promoting the development of clean energy, SANY Renewable Energy pays attention to the positive role of corporate operations in driving community and regional development. The Company participates in community co-construction through various approaches such as new energy project construction, public welfare activities, and volunteer services, promoting regional economic development and co-creation of social value.

Engaging in Community Building

SANY Renewable Energy actively fulfills its corporate social responsibility, supports community construction in operational areas, and promotes the optimization of regional energy structure in coordination with local industries. During the implementation of wind power projects, the Company drives the improvement of related infrastructure and the development of supporting services through project investment and operation, continuously increasing the proportion of green energy in the regional energy structure, injecting long-term stable power into local economic development. At the same time, the Company emphasizes ecological protection and engineering safety during the project planning and construction phases, reducing the impact of the project on the surrounding environment through measures such as slope treatment, soil and water conservation, and vegetation restoration. In mountainous wind power projects, we conduct special design and stability analysis of retaining wall structures based on the micro-topography, geological conditions, and rainfall characteristics of the project area, strengthening slope protection capabilities. By optimizing construction organization and excavation-filling balance design, we prioritize using construction waste for roadbed filling, reducing the occupation of ecological environment by waste stacking and the risk of soil erosion, while ensuring engineering safety and promoting regional ecological environment protection.

SANY Renewable Energy's wind farm projects

Qinglang Wind Farm

During the construction of the Qinglang Wind Farm, the Company employed a combination of vegetation measures and engineering protection to enhance slope stability, while also establishing a sustainable plant community system. Project construction strictly adhered to environmental requirements. By standardizing construction waste disposal, controlling noise, and strengthening vegetation protection, the impact of construction activities on the surrounding ecological environment was reduced. In the future, the project plans to integrate the wind farm's landscape resources, with the construction of facilities such as sight-seeing platforms and cycling paths, to promote the integrated development of energy production and eco-tourism.

Suxian Liangtian Wind Farm

As the Suxian Liangtian Wind Farm is located in mountainous terrain with high rainfall and complex geological conditions, we mitigated mountain soil erosion risks through measures like optimizing drainage systems and reinforcing slope structures. Concurrently, we conducted vegetation restoration research and implemented ecological greening measures tailored to different climatic, topographic, and soil conditions, continuously improving regional vegetation survival rates and ecological stability.

Qifengshan Wind Farm

The Company integrated ecological restoration with public space development. By simultaneously advancing landscape greening, soil and water conservation, and facility construction, we created wind farm landscapes that serve both ecological governance and public recreation functions. The project improved the ecological quality of the wind farm area through optimized plant configuration and ecological restoration measures. It also integrates sight-seeing platforms, boardwalks, and leisure facilities, providing ecological recreation and science education spaces for local residents. This enables synergistic development of clean energy generation, ecological protection, and community sharing.

Public Welfare and Charity

SANY Renewable Energy adheres to the philosophy of "first being a person, then doing things", actively engaging in public welfare, continuously carrying out diverse charitable activities, encouraging employees to participate in social welfare, and promoting the continuous creation of corporate social values. During the Reporting Period, the total contribution to charitable activities by the Company was RMB 610,000.

2025 Public Welfare and Charity Activities

Charitable Blood Donation

In March 2025, the Company responded to the local blood donation initiative and organized employees to participate in a charitable blood donation activity, with over 140 employees actively participating to support public health in society through practical actions.

World Book Day

In April 2025, to actively respond to the call for nationwide reading and support public welfare, the Company participated in the "Revival of All Things" book donation activity organized by the SANY Foundation during World Book Day, donating youth literature to students in impoverished mountainous areas, conveying warmth through the fragrance of books, interpreting responsibility with love, and contributing to the creation of a book-loving society.

Public Welfare Classroom

In July 2025, the Company, in collaboration with the SANY Foundation, conducted a public welfare classroom activity for employees' children during a summer camp, themed "Exploring Technology + Creative Practice". Through a combination of science popularization explanations and practical experiences, children were able to closely understand the intelligent manufacturing and new energy industries. Led by professional instructors, the children visited the wind power equipment production workshop to learn about the production process and the principles of automated equipment operation, and experienced activities such as making small powered cars, feeling the charm of technological innovation and stimulating their interest in science and technology.

Volunteer Activities

The Company continues to carry out science popularization and research activities aimed at young people. During the Reporting Period, multiple research activities for primary and secondary school students were organized, including workshop visits, technology explanations, and practical experiences, helping students understand the manufacturing of new energy equipment and intelligent production processes, thereby enhancing the scientific literacy of young people.

05

Upholding Integrity and Principles

SANY Renewable Energy builds its business on consistent integrity. We consolidate our development foundation with a standardized and transparent governance system and convey our sense of responsibility through win-win supply chain management. Joining hands with industry partners, we are striving towards a high-quality, sustainable future.

Sustainability Issues

Business Ethics, Compliance and Risk Management, Data Security and Privacy Protection, Sustainable Supply Chain

UN Sustainable Development Goals (SDGs)

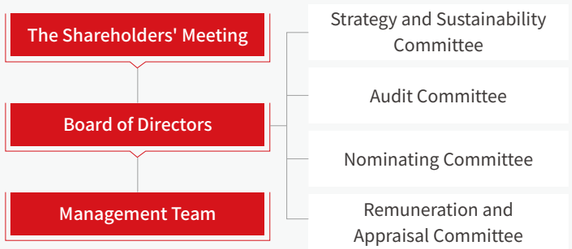
Efficient Corporate Governance

SANY Renewable Energy adheres to the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies, and the Listing Rules for Stocks on the Shanghai Stock Exchange's Science and Technology Innovation Board, continuously optimizing our governance system and enhancing the transparency and effectiveness of corporate governance.

Governance Framework

The Company has established a governance structure composed of the shareholders' meeting, the board of directors, and the management team, clearly defining the responsibilities and authorities of each governance entity to ensure they perform their duties in a lawful, standardized, efficient, and comprehensive manner. At the same time, the Company has formulated the Articles of Association of SANY Renewable Energy Co., Ltd., and improved various procedural rules to promote the scientific operation of the corporate governance system and drive the Company's stable and sustainable development.

SANY Renewable Energy's Governance Structure



Shareholders' Meeting

The Company convenes and holds shareholders' meetings strictly in accordance with the Rules for Shareholders' Meetings of Listed Companies, the Articles of Association of SANY Renewable Energy Co., Ltd., and other relevant laws, regulations, and rules. It diligently carries out tasks such as meeting notifications, proposals, deliberations, and voting, fully ensuring that shareholders enjoy equal status and effectively exercise their rights to information, participation, inquiry, and voting.

Board of Directors and Sub-committees

The Board of Directors is accountable to the shareholders' meeting, performing strategic decision-making functions, leading and supervising the Company's business development, strategy formulation, and performance. The Board has established the Audit Committee, Nominating Committee, Compensation and Assessment Committee, and Strategy and Sustainability Committee, which are responsible for providing advice on specialized matters, assisting the Board in decision-making, and ensuring the scientific nature of the Board's professional decisions. To further enhance supervisory effectiveness, the Company empowers the Audit Committee to exercise the powers of the Supervisory Board, overseeing the Company's financial status, significant matters, and the legality and compliance of the duties performed by directors, managers, and other senior executives.

Management Team

The management team is accountable to the Board of Directors and conducts daily production and operational matters based on the authority granted by the Board and its own functions.

As of the end of the Reporting Period, the Company's Board of Directors has a total of 8 directors, including 1 female director (accounting for 12.50% of the Board) and 3 independent directors (accounting for 37.50% of the Board). During the Reporting Period, the Company held 4 shareholders' meetings, 14 Board meetings, and 16 specialized committee meetings of the Board.

Board Diversity

The Company actively promotes the diversity of the Board of Directors in terms of gender, cultural background, professional skills, and other aspects, aiming to build a well-structured and complementary board to enhance the scientific and forward-looking nature of decision-making from diverse perspectives. The Company has formulated the Policy on Independence and Diversity of Board Members, incorporating factors such as educational background, professional experience, skills, knowledge, tenure, gender, age, nationality, race, and cultural background into the selection and evaluation of directors, continuously enhancing the independence and diversity of the Board. The specialized committees of the Board are composed of industry talents and experts with professional experience in accounting, finance, engineering, etc., ensuring the effectiveness of the Board's duties and improving the overall governance level of the enterprise.

Investor Relations Management

The Company adheres to the principles of legal compliance, openness, and transparency, and has established the Investor Relations Management System to maintain information communication with investors through diversified communication channels, effectively safeguarding investors' rights to information, participation, and oversight.

Information Disclosure

The Company has formulated the Information Disclosure Management Policy and other relevant policies concerning information disclosure to regulate the conduct of the Company in this regard, and to safeguard the quality of information disclosure. By doing so, we ensure that the Company's shareholders, creditors, potential investors and other stakeholders are able to gain a comprehensive understanding of the Company's operating status, financial positions, risks and prospects.

Investor Communication

The Company designates the Board secretary as the direct person responsible for investor relations management, fully overseeing the Company's investor relations work. Additionally, an investor communication officer is set up in the securities investment office to handle investor communication. During the Reporting Period, the Company responded to investor inquiries 290 times, held 124 investment strategy and communication meetings, 3 performance briefings, 6 executive roundtable discussions, and 2 open days for small and medium-sized investors.

Returns to Shareholders

The Company has always prioritized the protection of shareholder rights, formulating and strictly implementing relevant systems, actively carrying out the procedures for convening shareholder meetings, and striving to create long-term value for shareholders while promoting sustainable development.

Protection of Shareholder and Creditor Rights

The Company has established a sound corporate governance structure in accordance with the Company Law, Securities Law, Rules for the Listing of Stocks on the Sci-Tech Innovation Board, and other laws and regulations, as well as the Articles of Association, ensuring that shareholders, creditors, and potential investors can timely and equally access information, participate in corporate governance activities in compliance with regulations, and effectively safeguard the legitimate rights and interests of shareholders and creditors.

Robust and Compliant Operations

SANY Renewable Energy continuously improves its risk prevention and internal control compliance management system, adhering to high standards of business ethics and actively building a transparent, fair, and honest operating environment.

Risk Management

The Company regards the Board of Directors as the highest responsible body for internal control and risk management, with the CEO's office coordinating risk management efforts. The Audit Department, along with other internal control personnel, executes specific supervisory responsibilities, relying on various departments to establish a three-line defense for compliance management.

Three Lines of Defense for Compliance Management

First Line of Defense	Each business department or subsidiary is responsible for identifying and controlling risk points involved in its own operations.
Second Line of Defense	The Finance Department, Legal Department and other relevant departments assist business departments to control compliance risks in their areas of expertise.
Third Line of Defense	The Audit Department audits the main business processes and high-risk business areas of all departments of the Company, covering all risk points of the Company every two years. For any findings in the audit, the Audit Department holds the responsible persons accountable, and works with relevant business departments to develop rectification plans and track their progress.

The Company has established systems and procedures such as the Risk Management System, External Guarantee Management System, and Related Party Transaction Management Measures to clarify management responsibilities, thereby continuously enhancing the level of risk management. We develop an annual risk assessment plan, where the Audit Department collaborates with relevant business departments to identify high-risk links or weak control points from core business processes, and regularly conducts in-depth assessments of key risk items in critical business areas such as product or service development, procurement, manufacturing, sales, and after-sales service, continuously enhancing risk prevention and control capabilities. At the same time, we integrate compliance culture into the entire business process, providing employees with specialized training on risk and compliance management as needed based on the Company's operational management requirements, continuously strengthening employees' risk awareness and compliance concepts.

Risk Management Process

Risk Identification	Risk Assessment	Risk Response	Supervision Reporting
Accurately identify internal and external risks related to the actual control targets and determine relevant risk tolerance, i.e. the level of risk that the Company can withstand, including the overall risk tolerance and the acceptable level at the business level.	Dedicated personnel analyze and prioritize the identified risks based on the likelihood of occurrence and the magnitude of the impact using both qualitative and quantitative approaches following standardized procedures, to highlight the areas of focus and key risks.	Tailor risk responses to the risk analysis results, the risk tolerance and the risk-benefit analysis, reasonably assess and accurately understand the risk preferences of senior management and employees in key positions, and take appropriate control measures.	Regularly supervise and review the progress and effectiveness of risk responses implemented by each department, evaluate the effectiveness of risk management, and summarize the risks and responses to form a risk management report to the Board of Directors.

The Company has incorporated emerging risks into its risk management mechanism to effectively respond to uncertainties arising from changes in the internal and external environment. We regularly identify, assess, monitor, and report on emerging risks, and conduct in-depth analyses of identified risks to clarify their potential medium- to long-term impacts and formulate corresponding mitigation measures. During the Reporting Period, the Company assessed the identified emerging risks, and the results showed that geopolitical conflict risks and data privacy and security risks remain our main emerging risks.

	Geopolitical Conflict	Data Privacy and Security
Risk Description	Intensifying global geopolitical tensions may lead to supply chain disruptions, raw material price fluctuations, higher trade barriers, and rising market uncertainty, which consequently will affect our international business expansion and operational stability.	As the pace of digital transformation picks up, SANY Renewable Energy is exposed to risks of data breaches, cyber attacks and compliance in intelligent manufacturing, remote O&M, and customer data management, which may adversely affect the Company's reputation and customer trust.
Response Measures	We will optimize our global supply chain layout and enhance our capabilities of local production and procurement to reduce dependence on a single market. At the same time, we keep a close eye on international policy developments, strengthen compliance management, and ensure the compliance of our business with the regulatory requirements of various countries. In addition, the Company will explore emerging markets through a diversified market strategy to mitigate the impact of geopolitical risks on the business.	The Company will enhance the data security system by adopting advanced encryption technology and access control mechanism to safeguard sensitive information. Moreover, we will conduct regular cybersecurity audits and employee training to enhance overall security awareness. At the same time, we strictly abide by domestic and foreign data compliance requirements to ensure data management compliance and reduce legal and operational risks.

Internal Control Supervision

The Company has established a normalized and standardized internal control supervision system, formulating internal audit regulations such as the Audit Management Policy and the Auditor Professional Ethics Management Policy, clarifying the standardized processes for internal audits. This ensures the independence, objectivity, and professionalism of audit supervision work, continuously improving the effectiveness of internal control management. During the Reporting Period, the Company continuously optimized the audit classification standards, refined audit acceptance requirements, and further enhanced the efficiency and quality of audit rectification. A total of 29 internal audit projects were conducted throughout the year, covering various business modules such as marketing, business, infrastructure, finance, quality, manufacturing, processes, IT, administration, and business ethics, promptly identifying and rectifying weak links in internal control.

Internal Audit Process

Business Ethics

SANY Renewable Energy adheres to the principle of integrity in business operations, strictly following the Company Law of the People's Republic of China, the Criminal Law of the People's Republic of China, the Supervision Law of the People's Republic of China, and other laws and regulations. The Company designates the Board of Directors as the highest authority responsible for business ethics governance, with the Audit Department coordinating the establishment of a business ethics system. The CEO office assists in the governance system for business ethics investigations and training. During the Reporting Period, the Company continued to promote the construction of the business ethics system and third-party audit work and obtained ISO 37001 Anti-Bribery Management System certification.

The Company adopts a zero-tolerance attitude towards behaviors that violate business ethics, such as corruption, bribery, fraud, money laundering, and anti-competitive practices. During the Reporting Period, it revised and improved core systems such as the Business Ethics Policy, Anti-Corruption and Anti-Bribery Management System, and the Conflict of Interest and Integrity Management System, further clarifying the requirements for business ethics norms and detailing the code of conduct for employees, customers, and partners.

Business Ethics Regulations

Anti-Corruption

Formulate the Anti-Corruption and Anti-Bribery Management Policy, and the Conflict of Interest and Integrity Policy, to strictly prohibit employees and partners from corruption and bribery, embezzlement, abuse of power and other misconducts, and to clarify the scope and content of the Company's anti-corruption audits

Anti-Fraud and Anti-Money Laundering

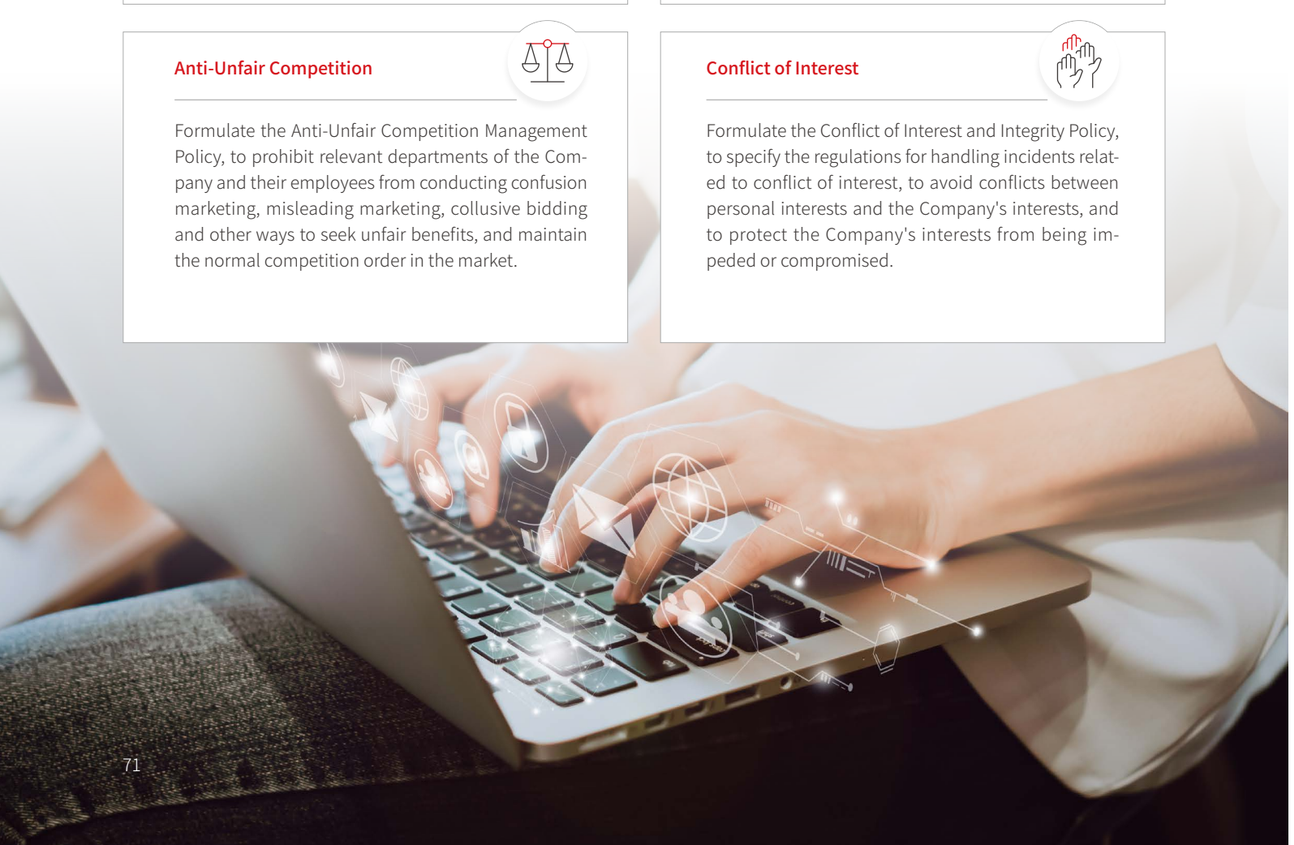
Actively promote and implement the anti-fraud and anti-money laundering policies, to strictly prohibit employees from any form of fraud and money laundering, and achieve zero occurrence of fraud and money laundering through policy instruction, training and education, audit announcement and other means.

Anti-Unfair Competition

Formulate the Anti-Unfair Competition Management Policy, to prohibit relevant departments of the Company and their employees from conducting confusion marketing, misleading marketing, collusive bidding and other ways to seek unfair benefits, and maintain the normal competition order in the market.

Conflict of Interest

Formulate the Conflict of Interest and Integrity Policy, to specify the regulations for handling incidents related to conflict of interest, to avoid conflicts between personal interests and the Company's interests, and to protect the Company's interests from being impeded or compromised.



The Company continuously deepens business ethics management by clarifying behavioral norms, strengthening risk prevention and control, and enhancing training and communication through multiple measures. We actively create a clean and upright work atmosphere, promoting the lawful and compliant development of various businesses.

Standardize the Code of Conduct and Uphold the Integrity Baseline

All employees are required to sign a commitment letter for compliance with business ethics, clearly defining their responsibilities and obligations regarding integrity, legality, and professional ethics. The Audit Department serves as the main department responsible for business ethics compliance, conducting irregular audits of the Company's compliance in financial and business activities, promptly identifying and correcting potential violations.

Improve the Self-Assessment Mechanism and Strengthen Risk Control

Formulate the Business Ethics Risk Self-Assessment Management System to establish a risk-oriented self-assessment mechanism for business ethics risks, enhancing and standardizing the effectiveness of business ethics risk and related risk control measures, ensuring timely identification and management of risk items. During the Reporting Period, the Company conducted business ethics self-assessment reviews covering 100% of operational locations, with new risky trading partners included in the anti-corruption and information security due diligence process reaching 100%.

Deepen Training and Communication, Fostering a Culture of Integrity

Organize multi-level and multi-form integrity education and moral training system learning and examinations to enhance the legal awareness and moral quality of all employees. During the Reporting Period, 14 employee training sessions were organized, achieving a training coverage rate of 100%.

The Company severely punishes violations and disciplinary actions, encouraging all employees to participate in business ethics supervision. During the Reporting Period, we updated and improved the Reporting Management System and the Accountability Management System, further enhancing reporting channels and optimizing the whistleblower protection mechanism. We clearly define the full process requirements for receiving, investigating, handling, and providing feedback on reports, appointing a reporting complaint channel management officer responsible for receiving report information and arranging handling work based on priority. The Audit Department will lead the investigation of any verified reports of violations of business ethics, ensuring 100% verification and handling, and ensuring that any verified violations are dealt with seriously according to the Company's Accountability Management System. The Company commits to strictly keeping the whistleblower's information confidential, prohibiting retaliation or unfair treatment against complainants. Any form of retaliation discovered will be dealt with severely according to laws and regulations, effectively safeguarding the rights of whistleblowers. During the Reporting Period, the Company received three reports related to business ethics, all of which were thoroughly investigated by the Audit Department and handled and reported in accordance with regulations.

SANY Renewable Energy 24/7 Business Ethics Reporting Channels

Reporting Email	jiancha@sany.com.cn
Reporting Hotline	15021189396

Information Security

As digital transformation deepens, information security has become an important guarantee for the stable operation of the Company. SANY Renewable Energy strictly follows the Cybersecurity Law of the People's Republic of China, Data Security Law of the People's Republic of China, and other domestic and international laws and regulations. It has established the Employee Information Security Management System, Information Security Incident Handling and Emergency Management System, and Third-Party Personnel Information Security Management System, among others. By leveraging technology, management, and cultural collaboration, a comprehensive information security assurance system has been built that covers both internal and external aspects and spans the entire process, providing solid support for the stable development of digital operations and global business. During the Reporting Period, SANY Renewable Energy continued to conduct information security management system reviews through third-party external organizations, successfully obtaining ISO 27001 information security management system certification and updating the certification scope, while also successfully acquiring IEC 62443-4-1 Industrial Control System Security certification.

Security Risk Investigation

The Company designates the Digitalization Department as the supervisory body for information security matters, setting information security performance indicators for departments and information security personnel, including the number of violations, vulnerabilities, and incident handling efficiency, and conducting regular assessments. Internal information security audits are also conducted periodically. Through the information security operation platform, information security vulnerability reviews are carried out, and corrective actions and information security enhancements are implemented based on the review results, handling and archiving various information security risk incidents. During the Reporting Period, the Company conducted in-depth security testing on over 30 application systems, promptly identifying and addressing more than 130 high-risk vulnerabilities, fixing over 600 security issues on cloud hosts, and efficiently handling more than 120 security operation tickets.

Overseas Compliance Construction

During the Reporting Period, the Company officially initiated overseas information security work, developing targeted overseas information compliance plans in accordance with the information security laws and regulations of different countries and regions, standardizing the information processing procedures for overseas business, and ensuring the security and compliance of overseas business information to support the steady advancement of overseas operations.

Awareness Enhancement for All Employees

The Company has established the Information Security Points Management Rules, linking individual employee behavior points with information security performance and training participation, thereby strengthening employees' awareness of information security responsibilities. During the Reporting Period, to continuously enhance the security awareness of employees and related personnel and improve information security protection capabilities, the Company organized a series of security training focused on key areas such as new employee onboarding education, management of third-party on-site personnel, and risk prevention in high-risk scenarios. A total of 12 information security training sessions for new employees were conducted throughout the year; one large-scale centralized training session was organized, covering 2,919 people, further solidifying employees' foundational knowledge of information security.

The Company places great importance on the protection of privacy information for customers, employees, and various stakeholders, strictly adhering to the Personal Information Protection Law of the People's Republic of China and the EU's General Data Protection Regulation, as well as other domestic and international privacy and data protection laws and regulations. We have established the Information Security Privacy Policy and other systems, clarifying behavioural norms for scenarios involving the use of Company information resources, information processing and record retention periods, customer privacy handling, emergency incident management, and reporting of violations, maximizing the protection of personal information and data security. During the Reporting Period, the Company did not experience any incidents of personal information leakage and did not receive any complaints related to violations of personal privacy.

Data Lifecycle Management

Data Collection	Scenarios where the Company may collect customers' information include data collection during customers' use of products or services, data collection from related companies or partners upon the consent of customers, and other scenarios. The Company shall obtain consent from customers before collecting their information, and then collect personal information in a lawful and compliant manner. Any data collection by fraudulent, deceptive or misleading means or from illegal channels is forbidden.
Data Sharing	When providing products or services to customers, the Company may need to share customers' information with related companies, authorized partners and cloud service providers for purpose of the provision of such products or services. Any party sharing the data is prohibited from using customer information for any purpose other than those mentioned above without the customer's consent.
Data Retention	Partners are required to sign strict non-disclosure agreements, strictly use the information for the purposes stated in the privacy policy and take relevant confidentiality and security measures. When the third-party data is no longer used for business purposes, the Company undertakes to retain the relevant data for a period of no longer than 2 years, after which the data will be deleted in a secure manner.
Customers' Rights	Customers have the right to be informed about, access, correct and delete their own information.
Whistleblowing Channels	The Company has established complaint and whistleblowing channels for information security incidents, and encourages all stakeholders to complain or report to the Company any violation of the information security and privacy policies. The Company is committed to strictly keeping the complainant's information confidential and prohibits retaliation or unfair treatment against the complainant. **Email:** huojb@sany.com.cn **Hotline:** 18910176419

Responsible Supply Chain

SANY Renewable Energy is building a transparent, secure, stable, and sustainable supply chain system of high standards. We are pushing for the extension of responsible practices throughout the entire chain, contributing to the high-quality development of the industrial and supply chains through concrete actions.

Supply Chain Management

The Company's Sustainable Procurement Committee is the supreme responsible body for supply chain management. The Commercial Department is responsible for the routine management of the supply chain. The Company has been improving its supplier management system. During the Reporting Period, we updated the Supplier Management Policy, further clarifying management requirements for each stage: supplier development and sourcing, supplier admission assessment, supplier performance evaluation, and supplier exit/removal. In addition, we follow the principle of category-based supplier rating to classify our partner suppliers. During the Reporting Period, we continuously optimized classification and grading criteria, forming lists of strategic suppliers, preferred suppliers and eliminated suppliers, which are managed in a hierarchical manner. By the end of the Reporting Period, strategic suppliers accounted for 54.40% of our procurement expenditure.

Criteria of Strategic Supplier

1. Signed a valid strategic cooperation agreement;
2. Or meet the following conditions:
   1) Ranking top 3 in terms of purchase volume within the category
   2) Rated Grade A in the latest audit, or rated Grade B or above in the admission review

Supplier Lifecycle Management Processes

Supplier Development and Sourcing

Formulate the Production Supplier Sourcing Process, and develop qualified suppliers for review through websites, surveys, trade fairs, internal referral and other channels.

Supplier Admission Assessment

Formulate the Supplier Admission Process, define the criteria of qualified suppliers, conduct supplier admission review on their quality, R&D and innovation ability, sustainability performance and other factors, and require suppliers to commit to comply with the Supplier Code of Conduct. During the Reporting Period, the Company further strengthened admission control, requiring suppliers to complete the SANY Renewable Energy Supplier Corporate Social Responsibility Self-Assessment Questionnaire at onboarding, clarifying 10 red-line criteria.

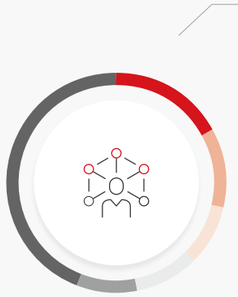
Supplier Elimination and Delisting

Formulate the Supplier Exit Process and establish the supplier elimination rules. The supplier exit process is initiated when the supplier has problems on qualification, legal disputes, environmental compliance, business ethics, poor performance or others.

Supplier Performance Evaluation

The Company implements the Supplier Performance Evaluation and Rectification Process, setting performance evaluation standards concerning supplier quality, delivery, cost, service and other aspects. The supplier performance evaluation results are regularly released and provide targeted support plans for underperformers. During the Reporting Period, the Company optimized the supplier evaluation process. For high-risk suppliers, the Company conducted due diligence based on the Sustainability Due Diligence Review Form, and incorporated the investigation results into supplier performance evaluation considerations. A total of 236 suppliers underwent performance evaluation throughout the year.

Number of First-Tier Suppliers by Geographical Region



Jiangsu Province	48
Shanghai Municipality	33
Zhejiang Province	25
Beijing Municipality	26
Shandong Province	25
Other Regions	124

By the end of the Reporting Period

SANY Renewable Energy had a total of **281** Tier-1 suppliers[3]

The Company places high importance on supply chain risk control, enhancing mechanisms and processes for identification, assessment, and management of supply chain risks and opportunities during the Reporting Period. In addition, in accordance with the Supplier Risk Assessment Measures, we regularly review and identify supplier risk levels and formulate targeted risk control measures or implementation rules. In supplier evaluation and management, we prioritize strategic suppliers and suppliers with high risk in sustainability, to effectively avoid or reduce supply chain risks. By the end of the Reporting Period, the Company did not identify any suppliers with "significant risks".

Risk Identification

Conduct comprehensive risk identification along the supply chain from multiple dimensions such as supply type, region, and industry. Focus on potential risks including policy and regulatory changes, natural disasters and climate change, raw material prices, carbon emission requirements, technical compliance, supply chain stability of core components, and environmental protection requirements.

Risk Assessment

For the identified risks, the Company uses a risk matrix method to scientifically evaluate and assess risks based on two core dimensions: the probability of occurrence and the degree of impact; for the identified opportunities, the Company evaluates them from the dimensions of feasibility and potential benefits.

Risk Management

During the Reporting Period, the Company identified 18 supply chain-related risks and 4 supply chain-related opportunities, and for each risk and opportunity, we developed practical management strategies and response measures based on their importance levels.

[3] Tire 1 suppliers refer specifically to material (production) suppliers. Considering the relatively lower risk levels and limited operational materiality of service suppliers, this report focuses on disclosing management measures and performance pertaining to material (production) suppliers.

Sustainable Supply Chain

SANY Renewable Energy has deeply integrated sustainability concepts into the end-to-end supply chain management process. As the first enterprise in the wind power industry to obtain an ISO 20400 Sustainable Procurement Statement of Conformity, the Company has been proceeding continuously with its 2030 sustainable procurement goals and action plan. We have been working towards a green, fair, and responsible sustainable supply chain, and promoting synergistic sustainable development up and down the supply chain. We advocate for suppliers to jointly practice human rights protection responsibilities with the Company, respect the legitimate rights and interests of workers, and commit to preventing any form of human rights violations. During the Reporting Period, we optimized the Supplier Code of Conduct, focusing on improving management requirements related to forced labor, child labor, and significant employee injuries, clarifying suppliers' responsibilities and obligations in human rights protection, labor employment, and occupational health, and safeguarding the human rights of laborers in the supply chain. Additionally, we specified management requirements regarding labor and human rights, environment and climate, business ethics, intellectual property, and information security in the procurement framework agreement, requiring all suppliers to strictly comply. By the end of the Reporting Period , 100% of production (material) suppliers had contracts that included clauses on environmental, labor, and human rights requirements. Furthermore, the Company maintains a "zero tolerance" attitude towards serious violations in the supply chain that violate laws and regulations, harm human rights, damage the environment, and breach business integrity. For suppliers that violate the circumstances listed in the Supplier Code of Conduct, the Company will take punitive measures, including termination of cooperation and blacklisting, depending on the severity of the situation, and serious cases will be referred to judicial authorities.

Supply Chain ESG Risk Prevention and Control

The Company has established a comprehensive supplier ESG risk assessment system. Through systematic surveys, specialized assessments, and due diligence, we comprehensively identify potential sustainability risks of suppliers, achieving refined control over supplier ESG risks. During the Reporting Period, the Company optimized the supplier corporate social responsibility (CSR) assessment mechanism and process. By refining evaluation criteria and requirements, we embedded sustainability requirements into supplier lifecycle management.

Supplier ESG Risk Assessment

Sustainability Risk Survey

Formulate the Management Measures for Sustainable Procurement Risks and Opportunities. Using the Supplier Sustainability Risk Assessment Survey Form, we conduct a systematic sustainability risk survey annually for all suppliers and implement targeted management measures based on the supplier's sustainability risk level.

CSR Assessment

During the supplier admission stage, all production suppliers and key non-production suppliers (e.g., for equipment and infrastructure) are required to complete a self-assessment using the "Supplier CSR and Sustainability Self-Assessment Questionnaire" (referred to as SAQ). The assessment score serves as a reference for admission decisions.

Formulate a review plan based on the annual supplier sustainability risk survey results and conducts supplier social responsibility risk analysis.

Sustainability risk level	Review plan and management requirements
Low-risk suppliers	Sign the "Supplier Code of Conduct/Procurement Framework Agreement"
Medium-risk suppliers	Sign the "Supplier Code of Conduct/Procurement Framework Agreement" Complete a self-assessment via the "Sustainability Due Diligence Review Form"
High-risk suppliers	Sign the "Supplier Code of Conduct/Procurement Framework Agreement" Complete an on-site audit via the "Sustainability Due Diligence Review Form"

During the Reporting Period, 97% of suppliers, calculated based on procurement expenditure, were covered in the CSR assessment (including self-assessment questionnaire and on-site audit), and 45%[4] went through on-site CSR audit. All the suppliers that were assessed as unqualified rectified the problems within the specified time to meet the sustainability management requirements.

ESG Due Diligence

The Company conducts ESG due diligence on suppliers from five core dimensions - labor rights, occupational health and safety, environmental compliance, business ethics, and management systems - by means of questionnaire surveys and document reviews. During the Reporting Period, the Company conducted specialized ESG due diligence on 53 on medium- to high-risk suppliers, and urged those suppliers to implement corrective actions against any identified issues within specified deadlines.

Supplier Complaint Mechanism

The Company has established a supplier complaint mechanism, creating channels to collect questions, complaints, and suggestions from stakeholders, and promptly formulating and implementing corrective measures.

[4] In 2025, due to the optimization of the supplier corporate social responsibility (CSR) assessment mechanism and processes, which led to adjustments in evaluation criteria and requirements, the proportion of suppliers that underwent on-site CSR reviews decreased compared to 2024.

Supply Chain Sustainability Empowerment

Sustainability Incentives

The Company prioritizes cooperation with suppliers with excellent sustainability performance. For suppliers with different sustainability levels, we implement positive incentives including price incentives, order incentives and goodwill incentives, as well as negative incentives such as elimination, to encourage suppliers to continuously improve their sustainability capabilities.

Joint Development of Sustainability Management Capability

Set a target - to provide at least one session of specialized sustainability training for suppliers and one for procurement personnel annually, ensuring a participation rate of no less than 90%. Strengthen collaborative exchanges with suppliers through various means such as specialized training, regular communication, and on-site visits, helping suppliers improve their sustainability management levels and practical capabilities. During the Reporting Period, the Company entrusted a third-party professional organization to deliver specialized ESG training for core suppliers. Furthermore, we organized a series of ESG and sustainable procurement training sessions for all procurement personnel to enhance their sustainable procurement awareness and professional capabilities.

Supplier Diversity

SANY Renewable Energy expands diverse supplier resources, looking for cooperation with diverse suppliers such as businesses owned by racial or ethnic minorities, women or veterans, and social businesses. By the end of the Reporting Period, we had partnered with a total of 11 businesses owned by women, veterans, racial or ethnic minorities or people with disabilities.

Supplier Diversity Target

By 2030

Increase the proportion of local and diverse suppliers to 15% ↑

Management of Conflict Minerals

SANY Renewable Energy embraces responsible procurement - we commit not to procure products containing conflict minerals and require our suppliers to comply with the same requirement. By doing so, we are pushing for fairness and compliance throughout the mineral supply chain, thereby doing our bit to maintaining peace and stability in relevant regions. The Company has formulated the Sustainable Procurement Policy, stipulating that all the products of the Company and our suppliers should be free of the minerals that are used to directly or indirectly finance conflicts between countries or that originate from conflict-affected or high-risk areas. The Company has incorporated the requirements for conflict minerals into the Supplier Code of Conduct, requiring all suppliers along the supply chain to implement compliant sourcing in line with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

We are committed to developing a conflict minerals traceability management system. We conduct conflict minerals due diligence by adopting the Supplier CSR Self-Assessment Questionnaire and the Conflict Minerals Reporting Template (CMRT). We carry out responsible minerals management in four procedures: supplier screening for all product categories, awareness campaigns for all suppliers, source investigation and on-site audit. We require suppliers whose products contain 3TG to sign the Letter of Commitment to Responsible Minerals and to ensure that the Company is not involved in the use of conflict minerals.

Key Performance

Environmental Performance[5]

Indicators	Unit	2023	2024	2025
Greenhouse Gas Emission Performance[6]				
Scope 1 Emissions[7]	Tonnes of CO_2 Equivalent	21,489	12,942	17,574
Scope 2 Emissions[8] - Market-Based	Tonnes of CO_2 Equivalent	44,109	115,651	175,515
Scope 2 Emissions - Location-Based	Tonnes of CO_2 Equivalent	46,279	113,755	158,093
Energy Consumption Performance				
Total Energy Consumption	MWh	168,394.77	272,520.03 *	355,590.00
Total Direct Energy Consumption	MWh	87,215.68	48,695.52*	46,212.53
- Renewable Energy Consumption (Solar and Wind Power from Own Sites)	MWh	12,942.10	9,946.51*	13,239.47
- Total Non-Renewable Energy Consumption	MWh	74,273.58	38,749.01	32,973.06
Total Indirect Energy Consumption	MWh	81,179.08	223,824.51*	309,377.47
- Purchased Electricity	MWh	81,076.39	178,770.64	264,323.55
- Purchased Green Electricity	MWh	3,804.58	11,721.10	33,575.94
Water Consumption and Wastewater Discharge Performance				
Total Water Withdrawal	m^3	504,252.32	596,896.90*	878,597.73
- From Municipal Water Supply y	m^3	/	595,846.90*	878,339.73
- Other Sources	m^3	/	1,050.00	258.00
Total Wastewater Discharge	m^3	297,156.52	348,492.02	474,748.92
Emission Performance				
Sulfur Dioxide Emissions	Tonnes	0.20	0.25	0.11
Nitrogen Oxides Emissions	Tonnes	0.51	0.31	3.53
Particulate Matter Generation	Tonnes	36.11	62.00	56.16
VOC Emissions	Tonnes	1.25*	10.15*	13.47
Waste Performance				
Total Amount of Hazardous Waste	Tonnes	1,171.15	1,622.23	2,961.43

[5] In 2025, the Company has recalibrated statistical standards, updating historical data on energy consumption, water resource usage, VOC emissions, and non-hazardous waste discharge. All updated data is marked with "*".
[6] The Company's 2025 greenhouse gas emission data is currently being verified by a third-party institution, and the final data shall be subject to the third-party verification results.
[7] For Scope 1 greenhouse gas emissions, the accounting standards and methods are based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. The calculation formula is: Emissions = Activity Data × Emission Factor (where emission factors and parameters are sourced from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC Sixth Assessment Report (AR6) 2021, China Energy Statistical Yearbook 2023, etc.).
[8] For Scope 2 greenhouse gas emissions, the accounting standards and methods are based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. The calculation formula is: Emissions = Activity Data × Emission Factor (where emission factors and parameters are sourced from the 2023 National Average Carbon Dioxide Emission Factor for Electricity, Annual Development Research Report on Building Energy Efficiency in China 2023 (Special Topic on Urban Energy Systems), Greenhouse Gas Emission Accounting Methods and Reporting Guidelines for Enterprises in Other Industrial Sectors (Trial) 2015 Edition, etc.).

Environmental Performance

Indicators	Unit	2023	2024	2025
- Total Amount of Hazardous Waste Entrusted to Third Parties for Disposal	Tonnes	/	1,622.23	2,961.43
Total Amount of Non-Hazardous Waste	Tonnes	18,250.96	27,953.66	31,804.11
- Total Amount of Disposed by Third-Party Recycling	Tonnes	/	27,953.66*	31,804.11
Packaging Materials Performance[9]				
Total Amount of Packaging Materials Recycled by Third Parties	Tonnes	/	/	13,018.57

Social Performance

Indicators		Unit	2023	2024	2025
Workforce[10]					
Total Number of Employees		Person	5,721	6,330	7,463
Number of Employees by Gender	Number of Male Employees	Person	5,181	5,750	6,815
	Number of Female Employees	Person	540	580	648
Number of Employees Categorized by Age	Total Number of Employees Aged 30 and below	Person	2,403	2,471	2,849
	Total Number of Employees Aged 30 to 50	Person	3,235	3,789	4,547
	Total Number of Employees Aged 50 and above	Person	83	70	67
Number of Employees Categorized by Job Level	Senior Management	Person	54	71	79
	Middle Management	Person	893	1,053	1,083
	Junior Staff	Person	4,774	5,206	6,301
Number of Employees by Region	China	Person	/	5,571	7,276
	Other Countries and Regions	Person	/	759	187
Number of Employees by Nationality	Chinese (including Hong Kong, Macao and Taiwan)	Person	/	6,253	7,349
	Indian	Person	/	39	38
	German	Person	/	11	7
	Other Nationalities	Person	/	27	69

[9] In 2025, the Company optimized and adjusted the statistical boundary for packaging material usage. Therefore, the 2024 data will no longer be presented separately under the original scope.
[10] Data related to employee performance includes regular employees and dispatched workers.

Social Performance

Indicators		Unit	2023	2024	2025
Newly Recruited Employees					
Total number of new employees		Person	2,346	2,380	3,242
Percentage of internal recruitment[11]		%	/	14.30	20.00
Number of Employees by Gender	Number of Male Employees	Person	2,124	2,168	3,004
	Number of Female Employees	Person	222	212	238
Number of Employees Categorized by Age	Total Number of Employees Aged 30 and below	Person	1,224	1,075	1,557
	Total Number of Employees Aged 30 to 50	Person	1,109	1,293	1,683
	Total Number of Employees Aged 50 and above	Person	13	12	2
Number of Employees by Region	China	Person	2,270	2,103	3,167
	Other Countries and Regions	Person	76	277	75
Employee Turnover Rate[12]					
Total Turnover Rate		%	27.27	25.62	37.83
Voluntary Turnover Rate		%	/	23.82	35.75
Employee Turnover Rate by Gender	Male	%	24.70	26.09	38.06
	Female	%	2.57	20.55	35.33
Employee Turnover Rate by Region	China	%	27.25	27.96	38.33
	Other Countries and Regions	%	0.02	2.32	9.22
Workforce Diversity					
Number of Employees with Disabilities Hired		Person	46	58	81
Percentage of Female Employees in Senior Management		%	1.85	4.23	5.06
Percentage of Female Employees in Management		%	/	1.42	8.95
Percentage of Female Managers in Revenue Generating Departments		%	/	10.47	7.06
Percentage of Female Employees in STEM Departments		%	/	13.94	5.66
Percentage of Minority Groups and/or Disadvantaged Groups Senior Managers		%	/	11.27	10.13
Employee Performance and Compensation					
Unadjusted Average Gender Pay Gap (Percentage of Average Total Hourly Wage of Female Employees to Average Total Hourly Wage of Male Employees)		%	94.41	101.47	104.84
Percentage Of Employees Receiving Regular Performance and Career Development Reviews		%	/	100	100
Percentage of the Annual Total Remuneration of the Highest Paid Person to the Median Remuneration of Other Employees		%	/	6,198	3,987
Labor Management and Rights					
Number of Child Labor Incidents		Case	0	0	0

[11] Internal Recruitment Position Ratio = (Number of Positions Filled via Internal Competition / Total Positions Posted in the Year) × 100%
[12] Employee Turnover Rate = (Number of Employees Who Left / (Number of Employees Who Left + Number of Employees at Year-End)) × 100%

Social Performance

Indicators		Unit	2023	2024	2025
Number of Forced Labor Incidents		Case	0	0	0
Number of Harassment Incidents		Case	0	0	0
Number of Discrimination Incidents		Case	0	0	0
Percentage of Workplaces Reviewed for Human Rights Risks or Assessed for Human Rights Impact		%	100	100	100
Formal Employee Labor Contract Signing Rate		%	100	100	100
Formal Employee Social Insurance Coverage Rate		%	100	100	100
Employee Satisfaction Survey Score		Point	/	84.7/100	81.1/100
Percentage of Employees Who are "Very Engaged/Satisfied"		%	/	73.65	73.90
Percentage of Employees Covered by Formally Elected Employee Representatives or Collective Agreements		%	/	100	100
Employee Training[13]					
Training Coverage		%	100	100	88.2
Training Hours		Hour	600,191	826,552	253,353
Training Investment		RMB 10,000	245.20	410.55	900.10
Average Training Hours of Employees by Gender	Average Training Hours for Male Employees	Hour	104.8	83.6	38.8
	Average Training Hours for Female Employees	Hour	106.0	86.7	35.2
Average Training Hours of Employees by Position	Average Training Hours for Senior Management	Hour	102.1	94.4	74.0
	Average Training Hours for Middle Management	Hour	103.2	93.2	56.3
	Average Training Hours for Junior staff	Hour	105.3	82.4	36.8
Percentage of Employees Receiving Skill Training		%	/	100	100
Occupational Health and Safety					
Lost time injury frequency rate (LTIFR)		Incidents per million working hours	/	0.31	0.26
Number of Work-Related Injuries		Time	3	4	4
Number of Days Lost due to Injuries		Day	414.0	334.5	282.0
Number of Work-Related Fatalities		Person	0	0	0
New Cases of Occupational Diseases		Case	0	0	0
Percentage of Workplaces Assessed for Employee Health and Safety Risk		%	100	100	100
Percentage of Production and Operation Sites that have Obtained ISO 45001 Certification		%	100	100	100
Charity and Public Welfare					
Total Amount of Charitable Donations		RMB 10,000	6.0	32.8	61.0

[13] In 2025, the Company optimized the statistical methodology for employee training-related data, and excluded data of separated employees from the calculation scope. As a result, the employee training coverage rate and average training hours recorded a decline compared with the 2024 figures.

Governance and Economic Performance

Indicators	Unit	2023	2024	2025
Operating Performance				
Total Assets	RMB hundred million	333.76	414.03	453.72
Operating Revenue	RMB hundred million	149.39	177.92	273.80
Net Profit Attributable to the Parent Company	RMB hundred million	20.07	18.12	7.12
Innovation Research and Development				
R&D Investment	RMB hundred million	8.72	7.77	8.07
Percentage of R&D Investment to Operating Revenue	%	5.83	4.37	2.95
Number of R&D Personnel	Person	853	752	835
Percentage of R&D Personnel	%	14.91	11.88	11.19
Total Number of Patents Obtained	Items	796	905	1,013
Number of Innovation Patents	Items	207	240	286
Number of Utility Model Patents	Items	584	655	716
Number of Design Patents	Items	5	10	11
Number of Software Copyrights	Items	215	295	343
Supply Chain[14]				
Number of Tier 1 Suppliers	#	255	248	281
- Number of Key Suppliers[15]	#	/	121	19
- Number of Diversified Suppliers	#	/	25	11
Percentage of Procurement Amount from Key Suppliers	%	/	67.10	54.40
Percentage of Suppliers that Have Undergone CSR Assessment (Including Self-Assessment Questionnaire and On-Site Audit) Based on Procurement Expenditure	%	/	80	97
Percentage of Suppliers that Have Undergone On-Site CSR Audit Based on Procurement Expenditure[16]	%	/	78	45
Number of Suppliers Eliminated for Failing CSR Assessment	#	/	0	0
Percentage of Suppliers that Have Signed the Supplier Code of Conduct	%	92.00	98.80	100.00
Percentage of Suppliers Who Have Signed the Procurement Framework Agreement (Including Business Ethics Requirements)	%	/	98.80	100.00
Percentage of Suppliers Who Have Signed Contracts Containing Clauses on Environmental, Labor, And Human Rights Requirements	%	/	98.80	100.00

[14] Supply Chain Performance Data: Only covers production (material) suppliers.
[15] In 2025, due to adjustments to the classification standards and definitions of strategic suppliers (see Section 5.3.1 Supply Chain Management for details), the relevant figures decreased compared to 2024.
[16] In 2025, due to the optimization of the supplier corporate social responsibility (CSR) assessment mechanism and processes, which led to adjustments in evaluation criteria and requirements, the proportion of suppliers that underwent on-site CSR reviews decreased compared to 2024.

Governance and Economic Performance

Indicators	Unit	2023	2024	2025
Percentage of Purchasers Who Have Undergone Sustainable Procurement Training	%	100	100	100
Percentage of Suppliers Who Have Undergone Sustainable Procurement Training (Calculated Based on Procurement Expenditure)	%	/	100	68
Percentage of Suppliers Who Have Obtained Information on Conflict Minerals (Calculated Based on Procurement Expenditure)	%	/	86	96
Proportion of Suppliers Certified with ISO 9001	%	/	100	92
Product Responsibility				
Number of Customer Complaints	Items	49	362	491
Customer Complaint Handling Rate	%	100.00	99.70	93.27
Number of Product Recall Events Due to Quality Issues	Case	0	0	0
Customer Satisfaction (Percentage Basis)	Points	95.70	96.70	93.80
Business Ethics				
Percentage of Employees Who Have Received Training in Business Ethics	%	22.40	100.00	100.00
Number of Complaints Received and Filed	Case	6	3	3
Percentage of Operational Sites that Have Undergone Internal Audits/ Risk Assessments for Business Ethics Issues	%	100	100	100
Number of Lawsuits or Significant Administrative Penalties Resulting from the Company's Unfair Competition Practices	Case	/	0	0
Monetary Amount Involved in Lawsuits or Significant Administrative Penalties Resulting from the Company's Unfair Competition Practices	RMB	/	0	0
Percentage of Newly Identified Risky Trading Partners Covered by the Due Diligence Process for Corruption and Information Security	%	/	100	100
Corporate Governance				
Number of Board Members	Person	7	9	8
Number of Independent Directors	Person	3	3	3
Number of Female Directors	Person	1	1	1

Index of Indicators

Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)

Dimension	Topic Requirements	Corresponding Important Topics	Corresponding Sections	Page Number
Environment	Climate Change Tackling	Climate Change Response Clean Technology Opportunities	Climate Change Response Key Performance	P37-41 P79
	Pollutant Discharge	Emissions and Waste Management	Environmental Compliance Management Key Performance	P43-44 P79-80
	Waste Disposal			
	Ecosystem and Biodiversity Protection	Biodiversity Protection	Biodiversity Protection	P47-48
	Environmental Compliance Management	Environmental Compliance Management	Environmental Compliance Management Key Performance	P42-43 P79
	Energy Usage	Energy Management	Efficient Resource Utilization Key Performance	P45-46 P79-80
	Usage of Water Resources	Water Resource Management	Efficient Resource Utilization Key Performance	P46 P79
	Circular Economy	Product Life Cycle Management	Sustainable Product Development	P24
Society	Rural Revitalization	Public Welfare and Community Participation	Support for Community Co-construction Key Performance	P63-64 P82
	Contributions to the Society			
	Innovation-Driven	Research and Development Innovation	Sustainable Product Development Key Performance	P23-27 P83
	Ethics of Science and Technology	The Company's main business does not involve fields such as life sciences and artificial intelligence.	/	/
	Supply Chain Security	Sustainable Supply Chain	Responsible Supply Chain	P77-78
	Equal Treatment to Small and Medium-Sized Enterprises	Sustainable Supply Chain	The Company does not have any instances of publicly disclosing overdue payments owed to small and medium enterprises through the national enterprise credit information public system. The Company's accounts payable (including notes payable) at the end of the Reporting Period did not exceed 30 billion yuan, and the proportion of total assets did not exceed 50%. For details, please refer to the "SANY Renewable Energy Co., Ltd. 2025 Annual Report".	/ /
	Safety and Quality of Products and Services	Product and Service Safety and Quality	Lean Quality Management Key Performance	P28-30 P84
	Data Security and Customer Privacy Protection	Data Security and Privacy Protection	Robust and Compliant Operations	P73-74
	Employees	Equality and Diversity Labor Rights and Human Rights Protection Human Capital Development Occupational Health and Safety	Protecting Employee Rights Empowering Employee Development Occupational Health and Safety Key Performance	P51-54 P55-58 P59-62 P80-82
Sustainability-related governance	Due Diligence	Sustainable Governance	Robust and Compliant Operations	P69-72
	Communications with Stakeholders		Stakeholder Engagement	P14
	Anti-Commercial Bribery and Anti-Corruption	Business Ethics	Robust and Compliant Operations	P71-72
	Anti-Unfair Competition			

GRI Standards Index

Instructions for Use : SANY Renewable Energy reported the information referenced in this GRI content index according to GRI standards from January 1, 2025, to December 31, 2025.

GRI Used: GRI 1 Foundations 2021

DisclosureIssue/ Items	Disclosure Item	Chapter Index	Page Number
GRI 2: General Disclosures			
2-1	Organization details	About SANY Renewable Energy	P05
2-2	Entities included in the organization's sustainability reporting	About This Report	P01-02
2-3	Reporting period, reporting frequency, and contact point	About This Report	P01-02
2-5	External assurance	Independent Assurance Report	P91-92
2-6	Activities, value chain, and other business relationships	About SANY Renewable Energy Responsible Supply Chain	P05 P75-78
2-7	Employees	Protecting Employee Rights Key Performance	P51 P80-81
2-8	Workers who are not employees	Occupational Health and Safety	P62
2-9	Governance structure and composition	Efficient Corporate Governance	P67-68
2-11	Chair of the highest governing body	Efficient Corporate Governance	P67
2-12	Role of the highest governance body in overseeing the management of impacts	Efficient Corporate Governance	P67
2-13	Delegation of responsibility for managing impacts	Efficient Corporate Governance	P67
2-14	Role of the highest governance body in sustainability reporting	Sustainable Development Governance	P13
2-15	Conflict of interest	Robust and Compliant Operations	P69-72
2-16	Communication of critical concerns	Sustainable Development Governance Stakeholder Engagement Efficient Corporate Governance	P13 P14 P67-68
2-17	Collective knowledge of the highest governance body	Sustainable Development Governance Efficient Corporate Governance	P13 P67
2-19	Remuneration policies	Protecting Employee Rights	P54
2-20	Process to determine remuneration	Protecting Employee Rights	P54
2-21	Annual total compensation ratio	Key Performance	P81
2-22	Statement on sustainable development strategy	Sustainable Development Vision	P11
2-23	Policy commitments	Sustainable Development Vision Climate Change Response Robust and Compliant Operations	P11 P37 P69-74

DisclosureIssue/ Items	Disclosure Item	Chapter Index	Page Number
2-24	Embedding policy commitments	Sustainable Development Vision Climate Change Response Robust and Compliant Operations	P11-13 P37-40 P69-72
2-25	Processes to remediate negative impacts	Robust and Compliant Operations	P71-72
2-26	Mechanisms for seeking advice and raising concerns	Efficient Corporate Governance Protecting Employee Rights Robust and Compliant Operations	P67-68 P51-52 P69-72
2-27	Compliance with laws and regulations	Robust and Compliant Operations	P69
2-28	Membership associations	Sustainable Development Vision	P11
2-29	Approach to stakeholder engagement	Stakeholder Engagement	P14
2-30	Collective bargaining agreements	Protecting Employee Rights	P53
GRI 3: Material Topics			
3-1	Process to determine material topics	Materiality Assessment	P15-16
3-2	List of material topics	Materiality Assessment	P16
3-3	Management of material topics	Materiality Assessment	P17-20
GRI 101 Biodiversity			
101-1	Policies to halt and reverse biodiversity loss	Biodiversity Protection	P47
101-2	Management of biodiversity impacts	Biodiversity Protection	P48
GRI 201 Economic Performance			
201-1	Direct economic value generated and distributed	Key Performance	P83
201-2	Financial implications and other risks and opportunities due to climate change	Climate Change Response	P37-39
201-3	Defined benefit plan obligations and other retirement plans	Protecting Employee Rights	P54
GRI 202 Market Performance			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Key Performance	P81
GRI 203 Indirect Economic Impacts			
203-1	Infrastructure investments and services supported	Supporting Community Development	P63-64
203-2	Significant indirect economic impacts	Supporting Community Development	P63

DisclosureIssue/ Items	Disclosure Item	Chapter Index	Page Number
GRI 205 Anti-corruption			
205-1	Operations assessed for risks related to corruption	Robust and Compliant Operations	P71-72
205-2	Communication and training about anti-corruption policies and procedures	Robust and Compliant Operations	P72
205-3	Confirmed incidents of corruption and actions taken	Robust and Compliant Operations	P72
GRI 206 Anti-competitive behavior			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Robust and Compliant Operations	P71
GRI 301: Materials			
301-1	Materials used by weight or volume	Sustainable Product Development	P23-25
GRI 302 Energy			
302-1	Energy consumption within the organization	Efficient Resource Utilization	P45-46
302-4	Reduce energy consumption	Efficient Resource Utilization	P46
302-5	Reductions in energy requirements of products and services	Sustainable Product Development	P24
GRI 303 Water Resources and Effluents			
303-1	Interactions with water as a shared resource	Environmental Compliance Management	P46
303-3	Water Withdrawal	Environmental Compliance Management Key Performance	P46 P79
303-4	Water Discharge	Environmental Compliance Management Key Performance	P46 P79
303-5	Water Consumption	Efficient Resource Utilization	P46
GRI 305 Emissions			
305-1	Direct (Scope 1) GHG emissions	Climate Change Response Key Performance	P41 P79
305-2	Energy indirect (Scope 2) GHG emissions	Climate Change Response Key Performance	P41 P79
305-5	Reduction of GHG emissions	Climate Change Response	P46
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Key Performance	P79
GRI 306 Waste			
306-1	Generation of waste and significant impacts related to waste	Environmental Compliance Management	P43-44

DisclosureIssue/ Items	Disclosure Item	Chapter Index	Page Number
306-2	Management of significant impacts related to waste	Environmental Compliance Management	P43-44
306-3	Waste generated	Key Performance	P79-80
306-4	Waste diverted from disposal	Key Performance	P80
306-5	Waste sent to disposal	Key Performance	P80
GRI 308 Supplier Environmental Assessment			
308-1	New suppliers that were screened using environmental criteria	Responsible Supply Chain	P75
308-2	Negative environmental impacts in the supply chain and actions taken	Responsible Supply Chain	P77
GRI 401 Employment			
401-1	New employee hires and employee turnover	Key Performance	P81
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Protecting Employee Rights	P54
GRI 403 Occupational Health and Safety			
403-1	Occupational health and safety management system	Occupational Health and Safety	P59
403-2	Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety	P60
403-3	Occupational health services	Occupational Health and Safety	P60-62
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety	P59
403-5	Worker training on occupational health and safety	Occupational Health and Safety	P62
403-6	Promotion of worker health	Occupational Health and Safety	P60-62
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety	P60-62
403-8	Workers covered by an occupational health and safety management system	Occupational Health and Safety	P59
403-9	Work-related injuries	Occupational Health and Safety Key Performance	P59 P82
403-10	Work-related ill health	Occupational Health and Safety Key Performance	P59 P82
GRI 404 Training and Education			
404-1	Average hours of training per year per employee	Key Performance	P82
404-2	Programs for upgrading employee skills and transition assistance programs	Empowering Employee Development	P55-57
404-3	Percentage of employees receiving regular performance and career development reviews	Key Performance	P82
GRI 405 Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	Efficient Corporate Governance Protecting Employee Rights	P67 P52-53
GRI 406 Anti-Discrimination			
406-1	Incidents of discrimination and corrective actions taken	Protecting Employee Rights	P53-54
GRI 408 Child Labor			
408-1	Operations and suppliers at significant risk for incidents of child labor	Protecting Employee Rights Responsible Supply Chain	P52 P77
GRI 409 Forced or Compulsory Labor			
409-1	Operations and suppliers at significant risk for incidents of forced	Protecting Employee Rights Responsible Supply Chain	P52 P77
or compulsory labor			
411-1	Incidents of violations involving rights of indigenous peoples	Not applicable, operational activities do not involve violations of Indigenous Peoples' rights	/
GRI 413 Local Communities			
413-1	Operations with local community engagement, impact assessments, and development programs	Supporting Community Development	P63-64
413-2	Operations with significant actual and potential negative impacts on local communities	Supporting Community Development	P63-64
GRI 414 Supplier Social Assessment			
414-1	New suppliers that were screened using social criteria	Responsible Supply Chain	P75
414-2	Negative social impacts in the supply chain and actions taken	Responsible Supply Chain	P77
GRI 415 Public Policy			
415-1	Political contributions	Not applicable	/
GRI 417 Marketing and Labeling			
417-1	Requirements for product and service information and labeling	Smart Wind Farm Operations	P34
417-3	Incidents of non-compliance concerning marketing communications	Smart Wind Farm Operations	P34
GRI 418 Customer Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Robust and Compliant Operations	P74

Independent Third-Party Assurance Report

SGS

ASSURANCE STATEMENT

REPORT ON SUSTAINABILITY ACTIVITIES IN THE SANY RENEWABLE ENERGY CO., LTD.'S ESG REPORT FOR 2025

NATURE OF THE ASSURANCE/VERIFICATION
SGS-CSTC Standards Technical Services Co., Ltd. (hereinafter referred to as SGS-CSTC) was commissioned by SANY Renewable Energy Co., Ltd. (hereinafter referred to as SANY) to conduct an independent assurance of the ESG Report for 2025 (Chinese version) for the period of January 1, 2025 to December 31, 2025.

INTENDED USERS OF THIS ASSURANCE STATEMENT
This Assurance Statement is provided with the intention of informing all SANY's Stakeholders.

RESPONSIBILITIES
The sustainability information in the ESG Report for 2025 and its presentation are the responsibility of SANY's ESG governing body and the management. SGS-CSTC has not been involved in the preparation of any of the material included in the ESG Report for 2025.

Our responsibility is to express an opinion on the sustainability performance information within the scope of assurance based upon sufficient and appropriate objective evidence.

SGS-CSTC hereby states that it shall not be held responsible or liable for any direct, indirect, incidental, or consequential damages or losses arising from or in connection with the use of information provided in this report.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE
The SGS Group ESG & Sustainability Report Assurance (SRA) protocols used to conduct assurance are based upon internationally recognised assurance standards including the ISAE 3000.

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

Assurance Standard	Level of Assurance
ISAE 3000	Limited

SCOPE OF ASSURANCE
The scope of the assurance included evaluation of quality, accuracy and reliability of performance information in SANY's ESG Report for 2025 and evaluation of adherence to the following reporting criteria:

Reporting Criteria
GRI Standards 2021 (With Reference to)
Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)

ASSURANCE METHODOLOGY
The assurance comprised a combination of pre-assurance research, interviews with relevant employees on-site at Sany Industrial Park, No.8 Beiqing Road, Changping District, Beijing, P.R. China, including documentation and record review and validation where relevant. This assurance engagement was restricted to the group level of SANY and did not include traceability of all original data from subordinate institutions.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

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LIMITATIONS AND MITIGATION
Data drawn directly from independently audited financial accounts and intensity data calculated based on financial data has not been checked back to source as part of this assurance process.

The greenhouse gas emission related data in the ESG Report for 2025 has been directly adopted from the independent third party verification data and has not been double verified in this audit.

STATEMENT OF INDEPENDENCE AND COMPETENCE
The SGS Group of companies is the world leader in inspection, testing and certification, operating in multiple countries and providing services. As an affiliate of SGS Group, SGS-CSTC affirm our independence from SANY, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment.

FINDINGS AND CONCLUSIONS

ASSURANCE/VERIFICATION OPINION
On the basis of the methodology described and the assurance engagement performed, no inaccuracies or reliability issues were identified within the scope of the sustainability performance information covered by the SANY Renewable Energy Co., Ltd.'s ESG Report for 2025.

ADHERENCE TO GRI STANDARDS 2021
The assurance team concludes that the SANY Renewable Energy Co., Ltd.'s ESG Report for 2025 has been prepared with reference to the requirements of GRI Standards 2021.

ADHERENCE TO GUIDELINES NO. 14 OF SHANGHAI STOCK EXCHANGE FOR SELF-REGULATION OF LISTED COMPANIES—SUSTAINABILITY REPORT (TRIAL)
The assurance team concludes that the SANY Renewable Energy Co., Ltd.'s ESG Report for 2025 has been prepared in accordance with the requirements of Guidelines No.14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial).

Signed:

For and on behalf of SGS-CSTC

David Xin
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