



GCL New Energy Holdings Limited

(Incorporated in Bermuda with limited liability) (Stock Code: 451)



Environmental, Social and Governance Report

2023

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ABOUT THIS REPORT

This Report is the ninth Environmental, Social, and Governance Report (referred to as "this Report" or "ESG Report") of GCL New Energy Holdings Limited (hereinafter referred to as "GCL New Energy" or "the Company") and its subsidiaries (collectively referred to as "the Group" or "We"). It elucidates GCL New Energy's management, practices, performance, and highlights environment, social, and governance in 2023, systematically responding to the concerns of stakeholders and demonstrating the capacity for sustainable development.

Report Scope and Boundaries

The content of this Report covers GCL New Energy Holdings Limited and its subsidiaries, with the coverage period lasting from January 1, 2023, to December 31, 2023 (referred to as "this Year" or "in the reporting period"). Where necessary, some content extends beyond this scope, and no special notation will be made herein.

Basis for Report Compilation

This Report is compiled in accordance with the Environmental, Social, and Governance Reporting Guide (referred to as "the ESG Reporting Guide") set forth in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited (referred to as "HKEX"), and complies with the disclosure requirements of the "comply or explain" provisions contained in the ESG Reporting Guide. It also follows the reporting principles of materiality, quantification, balance, and consistency.

In recent years, the concept of sustainable development centered on ESG has become a global consensus. To proactively align with international sustainable development concepts, during the preparation process, this Report also referenced the "Sustainable Reporting Standards (GRI Standards)" published by the Global Sustainability Standards Board (GSSB), the United Nations' Sustainable Development Goals (SDGs), and the disclosure framework recommended by the Task Force on Climate-related Financial Disclosures (TCFD).

Reporting Principles	Definitions	Application of Reporting Principles
Materiality	The report should focus on disclosing environmental, social, and governance issues that are relevant and significant to the Group and its stakeholders.	Based on diversified and continuous communication with stakeholders, combined with policy analysis, industry development analysis, and benchmarking against peers, the significant ESG issues for this Year are determined in light of the actual operational circumstances and are addressed in the report.
Quantification	Key performance data must be quantifiable and compared where appropriate.	Quantitative information disclosure is conducted in accordance with the guidelines of HKEX, and detailed explanations of the data's statistical scope, calculation standards, methods, and parameters are provided at the time of disclosure.
Balance	The Report should present the performance of the Group impartially, avoiding selective reporting or omissions.	The Group objectively and truthfully explains matters related to ESG and sustainable development that have a significant impact on the business, including work results and the challenges faced.
Consistency	The report should maintain consistent disclosure-related statistical methods, allowing for meaningful comparison of key performance indicators, thereby enabling stakeholders to understand the corporate performance.	Where feasible, the Group is committed to using the same statistical and calculation methods to ensure comparability of information. In cases where changes in information or statistical methods are involved due to strategic transformation, we will add notes at the relevant places in the report.

Title Explanation

For easy expression, "GCL New Energy" refers to the brand operated by the Group in this Report. GCL (Group) Holdings Limited is referred to as "GCL Group" and Suzhou GCL New Energy Operation Technology Company is represented as "Operation Technology Company" in this Report.

Source of Information and Report Approval

The information and content of this Report primarily originate from the Group's statistical reports and relevant documents. The Group commits that this Report contains no false records or misleading statements and is responsible for the truthfulness, accuracy, and completeness of its contents.

After confirmation by the management, this Report was approved by the Board of Directors on the 10th of April 2024.

Obtaining and Responding to This Report

This Report is available in Traditional Chinese and English versions for readers' reference. The electronic version of the report can be accessed under the category of "Environmental, Social, and Governance Data" for GCL New Energy on the website of HKEXnews. If you have any comments or suggestions about the content of this Report and our performance in sustainable development, you are welcome to contact us.



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Statement of Board of Directors

Looking back at 2023, challenges and opportunities coexisted. The growth rate of global economic slowed down, and the geopolitical landscape was rapidly changing, with energy security remaining a focal point of attention worldwide; the impact and shocks of natural disasters and climate change on the world economy became increasingly apparent. Guided by the general principle of "establishing before breaking" for the dual carbon work, the new energy industry in China developed rapidly. The photovoltaic industry surpassed hydropower to become China's second-largest energy source, yet fossil energy remained the "ballast stone" in ensuring energy security. For GCL New Energy, 2023 was also a year of significant meaning.

In this year, we accomplished the transformation to light assets, demonstrating strong vitality and corporate resilience in the clean energy sector. Guided by the theory of "3M1D"(3M: Mode, Model and Module; 1D: Digitalization), we fully advanced the construction of digitalization; and based on the implementation of "integrated management of economics, finance, and personnel", we continued to explore lean management, solidly fulfilled the work of cost reduction and efficiency enhancement, further improving the company's capabilities for robust and sustainable operation.

In this year, we focused on the business of clean energy and steadily advanced around the strategy of "Photovoltaic + Natural gas" dual-main business development. Currently, GCL New Energy operates a total of nearly 8GW of wind, light, and storage operational and maintenance capacity. Leveraging the independently owned intellectual property - "GCLinkage" platform and the high-quality professional services, we helped maximize the asset value for our customers and provided society with more green electricity. Additionally, relying on the advantages of GCL Group's industry

layout of integrated natural gas, we actively explored the natural gas business under risk-controlled conditions. In 2023, we achieved a breakthrough in the trade business of natural gas and constructed a complete internal process to support our business development.

In this year, we emphasized collaborative development and took concrete actions to build a sustainable development ecosystem. We participated in the formulation of the group standard: "Technical Requirements for Smart Operation and Maintenance Systems of Photovoltaic Power Stations", carried out school-enterprise cooperation to drive the cultivation of industry talent, and pursued mutual value gain from multiple perspectives such as customer service, standards and norms, and industrial development. We created a diverse and inclusive workplace, promoted the professional technical capability level evaluation and appointment, developed a systematic and hierarchical training system, and provided employees with unique benefits, thus achieving win-win cooperation with partners.

In this year, we adhered to long-termism and propelled the deep integration of ESG concepts into corporate strategy and business operations. The Group's ESG management adopted a top-down strategic approach, with the board of directors fully responsible for overseeing the Group's ESG matters, assessing and managing significant environmental and social risks, and incorporating them into the Group's strategic considerations. During the reporting period, we planned to take the lead in realizing ESG informatization management in the field of smart operation and maintenance, and co-explored high-quality development standards for ESG in the operation and maintenance sector in cooperation with external institutions, using our actions to pave the way for the industry's best ESG

practices.

In 2024, we will celebrate the tenth anniversary of the founding of GCL New Energy. The confidence to navigate through cycles, the resilience to face challenges head-on, the ambitious spirit to forge ahead, and the responsibility to innovate and progress are all indispensable elements for us to achieve sustainable development. In the future, we will deepen the application of ESG concepts and forge the new quality productivity force for GCL New Energy to serve the strategic development of the company.



RECAP 2023

ECHO

—It is both an echo and a new voice.

As we approach the tenth anniversary of GCL New Energy's listing, we have chosen "Echo" as the theme word for this year's ESG report. It serves as both a review and continuation of the past and stands on a new starting point for future planning. It symbolizes ESG, Cohesion, Horizon, and Obligation.

"E" represents ESG, which naturally fits with the clean energy business we are engaged in. Currently, ESG is not only a yardstick for measuring the value, responsibility, and risks of enterprises in the global capital market, but also an important work in delving into differentiated competitive advantages and creating new quality productivity force. Therefore, we take the ESG concept as a significant guide for the company's development, explore the integration of various business links with the ESG concept, continuously conduct practices including ESG informatization management and the construction of a win-win ecosystem for new energy, and turn theory into practice.

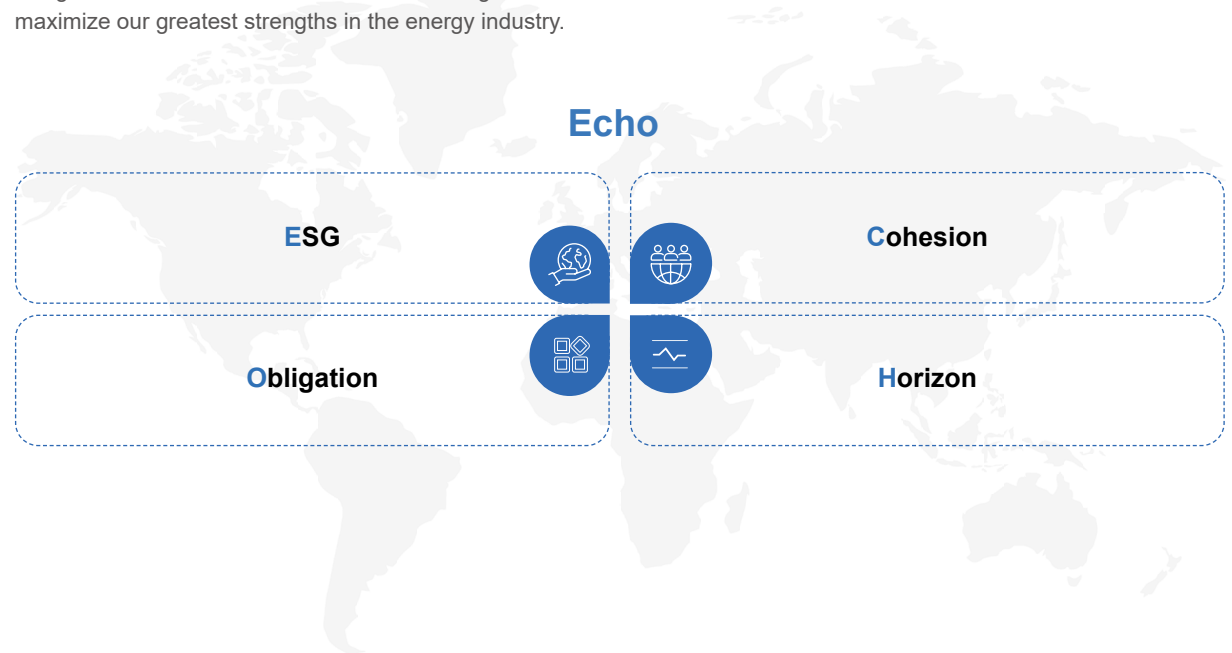
"C" represents Cohesion, which symbolizes the cohesion of the wisdom and strength of all employees of the company. This is also the core and source of strength for GCL New Energy to become a leading global photovoltaic power plant operator; it is also the key to our successful light asset transformation and the start of a new strategic development. We implement targeted strategies at each stage of development. In recent years, under the guidance of GCL's "three major

strategies" and the "3M1D" theory, we have achieved effective management improvement and pooled the wisdom of every employee to jointly serve the corporate development strategy.

"H" represents Horizon, symbolizing our broad vision. Looking back over the past decade, we have been deeply committed to the clean energy business, achieving large-scale development, and making outstanding contributions to the domestic clean energy market. After strategic adjustments, by leveraging our profound industrial advantages, we have contributed to the high-quality development of the domestic new energy industry. In recent years, we have capitalized on our corporate strengths to actively explore opportunities for the development of the natural gas business. While focusing on the energy industry, we continuously expand our horizons, remain confident, forge ahead, and boost our growth momentum with innovative thinking so as to maximize our greatest strengths in the energy industry.

"O" represents Obligation, which is our responsibility and the lever for forging brand value. In the process of operation and practice, we stand in multiple dimensions, such as social citizens and stakeholders, to build emotional bridges with various parties. By means of donations, sponsorship, and other methods, we engage in public welfare and charity undertakings. We always seek resonance with the industry, innovation, and the times, committed to maximizing corporate value, and advancing together towards sustainable development.

Looking ahead to the future, all past experiences and journeys will pave the way forward. We believe that with a determined direction, clear goals, and sustainable actions, all perseverance will eventually be rewarded.



Highlights of Responsibility



7,187 MW

The scale of the proxy operation and maintenance station reaches 7,187MW.



3,523 MW

In 2023, there was an additional 3,523MW in the scale of the proxy operation and maintenance.



Over **300** stations

The operation and maintenance business covers more than 300 comprehensive energy stations, including photovoltaic, wind power, energy storage, mobile power, and other types.



468 times

In 2023, the Operation Technology Company conducted a total of 468 emergency drills for safety production.



8.5726 million yuan

The total investment in safety production in 2023 amounted to 8,572,600 yuan.



Over **30** million

After the official launch of the "GCLinkage" comprehensive energy management platform V3.0, it has reduced costs by over 30 million yuan.



916 people

The annual physical examination coverage rate, labore contract signing rate, and social insurance coverage rate are all 100%.



29,360 hours

For employee training



17 people

During the reporting period, the Group implemented a virtual stock incentive plan. The Operation Technology Company selected the first batch of partners and granted virtual stock to a total of 17 individuals.



32 items

The number of patent certificates obtained by the end of 2023.



29 items

The number of software copyrights obtained by the end of 2023.



1,095 suppliers

The number of domestic and foreign suppliers by the end of 2023.

Theme: Ten Years of Joint Efforts to Create a Winning Future

Achieving a green transformation with confidence and a solid foundation

Enhanced digitalization holistically

Since 2018, GCL New Energy has been steadfastly promoting its strategic transformation to light assets, achieving significant results. By the end of 2023, we completed the sale of all domestic solar power plant projects and repaid USD 240 million in bonds ahead of schedule, optimizing the company's asset-liability structure and reshaping our credit and image in the capital market. The successful transformation is attributed to our continuous optimization of company management. Guided by the systematic management philosophy of "3M1D", GCL New Energy continuously promotes the implementation of integrated management of economics, finance, and personnel, and actively furthers digital construction. While ensuring the stable operation of the company, we strengthen lean management, reduce various controllable costs, and keep improving the basic management level and value creation capabilities.

Human Resources Management	<ul style="list-style-type: none"> Completed the construction of the digital dashboard for key human resources indicators. Implemented SAAS recruitment system, labore contracts based on electronic contract lock, and employment risk control platform to improve the efficiency of human resources management.
Risk Management	<ul style="list-style-type: none"> Launched Phase One of the risk management platform to monitor business operations in real-time and promptly identify potential risks. Utilized big data and artificial intelligence technology to analyze and mine business data, providing data support for risk management decisions.
Supply Chain Management	<ul style="list-style-type: none"> Leveraged "GCLSSC" to achieve unified platform management for both transactional and non-transactional suppliers. Adopted the e-commerce direct purchasing new model featured by "Internet + Material Procurement" to improve procurement efficiency.
Administrative Management	<ul style="list-style-type: none"> Launched the electronic seal platform. Enhanced the efficiency and security compliance of seal usage. Construction of business scenarios enabled automatic signing of human resources contracts and agreements.
Operation Technology Company	<ul style="list-style-type: none"> Launched the CRM module for marketing to promote the comprehensive online marketing; Fully initiated financial digitization to enhance efficiency.

Intensified the use of the "3M1D" tools to solidify cost reduction and efficiency improvement efforts.

In the face of intense industry competition and other challenges, cost reduction and efficiency improvement have become crucial means for enterprises to boost competitiveness and achieve sustainable development. We have intensified the use of the "3M1D" tools to enhance digital management, implemented fully digitized budget control processes, and reinforced employees' cost awareness. These measures enabled us to solidify our cost reduction and efficiency improvement efforts and elevated the management efficiency. During the reporting period, the Operation Technology Company reduced the cost of operation and maintenance services per watt by 9% year-on-year, resulting in a profit increase of 13 million.

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Embracing the green energy industry with a broader stance

Traveling thousands of miles without forgetting our original intention, GCL New Energy, founded over a decade ago, has remained unwavering in its focus on the clean and green energy industry. In recent years, GCL New Energy has accelerated its layout in the post-operation and maintenance service track. Building on 33 years of experience in the power industry management, 14 years of experience in investment, construction, and operation of new energy power stations, and "GCLinkage" a comprehensive energy management platform with intellectual property independently owned, GCL New Energy provides customers with all-encompassing energy system solutions integrating "Data + Management." With high-quality and professional services, we help our customers enhance their asset value.

Empowering through technology

The "GCLinkage" comprehensive energy management platform

- Utilizing the Internet of Things (IoT) and big data technologies, leveraging massive data to establish data management and analytics models.
- Integrating applications such as cleaning robot monitoring, drone inspection systems, artificial intelligence recognition, digital twins, etc., to enhance operational efficiency.

Creating value together

Building a win-win cooperation ecosystem

- The scale capacity of the stations under managed operation and maintenance reaches 7,187MW.
- It covers over 300 comprehensive energy stations including photovoltaic, wind power, energy storage, and mobile energy.
- GCL New Energy provides services to numerous central enterprises and state-owned enterprises and has gained high recognition.

Industry leadership

Aiding in the high-quality development of the industry

- As a main drafter, GCL New Energy participated in the formulation of the group standard for "Technical Requirements for Smart Operation and Maintenance Systems of Photovoltaic Power Stations."
- It established training bases for photovoltaic, wind power, and energy storage in the East China, North, and South China regions, carried out school-enterprise cooperation, and accelerated the cultivation of industry talent.

The scale capacity of the stations under managed operation and maintenance reaches

7,187 MW

It covers over

300 comprehensive energy stations including photovoltaic, wind power, energy storage, and mobile energy



Service provided to Huaneng wind farms has significantly improved the station's appearance, major batch engineering defects elimination, among other aspects, thus maximizing customer's asset value.



Service provided to Zhenjiang Jurong Xinda station (Fishery-PV Complementary), the station's annual power generation reached a new high in 2022; representatives from many central and state-owned new energy enterprises came for exchange and learning.

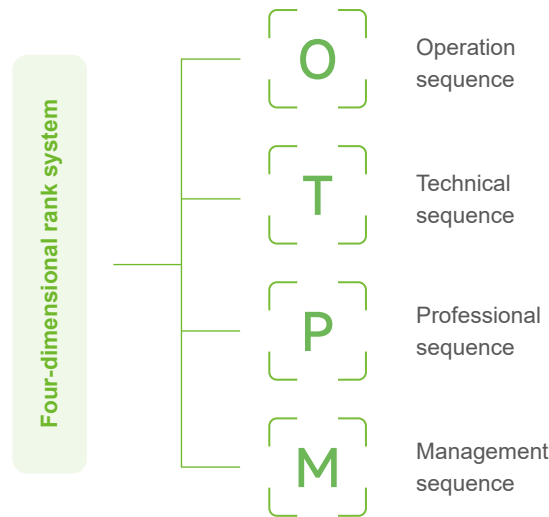
Gathering Talent, with More Focusing on Talent Development

Talent is the inexhaustible driving force for corporate development. GCL New Energy builds clear career paths for employees, offers all-emcompassing training that matches job requirements and career goals, thereby consolidating core momentum for corporate development.

Aiding Career Development

GCL New Energy has created a dual-channel Y-type career development path in management and professional dimensions, and in 2023, it established a four-dimensional rank system in management sequence (M), professional sequence (P), technical sequence (T), and Operation sequence (O).

To clarify career development paths for employees, in the reporting period, we prioritized the professional technical capability level evaluation and appointment. We established "Capability Level System Management Standards" and "Management Standards for Professional Technical Capability Level Evaluation and Appointment," built a fitting framework for professional technical capability level, and orderly conducted professional technical capability evaluations for nearly 800 employees. The evaluation involved online unified testing, offline personal defence, professional evaluation, and certificate awarding processes to assess employees' all-around performance. Based on the evaluation results, employees' positions and development directions were appropriately adjusted to maximize the talent value.



Multi-dimensional Employee Training

Relying on the New Energy School GCL University, we built a systematic, multi-level training system to fully activate talent potential in support of the company's strategic development. During the reporting period, employee training totalled 36,210 person-times, with a total training duration of 29,360 hours, averaging 32.05 hours per employee, achieving a 100% training coverage rate.

During the reporting period,



Training on Leadership Enhancement for Tiered Successor Pipeline

Successor Cultivation

- Established a tiered talent pool with A, B, and C classes;
- Joint talent cultivation with Central South University and Shanghai Jiao Tong University, covering training and development programs for high-level management, middle-level management, and key business successors.

Strategic Transformation Training

- Transformation to internationalization: includes language skill training, etc.;
- Functional business training: includes functional department transformation training, natural gas trade business training, etc.

Comprehensive Competency Training

- Professional skill training system: includes operation production, HSSE-related themes, etc.;
- Corporate culture construction: grassroots culture education, fostering of corporate culture instructors, etc.

ESG

Environmental, Social, Governance

Rooted in the new stage of development, GCL New Energy is more firmly committed to the belief in long-termism. We integrate ESG into our company governance, development strategy, and daily operations. We are building competitive advantages in multiple dimensions such as technological innovation, green development, and talent cultivation, to further promote the integration of ESG concepts with daily operations through informatization construction. In addition, GCL New Energy intensifies cooperation with regulatory bodies and academic institutions, actively exploring the standardization of ESG experience accumulated by the company so as to contribute corporate strength to the high-quality development of the industry.

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All things achieve harmony and thus live, each receives its nourishment and thus matures.

ESG

The practice of ESG concept is a must for energy enterprises. For a long time, GCL New Energy has been committed to integrating the ESG concept into the development and operation of the enterprise. We continue to optimize the operation and management mode in accordance with the requirements of the Stock Exchange and the comprehensive consideration of the United Nations Sustainable Development Goals, inject new momentum into the development of the enterprise and promote the improvement of the corporate brand image. In 2023, we were awarded accolades such as the *Golden Lion* ESG Brand Influence Excellence Case, and the 2023 Beautiful China Dual Carbon Pioneer.

ESG Concept

In 2023, We interpret the concept of ESG with the concepts of "addition, subtraction, multiplication and division", and give full play to the important role of ESG in value leadership and risk management. We aim to reduce the negative environmental impacts of our business operations, vigorously advance public welfare, continuously optimize our internal governance system, thoroughly unleash the company's intrinsic development potential, and support the long-term and healthy development of the company.



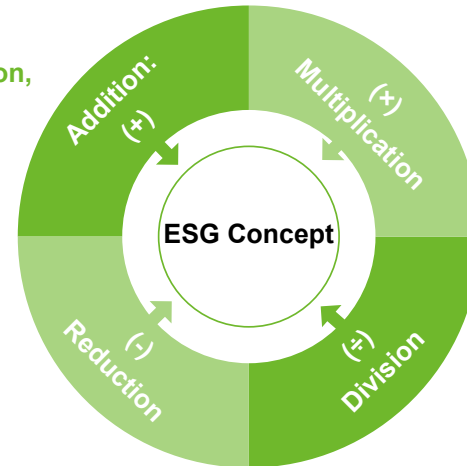
- Environmental management
- Addressing climate change
- Talent development strategy
- Energy management
- Employee benefits and care
- Supply chain control mechanism
- Technological innovation
- CPC Building work
- Collaborative development
- Digital construction
- Service quality
- Practicing social welfare

With the method of addition, we deeply engage in ESG practices.

With the meaning of multiplication, we enhance the impact of practice

In the way of reduction, we reduce operating expenses

With the force of division, we avoid potential risks



- Risk control and emergency management
- Information construction
- Standardized operation
- Digitalized security management
- Climate change risk identification
- Business ethics
- Occupational health and safety management
- Safety education
- Business ethics
- Safe production
- Emergency management
- Internal control management



ESG Management

The Group always practices the concept of sustainable development, fully considering environmental, social, and governance (ESG) management while ensuring robust operations. We concentrate on perfecting our internal ESG management structure, listening to all parties' suggestions and expectations regarding our ESG efforts, steadfastly pursuing sustainable development, and collaborating with all sectors of society to build a better society.

- Identifies and manages ESG-related matters and risks (including climate change risks) of various departments and business units.
- Reports on ESG-related risks and changes, corresponding action plans, etc., to the ESG Management Committee.
- Communicates with other departments and business units to coordinate and promote the implementation of ESG-related matters.
- Assigns personnel responsible for collecting and organizing ESG information to support the preparation of ESG reports and other disclosures.

ESG Management Framework

In 2023, we further refined our ESG management system, setting up a top-down ESG management structure characterized by clearly defined responsibilities. This structure has effectively motivated different departments to engage in ESG efforts. We aim to achieve effective execution of ESG initiatives through standardized, systematic, and scientific management.



- The highest decision-making body in the company's ESG management work, bearing full responsibility for the company's ESG strategy and reporting.
- Incorporates ESG risks (including climate change risks) into the risk management and internal control system and manages them effectively.
- Oversees the identification, assessment, and management process of ESG management-related matters, and the progress of related ESG goals.
- Reviews ESG management systems and goals.
- Makes decisions and supervises significant ESG matters.
- Mainly plays a role in assisting the Board of Directors to strengthen ESG management, fulfil ESG-related duties designated by the Board.
- Develops the ESG vision, goals, and strategic development.
- Identifies significant ESG risks and opportunities (including climate change risks) and monitors the effectiveness of ESG risk management work.
- Reviews company policies, reports, and disclosures related to ESG.
- Coordinates, supervises, and guides the implementation of various ESG tasks.
- Conducts preliminary reviews of ESG-related proposals and decision items and reports to the Board of Directors.

Stakeholder Communication

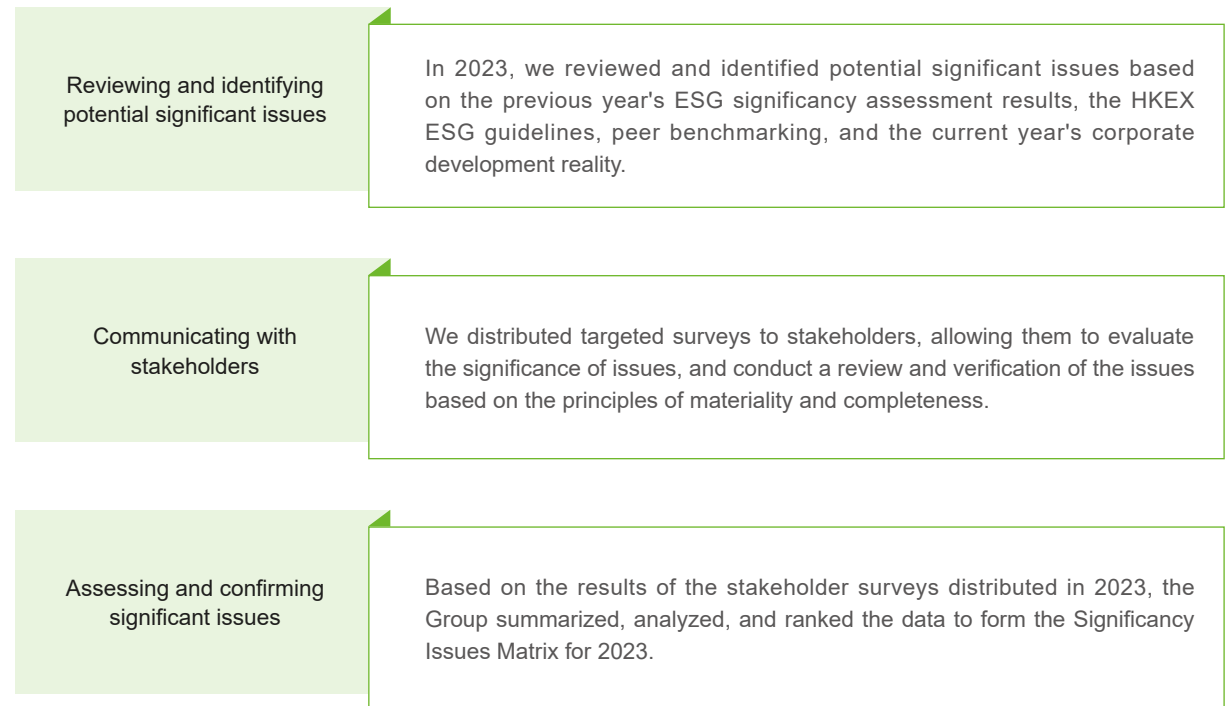
The Group highly values communication and interaction with stakeholders. We have set up stable and smooth communication mechanisms with governments, shareholders, customers, communities, and other stakeholders. By proactively understanding stakeholders' expectations and demands for the company's development, we provide timely feedback to create a cooperative, win-win, and sustainable development interaction ecosystem.

Stakeholder groups	Stakeholder concerns	Main communication channels and response methods
 Government and regulatory bodies	Legal and compliant operations Corporate governance and business ethics Driving regional development Safe production Environmental protection	Information submission On-site inspections Correspondence Telephone/conversations
 Shareholders/investors	Corporate governance Company operations Strategic development Risk management Sustainable development management	Announcements/circulars Periodic reports/temporary announcements Performance release conferences Investor meetings/roadshows On-site surveys Telephone/email/official website
 Customers	Announcements/circulars Periodic reports/temporary announcements Performance release conferences Investor meetings/roadshows	Contracts/agreements On-site research CRM management system
 Employees	Employee rights protection Compensation and benefits Development and training Occupational health and safety	Employee performance evaluation Professional technical capability level evaluation and appointment Employee satisfaction surveys Employee training
 Suppliers and partners	Fair and just procurement Management of supply chain sustainable development risk Industrial development and technological advancement Ensuring service quality	Visits and surveys Telephone/email Forums, seminars and other events
 Media	Corporate operation and development Technology innovation and iteration Corporate social responsibility performance	Press releases Announcements Visits and surveys Interviews with management
 Industry associations	Technology and innovation Promoting industry development Intellectual property	On-site meetings/communication Industry fairs Industry exchanges and communication
 Community	Public welfare and charity Integration of surrounding communities Employment promotion Environmentally friendly	On-site research/meetings Engagement in public welfare and charity Communication with Party committee/ CYLC Committee

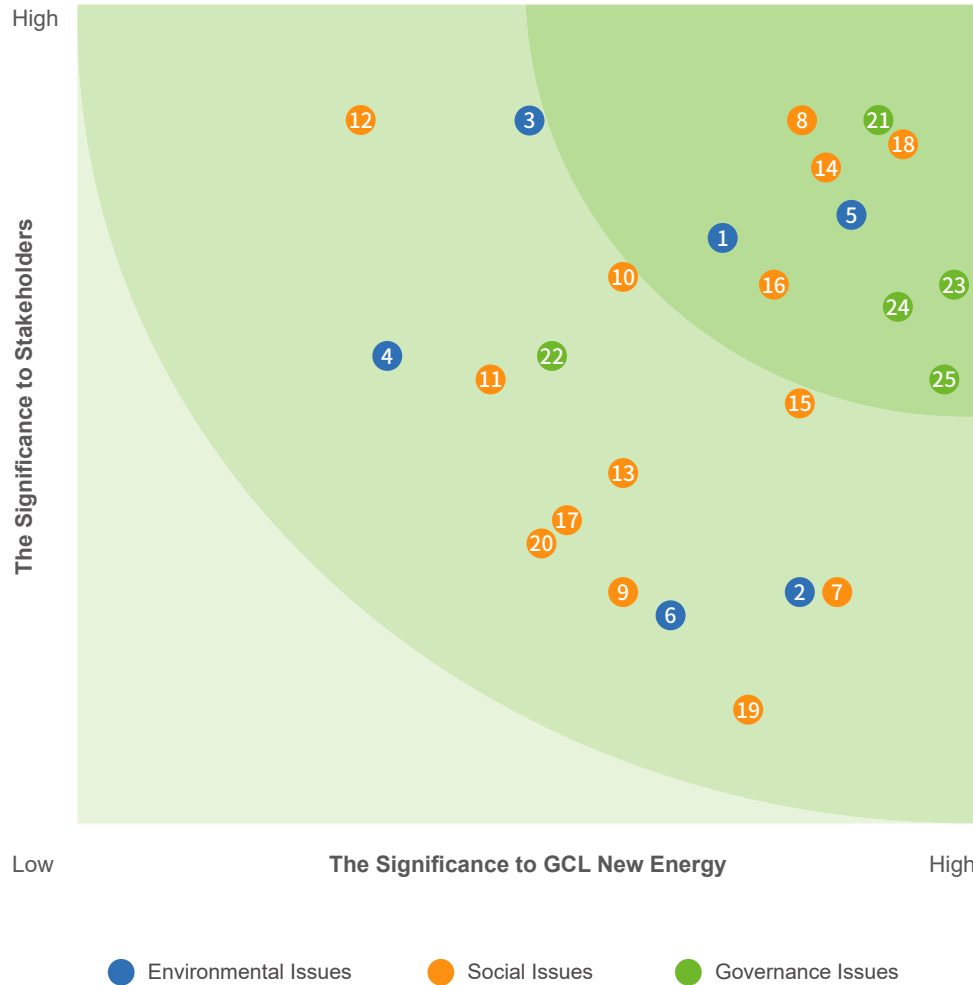
Analysis of Significant Issues

In 2023, based on communication with stakeholders and considering applicable policies for sustainable development standards, industry concerns, and our strategic development, we conducted identification, assessment, verification, selection, and confirmation of significant issues. According to the result of the analysis, we ranked the importance of each issue from two dimensions: the importance to our company and the importance to stakeholders.

The main process for evaluation of significant issues during the reporting period is as follows:



Significance Issues Matrix for 2023



Environmental Issues

- | | |
|-------------------------------------|-------------------------------|
| 01 Environmental Management | 04 Waste Management |
| 02 Ecological Impact and Management | 05 Addressing Climate Change |
| 03 Energy Management | 06 Water Resources Management |

Social Issues

- | | |
|---|---|
| 07 Equality and Diversity | 14 Research, Development and Innovation |
| 08 Employee Rights Protection | 15 Intelligent Operation and Maintenance Management |
| 09 Work-Life Balance for Employees | 16 Information Safety and Privacy Protection |
| 10 Plan for Employee Career Development | 17 Customer Service and Satisfaction |
| 11 Talent Development | 18 Safe Production |
| 12 Occupational Health and Safety | 19 Industry Exchange |
| 13 Supply Chain Management | 20 Social Welfare |

Governance Issues

- | | |
|--|--|
| 21 Corporate Governance | 24 Business Ethics and Anti-corruption |
| 22 ESG Management | 25 Intellectual Property Protection |
| 23 Risk Management and Internal Control Compliance | |

Cohesion

Consensus, Collective Strength, Shared Wisdom

GCL New Energy takes excellent governance as the cornerstone. It has built a scientific decision-making and robust management system and set up a comprehensive risk early warning and response mechanism. In business practices, it adheres to the bottom line of integrity, complies with industry norms, insists on leadership by CPC building, and focuses on talent development. We unite the internal strength of the group to inject endless momentum into the sustainable corporate development.

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Where there's collective effort, there is victory; where there's collective wisdom, there's nothing unachievable.



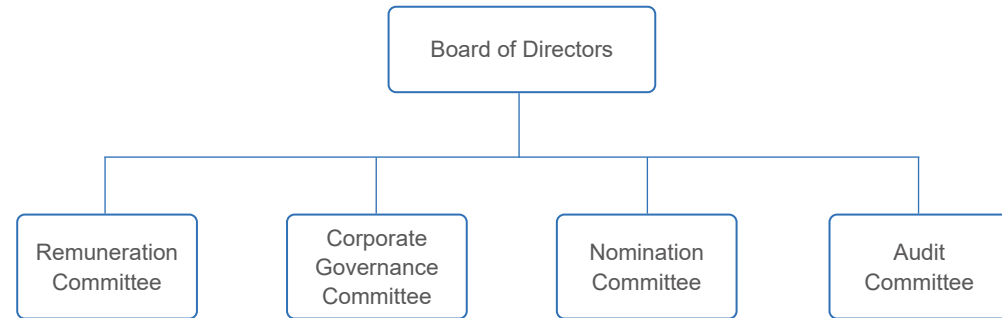
Improving Corporate Governance

Governance Structure

The Group strictly follows the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, and the "Corporate Governance Code" in Appendix C1 of the Listing Rules of the HKEX, among other relevant laws and regulations. We have formulated relevant regulations, including the company's articles of association, to continuously improve the corporate governance structure. This has led to the formation of a corporate governance mechanism characterized by clear rights and responsibilities, coordinated operations, and effective counterbalances, thereby enhancing the company's level of standardized operations.

The Board of Directors, licensed to manage the company's overall business, takes on the responsibility of leading and monitoring the company. The directors are collectively in charge of managing and supervising the company's affairs, and ensuring the implementation of strategic plans to enhance shareholder value. Moreover, the Group has clearly defined the Board of Directors as the highest decision-making body for ESG matters, effectively promoting and ensuring the execution of ESG initiatives of the Group.

The Board of Directors has established a Remuneration Committee, a Nomination Committee, an Audit Committee, and a Corporate Governance Committee. Each committee has clear responsibilities and duties, diligently fulfils its role in accordance with relevant procedural rules, effectively serves as a decision-making support, and enhances the efficiency and level of corporate governance. Independent non-executive directors play a crucial role in corporate governance, constituting over half of the members of the Audit Committee, Remuneration Committee, and Nomination Committee to provide independent opinions on strategy, corporate governance, and accountability matters at committee meetings and board meetings.



Diversity of the Board

GCL New Energy has formulated and followed a Board Diversity Policy, thoroughly considering important factors such as candidates' gender, age, professional qualifications, industry experience, expertise and educational background in the selection and appointment process to ensure board diversity.

During the reporting period, GCL New Energy had a total of 11 directors, including 4 Executive Directors, 3 Non-Executive Directors, and 4 Independent Non-Executive Directors. Among the members of the board, 2 are women, and at least one Independent Non-Executive director has expertise in financial management. Additionally, board members possess extensive experience in corporate governance, operational management, investment management, financial management, and the energy industry.

Compliance and Risk Management

To effectively manage corporate risks, the Company established a comprehensive risk management and internal control system, dedicated to implementing risk management across all aspects of business operations so that the company's sustainable development can be fully safeguarded.

Risk Management

GCL New Energy ensures comprehensive coverage of risk management across all business activities, processes, and employees through the "Three Lines of Defence" for risk management. Moreover, by constructing a risk management framework and defining risk management procedures, we fully identify, assess, manage, and communicate significant risks to ensure the effectiveness of risk management.

Internal Control

We continuously strengthen the corporate internal control mechanisms, establishing management regulations that encompass internal control, risk management, audit management (including engineering works), and anti-fraud efforts, and carry out work targeted to the specific characteristics of the business. During the reporting period, for the smart operation and maintenance business, we conducted specialized audits on operational costs and internal control evaluations for managed operation and maintenance projects, further optimizing operations and improving financial performance. For the natural gas trade business, we strengthened the internal control system, delved into business internals, analyzed main risks, and established entry mechanisms and trade pools for various client types to move risk control upstream, ensuring the internal control system construction progresses in tandem with business development.

To enhance employees' compliance awareness, several compliance trainings were conducted, covering compliance, authorization, processes, and internal control evaluations, reaching a total of 358 person-times during the reporting period.

<p>Three Lines of Defence for risk management</p>	<ul style="list-style-type: none"> • First defence: The business units as the first line of responsibility for risk management; • Second defence: Relevant functional departments as the second line; • Third defence: The Audit Committee, Corporate Governance Committee, and Internal Control Management Center as the third line.
<p>Establishing a Risk Classification Framework</p>	<ul style="list-style-type: none"> • Risk Classification Framework: Includes various aspects such as strategic, operational, financial, compliance, market, and capital and resource risks. • Categorized Management: Targeted response measures are developed for different risks, such as routine risks, specific risks, and significant risks.
<p>Risk Management Process</p>	<ul style="list-style-type: none"> • It covers "risk identification, risk assessment, risk response, supervision and reporting" to achieve closed-loop management; • A risk database has been constructed and continuously maintained. In 2023, risk identification was conducted in business areas including natural gas trade and a risk database was established; all business segments were urged to strengthen ESG risk management; • A comprehensive view of risks was established to systematize the risk database.

Business Ethics

Business ethics are a manifestation of corporate social responsibility and the foundation for the sustainable and healthy development of a company. GCL New Energy actively practices corporate business ethics, laying a solid foundation for the company's long-term development through honest business operations, fair competition, and respect for consumer rights.

Anti-fraud

Strictly adhering to laws and regulations, such as the Company Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, and the "United Nations Convention Against Corruption", we have established an anti-fraud management structure that encompasses "the Holding Company's Audit Committee - various levels of internal control departments - the management at all levels of the Holding Company and its subsidiaries", specifying authority and responsibilities at each level to ensure effective operation of anti-fraud procedures and control measures within the company. We clarify anti-corruption management requirements for different stakeholders and strive to create a clean and honest business environment. During the reporting period, the Group did not experience any corruption lawsuits or related reports or complaints.

Key Management Measures

Institutional Constraints

- For employees: Requiring new employees to sign a commitment to comply with the "GCL Anti-Corruption Regulations," and employees above a certain level to sign a "Managerial Behaviour Code Declaration."
- For Customers: When the Operation Technology Company signs a proxy operation and maintenance service agreement with an owner, both parties sign a "Clean Contract" and a "Self-Discipline Promise" etc.
- For suppliers: Sign the "Supplier Anti-Commercial Bribery and Anti-Fraud Commitment".

Integrity Education

- Employees' awareness of business ethics and compliance is continuously enhanced through employee handbooks, company rules and regulations, media promotion, and regular integrity-themed training.
- During the reporting period, integrity education training was conducted through onsite and video conferences, as well as online classes, covering more than 620 employees with a total training time of 1,240 hours.

Reporting and Handling

Company employees at all levels and social parties with direct or indirect economic relationships with the company can report issues through letters, emails, phone calls, or face-to-face meetings. Upon receiving named or anonymous reports from employees or external third parties, fraud investigations are initiated, and the investigation results are promptly submitted to the Audit Committee and the management of the holding company in a written report.

In the "Anti-Fraud and Reporting Management Standards", we specify a protection mechanism for reporters, keeping their name, unit, address, and other information strictly confidential so as to prevent the disclosure of reporting information and loss of reporting materials, and prohibiting any illegal discrimination or retaliatory actions against employees involved in the investigation. Violators leaking reporters' information or retaliating against reporters will be disciplined, demoted, or even have their employment contracts terminated.

Intellectual Property Protection

To better protect innovative results and enhance corporate competitiveness, we strictly adhere to the local laws and regulations where the operation is located, such as the Patent Law of the People's Republic of China and the Copyright Law of the People's Republic of China, among other local laws and regulations, continuously improving the intellectual property management system. During the reporting period, the Operation Technology Company completed and issued the "Intellectual Property Management System" and "Intellectual Property Incentive System", standardizing the application and approval process for intellectual property; it comprehensively summarized corporate intellectual property for application and protection and raised all employees' awareness of intellectual property protection through diversified advocacy and training.

As of the end of the reporting period, GCL New Energy¹ has accumulatively obtained the following outcomes:



¹ The statistical scope for data on this year's patent certificates, software copyrights, and works registration certificates includes: Suzhou GCL New Energy Operational Technology.



Investor Relations Management

Investor relations management is a crucial tool for positive interactions between listed companies and investors. GCL New Energy strictly complies with the Hong Kong Listing Rules and the Securities and Futures Ordinance of Hong Kong among other legal and regulatory requirements, fulfilling the obligation of timely information disclosure to ensure that all shareholders can equally and timely access significant information of the Group. Through diversified communication channels, we maintain communication and interaction with investors to promote the continuous and healthy development of investor relations. During the reporting period, a total of 70 corporate annual reports, interim reports, announcements, and circulars were released.

During the reporting period,



a total of

70

corporate annual reports, interim reports, announcements, and circulars were released.

Case Study: Holding a Special Shareholders' Meeting to Discuss Major Decision Matters and Winning Shareholder Support

In December 2023, GCL New Energy convened a special shareholders' meeting to discuss the sale of a batch of its existing solar power plant projects in China to the connected person, Suzhou Industrial Zone Xinkunneng CLean Energy Co., Ltd. in Suzhou Industrial Park. The meeting aimed at engaging in in-depth discussions with shareholders about the future development direction of the company. Eventually, the transfer of the solar power plant projects received significant support from the minority shareholders (the major shareholders abstained from voting as they were considered to have a significant interest in the transaction,). The voting result was passed with 99.99% approval.



Adhere to Leadership by CPC Building

GCL New Energy persistently implements the concept of the red gene leading GCL's green development. By strengthening the building of CPC organizations, enriching the daily education of CPC members, and improving the leadership of CPC building in the work of both labore union and Communist Youth League of China (CYLC), we promote the deep integration of CPC building with operational development and corporate culture. Relying on the brand of CPC new energy building characterized by "5G+ New Energy" and "PV+", we continuously enhance the social attractiveness and influence of CPC new energy building. Under the leadership of the CYLC Committee of the GCL Group and in cooperation with labore union and social organizations at various levels, GCL New Energy joined the GCL Love Summer Daycare, which was awarded the "Jiangsu Provincial Model Summer Daycare", "2023 Suzhou City Youth Summer Daycare Excellence Award" and others.



Pursuing the red footprints and comprehending the thoughts of our forebears

Cohere Talent and Wisdom

GCL New Energy regards employees as its cornerstone and talent as the driving force for development. It creates a diverse, equal, and inclusive environment for talent employment and offers a comprehensive and competitive compensation and benefits system to attract and retain outstanding talents; it builds clear and definite career development paths, provides extensive training to support employee career growth, creates a warm and harmonious working environment and focuses on employee care and their health, thus continuously improving employee satisfaction.

Diverse and Equal Employment

We have established the "Employee Recruitment and Employment Management Standards". By means of analysis with social recruitment funnel tools, campus recruitment reviews, and other measures, we have achieved a closed loop in the recruitment process, continuously optimizing the talent employment management. Sticking to the principle of equal employment, we treat employees of different races, skin colors, genders, religious beliefs, and cultural backgrounds fairly and equally, providing equal development opportunities. During the reporting period, no incidents of child labor or forced labor occurred; the rates of both labor contract signing and social insurance coverage were 100%.

During the reporting period,

No
incidents of child labor or forced labor occurred

Ensure Employee Rights

We strictly adhere to the laws and regulations of the locations where we operate, such as the Labor Law of the People's Republic of China, Regulations on the Prohibition of Child Labor, Employment Ordinances, follow internationally recognized human rights policies such as United Nations "Universal Declaration of Human Rights," eliminating child labor and opposing forced labor and workplace harassment; we legally sign labor contracts with employees, timely pay social insurance for employees to ensure employees' compensation and benefits. Efforts are made to enhance employee communication and promote harmonious and stable labor relations.

To meet the strategic development needs of the company, we recruit talents from the new energy operation and maintenance industry as well as natural gas industry through various channels, using a combination of international and local employment models to build a "talent pool" for the new business format. This pool includes multidimensional composite international talents such as executives, foreign-related legal affairs, capital management, and brand management, as well as outstanding graduates from both home and abroad, continuously strengthening our talent reserves.



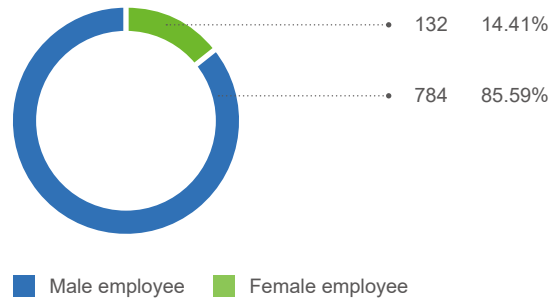
The Operational Technology Company was awarded the title of "Polaris Cup 2023 Influential Photovoltaic Power Station Construction and Operation Excellent Employer ". In the context of rapid industry development and intense market competition, employee recognition and the reputation of human resources management increasingly impact the high-quality development of enterprises.

100%
for both labor contract signing and social insurance coverage

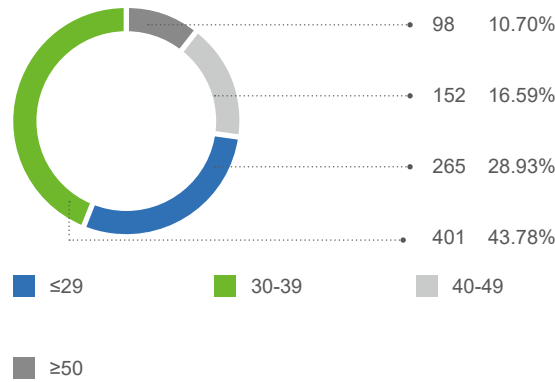
As of December 31, 2023, GCL New Energy had a total of 916 employees in China and overseas, all of whom were full-time employees.

The number and proportion of employees by gender, age group, ethnicity, and region (unit: number of people, percentage)

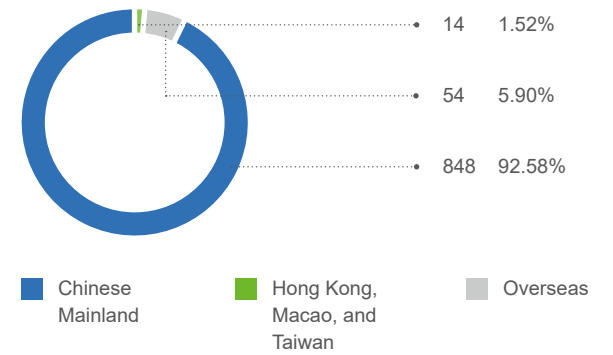
Divided by gender



Divided by age



Divided by region

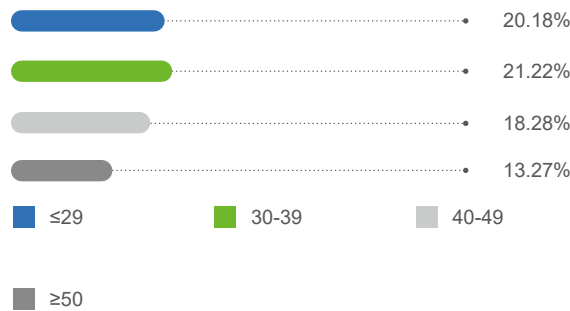


Employee turnover rate by gender, age, and region (unit: %)

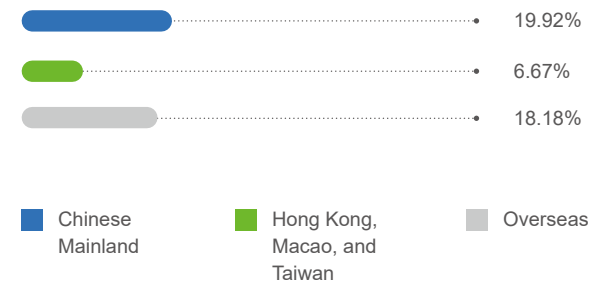
Divided by gender



Divided by age



Divided by region



Average training hours and proportion of employees trained divided by gender and job level

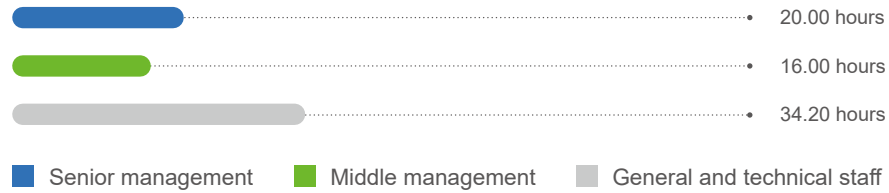
Average training hours for employees, divided by gender



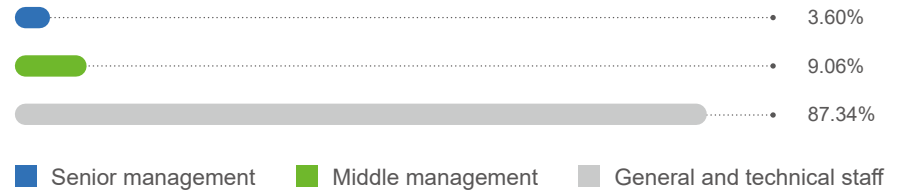
Proportion of employees trained, divided by gender



Average training hours for employees, divided by job level



Proportion of employees trained, divided by job level



Compensation and Benefits System

We strictly conform to the Social Insurance Law of the People's Republic of China, and have established "Compensation Management Standards" and "Benefits Management Standards" to create a scientific, reasonable, diverse, and comprehensive compensation and benefits system. Besides the statutory "five insurances and one housing fund" and paid leave entitlements, we offer annual health check-ups (with additional tests like myocardial enzymes and lateral cervical spine in 2023), supplemental commercial insurance, and various subsidies (including holiday bonuses, communication subsidies, housing/rent subsidies, and heatstroke prevention subsidies). In 2023, a virtual stock option incentive plan was piloted at the Operational Technology Company, and the "Virtual Stock Equity Share Incentive Management Measures" was formulated to select the first batch of partners. The virtual stock options were granted to 17 individuals to further unleash talent potential.

In 2023, a virtual stock option incentive plan was piloted at the Operational Technology



The virtual stock options were granted to **17** individuals to further unleash talent potential

On this foundation, we provide employees with diversified special benefits

Employee Care Special Fund

- Providing group medical insurance services which extends coverage to family members, especially parents and children;
- Effective from July 2023, involving over 170 employees and their family members.

Supporting the Education of Employees' Children

- Solving the problem of school enrollment for children of migrant workers;
- In 2023, we successfully assisted the children of 10 employees in their school enrollment.

Organizing GCL Love Summer Daycare

- Addressing problems like childcare and tutoring for children of various employees;
- About 40 children of GCL employee participated in two terms of over 300 courses within a period of over 40 days.



The "GCL Care Love Summer Daycare" offers a rich curriculum and provides comprehensive support including meals and medical care.

Boosting Employee Communication

We value employees' genuine needs and feedback. During the reporting period, we conducted a corporate culture survey titled the "Xin and Heart Voice", focusing on employee stability, satisfaction, training needs, dedication, and other aspects. A total of 534 survey responses were received and based on these results, we will refine our employee care programs to continuously enhance the sense of belonging among employees.

Creating a Happy Workplace

To enhance employees' sense of happiness and belonging, we organize various themed activities to foster communication among employees and assist those in need. Every year, the Operational Technology Company conducts surveys on families of employees in difficulty, establishes dedicated assistance files, and provides financial support to build an inclusive and warm workplace.



Women's Day event (In the name of GCL, we pay tribute to the glory of youth)



Celebrate birthday events with local Ethiopian employees



Participating in Easter celebration activities with local employees in Ethiopia



Providing free clinic services of traditional Chinese medicine for employees

Occupational Health and Safety

Employee health and safety are fundamental to corporate development and security. GCL New Energy rigorously follows the Safety Production Law of the People's Republic of China and the Occupational Disease Prevention and Control Law, establishing "Occupational Health Management Standards." We implement strict health check-ups, identify and notify occupational hazards, equip labor protection gear, and enhance occupational health education to prevent occupational hazards, enhance self-protection awareness among employees, and ensure their health and safety.

As of December 31, 2023, GCL New Energy has not experienced any work-related injuries or fatalities in the past three years. During the reporting period, the number of working days lost by GCL New Energy due to injury was zero.

Management of Occupational Health Examination

- Conduct occupational health examinations for employees exposed to occupational hazards;
- Implement pre-employment, in-service, and pre-departure health examinations.

Monitoring and Notification of Occupational Hazard Factors

- Identify and assess risk sources and conduct necessary monitoring regularly;
- Post hazard point notifications and emergency response cards, including information on site hazards and potential injuries, emergency procedures, etc.

Providing Labor Protection Equipment and Facilities

- Equip with required labor protection gear, such as safety shoes, helmets, insulated gloves, uniforms, and insulated boots;
- Place emergency first aid kits (medications), and cleaning facilities on-site;
- Provide restrooms and educational materials for employees.

Occupational Health Knowledge Training

- Conduct targeted training and certification for personnel in different positions;
- Carry out "Occupational Health Knowledge Training" for all employees;
- Organize events like promotion week on "Occupational Disease Prevention and Control Law".

Occupational Health Management System

Horizon

Exploration, Pragmatism, Leadership

GCL New Energy always keeps an open perspective, closely follows industry development trends, and keeps exploring new business models and technological applications. We actively respond to challenges brought by global climate changes and are committed to developing clean energy, promoting green transformation, and adopting advanced, digitalized and intelligent operation and maintenance technology to improve the operational efficiency and stability of solar power plants. At the same time, we vigorously expand our natural gas business to provide society with clean and efficient energy solutions. Through practical actions, we actively fulfill our social responsibilities and contribute to the construction of a sustainable energy system.

“

A wise man changes as time and event change.



Identification of Climate Change Risks and Opportunities

Our group actively responds to international climate change initiatives and the dual carbon goals. Guided by the latest requirements of the "International Financial Reporting Standards No. 2 on Climate-related Disclosures" (IFRS S2) published by the International Sustainability Standards Board (ISSB), we are gradually improving the identification, assessment, and response to climate change risks and opportunities. We continuously explore and practice low-carbon operation modes, committing to assuming corporate citizenship responsibilities in global climate change.

In 2023, based on our business operations, we identified the following climate change risks and opportunities:

Types of risks	Climate-related risks	Risk description	Potential business impacts
Physical risks	Acute risks	Typhoons, heavy rains, and flooding disasters caused by intense rainfall, or other extreme weather conditions	<ol style="list-style-type: none"> 1. Extreme weather may damage components or other equipment, affecting power generation efficiency; 2. Severe extreme weather could lead to safety accidents, impacting the safety of employees and surrounding communities; 3. Insurance costs may rise due to extreme weather.
	Chronic risks	Changes in rainfall patterns, an increase in average temperatures, and more frequent extreme high-temperature weather	<ol style="list-style-type: none"> 1. Increase risks to frontline workers; 2. For low-latitude areas where precipitation may decrease, which could affect agricultural activities in agrivoltaic power stations. On the contrary, increase in sunny days could have a positive effect on power generation.
Transformation risk	Policy risks	Updates in laws and policies	<ol style="list-style-type: none"> 1. Emerging regulations include government-set goals for carbon neutrality and peak carbon emissions. Failure to comply with increasingly updated laws and regulations could result in fines, warnings, and loss of business; 2. Policy updates could cause higher electricity prices, indirectly increasing operational costs.
	Technological risks	Upfront costs for the transformation to low-carbon emission technologies	<ol style="list-style-type: none"> 1. Various photovoltaic technology innovations and to low-carbon technologies transformation increase research and development expenditure and early operational costs of projects; 2. The natural gas business requires higher technological investment, can lead to raising operational costs.
	Market risks	Changes in market demand	<ol style="list-style-type: none"> 1. The market is highly interested in the environmental technology and achievements of GCL New Energy. Failure to meet customer expectations could result in lost orders and significant losses; 2. If the demand for natural gas exceeds supply shortage, which causes price increase may lead to higher transportation costs.
	Reputation risks	Increasing concern from stakeholders over negative feedback;	<ol style="list-style-type: none"> 1. Stakeholders are highly aware of green, low-carbon climate change issues, and the potential impacts, possibly demanding companies to provide information on climate change-related strategies, goals, and performance and thus insufficient disclosure could affect a company's performance and revenue.

The formulation of mitigation and adaptation measures is an important strategy to deal with climate change. Based on China's "Dual Carbon" goals and a suite of climate policies, the transformation of energy structure and changes in market demand, alongside GCL New Energy's long-standing efforts to adapt to climate change, there have been new growth opportunities to enhance the Group's resilience to climate change.

In 2023, climate change opportunities were identified as follows:



Policy Orientation

In the long term, the national energy structure will shift towards non-fossil energy sources. Natural gas, as a new type of clean energy, complements other renewable energy sources, leading to high development expectations for the industry.

The National policies vigorously promote green electricity transactions, which will effectively enhance the revenue from green electricity in the market, indirectly increasing revenue for the power operation and maintenance business. This is beneficial for the preservation and appreciation of the Group's assets.



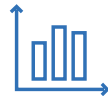
Resource Efficiency

Digital strategy is leveraged to improve resource efficiency and reduce operational costs.



Technological Upgrades

New technologies support new equipment production, reducing costs of intelligent operation and maintenance service, enhancing operational efficiency, and increasing operational revenue.



Market Changes

The situation of climate change triggers more stakeholders to pay attention to investments in new energy companies, which helps the group increase financing channels, enhance financing capabilities, and solidify corporate brand value.

Leading Digitalized Intelligent Operations and Maintenance

Leveraging the extensive experience in photovoltaic (PV) power station operation and maintenance, scale advantages, and vast data accumulation, GCL New Energy's Operational Technology Company is accelerating the output of various operation and maintenance management services. Utilizing "IoT + Big Data" technology, and based on management services with data services as a new engine, it aims to become the most professional, growth-oriented, and competitive "Data + Management" tech service provider in the comprehensive energy sector, propelling the high-quality development of the new energy industry.

Strengthening Technological Advantages

"GCLinkage" – a Comprehensive Energy Management Platform

The intelligent platform is not merely a software for collecting and analyzing data; it is a confluence of industry experience and wisdom, integrating management models, patterns, and modular systems to enable precise enterprise management. It amalgamates the currently independent and diverse management models into a comprehensive digital system model.

Relying on our self-developed "GCLinkage" - a Comprehensive Energy Management Platform, we offer the "GCL Digitalized Intelligent Comprehensive Energy Solution." "GCLinkage" adopts the design philosophy of platform modelization and system modularization to form four main units: the data system, management system, knowledge base, and AI center. It covers eight core functions: real-time monitoring, business management, operations management, market management, supply chain management, training systems, multi-end integration, and decision support. Each module realizes seamless integration for resources sharing and coverage of every aspect of comprehensive energy management. Additionally, the platform connects with intelligent devices, integrating applications like cleaning robot monitoring, drone inspection systems, AI recognition, and digital twins to compose an operation management system solution.

Reduce costs by over

30 million yuan

In 2023, the "GCLinkage" Comprehensive Energy Management Platform V3.0 was officially launched, designing two platform products to serve the needs of both B2B and B2C users. Its application in 2023 reduced costs by over 30 million yuan, achieving significant economic and social benefits and truly fulfilling the mission of "protecting every degree of green electricity with technology."

Modularization Design

- Each module is responsible for a single function, enhancing the independence and maintainability of modules.
- **Full process coverage:** The content encompasses every aspect of enterprise management, ensuring a closed-loop management workflow.

Platform Modelization

- **Building analysis models and logical warning models:** Data collected from devices are cleaned and filtered for deep data mining, forming various analysis and logical warning models.
- **Creating management models:** Information on various industry standards, procedures, management methods, and equipment archives is deconstructed and integrated to digitally portrait management behaviors and form management models.

Intelligent AI Strategy Center

- **Establishing an intelligent AI strategy center:** A vast knowledge base underpins the entire platform, combining the knowledge base, database, and business processes into a large system composed of many small business models, solidified within the "GCLinkage" platform, covering the full lifecycle management of projects.



The “GCLinkage” integrated energy management platform V3.0 is in a leading position in the industry, and its digital intelligent overall solution has won several honorary awards:

Top 100 Leading Chinese Renewable Energy
 Photovoltaic Companies in 2022
 Outstanding Photovoltaic Smart Operation and
 Maintenance Enterprise

SECURITIES DAILY
 2023 Clean Energy Preferred Case

The Most Influential Light Storage Solution of 2023

2023 SNEC Expo - MW Jade Award

China Energy News
 Dual Carbon Technology Innovation Typical Case

The Most Influential Energy Asset Management Enterprise of 2023

Century New Energy Network
 PVBL Photovoltaic Industry Excellence Service Award

Photovoltaic systems
 "Milestone Witness" for New Energy Power Station
 Operation and Maintenance

China Electricity Council's 2023 Power Technology Innovation Award, Second Prize

Continuous technological iteration

Since 2014, GCL New Energy has embarked on a journey towards the digitalization and intelligent management of new energy. Over the course of 14 years, with the involvement of over 150 person-times, we have integrated new technological applications with new energy operation concepts, gradually developing a comprehensive intelligent and standardized management system and creating a highly-efficient operational management platform. After three iterations and upgrades, in 2023, we introduced the "GCLinkage" comprehensive energy management platform (V3.0) based on technologies, such as cloud computing, big data, the IoT, VR/AR, and 3D virtual engines.



Explore the low-altitude economy, and conduct digital modeling of photovoltaic power stations with the industry-grade M300 PTK drone platform to improve the efficiency of autonomous inspection

Key R&D Innovative achievements in 2023:

Significant research and development (R&D) achievements

The significance of the R&D work

TX100 Series Communication Gateway:

- The communication gateway, based on embedded architecture, is primarily used for industrial site device protocol conversion, facilitating data collection and transmission across different protocols to meet electrical safety standards. It serves as a communication bridge between the "GCLinkage" platform and the main station, enabling data transfer from site stations to various dispatch systems or the unified monitoring and maintenance platform of the Group.

- It seamlessly connects with various brands' isolation and encryption devices, supporting protocols such as MODBUS RTU/TCP, IEC104, and electric meter DL645 96/07, enabling quick and low-cost integration of power station equipment data into the "GCLinkage" platform.

Virtual Power Plant Based on Digital Twin Technology

- The advantage lies in that it is based on video + digital twin technology. With a domestically developed and controllable 3D GIS engine at its core, it carries the entire data of the spatial database. In the virtual space, equipment data is mapped to models.

- Visualized presentation of key indicator data;
- Integration and shared management of multiple business applications to achieve visualization on one screen and command one chart;
- Industry experts can remotely diagnose equipment problems to quickly resolve customer's equipment problems, empower efficient management and precise command and dispatch of power station operations, thus enhancing operational and maintenance efficiency.

AI-based Drone Inspection System

- Drones easily cover every corner of photovoltaic power stations, performing high-definition imaging and infrared thermal imaging. Data uploaded to the platform is automatically analyzed by AI algorithms to identify defects and generate inspection reports.

- Automatic identification of defects in photovoltaic components significantly reduces the cost of equipment inspection.

System and Information Security

Data and information security form the foundation of digital businesses. In 2023, we updated and established standards, such as the "Information Security Management Standards," "Management Platform Data Security Management Standards," "Management Platform Cooperation Institution Management Standards," and associated management manuals to clarify responsibilities related to information security management and specify access methods, permissions and other management procedure. We also conducted information security training for employees, covering the introduction of laws and legal regulations and analysis of case studies to enhance their awareness. Throughout the reporting period, there were no significant information security events or customer privacy leaks at GCL New Energy.

In 2023, the "GCLinkage" platform's server resources were migrated to the China Telecom Data Center for its managed operation and maintenance. The latter provides comprehensive network operation and maintenance services, including hardware troubleshooting, system optimization, and information security protection. Additionally, China Telecom Data Center offers "GCLinkage" dedicated high-speed broadband and server configurations with network firewalls and antivirus facilities, ensuring data and information security.



Ensuring Operational Safety

Safety is a paramount concern in operation and maintenance of power stations. Following "EHS Management Standards", "EHS Emergency Management Standards" and other regulations, we manage safety, environmental, and occupational health issues in operations in an overall way. Under EHS management requirements, we implement a safety production responsibility system, clarifying the safety production responsibilities of the Operation Technology Company headquarters, various regional operation and maintenance companies, and operational power stations, so as to ensure safety production input and continuously improve safety management levels.

Strengthening safety management

To adapt to the trend of large-scale and diverse business format-oriented development and the transition from a "Self-operated + Managed operation and Maintenance" model to a "fully managed operation and maintenance" model, in the reporting period, we revised our production management system. We also developed the "Safety Management Regulations for Wind Turbine Operations" and the "Safety Management Regulations for Rooftop Distributed Photovoltaic Projects" in line with business development needs. In daily operations, the "Work Plan and Implementation Rules for Safety Production" detailed management requirements. In the reporting period, we maintained a stable safety production status without any general safety production accidents, or significant occupational health and environmental protection incidents.

Case Study: Enhancing Safety Management Efficiency with the "GCLinkage" Management Platform

The EHS daily management tasks of the Operational Technology Company are now conducted on the "GCLinkage" platform. The platform's EHS management module essentially covers the main content of safety management, recording the entire process from indicators, plans, measures, to supervision and inspections. It gathers safety learning exams, emergency drills, "Two Tickets" work, safety activities, hidden danger management, safety management systems, and safety information, gradually realizing closed-loop management of the PDCA+S (Plan, Do, Check, Act + Support) system, truly executing the "safety first" ideology.



Risk Control and Emergency Management

We regularly carry out safety inspections and rectifications to effectively raise all employees' awareness of safety and accident resolution capabilities. Such work eliminates safety hazards from the source, and ensures the safety quality on the project site.

Safety Production Inspection



- It includes major safety inspections in spring and autumn, safety production month activities, special inspections and rectifications for major accident hazards, and other special safety inspections; special patrols will be arranged in advance for extreme or adverse weather conditions.

Emergency Management



- Emergency management includes the following work: formulation of the "EHS Emergency Management Standards" and the "Production Safety Accident Emergency Response Plan," compilation of emergency plans and registration with relevant departments, equipping emergency supplies, signing emergency mutual assistance agreements with nearby enterprises and government agencies, and establishment of emergency linkage mechanisms.
- A variety of emergency drills were conducted based on regional climate characteristics and geographical environment, totalling 468 drills throughout the year.

Safety Culture Building



- Safety culture building includes: developing a variety of safety education and training plans, using multiple forms to provide employees with EHS management, equipment safety, and other regular trainings, as well as specialized training on safety regulations, and assessing the training effectiveness through examinations.
- Employees are encouraged to actively participate in various safety skill competitions held by government departments, industry, and owner units, to promote learning and practice through competitions.



A major safety production inspection in autumn



Shenmu power station, a regional company in Northwest China, organized and carried out an Emergency Drill for Rain, Snow, and Ice Conditions.

Lean Service Quality

It is GCL New Energy's unyielding goal to win customer recognition. The Operational Technology Company has established a complete CRM (Customer Relationship Management) system, including customer management, sales management, business opportunity mining, team management modules, and assigned dedicated customer managers. We offer one-stop services like complaint services, business consultation, technical support, etc. We have set up 6 regional operation and maintenance service centers nationwide, with over 600 professional operation and maintenance service personnel to ensure on-site service, technical support, and complaint handling. During the reporting period, we added systems such as "Customer Complaint and Feedback Management", "Customer Satisfaction Survey and Evaluation Management" and "GCLinkage CRM Module Management Standards", and enhanced both service efficiency and staff's professional skills by means of IT such as "GCLinkage" platform to continuously provide excellent service to customers.

Enhancing Service Efficiency Through IT

- Conduct registration, processing, transmission, tracking, and follow-up activities on the "GCLinkage" platform;
- Continuously advance integration with office networks, business systems, SAP, WeChat, and other platforms to achieve all-channel service management and effective data monitoring.

Improving Employee Professional Skills

- **Offline Training:** Operational skills and safety training, such as "Cold Shrink High Voltage Cable Head Fabrication" and "Measures to Prevent Electric Shock and Safety Guidance for Electric Shock Rescue".
- **Online Training:** Primarily the process and industry knowledge training, like "Refined Management of Various Comprehensive Business in Photovoltaic Power Stations".

Standardizing Customer Complaint and Feedback Management

- In 2023, the Operation Technology Company added "Customer Complaint and Feedback Management standards", detailing the customer complaint process and work mechanisms, ensuring efficient handling of customer complaints and feedback.
- Special complaint-handling meetings were convened to analyze the reasons for customer complaints, propose solutions, and devise corrective and preventive measures for complaints to continuously optimize and improve the handling work.

In the reporting period, as a result of our professional and meticulous service, we received commendation letters from many customers and high recognition within the industry. GCL New Energy Operational Technology Company won the "PVBL2023 Photovoltaic Industry Excellence Service Award."



Outlook on Development Opportunities for the Natural Gas Business

GCL New Energy is positioning itself for innovation and change to fully grasp the future development focus of clean energy. It has gained a comprehensive, clear, and objective understanding and judgment of the domestic and international natural gas development. It seizes new opportunities under the significant adjustments in the natural gas landscape in a timely manner. GCL New Energy maintains good communication with POLY-GCL Petroleum Group Holdings Limited (POLY-GCL Petroleum Group) and actively explores cooperative opportunities to venture into the Liquefied Natural Gas (LNG) business in the future. It also synergizes with GCL Group's advantages and layout in the energy field, committing to creating a new growth engine.

Profile of Potential Collaboration Development Projects

Ethiopia Natural Gas Project

On July 18, 2022, the Group signed a Memorandum of Understanding with POLY-GCL Petroleum Group to invest in POLY-GCL Petroleum Group's Ethiopia-Djibouti natural gas project located in the gas fields of Ethiopia, Africa, by holding minority shareholder rights and under conditions of low and controllable risk. This project involves gas and oil exploration and development, long-distance pipelines, LNG plant, and port construction. As an integrated project that encompasses the upstream, midstream, and downstream sectors, it also holds significant meaning for promoting local economic development, driving industrial growth, generating employment locally, and facilitating energy transformation.



The GCL Ethiopia Natural gas Project

The project boasts substantial oil and gas reserves, fully capable of large-scale commercial development:

Natural gas reserves

5 trillion cubic meters

Oil reserves

4.0 billion tons

Discovered gas fields

3 fields

Confirmed natural gas geological reserves

190.7 billion cubic meters

LNG Reception Stations

LNG receiving stations are a crucial part of the natural gas industrial chain. To serve the national "dual carbon" strategy, optimize the energy structure, and promote the strategy of integrated gas and electricity, GCL Group has planned the GCL Huidong Rudong LNG receiving station project in the Yangtze River Delta region and the Maoming LNG receiving station project in the South China region. The LNG receiving station projects will not only fully build up GCL Group's integrated natural gas industry chain, but also become a significant advantage for GCL New Energy in the development of its natural gas business.

Case Study: GCL Huidong's Rudong LNG receiving station project – the operation of heavy pneumatic lifting completed in one go.

On October 23, the 200,000 cubic meter LNG storage tank under project No.1, GCL Huidong's Rudong LNG Reception Station in Jiangsu Province completed its pneumatic lifting operation, 68 days ahead of schedule, marking the basic completion of the tank's outer structure.

This project is part of the national "14th Five-Year Plan" for energy development and is included in the 2022 list of major projects by the NDRC and Jiangsu Province. It represents a major achievement in GCL Group's support for the "Belt and Road" initiative to implement an integrated gas and electricity energy cooperation strategy. Upon operation, the project will increase the supply of clean energy in the Yangtze River Delta region, further laying a solid foundation for regional economic development and the achievement of the Dual Carbon targets.



Natural Gas Trade

GCL New Energy remains unwavering in its dual-core business strategy of Photovoltaics + Natural Gas, seizing prime opportunities in the development of natural gas business. In the reporting period, GCL New Energy actively promoted its natural gas trade business. The domestic trade business grew steadily, with total trade volume exceeding 20,000 tons and total trade revenue breaking 100 million yuan from July 15, 2023 to December 31, 2023, contributing 8.6 million yuan in revenue to GCL New Energy. Additionally, around the GCL Rudong LNG receiving station, collaborations or business consensus were reached with four domestic upstream LNG plants, four receiving stations, two listed logistics transporters, many downstream city gas, many factory end-users, and major industry trade companies. These efforts laid a solid market foundation for the operation of the GCL Rudong LNG receiving station.



Case Study: GCL New Energy Actively Participates in Industry Exchanges by seizing the "Blue Ocean" Opportunity in Natural Gas

At the China International LNG & Hydrogen Summit held from September 20-21, 2023, Xu Huilin, GCL New Energy's CEO, engaged in exchanges and discussions with international LNG suppliers and renowned domestic energy enterprises. The topics included long-term LNG resource negotiations, international spot LNG procurement, domestic and international market distribution, LNG trade risk control, and transactions of natural gas derivatives, aiming to advance GCL's pace of development in both international and domestic natural gas markets.

Obligation

Exploration · Undertaking · Continuation

GCL New Energy always upholds a spirit of responsibility. It is dedicated to boosting green ecological protection and sustainable development. We actively promote clean energy to help create a green ecological environment. We focus on source control and strictly manage upstream and downstream responsibility in the supply chain. We proactively participate in social welfare, contributing to the harmonious development of society.

“

“Not indulging in idle dreams, nor chasing after empty fame”



Building a Green and Harmonious Ecology

Green and Harmonious Ecology

It is the foundation of sustainable development to live in harmony with nature. The business of solar power plant operation and maintenance possesses strong environmentally friendly attributes. On this basis, GCL New Energy adopts strict environmental management and diverse ecological protection measures. Considering both the natural environment and resource characteristics of the projects, it appropriately applies models such as "Fishery-PV Complementary" and "agri-PV Complementary" according to local conditions. In this way, it maintains biodiversity and ecological balance while maximizing project value and constructing a green, harmonious, and sustainable ecology.



Gaoyou GCL Fishery-PV Complementary power station:
Electricity Generation Above, Fish Farming Below



Peixian Hongyue Floating PV Power Station:
The planned land use is entirely idle water surface from coal mining subsidence areas, achieving long-term protection of the aquatic environment.



Xinyi Xinri Agri-PV Complementary Power Station: Planting greenery in the PV area improves land utilization. The pruning and management of greenery require a large number of people, thus local labor employment issues have been addressed.

Strict Environmental Management

A harmonious and healthy ecological environment stems from our strict environmental management requirements. The Group adheres to a source control emission management philosophy, complies with relevant laws and regulations, and practices internal and external management approaches. In the operation process, our waste mainly includes household garbage, discarded PV modules, packaging materials, discarded electronic devices, and damaged batteries. Wastewater mainly consists of domestic sewage and cleaning wastewater, originating from our operating mechanism, without involving gas emissions.

	Environmental Goals	Our Actions
Energy Use	To gradually increase energy efficiency and reduce energy consumption	Strengthen environmental management and strictly control the use of environmental energy.
Water Efficiency	To optimize water resource management and reduce water usage	Smart operation and maintenance technology was utilized to continuously reduce water resource consumption.
Waste Disposal	To reduce the amount of waste generated and ensure 100% compliant disposal of waste	Waste recycling and reuse were strengthened to reduce the amount of waste generated.
Greenhouse Gas Emissions	To continue the improvement of energy efficiency and reduction of carbon emissions from operations	The operation and maintenance levels were continuously improved and greenhouse gas emission management was strengthened.

Resource and Energy Use

The Group deeply realizes the importance of resource and energy use management and implements resource and energy conservation requirements in all aspects of the Group's operations. We strictly abide by the Energy Conservation Law of the People's Republic of China, Water Law of the People's Republic of China, and other legal regulations, strengthening the management of resource and energy use. Based on the business operations of the Group, the main energy consumption includes purchased electricity, and vehicles use diesel and gasoline; water use mainly comes from office water, cleaning water, and production water needed for station operation. We actively practice the concept of green environmental protection, comprehensively improving the efficiency of resource and energy use.

Reducing Vehicle Fuel Consumption

Real-time monitoring and management of power stations through the smart operation and maintenance platform help improve inspection efficiency and vehicle frequency, thus reducing vehicle fuel consumption.

Reducing Purchased Electricity

Early identification, precise positioning, and timely fault handling through smart operation and maintenance and big data analysis reduce the impact on power generation, thereby reducing purchased electricity.

Reducing Water Resource Consumption

The use of self-developed intelligent operation and maintenance robots, powered by solar energy and capable of all-around, waterless cleaning, significantly reduces water consumption in the operation and maintenance process of power stations.

During the reporting period, the energy and resource consumption situation² of the Group is as follows:

Indicator Types		Units	2023
Energy Types ³	Purchased electricity	Kilowatt-hour (kWh)	186,910.64
	Electricity consumption	Tons of standard coal	22.97
	Diesel consumption	Tons of standard coal	1,049.98
	Gasoline consumption ⁴	Tons of standard coal	1,245.07
	Total energy consumption	Tons of standard coal	2,295.05
	Unit total energy consumption	Tons of standard coal per square meter	0.185
Resource Consumption	Water usage	Tons	5,092.00

² The scope of information collection for this Year includes: GCL New Energy's office area at the Nanjing headquarters, the headquarters and regional companies of the Operation Technology Company, and the power stations under operation and maintenance.

³ The total amount of comprehensive energy consumption is calculated based on the consumption of various types of energy and the conversion factors provided in the "General Rules for Calculation of Total Energy Consumption" (GB/T 2589-2020).

⁴ In 2023, due to the growth in business volume of the power station operation and maintenance decoration/repair-testing inspection center, there was an increase in the frequency of official car use and fuel consumption, resulting in a significantly higher usage of diesel and gasoline compared to the previous year. (Due to the increase in newly added managed operation and maintenance sites, the number of vehicles elevated, and consequently, fuel consumption also increased; 2. The repair -testing inspection center conducted repair and testing work nationwide, and the workload significantly increased compared to the previous year, leading to a considerable increase in vehicle fuel consumption).

Emission Management

The Group adheres to a source control emission management philosophy, complies with relevant laws and regulations, and practices internal and external management approaches. During the operation process, our waste mainly includes household garbage, discarded PV modules, packaging materials, discarded electronic devices, and damaged batteries. Wastewater mainly consists of domestic sewage and cleaning wastewater, originating from our operating mechanism, without involving gas emissions.

We have established a comprehensive waste management system. Household garbage is collected and disposed of centrally; discarded PV modules, electronic devices, and batteries are placed collectively and handed over to professional recycling organizations for processing; packaging materials are collected and sent to local waste recycling stations for unified processing. The Group's domestic sewage is treated by sewage treatment facilities to the standard before being used for site greening, and cleaning wastewater is scattered under the PV panels for greening. Additionally, the Group encourages waste recycling and reuse, regularly conducts equipment maintenance inspections, promptly replaces damaged or failed equipment, purchases replaceable or repairable production components, advocates employees to practice environmental concepts at work, and comprehensively reduces the generation of environmental pollutants during the operation process.

Indicator Types	Units	2023	
Greenhouse Gas Emissions ⁵	Scope 1: Direct greenhouse gas emissions	Tons of CO ₂ equivalent	4,921.08
	Scope 2: Indirect greenhouse gas emissions	Tons of CO ₂ equivalent	114.03
	Total greenhouse gas emissions	Tons of CO ₂ equivalent	5,035.12
	Greenhouse gas emission intensity	Tons of CO ₂ equivalent per square meter	0.41

⁵ Greenhouse gas emissions originate from gasoline, diesel, natural gas, and purchased electricity. Scope 1 emission factors are calculated with reference to the HKEX's "Environmental, Social and Governance Reporting Guide" and the "Greenhouse Gas Protocol" (GHG Protocol). Scope 2 emission factors are derived from the HKEX 's "Guidance on Environmental Key Performance Indicators Reporting."



Green Office

We adhere to the green office concept, promote electronic office work, advocate for electricity and water conservation, improve energy use efficiency, and strive to create a green and low-carbon operation space.

Green Office Measures

Conserving Water Resources

- Continuously strengthen the dissemination of water conservation and environmental protection information to enhance employee awareness of water conservation.
- Regularly inspect water pipes and faucets for any leaks and arrange for immediate repairs if any are found.

Conserving Energy

- Make full use of natural light and reduce the use of lighting fixtures.
- Shorten the time for computer monitors to enter sleep mode and turn off the power completely when computers are not in use.
- Set the air conditioning temperature according to the season (not lower than 26 degrees in summer and not higher than 20 degrees in winter).

Optimizing Office Space Utilization

The efficient use of office space is an important aspect of resource conservation. In 2023, in response to the company's strategic transformation and the principle of reducing costs and increasing efficiency, while ensuring the normal conduct of business activities, we combined organizational structure adjustments and the cleanup of "three-no organizations." Following the "one headquarters" principle of unified management, scheduling, and pace, we improved space utilization efficiency, optimized office rental space, and saved approximately 9.1548 million yuan in costs.

Reducing Material Consumption

- Reduce the use of disposable office supplies (such as paper cups).
- Avoid printing unless necessary, advocate for double-sided printing, and place used paper in recycling bins to fully utilize paper resources.

Green Commuting

- Strengthen the management of official vehicles.
- Encourage employees to use public transportation and advocate for carpooling.

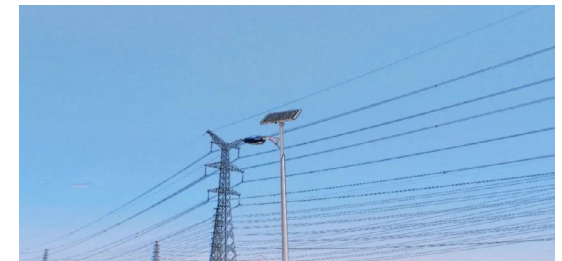


saved approximately

9.1548 million yuan

Advancing Digital Office Work

- Advocate for paperless office work and use electronic filing.
- Implement electronic signatures and conduct all business processes through online approval.



Solar Street Lights at Yulin Dongtou Power Station

Optimizing Supply Chain Management

To effectively support the current business development of the company, we continue to optimize the supply chain management system. Externally, we establish close cooperative relationships with suppliers to ensure the stable supply and quality control of raw materials, and improve the efficiency and flexibility of the supply chain through optimizing logistics management and reducing inventory costs. Internally, we update the "Supplier Management Standards" to further optimize the entire process management requirements for

supplier access, supply chain inspection, and evaluation management. Additionally, by strengthening the digital construction of the supply chain (the construction and utilization of the "GCLSSC" platform), we promote the intelligence and visualization of the supply chain.

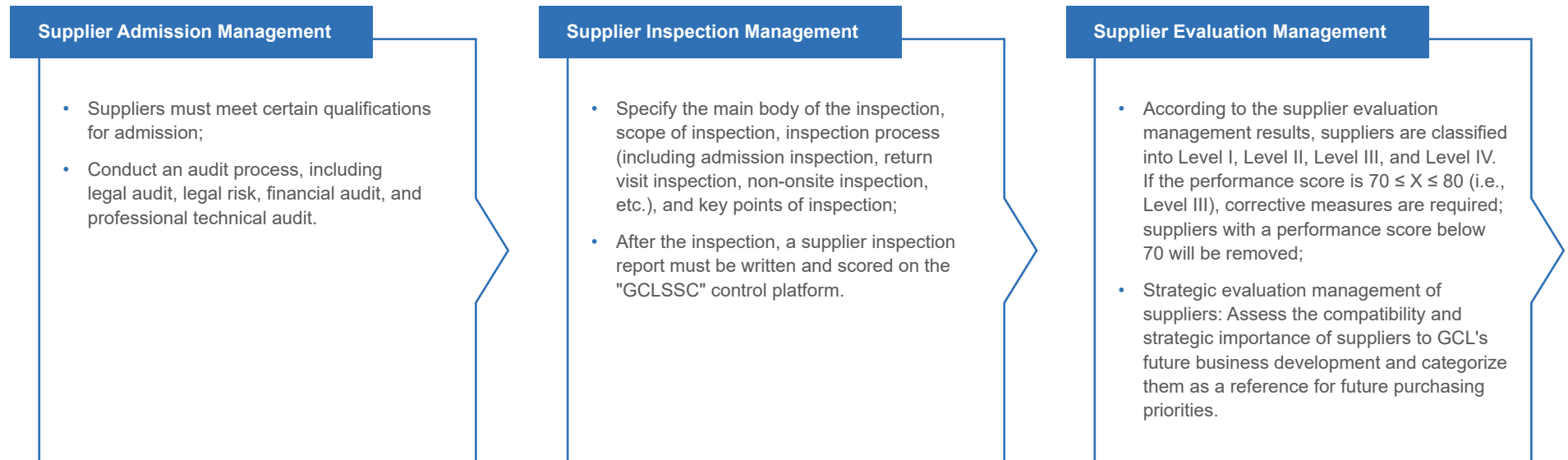
At the end of the reporting period, the total number of domestic and foreign suppliers of GCL New Energy reaches 1,095.



At the end of the reporting period, we had

1,095 suppliers

Standardize Full-Process Management



Strengthen Information Technology Construction

As an important management method of the modern supply chain system, information technology is an indispensable aspect. Based on the supply chain management platform of GCL Group and according to its own business characteristics, we continue to strengthen the information technology construction of the supply chain. During the reporting period, we successfully implemented the supply chain management system upgrade project, achieving real-time collection and analysis of supply chain data, providing strong support for the company's decision-making.

By strengthening the construction of supply chain information technology, we have achieved:

Unified Platform Management

- In May 2023, GCL Group officially launched the supplier management module of the "GCLSSC" control platform, realizing the unified platform management of both existing and non-existing suppliers.

Improving Procurement Efficiency

- By the end of 2022, the electronic goods mall was switched online, initially covering self-operated power stations of the operation and technology company, adopting a new "Internet + Material Procurement" E-commerce direct purchase model, making procurement work more transparent and open;
- On May 31, 2023, the "GCLSSC" control platform opened the source-finding module function, including the submission of tender plans, inquiry and comparison, bidding, and electronic competitive bidding.



Build a Responsible Supply Chain

GCL New Energy integrates ESG and sustainability concepts into every part of its supply chain management, actively guiding suppliers to fulfil their social responsibilities and adhere to business ethics for joint construction of a sustainable business ecosystem.

In the Supplier Management Standards, we clarify the supplier quality and safety, health, and environmental management strategies, giving priority to suppliers who have passed quality management system certification, environmental management system certification, occupational health and safety management system certification, and ISO 14067 carbon footprint product certification or those offering products and services that meet environmental standards, such as high-efficiency energy-saving equipment, renewable energy solutions, low-carbon emission technologies, etc. Furthermore, we conduct regular on-site verifications for some suppliers to inspect the production environment, pollution treatment facilities, and the operation of the environmental management system.

Beyond environmental performance, we standardize supplier conduct through the GCL Group's "GCLSSC" platform, covering business ethics, integrity in business, intellectual property protection, anti-corruption, etc. We require suppliers to strictly comply with these standards and supervise and inspect them in the cooperation process.



Actively Giving Back to Society

Exerting Industry Influence

Enhance Communication and Exchange

In line with a green, open, and shared philosophy, GCL New Energy actively participates in industry communication around new energy operation and maintenance and natural gas business, working together with all parties to promote industry progress.

In 2023, GCL New Energy's Operation Technology Company participated in SNEC 2023, the Photovoltaic Power Generation Operation Management and Industry Development Innovation Exchange Seminar, and other conferences, showcasing the "GCL Digitalized Intelligent Comprehensive Energy Solution." and sharing digital operation and maintenance experience.



Zheng Wenge, Chief Technology Officer of the Operation Technology Company, participated in SNEC 2023.

In November 2023, the China Association for Promoting International Economic and Technical Cooperation released the group standard on "Technical Requirements for Smart Operation and Maintenance Systems of Photovoltaic Power Stations." The Operation Technology Company served as one of its main drafters. This signifies the industry's recognition of the Company's experience in smart operation and maintenance of photovoltaic power stations and that the Company's operating standards meet and lead industry norms.



Support Cultivation of Industry Talent

With the rapid growth of new energy site operation and maintenance business in six regions across China (East China, Central China, Southwest, South China, Northwest, and North China), the Operation Technology Company has provided numerous internship and employment opportunities for students from electrical Colleges and universities in different places. In recent years, the Operation Technology Company has signed cooperation agreements with many Vocational electrical colleges to support the cultivation of industry talent.



The Operation Technology Company established school-enterprise cooperation with Jiangxi Electric Power Vocational and Technical College, signing a strategic cooperation agreement on education and teaching integration to co-promote talent training reform.



Practicing Public Welfare and Charity

GCL New Energy has always been maintaining smooth communication with surrounding communities, actively practicing philanthropy concept from perspectives such as science education on new energy, care for vulnerable groups, and advocacy of environmental concepts. In the reporting period, based on the local conditions of each operating power station, we coordinated with local towns and villages to provide care for disabled people, households in difficulty, and elderly singles, among other groups.

APPENDIX

List of Main Laws, Regulations and Internal Policies to Comply With

Response Content	Laws and Regulations	Internal Policies
Management: Anti-corruption and integrity promotion	Anti-Unfair Competition Law of the People's Republic of China	Anti-Corruption Regulations Anti-Fraud and Reporting Management Standards GCL's Ten Commandments Anti-Commercial Bribery Agreement
Environment: Energy Use	Renewable Energy Law of the People's Republic of China Energy Conservation Law of the People's Republic of China Water Law of the People's Republic of China Electric Power Law of the People's Republic of China Regulations on Electric Power Supply and Use	Environmental Protection Management Standards
Environment: Waste Management	Water Pollution Prevention and Control Law of the People's Republic of China	Environmental Protection Management Standards
Environment: Environmental Protection	Environmental Protection Law of the People's Republic of China Environmental Impact Assessment Law of the People's Republic of China Environmental Protection Tax Law of the People's Republic of China Administrative Penalties for Environmental Protection Law of the People's Republic of China Management Measures for Environmental Protection Standards of the People's Republic of China	Environmental Protection Management Standards
Social: Development of the Photovoltaic Industry	/	Photovoltaic Power Station On-site Disposal Plan Photovoltaic Power Station Production Preparation Management Standards Photovoltaic Power Station Equipment Management Standards Photovoltaic Power Station Operation Personnel Training Management Standards
Social: Compliance with Social-related Laws and Regulations	Company Law of the People's Republic of China General Principles of the Civil Law of the People's Republic of China Criminal Law of the People's Republic of China	Company Articles of Association

Response Content	Laws and Regulations	Internal Policies
Social: Customer Service	Work Safety Law of the People's Republic of China Cybersecurity Law of the People's Republic of China Personal Information Protection Law of the People's Republic of China	Operation Safety Management Standards Safety and Occupational Health Management System Power Station Equipment Reliability Management Standards Power Station Equipment Maintenance Management Standards GCL's Ten Commandments Information Security Management Standards Management Platform Data Security Management Standards Management Platform Incident Handling Management Standards Information Security Management Manual
Social: Product Quality	Trademark Law of the People's Republic of China Patent Law of the People's Republic of China	Power Station Environmental Protection Management Standards Photovoltaic Power Station Typical Operating Procedures
Social: Supplier Management	/	Supplier Management Standards
Social: Employee Occupational Safety and Health	Occupational Disease Prevention and Control Law of the People's Republic of China Regulations on Occupational Health Examinations for Construction Projects Environmental Protection Management Regulations for Construction Projects	EHS Emergency Management Standards EHS Incident Investigation Management Standards EHS Reward and Punishment Management Standards EHS Management Standards Production Safety Accident Emergency Plan
Social: Employee Remuneration, Development, and Training	Labor Law of the People's Republic of China Labor Contract Law of the People's Republic of China	Welfare Management Standards Compensation Management Standards Talent Development Management Standards Training Management Standards Employee Performance Management Standards Engineering Technical Staff Professional Title Evaluation and Employment Management Methods (Trial)
Social: Employee Labor Rights Protection	Law of the People's Republic of China on the Protection of Minors Regulations on the Prohibition of Child Labor	Employee Code of Conduct Employee Recruitment and Employment Management Standards Human Resource and Administration Regulations

Appendix C2 Environmental, Social and Governance Reporting Guide - HKEX

Subject Areas, Aspects, General Disclosures and KPIs	Section in this report
A. Environmental	
<p>General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. <i>Note: Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.</i></p>	Strict Environmental Management
<p>Aspect A1: Emissions</p>	<p>A1.1 The types of emissions and respective emissions data. Emission Management</p> <p>A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). Emission Management</p> <p>A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). Emission Management</p> <p>A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). Emission Management</p> <p>A1.5 Description of emissions target(s) set and steps taken to achieve them. Strict Environmental Management</p> <p>A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them. Emission Management</p>
<p>Aspect A2: Use of Resources</p>	<p>General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. <i>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</i></p> <p>A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). Resource and Energy Use</p> <p>A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility). Resource and Energy Use</p> <p>A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them. Strict Environmental Management</p>

Subject Areas, Aspects, General Disclosures and KPIs		Section in this report
Aspect A2: Use of Resources	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Strict Environmental Management
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	/
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer’s significant impacts on the environment and natural resources.	Strict Environmental Management
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Strict Environmental Management
Aspect A4: Climate Change	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Identification of Climate Change Risks and Opportunities
	A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Identification of Climate Change Risks and Opportunities
B. Social		
Employment and Labour Practices		
Aspect B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Diverse and Equal Employment
	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Diverse and Equal Employment
	B1.2 Employee turnover rate by gender, age group and geographical region.	Diverse and Equal Employment
Aspect B2: Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Occupational Health and Safety
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Occupational Health and Safety

Subject Areas, Aspects, General Disclosures and KPIs		Section in this report
Aspect B2: Health and Safety	B2.2 Lost days due to work injury.	Occupational Health and Safety
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health and Safety
Aspect B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. <i>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</i>	Multi-dimensional Employee Training
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Multi-dimensional Employee Training
	B3.2 The average training hours completed per employee by gender and employee category.	Multi-dimensional Employee Training
Aspect B4: Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Diverse and Equal Employment
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	Diverse and Equal Employment
	B4.2 Description of steps taken to eliminate such practices when discovered.	Diverse and Equal Employment
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	Optimizing Supply Chain Management
	B5.1 Number of suppliers by geographical region.	Optimizing Supply Chain Management
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Optimizing Supply Chain Management
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Optimizing Supply Chain Management
	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Optimizing Supply Chain Management

Subject Areas, Aspects, General Disclosures and KPIs	Section in this report
<p>General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>	Ensuring Operational Safety
<p>Aspect B6: Product Responsibility</p>	/
<p>B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.</p>	Lean Service Quality
<p>B6.2 Number of products and service related complaints received and how they are dealt with.</p>	Business Ethics
<p>B6.3 Description of practices relating to observing and protecting intellectual property rights.</p>	/
<p>B6.4 Description of quality assurance process and recall procedures.</p>	System and Information Security
<p>B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.</p>	Business Ethics
<p>General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.</p>	Business Ethics
<p>Aspect B7: Anti-corruption</p>	Business Ethics
<p>B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.</p>	Business Ethics
<p>B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.</p>	Business Ethics
<p>B7.3 Description of anti-corruption training provided to directors and staff.</p>	Actively Giving Back to Society
<p>Aspect B8: Community Investment</p>	Actively Giving Back to Society
<p>General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.</p>	Actively Giving Back to Society
<p>B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).</p>	Actively Giving Back to Society
<p>B8.2 Resources contributed (e.g. money or time) to the focus area.</p>	



把绿色能源带进生活
Bringing Green Power To Life



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