



2022
Sustainability Report

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About This Report

Preparation Basis

This report is prepared in accordance with the Environmental Guidelines, Social Responsibility, and Corporate Governance Information Disclosure of Listed Companies on the Shanghai Stock Exchange (Consultation Draft) and with reference to the Global Reporting Initiative (GRI) standards. It is also based on the status quo of Shenzhen Hopewind Electric Corporation Limited in terms of its environmental, social, and governance (hereinafter "ESG") efforts.

Reporting Period

This report demonstrates the ESG progress of Shenzhen Hopewind Electric Corporation Limited during the period from January 1 to December 31, 2022 (hereinafter the "Reporting Period"), encompassing both its direct operations and controlled businesses. The reporting period is in consistence with the financial statements. Additionally, we have reviewed and expanded on specific topics to ensure completeness and continuity in reporting.

Definition Explanation

In this report, "Hopewind Electric," "Hopewind," "the Company," and "we" all refer to "Shenzhen Hopewind Electric Corporation Limited."

Confirmation and Approval

After being confirmed by the management of Shenzhen Hopewind Electric Corporation Limited, this report was approved for publication by the Board of Directors on [Date].

Access to this Report

The digital versions of this report in both Chinese and English are available on the official website of Shenzhen Hopewind Electric Corporation Limited (www.hopewind.com) and the website of the Shanghai Stock Exchange (<http://english.sse.com.cn/>).

We appreciate the valuable feedback from all stakeholders. We welcome readers to contact us through the following channels. Your feedback and suggestions will assist us in further enhancing our sustainability efforts.

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A Message from Management

“

As countries worldwide progress towards carbon neutrality, Hopewind remains committed to its vision of "Becoming an international electric conversion and control solution provider", and works tirelessly to advance its mission to "Promote technological progress in the industry and create a better life for everyone".

”

At Hopewind, our commitment to responsibility serves as the solid foundation of our sustainable operations.

Throughout the past year, we have placed responsible governance at the forefront of our sustainable development strategy. We have focused on enhancing corporate governance standards, improving our internal control management system, cultivating a culture of integrity, and strengthening corporate governance capabilities and risk management across the board. We have been proactive in embracing our responsibility for sustainable development, optimizing our approach to ESG efforts, elevating ESG management, and implementing ESG best practices. We seek to foster a collaborative relationship with our stakeholders, paving the way for a sustainable future.

Guided by an innovation-driven strategy, we have refined our product offerings through a commitment towards craftsmanship.

Throughout the year, we have consistently reinforced our capacity for proprietary innovation. We have ventured into new applications for our products, established a robust product innovation system, nurtured a pool of innovative talents, increased our investments in research and development, and emphasized the significance of safeguarding intellectual property. By bolstering our innovative capabilities, we position ourselves at the forefront of industry development. Our stringent focus on quality management has cultivated a corporate culture that champions quality and strives for excellence. The result is a portfolio of high-reliability, high-performance, and high-quality products and solutions, thus contributing China's efforts to power the global energy sector.

Green operations ensure clearer waters and bluer skies.

Over the past year, Hopewind has followed the business philosophy of "safeguarding the green planet for sustainable development" and adopted the principle of "prevention as the primary

approach, supplemented by control". We have taken substantial steps to fortify our environmental management system, align green development with our business scenarios, advocate for environmental protection across the board, continuously facilitate energy-saving technological innovations, and explore meaningful measures for reducing carbon emissions. These efforts play an integral role in our response to climate change and support the attainment of the "carbon peaking and carbon neutrality" objectives.

Our unity and shared dedication have propelled us towards collective progress.

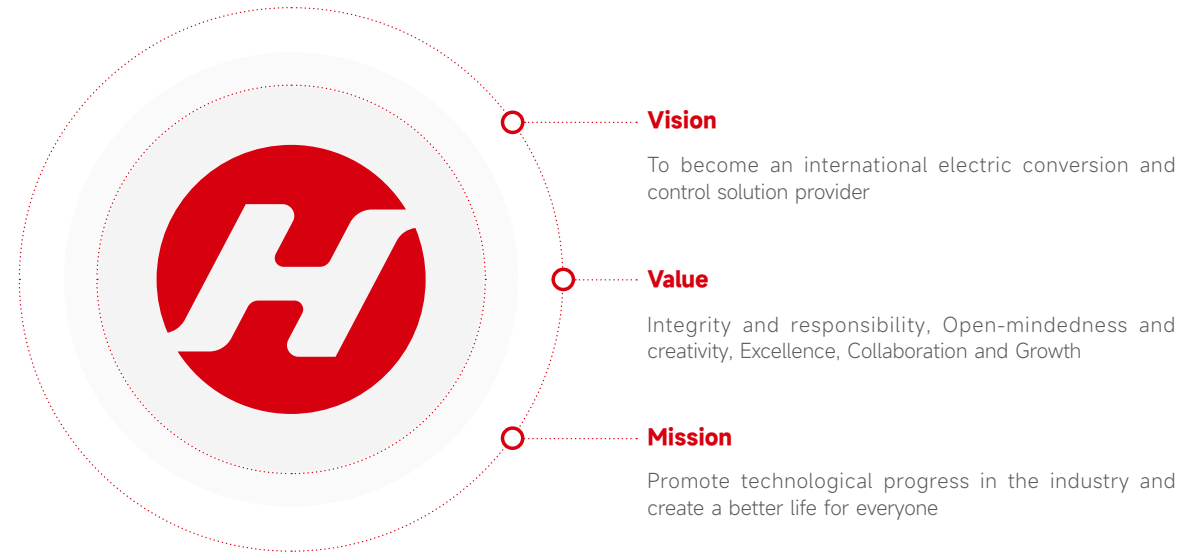
Throughout the year, Hopewind has served as a steadfast practitioner of corporate social responsibility. Our commitment to creating economic value is complemented by our dedication to giving back to society and our diverse stakeholders, including our valued employees. We maintain a people-centric approach and foster an inclusive work environment. We prioritize employee welfare, inspire our workforce, bolster talent development and management, and create an environment conducive to mutual growth for both the Company and its employees. We also give back to society through our active involvement in poverty alleviation, rural revitalization, and our partnerships with various social entities to drive win-win outcomes in our industry.

As we look toward the future, Hopewind will remain steadfast in upholding corporate values of "Integrity and responsibility, Open-mindedness and creativity, Excellence, Collaboration and Growth". We will continue to leverage our position as a prominent player in the field of new energy and actively fulfill our corporate social responsibility. As we navigate the ever-evolving landscape, we remain committed to creating a more sustainable future. Hopewind invites you to join us in this remarkable journey as we collectively strive for a sustainable world!

About Us

Company Profile

Shenzhen Hopewind Electric Corporation Limited is a nationally recognized high-tech enterprise specializing in the research, development, manufacturing, sales, and servicing of new energy and electrical drive products. Its primary product portfolio encompasses wind power generation, photovoltaic (PV) power generation, energy storage, power quality, and electrical drive products. Hopewind boasts independent research and development capabilities, along with testing platforms for high-power electronic devices and monitoring systems. By fostering innovation in both technology and service, the Company consistently delivers value to its customers, establishing itself as one of China's foremost electrical companies in the competitive field of new energy.



Business Overview

During the reporting period, Hopewind's operations were divided into three main categories: New Energy Electric Control, Engineering Transmission, and Others. Our primary product portfolio included wind power converters, PV inverters, energy storage inverters, engineering-specific inverters for high-value projects, industry-specific inverters, power quality products, multifunctional grid simulation devices, station-level energy management systems, and other critical components of electrical and electronic products. Our core services encompassed product upgrades, modifications, and operational maintenance.

Throughout the reporting period, Hopewind maintained a market-driven approach, placing a significant emphasis on technological research and development. The Company achieved sustainable growth by introducing new products, constantly enhancing existing ones, and expanding its footprint both upstream and downstream in the industrial chains. Additionally, Hopewind strategically increased its presence in the PV, energy storage, and transmission sectors, with the goal of making the sales revenue generated from these products a substantial part of the overall revenue structure.



Awards and Recognition

Corporate-level

The First Prize of the 2022 China Renewable Energy Society Science and Technology Award (Technological Innovation Category)

China Renewable Energy Society

Special Contribution Award for Energy Transformation and Green Development

inengyuan.com

New energy, new materials industry the most growing listed company

National Business Daily

Title of "Specialized and Sophisticated Enterprises that Produce New and Unique Products"

Industry and Information Technology Bureau of Shenzhen Municipality

2022 Green and Sustainable Development Contribution Award

International Green Zero-Carbon Festival 2022

2022 Social Responsibility Award for Listed Companies

China Charity Festival

Wind power, solar PV, and energy storage

The Seventh Batch of Champion Manufacturing Products in Shenzhen (Offshore Wind Power Converters)

Ministry of Industry and Information Technology of the People's Republic of China

The Most Innovative Solution Provider for PV-Energy Storage Integration in the Solar Industry in 2022

solarenpv.com

The 2022 Best Energy Storage High-Power Bidirectional Inverter Supplier Award

Eastern China Energy Storage Alliance

Ningxia Hui Autonomous Region Science and Technology First-class prize for scientific and technological progress

Ningxia Hui Autonomous Region People's Government

The 2022 Best Industrial and Commercial Energy Storage Solution Award in China's Energy Storage Industry

Organizing Committee of China International Energy Storage Conference (escn.com.cn)

2022 Outstanding Solar PV Enterprise

Solar PV & Energy Storage World Expo

2022 Grand Prize of the 8th China Power Supply Society Science and Technology Award, Project Category

China Power Supply Society

Annual Outstanding PV Inverter Supplier

solar.ofweek.com

Top Ten Distributed PV Inverter Brands in China

Organizing Committee of the Chinese Renewable Energy Conference and Exhibition in Wuxi

The 11th BJX Cup: 2022 Annual Influential PV Inverter Brand

guangfu.bjx.com.cn

The 2022 Zero-Carbon Vanguard of Distributed PV in Shandong

Shandong Solar Industry Association

2022 Top Ten PCS Suppliers in China's Energy Storage Industry

Jiangsu Energy Storage Association

Transmission

Outstanding Supplier

International Cooperation and Service Center for Metallurgical Industry of China Association of Plant Engineering

2022 Top Ten Inverter Brands

Jiangsu E. Tiger Industrial Internet Co., Ltd.

SVG

2022 Top Ten Enterprises in Power Quality

Jiangsu E. Tiger Industrial Internet Co., Ltd.

*Hopewind Electric 2022 Honors List (Excerpt)



Performance Highlights

Building Trust Through Responsible Governance

Hopewind held

8 Board of Directors meetings
7 Board of Supervisors meetings
1 General Meeting of Shareholders

with a
100%
 attendance rate of directors

No
 leakage or insider trading incidents

No
 corruption or commercial bribery cases

Green Operations for Evergreen Business

Passed the **ISO 14001**
 Environmental Management System Certification

No
 environmental pollution incidents

RMB **22,700**
 Total investment in environmental governance

Delivered
100+GW
 of new energy capacity

Collaborating with Industry Partners for Win-win Outcomes

734 Number of suppliers reached
50% the local procurement ratio exceeded

17 Participated in industry associations

93.7 points The overall customer satisfaction score was
94.3 points with a service rating of

No
 customer data leaks or privacy related incidents

44
 Led or participated in the formulation of national and industrial standards

Attracting and Nurturing Talents for Joint Development

14,611 employees
 Delivered training sessions to
12.51 hours
 the average length of training per employee reached

1,167.69 hours
 the total length of training reached

Annual health check-up covered **all** full-time employees
 Hopewind purchased "Five Types of Insurance and One Housing Fund" for **100%** of its full-time employees

Passed the **ISO 45001** Occupational Health and Safety Management System Certification

Enhancing Foundational Capabilities Through an Innovation-Driven Approach

>30%
 R&D personnel ratio

RMB **210** million
 R&D investment exceeded in 2022

518
 Obtained patent grants

Passed the **ISO 9001** Quality Management System Certification

Contributing to the Community Through Charitable Initiatives

Donated about
 RMB **153,000**
 in cash throughout the year

RMB **57,000**
 as well as in kind

Sustainable Development








Hopewind places a high priority on ESG governance. We integrate the principles of environmental protection, social responsibility, and other governance concepts into every facet of our operations and management. Tailoring these principles to our unique corporate context, we have developed a unique sustainable development strategy that reflects Hopewind's distinctive approach and drives economic, environmental, and social benefits simultaneously.

Stakeholder Engagement

While pursuing high-quality development, Hopewind places a significant emphasis on fulfilling its ESG responsibility. In our commitment to advancing ESG management effectively, we have identified several key material topics. Our goal is to foster mutually beneficial relationships and share value with a wide range of stakeholders, including shareholders, investors, customers, employees, suppliers, partners, and society at large.

To maintain close and continuous communication with our stakeholders, Hopewind has established a range of multi-dimensional communication channels, building upon internal frameworks like the *Hopewind Electric Investor Relations Management System*. These channels allow us to gain a comprehensive understanding of stakeholders' demands and expectations, translate these concerns into achievable goals, and respond to their expectations, positive feedback, and inquiries with tangible actions. Furthermore, we are dedicated to minimizing any potential adverse impacts on the environment and society that may arise from our business operations.

Hopewind's Mechanism of Communication with Stakeholders

Stakeholders	Communication Demands	Communication Channels
Shareholder/Investor 	<ul style="list-style-type: none"> • Corporate development strategy • Long-term and steady growth 	<ul style="list-style-type: none"> • Timely and accurate information disclosure • Protection of shareholders' rights and interests • Regular disclosure of operational information • Organizing shareholder meetings • Roadshow • Investor inquiry hotline • Investor briefing
Customer 	<ul style="list-style-type: none"> • Provision of high-quality products and services • Satisfaction of customers' diverse needs 	<ul style="list-style-type: none"> • Establishment of channels for communication and feedback • Data security and privacy protection • Customer satisfaction survey • Customer communication hotline • Complaint mailbox
Employee 	<ul style="list-style-type: none"> • Development and training • Working environment • Compensation and benefits 	<ul style="list-style-type: none"> • Employee training • Complaint mailbox • Democratic communication platform
Government/Regulator 	<ul style="list-style-type: none"> • Lawful operation • Anti-corruption and anti-bribery campaigns 	<ul style="list-style-type: none"> • Following national policies • Strengthening CPC building • Regular reporting and communication • Information disclosure • Improving the regulatory system
Supplier/Partner 	<ul style="list-style-type: none"> • Win-win cooperation • Business ethics • Transparent procurement 	<ul style="list-style-type: none"> • Supplier conferences • Exchanges and partnerships
Community, Charities and NGO 	<ul style="list-style-type: none"> • Promoting community development • Supporting charitable initiatives • Improving local living standards 	<ul style="list-style-type: none"> • Public welfare and charity • Voluntary activities
Media 	<ul style="list-style-type: none"> • Transparency in information disclosure • Smooth communication channels 	<ul style="list-style-type: none"> • Press release and publication • Telephone correspondence • Annual report and announcement • Annual and mid-year performance conference • Media coverage

ESG Practices

Considering its business scope, the expectations of both internal and external stakeholders, and China's "dual carbon"(Carbon peak and carbon neutrality) strategy, Hopewind refers to both domestic and international standards on corporate social responsibility. We regularly identify key topics that influence our capacity to create economic, social, and environmental value, and influence the evaluation of the company by stakeholders. This rigorous process ensures that our information disclosure is comprehensive and accurate.

Selection Process of Environmental, Social, and Governance (ESG) Topics

1

Identify relevant practices

Hopewind conducts a thorough assessment of critical ESG matters relevant to the Company and various stakeholders' concerns based on the GRI Sustainability Reporting Standards, the specific requirements and recommendations from the Shanghai Stock Exchange, as well as national policies and industry trends in ESG reporting. Additionally, the Company also monitors media coverage, identifying 23 ESG practices.

Research attention given to these practices

Hopewind conducts extensive surveys involving a diverse range of stakeholders, including directors, management, employees, shareholders, investors, and customers.

2

3

Evaluate operational impacts

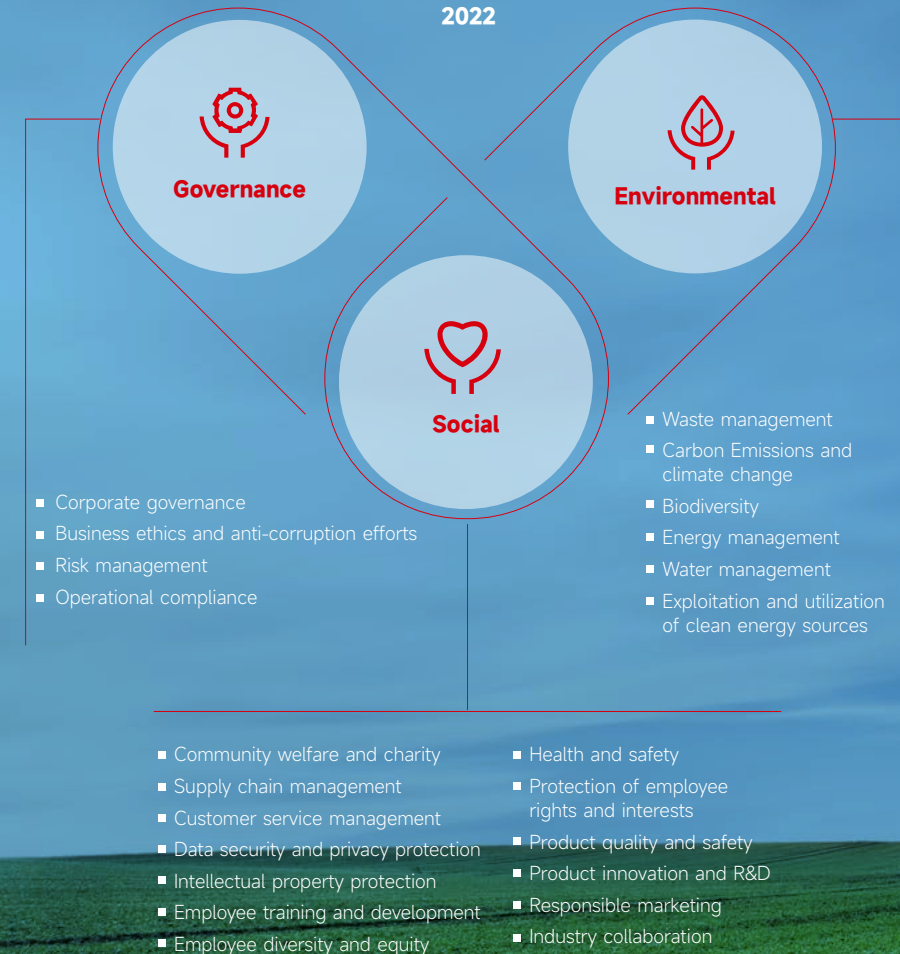
Hopewind evaluates the significance of these practices from the Company's perspective by soliciting input from its management.

Finalize the list of ESG practices

Hopewind then analyzes and categorizes the survey results based on the three dimensions of environment, society and governance. This process culminates in the finalization of the list of ESG practices. This list will serve as a crucial reference point for future strategic planning, goal setting, and continuous information disclosure.

4

Hopewind's List of ESG practices in 2022



01

Building Trust Through **Responsible Governance**



Hopewind firmly believes that a robust governance structure serves as the cornerstone and assurance for the sustainable development of a business. We have established a governance framework tailored to the Company's production and operations, and we are committed to continually refining our standardized procedures while enhancing our internal control and risk management systems. Through these measures, we actively promote the sustainable development of the Company and its stakeholders, with the aim of achieving a high standard of corporate governance.





1.1 Corporate Governance

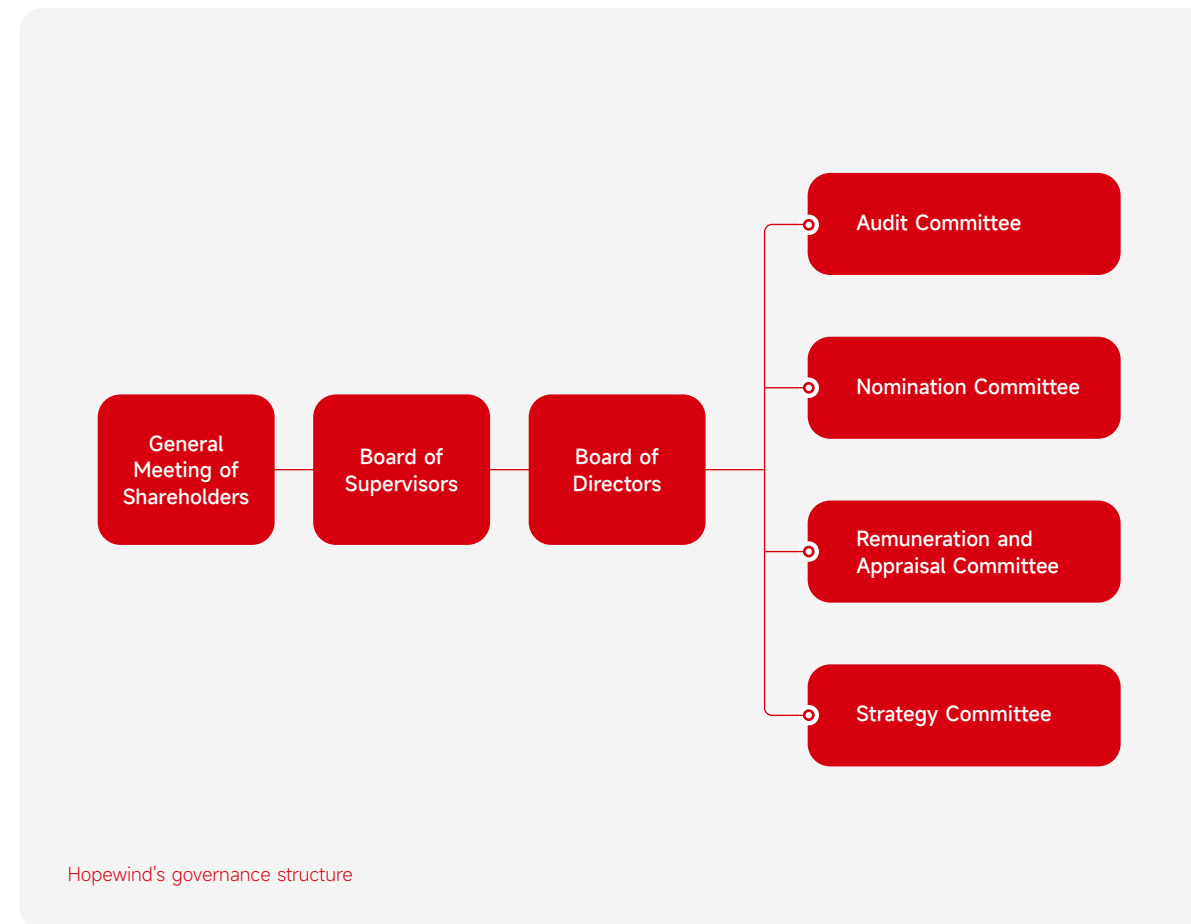
Governance Structure

Hopewind strictly complies with 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 of Listed Companies*, the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange*, and other applicable laws, regulations, and regulatory documents. Accordingly, we have developed the *Articles of Association*, the *Rules of Procedure for the General Meeting of Shareholders*, the *Rules of Procedure for the Board of Directors*, and the *Rules of Procedure for the Board of Supervisors*. These internal governance systems ensure that the Company's governance mechanism is in accordance with the law and that governance measures comply with regulations.

Hopewind's shareholders appoint directors to form the Board of Directors, which executes the authorization that the General Meeting of Shareholders grants to the Board of Directors and implements the General Meeting of Shareholders' resolutions. Under the Board of Directors, there are four specialized committees, namely the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee, and the Strategy Committee, to ensure the efficient operations of the Board of Directors. During the reporting period, Hopewind's Board of Directors consisted of 7 directors, including 3 independent directors. In 2022, the Company held a total of 8 meetings of the Board of Directors, 7 meetings of the Board of Supervisors, and 1 General Meeting of Shareholders, with a 100% attendance rate of directors.

Hopewind strictly abides by management regulations regarding information disclosure. We are committed to providing truthful, accurate, and comprehensive information disclosure to safeguard the legitimate rights and interests of the Company, its shareholders, creditors, and other stakeholders. We have established and implemented the *Registration and Filing System for Insiders* to strictly control the scope of insiders and manage information disclosure from the source. In 2022, Hopewind had no incidents of information leakage or insider trading.

Hopewind places a strong emphasis on standardized corporate governance and advances standardized corporate management. We are dedicated to optimizing the composition of our Board of Directors and consistently progress in every aspect to enhance the effectiveness of our governance efforts.



Diversification of the Board of Directors

Hopewind acknowledges that fostering diversity on the Board of Directors is pivotal to the Company's sustainable development. We carefully consider the composition of our Board members, taking into account factors such as nationality, gender, age, educational background, and professional experience, with the aim of promoting balance and diversity on the Board. This approach not only enhances our sensitivity to risks but also facilitates science-based decision-making.

Diversity of the Board of Directors		Number of People
Appointment	Executive Director	1
	Independent Non-executive Director	3
	Non-executive Director	3
Educational Background	Doctorate degree	2
	Master's degree	3
	Bachelor's degree	2

1.2 Business Compliance

Constructing a Compliance Management System

Hopewind is committed to improving corporate risk management, strengthening the internal control system, and reducing business risks through comprehensive and effective internal control, thus ensuring sustainable development.

To bolster compliance management, Hopewind has implemented a system of internal control standards characterized by clear authority and responsibilities, as well as well-defined functions. We conduct regular internal control assessments and risk evaluations in accordance with

the *Basic Standards for Corporate Internal Control* and their associated guidelines. As stipulated by these standards, the Board of Supervisors oversees the Board of Directors in the establishment and execution of internal control measures, while management takes charge of directing the day-to-day operations of corporate internal control. These initiatives effectively ensure Hopewind's business and management compliance as well as truthful and complete disclosure of information and facilitate the execution of its development strategy.

Business Ethics Management

We vehemently oppose all forms of corruption and uphold the highest standards of business ethics. At Hopewind, we cultivate a culture of integrity and continuously raise awareness about the importance of ethics among our management and employees. Our goal is to foster a transparent and ethical business environment. Additionally, we maintain multiple channels for reporting instances of corruption, including the Rationalization Suggestion process, the Company's suggestion box, the Executive Hotline, and our executive office software.

Both internal and external stakeholders are encouraged to provide feedback and report any corrupt behaviors through these channels. Hopewind places a strong emphasis on real-name feedback and reporting, and we take stringent measures to protect the confidentiality of whistleblowers, their feedback, and the content of their reports. As of the end of the reporting period, Hopewind has not been involved in any cases of corruption or commercial bribery.



Hopewind's business ethics reporting e-mail:

hr@hopewind.com

lukezhao@hopewind.com

Integrity education for new employees

In 2022, we delivered four onboarding training sessions according to the *Training on the Company's Rules and Regulations* for new employees, which covered integrity and anti-corruption. A total of 307 people were trained for four hours, where employees' legal awareness was effectively enhanced.



02

Enhancing Foundational Capabilities Through an Innovation-Driven Approach



Hopewind, a national high-tech enterprise dedicated to the research, development, production, sales, and service of new energy and electrical drive products, consistently reinforces its capacity for independent innovation. We continuously explore new application scenarios for our products, enhance overall quality management, and strive to deliver highly reliable products and solutions with exceptional performance and superior quality. Our efforts are geared towards creating value for our customers and aiding in the achievement of "carbon peaking and carbon neutrality" goals. Hopewind proudly contributes China's wisdom and strength to power the global energy industry.





2.1 Innovation Capabilities

R&D Innovation Framework

R&D Innovation Structure

In building our innovation system, we have implemented an advanced and well-established Integrated Product Development (IPD) process. This comprehensive system spans the entire product lifecycle, from conceptualization to end-of-life considerations. It includes management, business decision reviews at various stages, as well as the reinforcement of critical technology reviews and the execution of sub-regulations in various R&D areas.

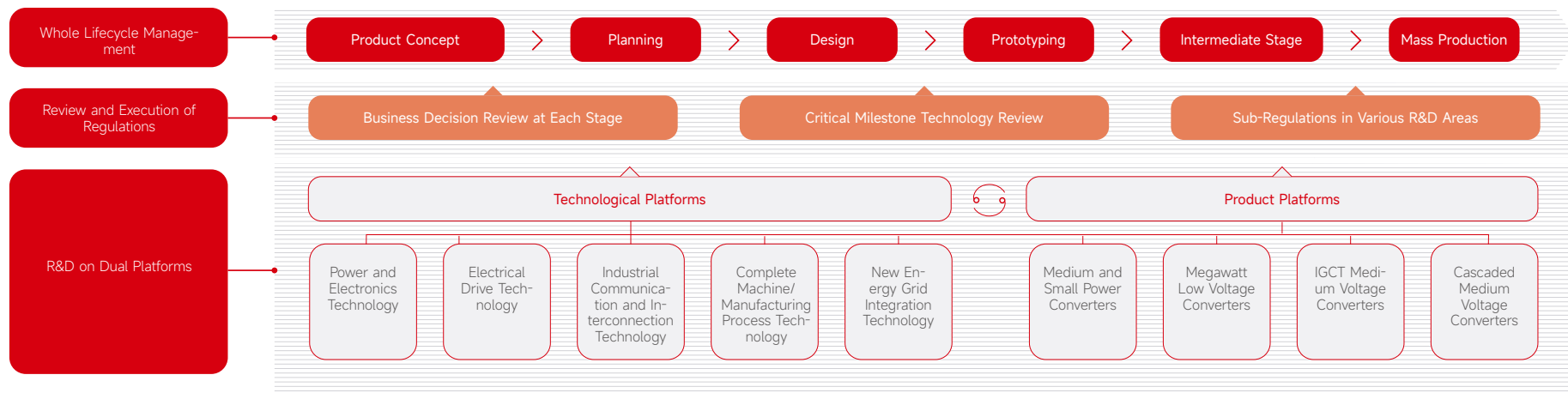
Furthermore, within this IPD process, we have established a matrix-style layout featuring five major technological platforms and four significant product platforms. This layout ensures seamless connection and provides talent support and a mechanism for reusing resources within our core technology chain at the foundational R&D level. This, in turn, enables us to efficiently develop a wide range of high-quality products and systems that cater to the ever-evolving market demands across various business sectors.

Hopewind is progressively advancing its IT platform, combining "information technology, lean management, and digitalization." This strategic vision empowers us to provide comprehensive marketing and service solutions that span both online and offline scenarios. We continuously refine our operational management, empowering our product development processes. We provide complete digital records of the entire product lifecycle, as well as a remote intelligent operation and maintenance system. This commitment allows us to generate added value for our valued customers.

In the realm of project management, Hopewind has enhanced its project management processes to encompass a wide range of project types. These include product development, pre-research, technological exploration, platform development, proto-

type customization, non-standard development, system integration, and engineering modifications. Our project management process categorizes projects based on key factors such as project size, technological risks, development complexity, development methods, and strategic value. This approach helps us determine the project's management level and the tailoring of its processes, allowing us to exercise process control throughout the entire R&D cycle. To guarantee the efficiency and quality of the R&D process, the Company's R&D Center has instituted project teams responsible for data measurement analysis and regulatory audits throughout the development process. This approach contributes to continuous and closed-loop optimization, covering process standards, system tools, template examples, and personnel training.

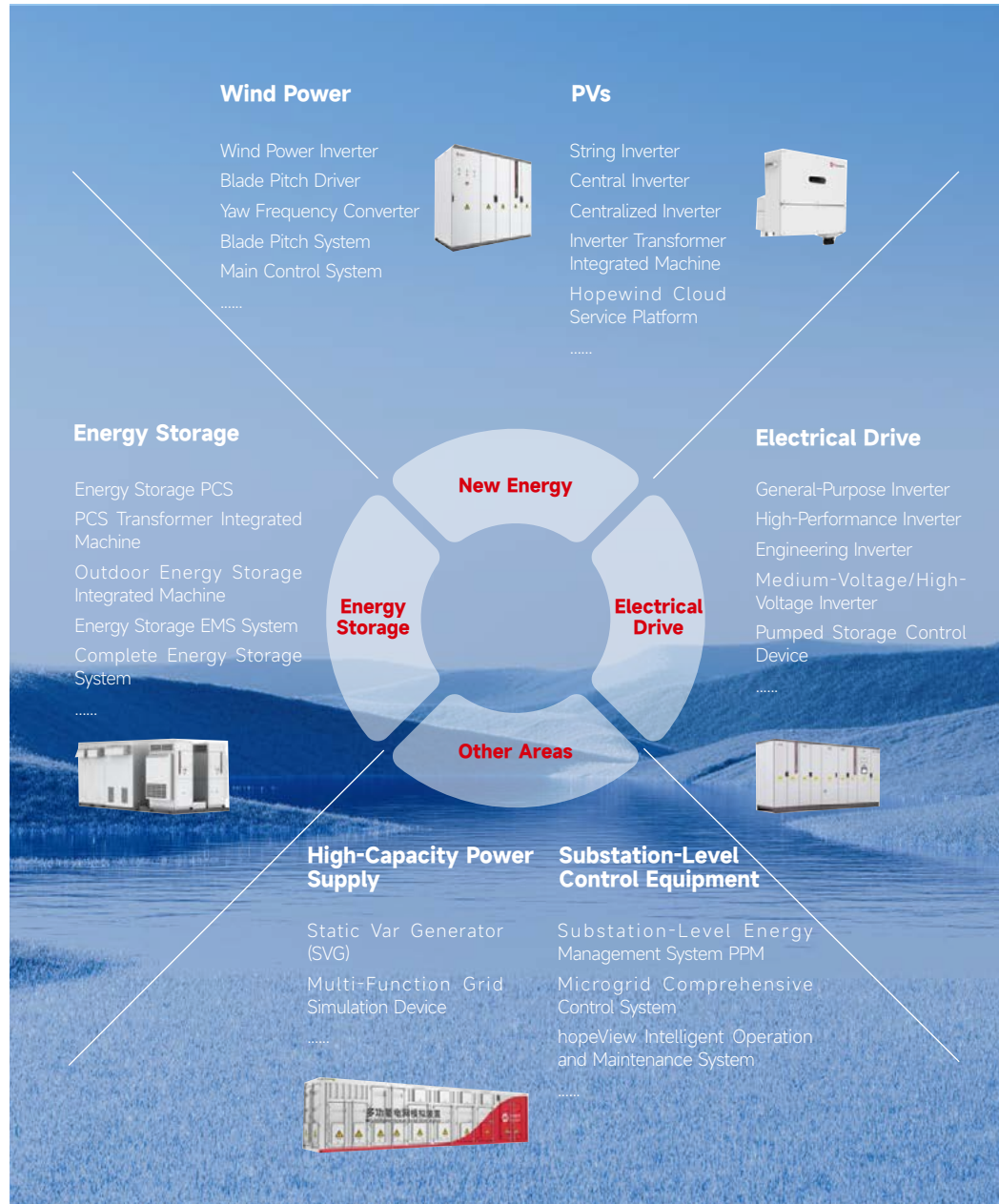
Hopewind Electric Integrated Product Development (IPD) Process





Special Topic

Hopewind's Innovative Business Landscape



■ Wind Power Generation Products

In the field of wind power generation, Hopewind focuses on grid adaptability research and the development of future new models. We have highly competitive solutions in areas such as wind turbine torque tracking, power quality, grid adaptability, high- and low-voltage integration, and offshore wind power. Our main products include:

- | | | |
|--|--|--|
| 1.0 MW to 12.0 MW Full-Power Converter | 3.X MW to 30.0 MW Low-Voltage Three-Level Full-Power Converter | 1.0 MW to 12.0 MW Pitch Drive |
| 1.5 MW to 8.0 MW Doubly Fed Induction Generator (DFIG) | 5.0 MW to 24.0 MW Medium-Voltage Three-Level Converter | 2.2 kW to 110 kW Yaw-Specific Variable Frequency Drive |
| 3.X MW to 16.0 MW Low-Voltage Three-Level Doubly Fed Converter | 1.0 MW to 12.0 MW Pitch System | |

■ Solar PV Products

In the field of PV power generation, Hopewind actively responds to the national "dual-carbon" strategy. We promote both distributed and centralized PVs, with a large-scale application of commercial & industrial and household PV inverters. We provide competitive comprehensive solutions, including a full range of series-connected small and medium-power PV power generation systems and centralized/distributed high-power PV power generation systems.

- Our series-connected solutions include:
- 3 kW ~ 8 kW (550V) String PV Inverter
 - 8 kW ~ 125 kW (1100V) String PV Inverter
 - 225 kW ~ 350 kW (1500V) String PV Inverter

- Our centralized/distributed solutions include:
- 500 kW/630 kW/800 kW (1100V) Grid-Tied Inverter
 - 1250 kW/1562.5 kW/2500 kW/3125 kW (1500V) Grid-Tied Inverter
 - 1000 kW/1250 kW (1100V) Grid-Tied Inverter
 - 1 MW ~ 6.25 MW Megawatt-Level Inverter and Inverter-Integrated Box

■ Energy Storage Products

In the field of energy storage, Hopewind provides competitive comprehensive energy storage system solutions. These include energy storage inverters (PCS), energy management systems (EMS), integrated PCS substations, and complete energy storage systems. Our energy storage inverters and energy storage systems have obtained certifications and testing reports from various institutions, including China General Certification Center (CGC), TÜV SÜD, China Electric Power Research Institute for high- and low-voltage penetration (including zero export). Our performance highlights cover power generation, grid integration, end-users, and microgrids, and these are suitable for a wide range of energy storage media, including lead-acid batteries, lithium-ion batteries, supercapacitors, flywheels, and more.

■ Electrical Drive Products

In the field of electrical drive, Hopewind offers a range of low-voltage and medium-voltage frequency converters, covering power ratings from 0.75 kW to 22400 kW for low-voltage and from 8 MVA to 136 MVA for medium-voltage drive solutions. These products are versatile, suitable for various power ranges, and compatible with multiple control methods. Our products find applications in high-end industrial sectors, including metallurgy, petrochemical industry, lifting equipment, mining machinery, marine equipment, paper industry, textiles, and rail transportation, among others. We were one of the early companies in China that mass-replaced imported high-end frequency converters in the medium to low-voltage range. We now serve more than 100 large and medium-sized steel plants, with applications in over 500 steel plant sites. Our products are widely used in various industrial applications, including high bar, high wire, H-beam, and hot-rolled strip steel production lines. Additionally, these products are used in offshore drilling platforms with capacities of 5000m, 7000m, 9000m, 12000m, and 15000m, contributing to domestic production substitution efforts.

■ Power Quality Products

In the realm of power quality control, Hopewind provides SVG (Static Var Generator) products ranging from 30 kvar to 140 Mvar. These products aid power generation and transmission entities and various end-users in eliminating grid pollution, stabilizing grid voltage, improving power quality, and enhancing transmission capacity. We are the first domestic manufacturer capable of grid-connected operation with high- and low-voltage penetration for SVG devices. We are also the first manufacturer in China to have passed high- and low-voltage penetration testing for SVG devices conducted by China Electric Power Research Institute, showcasing outstanding performance and industry-leading excellence.

R&D Capacity Building

Building a Strong R&D Team

Hopewind consistently adheres to the philosophy of "Technological innovation with talent at the core" and has formed a core technological team and a management team comprised of 566 professionals, with over 30% of them serving as R&D personnel. To encourage all employees to engage in innovative research and pursue independent innovation, we have implemented various incentive measures. We recognize and reward employees who excel in patent applications and paper publications with certificates of honor and gifts. In addition, we offer R&D training courses for our employees, invite R&D experts to deliver lectures, and consistently provide overseas learning opportunities to high-potential employees. These initiatives collectively contribute to the enhancement of our company-wide R&D and innovation capabilities.

Hopewind has a team of

566

electrical R&D engineers

Hopewind's R&D personnel account for more than

30%

of the total workforce

Hopewind's R&D investment exceeded

RMB 210 million

in 2022

Building Versatile R&D Platforms

In terms of R&D investment, Hopewind invested over RMB 210 million in 2022. We have established five R&D and manufacturing facilities in Shenzhen, Suzhou, Xi'an, Dongguan, and Heyuan. We have also set up comprehensive testing and experimental platforms to support our R&D activities for products such as wind power converters, PV inverters, energy storage converters, SVG, and more. These platforms enable us to conduct functional performance, white-box extreme, fault simulation, and reliability testing in accordance with relevant standards and test specifications. Our laboratory is equipped with wind turbine units of varying power capacities, including 10 MW, 4 MW, 3.5 MW, and 2.5 MW, aging platforms with a maximum capacity of 17 MW, 60 m³ walk-in temperature chambers, 20 m³ salt spray test chambers, 500 kg vibration testing tables, and EMC equipment such as ESD, EFT, SURGE, CS, and shielded rooms. This comprehensive setup allows for a thorough assessment of the functionality, performance, and reliability of our R&D products.



10 MW Wind Power Converter Standard Testing Platform



6 MW Full-Power Aging Testing Platform



Salt Spray and Dust Testing Equipment



Walk-in High-Low Temperature and Heat Testing Chamber



Vibration Testing Table

Intellectual Property Protection

Hopewind complies with applicable laws and regulations, including the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*. To ensure the proper declaration, utilization, and protection of our intellectual property in accordance with these regulations, we have formulated the *Hopewind Patent Agent Quality Management Standards* and the *Hopewind Intellectual Property Incentive Measures*. In addition, we have established a dedicated IT platform and an electronic workflow system for patent-related processes. These mechanisms enable seamless collaboration with colleges and universities in tasks such as patent searches, patent discovery, patent applications, and patent investigations.

As part of our ongoing commitment to enhance our employees' understanding of intellectual property protection and bolstering their awareness of the related legal risks, we conducted three intellectual property training sessions in 2022. The sessions covered essential topics, including Fundamental Patent Knowledge and Approval Procedures, Analysis of Patent Claim Rights and Application Protection, and Techniques for Crafting Patent Application Documents. More than 280 participants, including control, hardware, and structural R&D engineers, as well as new R&D team members, attended these training sessions.

280

Participants more than

As of the end of the reporting period, Hopewind obtained

518

patent grants

As of the end of the reporting period, Hopewind obtained 518 patent grants. The number of patents, software copyrights, and trademarks owned by the Company is shown in the table below:

89

Invention Patents

382

Utility Model Patents

28

Software Copyrights

593

Trademarks

47

Design Patents

518

Total Number of Patents



2.2 Product Quality

Hopewind considers product quality as its lifeblood. While advancing our R&D and innovation, we hold ourselves accountable as stewards of product quality. We have established a comprehensive quality management system that oversees product quality throughout the entire product lifecycle. We engage in a range of activities designed to cultivate a culture of quality, boosting our employees' sense of mission and responsibility towards product quality. Furthermore, we partner with top-notch suppliers to ensure product quality right from the source.

Product Quality Management

Quality Objectives

At Hopewind, we uphold the quality policy of "involvement of all employees, prevention at the source, getting it right the first time, swift improvements, and a continuous focus on enhancing customer satisfaction." This approach aims to elevate the level of our quality management efforts across the board. At the beginning of each year, the Company's Quality Department collaborates closely with various first-tier product departments to establish quality objectives, drawing from past quality performance and the expectations of our diverse stakeholders. These objectives provide invaluable guidance for the annual quality management efforts. During the reporting period, we established 24 primary quality objectives and implemented monthly tracking and statistical analysis, achieving an overall success rate of over 95%.

95%

achieving an overall success rate of over

Quality Management System

Hopewind has established a comprehensive quality control system, developed a series of internal documents on quality management, and implemented quality management across various stages of our business processes. These encompass product design quality, procurement, supply chain management, production quality, and sales and service quality. As of the end of the reporting period, we obtained the ISO 9001 Quality Management System Certificate.



Hopewind's ISO 9001 Quality Management System Certificate





Improving Product Quality

Within our standardized framework, Hopewind remains goal-oriented and employs various measures to enhance the quality of its products. Across every workshop, we have introduced automated production equipment and processes to reduce costs and increase efficiency while significantly improving product quality.

Workshop	Partially Automated Production Equipment	Uses of Automated Production Equipment	Advantages of Automated Production Equipment
Sheet Metal Workshop	Numerical Control Busbar Punching and Shearing Machine	Automatic processing of various specifications of copper and aluminum busbars.	The machine operates without the need for manual intervention, offering fast processing speed and high precision.
	Open Fixed-Table Press Machine	Used for shearing, blanking, punching, bending, shallow drawing, and various cold stamping processes for sheet metal, with widespread application in different manufacturing sectors.	The machine offers the following features: well-built rigidity, stable precision, balanced transmission, low noise level, sensitive movement, safe operation, good lubrication, and clear labeling.
	Riveting Machine	Processing of various specifications of bolts, nuts, screws, etc., for sheet metal.	The machine has firm and reliable connections. No material consumption or need for auxiliary materials. No thermal stress in the connection area. No damage to the protective layer on the workpiece surface. No dust, toxic smoke, or noise emissions.
SMT Workshop	Fully Automatic Solder Paste Inspection Machine (3D)	Examination of the thickness, area, and volume distribution of solder paste (red glue) on PCB boards to promptly detect printing defects.	Using 3D imaging technology, the machine automatically assesses whether the solder paste or red glue meets the requirements in terms of thickness, area, and volume. This allows for the timely detection of printing defects and their rectification.
	Automatic Optical Inspection Machine (2D)	Checking the soldering conditions of PCBA components to identify missing parts, wrong parts, or reverse placement.	The machine can identify defects that are not visible to the naked eye and can detect components and solder points that the bed of needles cannot reach during in-line testing, improving Quality Control.
	Intelligent First Article Inspection Machine	Assisting in improving the speed and quality of first article inspection in SMT.	The machine automatically assesses inspection results, enhancing product quality and ensuring traceability with strict process standards.
Manual Insertion Workshop	Wave Soldering Oven	Used for soldering PCBA components.	The machine allows for shorter contact time between the circuit board and the high-temperature soldering tin, reducing the risk of board warping and deformation. Wave soldering promotes the flow of solder, which is conducive to improving solder joint quality.
	Semi-Automatic Depaneling Machine	Used for depaneling PCBA.	This machine offers strong adaptability, capable of cutting straight lines, arcs, curves, and oblique lines. It minimizes cutting stress, replacing manual breaking, V-CUT, or PUSH methods, leading to a significant improvement in product quality and reduced scrap rate.
PV String/Module Assembly Line	Fully Automatic Screw Torque Calibration Machine	Used for screw fastening and torque calibration.	This machine ensures precise torque control, easy adjustment, and consistent fastening quality.
	Automatic Packaging Line	Used for product packaging.	Enhances packaging quality and production capacity.



Product Safety and Recall

Hopewind is committed to building a "clean, low-carbon, safe, and efficient" energy system. We place a strong emphasis on product quality to guarantee the safety and performance of our products, thus safeguarding the overall safety of the energy system. As of the end of the reporting period, our product portfolio attained TÜV SÜD certification, underscoring our unwavering commitment to high safety standards and exceptional safety performance.

In 2022, Hopewind had

NO

product recall incidents

NO

safety or health
violations regarding our
products and services

Product Quality Certification

Under the guidance of clearly defined quality objectives, a comprehensive quality management system, and effective quality improvement measures, Hopewind has achieved remarkable results in product quality. As of the end of the reporting period, our product portfolio obtained quality certifications from trusted accreditation organizations such as PCCC, CGC, CQC, CCS, and more.

A Selected List of Certifications

Certification Name	Organization	Hopewind's Certified Product
PCCC Certification	Power (Beijing) Product Certification Center Co., Ltd.	35 kV Chain-type Dynamic Reactive Power Compensation Device
CGC Certification	China General Certification Center	500 kW and 630 kW Energy Storage Inverter
		4 to 8 kW Grid-tied PV Inverter 4.X MW, 5.0 MW, 6.0 MW, 8.0 MW, 10.0 MW, and 12.0 MW Full-Power Wind Turbine Converter
CQC Certification	China Quality Certification Center	100 kW, 110 kW, 125 kW, and 136 kW Grid-tied PV Inverter
		Distributed Junction Box, Distributed Inverter, Central Inverter, and String Inverter Converter for Doubly Fed Wind Turbine Generator
CCS Certification	China Classification Society	1.5 MW, 2.0 MW, 2.5 MW, and 3.0 MW Full-Power Converter 1.5 MW, 2.5 MW, 3.0 MW, 3.2 MW, and 3.6 MW Doubly Fed Converter

Additionally, Hopewind's PV string inverters ranging from 5 kW to 33 kW, 36 kW to 75 kW, and 100 kW to 110 kW have obtained multiple international certifications from renowned organizations such as TÜV NORD, Intertek Testing Services (ITK), and Bureau Veritas (BV). Certificates include IEC 62109-1, VDE-AR-N 4105, IEC 62109-2, EN50549-1, VDE 4105, and more. This extensive certification fully demonstrates the safety and grid-connectivity performance of our PV inverters, meeting the stringent requirements of numerous countries and territories worldwide, thus empowering further expansion into international markets.

3500 KW/630 KW Energy Storage Product TÜV Certification

1500 KW/630 KW Energy Storage Product TÜV-CE Certification

Distributed PV Inverter TÜV-CE Certification

Distributed PV Inverter TÜV Certification

Centralized PV Inverter TÜV Certification

Centralized PV Inverter TÜV-CE Certification

String PV Inverter TÜV Certification

A Selected List of Hopewind's TÜV-Certified Products

A Selected List of Hopewind's TÜV-Certified Products



Building a Quality Culture

Hopewind practices quality management across the entire product lifecycle, encompassing a variety of facets within our business processes. This includes design quality, management quality, supply chain quality, service quality, and operational product data. We boast an experienced professional testing team and have established testing regulations and procedural systems that align with advanced international standards. Moreover, we have implemented an independent third-party quality assurance system, separate from R&D. Throughout the product development process, we tend to resolve major issues during the R&D and pilot stages, thus effectively preventing quality defects during production.

Furthermore, Hopewind is committed to fostering a stronger quality culture. During the reporting period, we conducted various quality culture activities, such as training on quality topics, publication of a monthly quality magazine, and encouragement of rational proposals for improvement. These activities are designed to strengthen employees' awareness of quality management, deepen their understanding of Hopewind's quality system, and cultivate a healthy quality culture within the Company.

Rational Proposal Management System

Hopewind has implemented a "Rational Proposal Management System" that encourages employees to actively share valuable suggestions for the Company's growth. These suggestions can cover a wide range of areas, including product quality, management, and procedural processes. As a token of appreciation, employees will be rewarded with benefits points and cash incentives. In 2022, Hopewind received a total of 700 rational proposals from its employees.

In 2022, Hopewind received a total of

700

rational proposals from its employees

Monthly Quality Magazine

The Quality Department at Hopewind publishes a Monthly Quality Magazine that covers various topics, including a summary of the month's quality management efforts, quality case studies, expansion of professional expertise, and the evaluation results of rational proposals. Our Monthly Quality Magazine has played a crucial role in establishing a positive cycle of "reflection, motivation, and improvement" in the Company's quality management work. It has also helped employees learn from past experiences, gain motivation from incentives, and develop skills through the sharing of case studies. The ultimate goal is to drive continuous and steady improvement in our product quality.



03

Green Operations for Evergreen Business



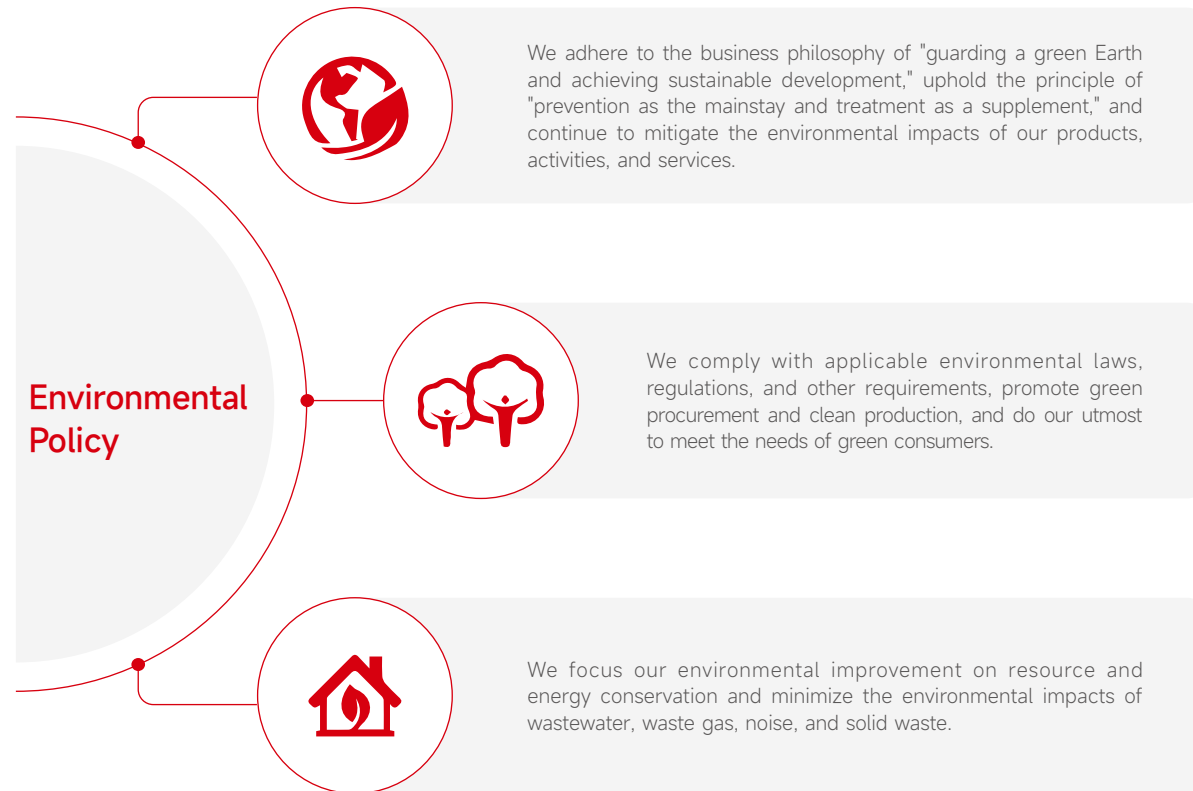
As a globalized new energy solution provider, Hopewind always adheres to green development. We persistently enhance our environmental management system and integrate environmental protection and green development principles into all facets of our business operations. Our dedication extends to the promotion of clean energy, the reinforcement of energy conservation and emission reduction initiatives, and our active response to the challenges posed by climate change. In doing so, we contribute significantly to the objectives of carbon peaking and carbon neutrality, while expediting the construction of an ecological civilization.



3.1 Environmental Management

Guiding Policy on Environmental Policy

Hopewind strictly abides by the *Environmental Protection Law of the People's Republic of China*, the *Regulation of Guangdong Province on Environmental Protection*, the *Regulations of Guangdong Province on the Administration of Environmental Protection of Construction Projects*, and other applicable laws, regulations, and management rules. In accordance with our unique corporate characteristics, we have developed an environmental policy to ensure that our development aligns harmoniously with environmental preservation.



Hopewind's environmental policy

Hopewind meticulously fulfills its political and social responsibilities for environmental protection as defined by the ISO 14001 Environmental Management System. During the reporting period, we increased our investment in environmental protection, established environmental management objectives, and implemented various measures to encourage our affiliates to bolster their environmental and risk management practices, thereby minimizing the environmental impact of our operations. In 2022, no environmental pollution incidents occurred in Hopewind.

Environmental Management Target

Target:

0

environmental
pollution
incidents

Progress:

No

environmental
pollution incidents
happened

Environmental Protection Management

RMB 22,700

Total investments in
environmental treatment in 2022



Environmental System

Hopewind has established a risk prevention and environmental emergency response system, encompassing the *Emergency Rescue Management System* and the *Contingency Plan for Hazardous Waste Accidents*, among other internal emergency response frameworks. Additionally, we have assembled an emergency response command structure, comprising an emergency response commander-in-chief, deputy commander-in-chief, and a range of specialized emergency response teams, including those for rescue and emergency response, alert and evacuation, medical care, communication, and logistics. We regularly conduct emergency drills, effectively preventing and managing a variety of potential accidents.



Hopewind's environmental management system certifications

Advocacy of Environmental Protection

Hopewind places a high priority on enhancing employees' awareness of environmental risk prevention and control. In 2022, we actively promoted environmental protection initiatives among our employees, bolstering their environmental awareness and prevention skills while consolidating our environmental management system.

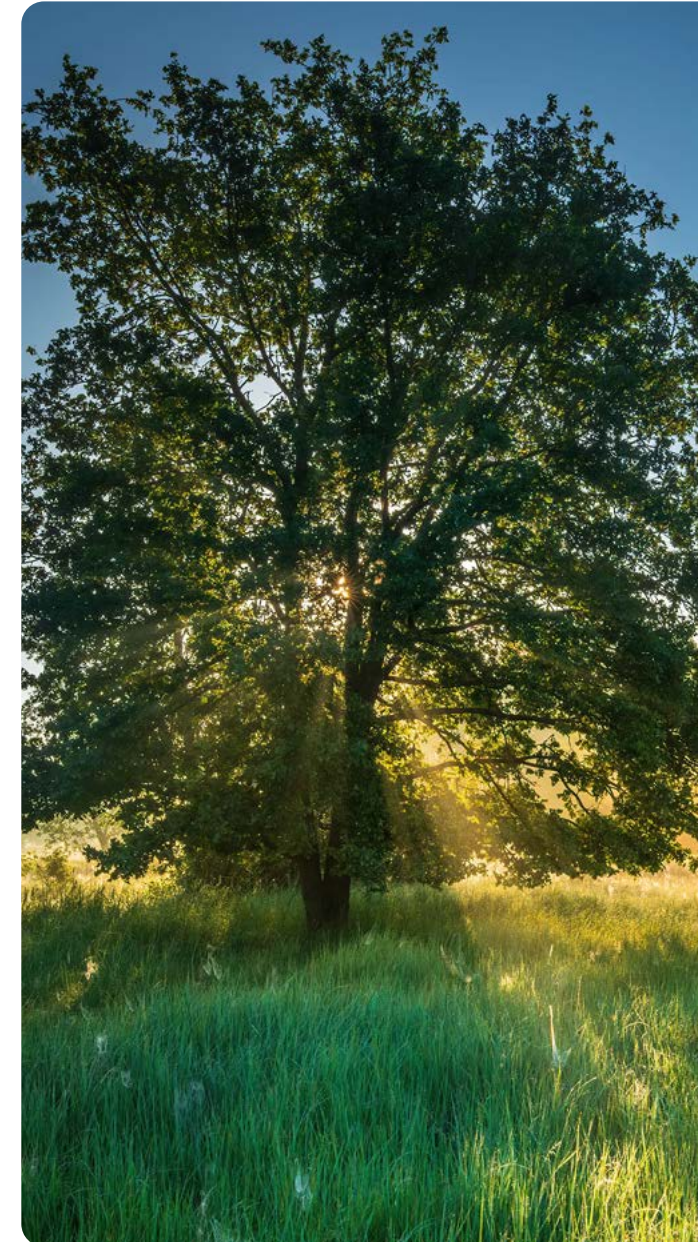
Environmental accident emergency response drill to enhance emergency response capabilities

In May 2022, the emergency response command hosted a chemical drill on the second floor of the Company's Building #5. The drill effectively strengthened the collaboration among the emergency response teams and familiarized them with the main content of their duties and rescue measures. Participants summarized and analyzed the drill to identify improvements needed to be made, which significantly enhanced the emergency response capabilities of all posts.



The on-site environmental accident emergency response drill

Hopewind recognizes the intrinsic connection between our business operations and the ecological environment. Consequently, we hold biodiversity conservation in high regard and take proactive measures to minimize any adverse effects on the ecological environment and biodiversity.



3.2 Utilization of Resources

Energy Management

Hopewind maintains a vigilant focus on all types of resources consumed in its operational processes. We conduct a comprehensive assessment of energy-consuming aspects of our operations and develop tailored management plans encompassing equipment, economic, and administrative measures to conserve energy effectively.

Equipment Energy Conservation

Hopewind has conducted thorough inspections and implemented adjustments to address issues such as the aging and high-power consumption of PV inverter products. Through energy conservation retrofitting projects targeting production equipment, we have successfully reduced power consumption while enhancing equipment efficiency. During the reporting period, these initiatives resulted in savings totaling RMB 1,865,500, which will be allocated to future energy conservation and consumption reduction efforts. At the same time, as of the end of the reporting period, the Company had delivered more than 100 GW of new energy capacity with its efficient, reliable, high-quality products. This achievement has generated substantial value for both Hopewind and its customers.

Economic Energy Conservation

The Company has purchased 40,000 kWh of green electricity via the national voluntary purchase platform for green electricity certificates. This green electricity is used in the production, assembly, and processing of our products at our bases. This action, which is equivalent to reducing emissions by 27,964 kg of CO₂, 18.8 kg of SO₂, and 17.2 kg of NO_x, has made a positive impact on both our production processes and the overall consumption of renewable energy.

Hopewind follows the national policy of energy conservation with a keen focus on energy management and resource consumption throughout our operational processes. We remain committed to advancing innovation in energy conservation technologies and enhancing our resource management practices, all in pursuit of our goal to establish ourselves as a responsible company dedicated to green development.



Green electricity certificates

In addition to purchasing green electricity, Hopewind has installed 1.2-MWp distributed rooftop PVs (PVs) in its Suzhou base. It is part of an industrial and commercial distributed power generation project that generates power for self-consumption and feeds surplus power to the grid, which uses Hopewind's own-branded PV inverters and has been operating in a good condition so far. The project was put into operation in January 2022. By the end of 2022, it had generated 1,415,490 kWh, with 1,275,736 kWh for self-consumption, or a self-consumption generation rate of 90.12%, contributing to the goals of carbon peaking and carbon neutrality with PV power generation.



The distributed PVs in the Suzhou plant

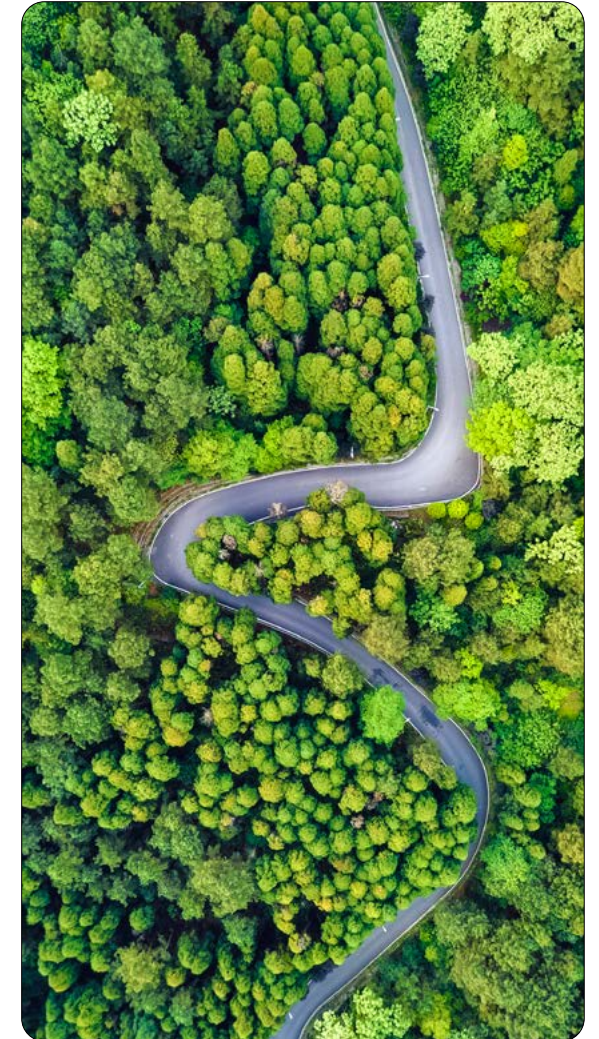


Management Energy Conservation

Hopewind underwent the verifications of product carbon footprint and greenhouse gas (GHG) emissions for 2022. Throughout this verification process, we established a GHG management system tailored to our specific circumstances. This system played a crucial role in enhancing the accuracy and validity of the Company's data and reports on GHG emissions. Moreover, we have successfully obtained the ISO 50001 Energy Management System certification, which will serve as a fundamental pillar supporting Hopewind's journey towards becoming a resource-efficient company dedicated to green operations.

Hopewind's energy consumption during the reporting period was as follows:

Indicator	Unit	2022
Purchased electricity consumption	MWh	13,169.5
Self-generated Renewable Energy for Self-consumption		
PV installed capacity	MWh	1.2
PV power generation	MWh	1,415.4
PV power self-consumption	MWh	1,275.7
Indirect energy consumption ¹	metric ton of coal equivalent	24.77
Indirect energy consumption intensity	metric ton of coal equivalent/RMB 1 million of revenue	0.01
Total gasoline consumption	L	11,409.76
Total diesel consumption	L	4,977
Total direct energy consumption ¹	metric ton of coal equivalent	12,172.14
Direct energy consumption intensity	metric ton of coal equivalent/RMB 1 million of revenue	4.33
Total GHG emissions (Scope 1) ²	metric ton of CO ₂ equivalent	38.00
Total GHG emissions (Scope 2) ³	metric ton of CO ₂ equivalent	7,510.57
Total GHG emissions	metric ton of CO ₂ equivalent	7,548.57
CO ₂ emissions intensity	metric ton of CO ₂ equivalent/RMB 1 million of revenue	2.69



Product carbon footprint certificate



Carbon emissions verification certificate



Energy management system certificate

¹ The energy consumption is converted into coal equivalent with reference to the GB/T 2589-2020 General Rules for Calculation of the Comprehensive Energy Consumption.

² Scope 1 emissions are calculated using the lower heating value of gasoline of 44.8 GJ/t from the 2005 Research on the GHG Emission Inventory of China, the carbon content of per calorific unit of gasoline of 0.0189 tC/GJ from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and Guidelines for Provincial GHG Inventories (for Trial Implementation), and the carbon oxidation rate of gasoline of 98% from the Guidelines for Provincial GHG Inventories (for Trial Implementation).

³ Scope 2 emissions were calculated using the national grid average emission factor 2022 of 0.5703 t CO₂/MWh from the Notice on the Management of GHG Emissions Reporting of Enterprises in the Power Generation Sector from 2023 to 2025 published by the Ministry of Ecology and Environment.



Water Management

Hopewind recognizes the significance of enhancing the management of its water usage processes as an integral component of its commitment to green operations. We are dedicated to enhancing water efficiency through various measures, including the collection of rainwater and the promotion of water conservation practices. Hopewind primarily relies on municipal water supply as the main source of water. Moreover, we have installed rainwater collection and utilization facilities in the operating parks.

Rainwater collection tanks

In 2022, Hopewind set up rainwater collection tanks for better water management. The collected rainwater undergoes a sedimentation process to produce clean water, which is used for landscaping and road washing, thus recycling water and avoiding waste.

In 2022

67,754.5 metric ton

Total water consumption

24.12 metric ton/RMB 1 million of revenue

Water consumption intensity

Ecological Management

With the opportunities presented by the strategies for carbon peaking and carbon neutrality, the global shift toward a green and low-carbon energy structure has become an inexorable trend. New energy enterprises have a pivotal role to play in the journey towards achieving carbon neutrality.

Hopewind, positioned as one of China's most competitive

players in the new energy sector, with a primary focus on wind power and PVs, integrates ecological management into its daily operations. Our commitment lies in realizing a harmonious synergy between ecology and energy, fostering ecological resilience through innovative projects such as sand control using PVs and agriculture-fishery complementary initiatives.

Agriculture-fishery complementation



In November 2022, Hopewind's 3.125-MW central inverter plant in Huchang Town, Xiantao, Hubei Province supported a 200-MW fishery-PV complementary power plant connected to the grid in full compacity. This project is an agricultural upgrade project in the trend of the green energy transition, creating a new business model of fishery-PV complementary power generation, which "generates power on the land and raises fish in the water underneath." PV panels convert solar energy to generate power for aquaculture and increase farmers' income by feeding surplus power to the grid. They also block ultraviolet rays, thus effectively lowering the water temperature and optimizing the environment for fish. The project realizes "dual purposes on land and double income from water," enhancing comprehensive income and ecological vitality.





3.3 Regulated Discharge

Wastewater Management

Hopewind is actively involved in the research and development (R&D) and manufacturing of electrical equipment. Our product manufacturing process primarily involves assembly and testing, which does not generate or discharge industrial wastewater. We engage reputable third-party testing agencies to conduct assessments of water and air quality, noise levels, as well as the presence of residues, solid waste, wastewater, and waste gases. We have also developed the *Management Procedures for Polluted Water and Gas, Noise, and Residues* to ensure that wastewater discharge meets the relevant standards and optimize our wastewater management.

During the reporting period, the wastewater⁴ discharge of Hopewind's Suzhou base was as follows:

Indicator	Unit	2022
COD discharges in to water bodies	metric ton	4,543
Ammonia and nitrogen discharges into water bodies	metric ton	0.325
Total industrial wastewater discharges	metric ton	0
Total wastewater discharges	metric ton	23,006
Total number of wastewater outlets	piece	1

⁴ Hopewind's wastewater discharge in 2022 includes only the Suzhou base and does not include the Company's other bases.

Waste Gas Management

Hopewind primarily generates waste gas from limited soldering operations in the production process, resulting in relatively low overall emissions. We place stringent adherence to the pertinent national laws, regulations, and regulatory guidelines governing waste gas emissions. Additionally, we consistently enlist the services of accredited third-party testing agencies to assess these emissions. The results of these tests consistently demonstrate that our emission concentrations fall within the permissible range.

Purification installation to secure waste gas management

In 2022, Hopewind installed an air duct purification unit in the PCB test area, which effectively filters out hazardous substances and ensures safe waste gas emissions.



The air duct purification unit

During the reporting period, the waste gas⁵ emissions of Hopewind's Suzhou base were as follows:

Indicator	Unit	2022
Tin emissions	metric ton	0.00045
Non-methane hydro carbon emissions	metric ton	0.115
Total waste gas emissions	m ³	0.11545
Total number of waste gas outlets	piece	1

Packaging Material and Waste Management

Hopewind strictly abides by the Regulations on the *Safety Management of Hazardous Chemicals*, the *Standard for Pollution on the Storage and Disposal Site for General Industrial Solid Wastes*, and other laws, regulations, and ordinances in this regard. We have developed internal management systems such as the *Safety Management System for the Production of Hazardous Chemicals* and the *Hazardous Waste Management System* to improve our waste disposal processes and standards. Moreover, we minimize

our environmental impacts with various initiatives.

We strictly regulate the management of the classification, collection, storage, and disposal processes of different types of waste and have improved our label management and registration. Additionally, we commission qualified third-party environmental protection agencies to legally recycle and dispose of hazardous wastes to ensure that all wastes are discharged in compliance with the standards.

⁵ Hopewind's waste gas emissions in 2022 include only the Suzhou base and do not include the Company's other bases.



3.4 Responding to Climate Change

Climate change is a global challenge confronting humanity. As a provider of green and low-carbon energy solutions to customers worldwide, Hopewind actively addresses the issue of global climate change and willingly shoulders its corporate responsibility. We take proactive steps to mitigate and respond to the effects of climate change, while continually strengthening our capacity for climate change adaptation and response.

In 2022, Hopewind conducted a comprehensive analysis, identifying potential climate change-related hazards based on the specific characteristics of our operations and the climate patterns of the regions in which we operate. Subsequently, we devised targeted preventive measures as follows:



Inclement Weather and Geologic Hazard (heavy rain, earthquakes, etc.)

Our analysis revealed a susceptibility to slope landslides during such conditions. We maintain a vigilant watch over weather conditions and install safety warning signs along slopes to mitigate the risk of safety accidents.



Extreme Weather Events (typhoons and others)

We have developed specialized response measures to address extreme weather events, including but not limited to regular monitoring of early warning information, disseminating safety notices and reminders to all employees, and prominently displaying safety warning signs and reminders. These initiatives enhance our ability to respond effectively to extreme weather occurrences.



3.5 Practicing Green Operations

Hopewind adheres to the "green" concept and integrates it into all dimensions of business operations, contributing to building an energy-saving and environmentally-friendly enterprise with practical actions.



In the coordination with suppliers, Hopewind signs the Environmental Protection Agreement for Materials to adapt to the trend of environmental protection, meet customers' needs, and comply with the RoHS⁶ directive. This move enables greener production and more environmentally-friendly product packaging.



In the Company's office work and operations, Hopewind emphasizes green offices and green travel. Many initiatives have been launched to create low-carbon and environmentally-friendly offices, including saving water and electricity, comprehensive application of energy-saving lighting, control over air-conditioning temperature in summer, paper-less office work, building an OA office system and a video-conferencing system, reducing employees' travel, and advocating new energy vehicles.



In advocating the green awareness, Hopewind calls its employees, customers, the public, and other stakeholders to care about global climate change, engage in environmental protection campaigns such as the Earth Hour and the Earth Day. In this way, more Hopewind power has been injected into the goal to achieve carbon neutrality and the green energy transition.

⁶ It refers to the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment, including but not limited to DIRECTIVE2011/65/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 8 June 2011 on the Restriction of the use of certain hazardous substances in electrical and electronic equipment and its accompanying rules and standards and any subsequent revisions.

04

Collaborating with Industry Partners for Win-win Outcomes



While striving for excellence in our development, Hopewind consistently upholds the values of collaboration, promoting innovation, partnership, and win-win across the entire industrial chain. We continually refine our supply chain management practices, foster effective communication with our suppliers, deliver high-quality customer service, attentively listen to valuable suggestions from our customers, deeply integrate industry, academia, research, and application, and foster cooperation with diverse stakeholders to jointly shape the future.



4.1 Supply Chain Management

Hopewind is committed to maintaining mutually beneficial and close partnerships with outstanding suppliers. We have implemented a series of robust supplier management mechanisms, including the *Procurement Control Procedures*, the *Supplier Quality Management Manual*, and the *Anti-Corruption Management Regulations*. We have also developed a supplier access and evaluation system, expanded communication channels with suppliers, and created a healthy and orderly supply chain structure.

Supplier Access

Hopewind has set forth comprehensive, rigorous, and standardized supplier certification standards that incorporate potential partners' environmental, social, and governance performance into the supplier qualification review. Moreover, all suppliers entering into collaboration with Hopewind are required to undergo our supplier certification process and sign the Purchase Agreement, the Confidentiality Agreement, the Anti-Corruption Agreement, the Intellectual Property Protection Commitment, and the Quality Assurance Agreement.

Our ESG assessment criteria for supplier access include the following:



Environmental

Environmental management system, environmental performance, and RoHS certification



Social

Quality management system and certification, after-sales service, personnel training, safety regulations, and supply chain management



Governance

Integrity management, intellectual property protection, and regulatory compliance in operations

As of the end of the reporting period, Hopewind had 734 suppliers (excluding administrative suppliers), with 121 of them being newly added suppliers in 2022. Additionally, we actively promote local procurement, with local procurement expenditure accounting for over 50% of the total.

734

Hopewind has suppliers

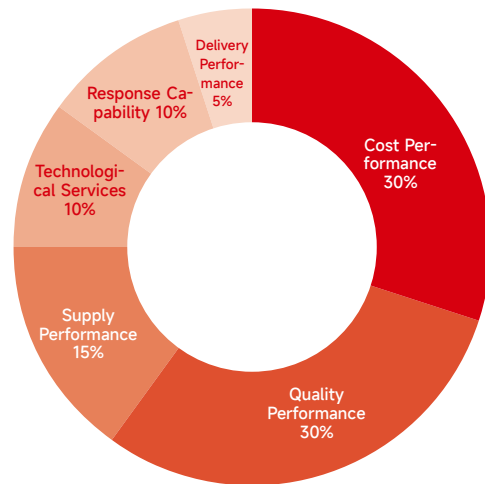
Hopewind's local procurement expenditure accounts for over

50%

of the total

Supplier Assessment

Hopewind has established a rigorous supplier assessment and management system to ensure the quality of components processed by external factories and their supply capabilities. For suppliers with established partnerships, we carry out an annual performance evaluation, led by our Procurement Department, with participation from our R&D Department, Quality Department, and Planning Management Department. A comprehensive performance assessment is conducted for suppliers, and based on the evaluation results, suppliers are categorized as excellent suppliers, qualified suppliers, substandard suppliers, or unacceptable suppliers. For suppliers at different performance levels, we apply corresponding management methods, offer incentives to excellent suppliers, and provide the necessary support to achieve comprehensive improvements in supplier quality.



≥80 points	Excellent Supplier	Award an Excellent Supplier Certificate.
60 to 79 points	Qualified Supplier	Award prizes to suppliers with outstanding performance in individual assessment items, such as Quality Performance Award, Technological Service Award, and Best Partner Award.
50 to 59 points	Substandard Supplier	Conduct necessary rectification, and if the rectification still does not meet the requirements, then assess for vendor disqualification.
1 to 49 points	Unacceptable Supplier	Terminate supplier access.

Supplier Communication

Safeguarding our supply chains is a vital strategy for Hopewind to continually improve product quality and stay competitive within the industry. We place significant emphasis on assisting our suppliers in enhancing their capabilities. Through proactive and open communication with our suppliers, we gain valuable insights and feedback, facilitating more efficient and effective collaboration for both parties.

During the reporting period, our approach to supplier quality management shifted towards proactive management. We actively engaged with our suppliers through various communication activities such as quality meetings, inspections, audits, and monitoring. Furthermore, we expanded the scope of proactive management to include a greater number of suppliers, with a specific focus on renewable energy products. This approach was designed to fortify our relationships with suppliers and ultimately reach a consensus on quality.

Annual Activity	FY2021	FY2022	Growth Rate
Quality Meeting	150	270	80%
Supplier Inspection	81	118	46%
Supplier Audit	46	51	11%
Supplier Monitoring	9	33	267%
Total Sum of Activities	286	472	65%

Hopewind routinely engages in supplier communication to maintain seamless procurement collaborations. To enhance alignment in long-term partnerships, we establish effective communication channels with our suppliers through supplier conferences, ensuring that they are well-informed about and follow up on our expectations and requirements across various aspects. At the supplier conference in 2022, we conducted two-way dialogues with our core suppliers regarding quality enhancements. We also provided tangible support to facilitate ongoing improvements.



4.2 Delivering Premium Services

Customer Service Management

Global Service Network

Drawing upon its R&D advantages, Hopewind delivers comprehensive services and technical support throughout the project construction period and beyond. In our continuous efforts to elevate the quality of standard services, we also leverage our own strengths to provide valuable customized services. Hopewind's all-encompassing service portfolio and rapid response have gained recognition from customers within the industry.

We have established manufacturing hubs in cities like Shenzhen, Suzhou, Dongguan, and Heyuan after considering a range of factors such as economic maturity, regional culture, assurance of after-sales service, and transportation costs. Furthermore, we have built service stations in more than 20 customer service facilities in Southern China, Eastern China, Southwest China, Northwest China, Northern China, and Northeast China, as well as in Brazil, Turkey, South Korea, Vietnam, India, and the Netherlands.

20

we have built service stations in customer service facilities more than

Hopewind adheres to a customer-centric approach, consistently expanding its global service management system, establishing a reassuring after-sales network, and offering comprehensive protection for customer rights. We are dedicated to enhancing customer satisfaction and strive to make clean energy accessible to countries worldwide. Furthermore, we rigorously conduct responsible marketing practices and implement concrete measures to safeguard customer privacy and data security.

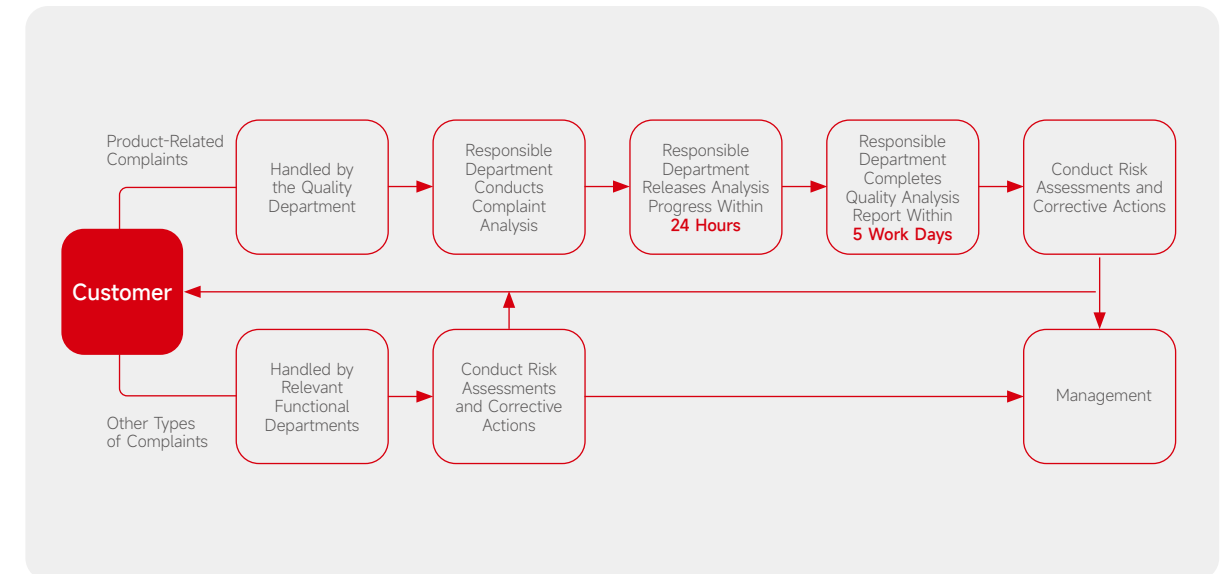


Customer Service and Communication

Hopewind has established a series of internal regulations on customer service such as the *Customer Service Control Procedures* and the *Post-Market and After-Sales Center Management Regulations*. These regulations cover workflows and standards related to customer service, including customer service processes, customer training, handling of customer complaints, customer follow-ups, customer surveys, and more. This comprehensive framework serves as the bedrock of our customer service system.



We place a high value on customer feedback and complaints, strictly adhere to our internal customer service system, and have set up a closed-loop complaint management process. Furthermore, we have established various complaint channels, including a 400 hotline, service email, and on-site communication, to ensure that every customer's suggestions are efficiently conveyed and their concerns are appropriately addressed.



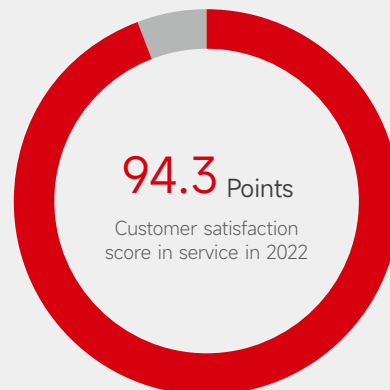
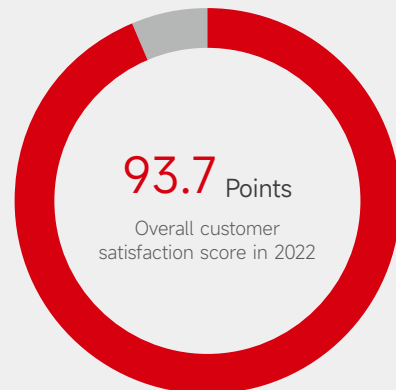
We are committed to a policy where every complaint is documented and every record is thoroughly reviewed. We make sure to document customer issues objectively and truthfully and address them promptly to enhance customer satisfaction. In 2022, we received four complaints related to customer service, and we conducted comprehensive investigations, delivering timely responses to each one. We achieved a 100% response and resolution rate for customer complaints.





Customer Satisfaction

Every year, we conduct a customer satisfaction survey, which covers over 300 project customers each time. This year, we primarily used questionnaires, covering various products such as wind power, PVs, drive, SVG, and energy storage. There were four dimensions: product, service, delivery, and sales, with a total of 14 sub-rating items. We received an overall customer satisfaction score of 93.7 points, with a service score of 94.3 points.



Customer Rights Protection

Responsible Marketing

While expanding our global presence and enhancing service quality, Hopewind rigorously controls marketing content and practices responsible marketing. We adhere to applicable laws and regulations in each operating region and have established the *Sales Information Management Measures* to strengthen the review of promotional materials, firmly eliminating illegal and non-compliant activities such as false advertising and exaggeration.

For our marketing team, we conduct responsible marketing training and promotional activities to enhance compliance awareness among marketing personnel. In 2022, Hopewind organized 40 marketing training sessions, attended by 500 individuals, covering all marketing personnel within the Company.

Hopewind organized **40** marketing training sessions, attended by **500** individuals

Customer Privacy Protection

Hopewind strictly adheres to the *Law of the People's Republic of China on Protection of Consumer Rights and Interests* and the *Cybersecurity Law of the People's Republic of China*. We have also established a series of management systems, including the *Information Exchange Control Procedures*, the *Sales Information Management Measures*, and the *Sensitive Document Management and Regular Clearing Regulations*. Additionally, we employ security measures throughout the entire lifecycle of data assets, such as tiered access, data watermarking, and permission management, to safeguard internal information security and comprehensively protect customer privacy. During the reporting period, Hopewind experienced no leakage of customer data or privacy incidents.

Hopewind experienced **no** leakage of customer data or privacy incidents

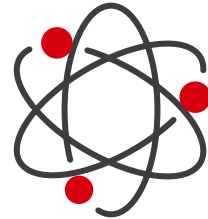
4.3 Industry-Academia-Research Collaboration

As an industry leader in the field of new energy, Hopewind has established a technological innovation mechanism that merges "industry, academia, research, and application" and is centered around technological innovation, industrial innovation, and talent innovation. Leveraging our corporate strengths, we actively collaborate with renowned universities, providing essential support for our growth. By integrating our respective advantages and resources, we can make research outcomes of our projects become technologically advanced as well as closely aligned with market demands.



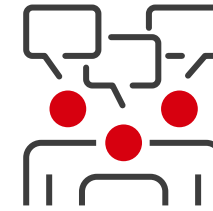
University-Enterprise Collaboration

Hopewind has established in-depth exchanges and partnerships with renowned domestic universities such as Harbin Institute of Technology, Huazhong University of Science and Technology, Xi'an Jiao Tong University, Shanghai Jiao Tong University, and Shandong University, among others, leading to a series of fruitful achievements. Our professional R&D team is complemented by the strong talent pipeline of these universities, jointly cultivating individuals with top-notch research and practical skills. In this way, we enable the sharing and mobility of human resources. Going forward, we aim to further strengthen systematic and forward-looking collaborations with more universities.



Research Institutes

Hopewind has maintained information exchange and in-depth strategic cooperation with various research institutes at different levels such as China Electric Power Research Institute, State Grid North China Electric Power Research Institute, State Grid Fujian Electric Power Research Institute, and Southern Electric Power Research Institute, among others. We collaborate on national key R&D programs, Guangdong province's R&D programs in key sectors, State Grid science and technology projects, and South Power Grid science and technology projects. During the project R&D process, we jointly participate in the formulation of national standards and industry standards, as well as release invention patents and high-quality research papers. This ensures the timely and high-quality completion of R&D tasks while advancing technological development in China.



Industry Associations

Hopewind has become a member of various industry associations in the new energy, wind power, solar PV, and energy storage sectors, including ABSOLAR in Brazil, Solar Prosumer Association in Turkey, Asian PV Industry Association (APVIA), China Power Supply Society, and China PV Industry Association (CPIA). We continuously expand industry communication channels and collaborate with outstanding peers to explore key industry issues, emerging technologies, and market trends. This collective effort contributes to the high-quality and sustainable development of the industry, and we proudly provide our "Hopewind Power." As of the end of 2022, we participated in a total of 17 industry associations.

Hopewind's industry-academia-research project received the Special Prize for Technological Progress of the China Power Supply Society Science and Technology Award

In 2022, Hopewind collaborated with Chongqing University, Beijing Spacecraft General Design Institute, Tongji University, and several new energy enterprises on a project titled "Technologies for Enhancing the Safety and Reliability of Power Inverters and Their Application", which received the Special Prize for Technological Progress of the China Power Supply Society Science and Technology Award.

The project team, taking into account practical engineering applications, conducted in-depth research on challenging topics related to the failure mechanism of power inverter key component, real-time equipment condition monitoring, reliability assessment models, and enhancement technologies. We developed innovative practical techniques such as precise health status monitoring, real-time thermal load management, and transient electrical stress optimization.



We have actively participated in media exhibitions and forums, contributing to the high-quality and sustainable development of the industry. In 2022, Hopewind was invited to various industry exhibitions and forums, including Intersolar Europe in Munich, Germany and Intersolar South America in São Paulo, Brazil, the 17th China (Jinan) Solar Energy Utilization Conference and Expo, the 12th China International Energy Storage Conference, among others. These events provided opportunities to collaborate with peers and explore the latest technology, emerging trends, and challenges in the new energy industry, fostering continued growth of the whole sector.

Hopewind participated in Intersolar South America 2022

On August 23, 2022, Intersolar South America 2022, the largest solar energy exhibition and conference in South America, was held at the Pro Magno Event Center in São Paulo, Brazil.

Hopewind showcased its exciting new products in the 3 kW to 10 kW series. Additionally, we presented competitive localization service solutions tailored for the South American market. We also engaged in discussions and shared on-site best practices with local installation partners and customers. We signed a cooperation agreement with our strategic partner, LDS, during the event.

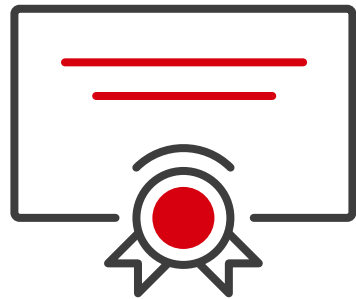


We vigorously promote industry exchanges and development. We not only focus on our own technological innovation capabilities and R&D efforts but also emphasize the synergy and collaboration across the entire industrial chain of the renewable energy sector. We also participate in the formulation and promotion of international, national, and industry standards in the fields of wind power, PVs, and energy storage. Hopewind has made significant contributions to industry-related regulations, technological standards, and operational procedures. As of the end of 2022, the Company led or participated in the development of 44 standards, including 3 international standards, 16 national standards, and 25 industry standards.

The Company led or participated in the development of

44

standards



Building Trust
Through Responsible
Governance

Enhancing Foundational
Capabilities Through an
Innovation-Driven Approach

Green Operations for
Evergreen Business

04
Collaborating with
Industry Partners for
Win-win Outcomes

Attracting and
Nurturing Talents for
Joint Development

Contributing to the
Community Through
Charitable Initiatives

Standard Classification	Name of Standards
<p>International Standards</p> <p>3</p>	<ul style="list-style-type: none"> Insulation coordination for equipment within low-voltage supply systems - Part 1: Principles, requirements, and tests Adjustable speed electrical power drive systems - Part 5-1: Safety requirements - Electrical, thermal and energy Safety requirements for power electronic converter systems and equipment - Part 1: Genera
<p>National Standards</p> <p>16</p>	<ul style="list-style-type: none"> Measurement and assessment of power quality characteristics of wind turbine generator systems Variable-frequency drive for injection molding machine Electric excitation direct drive wind turbines Variable-frequency drive for metallurgical industry Wind turbines—Test procedure of grid adaptability Wind turbines—Test procedure of voltage fault ride through capability Adjustable speed electrical power drive systems—Part 9-1: Ecodesign for power drive systems, motor starters, power electronics and their driven applications—General requirements for setting energy efficiency standards for power driven equipment using the extended product approach (EPA) and semi-analytic model (SAM) Adjustable speed electrical power drive systems—Part 9-2: Ecodesign for power drive systems, motor starters, power electronics and their driven applications—Energy efficiency indicators for power drive systems and motor starters Wind turbine generator system—Part 1: Technology condition Wind turbine generator system—Part 2: Test method Full-power converter of wind turbine generator systems (GB/T 25387.1-2021) Full-power converter of wind turbine generator systems (GB/T 25387.2-2021) Doubly-fed converter of wind turbine generator systems (GB/T 25388.1-2021) Doubly-fed converter of wind turbine generator systems (GB/T 25388.2-2021) Technical specification for connecting wind farm to power system—Part 1: On shore wind power Adjustable speed electrical power drive systems—Part 7-302: Generic interface and use of profiles for power drive systems—Mapping of profile type 2 to network technologies
<p>Industry Standards</p> <p>25</p>	<ul style="list-style-type: none"> Wind turbines—Test procedure of grid adaptability Offshore special environmental conditions and technical requirements for wind power equipment Technical specification of C&D PV combiner box Environmental durability assessment of key components of offshore wind power generation equipment: Control system Wind turbine generator system technical specification of electric pitch system Technical specification for PV grid-connected inverter Environmental durability assessment of key components of offshore wind power generation equipment: Converter Technical specification for converter of permanent magnet wind turbine generator Technical specification for converter of doubly-fed wind turbine generator Technical specification for converter of offshore permanent magnet wind turbine generator Technical specification for mobile detection devices for PV power station grid adaptability Technical specification for grid-connected operation and control of electrochemical energy storage station—Part 8: Simulation models Technical specification for grid-connected operation and control of electrochemical energy storage station—Part 7: Inertia support and damping control Technical specification for grid-connected operation and control of electrochemical energy storage station—Part 5: Safety and stability control Technical requirements and test methods of static var generator for wind farm Electrical performance monitoring and assessment methods for grid-connected wind farms Technical specification for electromagnetic compatibility of electrical system of wind turbine generator system Technical specification for combiner boxes for PV power generation Technical specification for PV prefabricated substations Offshore wind turbines—Design code for corrosion protection structure of electrical control equipment Technical specification for outdoor PV inverter package plant Wind turbine uninterruptible power supply application requirements Minimum allowable values of energy efficiency and energy efficiency grades for variable-frequency drives Technical specification for machine-side filter for wind turbine converter system Code of practice for electrical simulation model validation of wind turbines

05

Attract and Nurturing Talents for Joint Development

Hopewind dedicates significant efforts to attracting industry-leading talent and continually nurturing them, thus providing a steady source for the Company's innovative development. Guided by a people-oriented approach, we invest extensively in enhancing our internal benefits system to protect the rights and interests of our employees. We provide both vertical and horizontal career development channels while continually strengthening our training platforms to empower our workforce. Additionally, Hopewind increases its commitment to employee health and safety, reinforcing supervision and management related to safety, working conditions, and occupational health. This ensures that all departments and bases operate "safely, steadily, consistently, at full capacity, and with the utmost quality." We actively foster a fair, equitable, and transparent work environment through various policies and practical actions, protecting employees' labor rights and healthy development.





5.1 Employee Recruitment

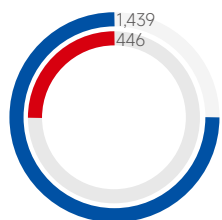
Hopewind is dedicated to fostering a diverse and inclusive working environment, guided by the principles of openness, fairness, and justice in our hiring practices. We offer competitive compensation and benefits within the industry, complemented by a well-designed performance assessment and promotion mechanism, effectively motivating our talented team.

Compliant Hiring

Hopewind strictly complies with applicable laws and regulations, including the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and the *Employment Promotion Law of the People's Republic of China*. Within our organization, we have established and continually enhanced internal employment regulations, including the *Employee Handbook*, the *Recruitment Management System*, and the *Attendance Management Rules*. Additionally, we have implemented rigorous procedures governing hiring, promotions, and departures, providing comprehensive employment, compensation, and benefits protection for our employees.

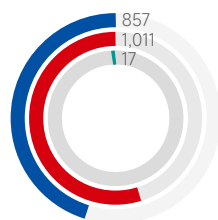
2022 Total number of employees: 1,885

Number of employees by gender



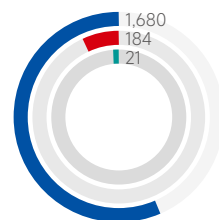
Female employees
Male employees

Number of employees by age



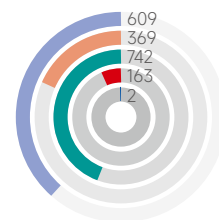
Below 30
30 to 49
Above 50

Number of employees by rank



Senior management
Middle management
Staff

Number of employees by education



Ph.D.
Master's
Bachelor's
Junior college
Technical secondary school or below

Hopewind maintains a zero-tolerance approach to workplace discrimination and takes proactive measures to ensure that all employees enjoy equal rights through both policies and actions. The Company has developed the *Anti-Discrimination Management Rules* that explicitly prohibit all forms of discrimination, whether based on gender or age, throughout the entirety of the recruitment and employment processes. Our performance assessment and career advancement system encompasses all employees, with assessment results tied to salary adjustments. We uphold the principles of openness, fairness, and justice at every stage of the performance assessment and career advancement processes, ensuring that no discrimination occurs based on factors such as gender or age.

Hopewind strongly prohibits the use of child labor and forced labor in its institutional document of *Human Resources Control Procedures*. We are resolutely dedicated to respecting and safeguarding the lawful rights and interests of all our employees. For instance, our *Human Resources Control Procedures* explicitly stipulate that we do not hire individuals under the age of sixteen. In 2022, Hopewind reported no incidents related to the use of child labor.

Talent Attraction

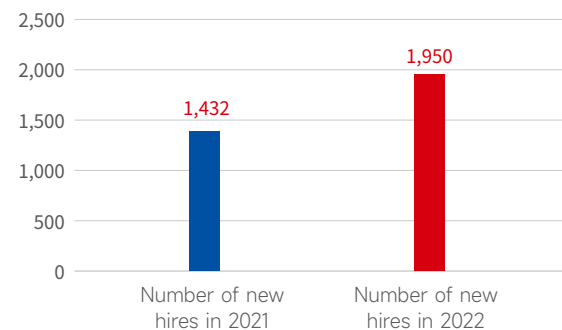


Hopewind has developed a series of employment rules and regulations, including the *Recruitment Management System*, the *Notice on Adjustment of Incentives for Internal Referrals for Research and Development Positions*, and the *QW-632-HR Internal Referral Management System*. The Company has also established talent attraction plans, intensified its commitment to talent development, cultivated a positive corporate culture, and reinforced talent cohesion and engagement. These multifaceted initiatives augment the Company's appeal to top-tier talent, ensuring a continuous influx of highly skilled professionals.

Hopewind actively seeks top-tier industry talent through a combination of internal and external recruitment channels. Our internal channels involve company-wide job competitions and employee referrals, while our external channels encompass campus recruitment fairs and prominent job portals. Additionally, we engage in strategic collaborations with various headhunters to recruit candidates for mid- to senior-level positions and key R&D roles.

Hopewind places a strong focus on strengthening internal recruitment channels. In March 2022, we introduced the *Notice on Adjustment of Incentives for Internal Referrals for Research and Development Positions* and updated the *QW-632-HR Internal Referral Management System*. These updates significantly boosted employees' enthusiasm for promoting internal referrals. In 2022, we successfully onboarded 34 new hires for R&D positions through internal referrals, with a total of 180 successful referrals. By year-end, the retention rate for internally referred hires remained high. Additionally, we implemented a talent attraction and retention plan tailored for management positions, bringing in 22 management-level employees throughout the year, marking a 133% increase compared to 2021. As of the end of 2022, 18 of these hires were still working with the Company, showcasing a notably high retention rate.

To enhance employee motivation and reduce turnover, Hopewind introduced the *Trial Measures for Employee Benefit Points Program* on March 31, 2022. This initiative provides recognition and rewards for each milestone in an employee's growth trajectory. For instance, employees earn benefit points for successfully referring new hires or completing educational and skill improvement courses. These benefit points can be redeemed for a wide range of gifts and rewards. Additionally, our *Compensation Management System* specifies that employees with exceptional performance are eligible for extra bonuses and subsidies.



36%

Growth rate in new hires

180

successful referrals

5.2 Employee Development

Employee Cultivation

To facilitate employees' growth, Hopewind offers a variety of training programs, including business training, professional skills development, management training, talent development initiatives, and new hire orientation.

Category	Contents
Business training	Training in functional system, R&D system, marketing system, after-sales center, and production system
Professional skills development	Internal Trainer Training Camp, Mentor Training Camp, R&D Expert Forum, and overseas learning opportunities for high-potential employees
Management training	Project training courses such as <i>Development of Annual Business Goals and Plans</i> , <i>Process Transformation Empowerment Camp</i> , and <i>Organizational Development and Breakthroughs</i>
Talent development	<i>2023 Hopewind Management Talent Class</i>
New hire orientation	Quarterly orientation program for new hires
Fresh graduate nurturing	<i>Hopewind Seedling Training Camp</i> : a targeted training program for fresh graduates

In 2020, we introduced an online learning platform to make training materials and learning opportunities easily accessible to our employees. Between June 1, 2020, and December 31, 2022, a total of 184 courses were offered on this platform.

Indicator	Unit	2022	
Overview of employee training	Number of employees participating in training	Person	14,611
	Total length of online and offline training	Hour	1,167.69
	Average length of training for every employee per year	Hour	12.51
	Percentage of employees who regularly receive performance and career development evaluations	%	100
Average length of employee training based on training method	Average length of online training per employee	Hour	17.84
	Average length of offline training per employee	Hour	12.51

Hopewind recognizes that talent serves as a vital foundation for its enduring vitality. Employee growth is considered one of the fundamental driving forces for the Company's sustainable development. To promote continuous learning and development among employees at all levels, we have created a comprehensive talent development system that covers both online and offline channels. We also implement targeted training programs to address the specific job requirements and skill development needs of our diverse workforce. Our goal is to provide employees with fair, diverse, and abundant opportunities for further growth.

If employees successfully obtain special operation certificates such as the high- and low-voltage electrician certificate, the working-at-height certificate, the seafarer certificate, or the Project Management Professional (PMP) Certification for job-related purposes, Hopewind covers all the training expenses and examination fees. Additionally, employees can exchange their benefit points for customized rewards at the Company if they pursue a higher degree.

Employee development Indicator

57

Recipient of special operation certificates

3

Recipient of PMP Certification

Organizational Development and Breakthroughs Program

Hopewind conducted the Organizational Development and Breakthroughs Program involving a total of 70 core leaders and managers from different departments. In collaboration with external consulting firms, the Program integrated classroom instructions with practical exercises to address issues related to organizational development and talent cultivation throughout the Company's growth journey. Three competitions were organized: Seven Battlefields, Departmental Business Simulation, and Empowering Employees. Additionally, second-tier departments developed such documents as *Value Proposition and Responsibilities of Different Departments*, *Annual Performance Commitment Letter*, and *Departmental Business Simulation Report*. Finally, optimizations and adjustments were made to the organizational structure.





2022 Hopewind Management Talent Class

Hopewind brought in a team of seasoned instructors to create a program aimed at cultivating 48 talents for middle and grassroots-level management positions. This program was organized into three stages: themed lectures, on-the-job practical training, and a review and evaluation. The training camp adopted a model that blended periodic training with post-training real-world practice, utilizing various teaching methods like case studies, group discussions, and mock scenarios. The participants engaged in robust interaction and effectively improved their leadership skills.



Hopewind Electric Expert Forum

Hopewind organized its first Expert Forum that lasted for one and a half days, which involved in-depth discussions and exchanges on various topics related to power and electronics. The event featured four main thematic forums and was conducted in six video conference rooms, including those at the Suzhou and Xi'an bases. Over 20 experts participated in these discussions. This event effectively leveraged the technical expertise of these specialists and promoted academic exchanges among the Company's internal technical staff.



The First TTT Training Camp

Hopewind conducted its inaugural TTT Training Camp, where over 20 qualified in-house trainers were nurtured through two courses: Curriculum Development and Design and Presentation Skills. This initiative also resulted in the creation of more than 20 in-house training materials.



Employee Promotion and Job Rotation

Hopewind has implemented a *Performance Management System* that covers all employees. Performance evaluation results hold significant weight in determining employee promotions. Sales personnel undergo quarterly assessments, while non-sales staff are evaluated semi-annually. Furthermore, we have established a dual-track career progression system, allowing employees to advance vertically within their specific professional paths and horizontally into management roles.

Hopewind also provides job rotation opportunities, offering

employees a wide platform for personal growth. We have introduced an *Internal Job Rotation Management Regulation* to support employees interested in exploring diverse roles or help those who may not be meeting their expectations find more suitable positions. For every employee participating in job rotation, we assign a dedicated mentor for a training period lasting one to six months. This process involves collaborative planning and positive interactions between employees and mentors, helping employees enhance their skills and transition into new roles effectively.



5.3 Employee Care

Hopewind has established a comprehensive employee welfare and care system, providing competitive compensation to its employees. The Company has also created effective two-way communication channels and organized a variety of employee well-being activities, continuously enhancing employee satisfaction and contentment.

Democratic Communication

Hopewind has established various efficient communication channels for its employees and conducted a series of activities related to employee health, mental well-being, and more, ensuring that employees can work happily and lead fulfilling lives. On one hand, employees can make suggestions through a "Reasonable Proposal" process, with the opportunity to receive rewards for their valuable input. On the other hand, the Company has established diverse and smooth communication channels in various contexts, including labor unions, the monthly magazine, and team-building activities, allowing employees to effectively express their opinions and suggestions. Competent departments are assigned to identify important suggestions made by employees and follow up on their progress, with the goal of creating an equal and inclusive workplace environment.



Hopewind Internal Monthly Magazine

Hopewind is dedicated to raising employees' awareness of corporate culture via thematic monthly magazines. The Company regularly releases safety and quality magazines and sends them to the collective WeChat work group and employees' work emails. The safety magazine covers topics related to workplace safety, safety training, safety inspections, news articles, and interpretations of China's Work Safety Law. Meanwhile, the quality magazine includes information about the monthly quality audits, the latest quality case studies, and professional knowledge and skills development. This practice effectively nurtures and enhances employees' awareness of safety and quality standards.

The Voice of Hopewind

"The Voice of Hopewind" is an internal electronic publication of Hopewind, presented in videos in the Company's public areas on a monthly basis. The publication includes sections dedicated to market news and company updates, aimed at keeping employees informed about industry developments. The "Close-up with Our Employees" and "Star of the Month" sections are designed to showcase model employees through documentary features and recognition, thereby enhancing the Company's overall cohesiveness.

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Employee Welfare

Hopewind is committed to creating a benefits system that not only unlocks the full potential of its employees but also fosters their creativity, supports their growth, and enables them to realize their personal value. In addition to providing statutory benefits like endowment insurance, medical insurance, unemployment insurance, employment injury insurance, maternity insurance, and housing provident fund (collectively referred to as the "Five Types of Insurance and One Housing Fund"), the Company offers additional benefits such as meal allowances, accommodation subsidies for recent graduates, annual health check-ups for all employees, and extra rewards such as performance bonuses and incentive stock options for exceptional individuals.

Hopewind has fully implemented incentive stock options. Currently, we provide equity incentives in the form of restricted stock and options, and employees who join us for over two years are eligible for such incentives.

In 2022

100%
Labor contract signing rate

100%
Social insurance coverage rate



Employee Activities

In addition to performance, Hopewind also takes into account employees' job satisfaction and overall well-being. For instance, we organize various events during holidays such as the Mid-Autumn Festival and Teacher's Day to demonstrate our appreciation towards our employees. Furthermore, proactive efforts are made to engage employees in sports activities such as basketball and badminton competitions, promoting a healthier and happier workforce.

Hopewind has established a labor union as well as a union fund. The labor union consists of a union committee, a fund review committee, and a women's committee. The labor union organizes activities for employees to engage with other unions and government entities.



Dragon Boat Festival Activities



Teacher's Day Activities



Mid-Autumn Festival Mooncake and Tea Gathering

"Friendship & Love Seekers in Southern China" event

Hopewind participated in the "Friendship & Love Seekers in Southern China" event, aimed at helping singles make friends and enhancing their emotional intelligence in relationships organized by the Shenzhen Nanshan District Federation of Trade Unions. This provided an opportunity for single employees to find a partner.

深圳市南山区总工会
SHENZHEN NANSHAN DISTRICT FEDERATION OF TRADE UNIONS

南得友缘

南山区总工会单身交友及恋爱情商提升系列活动

活动时间: 5.28 • 13:30-18:00 活动地点: 腾讯滨海大厦

参与人员: 南山区企事业单位工会实名制工会会员

活动流程

- 1 签到
- 2 参观腾讯
- 3 互动游戏+才艺展示
- 4 自由交流
- 5 表白+嘉宾提问
- 6 情歌对唱

主办单位: 深圳市南山区总工会 协办单位: 腾讯公司工会&联谊会

扫码免费报名



Badminton Competition



Basketball Competition



5.4 Health and Safety

Hopewind strictly complies with applicable laws and regulations, including the *Work Safety Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, the *Fire Protection Law of the People's Republic of China*, the *Regulations on the Safety Management of Hazardous Chemicals*, the *Measures for the Declaration of Projects with Occupational Hazards*, and the *Management Rules for Labor Protection Supplies of Employers*. The Company has implemented a range of internal policies, such as the *Management Regulations on Workplace Safety*, the *Responsibility System of Workplace Safety*, the *Risk Grading and Control System*, the *Management System for Manufacturing Hazardous Chemicals*, the *Management Regulations on Labor Protection Supplies*, the *Occupational Health Management System*, the *Fire Protection Management System*, the *Safety Education and Training System*, and the *Work-Related Accident Management Regulations*. These policies cover workplace safety, potential risks, safety education, and occupational health. This comprehensive approach ensures that safety management is effectively carried out at all levels, providing a safe and healthy working environment for all employees.

Over the past three years, Hopewind has experienced no work-related fatalities. In 2022, the Company experienced 200 lost workdays due to work-related injuries.

0
Over the past three years, Hopewind has experienced work-related fatalities

In 2022, the Company experienced
200
lost workdays due to work-related injuries

Hopewind has established a Safety Management Committee responsible for coordinating and supervising safety measures across all departments. The Committee has implemented a safety supervision and management framework characterized by an "all-staff, comprehensive, and around-the-clock" approach. This framework aligns with the Company's safety management policy, intensifies occupational health monitoring, and thereby ensures safe, healthy, and high-quality production activities. It also serves as a solid guarantee for the Company's continued growth in operating revenue.

Occupational Health and Safety System

Hopewind has obtained the ISO 45001 Occupational Health and Safety Management System certification, ISO 14001 Environmental Management System certification, and Work Safety Standardization certificate.



Hopewind passed ISO 45001 Occupational Health and Safety Management System certification



Hopewind passed ISO 14001 Environmental Management System certification



Hopewind obtained Work Safety Standardization certificate



Hopewind's Four-Colored Safety Risk Map

In 2022, Hopewind initiated a tier-based approach to manage potential safety risks. This involved setting up a dual prevention mechanism, forming a dedicated leadership group responsible for its execution, and defining the group's duties and responsibilities. The Company also implemented a comprehensive risk grading and control system, which involved identifying potential risks, creating lists of these risks, and developing strategies to mitigate them. Through regional risk assessments, a four-colored safety risk map was created to highlight varying levels of risk. Additionally, risk notification cards were prominently displayed in job positions or areas with significant hazards, ensuring that employees were well-informed about these risks.



Workplace Safety Awareness

To safeguard the occupational health of all employees, Hopewind has conducted routine testing for occupational hazards and signed risk notification letters with the workforce.

Additionally, the Company proactively identifies health and safety risks in advance and provides essential labor protection equipment, including insulating shoes/boots, insulating gloves, safety helmets, safety belts, voltage testers, 3M noise-canceling earmuffs, N95 dust masks, protective goggles, and face shields.



Rescue Drill for Hazardous Chemical Spills



Three-Tier Safety Training for New Hires



National Work Safety Month Training



Hopewind's Fire Protection Equipment



Hopewind's Safety Certificate for Special Operations Protective Equipment



Forklift Safety Training



Mechanical Safety Training



First Aid Training

In 2022, Hopewind conducted 31 health- and safety-related training sessions and drills to bolster employee awareness of workplace safety and enhance their overall well-being. These activities engaged approximately 2,000 participants and collectively amounted to 54 hours of training. During the reporting period, the Company organized a rescue drill in case of hazardous chemical spills as well as mechanical safety lectures. These training efforts not only imparted relevant knowledge to employees and heightened their safety awareness but also empowered them to protect themselves and respond effectively to emergency situations.



Safety Training on Resumption of Production



High Voltage Safety Training



06

Contributing to the Community Through Charita- ble Initiatives



Hopewind actively embraces corporate social responsibility, with a strong emphasis on community and industry advancement. We are committed to the mission of "promoting technological progress in the industry and creating a better life for everyone." At Hopewind, we consistently view social responsibility as an integral driver of our development and take tangible measures to fulfill our social commitments. We make meaningful contributions to community-based charitable endeavors and actively participate in rural revitalization projects. All the Company's sites have no significant negative impacts, actual or potential, on local communities.





6.1 Industry-based Poverty Alleviation

Hopewind's Heyuan Manufacturing Base

On January 24, 2022, Hopewind commenced trial production at its manufacturing base in Heyuan, Guangdong Province. By September, the base had expanded by an additional 161,000 square meters, resulting in a total area of 175,000 square meters. This facility stands as Hopewind's largest production base in Southern China, significantly contributing to the local economic growth and creating numerous employment opportunities.



Wind Power Poverty Alleviation Project in the Old Revolutionary Area of Xing'an League, Inner Mongolia Autonomous Region



The Wind Power Poverty Alleviation Project in the Old Revolutionary Area of Xing'an League, Inner Mongolia Autonomous Region, is the largest poverty alleviation project in recent years for Xing'an League. It is also China's first single-unit, million-kilowatt-level onshore wind power project. The project is a significant initiative in the birthplace of revolutionary heritage to promote a green, circular, and low-carbon way of work and life. Leveraging the abundant wind energy resources in the area, this project is driving economic development in the old revolutionary areas.



Hopewind's 80 MW PV Plus Agriculture Project in Zhenkang County of Lincang City, Yunnan Province



Hopewind is proactively launching projects to invigorate rural revitalization efforts. We are providing clean, renewable energy to support the development of Zhenkang County in Lincang City, Yunnan Province, and facilitating a green socio-economic development of the entire county. Our PV products have garnered widespread acclaim from end-users due to their electricity generation efficiency, robust protection features, and convenient communication options.





6.2 Charity and Philanthropy

Hopewind actively engages in local community activities and forges robust partnerships with community organizations. Throughout our journey in business operations and corporate growth, we have steadfastly collaborated with local communities, neighborhood committees, and labor unions. We regularly engage in community-level staff events, corporate visits, and exchange programs. Moreover, we are dedicated to supporting charitable endeavors through both monetary donations and material contributions. In 2022, Hopewind contributed RMB 153,000 in cash and donated RMB 57,000 in kind.

Heartwarming Book Corner Donation Drive

In June 2022, Hopewind worked in collaboration with Baiji Education Foundation to initiate a book corner donation drive, with the aim of providing more popular books to schools in need and sparking the dreams of rural children through reading. This initiative contributed to Helian Primary School and Jinxin Primary School in Jiexi County, Guangdong Province, resulting in the establishment of 11 heartwarming book corners.



Hopewind Supported Educational Initiatives

In 2022, Hopewind made donations to support various activities and educational initiatives at Shenzhen Technology University, Chongqing University of Technology, and Guangxi University of Science and Technology. Additionally, the Company, leveraging its operational features, contributed PV inverters and electric vehicle drive products to selected academic institutions for use in teaching and specialized training, making a significant contribution to the development of the new energy sector.



Appendix GRI index

Disclosure Item	Disclosure Title	Location
Universal Standards		
GRI 1: Foundation 2021		
GRI 2: General Disclosures 2021		
The organization and its reporting practices		
2-1	Organizational details	Company Profile
2-2	Entities included in the organization's sustainability reporting	About this Report
2-3	Reporting period, frequency and contact point	About this Report
2-4	Restatements of information	About this Report
2-5	External assurance	Not applicable
Activities and workers		
2-6	Activities, value chain and other business relationships	Stakeholder Engagement
2-7	Employees	Employee Recruitment-Compliant Hiring
2-8	Workers who are not employees	Supplier Access
Governance		
2-9	Governance structure and composition	Corporate Governance-Governance Structure
2-10	Nomination and selection of the highest governance body	Corporate Governance-Governance Structure
2-11	Chair of the highest governance body	Corporate Governance-Governance Structure
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance-Governance Structure
2-13	Delegation of responsibility for managing impacts	Corporate Governance-Governance Structure
2-14	Role of the highest governance body in sustainability reporting	Corporate Governance-Governance Structure
2-15	Conflicts of interest	Corporate Governance-Governance Structure
2-16	Communication of critical concerns	Corporate Governance-Governance Structure
2-17	Collective knowledge of the highest governance body	Corporate Governance-Governance Structure
2-18	Evaluation of the performance of the highest governance body	Corporate Governance-Governance Structure

Disclosure Item	Disclosure Title	Location
2-19	Remuneration policies	Employee Recruitment-Compliant Hiring
2-20	Process to determine remuneration	Employee Recruitment-Compliant Hiring
2-21	Annual total compensation ratio	Employee Recruitment-Compliant Hiring
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Sustainable Development
2-23	Policy commitments	Not applicable
2-24	Embedding policy commitments	Not applicable
2-25	Processes to remediate negative impacts	Stakeholder Engagement
2-26	Mechanisms for seeking advice and raising concerns	Stakeholder Engagement
2-27	Compliance with laws and regulations	Corporate Governance-Governance Structure
2-28	Membership associations	Not applicable
Stakeholder engagement		
2-29	Approach to stakeholder engagement	Materiality Topics -Stakeholder Engagement
2-30	Collective bargaining agreements	Not applicable
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Materiality Topics
3-2	List of material topics	Materiality Topics
3-3	Management of material topics	Materiality Topics
Topic Standards		
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	Not applicable
201-2	Financial implications and other risks and opportunities due to climate change	Responding to Climate Change
201-3	Defined benefit plan obligations and other retirement plans	Not applicable

Disclosure Item	Disclosure Title	Location
201-4	Financial assistance received from government	Not applicable
GRI 202: Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Not applicable
202-2	Proportion of senior management hired from the local community	Not applicable
GRI 203: Indirect Economic Impact 2016		
203-1	Infrastructure investments and services supported	Not applicable
203-2	Significant indirect economic impacts	Not applicable
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	Supply Chain Management-Supplier Access
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Business Compliance - Business Ethics Management
205-2	Communication and training about anti-corruption policies and procedures	Business Compliance - Business Ethics Management
205-3	Confirmed incidents of corruption and actions taken	Business Compliance - Business Ethics Management
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Not applicable
GRI 207: Tax 2019		
207-1	Approach to tax	Not applicable
207-2	Tax governance, control, and risk management	Not applicable
207-3	Stakeholder engagement and management of concerns related to tax	Not applicable
207-4	Country-by-country reporting	Not applicable
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	Not applicable
301-2	Recycled input materials used	Not applicable
301-3	Reclaimed products and their packaging materials	Not applicable
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	Utilization of Resources-Energy Management
302-2	Energy consumption outside of the organization	Utilization of Resources-Energy Management
302-3	Energy intensity	Utilization of Resources-Energy Management

Disclosure Item	Disclosure Title	Location
302-4	Reduction of energy consumption	Utilization of Resources-Energy Management
302-5	Reductions in energy requirements of products and services	Utilization of Resources-Energy Management
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared Resource	Utilization of Resources-Water Management
303-2	Management of water discharge-related impacts	Utilization of Resources-Water Management
303-3	Water withdrawal	Utilization of Resources-Water Management
303-4	Water discharge	Utilization of Resources-Water Management
303-5	Water consumption	Utilization of Resources-Water Management
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environmental Management-Advocacy of Environmental Protection
304-2	Significant impacts of activities, products and services on biodiversity	Environmental Management-Advocacy of Environmental Protection
304-3	Habitats protected or restored	Not applicable
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not applicable
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Utilization of Resources-Energy Management
305-2	Energy indirect/Scope 2 GHG emissions	Utilization of Resources-Energy Management
305-3	Other indirect/Scope 3 GHG emissions	Not involve
305-4	GHG emissions intensity	Utilization of Resources-Energy Management
305-5	Reduction of GHG emissions	Not applicable
305-6	Emissions of ozone-depleting substances (ODS)	Not applicable
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Regulated Discharge-Waste Gas Management
GRI 306: Effluents and Waste 2020		
306-1	Waste generation and significant waste-related impacts	Regulated Discharge-Packaging Material and Waste Management
306-2	Actions taken to prevent waste generation	Regulated Discharge-Packaging Material and Waste Management
306-3	Composition of waste generated	Regulated Discharge-Packaging Material and Waste Management
306-4	Recovery operations used to divert waste from disposal	Regulated Discharge-Packaging Material and Waste Management

Disclosure Item	Disclosure Title	Location
306-5	Disposal operations	Regulated Discharge-Packaging Material and Waste Management
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Supply Chain Management-Supplier Access
308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Management - Supplier Assessment
GRI 401: Employment 2016		
401-1	New employee hires and employee Turnover	Employee Recruitment-Compliant Hiring Employee Recruitment- Talent Attraction
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Care- Employee Benefits Employee Care- Employee Activities
401-3	Parental leave	Not applicable
GRI 402: Labor/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	Not applicable
GRI 403: Occupational Health and safety 2018		
403-1	Occupational health and safety management system	Health and Safety
403-2	Hazard identification, risk assessment, and incident investigation	Health and Safety
403-3	Guidance for Disclosure	Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety
403-5	Worker training on occupational health and safety	Health and Safety
403-6	Promotion of worker health	Health and Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety
403-8	Workers covered by an occupational health and safety management system	Health and Safety
403-9	Work-related injuries	Health and Safety
403-10	Work-related ill health	Health and Safety
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Employee Development-Employee Cultivation
404-2	Programs for upgrading employee skills and transition assistance programs	Employee Development-Employee Promotion and Job Rotation
404-3	Percentage of employees receiving regular performance and career development reviews	Employee Development- Employee Cultivation
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Employee Recruitment-Compliant Hiring
405-2	Ratio of basic salary and remuneration of women to men	Not applicable

Disclosure Item	Disclosure Title	Location
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	Employee Recruitment-Compliant Hiring
GRI 407: Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employee Care-Democratic Communication
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	Employee Recruitment-Compliant Hiring
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Employee Recruitment-Compliant Hiring
GRI 410: Security Practices 2016		
410-1	Security personnel trained in human rights policies or procedures	Not applicable
GRI 411: Rights of indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	Not applicable
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Industry-based Poverty Alleviation Charity and Philanthropy
413-2	Operations with significant actual and potential negative impacts on local communities	Not applicable
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Supply Chain Management-Supplier Access
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management- Supplier Assessment
GRI 415: Public Policy 2016		
415-1	Political contributions	Not applicable
GRI 416: Customer Health and Safety 2016		
416-1	Political contributions	Product Quality-Product Quality Management
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Product Quality-Product Quality Management
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Delivering Premium Services
417-2	Incidents of non-compliance concerning product and service information and labeling	Delivering Premium Services
417-3	Incidents of non-compliance concerning marketing communications	Delivering Premium Services
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Delivering Premium Services

