



2024

# Sustainability Report



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# About the Report

## Report Introduction

The *GCL ET Annual Sustainability Report 2024* is the third environmental, social, and corporate governance/sustainability report (hereinafter referred to as "this report") issued by GCL Energy Technology Co., Ltd. GCL Energy Technology Co., Ltd. adheres to the principle of openness and transparency, objectively, normatively, and comprehensively disclosing its vision, strategy, and performance of sustainable development, showcasing environmental, social, and corporate governance practices, and responding to the concerns of stakeholders.

## Scope of Reporting Entities

Unless otherwise specified, the scope of this report covers GCL Energy Technology Co., Ltd. (hereinafter referred to as "GCL ET", "the Company", or "we") and its subsidiaries within the scope of its listing, which is consistent with the scope of the consolidated financial statements for the year 2024. The names and abbreviations of the subsidiaries mentioned in the report are detailed in the appendix.

## Time Frame

This report is an annual report, which is consistent with the reporting period of the annual financial report. The content covers the time range from January 1, 2024 to December 31, 2024. To ensure the completeness of the report, some content extends beyond the aforementioned time range.

## Reporting Principles

This report is compiled with reference to authoritative reporting frameworks and guidelines from domestic and international sources, including the Global Reporting Initiative (GRI) Sustainability Reporting Standards (2021), the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)* (SZSE Guidelines), IFRS Sustainability Disclosure Standards of International Sustainability Standards Board (ISSB), and the United Nations Sustainable Development Goals (SDGs).

## Data Sources and Declaration

The data, management mechanisms, and cases presented in the report are derived from the original records or financial reports of the Company's actual operations. Unless otherwise stated, all financial data in the report are expressed in RMB.

Based on the quantitative data statistics and management status related to the Company's sustainable development, the quantitative data disclosed in this report are from the past two years. In the future, the Company will continue to improve its data management system and enhance data comparability.

## Report Acquisition Method

After deliberation and approval by the Board of Directors, this report was officially released in April 2025. You can log on to the Company's official website <https://www.gcl-et.com> and the Shenzhen Stock Exchange website to download the electronic version and obtain more information about the Company's ESG.

## Revision of Information of Previous Reports

None.

## Feedback

If you have any suggestions for improving the sustainable development work of GCL ET, you can provide feedback to us through the following methods. We solemnly promise to keep your personal information strictly confidential.

Contact number:	Service email:	Address:
+86-512 6853 6907	ir-gclet@gclie.com	GCL Energy Center, No. 28 Xinqing Road, Suzhou Industrial Park, Jiangsu Province, China

# Message from the Chairman



Chairman of GCL Energy Technology Co., Ltd.

**Zhu Yufeng**



In 2024, GCL ET, with technology as its sword and service as its sail, forged ahead in the tide of energy transformation. We are well aware that sustainable development is a journey of racing against time. We must not only anchor our original intention of green transformation but also respond to the mission entrusted by the times. This year, with the strategic core of "Technology Leads Energy Transition, Innovation Drives Green Development" and the action guideline of "Low Carbon Draws the Ecological Blueprint, Responsibility Builds a Better Future", we created economic value while protecting green mountains and clear waters, achieved social win-win in promoting the energy revolution, and embarked on a sustainable development path where economic and ecological benefits complement each other.



## Technology Leads Energy Transition, Innovation Drives Green Development

We are committed to being pioneers in the clean energy field, integrating the values of technological innovation, management innovation, and cultural innovation into every aspect, so that innovative actions become prevalent in GCL" into every aspect of our corporate development. By continuously integrating top-notch research and development resources and increasing strategic investment, we have built an innovative ecosystem that deeply integrates industry, academia, research, and application, achieving breakthrough results in core technology areas such as virtual power plants and smart energy. The Company has deepened its industrial layout driven by the dual-wheel approach of "energy assets + energy services", explored innovative paths for digital transformation, and reached strategic cooperation agreements with industry leaders such as Ant Group-Digital Technologies. In the process of rapid development, we always adhere to the bottom line of quality, control quality standards with the craftsmanship spirit of excellence, and win long-term trust from customers with professional and efficient services.

## Low Carbon Draws the Ecological Blueprint, Responsibility Builds a Better Future

In the critical period of global climate change intensification and sustainable development transformation, we unwaveringly adhere to the concept of green development and actively explore the path of green and low-carbon development. The Company attaches great importance to energy-saving and emission-reduction transformation, achieving consumption reduction and production increase while optimizing the energy mix; from source reduction to recycling process research and development, comprehensively improving resource utilization efficiency; strictly implementing environmental protection regulations that are superior to national and local standards, and strengthening sewage and waste discharge management. In the whole life cycle management of projects, the principle of ecological priority is integrated into all aspects of site selection planning, engineering construction, and operation and maintenance. Through the application of environmentally friendly technologies and innovation in green operation management models, we have successfully created a green development paradigm where economic value creation and ecological environment protection coexist in harmony, providing a replicable and scalable practical model for the low-carbon transformation and sustainable development of the energy industry.

## Responsibility Empowers Social Progress, and Sharing Creates Harmonious Value

We have always adhered to the core responsibility of "originating from society, serving society, and giving back to society". Driven by high-quality enterprise development, we have established a value co-creation system where enterprises and society coexist and prosper together, continuously injecting vigorous momentum into the construction of a harmonious society. The Company insists on attaching equal importance to employee growth and social responsibility, and continues to improve the occupational health and safety management system and diverse talent development mechanism, providing a broad platform for the comprehensive development of employees. At the same time, we actively participate in community building and rural revitalization. By implementing energy inclusion projects, we aim to spread the benefits of clean energy to millions of households, effectively improving people's quality of life and helping people's well-being reach new heights.

## Compliance Fortifies Corporate Foundations, Collaboratively Ensuring Sustainable Operations

Compliance is the cornerstone for enterprises to maintain stability and achieve long-term success. We have always taken the improvement of our governance system as the foundation, adhered to the principles of compliant business operations, and focused on building a modern governance structure with clear responsibilities, efficient operations, and open transparency. We deeply integrate business ethics and a culture of integrity into the entire process of strategic decision-making and operational management. The Company has established a "Three Lines of Defense" management system in an innovate manner, creating a full-cycle risk prevention and control mechanism that covers pre-event prevention, in-process monitoring, and post-event optimization. Meanwhile, we integrate compliance requirements such as anti-corruption, anti-commercial bribery, and maintaining fair competition throughout the entire cooperation process. We strictly regulate supplier access review and dynamic management, continuously strengthen the supervision of partner operational quality and compliance level, and jointly cultivate a safe, controllable, collaborative, efficient, and sustainable industry ecosystem, laying a solid foundation for the high-quality development of enterprises.

In 2025, GCL ET will firmly anchor the dual-drive approach strategy of "Technology + Service", forge ahead in the fields of virtual power plants and smart energy, and explore the bright future of digital transformation together with industry giants. We will fulfill our green mission with unstoppable momentum, making clean energy accessible to every household; we will build a solid compliance defense line with rock-like determination, stand at the forefront of energy transformation, and work together to create a new ecosystem of sustainable development. We look forward to collaborating with all of you to draw the grand blueprint of "New Journey, New Future"!



# About GCL ET

GCL Energy Technology Co., Ltd. (stock abbreviation: GCL ET, 002015.SZ) is a subsidiary of GCL (Group) Holdings Co., Ltd., specializing in clean energy asset management and energy services. The Company accelerates its business transformation and upgrading through the dual-drive approach of "energy assets" and "energy services", in order to adapt to the development needs of electricity marketization. In terms of energy assets, the Company takes electricity and heat sales as its business foundation, stabilizing its overall revenue base. In terms of energy services, the Company continuously deepens its layout in the energy service sector, focusing on two major directions: energy-saving services and trading services. It vigorously develops energy-saving service businesses such as distributed photovoltaic (PV) systems, and continuously enhances energy trading service businesses such as virtual power plants, electricity sales, energy storage, green electricity, green certificates, and carbon assets.

## Business Development Situation

During the reporting period, in response to the national call for the construction of a new energy system, the Company, based on clean energy investment, development, and operation, has undergone service optimization and transformation in three aspects: energy mix, business model, and energy application, continuously moving towards the goal of becoming a comprehensive service provider for new power systems.

### Consolidate energy assets income

Guided by market demand, the Company deeply cultivates the combined heat and power generation business, actively develops heat load users, continuously expands the heating range, adds new units and renovates/rebuilds existing units in different locations, and promotes equipment upgrades and energy efficiency improvements. At the same time, in line with energy development trends, the Company intensifies the development of new energy assets such as wind and solar, optimizes asset structure, promotes the transformation of energy mix, and increases the proportion of renewable energy.

### Focus on energy-saving service

In the industrial and commercial distributed field, we develop customized solutions for high-energy-consumption customers, innovate the "distributed + green power + intelligent operation and maintenance" model, and enhance project returns. In the field of household PV systems, we establish the "GCL SUN" brand and expand diversified cooperation models. At the same time, we build diversified financing channels for energy assets, such as the transfer of income rights, and achieve large-scale development through the strategy of "continuous and efficient development + asset securitization turnover".

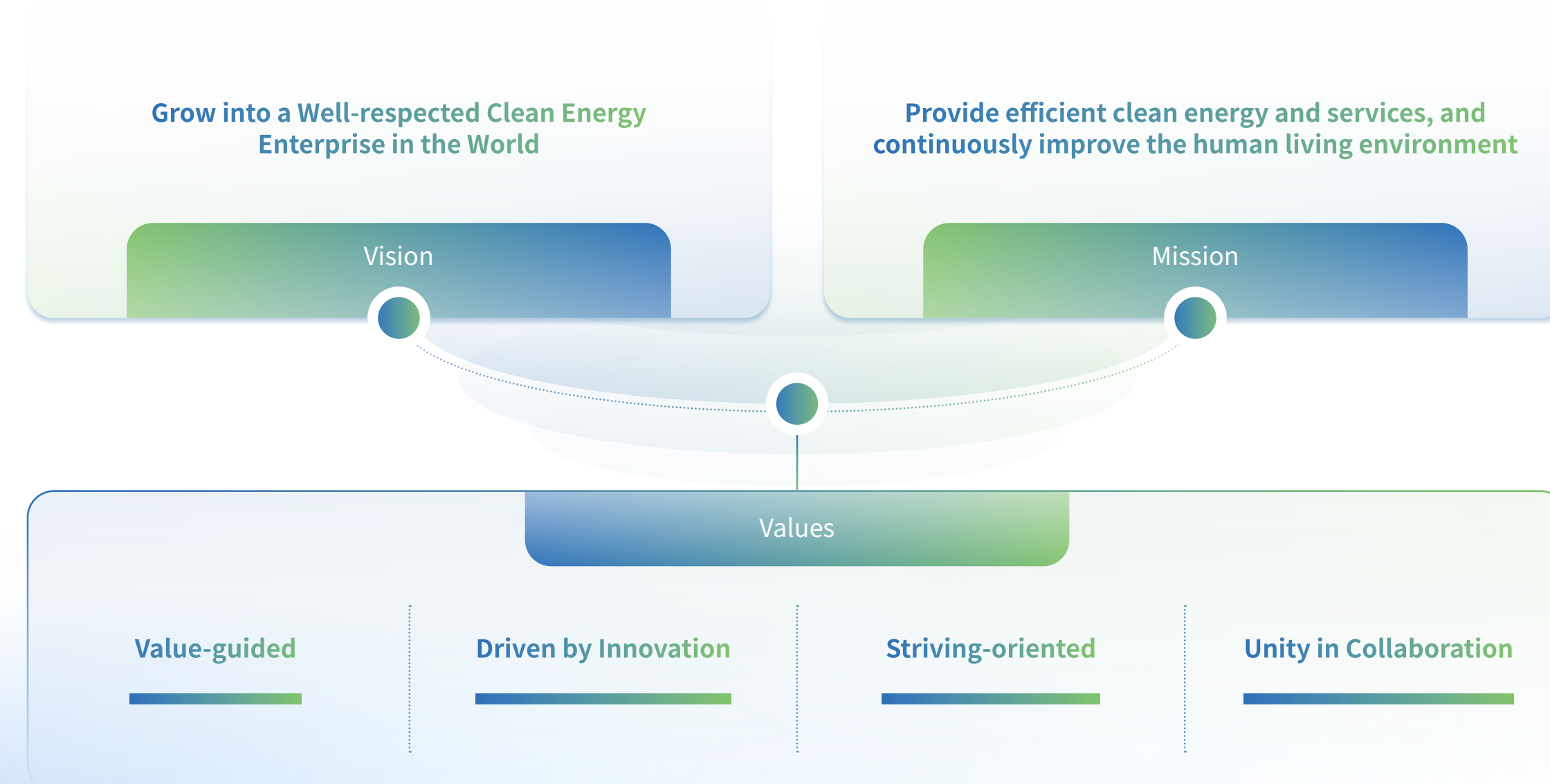
### Enhance energy trading service

Seizing the opportunity presented by electricity marketization, we aim to establish a diversified trading system that "underpins medium and long-term as well as spot trading, and expands profits through auxiliary service trading", thereby comprehensively enhancing our energy trading service capabilities. By integrating distributed energy resources, electric vehicle charging stations, user-side energy storage, and industrial loads, we aim to create an operational platform for virtual power plants. Simultaneously, leveraging the strengths of products such as electricity sales, green power, and green certificates, we will accelerate the deployment of new energy storage power stations.





## Corporate Culture



## Business Performance

### Economy

Operating revenue

**979,641.04** Ten thousand yuanNet profit attributable to shareholders of listed companies,  
net of non-recurring profit and loss**29,394.01** Ten thousand yuan

Net profit attributable to shareholders of listed companies

**48,904.45** Ten thousand yuan

Tax amount

**83,292.33** Ten thousand yuan

### Business

Total installed capacity of  
grid-connected operations**5,871.01** MWInstalled capacity of gas turbine  
combined heat and power generation**2,017.14** MWInstalled capacity of coal-fired  
combined heat and power generation**203** MWInstalled capacity of PV  
power generation**2,022.27** MWInstalled capacity of  
centralized PV units**464.34** MWInstalled capacity of distributed  
photovoltaic units**1,557.93** MWProportion of renewable  
energy installed capacity  
to total power generation  
installed capacity**57.38%**Installed capacity of wind  
power generation**817.85** MWWaste-to-energy installed  
capacity**149** MWInstalled capacity of energy  
storage**661.75** MW



Honors and Awards

Sustainable Development

National Health Commission  
List of Outstanding Cases of Healthy  
Enterprise Construction

**Zhongshan Gas Turbine**

2024 Annual Model Unit for Corporate  
Culture Development in the Power  
Industry

**GCL ET**

Snowball Annual Gold List  
2024 Investor Relations Management  
Award

**GCL ET**

ESG Comprehensive Governance  
Benchmark Enterprise  
Core Competitiveness Award

**GCL ET**

2024 Outstanding Example of High-  
Quality Development and Value  
Growth among Listed Companies

**GCL ET**

Hithink  
2024 Best Investor Relations Award

**GCL ET**

2024 Annual Corporate Social  
Responsibility Award for Power  
Enterprises  
Outstanding Cases in Comprehensive  
Practice and Social Welfare

**GCL ET**

2024 ESG Golden Dawn Award  
Best Low-Carbon Harmonious  
Development Capability, Best Green  
Environmental Innovation

**GCL ET**

2024 China Listed Company Yinghua  
Demonstration Case  
A-Share Investor Relations Innovation  
Award

**GCL ET**

2024 Annual "Micro Wishes" Initiative  
to Convey Warmth and Care

**Suzhou Blue Sky**

Business Development

2024 Leading Enterprise of China's  
Renewable Energy Photovoltaic Top 100  
Outstanding Digital Transformation  
Solution Provider

**GCL ET**

2024 China Charging and  
Battery Swap Industry  
Top Ten Emerging Brands

**GCL Charge**

"New Quality Productivity"  
Benchmark – Photovoltaic Power Plant  
Economic Performance Award

**GCL ET**

20th Anniversary of China  
Distributed Energy  
Outstanding Contribution Award

**Shengneng Company**

Solarbe Awards Excellence in  
Commercial and Industrial Energy  
Storage Solutions  
Outstanding Integrated Photovoltaic,  
Energy Storage, and Charging Solution

**GCL ET**

2024 Annual Outstanding  
Influence Award  
Photovoltaic Innovation Enterprise

**GCL SUN**

2024 Leading Enterprise of China's  
Renewable Energy Photovoltaic Top 100  
Outstanding Development Investment  
and EPC Enterprise

**GCL SUN**

2024 Top Ten Electric Vehicle  
Charging and Battery Swapping  
Operation Enterprises

**GCL Charge**



# Sustainable Development Management

## Sustainable Development Strategy

GCL ET aims to achieve sustainable development for the Company, the industry, and society at large. It has formulated a sustainable development strategy encompassing four pillars: industrial development, environmental friendliness, better society, and stable operation. This strategy systematically manages issues that have a substantial impact on the Company's operations, environment, society, and economy. In 2024, the Company actively responded to the United Nations Sustainable Development Goals (SDGs), integrating the needs and expectations of stakeholders into its business development. It steadily advanced various initiatives to ensure that the Company's development resonates with global sustainable development.

Four Pillars	<div>Industrial Development</div>	<div>Environmental Friendliness</div>	<div>Better Society</div>	<div>Stable Operation</div>
Strategic Principles	Drive the upgrading of the clean energy industry through technological breakthroughs, deeply develop energy assets and energy services, build a responsible supply chain ecosystem, and strengthen collaborative innovation across the entire industry chain.	Adhere to the green development path, optimize energy efficiency, strictly control pollution emissions, and expand the application of clean energy and ecological restoration.	Deepen the development of employee growth and safety systems, empower community revitalization, and coexist and develop with social values.	Strengthen the compliance governance framework, adhere to the bottom line of business ethics, build a solid data security barrier, and enhance decision-making transparency.
Key Issues	<div>Technological Innovation</div> <div>High-Quality Products and Services</div> <div>Responsible supply chain</div>	<div>Addressing Climate Change</div> <div>Energy and Resource Management</div> <div>Environmental Compliance Management</div> <div>Pollutant and Waste Management</div> <div>Ecological Environment Protection</div> <div>Clean Energy Development</div>	<div>Human Capital Development</div> <div>Occupational Health and Safety</div> <div>Community Engagement and Rural Revitalization</div>	<div>Corporate Governance</div> <div>Business Ethical Conduct</div> <div>Data Security and Privacy Protection</div>
SDG Targets	<div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div>17 PARTNERSHIPS FOR THE GOALS</div>	<div>6 CLEAN WATER AND SANITATION</div> <div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>13 CLIMATE ACTION</div> <div>15 LIFE ON LAND</div>	<div>3 GOOD HEALTH AND WELL-BEING</div> <div>4 QUALITY EDUCATION</div> <div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>10 REDUCED INEQUALITIES</div>	<div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div> <div>17 PARTNERSHIPS FOR THE GOALS</div>

The sustainable development theme of GCL ET in 2024

Smart Green Future

Adhering to the concept of "Smart Green Future", the Company persists in innovative research and development, drives industrial upgrading, and actively builds a green, transparent, and responsible full-value chain system. Centered around the national "dual carbon" goals, we are moving towards the goal of becoming an environmentally friendly power benchmark by optimizing the energy mix, expanding the scale of clean energy, and practicing clean production. To contribute to the development of a better society, we focus on employee growth and community building, serving rural revitalization through energy inclusion projects. Simultaneously, we integrate a compliance culture into the entire decision-making process, strengthen risk management and control, achieve coordinated development of economic, environmental, and social benefits, and continuously create shared value for stakeholders.

Industrial Development

Driven by technological innovation, we aim to upgrade the clean energy industry chain, deeply advance energy assets and energy services businesses, develop efficient energy products and intelligent services, and enhance market competitiveness. We will build a green, transparent, and responsible supply chain system, deepen industry collaboration, promote low-carbon transformation throughout the entire lifecycle, and lead the sustainable development of the energy industry.

Environmental Friendliness

With the national "dual carbon" goals as the core, we will comprehensively optimize the energy mix and management efficiency, strictly adhere to environmental compliance red lines, systematically control pollutants and waste, strengthen ecosystem restoration and biodiversity protection, expand the installed capacity of clean energy, and establish a benchmark for zero-carbon power solutions.

Better Society

Adhering to the principle of emphasizing both employee growth and corporate responsibility, we improve the occupational health and safety system and diverse talent development mechanism, deepen community collaboration and rural revitalization practices, and enhance people's livelihood and well-being through energy inclusion projects, thereby achieving the co-creation and sharing of enterprise development and social value.

Stable Operation

We build an efficient and transparent governance structure with clear responsibilities, integrate business ethics and compliance culture into the entire decision-making process, strengthen the technical system for data security and privacy protection, and lay a solid foundation for sustainable development through risk management and control and stakeholder communication to win long-term trust.



Sustainable Development Governance

GCL ET has established a three-tiered sustainable development governance architecture of "decision-making layer - management layer - execution layer", continuously advancing the Company's sustainable development blueprint planning and work under the leadership of the board of directors and management. While clarifying the strategic direction and key issues of sustainable development, the Company promotes the integration of sustainable development work with the business operation value chain.

GCL ET has established a normalized governance system for sustainable development and set up a key task force, focusing on addressing climate change, enhancing product services, and strengthening supply chain management. Through cross-departmental collaboration and communication feedback, the Company ensures the effective implementation of sustainable development work at different levels and with specific focuses, contributing to the construction of a comprehensive sustainable development ecosystem.



Communication with Stakeholders

Understanding the key concerns of stakeholders and listening to suggestions from all sectors of society help us to determine our sustainable development plan and future business policies. GCL ET actively engages in stakeholder communication, maintaining close contact with all parties through diversified means to ensure that the demands of all parties are fully understood and effectively responded to. At the same time, the Company hopes to leverage its influence to promote coordinated and efficient development with the environment and society.

Stakeholders	Concerns	Communication channels	Response measures
Government and Regulatory Authorities	<ul style="list-style-type: none"><li>Environmental Compliance Management</li><li>Clean Energy Development</li><li>Business Ethical Conduct</li><li>Community Engagement and Rural Revitalization</li></ul>	<ul style="list-style-type: none"><li>Daily Communication</li><li>Supervision and Inspection</li><li>Work Report</li><li>Policy Recommendations</li><li>Participation in Public Welfare</li></ul>	<ul style="list-style-type: none"><li>Implement policy guidelines</li><li>Guaranteed supply of electricity and heat</li><li>Compliance with laws and regulations</li><li>Clean energy development</li><li>Support rural revitalization</li><li>Attach importance to community communication</li></ul>
Shareholders and Investors	<ul style="list-style-type: none"><li>Corporate Governance</li><li>Business Ethical Conduct</li></ul>	<ul style="list-style-type: none"><li>General Meeting of Shareholders</li><li>Company Announcements</li><li>Investor Activities</li></ul>	<ul style="list-style-type: none"><li>Creating shareholder value</li><li>Strengthen risk management</li><li>Proactively disclose information</li></ul>
Employees	<ul style="list-style-type: none"><li>Human Capital Development</li><li>Occupational Health and Safety</li></ul>	<ul style="list-style-type: none"><li>Workers' Congress</li><li>Employee Symposium</li><li>Company Website</li><li>Employee Activities</li><li>Employee Satisfaction Survey</li></ul>	<ul style="list-style-type: none"><li>Improve the compensation system</li><li>Provide diversified training</li><li>Smooth growth path</li><li>Organize cultural and sports activities</li><li>Regular employee physical examination</li><li>Provide safety facilities</li></ul>
Customers	<ul style="list-style-type: none"><li>High-Quality Products and Services</li><li>Technical Innovation</li><li>Data Security and Privacy Protection</li></ul>	<ul style="list-style-type: none"><li>On-Site Research</li><li>Satisfaction Survey</li><li>Customer Complaint Management</li><li>Questionnaire Survey</li></ul>	<ul style="list-style-type: none"><li>Optimize service system</li><li>Increase productivity</li><li>Provide high-quality energy</li><li>Attach importance to data security</li></ul>
Suppliers	<ul style="list-style-type: none"><li>Responsible Supply Chain</li><li>Business Ethical Conduct</li></ul>	<ul style="list-style-type: none"><li>Supplier Communication</li><li>Supplier Evaluation and Assessment</li><li>Transparent Procurement</li></ul>	<ul style="list-style-type: none"><li>Practice responsible procurement</li><li>Regular communication and exchange</li></ul>
General Public and Community	<ul style="list-style-type: none"><li>Addressing Climate Change</li><li>Energy and Resource Management</li><li>Pollutant and Waste Management</li><li>Ecological Protection</li><li>Community Engagement and Rural Revitalization</li></ul>	<ul style="list-style-type: none"><li>Community Involvement</li><li>Public Welfare Project</li><li>Volunteer Service</li></ul>	<ul style="list-style-type: none"><li>Implement clean production</li><li>Carry out public welfare donations</li><li>Participate in community building</li></ul>



Double Materiality Assessment

In 2024, GCL ET conducted identification and analysis of important issues related to sustainable development through policy analysis, extensive research among internal and external stakeholders, and other methods. The Company integrated industry development trends, corporate business strategies, and ESG standard requirements to comprehensively sort out 15 issues that have significant impacts on GCL ET and its stakeholders, in order to clarify the direction of responsibility management, formulate management objectives and execution strategies, and achieve sustainable operations. (For details, please refer to the appendix.)

Based on the judgment criteria for impact materiality and financial materiality outlined in the SZSE Guidelines, and with reference to relevant international authoritative disclosure frameworks such as GRI and IFRS, GCL ET conducts a double materiality assessment of the Company's issue materiality through various methods such as stakeholder surveys, interviews, and expert evaluations. For identified important issues, the Company establishes an indicator system covering multiple qualitative and quantitative management dimensions, continuously improving ESG management indicators, targets, and performance management to enhance sustainable development action performance.

Materiality of Impact

We comprehensively assess the positive and negative impacts, actual occurrences and potential impacts, and conduct a comprehensive evaluation from multiple dimensions such as impact scale, impact scope, occurrence probability, and irreparability, to assess whether the Company's performance on sustainable development-related issues will have significant impacts on the environment, economy, and society.

Materiality of Finance

Starting from the three time periods of short, medium, and long term, we comprehensively assess the likelihood of impact occurrence and the degree of financial impact, taking into account multiple dimensions such as resource availability and relationship dependency. We also thoroughly evaluate the impact of relevant issues on the Company's business model, business operations, financial status, and other financial indicators across different periods.

Step 1:

Understand the background of the Company's activities and business relationships

By interpreting domestic and international sustainable development standards, company business operations, product services, and industry conditions, we can understand the sustainable development context in which the Company operates

Step 2:

Establish a list of issues

Based on the actual situation of the Company and communication with internal and external stakeholders, preliminary identification and screening of relevant sustainable development issues are conducted to form a list of issues

Step 3:

Assessment and confirmation of importance of issues

Evaluate and rank the materiality of impact and materiality of finance of the issue, taking into account the Company's situation, industry development trends, and authoritative research from both domestic and international sources

Step 4:

Issues review and report

After review and confirmation by the Board of Directors and Management, key disclosures are made in the report regarding topics of high materiality during the reporting period

We comprehensively evaluate the positive and negative impacts, actual and potential impacts, and assess the materiality of the issues from multiple dimensions such as the scale, scope, probability of occurrence, and irreparability of the impact. At the same time, we consider the short, medium, and long-term time periods<sup>1</sup>, and assess the likelihood of impact occurrence and the degree of financial impact from multiple perspectives such as resource availability and relationship dependence, to make a comprehensive judgment on the financial importance of the issues. In summary, we have identified a total of 7 issues with both financial and impact materiality. The identification results of the double materiality issues for GCL ET are shown in the matrix below.















<sup>1</sup> Short-term (within 1 year [inclusive]), medium-term (1 to 5 years [inclusive]), and long-term (over 5 years)



# Supporting the United Nations Sustainable Development Goals

GCL ET actively responds to the United Nations Sustainable Development Goals (SDGs), with innovation-driven and green development as its core, promoting inclusive and equitable energy access, assisting in addressing climate change, fostering inclusive social development, and contributing partner collaboration and innovative practices to the global sustainable development process.

UN SDGs	GCL ET Initiative		Response Chapter
	<b>Good Health and Well-being</b> Ensure a healthy lifestyle and promote the well-being of people of all ages	The occupational health examination coverage rate is 100%; during the reporting period, neither the Company nor its subsidiaries experienced any general or higher level personal injury or fatal accident, no power safety accidents or equipment accidents have occurred, and no administrative penalties have been imposed by relevant national departments for work safety violations.	Better Society, Harmonious Coexistence and Development
	<b>Quality Education</b> Ensure inclusive and equitable quality education, providing lifelong learning opportunities for all	<p>Establish a comprehensive talent development system, clarify internal promotion pathways and assessment methods, and provide high-quality training resources to assist employees in enhancing their abilities in leadership, professional proficiency, and other aspects.</p> <p>During the reporting period, the total duration of employee training exceeded 120,000 hours, with a total expenditure of nearly 4 million yuan.</p>	Better Society, Harmonious Coexistence and Development
	<b>Clean Drinking Water and Sanitary Facilities</b> Provide water and sanitation for all and manage them sustainably	Formulate the <i>Water Usage Management System</i> , and utilize processes such as dry construction and precast concrete foundations to reduce water usage at the source, optimize construction water usage and recycling to manage water resources, and conduct regular maintenance and repairs to ensure that wastewater discharge meets standards.	Environmental Friendliness, Painting a Green Future
	<b>Affordable Clean Energy</b> Ensure that everyone has access to affordable, reliable, and sustainable modern energy	Deeply engage in clean energy operations, our business scope includes fields such as combined heat and power generation, wind power generation, Waste-to-Energy, and biomass power generation. We also provide customers with services for applying for, purchasing, and trading green electricity certificates, promoting the consumption and utilization of clean energy.	Industrial Development, Driving Energy Transition  Environmental Friendliness, Painting a Green Future
	<b>Decent Work and Economic Growth</b> Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Utilize AI technology to assist in recruitment, prohibit the employment of child labor and forced labor, and ensure compliance with employment regulations. Establish a scientific salary system for job levels, link the payment of variable compensation to performance, and clarify career development paths to attract, motivate, and retain employees.	Better Society, Harmonious Coexistence and Development
	<b>Industry, Innovation, and Infrastructure</b> Build infrastructure capable of withstanding disasters, promote inclusive and sustainable industrialization, and drive innovation	Continuously increase R&D investment, promote school-enterprise cooperation and industrial collaboration, and drive innovation and transformation in the energy sector; and attach great importance to intellectual property management, carrying out preliminary analysis, mid-term planning, post-risk assessment, and training work.	Industrial Development, Driving Energy Transition

UN SDGs	GCL ET Initiative		Response Chapter
	<b>Inequality Reduction</b> Reduce inequality within and between countries	Avoid discrimination in recruitment and work processes based on factors, such as gender, age, region, ethnicity, family status, marital status, religion, disability, sexual orientation, and social origin.	Better Society, Harmonious Coexistence and Development
	<b>Sustainable Cities and Communities</b> Build inclusive, safe, resilient and sustainable cities and human settlements	Develop solutions such as carbon-neutral factories, zero-carbon parks, and zero-carbon complexes, accompanied by carbon asset custody services, to form an 'emission reduction- trading-value-added' closed loop Improve the consumption rate of urban green power, assist in regional power decarbonization; forge a 3+X Integrated "Zero-Carbon Smart Transportation Platform" with vehicles, stations, and green power to serve the electric mobility ecosystem.	Industrial Development, Driving Energy Transition
	<b>Climate Action</b> Take urgent action to address climate change and its impacts	Incorporate greenhouse gas emission reduction targets into annual strategic planning, regularly conduct scenario analysis of physical risks and transition risks, and take targeted measures for the climate-related risks and opportunities faced by the Company as well as potential financial impacts.	Environmental Friendliness, Painting a Green Future
	<b>Terrestrial Organisms</b> Protect, restore, and promote the sustainable use of terrestrial ecosystems, sustainably manage forests, prevent and combat desertification, halt and reverse land degradation, and curb the loss of biodiversity	Strengthen the management of "three wastes" (waste gas, waste water, and solid waste), improve the utilization efficiency of core resources such as water and materials, and integrate the concept of protecting biodiversity into the planning and site selection stage, the engineering construction stage, and the operation and maintenance stage, and promote energy conservation and emission reduction practices in office settings.	Environmental Friendliness, Painting a Green Future
	<b>Peaceful, Just, and Strong Institution</b> Foster a peaceful and inclusive society to promote sustainable development, ensure access to justice for all, and establish effective, accountable, and inclusive institutions at all levels	Operate in accordance with laws and regulations, strengthen internal control management, promote the construction of "Clean GCL", conduct integrity audits of suppliers, eliminate any form of corruption, fraud, and interest-related activities within the Company, and strictly prohibit employees from participating in any activities that harm the interests of the Company or customers.	Stable Operation, Laying a Solid Foundation for Governance
	<b>Partnerships to Facilitate the Achievement of Objectives</b> Strengthen means of implementation and revitalize the global partnership for sustainable development	Utilize the "Xin intelligent Chain" platform, we have introduced a new mechanism for the introduction and withdrawal of suppliers, reviewed the distributor process, and are committed to building a collaborative industrial ecosystem with industry chain partners. Additionally, we provide our partners with support such as technological empowerment, management sharing, and resource matching.	Industrial Development, Driving Energy Transition  Stable Operation, Laying a Solid Foundation for Governance



# 01

## Industrial Development, Driving Energy Transition

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# Contribution of Green Industry

## Increase Investment in Scientific Research

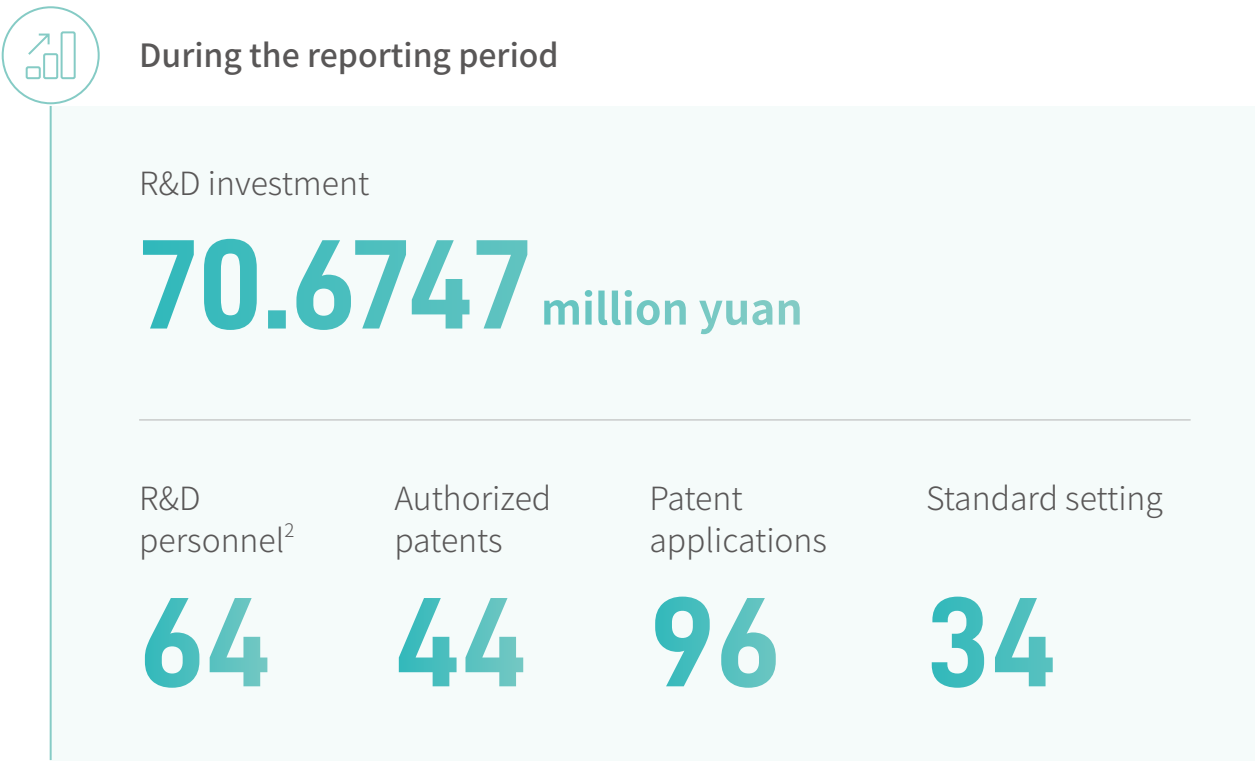
GCL ET adheres to the values of "promoting technological innovation, management innovation, and cultural innovation, so that innovative actions become prevalent in GCL", continuously increasing R&D investment, and building an innovative ecosystem with deep integration of industry, academia, research, and application. Relying on a research and development team consisting of 225 energy experts, the Company focuses on areas such as virtual power plants and smart energy systems, forming core technological breakthrough capabilities.

Through strategic university-enterprise cooperation and industrial synergy, the Company collaborates with domestic and international universities such as Tsinghua University, Nanjing University, Stanford University, Hong Kong University of Science and Technology, and North China Electric Power University, as well as well-known enterprises such as State Grid NARI, China Telecom, and GE, to promote collaborative innovation in energy supply, consumption, and technology systems. It contributes to advancing China's energy consumption, supply, technology, system revolution, and international cooperation, drives innovation and transformation in the energy field, and promotes the development of the energy industry.

The Company attaches great importance to intellectual property management, establishing intellectual property management systems such as the *Intellectual Property Management Standard*, and deeply integrating the concept of intellectual property protection into the entire process of R&D and innovation. The Company embeds intellectual property work into all stages of product development, conducts patent intelligence analysis in the early stage of the project to grasp cutting-edge technological developments; in the middle stage of the project, conducts comprehensive patent mining and layout, and promptly applies for patents and software copyrights for protection; in the later stage of the project, before the product is launched, conducts patent risk analysis and assessment, and adopts different countermeasures according to different risk levels. In addition, the Company continuously conducts intellectual property protection training to enhance employees' awareness of the importance of intellectual property, strengthen legal awareness, and protect core technologies.



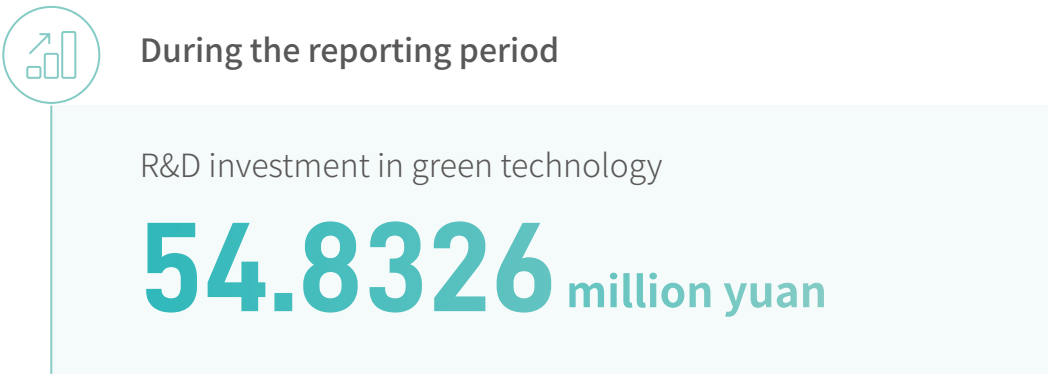
GCL ET won the "Technological Innovation Award" in the "New Quality Productivity" Benchmark – Photovoltaic Power Plant selection



<sup>2</sup> Based on the Company's business model and development structure, the data statistics of R&D personnel include the Digital Intelligence Center, Shengneng Company, and Beijing Shengneng.

## Green Industry Layout

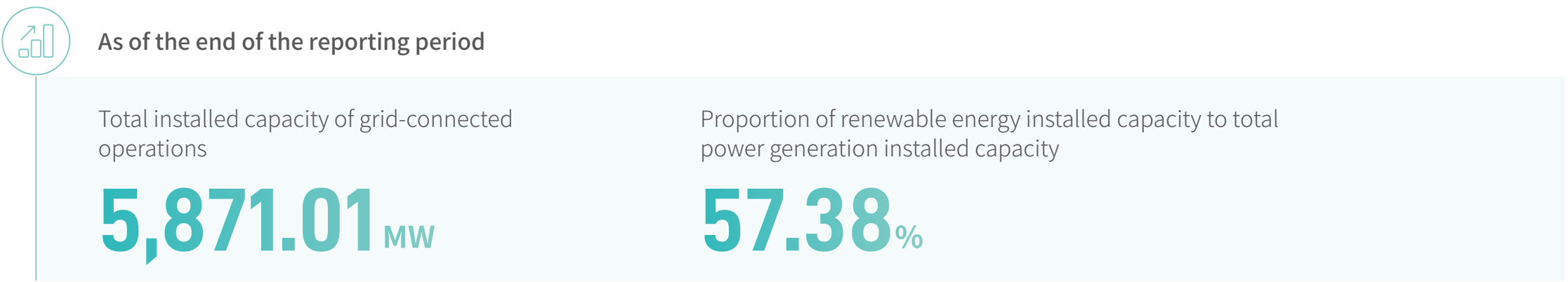
GCL ET has established an industrial ecosystem layout featuring "energy assets + energy services", and is committed to building a new power system encompassing combined heat and power generation, clean energy production, and energy storage. It provides integrated energy services, empowers various scenario solutions, supports high-tech industries with computing power, and offers a Chinese approach to global energy transformation.



## High-quality Clean Energy Supply

GCL ET is committed to becoming China's leading energy ecosystem service provider, supplying green and low-carbon energy to society. The Company has deep expertise in clean energy operations, with its power business covering combined heat and power generation, wind power, waste-to-energy, biomass power generation, and more.

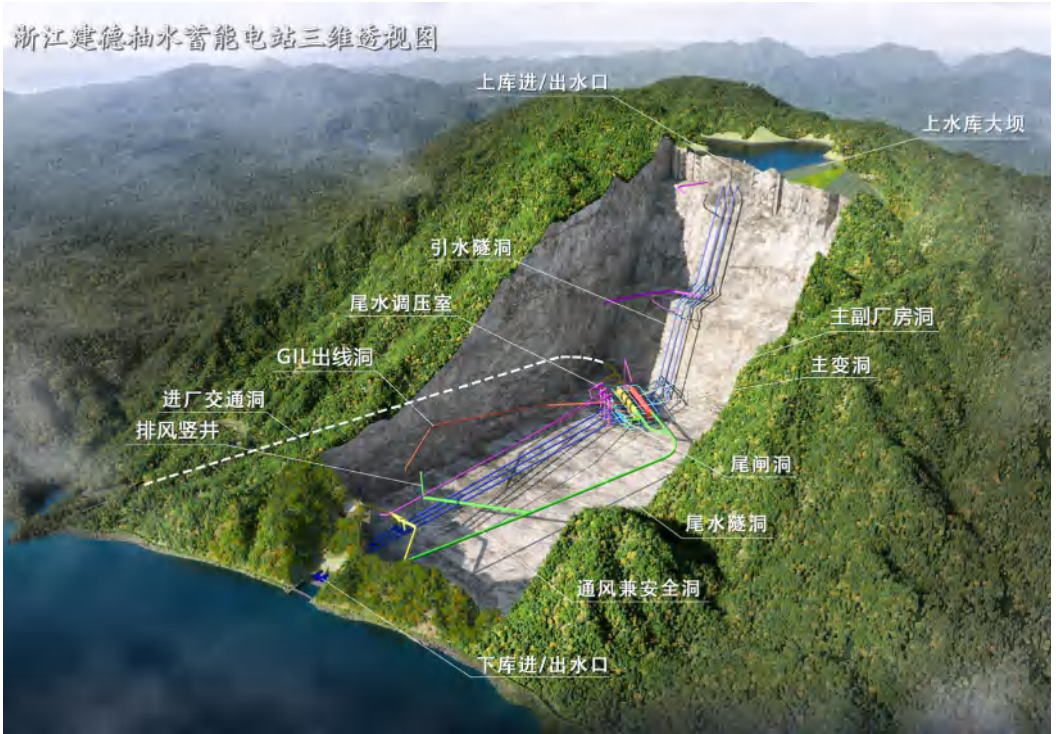
At the same time, the Company fully leverages its profound accumulation in integrated energy services technology, digital technology, and service channels to build competitive grid-side independent energy storage and industrial and commercial energy storage businesses, multi-dimensionally implementing "Integrated Energy+" and creating GCL's integrated energy products.



Investment and Construction of the Jiande Pumped Storage Power Station Project (Zhejiang)

CASE

The Company has invested in the Jiande Pumped Storage Power Station Project in Zhejiang, which is the largest in the East China region. Located in the load center of the East China Power Grid, the project has a total capacity of 2,400 MW. Upon completion, it will primarily undertake tasks such as peak shaving, valley filling, energy storage, frequency regulation, phase modulation, and emergency standby for the East China Power Grid. As a major industrial project in Zhejiang Province's "more than 1,000 major projects with an investment of 1 trillion yuan annually" initiative, the Jiande Pumped Storage Power Station will not only help optimize the energy mix in the East China region but also drive economic development in the surrounding areas and create more job opportunities for local residents.





Construction of Wuxi's first Grid-side New Energy Storage Project

On May 30, 2024, the GCL Wuxi Xinhualan 50MW/100MWh grid-side new energy storage project was successfully connected to the grid for power generation, marking the official operation of GCL's first large-scale energy storage project nationwide, the first new energy storage project in southern Jiangsu, and the first grid-side energy storage project in Wuxi. This plays a positive role in promoting GCL's construction of a new power system.



CASE

In response to the demand for upgrading energy assets, the Company is committed to tailoring zero-carbon development solutions for users, developing a distributed energy matrix, and implementing solutions such as carbon-neutral factories, zero-carbon parks, and zero-carbon complexes in scenarios such as healthcare, education, manufacturing, and business centers. These solutions are accompanied by carbon asset custody services, forming a closed loop of "emission reduction - trading - value-added". This model not only lowers the threshold for enterprise transformation but also outputs replicable zero-carbon park solutions, providing a technical paradigm and business model for large-scale carbon neutrality in the industrial sector.

Zero-Carbon Solution for Shangri-La Hotel in Suzhou Industrial Park

The Company has developed a comprehensive and scientific solution for the Shangri-La Hotel in Suzhou Industrial Park, successfully creating Jiangsu's first carbon neutrality hotel. This project utilizes an "air source heat pump + water source heat pump coupling system" to achieve the mutual transfer of high and low-level thermal energy, absorb air heat, and utilize waste heat from elevator operation, providing stable support for the hotel's hot water supply. The project uses the 300 square meters of idle area on the hotel roof, a 27 kW distributed PV power generation project was established, ultimately obtaining the *Carbon Neutrality Achievement Evaluation Statement certification*.

CASE

Customized Green Energy Solution for Xiaoguan Tea Huangshan Super Factory

The Xiaoguan Tea Huangshan Super Factory is the first super factory in the industry built to Industry 4.0 standard, integrating fully automated production, processing, warehousing, and logistics. The project has constructed a distributed PV power generation project on the roof of the Xiaoguan Tea factory building, which has improved system stability over the long life cycle by adopting optimized installation angles and reinforced structures.

CASE

External recognition

Xuzhou GCL Environmental Protection Energy Co., Ltd. was awarded the **title of "Benchmark Waste Incineration Power Plant"** in the 2023 evaluation of production and operation indicators for waste incineration power generation enterprises in Jiangsu Province

Empowering Industrial Green Transformation

GCL ET takes integrated energy services as its core focus, providing customers with one-stop energy services from "energy supply to energy utilization" through high-quality energy assets. Through green electricity trading and multi-energy complementary microgrid technologies, it creates benchmark cases of zero-carbon factories, effectively promoting the upgrade from "high-carbon manufacturing" to "green intelligent manufacturing", and providing replicable technical paths and business models for industrial carbon neutrality.

In the field of energy trading, GCL ET has established a full-chain service system encompassing "source-grid-load-storage-carbon", engaging in various energy trading activities such as electricity sales trading, green electricity and green certificate trading, virtual power plants, and carbon asset trading. Leveraging the resource pool of 20 provincial electricity sales companies and the virtual power plant, the Company optimizes energy consumption costs through precise electricity forecasting algorithms, serving nearly 5,000 industrial and commercial users. Additionally, the Company provides energy trading services, assisting customers in applying for, subscribing to, and trading green electricity certificates, thereby promoting the consumption and utilization of clean energy. Furthermore, the Company continuously innovates carbon asset management toolkits, integrating trading mechanisms such as carbon quotas, CCER, and VCS, to provide users with full lifecycle carbon account management, aiding enterprises in achieving low-carbon transformation.

During the reporting period

Electricity involved in market-based trading services

27.057 billion kWh

Cumulative green electricity trading

442 million kWh

Electricity corresponding to domestic and international green certificates

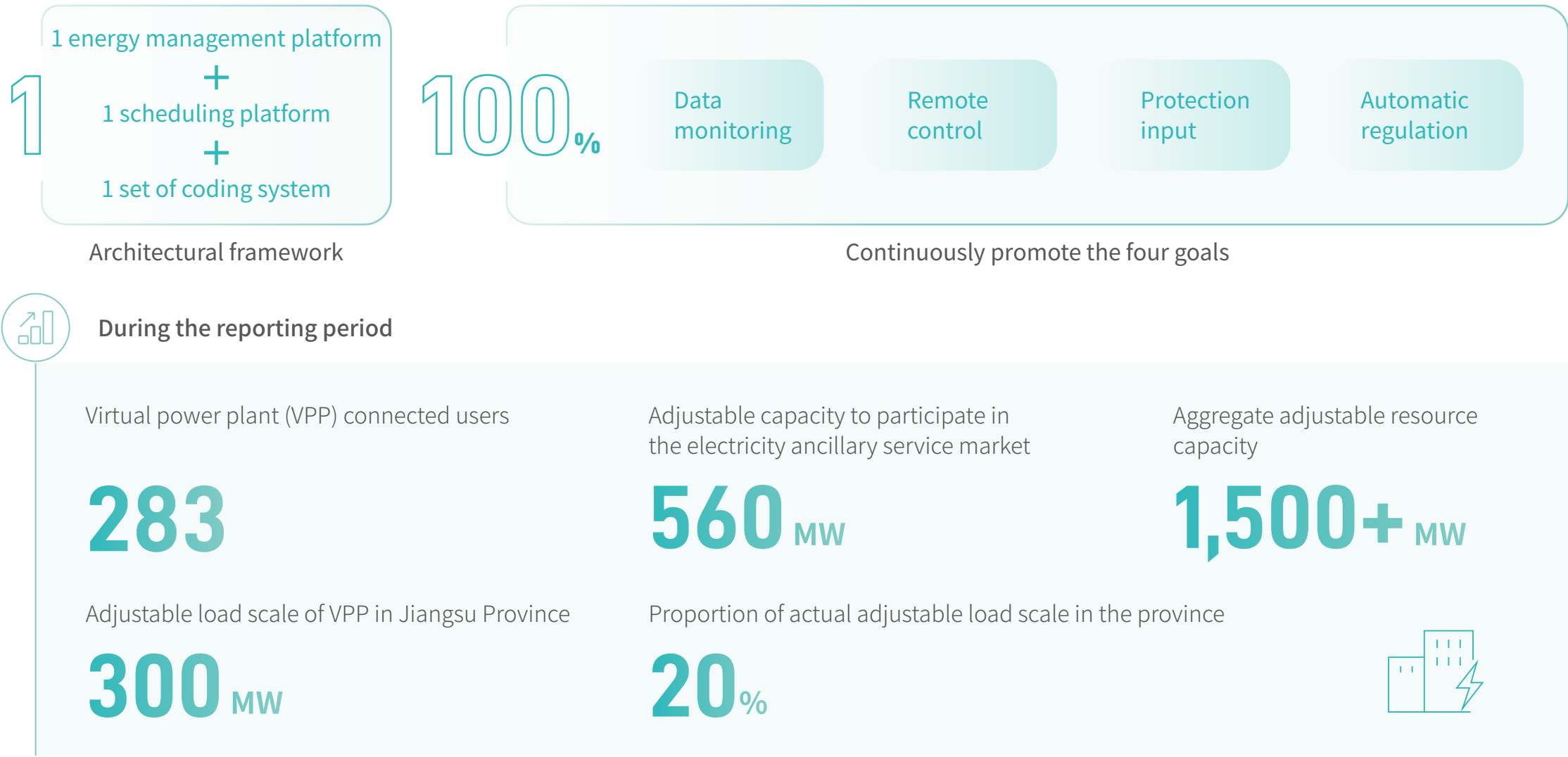
1.224 billion kWh





## Assist in the Low-carbon Development of Cities

GCL ET is committed to building an urban low-carbon foundation, utilizing the dual-drive approach of "Intelligent Energy Foundation + Digital Twin Platform" to construct a new type of infrastructure for urban low-carbon development. Based on large models and multi-agent collaboration technology, the Company creates Virtual Power Plants (VPP) that aggregate adjustable resources. Relying on its proprietary Cangjie management platform, flexible resource aggregation system, and GCL coding system, it supports core operations such as resource aggregation, command issuance, and identity recognition, gradually achieving a fully online, visualized, and controllable regulation loop. Currently, the VPP has many years of experience in regularly participating in the market, effectively responding to peak shaving and ancillary services demands, and aggregating various users such as industry, commerce, energy storage, charging and battery swapping stations, and energy stations. Meanwhile, the Company holds a first-level qualification as a "Demand Side Management Service Organization" and has obtained a new second-level qualification, with user-side management capacity exceeding 16 million kVA. In 2024, GCL's VPP will participate in the Jiangsu power ancillary service market.



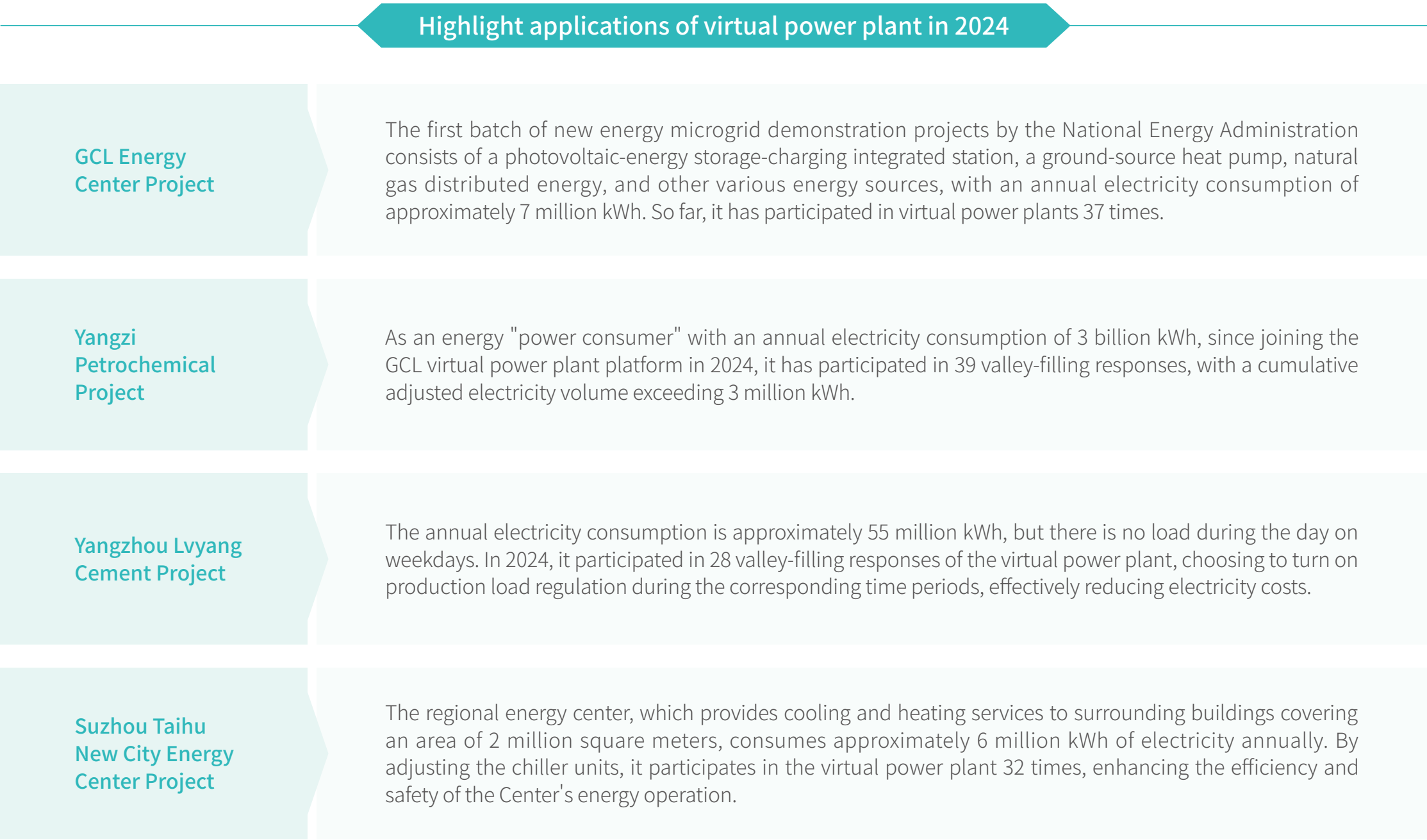
Virtual Power Plant Successfully Participates in Distribution Network Ancillary Service for the First Time

CASE

In March 2024, Jiangsu Province issued a notice on short-term power ancillary service. GCL ET's virtual power plant team swiftly acted, collaborating closely with Wuxi Xingzhou Energy to precisely formulate a response strategy. They successfully completed their first submission of power ancillary services bids, achieving full response to the declared load. This marks the first successful practice of GCL ET's virtual power plant in the distribution network field, and it also assisted the client in entering the power ancillary service market for the first time, filling a gap in this field for industrial parks.



At the same time, the Company provides integrated solutions for urban industrial parks through innovative applications of incremental distribution networks and multi-energy complementary microgrids, achieving internal power supply and demand self-balancing through combinations of natural gas distributed energy, PV systems, ground-source heat pumps, and other technologies.



GCL ET adheres to empowering energy systems with digital technology to enhance the efficiency of urban integrated energy management. GCL Smart Computing builds large-scale smart zero-carbon computing power in the AI era, focusing on various application scenarios such as manufacturing large models, smart energy, and zero-carbon transportation. It provides computational support for smart city management and transportation network optimization, realizing the concept of "electricity + computing power = new productivity" and achieving deep integration between the digital economy and the real economy. In addition, GCL ET independently develops a fully digital cloud platform that integrates technologies such as the Internet of Things and digital twins. It combines "photovoltaic, energy storage, and charging" into one, efficiently integrating photovoltaic systems, energy storage, charging, battery swapping, electric vehicles, and edge computing power. This system covers various service scenarios such as smart operation of stations and virtual power plants. While reshaping the urban energy consumption structure, this system outputs quantifiable low-carbon solutions and provides a full-scale carbon reduction path for urban agglomerations, ranging from individual buildings to regional power grids.



### GCL ET Collaborates with Multiple Parties to Build the "Zero Carbon Computing Power Center" in the Zhenjiang Economic and Technological Development Zone

In October 2024, Huiyun New Technology Co., Ltd., Zhenjiang Ruiyun Big Data Co., Ltd., and Suzhou GCL Zero Carbon Energy Technology Co., Ltd., a subsidiary of GCL ET, signed a cooperation framework agreement at GCL's headquarters in Hong Kong to establish a "Zero Carbon Computing Power Center" in Zhenjiang Economic and Technological Development Zone. They actively explore innovative applications that integrate new energy with big data, and promote the construction and operation of large model training bases (platforms) and data asset management platforms.



CASE

### Energy Hub Cloud Platform

GCL ET's Energy Hub Cloud Platform is the first digital operation cloud platform in the battery swapping field that integrates PaaS and SaaS. The platform deeply aggregates vehicle flow, cargo flow, energy flow, human flow, capital flow, and information flow through digital technology, achieving intelligent operation of "six flows in one" and building a mobile energy ecosystem of "one hub with multiple types of energy and one network interconnection". Relying on the core technology of charging and swapping independently developed by GCL ET, the platform has established strategic cooperation with many well-known domestic automobile companies and charging and swapping equipment manufacturers, providing operators with comprehensive products and technology solutions.

CASE

### Smart Energy Unified Platform

The platform aggregates diversified energy service scenarios such as GCL SUN household PV systems, industrial and commercial distributed energy, GCL Charge, energy and green certificates trading, virtual power plant, and distributed energy storage centralized control and dispatch, to build an energy flow network centered on energy storage, photovoltaic, microgrid, and charging and battery swapping stations. Relying on big data, cloud computing, the Internet, and intelligent technology, it achieves integrated comprehensive energy operation of "source, grid, load, storage, charging, and swapping". The platform efficiently empowers the layout and promotion of multi-dimensional and multi-scenario businesses, creating a three-dimensional digital driving capability featuring intelligent service, digital operation, and empowering management, comprehensively promoting the intelligent upgrading and sustainable development of energy services.



CASE





## Inclusive and Low-Carbon Lifestyle Model

GCL ET is committed to achieving a win-win outcome between environmental benefits and people's well-being. It provides families with full-chain services including PV system design, construction, operation, and maintenance, reduces residents' electricity costs, and promotes the deep integration of rural revitalization and low-carbon living. GCL SUN Household Company, a subsidiary of the Company, is based on the household photovoltaic business and takes "No.1 Household Photovoltaic Brand" as its corporate vision. It deeply cultivates and lays out the green energy field, helping rural revitalization and high-quality economic development. The Company carries out an integrated and complete business system including product research and development, market sales, engineering construction, quality control, after-sales management, intelligent operation and maintenance, and brand operation of household photovoltaic systems.

GCL ET actively supports zero-carbon travel by adopting the photovoltaic-energy storage-charging integrated ultra-fast charging technology (full liquid cooling ultra-fast charging, DC fast charging), addressing the range anxiety of new energy vehicle owners, promoting the electrification of private cars and public transportation, and reducing carbon emissions from fuel vehicles. GCL Charge, a subsidiary of GCL ET, has officially entered the Energy Replenishment 3.0 era with its fully self-developed photovoltaic-energy storage-charging integrated solution, coupled with a virtual power plant. Based on GCL's clean energy, the Company adopts GCL's digital energy photovoltaic-energy storage-charging integrated solutions, combined with an intelligent cloud platform, and adapts to the characteristics of various application scenarios. It accelerates the research, development, and manufacturing of high-quality charging and swapping products such as full liquid cooling ultra-fast charging, DC fast charging, and AC slow charging, bridging the "last mile" of green travel and providing owners with an ultimate charging experience.

In addition, relying on its subsidiary Beijing Shengneng, the Company has developed a zero-carbon transportation solution integrating "source, grid, load, and storage", and has researched and developed products and technologies such as shared battery packs and Energy Hub to serve the electric mobility ecosystem. In 2024, the Company's Apollo Go Autonomous Ride battery swapping project completed the layout of three battery swapping stations in Wuhan, serving more than 500 Apollo Go autonomous ride-hailing vehicles. The service capacity of each station exceeded 300 times per day, and the battery swapping success rate reached 99.99%.

### Zero-carbon Smart Transportation, Accelerating the Transition to Green Transportation

CASE

The Company focuses on the dual advancement of commercial and passenger vehicles in urban zero-carbon transportation, pioneering the creation of a "Zero-Carbon Smart Transportation Platform" that integrates vehicles, stations, and batteries in a 3+X model, providing a demonstration for the industry. To date, through the "Zero-Carbon Smart Transportation Platform", GCL ET has organically integrated transportation organization, vehicle platforms, original equipment manufacturers (OEM), battery suppliers, and various participating entities, gradually established a zero-carbon smart transportation ecosystem with lower costs and higher efficiency, successfully maximizing the advantages of GCL's large-scale green electricity supply.



### GCL Charge Photovoltaic-Energy Storage-Charging Integrated Intelligent Cloud Platform

CASE

The Photovoltaic-Energy Storage-Charging Integrated Intelligent Cloud Platform integrates core elements such as PV power generation, energy storage, ultra-fast charging, and computing power. It possesses functions such as big data site selection, intelligent operation and maintenance of stations, and charging safety monitoring. It facilitates the comprehensive energy dispatching of photovoltaic, energy storage, and charging and virtual power plant from 1.0 to 3.0, achieving a transformation from single energy supply to comprehensive energy management and service.



### Assisting in the construction of NIO's First Integrated Photovoltaic, Energy Storage, Charging, and Battery Swapping Station in Suzhou

CASE

In December 2024, NIO's 100th battery swapping station in Suzhou, as well as its first integrated photovoltaic, energy storage, charging, and battery swapping station, was officially launched at the Civic Service Center on Hengtang Street in Suzhou High-tech Zone. The station is equipped with one battery swapping station, 14 charging bays, and 22 energy storage batteries, and has been equipped with a 50-kilowatt PV power generation system, setting a new industry benchmark for the integrated development of transportation and energy.





# High-Quality Products and Services

GCL ET adheres to the mission of 'providing efficient clean energy and services to continuously improve the living environment'. It always adheres to the principle and quality strategy of "quality first, prevention first", strictly controls product quality, provides customers with high-quality and stable green energy, continuously improves service quality, and creates long-term value.

## Engineering Quality Management

To guide and implement standardized construction, and promote normalized management, GCL ET has formulated a series of comprehensive quality management systems, including the *Engineering Quality Management Standard*, the *Engineering Project Management Standard*, the *Technical Renovation Project Construction Management Guidelines*, and the *Engineering Project Management Fee Management Standard*. At the governance level, its subsidiaries, GCL Smart Energy and Xinyuan Company, have established specialized quality management departments to coordinate and manage various business forms and enterprises, covering the entire process from project commencement to handover and acceptance. Through regular inspections, dynamic assessments, and comprehensive evaluations, they ensure that the quality of each link meets the Company's goals and satisfies customer and market demands.

**During the reporting period**

The subsidiary of GCL SUN has successfully obtained ISO 9001:2015 quality management system certification

**External recognition**

Xinyuan Company has been listed as a Leading Enterprise in Jiangsu Province's Power Industry for "High-Quality Development"

Suzhou Blue Sky Pipeline Network Center was awarded the honorary title of "Worker Pioneer of Jiangsu Province"

**CASE**

**The Battery Swapping Business Department Conducts Comprehensive Quality Analysis**

During the reporting period, Beijing Shengneng, the battery swapping business department of GCL ET, focused on quality management work such as quality training, quality analysis based on five major quality tools, and equipment rectification:

- ✓ Quality analysis: Through five major quality tools, quality status and potential factors were systematically analyzed. Starting from aspects such as personnel, equipment, raw materials, methods, and environment, we will investigate the root causes of problems one by one, identify the causes, and develop improvement measures to continuously enhance quality assurance capabilities.
- ✓ Equipment rectification: Equipment failures that occur during the production process were timely rectify. For example, we carry out safety inspections and rectifications of electrical distribution cabinets, standardized inspections and rectifications of workshops, and other tasks to effectively eliminate potential risks.
- ✓ Quality training: To enhance the quality awareness of all employees and ensure the smooth operation of the quality system, eight sessions of comprehensive training and three sessions of special training were organized, covering key aspects of quality management and operational specifications.

## Customer Service Guarantee

The customer-oriented service philosophy is the core driving force for the sustained growth of the enterprise. GCL ET adheres to relevant laws and regulations, ensures compliance of product and service information and labeling, and promotes the authenticity and accuracy of promotional materials. During the reporting period, the Company operated in full compliance with regulations, with no violations, warnings, fines, or penalties.

GCL ET actively responds to brand infringement and counterfeiting issues to protect customers' rights and interests from being harmed. In response to the phenomenon of illegal and unscrupulous merchants posing as "GCL SUN" to sell inferior and inefficient products, the Company has established a legal team and will carry out rights protection and anti-counterfeiting actions in conjunction with relevant departments such as industry and commerce, public security, and news media, to prevent substandard products from entering the market, effectively safeguard consumers' legitimate rights and interests, and maintain the good reputation of the brand.

## Customer Communication Channels

The Company has established diversified customer communication channels to promptly respond to customer needs and provide professional information consultation and business guidance. For user-end business, the Company has fully opened a 400 customer service hotline to handle customer feedback and complaints, with dedicated personnel following up throughout the process to ensure rapid resolution of issues. During the reporting period, the average customer satisfaction rate of GCL ET's business segments reached 99.5%; among them, the customer complaint rate of its Mobile Energy Company was 1.2%, a decrease of 84.8% compared to the previous year, and the customer complaint resolution rate was 98.7%.

**During the reporting period**

Average customer satisfaction rate across business segments

99.5%

## Customer Privacy Protection

GCL ET has established a series of information security and privacy protection systems, including the *Information Security Management Standard*, the *Information Work Management Standard*, the *Network System Management Standard*, and the *Operational Big Data Monitoring Platform Management Measures*, to safeguard the rights and interests of stakeholders. During the reporting period, the Company did not experience any incidents of customer information leakage.

### Customer privacy protection measures

**Data collection**

Adhere to the "minimum necessary" principle to avoid excessive collection; clearly inform users of privacy policies, ensure informed consent, and protect the rights and interests of stakeholders

**Data storage, transmission, and utilization**

Data classification and access control, data utilization and transmission can only proceed after internal approval

**Awareness of privacy protection**

Organize privacy protection training, publicize and implement relevant laws, regulations, and company policies, and enhance the awareness and capability of privacy protection for all employees



# Work Together with Partners for a Win-Win Outcome

GCL ET places great emphasis on supplier management and has signed the *GCL Group Partner Statement* with suppliers, committing to building a sustainable, efficient, and stable supply chain system. It adheres to the Group's "three models and one digitization" philosophy - "pattern, model, module, digitization", implements "strategic procurement", utilizes digital and intelligent platforms, and strictly enforces supplier management mechanisms. At the same time, the Company actively carries out empowerment and exchange activities, establishes long-term strategic cooperation with suppliers, strengthens upstream and downstream collaboration, and achieves win-win cooperation in the value chain.

## Implement Responsible Procurement

GCL ET adheres to *Bidding Law of the People's Republic of China* and the *Government Procurement Law of the People's Republic of China*, implementing measures like the *Measures for the Management of Material Procurement and Complete Service Charges*, and actively conducts procurement activities that are fair, transparent, and efficient. The Company has established a Supply Chain and Tendering Management Committee, which is responsible for making final decisions on major issues and special problems in procurement work.

To achieve a balance between economic benefits and win-win in the value chain, the Company adheres to the transformation from "price-based procurement" to "value-based procurement". In procurement decisions, it abandons a single cost orientation and incorporates considerations of sustainable development and long-term strategic cooperation, evaluating the full life cycle costs and advantages. At the same time, by implementing a dual-track mechanism of differentiated control and centralized procurement, the Company improves operational efficiency, enhances procurement efficiency, reduces procurement costs, and ensures compliance and transparency in procurement management.

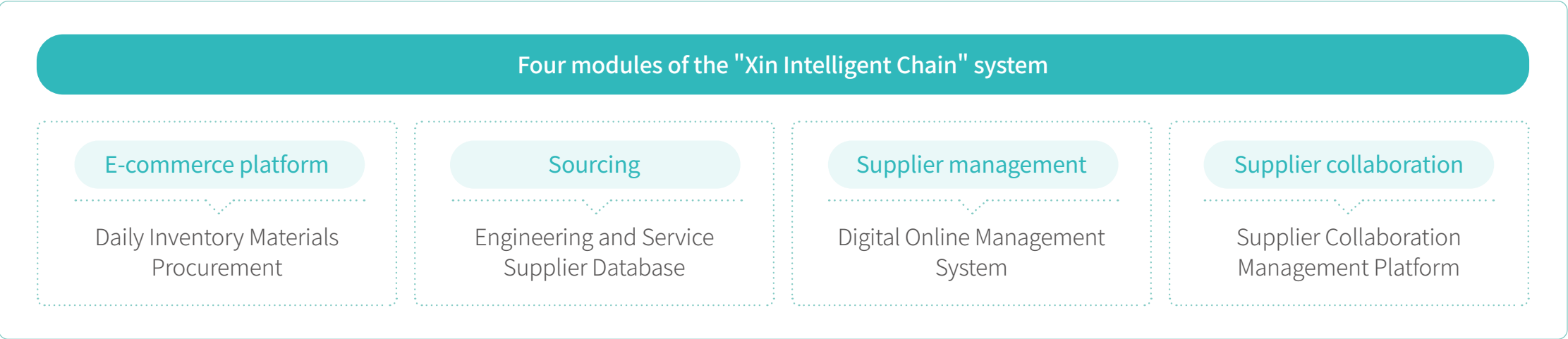
Differentiated control

Dynamically optimize the procurement process based on various business segments, business types, and project characteristics to ensure precise response to diversified needs.

Centralized purchasing

Establish a dedicated procurement management department to conduct large-scale centralized procurement for four key items (including inverters, brackets, grid-tie boxes, and product modules), fully leveraging the advantages of large-scale procurement to effectively enhance bargaining power.

To promote the digitalization of the Company's supply chain management and enhance transparency, the "Xin Intelligent Chain" platform is utilized to achieve a "platformization, systematized, and digital" procurement process. Combined with the "Xin Intelligent Chain" + SAP model, the bidding and procurement process is ensured to be open, transparent, and supervised. Meanwhile, designated personnel are assigned to track and manage operations with precision, achieving transparent procurement. During the reporting period, all modules of the "Xin Intelligent Chain" system were launched online.



In addition, GCL ET places great emphasis on the compliance and social responsibility of procurement activities, adheres to the principles of transparent procurement, and requires all suppliers to comply with core business ethics and industry codes of conduct, including anti-corruption, anti-bribery, fair competition, occupational health and safety, and anti-child labor and forced labor. At the same time, the Company regularly evaluates suppliers to ensure that their operations comply with relevant laws, regulations, and industry standards.

During the reporting period

Completed bidding projects

355

Total annual bidding amount

7.493 billion yuan

Completed bidding document review projects

260

GCL ET conducts empowerment training for supply chain partners, covering distributed PV equipment, business line training, system revision, business line publicity and implementation, sustainable development, etc.

Total training sessions

over 40

Training duration

100 hours





## Sustainable Supply Chain

GCL ET follows the Group's *Supply Chain Management System* and *Procurement Management System*, and has established internal systems such as the *Bidding and Tendering Management Standard* and *Supply Chain Management Standard*. At the same time, based on relevant laws and regulations as well as the International Labour Organization (ILO) conventions, the Company refers to the *Responsible Business Alliance Code of Conduct* (RBA Code) and international standards such as SA8000 and EU Battery Regulations, follows the *GCL Group Supply Chain Partner Social Responsibility Code of Conduct*, and requires partners to comply with laws and regulations in the areas of labor standard rights, health and safety, environmental protection, and business ethics, establishing a strict supplier management and audit mechanism. In 2024, the Company introduced a new supplier introduction and exit mechanism to implement dynamic supply chain management.

The Company has established a strict supplier access mechanism. After the project company initiates an application and it is approved, the corresponding supplier management department conducts an inventory review of the target enterprise. The review covers core indicators such as enterprise qualifications, operating conditions, financial credit, production environment, and product quality. It also integrates ESG indicators such as energy conservation, environmental protection, and low carbon into the supplier evaluation system, giving priority to enterprises that have passed international certifications such as the occupational health and safety management system and environmental management system. For manufacturing suppliers, it is required to provide environmental management system certification, and priority is given to suppliers that have passed product carbon footprint certification, in order to promote sustainable development of the supply chain.

The Company implements a hierarchical and categorized management system, dividing suppliers into four levels based on their importance: strategic, priority, general, and rectification. Differentiated and hierarchical management is implemented. At the same time, suppliers are subdivided into engineering, material, and consulting categories based on business attributes, and targeted evaluation criteria are established. To optimize the quality of the supplier team, the Company has established a quarterly performance evaluation mechanism, assessing supplier performance through quantitative scoring, and reviewing and verifying the scoring results of each project company to ensure the standardization of the evaluation process and the credibility of the results.

During the cooperation process, the Company focuses on verifying key aspects such as inventory management and procurement processes through regular performance evaluations, on-site audits, and annual supplier visits, comprehensively supervising the operational quality and compliance performance of suppliers. At the same time, suppliers are required to provide self-assessments and written reports to ensure that their operations comply with relevant laws, regulations, and industry standards. In addition, the Company has established a survival of the fittest exit mechanism, promptly terminating cooperation with suppliers who consistently fail to meet scoring standards to ensure continuous optimization of the supply chain system.

During the reporting period, the Company added 289 new suppliers, terminated cooperation with over 20 suppliers, and conducted follow-up visits to over 50 suppliers.



### As of the end of the reporting period

Qualified suppliers

over **2,000**

Suppliers in China (Hong Kong, Macao, Taiwan)

over **40**

Suppliers in other regions

over **25**

## Distributor Management

As an important link in the enterprise value chain, the management level of distributors directly affects the brand image, market expansion, and service quality. It is also a key guarantee for ensuring a high-quality end-user experience and enhancing market competitiveness. To standardize the business management of distributors, GCL ET requires distributors to strictly follow GCL ET technical specifications and standards when carrying out various business operations, and establish an online inspection mechanism to promptly rectify any issues found on-site. The Company actively promotes the capacity building of distributors. During the reporting period, professional teams from GCL SUN's subsidiaries conducted standardized training, providing on-site supervision for the first installation of each type of product to ensure accurate implementation of technical specifications, and continuously improving the operational quality and service level of distributors.

Number of dealers

**415**

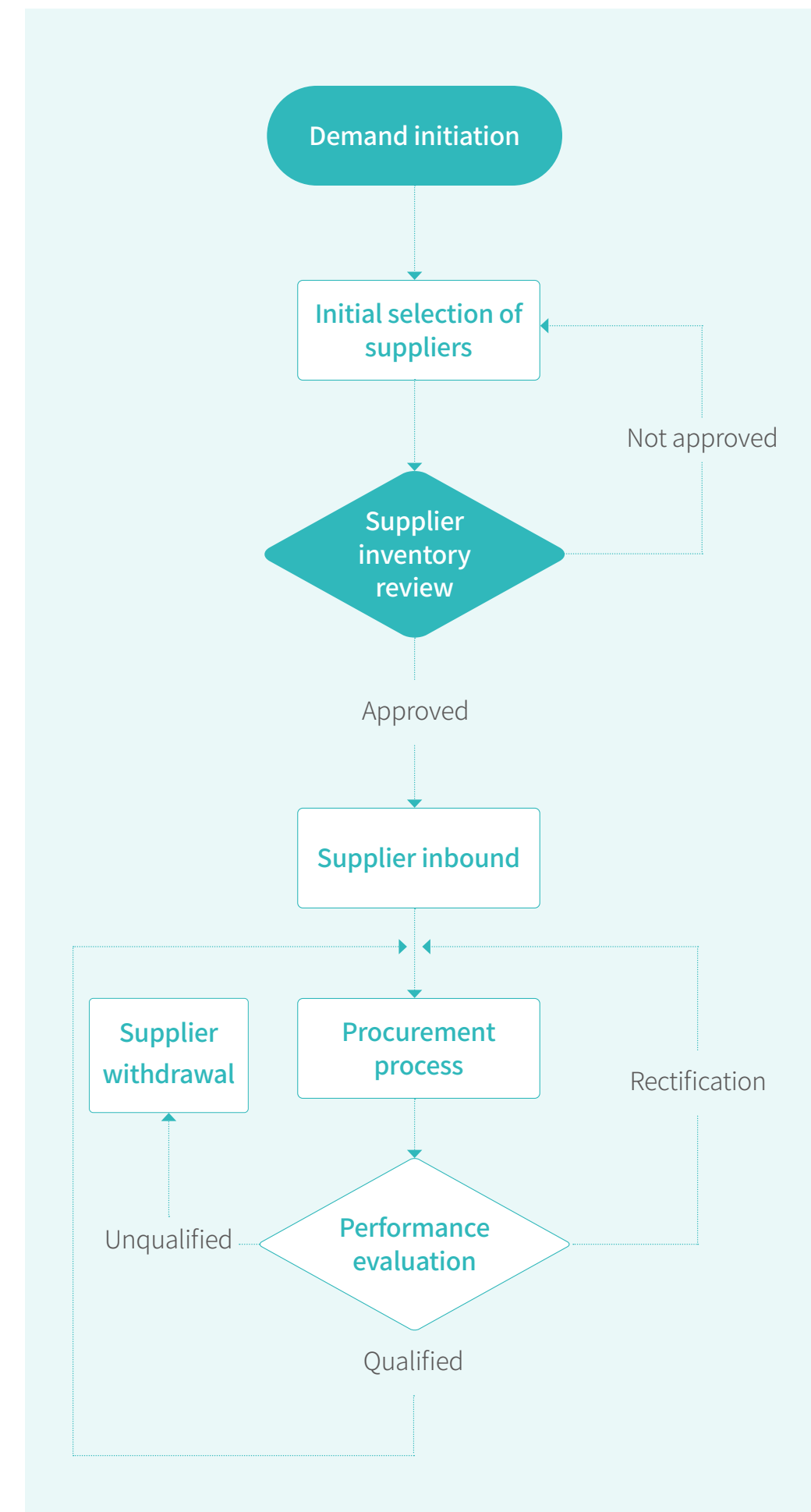
Number of dealer training sessions conducted

**15,620**

Number of dealer training participants

**121,520**

Number of dealer audits

**1,660**

Supplier Management Flowchart



# Collaborative Ecosystem Development

GCL ET adheres to the cooperation philosophy of openness and win-win, and is committed to building a collaborative industrial ecosystem with industry chain partners, promoting collaborative innovation and transformation and upgrading of the supply chain. The Company focuses on enhancing the value of the industrial chain, deepens strategic cooperation with leading industry suppliers, jointly creates an innovative inter-industry cooperation ecosystem, and strengthens the core competitiveness of enterprises. At the same time, through multi-dimensional support such as technology empowerment, management sharing, and resource docking, it effectively helps partners improve operational efficiency and sustainable development capabilities.

## GCL ET Joins Hands with Ant Group-Digital Technologies to Promote the "Mutual Advancement" of Digital Technology and New Productivity

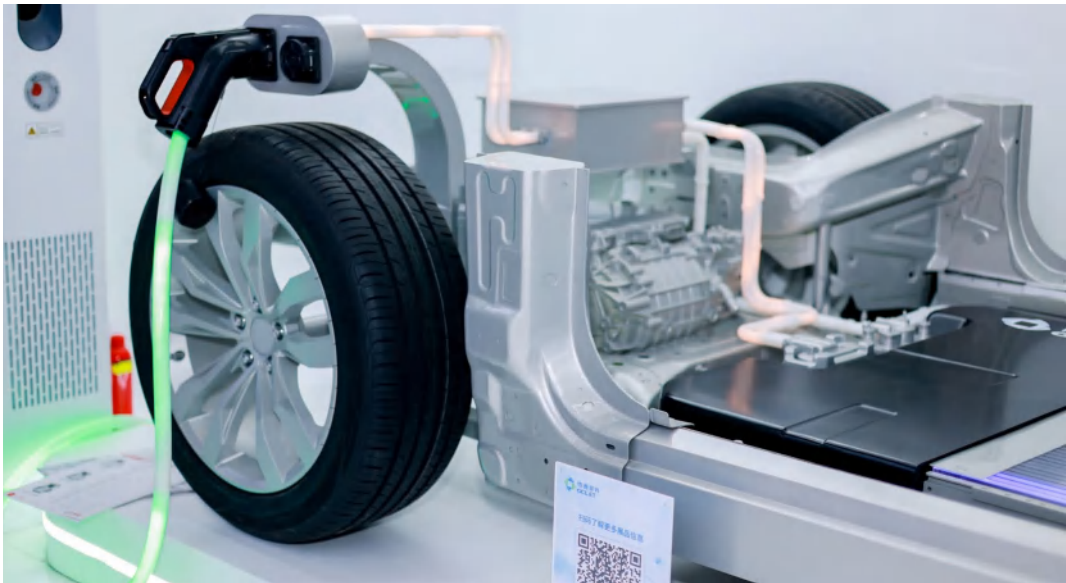
In December 2024, GCL ET and Ant Group-Digital Technologies signed a strategic cooperation agreement in Suzhou, committing to comprehensive collaboration in areas such as distributed PV power stations, energy storage power stations, and integrated energy services. On the same day, GCL ET and Ant Group-Digital Technologies successfully completed a Real World Asset (RWA) transaction based on photovoltaic physical assets, involving an amount exceeding 200 million yuan. This marks the first RWA transaction in China involving photovoltaic physical assets, facilitating efficient connectivity between domestic green assets and overseas funds, and empowering digital technology in physical industries. Simultaneously, it holds profound significance in enhancing the liquidity of photovoltaic assets and promoting high-quality and sustainable economic development.



## GCL ET Joins Hands with Leading Digital Energy Enterprises, Looking Forward to the Future of Energy Digitalization and Intelligitization

In June 2024, the SNEC 17th (2024) International Photovoltaic Power Generation and Smart Energy Conference & Exhibition was held in Shanghai. During the exhibition, GCL ET, in collaboration with leading digital energy enterprises, jointly released a themed presentation titled "The Application and Development Prospects of PV and Energy Storage Ultra-fast Charging Solutions".

The presentation showcased the implementation results of GCL ET's cooperation with industry-leading enterprises, reviewed the comprehensive cooperation between the two parties on the construction of the integrated liquid-cooled ultra-fast charging network of "energy storage-charging-PV-cloud", and looked forward to the accelerated development of the future PV energy storage ultra-fast charging network, jointly contributing to the achievement of the "dual carbon" goals.





# Promote Industry Development

GCL ET adheres to the principles of win-win cooperation, openness, and sharing. It actively participates in industry exchanges, collaborates deeply with upstream and downstream enterprises in the value chain, and promotes collaborative development within the industry. Simultaneously, the Company supports and participates in the formulation and optimization of industry standards, facilitating standardized upgrades and supporting high-quality development in the industry. In 2024, the Company participated in the formulation of a total of 36 standards (6 national, 13 industry, 17 corporate standards).

Participation in the Development of two Group Standards, Including the *Guidelines for Environmental, Social, and Governance (ESG) Information Disclosure for Power Enterprises*

CASE

GCL ET participated in the preparation of two group standards organized by the China Electricity Council, namely, the *Guidelines for Environmental, Social, and Governance (ESG) Information Disclosure for Power Enterprises* and the *Guidelines for Environmental, Social, and Governance (ESG) Evaluation for Power Enterprises*. The Company was responsible for the equipment indicators section, defined core principles and methodologies for ESG disclosure, aligning with China's power industry and global norms. It gradually promoted the establishment of a power ESG standard system that conforms to industry characteristics, has Chinese characteristics, and is in line with international standards.

Shengneng Company Participates in the Formulation of *Virtual Power Plant Management Specification*

CASE

Shengneng Company, a subsidiary of GCL ET, actively participates in the formulation of the national *Virtual Power Plant Management Specification* standard, promoting the standardized access and efficient operation of VPPs in the power system. This standard clarifies the technical management requirements for the grid connection of VPPs, including procedures for grid connection application, dispatching operation mechanism, and safety management specifications, and is applicable to VPPs connected to the grid at voltage levels of 110 kV and below. Leveraging its profound technical expertise in energy management and intelligent dispatching, the Company contributes to building a safer, more efficient, and smarter power system, accelerating the application and implementation of VPPs in the digital transformation of energy.

Participating in a Symposium with Enterprises and Experts

CASE

On May 23, 2024, Xi Jinping, General Secretary of the CPC Central Committee, President of the People's Republic of China, and Chairman of the Central Military Commission, presided over a symposium with enterprises and experts in Jinan City, Shandong Province, and delivered an important speech. Zhu Yufeng, Chairman of the Company, attended the meeting as the sole representative of a new energy private enterprise.



GCL Charge Inaugural Destination Scenario Ecology Conference Successfully Held

CASE

On June 6, 2024, GCL ET's "GCL Charge Inaugural Destination Scenario Ecology Conference" was successfully held on the banks of the Taihu Lake in Suzhou, Jiangsu, attracting more than 100 partners including Hangtian Digital Technology and Ping An Leasing to gather together and discuss the market opportunities of destination charging scenarios. The conference unveiled GCL Charge's integrated solutions encompassing products, operations, and finance for destination charging, and launched the country's first offline brand experience center. GCL ET promotes the deep integration of new energy and the automotive industry through the "electricity + service" model, and builds the largest charging pile research and production base in the Yangtze River Delta through the integrated innovation model of "research, production, sales, construction, operation, and cloud", helping the industry move towards a new era of intelligent, efficient, and low-carbon green travel.





# 02

## Environmental Friendliness, Painting a Green Future

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# Addressing Climate Change

GCL ET actively pursues climate action by strengthening greenhouse gas emission management, enhancing energy utilization efficiency, exploring diversified emission reduction pathways, and continuously promoting energy mix optimization and low-carbon transformation, contributing to the construction of a clean, low-carbon, safe, and efficient modern energy system.

## Governance

GCL ET has established a systematic climate governance system, integrating climate change response into strategic decision-making and operational management. As the highest governing body, the Board of Directors has designated a special committee responsible for formulating and supervising the implementation of climate strategies, regularly assessing the progress of climate change response, and reporting to the Board. The Company's Management has incorporated greenhouse gas emission reduction targets into its annual strategic planning, and established a multi-level climate governance mechanism through measures such as creating climate management positions, strengthening supervision of key energy-using projects, and incorporating climate performance into evaluation and incentive mechanisms, to ensure effective implementation of climate governance.

## Strategy

GCL ET refers to the International Financial Reporting Standard on Sustainability Disclosures (IFRS S2) issued by the International Sustainability Standards Board (ISSB), and in consideration of the profound impact of global climate change on the industry and the Company's operational situation, systematically analyzes the climate-related risks and opportunities, as well as potential financial impacts faced by the Company, based on scientific and transparent climate scenarios, and formulates targeted response measures.

Description of Climate-related Risks

Type	Description of climate-related risks	Impact cycle	Potential financial impact	Countermeasures
Physical risk	Extreme weather events such as typhoons, floods, extreme heat, and freezing occur frequently, with increasing destructive power	Short term, medium term	<ul style="list-style-type: none"><li>Disaster-induced asset damage leading to operational disruptions, supply chain disruptions, and revenue losses</li><li>Extreme weather affecting workforce stability</li></ul>	<ul style="list-style-type: none"><li>Facility climate adaptability design: Consider extreme climate impacts during the design phase of the power station, such as adding snow and mud guiding devices, adopting wind and lightning protection designs, etc.</li><li>Emergency management: Establish a comprehensive environmental emergency response system to enhance the ability to cope with extreme weather conditions</li><li>Intelligent operation and maintenance: Apply remote operation technology to avoid risks for on-site personnel</li></ul>
	Sea level rise, changes in wind resources, and temperature changes	Long term	<ul style="list-style-type: none"><li>Coastal assets may be threatened by rising sea levels in the long term</li><li>Changes in wind resources affect wind power planning, equipment usage, and power generation efficiency</li><li>Extreme temperatures affect labor force and equipment lifespan, while increasing insurance and operational costs</li></ul>	<ul style="list-style-type: none"><li>Rational asset allocation: Prioritize investments in regions with lower risks and developed areas with lower resource risks</li><li>Employee health and safety: Promote the construction of the occupational health and safety system and optimize the working environment</li><li>Intelligent operation and maintenance: Apply remote operation technology to avoid risks for on-site personnel</li></ul>
Transformation risk	Policy and law: Development of clean energy policies, Tightening of carbon emission regulations, Development of international carbon tax and carbon trading	Short term	<ul style="list-style-type: none"><li>Increased compliance costs</li><li>The cost of carbon emissions has increased, leading to a rise in the cost of transitioning away from fossil fuels</li><li>Increase environmental protection expenditure</li></ul>	<ul style="list-style-type: none"><li>Optimize customer selection: Prioritize expanding distributed energy customers such as state-owned enterprises and listed companies to reduce policy risks</li><li>Energy conservation and carbon management: Accelerate energy-saving renovations for emission-controlling enterprises, advance informatization construction, and enhance carbon emission management capabilities</li><li>Policy research and learning: Designate a person responsible for specific business types to track policy changes, conduct policy research, strengthen employee training, and improve compliance capabilities</li></ul>
	Technology: Technological innovation and increasing demand for intelligence	Short term	<ul style="list-style-type: none"><li>Emerging industries such as artificial intelligence and big data have increased demands for power stability, leading to increased investment in facility upgrades and maintenance</li></ul>	<ul style="list-style-type: none"><li>Enhancing power supply quality: Investing in high-stability power facilities to ensure excellent operation and construction, and guarantee long-term stable power supply</li></ul>
	Market: Fossil energy is gradually phased out, and the demand for new energy is increasing, Competition in the new energy market is becoming more intense	Short term, medium term	<ul style="list-style-type: none"><li>The risk of stranded assets increases, and downward pressure on new energy electricity prices intensifies</li></ul>	<ul style="list-style-type: none"><li>Energy transformation layout: Accelerate the development of green energy sources such as PV and wind power, optimize the energy mix, and enhance market competitiveness</li></ul>

Description of Climate-related Opportunities

Type	Climate-related opportunities	Impact cycle <sup>3</sup>	Potential financial impact and measures
Energy efficiency	Energy efficiency improvement	Medium term	Increasing investment in technological transformation can enhance energy efficiency, optimize production costs, and boost production capacity and economic benefits
Products and services	Product structure and technological innovation	Short term	The transformation of energy mix drives technological, managerial, and product innovations, and as a clean energy enterprise, the Company can leverage this opportunity to enhance its market competitiveness
Market	Market changes and opportunities for expanding the carbon market	Short term	<ul style="list-style-type: none"><li>The market demand for integrated energy services is increasing, leveraging its competitive advantages</li><li>The virtual power plant is market-oriented, providing business growth opportunities</li><li>Clean energy participates in carbon trading, generating additional revenue</li></ul>
Adaptability	Enhanced climate adaptability	Medium term	Climate adaptation technological innovation will enhance energy efficiency and reduce costs

<sup>3</sup> In the identification of climate risks and opportunities, GCL ET defines the short term as within 3 years, the medium term as 3-10 years, and the long term as 10-20 years.



Risk Management

GCL ET has integrated climate risk management into its corporate risk management system, establishing a full-process control mechanism that spans strategic decision-making, business operations, and project execution. The Company's Board of Directors has set up a special committee to coordinate management efforts and establish a dynamic management mechanism that includes regular risk assessments, scenario analysis of physical risks and transition risks, and information monitoring. At the same time, the Company has established systems for disaster early warning response, weather emergency response plans, and carbon emission monitoring, implementing closed-loop management of risk early warning, dynamic monitoring, and continuous improvement. This continuous enhancement of climate risk response capabilities provides a solid foundation for green and low-carbon transformation.

Indicators and Targets

GCL ET has set phased climate action targets, ranging from short-term information disclosure to long-term resilience building, to promote low-carbon transformation and sustainable development. During the reporting period, GCL ET completed the full payment of carbon emission allowances.

Short-term goals

- Enhancing climate information disclosure: In order to strengthen greenhouse gas emissions management and respond to the requirements of stakeholders such as regulatory agencies, and to improve the quality of information disclosure, in 2025, the Company plans to:
  - Complete carbon footprint assessments for production facilities that account for no less than 50% of the sector's total revenue, and publish the 2024 annual carbon footprint assessment report to strengthen the foundation of carbon management.
  - Establish a climate information disclosure system based on the IFRS S2 framework.

Medium-term goals

- Energy conservation and carbon reduction: the Company actively responds to the national "dual carbon" goals and the carbon emission management policies of the regions where it operates. It will continuously optimize and promote technological innovations in energy conservation, accelerate emission control and energy-saving renovations, and reduce emissions during project construction and operation through equipment upgrades, maintenance, and operation.
- Accelerate green transformation: the Company actively promotes the development of green energy sources such as PV and wind power. Through optimizing layout, technological innovation, and digital operations, the Company continuously enhances the technological level of clean energy, and strive to build a lower-carbon and more efficient energy supply system.

Long term goals

- Resilience building: By leveraging climate adaptation technology and intelligent operation methods, we aim to enhance the disaster resistance and climate resilience of facilities, ensuring stable and high-quality power supply in various scenarios.
- Sustainable operation: We deeply integrate the concept of sustainable development into company operations, promote the coordinated progress of economic and social development and ecological environment protection in the project location, and achieve long-term balance between corporate growth and social value.

Greenhouse Gas Emission Performance Data

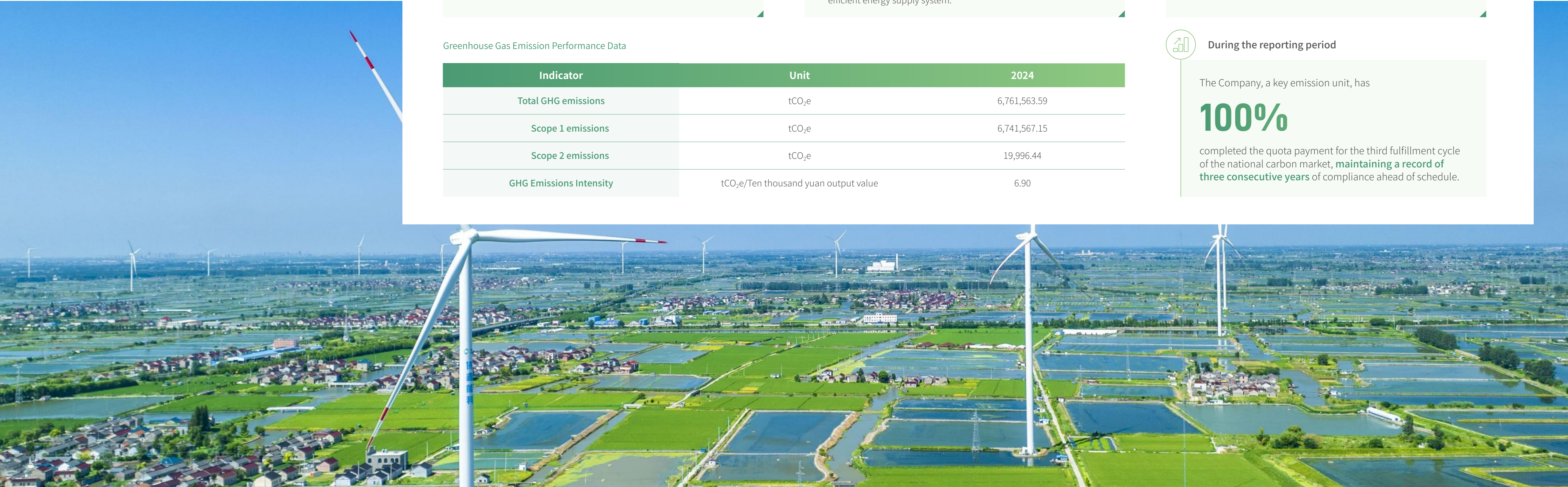
Indicator	Unit	2024
Total GHG emissions	tCO <sub>2</sub> e	6,761,563.59
Scope 1 emissions	tCO <sub>2</sub> e	6,741,567.15
Scope 2 emissions	tCO <sub>2</sub> e	19,996.44
GHG Emissions Intensity	tCO <sub>2</sub> e/Ten thousand yuan output value	6.90

During the reporting period

The Company, a key emission unit, has

100%

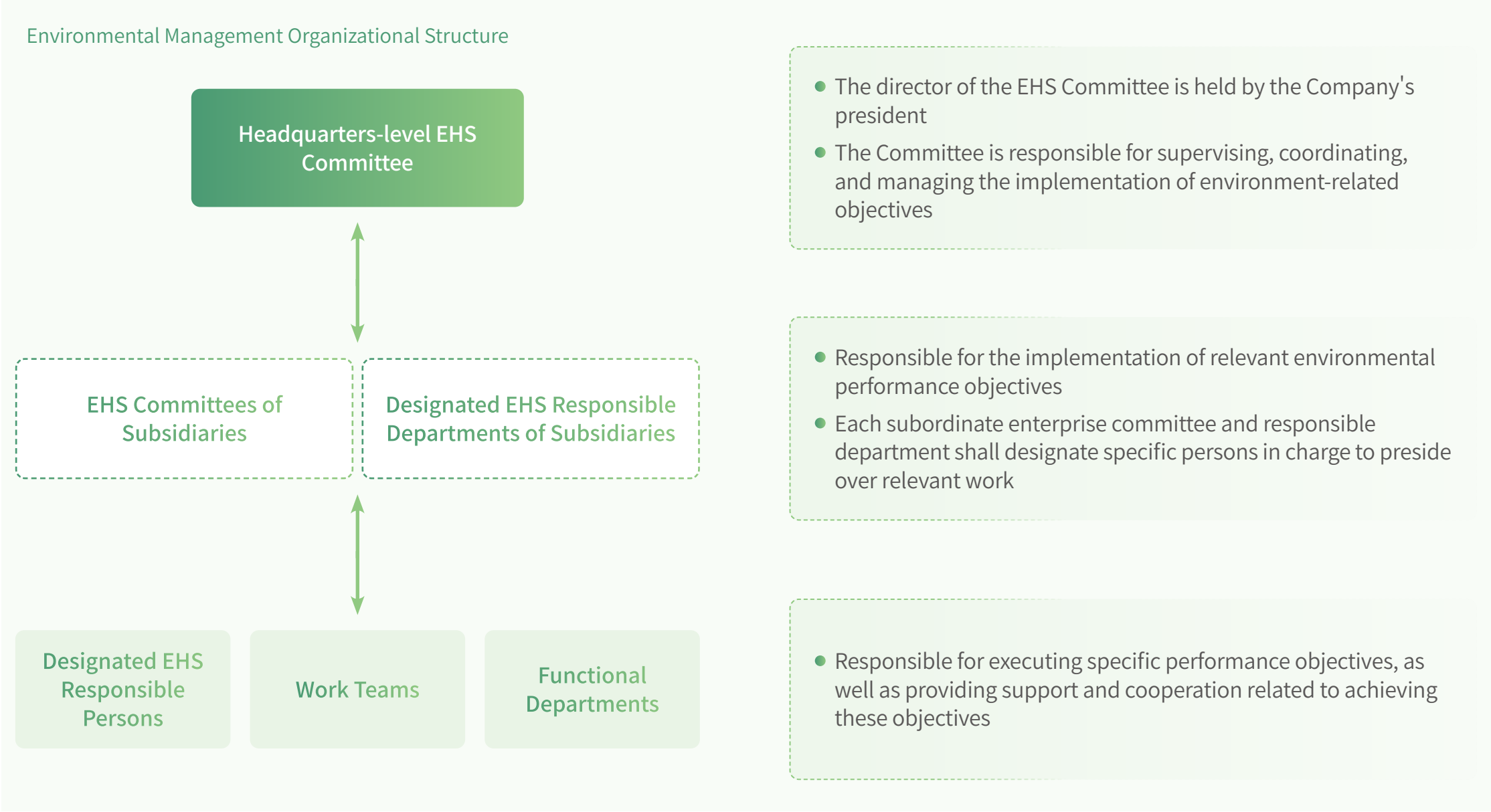
completed the quota payment for the third fulfillment cycle of the national carbon market, **maintaining a record of three consecutive years** of compliance ahead of schedule.





# Environmental Compliance Management

GCL ET has established and improved a three-tier environmental management organizational system. Under the Board of Directors, an EHS Committee has been set up, directly led by the President, responsible for coordinating the formulation and supervision of environmental objectives. Each subordinate enterprise establishes an EHS Committee and a dedicated department, responsible for the decomposition and implementation of environmental performance objectives. Grassroots work teams and functional departments are equipped with EHS specialists, who are responsible for the specific implementation and support of objectives. Through the three-tier management mechanism of "strategic decision-making - business execution - on-site implementation", it ensures that environmental management requirements are effectively integrated into all business processes.



Each business segment and subordinate enterprise of the Company has formulated environmental protection regulations and rules based on their own business characteristics, covering environmental emergency management, pollutant and waste disposal, environmental performance objectives, and other aspects, to ensure that environmental management work is closely integrated with business practices and effectively implement environmental protection responsibilities. As of the end of the reporting period, five subordinate enterprises held valid ISO 14001 environmental management system certifications.



During the reporting period

Environment-related investment

¥39,465,800

Number of major environmental pollution incidents

0



GCL ET prioritizes environmental risk prevention and control as a key management focus. In response to potential risks such as hazardous material spills and natural disasters, it has developed systematic emergency response plans and disposal procedures. Through regular professional training and practical drills, the Company continuously enhances its emergency response capabilities for unexpected environmental incidents. Additionally, the Company rigorously implements its annual drill schedule to ensure that all prevention and control measures are in place. During the reporting period, the Company did not experience any major environmental pollution incidents.



GCL ET won the "Environmentally Friendly Award" in the "New Quality Productivity" Benchmark – Photovoltaic Power Plant selection



Zhongshan Gas Turbine conducted an emergency response drill for environmental pollution incidents



Ganyu Thermal Power conducts drills for confined spaces and hazardous material leakage



Xuzhou GCL Renewable Energy conducted an ammonia water leakage drill for the denitrification system



# Strengthen Energy Management


GCL ET adheres to the *Cleaner Production Promotion Law of the People's Republic of China*, establishes and improves its internal energy management system in accordance with the *Energy Management System Requirements and Guidance for the Implementation of Energy Management System*, and formulates specific management system documents such as the *Energy Conservation Technology Supervision Implementation Rules*, *Energy Conservation Management Rules*, and *Energy Conservation Supervision Management Standards*. To promote energy conservation management in an orderly manner, the EHS Committee sets energy conservation goals, links the incentive mechanism for energy conservation and carbon reduction with performance rewards, conducts monthly energy conservation analysis, implements refined control over energy use, and promotes the orderly implementation of goals across various business sectors, formats, and electric power enterprises.

Indicator	Unit	2024
Electricity purchased and consumed by the power grid	10,000 kWh	4,402.84
Self-generated electricity consumption	10,000 kWh	55,370.03
Natural gas consumption	10,000 m³	2,019,70.21
Comprehensive energy consumption	Ton of standard coal equivalent	2,088,059.89

To promote the transformation of the energy mix within the enterprise, the Company actively carries out energy-saving renovations. Under the premise of ensuring stable power supply, relying on technological innovation and automation enhancement, it implements equipment upgrades, intelligent renovations, facility maintenance, and rational electricity management, effectively reducing energy consumption while increasing production capacity.

Some energy-saving renovation projects and their energy-saving effects are as follows:

Project section	Energy saving retrofit project	Energy-saving retrofit effect	Subsidiaries
Combined heat and power project	Motor energy efficiency upgrade	Upgrade some motor equipment to Level 2 energy-efficient motors, saving 10,800 kWh of annual plant electricity consumption.	Rudong GCL Environmental Cogeneration
	Energy-saving retrofit of air compressor	The potential effects of carrying out a frequency conversion retrofit on the air compressor to increase its capacity are as follows: the power consumption per ton of steam generated by the air compressor will decrease by 0.35 kWh per ton of steam, resulting in annual electricity savings of 490,000 kWh.	Jiaxing GCL Environmental Cogeneration
Waste-to-Energy project	Limestone liquid pump energy-saving retrofit; Rubber ball system capacity enhancement retrofit	The frequency conversion retrofit of the limestone slurry pump has saved approximately 49,000 kWh of electricity throughout the year; The rubber ball system is undergoing an upgrade and retrofit, with an estimated annual power generation of 1.2 million kWh.	Funing GCL Renewable Energy
Gas project	Water pump frequency conversion retrofit; Upgrade the heating system to enhance heating efficiency	Upgrade heating pipelines and systems to meet the demand of the heat supply network while improving heating efficiency, resulting in an annual increase of 1.5 million kWh in power generation; The water pump frequency conversion retrofit has saved 330,000 kWh of electricity throughout the year.	Suzhou Blue Sky
	Improvement of automation level of the unit	By enhancing automation and optimizing the start-up and shutdown time of the generating units, we have increased annual power generation by approximately 1.5 million kWh.	Northern Gas Turbine
	Energy-saving retrofit of mechanical tower cooling fan	/	Zhongshan Gas Turbine
Wind power project	Conduct cleaning of air conditioning and AVC filters to enhance heat exchange efficiency	/	Wind power projects such as Sihong GCL Intelligent Wind Power, Xinghua Changrong GCL Wind Power, and Funing GCL Guoshu Wind Power



During the reporting period

Investment in energy conservation and emission reduction

97,812,100 yuan

Energy consumption cost savings

Energy-saving technological transformation measures

44 items


Reduction of greenhouse gas emissions

Energy consumption saved

9,360,400 kWh

10,930,300 yuan

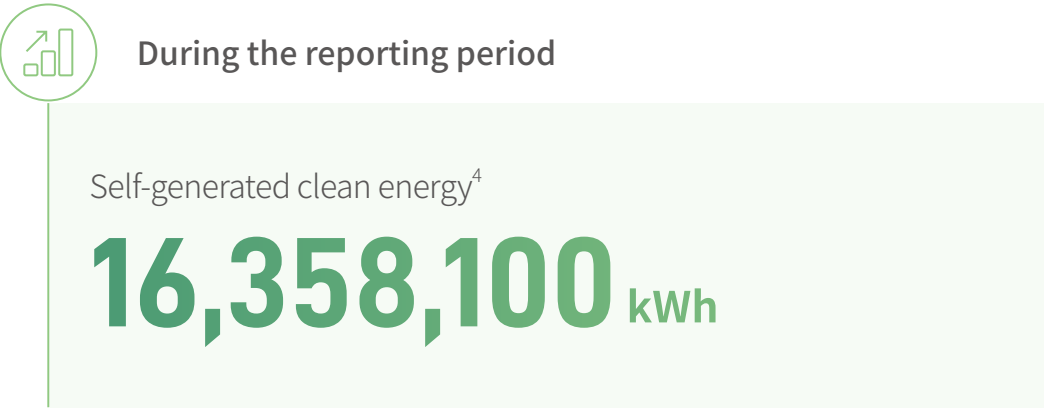
15,295.7 tCO<sub>2</sub>e



External recognition

Wuxi Lantian Unit 2 earned a national "AAAAA" rating for its 180MW E-grade heating unit, a top-tier achievement.

GCL ET is committed to promoting the optimization of the energy mix by vigorously developing clean energy and increasing its proportion in the energy portfolio, thereby facilitating the realization of energy transformation. As of the end of the reporting period, the Company's total installed capacity of self-consumed clean energy reached 23.69 MW, promoting sustainable clean energy substitution through its own practices.



Rudong GCL Environmental Cogeneration Operates a Distributed PV Power Generation Project

CASE

In December 2024, Rudong GCL Environmental Cogeneration invested in the construction of a 1.4 MW distributed PV power generation project. After commissioning, it is expected to generate approximately 1.4 million kWh of electricity annually, reducing carbon dioxide emissions by approximately 1,154 tons.



<sup>4</sup> Based on the current centralized management of company data, the self-generated clean energy includes Lanxi GCL Environmental Cogeneration, Suzhou Blue Sky, Northern Gas Turbine, Wuxi Lantian, Sihong GCL Intelligent Wind Power, Funing GCL Guoshu Wind Power, Lai'an Wind Power, Fengtai Wind Power, Guangzhou Lantian, Zhongshan Gas Turbine, and Gaozhou Gas Turbine Power Plant.



# Efficient Resource Utilization

GCL ET adheres to the concept of resource conservation and recycling, integrating efficient resource management throughout the entire production and operation process. Through the dual-drive approach of institutional construction and technological innovation, the Company continuously enhances the utilization efficiency of core resources such as water and materials.


## Water Resources Management

GCL ET strictly adheres to relevant national and local laws and regulations on watershed protection and water resource utilization, formulates the *Water Usage Management System*, actively adopts diversified water-saving measures, and comprehensively improves water resource utilization efficiency through measures such as reducing water use at the source, optimizing construction water use, and recycling, from the institutional level to specific practices.

### GCL ET Water-saving Measures


Water saving system

- Establish a water conservation management system, standardize the use of water resources, and implement water conservation goals
- When conducting operations at the owner’s facility, strictly adhere to the owner’s water conservation requirements




Reduce consumption

- Adopt dry construction techniques, such as dry drilling, to reduce water usage during construction
- Use precast concrete foundations to reduce construction water usage
- Use high-efficiency water-saving cooling towers, low-flow valves, and nozzles to reduce water consumption



Recycle

- Recycle the wastewater generated during construction for dust suppression or equipment cleaning
- Industrial water cooling and reuse
- Construct wastewater treatment facilities, utilize reclaimed water and reprocessed water as production sources, and purify other industrial wastewater and domestic sewage for use in washing, greening, etc.



Indicator	Unit	2024
Total water consumption (recycled water)	Ten thousand tons	531.31
Total water consumption (initial water use)	Ten thousand tons	2,520.89



External recognition

In 2024, Huzhou GCL Environmental Cogeneration achieved the title of **Water-saving Enterprise in Zhejiang Province**

Water-saving Achievements of Jiaxing GCL Environmental Cogeneration

CASE

Jiaxing GCL Environmental Cogeneration actively implemented measures such as recycling cooling water for auxiliary equipment across the entire plant and partially recycling reverse osmosis concentrate water, and also recycled boiler continuous drainage back to the heat network, achieving a water saving of 150,000 tons compared to the previous year.

In 2024

Licensed water withdrawal of Jiaxing GCL Environmental Cogeneration

2.6 million tons

The planned water withdrawal is

2 million tons

The actual water withdrawal amounted to

1.63 million tons

## Optimize Material Usage

GCL ET is committed to enhancing resource utilization efficiency, achieving significant resource conservation through a series of optimization measures and strict consumable management strategies, and promoting the development of circular economy.

Modular design

- Prefabricate equipment components in the factory to reduce consumables on the construction site

Optimization of structural design

- Reduce the amount of steel used

Lightweight design

- While reducing material consumption, it is convenient for installation and maintenance

In addition, the Company emphasizes the recycling of materials, actively recycling waste steel, concrete, etc. during the construction process to achieve the renewable use of resources. In terms of consumable management, the Company precisely calculates the amount of materials used to avoid over-purchasing and reduce resource waste from the source.



# Strengthen Sewage and Wastewater Management

GCL ET strictly complies with national and local laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Cleaner Production Promotion Law of the People's Republic of China*, and the *Circular Economy Promotion Law of the People's Republic of China*, and has established management systems such as the *Environmental Protection Management Standards*, setting detailed requirements for pollutant emission standards, emission monitoring, and the operation of environmental protection facilities. During the reporting period, the pollutant emissions from renewable energy power plants within the Company's operational scope were all below national standards and the requirements of Jiangsu Province, and both thermal power and gas turbine operations completed emission transformation.

## Waste Gases Emissions

GCL ET strictly complies with the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, manages the emission of major atmospheric pollutants such as SO<sub>2</sub>, NO<sub>x</sub>, and smoke dust from thermoelectric operations in accordance with emission standards, and adopts facilities and technologies such as wet desulfurization, low nitrogen combustion + SNCR, SCR + SNCR, baghouse dust collector, electrostatic baghouse dust collector, and wet electrostatic precipitator to reduce waste gases emissions and pollution, meeting national and local emission standards.



During the reporting period

Total emissions of waste gases

95,178,410,800 m<sup>3</sup>

## Wastewater Discharge

GCL ET strictly adheres to the *Water Pollution Prevention and Control Law of the People's Republic of China*, equips each of its subordinate enterprises with corresponding wastewater treatment facilities, strictly implements equipment management standards, conducts regular maintenance and overhauls, and ensures that wastewater discharge meets standards. In addition, the Company adopts water-saving measures such as reuse of cooling water, reusing industrial water, and reducing water consumption.

Indicator	Unit	2024
Total wastewater discharge	Ten thousand tons	357.25
Industrial wastewater discharge	Ten thousand tons	338.00
Domestic wastewater discharge	Ten thousand tons	19.25

## Waste Management

GCL ET strictly complies with relevant national laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes* and the *National Catalogue of Hazardous Wastes*. Based on the group's relevant systems such as the *Solid Waste Management System* and the *Waste and Hazardous Waste Management Control Procedures*, it has established the *Hazardous Waste Management System* to classify and dispose of waste, and strictly adheres to the prescribed requirements for collection, storage, transfer, and disposal. Among them, hazardous waste is handed over to qualified third parties for disposal, while general waste undergoes resource recovery and harmless treatment. For recyclable waste, such as fly ash, it is sold for external disposal.

Indicator	Unit	2024
Hazardous waste generation	Ton	71,931.01
Hazardous waste disposal volume	Ton	71,831.16
Total amount of production-related general waste	Ton	963,002.03
Recycled production-related general waste	Ton	206,835.62
Domestic waste generation	Ton	583.34
Harmless waste generation	Ton	1,263.40
Harmless waste disposal volume	Ton	1,263.40
Recycled harmless waste	Ton	1,200.50





# Embrace the Concept of Environmental Protection

GCL ET adheres to the concept of green and sustainable development. In project and construction operations, GCL ET actively practices biodiversity conservation, reduces the impact of project operations on the natural environment, and safeguards ecological balance. In addition, the Company actively advocates environmental protection, encourages green office practices, promotes energy conservation and low carbon, and popularizes green lifestyles.

## Biodiversity Conservation

GCL ET attaches great importance to ecological protection and incorporates biodiversity conservation into the full lifecycle management of projects. The Company strictly adheres to relevant laws and regulations on ecological environment protection, and implements biodiversity conservation measures during the various stages of project development, construction, and operation through scientific planning and systematic management.

### Planning and site selection stage

- Carry out ecological red line assessment
- Safety and environmental protection technical quality disclosure

### Engineering construction stage

- Appoint an Ecological Environment Officer to supervise the entire process
- Construct wastewater treatment facilities to protect the aquatic environment
- Control construction activities, such as noise and pollution discharge, to reduce ecological disturbance

### Operation and maintenance phase

- Establish a pollution emission monitoring system, with a focus on monitoring emission sources that affect biodiversity
- Implement ecological restoration and greening projects in the factory area and its surrounding areas to create a habitat environment for species

## Ecological Protection Practice of Jiande Pumped Storage Power Station Project in Zhejiang

During the construction of the Jiande Pumped Storage Power Station Project in Zhejiang, the Company entrusted PowerChina Huadong Engineering Corporation Limited to conduct an environmental impact assessment to ensure that the project does not involve environmentally sensitive areas and obtain relevant approvals for the construction of scenic spots. The main vegetation types in the assessment area are warm coniferous forest, temperate coniferous forest, etc. There are 7 species of wild animals under national second-level protection and 18 species of wild animals under provincial protection in Zhejiang Province. Based on the assessment results, the Company reasonably planned the construction scheme to reduce the negative impact of the project on animals and plants, educated construction personnel on wildlife protection to enhance their environmental awareness, and strictly prohibited the killing of prey during construction.



### CASE

#### Xinyuan Company: Eco-friendly Practice of Distributed PV Project

Xinyuan Company always adheres to the principle of ecological priority in the construction of distributed PV projects. It gives priority to utilizing existing building roof resources such as industrial plants, commercial buildings, and residential houses, minimizing the disturbance to the natural ecology and strictly avoiding vegetation damage or green space occupation caused by project construction. In terms of technology application, low-reflectivity PV modules are selected to reduce the impact of light pollution. During the construction process, measures such as defining strict operation boundaries, using low-noise equipment, and arranging operation time reasonably are taken to effectively protect the surrounding ecological environment. At the same time, the classification management of construction waste is implemented to ensure environmental friendliness throughout the entire process.





## Practice Green Office

GCL ET actively practices the concept of green office, promotes energy conservation and emission reduction in office scenarios, and creates a low-carbon and efficient working environment.

### Resources conservation

Fully implement a paperless office, reuse printing paper, adopt electronic ledger management, and reduce the use of paper and other office consumables.

### Energy management

Strengthen employees' awareness of energy conservation, remind them to promptly turn off computers, monitors, and other office equipment to reduce standby energy consumption; promote the "lights off when people leave" initiative, strengthen the management of ever-burning lights, and reduce unnecessary energy consumption.

### Waste sorting and recycling

Promote and implement garbage classification management, advocate for the classified disposal of household waste in office areas, and facilitate effective resource recycling and utilization.

## Advocacy for Low-carbon and Environmental Protection

GCL ET has always attached great importance to the construction of a green and low-carbon culture, and has carried out multiple online and offline environmental protection activities to enhance employees' awareness and sense of responsibility for environmental protection, as well as to promote the development concept of energy conservation, environmental protection, green and low-carbon.

### "Earth Hour" Energy Conservation Advocacy, Small Actions to Protect our Home

On March 23, 2024, GCL SUN Household Company responded to the call for environmental protection and energy conservation by launching an online energy-saving advocacy campaign for the "Earth Hour" event. Through interactive forms such as setting up prizes, the Company invited the public to turn off their lights for one hour, taking practical action to support a green and low-carbon lifestyle.



### "World Earth Day" Online Event, Exploring the Future with PV "Carbon"

On April 22, 2024, World Earth Day, the Company conducted an online themed promotional activity, advocating for employees and the public to embrace the concept of "saving resources and protecting the environment". Adhering to the principle of prioritizing conservation, protection, and natural restoration, the Company fully taps into PV power generation resources, accelerates the development and utilization of PV power generation, and makes the low-carbon concept more deeply rooted in people's hearts.



### MBTI-type Energy Science Popularization Activity

In December 2024, the Company utilized the MBTI personality test format to launch the "Energy Project MBTI Personality Atlas" series of interactive content on the WeChat official account platform in an innovate manner. This series of content, through interactive personality tests, humorous comic interpretations, and other forms, brings the Company closer to the public, popularizing new energy technologies and characteristics, disseminating clean energy knowledge, and showcasing the Company's innovative vitality.





# 03

## Better Society, Harmonious Coexistence and Development

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Participate in Public Welfare and Charity	40





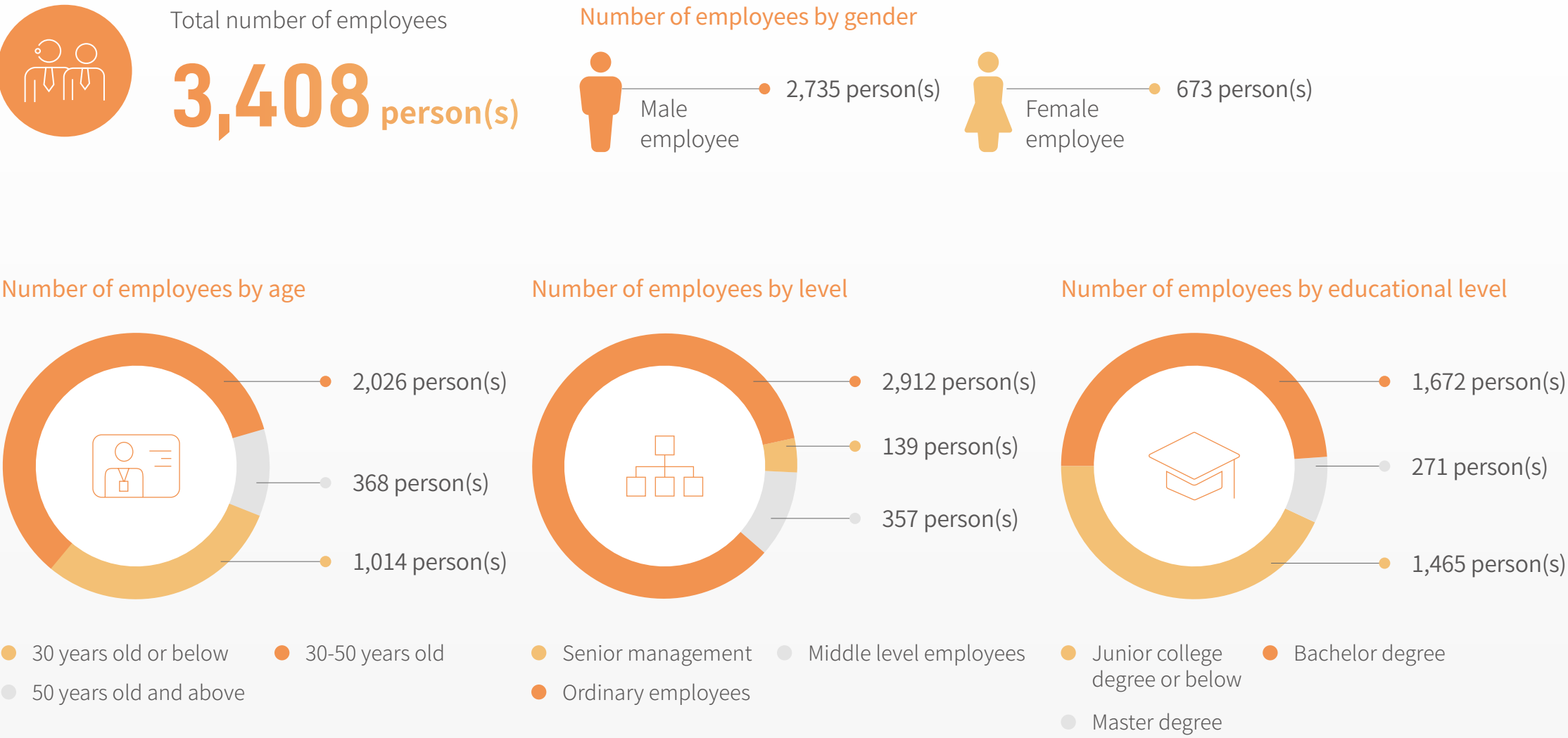
# Build a Vibrant Workplace

The development of the enterprise cannot be separated from the hard work of every employee. GCL ET upholds the "people-oriented" value, and is committed to creating an equal, open, and inclusive organizational environment by safeguarding employee rights, opening up career advancement channels, and caring for employees' physical and mental health, so that every employee can realize their self-worth here and grow together with the enterprise.

## Protection of Employees' Rights and Interests

### Compliance Employment

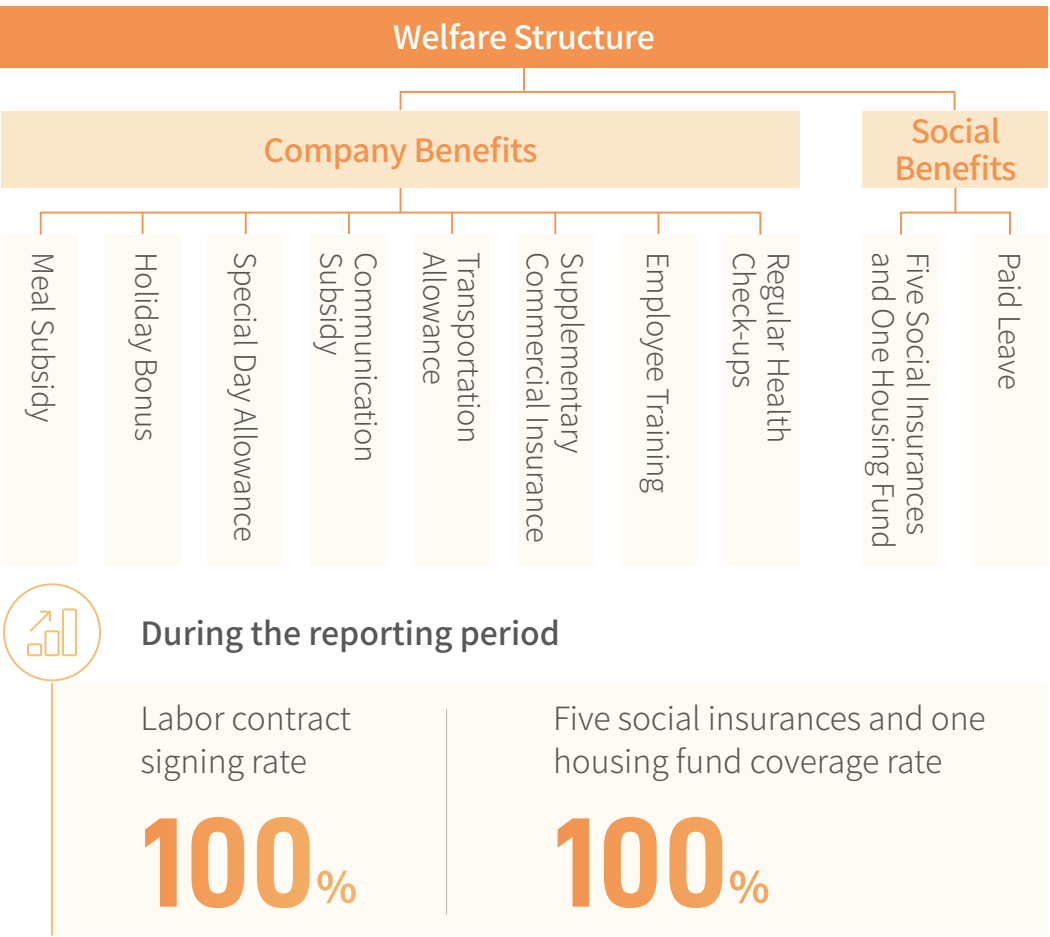
GCL ET adheres to relevant laws such as the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*, and has formulated documents such as the *Employee Handbook*, *Recruitment and Employment Management Standards*, and *Labor Contract Management Standards* to ensure the rationality and legality of employment. To foster a healthy and positive work environment, the Company prohibits the employment of child labor and any form of forced labor, and actively employs AI technology to assist in screening, avoiding discrimination based on factors such as gender, age, region, ethnicity, family status, marital status, religion, disability, sexual orientation, and social origin during recruitment and work processes. Additionally, the Company legally signs labor contracts with employees and archives and manages the signing status of these contracts to protect the legitimate rights and interests of employees from infringement.



### Compensation and Benefits

GCL ET adheres to the value concept of "grading based on ability and determining salary based on grade", and has established a scientific and flexible job-level salary system through the formulation of the *Compensation Management Standards*. The Company adopts a matrix compensation management model, establishing a multi-level job-level sequence vertically; and horizontally setting multiple salary ranges within each job level to ensure that employee abilities are matched with salaries. Combining both annual and monthly salary systems, the Company ensures that employee income levels are competitive in the market, dynamically adjusting employee salaries based on job changes, performance evaluations, legal regulations, market changes, and other factors. At the same time, in order to better attract, motivate, and retain employees, the Company links variable compensation to performance, combining short, medium, and long-term incentives, using bonuses, flexible performance pay, virtual equity, differentiated compensation, partnership program, and other methods to build a competitive incentive mechanism.

In accordance with the relevant regulations of the government departments of the country and the Company's location, the Company has formulated the *Welfare Management Standard* to ensure that employees enjoy statutory social welfare and are provided with additional benefits, thereby enhancing their sense of happiness and belonging.



### Democratic Communication

The Company follows the *GCL Basic Law* at the group level, establishes and improves the workers' congress system, and clarifies the specific methods and procedures for democratic participation of employees. To build harmonious labor relations, the Company establishes a trade union organization and facilitates a multi-dimensional communication channel system including employee symposiums, interviews, corporate WeChat, emails, and phone calls. At the same time, the Company attaches great importance to employee opinions and has established a corresponding feedback mechanism to ensure that employee demands are responded to and effectively handled in a timely manner. During the reporting period, the employee satisfaction rate reached 95%, and 10 labor dispute cases occurred.





Employee Training and Development

Talent Introduction

GCL ET is committed to promoting employment equality, establishing a Talent Operations Center, formulating talent recruitment plans based on actual needs, initiating recruitment requests, and attracting talents through a combination of internal and external channels after approval, ensuring efficient and orderly recruitment. Depending on the recruitment targets and characteristics, the Talent Operations Center selects different recruitment channels for recruitment. Adhering to the principles of fair competition and merit-based selection, the Company uses whether candidates possess job qualifications as the basic criterion, and comprehensively evaluates candidates' abilities through testing and graded interviews.

Recruitment Channels

- External
- Internal
- Company portal website, online media and print media, job fairs, campus recruitment, internal referrals, headhunting, new media (such as WeChat and Weibo) recruitment, etc.
  - Internal competition, internal recommendation



During the reporting period

New employees

Campus recruitment and social recruitment

1,230 person(s)

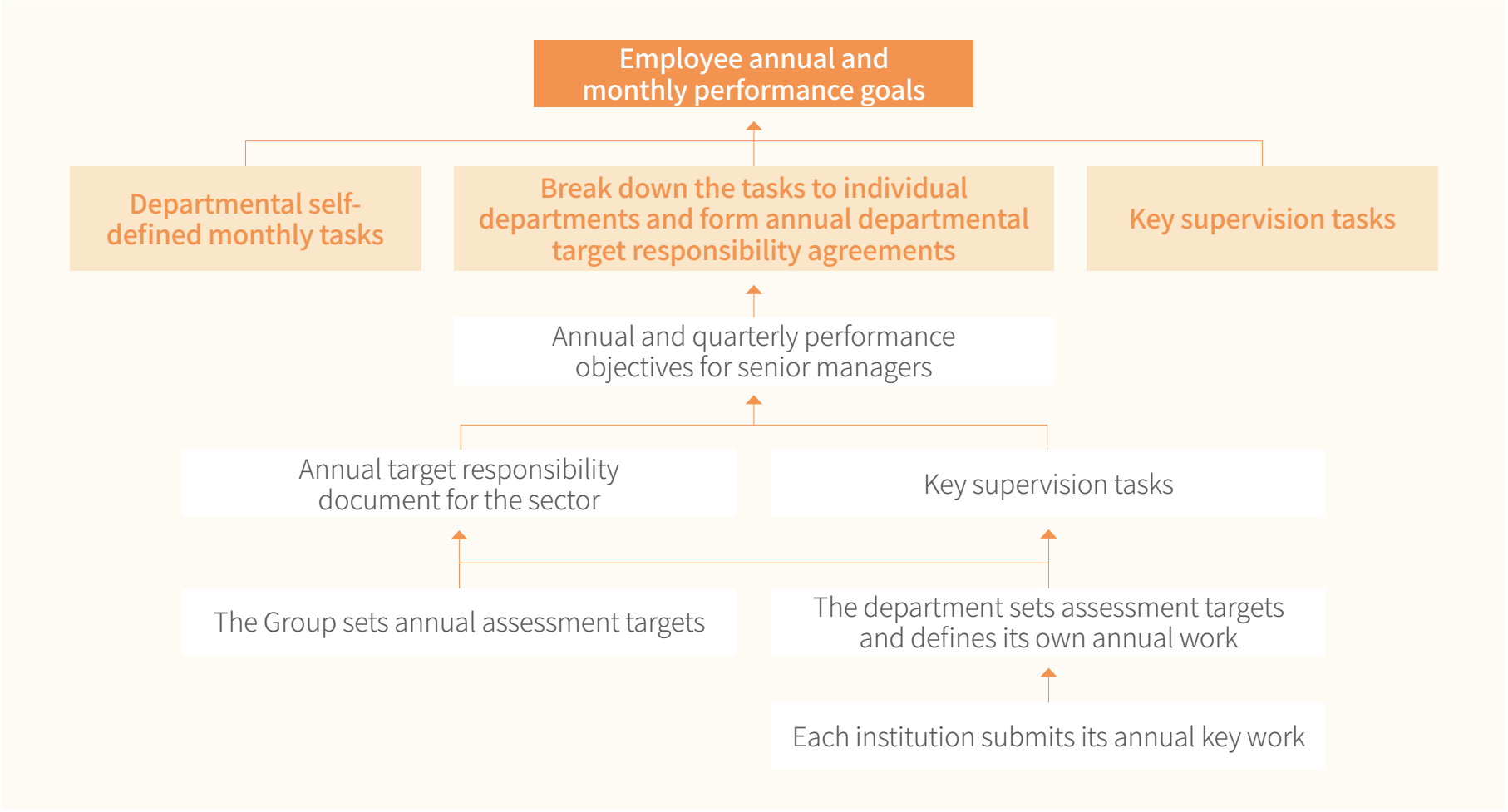
968 person(s)

Assessment and Promotion

GCL ET attaches great importance to employee career development. By formulating institutional documents such as the *Position Promotion and Demotion Management Standard* and the *Internal Competition Management Standard*, it has established a systematic and transparent career development system. Based on the nature of positions and job responsibilities, the Company divides job positions into four categories (management, technical, operational, support), and scientifically sets position grades taking into account relevant differences. Meanwhile, employees can achieve position promotion and salary adjustment annually based on their professional technical ability level, tenure, and performance evaluation results. In addition, the Company has established an internal recruitment mechanism that supports flexible employee mobility within the enterprise, across enterprises, or across sectors through competition or recommendation. During the reporting period, 95 people participated in promotion reviews, with a pass rate of 57.9%; 114 people participated in peer-level reviews, with a pass rate of 84.2%.

The Company has established a comprehensive performance management system, formulating the *Employee Attendance Management Standard* and the *Performance Appraisal Management Standard*, which are implemented under the coordination of the Performance Appraisal Committee. Through a top-down goal decomposition mechanism, the Company cascades its strategic objectives to the management, departments, and individual employees, and systematically evaluates their annual and monthly work performance and overall performance. Based on the performance evaluation results, the Company implements tiered management: rewarding high-performing employees with salary adjustments, and taking measures such as salary reductions or job adjustments for underperforming employees. At the same time, the Company has established a clear incentive mechanism for rewards and punishments, rewarding outstanding employees with bonuses and special awards, and punishing those who violate company rules and regulations or harm company interests according to the severity of the situation.

Logical Relationship of Performance Appraisal



Training Empowerment

GCL ET has formulated documents such as the *Employee Training Management Standards (Trial)*, *Talent Pipeline Construction Management Standards*, and *Implementation Rules for Open Competition and Selection of Reserve Talent*, establishing a comprehensive training system to provide talent support for the development of various sectors. At the same time, the Company actively carries out diversified training activities, including human resources line training, electricity spot trading training, and integrated energy services business knowledge training, to comprehensively enhance the professional abilities of employees. In addition, we deepen cooperation between schools and enterprises to achieve mutual empowerment, providing strong support for employees' continuing education.

During the reporting period

Completed the application and cultivation work for the 2024 equivalent master's degree program at Nanjing Normal University, and has now officially enrolled

7 person(s)

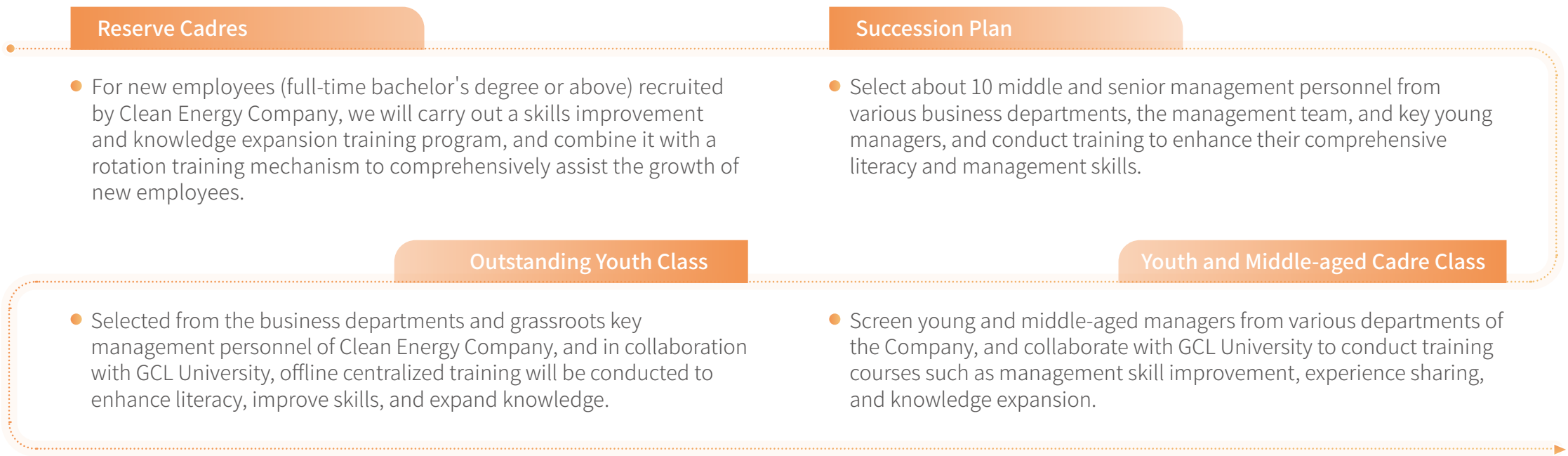






To meet the diverse needs for management talent, GCL ET has established a cadre training system and formulated a scientific talent echelon development plan. A rotation training program is implemented for newly recruited employees, systematically cultivating their overall vision and professional abilities through cross-departmental practical exercises, and reserving backup forces for management positions. At the same time, for on-the-job management personnel, the Company designs differentiated ability improvement projects, carries out training activities covering grassroots managers, middle managers, and senior executives, and forms a complete talent development chain. During the reporting period, the Youth and Middle-aged Cadre Class completed the second phase of training, with a graduation rate of 79.2%; the Outstanding Youth Class, management trainees, and reserve cadres completed the fourth phase of training, with a total of 49 graduates and a graduation rate of 87.3%.

### Talent Echelon Construction Plan



**Actively promoting the strategy of rejuvenating the cadre ranks**

The Company actively pursues a strategy of rejuvenating its cadre, emphasizing the assessment and training of young cadres to ensure they can quickly adapt to job requirements. At the same time, the Company has carefully crafted the "90-Day Turnaround" training program to comprehensively enhance management efficiency. During the reporting period, a total of 25 young cadres were promoted to core positions, with an average age of 38; 31 newly promoted cadres completed the turnaround training, with 20 hours of training sessions, and 29 case analysis reports were produced, and the *Case Study Collection on Training and Development for Newly Promoted Cadres* was compiled.

**Annual Management Trainee Forum: Exploring the AI Workplace and Sharing New Career Paths**

CASE

In order to further strengthen the construction of the Company's management trainees team, the Company has launched the "GCL ET Management Trainees Annual Symposium", encouraging management trainees to raise questions and suggestions for improvement, while the Human Resources Department and mentors provide assistance and solutions. This symposium promotes communication and learning among management trainees, enhances their organizational cohesion and innovation awareness, and jointly plans a more clear and efficient career development path.

**Focusing on the Business Logic of Integrated Energy - Full Coverage of the Third Phase of Mandatory Training for All Employees**

CASE

The GCL ET Mandatory Training, and the Third-phase Thematic Learning Activity, themed "Business Promotion and Implementation of Shengneng Company", was held in the Phase I Conference Hall of the Energy Center. By clarifying key competency requirements and providing a systematic learning path and practical guidance, it is expected that every employee can quickly find their niche, leverage their strengths, and enhance their abilities on the GCL ET platform.

During the reporting period, the Human Resources Department of GCL ET focused on three major themes: "Culture and Strategy", "Risk Compliance", and "Integrated Energy Business". They organized a total of four mandatory training sessions for all employees, covering over 10,000 persons.





# Create a Warm Atmosphere

## Care for the Well-being of Employees

Relying on the labor union, GCL ET has established and improved a comprehensive employee care system. The Company implements relevant national regulations, provides care for employees in high temperatures, and regularly conducts activities such as "Summer Coolness Campaign" to express sympathy. At the same time, the Company attaches great importance to the construction of employee mental health, and has specially set up a psychological counseling room and a stress relief room, equipped with professional psychological counselors, to provide regular psychological counseling services for employees, effectively alleviate their psychological pressure, improve their work and life conditions, and strive to create a safe, healthy, and warm working environment.



In January 2024, the Labor Union of GCL Smart Energy and the Labor Union of Suzhou Blue Sky were selected as the

**"Most Beautiful Workers' Home in the Power Industry for 2023"**

by the *Electricity & Culture Today* magazine of the China Electricity Council

Suzhou Federation of Trade Unions, GCL Group Trade Union, and GCL ET Trade Union Jointly Condolence Frontline Employees

CASE

In August 2024, a fourth-level researcher from the Suzhou Federation of Trade Unions, the Vice Chairman of the GCL Group's Trade Union, and the Vice Chairman of the GCL ET Trade Union visited the production site of Suzhou Blue Sky to extend cordial greetings to the frontline employees who had been working tirelessly to combat the high temperatures and contribute to regional energy supply during the summer peak season.



GCL ET helps employees enhance their family education capabilities by regularly organizing parenting knowledge lectures, parent-child interactive activities, and more. For many years, the Company has been operating an internal summer children daycare service center, providing professional care services for employees' children and effectively addressing the concerns of working parents. During the reporting period, the Company's application for the *"GCL Baby · Energy Journey" Parent-Child Communication Platform, Energy Knowledge Repository, and Love Transmission Window* was selected as a key innovative case of work in the power industry trade union for 2024.

Conducting a training session themed "Guide to Settling Back into the Routine after a Happy Holiday"

CASE

On August 23, 2024, the "GCL Energy Technology Micro Forum" jointly organized by the labor union of GCL Smart Energy and the administrative department of GCL ET held a training session themed "Guide to Settling Back into the Routine after a Happy Holiday". The Company invited educational psychology experts from Suzhou New Oriental Family Education Guidance Center to provide on-site instruction, offering suggestions for young employees with primary and secondary school-aged children to help them overcome the "back-to-school syndrome" and smoothly transition into the new semester.

"GCL Baby · Energy Journey" Themed Activity

On June 1, 2024, the seventh "GCL Baby · Energy Journey" Themed Activity was successfully held at Suzhou GCL Photovoltaic Technology Co., Ltd. 24 employee families entered the modern factory area and gained a deep understanding of the intelligent production process and innovative processes of silicon wafer products through professional explanations and on-site visits. During the activity, accompanied by their parents, the children personally experienced the Company's outstanding contributions to promoting the global energy revolution and leading green and low-carbon development. They not only gained new knowledge about new energy but also enjoyed unforgettable parent-child moments through interactive experiences.



"GCL Dream, Family Together" - the Company Organizes Family Day Activities for Employees

In October 2024, the Company organized the first batch of Family Day activities. 58 employees and their families from the Jiangsu and Zhejiang regions traveled to Ningbo together, while 10 families from the western region joined hands to visit Dunhuang and Jiayuguan. As a unique welfare program of the Company, the Family Day activities effectively enhanced employees' sense of belonging and cohesion, and also allowed family members to better understand GCL's corporate culture.





## Protect Women's Rights and Interests

GCL ET places great emphasis on the protection of female employees' rights and interests, strictly adhering to the *Special Provisions on Labor Protection for Female Employees*. In the *Employee Leave Management Standard*, it sets up exclusive holidays such as maternity leave, nursing leave, and parental leave. To create a warm and comfortable working environment, the Company has specially established fully equipped mother and baby rooms, and annually optimizes and upgrades the female health examination program, adding new female-specific physical examination content. Meanwhile, the Company plans and organizes a series of activities for "International Women's Day", launching various handicraft experience courses and female health seminars to enrich the spiritual and cultural life of female employees.

Comprehensive Energy Company organizes activities for International Women's Day

CASE

On March 8, 2024, to celebrate the arrival of Women's Day, various regions of the Company organized a variety of activities. The female employees in the Suzhou region conducted baking activities; those in the southern region held an activity themed around "mindfulness meditation"; and the female employees in the western region engaged in jewelry making activities.



## Diverse Cultural and Sports Activities

GCL ET attaches great importance to the comprehensive development and physical and mental health of its employees. Every year, through democratic voting among employees, it organizes diversified interest clubs such as swimming, rock climbing, tennis, painting, cooking, and tea art, and offers nearly 10 special interest classes to cater to different employees' hobbies and interests. These clubs have achieved excellent results in various provincial and municipal competitions, winning multiple honors such as champion, third place, and top 8, demonstrating the employees' outstanding style and fighting spirit, and enhancing team cohesion and cooperation.



GCL Team Wins the Champion of "Suzhou East Railway Station Cup" Badminton Invitational Tournament

CASE

On July 6, 2024, the "Suzhou East Railway Station Cup" Wusongwan Future City Badminton Invitational officially kicked off. The GCL ET Labor Union Badminton Team, in collaboration with badminton members from various industrial sectors of the GCL Group, formed the GCL representative team to participate in the competition. During the competition, the GCL representative team performed exceptionally well, relying on their solid competitive skills and excellent teamwork, ultimately clinching the champion. This achievement reflects the sports literacy and teamwork abilities of GCL employees, and also demonstrates the Company's emphasis on employee cultural and sports life, as well as the effectiveness of actively cultivating team cohesion.





# Occupational Health and Safety

GCL ET adheres to the EHS management philosophy of "safety as the foundation, efficiency as the core, and environmental protection as a priority", fully promotes the work goal of "zero harm, zero accident, and zero pollution", continuously improves the occupational health and safety management system, builds a scientific and standardized long-term mechanism for safe production, effectively enhances the inherent safety level of the enterprise, and provides a solid safety guarantee for the high-quality development of the Company.

## Safety Management System

Adhering to the safety production policy of "safety first, prevention foremost, and comprehensive management", GCL ET complies with relevant laws and regulations such as the *Work Safety Law of the People's Republic of China* and the *Emergency Response Law of the People's Republic of China*. It has established systems such as the *Safety Production Responsibility Management Standard*, *Hazardous Operations Management Standard*, and *Safety Risk Classification Control and Risk Reporting Management Standard* to ensure the effective operation of the safety management system. The Company has established a safety production responsibility mechanism that emphasizes "responsibility at all levels, responsibility for everyone, and each person taking their own responsibility". It has set up the EHS Management Committee (Safety Committee) as the highest decision-making body for safety management, established a safety management system, and supervised, inspected, and guided its implementation. The Safety Committee has an office responsible for daily affairs management, resolution implementation, and work reporting. At the same time, the Company clarifies the main body of safety production, defines the job responsibilities of each department in accordance with the requirements of "three managements and three musts" and "one must and five in-place", and establishes a guarantee and supervision system to ensure the implementation of policies and regulations and strengthen safety production management.

Based on strategic planning and budget management, the Company formulates annual safety production and operation goals, and assigns task objectives to departments and individuals. At the same time, based on the principle of "whoever is in charge is responsible", responsible persons at all levels sign the *Safety Production Target Responsibility Agreement*, promoting the implementation of the safety production responsibility system for each position and laying a good foundation for safety production. In addition, the Company continuously optimizes the assessment and evaluation mechanism, linking safety production performance with employee performance evaluation, rewards and punishments, and implementing the "one-vote veto" system for safety production, forming an incentive and restraint system of "rewarding the good and punishing the bad, with equal rights and responsibilities". In the event of a safety accident, the accident will be reported, investigated, and archived in strict accordance with relevant regulations to ensure timely and effective handling. In 2024, the Company and its subsidiaries did not experience any general or above personal injury accidents, safety accidents, or safety incidents caused by the Company's own responsibilities, nor did they receive administrative penalties from relevant national departments for violations of safety production laws and regulations.

GCL ET has conscientiously organized and carried out safety production standardization certification. Its subsidiaries, including Wuxi Lantian, Suzhou Blue Sky, Nanjing Gas Turbine, Guangzhou Lantian, and Zhongshan Gas Turbine, have been certified as Level 1 safety production standardization enterprises. Additionally, several units, such as wind power enterprises, have been certified as Level 2 enterprises.

### Occupational Health and Safety Management System Certification



Xuzhou GCL Environmental Protection Energy Co., Ltd.



Xuzhou Xinshengrun Environmental Protection Energy Co., Ltd.



Funing GCL Renewable Energy Power Generation Co., Ltd.



During the reporting period			
Investment in safety production	Work safety accidents	Number of deaths due to work-related accidents	Number of lost workdays due to work-related injury
171,962,000 yuan	0	0	0 days

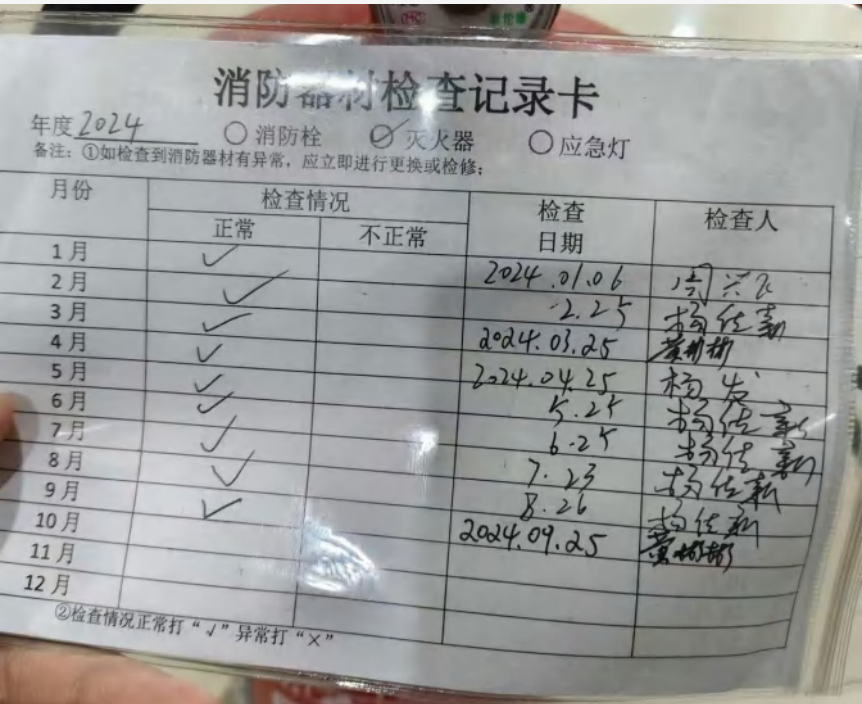
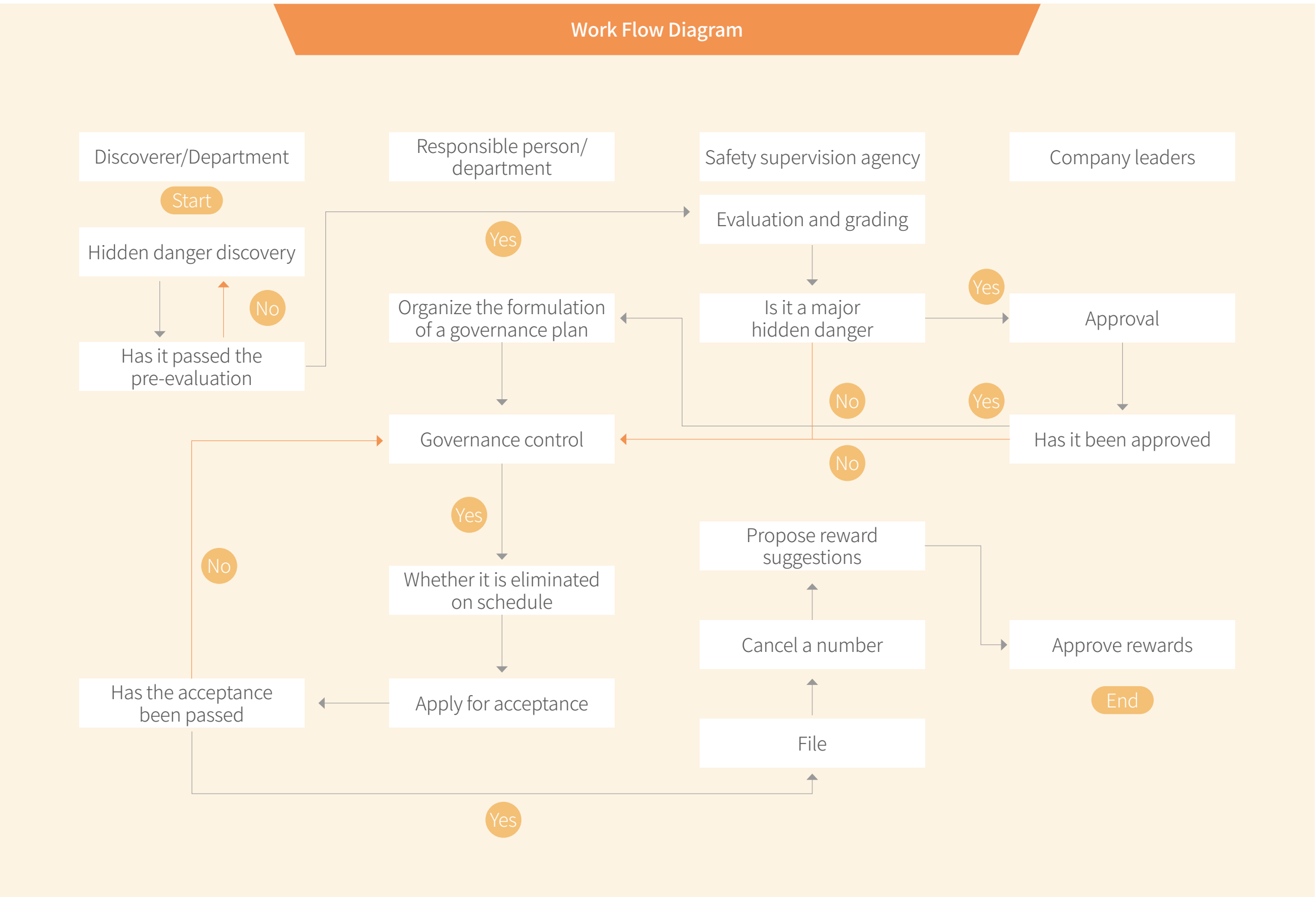


## Safety Hazard Investigation

GCL ET adheres to the requirements of regulations such as the *Regulations on Emergency Response to Production Safety Accidents* and the *Interim Provisions on the Inspection and Management of Production Safety Accident Hazards*, formulates the *Management Standard for Hazard Inspection and Remediation*, establishes a hazard inspection and management team, and forms a governance process of "inspection - assessment - reporting - governance - acceptance - cancellation", creating an efficient hazard inspection and management system.

The Company categorizes hidden dangers into three major types: production site-related, basic management-related, and environmental pollution accident-related hazards, based on their causes and accident types. These are further divided into two levels according to the degree of harm: major accident hazards and general hazards. In conjunction with the implementation of risk classification and control measures, the Company regularly conducts daily patrols, weekly inspections, and monthly checks, and organizes targeted special inspections, seasonal investigations, holiday inspections, and accident analogy investigations. To ensure closed-loop management of hidden danger governance, the Company establishes a hidden danger management ledger, implements dynamic management with checklists, and formulates scientific and effective remediation plans for each identified hazard. These plans specify the responsible department for rectification, financial support, specific measures, and completion deadlines to ensure that hidden dangers are rectified and implemented in place.

To enhance the effectiveness of hidden danger investigation and governance, the Company has incorporated hidden danger investigation and governance into the performance appraisal system for all employees. Among them, the Company will reward or commend exemplary individuals who promptly discover, truthfully report, and effectively eliminate hidden dangers; and impose corresponding penalties on personnel who conceal hidden dangers or fail to conduct thorough investigation and management, depending on the severity of the situation. At the same time, the Company rigorously stipulates that all departments must promptly handle accident hazards reported by employees. For responsible departments that fail to rectify, report, or respond, a notice of criticism and economic penalties will be imposed according to the severity of the situation.



Monthly inspection of fire extinguishers at Leishan Wind Power



Lianyungang GCL Biomass Power Generation Co., Ltd. conducts on-site inspections



During the reporting period

Number of safety hazard investigations

1,815

Safety hazard rectification rate

100%

Number of participants in safety hazard investigation and assessment

404





Safety Emergency Drill

GCL ET has formulated the *Emergency Management Standards for Contingencies*, established a comprehensive emergency early warning mechanism, and conducted real-time monitoring and rapid response to emergencies. To ensure efficient and orderly emergency response work, the Company has set up an emergency command department as the highest leadership body for emergency management, which unifies the command and coordination of emergency response work. Depending on the nature of the incident, the emergency command department comprises professional working groups such as the communication liaison group, emergency rescue group, and alert evacuation group. Additionally, it integrates professional forces such as industry experts, technical experts, and firefighters to form an on-site emergency response team.

Based on real-time monitoring and early warning information, the emergency command department has established a scientific graded early warning mechanism. This mechanism comprehensively considers key factors such as the nature of the emergency, the degree of harm, controllability, and the scope of impact, accurately dividing the early warning levels into four categories to achieve dynamic risk assessment and classified control. The Company regularly organizes comprehensive emergency plan drills, special emergency plan drills, and on-site disposal plan drills, continuously strengthening the construction of emergency response capabilities, and regularly conducts emergency capability assessments to ensure that the emergency response mechanisms at all levels remain in an efficient operating state.

Xuzhou Xinshengrun Conducted an On-site Disposal Drill for a Plant Power Interruption Accident

CASE

On August 27, 2024, Xuzhou Xinshengrun Environmental Protection Energy Co., Ltd. conducted an on-site disposal drill for an auxiliary power interruption accident. This drill was designed in consideration of the characteristics of the comprehensive water pump room distribution room with multiple power users, strengthening the employees' emergency response capabilities in dealing with the loss of auxiliary power. At the same time, it also tested the scientificity, practicality, and operability of the Company's emergency plan.



Practice site

Yongcheng GCL Recycling Energy Conducted a Burn Accident On-site Disposal Drill

CASE

On April 26, 2024, Yongcheng GCL Recycling Energy Power Co., Ltd. conducted a burn accident on-site disposal drill. This drill simulated a sudden situation where ammonia water splashed into the eyes of a laboratory technician who was not wearing goggles during the testing process. This emergency drill enhanced the safety awareness of relevant personnel regarding burn accidents, improved their self-protection awareness, and strengthened their ability to organize first aid.



During the reporting period

Total duration of safety emergency drills

1,060.5 hours

Number of participants in safety emergency drills

8,230

Safety Culture Construction

GCL ET has formulated and implemented the *Safety Education and Training Management Standard*, establishing a layered and categorized safety training system. Based on the characteristics of different positions, the Company has developed differentiated training plans and implemented precise safety education and training projects to ensure training quality. Meanwhile, for outsourcing personnel, the Company has set strict access conditions. Construction personnel must pass the "three-level safety education" assessment and complete training content such as accident cases, safety signs, and red line scope before taking up their posts. In addition, the Company actively carries out activities such as Safety Month, "anti-three violations" special topics, and safety warning education days, systematically promoting the construction of safety culture, comprehensively improving employee safety literacy, and building a solid ideological defense and quality guarantee for the safe production of the enterprise.



Kunshan Lantian conducts safety and compliance training



Suzhou Northern Gas Turbine organizes practical operation of cardiac resuscitation



Ganyu Thermal Power held a research and inspection report on safety, health, and environmental work



Funing County Human Resources and Social Security Bureau conducts work-related injury prevention training at Funing GCL Renewable Energy

Wuxi Lantian held the 6th Safety Knowledge Competition

CASE

On June 25, 2024, Wuxi Lantian Gas Turbine Cogeneration Co., Ltd. organized the 6th Safety Knowledge Competition. This safety knowledge competition was a team competition, with a total of 4 teams and 8 contestants participating. Centered around the theme of "Everyone Talks about Safety, Everyone Knows How to Respond to Emergencies - Keep the Life Channel Open", the safety knowledge competition was divided into four sections: basic safety knowledge quiz, hidden danger identification, emergency response in accident scenarios, and audience quick answer. Scenario questions such as fire handling, fire escape, and first aid for electric shock were innovatively added, which not only increased the difficulty of the competition but also enriched its fun factor.



During the reporting period

Total duration of safety production training

2,043 hours

Number of safety production training sessions

1,612

Number of participants in safety production training

37,565





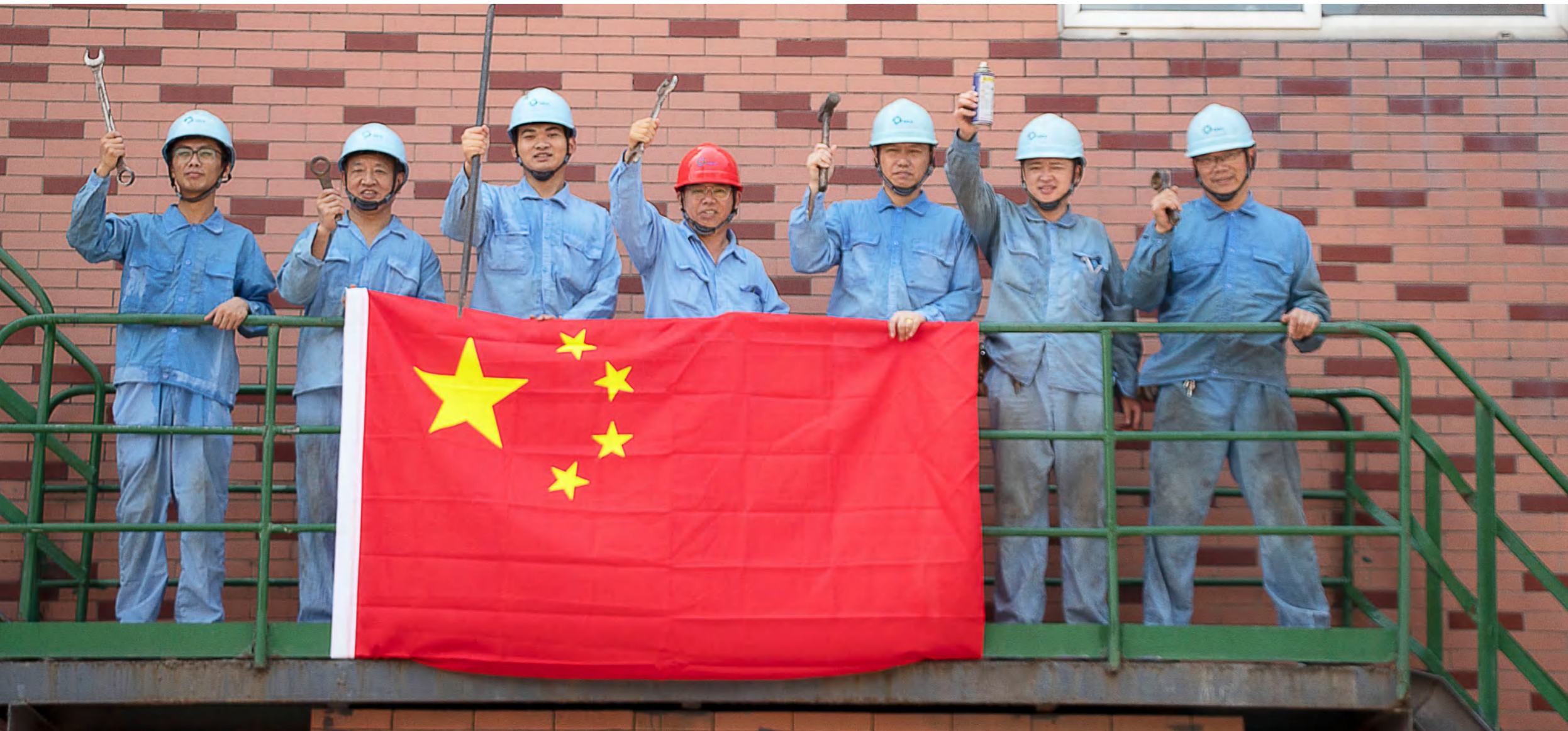
## Occupational Health Management

GCL ET strictly adheres to the requirements of regulations such as the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and the *Interim Provisions on Occupational Health Supervision and Administration in Workplaces*, formulates the *Occupational Health Management Standard*, standardizes the entire process of occupational health management, and builds a comprehensive occupational health protection system. The Company has established an Occupational Health Leadership Group to coordinate the formulation of occupational health and safety inspection plans and implementation schemes, continuously strengthening the effectiveness of occupational disease hazard prevention and control work.

To clarify the types of hazards present in various positions, the Company has engaged a professional testing agency to conduct testing and evaluation of dust, noise, and other hazardous factors in the workplace, and faithfully record the test results in the *Occupational Hazard Factors Notification*. This notification clearly lists the occupational hazard factors present in various positions and their potential health impacts, and is legally disclosed when signing labor contracts with employees. At the same time, corresponding protective measures and operating specifications are formulated for different hazardous factors.

### Occupational Hazard Factors

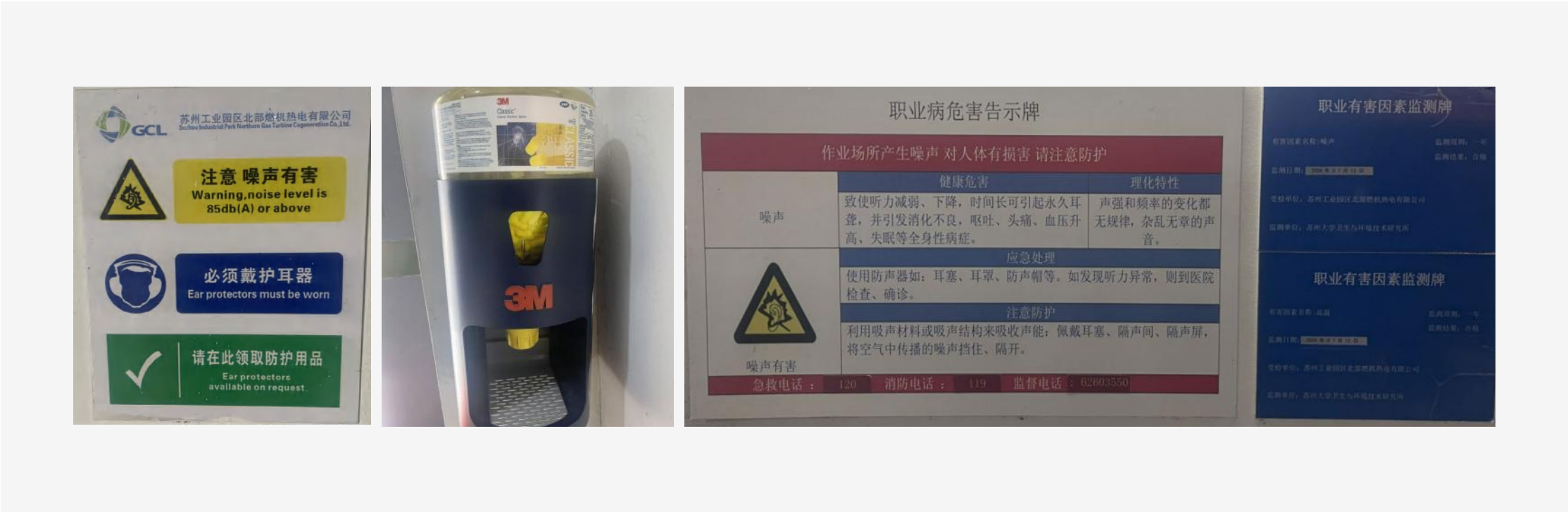
Position	Occupational hazards	Possible occupational diseases	Occupational disease prevention measures
Boiler specialization	Coal dust, dust, noise, high temperature	Pneumoconiosis, noise-induced deafness, heatstroke	Dust masks, earplugs, and heatstroke prevention medicine
Steam turbine specialization	Noise, high temperature	Noise-induced deafness, heatstroke	Earplugs, heatstroke prevention medicine
Electrical specialization	Power frequency, electric field	Nervous system disorders, memory loss	Insulated shoes, insulated gloves, and protective clothing
Chemical water specialization	Acid, alkali	Chemical eye burns, chemical skin burns	Wear goggles and rubber gloves
Sinochem specialization	Coal dust	Pneumoconiosis	Dust mask



To better address occupational health risks, the Company has implemented automation transformation, utilizing the DCS centralized control system and industrial television monitoring technology to enable remote operation, significantly reducing the probability of operators being exposed to occupational hazard factors. At the same time, the Company has set up standardized warning signs, protective fences, insulating mats, and other safety facilities in the workplace, and equipped operators with five-point safety belts, long-tube respirators, and other protective equipment that meets standards. A protective system combining engineering control and individual protection has been established, effectively ensuring the occupational health and safety of employees.

In addition, the Company attaches great importance to employee occupational health management. By regularly organizing occupational health examinations, improving the informatization construction of the *Occupational Health Monitoring Archives*, and establishing scientific and standardized health risk classification archives, the Company effectively safeguards the occupational health rights and interests of its employees.

In terms of occupational health culture construction, the Company has established a multi-level occupational health education and training system. Training is conducted through various forms such as classroom teaching, video learning, on-site guidance, superior training, and expert lectures, covering occupational health regulations, professional knowledge, operating procedures, as well as the correct use and maintenance of protective equipment and personal protective equipment. The Company actively carries out diversified occupational health promotional activities, regularly promoting through bulletin boards, blackboard newspapers, factory newspapers, meetings, and slogan posting. The production department and work teams utilize pre-shift and post-shift meetings, safety briefings, on-site explanations, and other channels to strengthen employees' awareness of occupational health protection and create a good atmosphere for safe production.





# Participate in Public Welfare and Charity

GCL ET actively responds to the national call, adheres to the concept of "originating from society, serving society, and giving back to society", and while promoting high-quality development of the enterprise, actively undertakes social responsibility and deeply participates in public welfare undertakings. The Company contributes to rural revitalization through practical actions, promotes sustainable development, empowers social progress with technology, conveys responsibility and commitment with warmth and strength, and fulfills the mission of corporate citizenship.

## Activities for Public Welfare

GCL ET actively fulfills its social responsibilities, carries out various public welfare activities, pays attention to social needs, and continuously expands the depth and breadth of public welfare undertakings. By continuously promoting the diversified development of public welfare undertakings, it promotes the core values of socialism and conveys the warmth and responsibility of the enterprise.



Believe in the Power of Light, Journey of Discovering New Energy - GCL SUN knowledge science popularization activity enters Xinghua School, with GCL public welfare team assisting Jinzhai students

CASE

In September 2024, GCL SUN Household Company partnered with Suzhou Industrial Park Xinghua School (West Branch) to organize a knowledge science popularization event titled "Believe in the Power of Light, Journey of Discovering New Energy". The event aimed to popularize PV power generation knowledge among primary school students through lively and engaging courses and interactive Q&A sessions, thereby stimulating their interest and exploratory spirit towards new energy. Through intuitive explanations of solar energy applications and fun questions, students learned scientific knowledge in a relaxed and enjoyable atmosphere, enhancing their environmental awareness. This event sparked students' curiosity, imagination, and desire to explore, laying a foundation for cultivating their scientific literacy and exploratory spirit, and contributing to the construction of a powerful technological nation.



GCL SUN of GCL ET Collaborates with Jinji Lake Sub-district to Promote the Protection of Minors

CASE

In May 2024, the "Children's Voices Convey Love · Minor Protection Awareness Fun Festival" Children's Day event, supported by GCL SUN Household Company, was successfully held in Jinji Lake Sub-district in Suzhou Industrial Park. Through in-kind sponsorship and on-site interaction, the Company encouraged children to learn about self-protection knowledge and experienced care and responsibility in the public welfare market. Corporate representatives shared green energy and environmental protection concepts at the event, hoping to convey love and responsibility through practical actions and create a safer, healthier, and hopeful growth environment for children.



## Carry Out Volunteer Service

In 2024, the Company's Party committee deepened the "I Serve the People" practical activity, organizing Party members to actively participate in social welfare. Throughout the year, volunteer services were carried out 34 times, covering various fields such as tree planting for environmental protection, garbage classification promotion, and consoling families in difficulty during traditional festivals. This fully demonstrated the exemplary role of Party members and fulfilled corporate social responsibility. Through volunteer activities, the Company's Party members established closer ties with the public, enhanced party-masses interaction, improved the Company's social influence, and simultaneously contributed to the achievement of the Company's ESG management goals.

GCL Public Welfare Team Helps Jinzhai Students

CASE

On November 29, 2024, the 8th "Hand in Hand · Heart Connected with GCL" Charity Education Assistance event officially kicked off. Peng Yi, Senior Vice President and Chairman of the Trade Union of GCL ET, led a team to Jinzhai County, Lu'an City, Anhui Province, to donate teaching, office, and living supplies to the primary school department and Lenin Primary School affiliated to Jinzhai Sihe Experimental School. On behalf of the Company's vast number of employees, he extended his best wishes to the teachers and students of the two schools. After the donation activity, the GCL public welfare team visited the former site of Lenin Primary School and the exhibition hall, fully experiencing the red culture and revolutionary spirit of Jinzhai County.



<sup>5</sup> GCL ET actively responds to the rural revitalization strategy by investing in and constructing distributed PV projects in rural areas, effectively promoting farmers' income increase and driving green and low-carbon development in rural areas. This data includes the amount invested by the Company in PV projects in rural areas.



# 04

## Stable Operation, Laying a Solid Foundation for Governance

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# Strengthen Corporate Governance

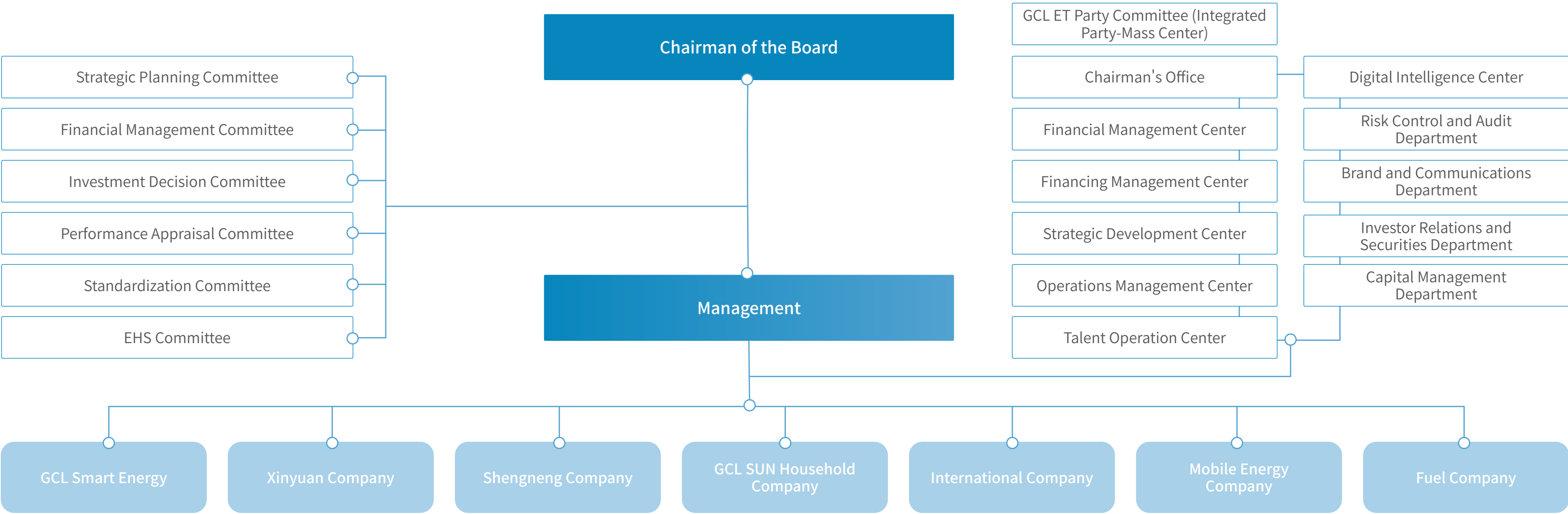
GCL ET prioritizes improving its corporate governance system, a vital foundation for enhancing management and driving sustainable development. The Company strictly complies with relevant laws and regulations, optimizes its governance structure, and ensures scientific and efficient decision-making. At the same time, the Company builds a robust governance framework, clarifies the rights and responsibilities of each governance body, actively engages with all parties, safeguards the interests of all parties, and ensures the standardized operation and steady development of the Company.

## Corporate Governance System

### Organizational Structure

GCL ET has always been committed to improving its corporate governance system, viewing it as a crucial foundation for enhancing management levels and promoting sustainable development. It continuously optimizes its governance structure and internal control system. The Company strictly adheres to laws and regulations such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, and the *Shenzhen Stock Exchange Listing Rules*, as well as relevant regulations of the China Securities Regulatory Commission. It has established a comprehensive governance system and management framework to ensure that the governance mechanism operates in a scientific, standardized, and efficient manner.

GCL ET has established a governance system where the General Meeting of Shareholders serves as the highest authority, the Board of Directors as the decision-making center, the Board of Supervisors as the supervisory body, and the management as the executive body. It has also set up the Strategic Planning Committee, Financial Management Committee, and Investment Decision Committee to optimize the decision-making mechanism and enhance governance efficiency. The Company boasts a comprehensive business system and possesses independent operational capabilities. It is completely separated from its controlling shareholders in terms of personnel, assets, institutions, and finances, with governance institutions operating independently. The controlling shareholders exercise their rights in accordance with the law, regulate their own behavior, and do not interfere with the Company's decision-making and operations, ensuring orderly and standardized governance.



The Company strictly adheres to the *Articles of Association*, *Rules of Shareholders' General Meetings of Listed Companies*, and *Rules of Procedure for the Shareholders' General Meeting of GCL Energy Technology Co., Ltd.*, regulating the convening, holding, and voting procedures of the General Meeting of Shareholders, the Board of Directors, and the Board of Supervisors, ensuring the orderly operation of the governance system, and enhancing the quality of decision-making.

During the reporting period

General Meeting of Shareholders

7 items

Number of proposals deliberated by the General Meeting of Shareholders

22 items

Board of Directors

12 items

Number of proposals deliberated by the Board of Directors

41 items



Board Composition

GCL ET has comprehensively improved the internal system of listed companies. In accordance with regulatory requirements, it has revised and improved the *Articles of Association*, *Independent Director System*, *Rules of Procedure of the Board of Supervisors*, *Auditor Appointment System*, and other relevant management systems. It has standardized the appointment, assessment, and dismissal processes of directors, supervisors, and senior management personnel, ensuring clear responsibilities of the "Shareholders Meeting, the Board of Directors, the Board of Supervisors, and the Management Team", defining the rights and obligations of the Company and shareholders, and guaranteeing that the board of directors and the board of supervisors play their due roles in major decision-making and operation management.

The Company strictly follows the procedures stipulated in the *Articles of Association* to elect directors, who are elected or replaced by the General Meeting of Shareholders and may be removed from office before the expiration of their term. The term of office for directors is 3 years, and directors may be re-elected and re-appointed. Currently, the Board of Directors consists of 9 directors, of which 3 independent directors, including 1 accounting professional independent director and 2 industry professional independent directors. The proportion of independent directors exceeds one-third, which meets the requirements of relevant laws and regulations as well as the *Articles of Association*. All directors perform their duties in accordance with the *Self-Regulatory Guidelines No. 1 for Companies Listed on Shenzhen Stock Exchange—Standardized Operation of Main Board Listed Companies*, the *Rules of Procedure of the Board of Directors*, the *Independent Director Work System*, and other systems, implement the resolutions of the General Meeting of Shareholders, are diligent and responsible, and actively participate in training to ensure the sustained and healthy development of the Company.

Index	Unit	2024
Number of Board of Directors	person	9
Committee meetings under the Board of Directors	times	14
Number of independent directors	person	3
Ratio of independent directors	%	33

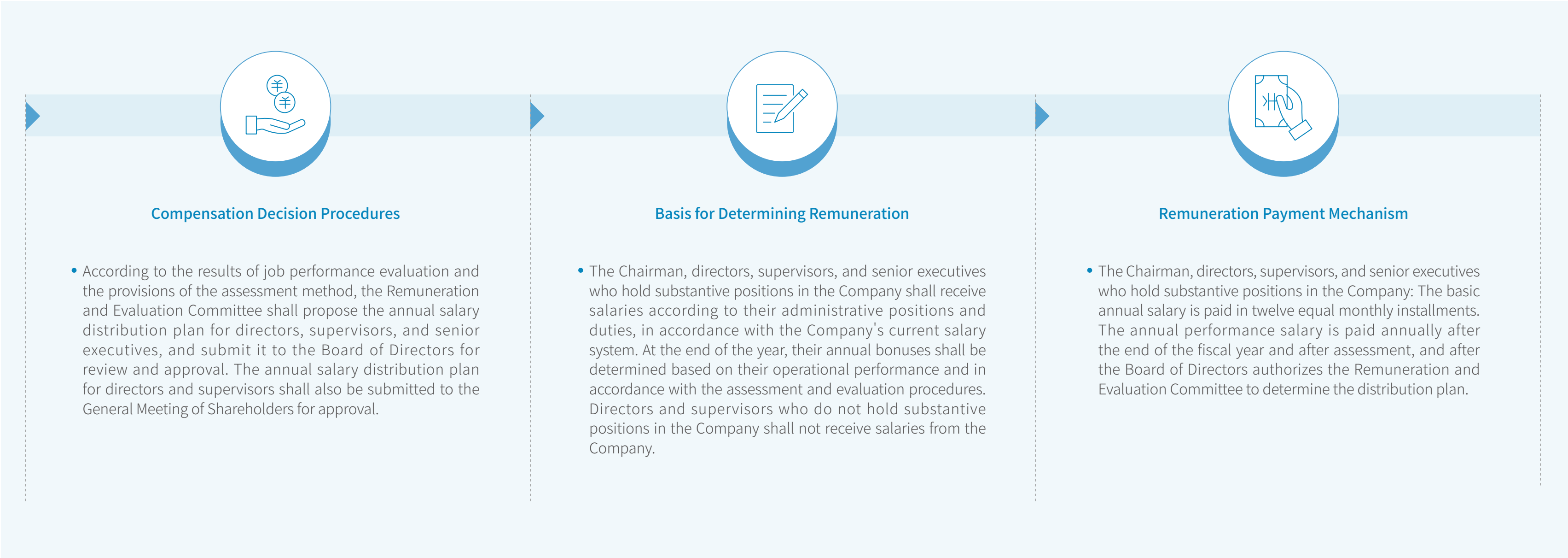
The members of the Board of Directors of the Company possess diverse professional backgrounds, covering fields such as business administration, finance, energy management, enterprise management, and technological innovation, ensuring scientific and efficient decision-making. Some directors have backgrounds in environmental science and green energy, providing professional perspectives and experience in promoting the Company's sustainable development. Independent directors come from universities and research institutions, focusing on energy internet, accounting, new energy vehicles, etc., providing forward-looking guidance for the Company. The combination of multidisciplinary integration and industry experience helps the Company achieve steady development and continuous innovation.





## Salary Management of Senior Executives

The Company has established a standardized compensation management mechanism for directors, supervisors, and senior executives, ensuring that compensation decisions are transparent, fair, and aligned with the Company's performance and long-term development goals.



## Investor Relations

GCL ET complies with the Company *Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Guidelines for Investor Relations Management of Listed Companies*, the *Shenzhen Stock Exchange Listing Rules*, and the *Self-Regulatory Guidelines No. 1 for Companies Listed on Shenzhen Stock Exchange—Standardized Operation of Main Board Listed Companies*, among other laws, regulations, and normative documents. It also formulates and adheres to the *Investor Relations Management System of GCL Energy Technology Co., Ltd.* based on the specific circumstances of the Company, continuously optimizes investor relations management, and safeguards the legitimate rights and interests of investors.

GCL ET adheres to its information disclosure obligations, ensuring the authenticity, accuracy, completeness, and timeliness of information disclosure, enhancing corporate transparency, and safeguarding investors' right to know. The Company listens to investors' demands, responds to concerns, ensures smooth communication, provides equal access to information for all investors, and enhances market trust and corporate transparency.



### During the reporting period

In 2024, Cumulative number of company announcements

# 148


items



All announcements are accurate and ensure the quality of information disclosure.


## Management of the Board of Supervisors

The Board of Supervisors of GCL ET and its members perform their duties prudently, independently exercise their powers in accordance with the law, ensure the standardized operation of the Company, and effectively safeguard the rights and interests of the Company and investors. During the reporting period, the Board of Supervisors consisted of 3 supervisors, including 2 shareholder supervisors and 1 employee representative supervisor. In 2024, the Board of Supervisors held a total of 9 meetings, with 27 attendances, and deliberated on 19 proposals.



### During the reporting period

Number of supervisors in the Board of Supervisors	Of which, number of shareholder supervisors	Number of employee representative supervisor
<h1>3</h1> person	<h1>2</h1> person	<h1>1</h1> person







The Company places great emphasis on investor relations management and has established a diversified communication system that integrates online and offline channels. Through online channels such as the Interactive Easy platform, research reports, and social media, the Company promptly responds to investor concerns and helps enhance market recognition. Simultaneously, the Company engages in face-to-face communication with investors through offline activities such as strategy meetings, roadshows, and thematic seminars, strengthening institutional investor relations maintenance and continuously optimizing the investor interaction experience.

Online communication

► Interactive Easy platform

- The Company assigns dedicated personnel to manage the Interactive Easy Platform of the exchange, ensuring timely responses to investor inquiries and providing accurate and clear information. For issues involving the business department, the Company verifies and responds as soon as possible to ensure efficient access to key information for investors.
- We responded to over 220 investor inquiries throughout the year, achieving a 100% response rate.

► Research reports and market ratings

- The Company maintains good communication with securities research institutes, actively supports and cooperates with sell-side analysts in conducting in-depth research on the Company's business and market performance, and publishing research reports, helping investors better understand the Company's value and enhancing capital market recognition of the Company's investment value.
- The securities research institutions issued a total of 15 positive rating research reports, including those on increasing holdings and buying.

► Social media and internet dissemination

- The Company regularly publishes corporate updates, industry analysis, and in-depth articles through internet news platforms and social media in the capital market. By utilizing short videos, news reports, and other forms, it expands information dissemination and enhances market recognition. At the same time, the Company monitors market public opinion, actively guides investor expectations, and maintains the Company's brand image.
- The Company covers over a hundred news organizations and social media platforms in the capital market, with continuously increasing investor attention. We monitor public opinion information throughout the year, with a positive/neutral ratio of 83%, indicating a stable market recognition.
- The Company organizes activities such as media briefings and performance presentations, collaborates with industry associations, enhances brand influence, and has won more than 10 awards in the fields of ESG and investor relations.

Offline communication

► Investor communication activities

- The Company organizes activities such as thematic seminars, business sharing sessions, and roadshows to communicate face-to-face with investors and introduce the Company's strategy and industry trends. Through on-site research, investors can gain a more intuitive understanding of the Company's operations and competitive advantages.

During the reporting period, the Company organized and participated in

Brokerage Strategy Meetings	Industry Research and Study	Roadshow Exchanges
25 sessions	4 sessions	29 sessions
Chairman Summit	Small and Medium Shareholders Communication	Research Reception
1 session	over 100 times	25 times

► Institutional investor relations maintenance

- The Company actively expands its connections with mainstream investment institutions both domestically and internationally, attracting the attention of long-term investors and enhancing its recognition in the capital market.
- In 2024, the Company added more than 60 analysts and fund managers from various buy-side and sell-side institutions for communication and maintenance, and the well-known public fund "Southern Asset Management" entered the top ten shareholders of tradable shares.

GCL ET attaches great importance to the protection of minority shareholders' rights and interests, strictly abides by laws and regulations, and ensures their equal status and the exercise of their rights. The Company holds General Meetings of Shareholders in accordance with the requirements of the China Securities Regulatory Commission and the stock exchange, with lawyers present as witnesses. The meetings adopt a combination of on-site and online voting to enhance the participation of minority shareholders and safeguard their decision-making power over major matters.

The Company actively adheres to the principle of respecting and rewarding investors. It enhances shareholder returns through cash dividends, share repurchases, and other means, sharing the benefits and returns brought by the growth of listed companies with investors and enhancing their sense of gain. This is conducive to fostering a healthy market ecosystem and achieving higher-quality development through positive interactions with investors.

During the reporting period

Since its restructuring and listing in 2019, it has consecutively paid dividends for 5 years, with a cumulative dividend amount of

1.699 billion yuan

In 2024

The Company's price-to-earnings ratio will remain between

21 and 25 times

higher than the industry average





# Achieve Stable Operation

GCL ET comprehensively builds a compliance and risk management framework based on legal and compliant operations, supported by a sound institutional system, and centered on risk early warning and control. The Company strictly adheres to enterprise internal control norms, formulating systems to enhance internal controls, and builds a risk control governance system covering the entire process. At the same time, through multi-dimensional measures such as institutional construction, process control, supervision and audit, and training and advocacy, the Company strengthens its compliance awareness and risk prevention capabilities, ensuring that business activities are legal and compliant, the governance structure is robust and efficient, and providing a solid guarantee for achieving high-quality development goals.

## Lawful and Compliant Operations

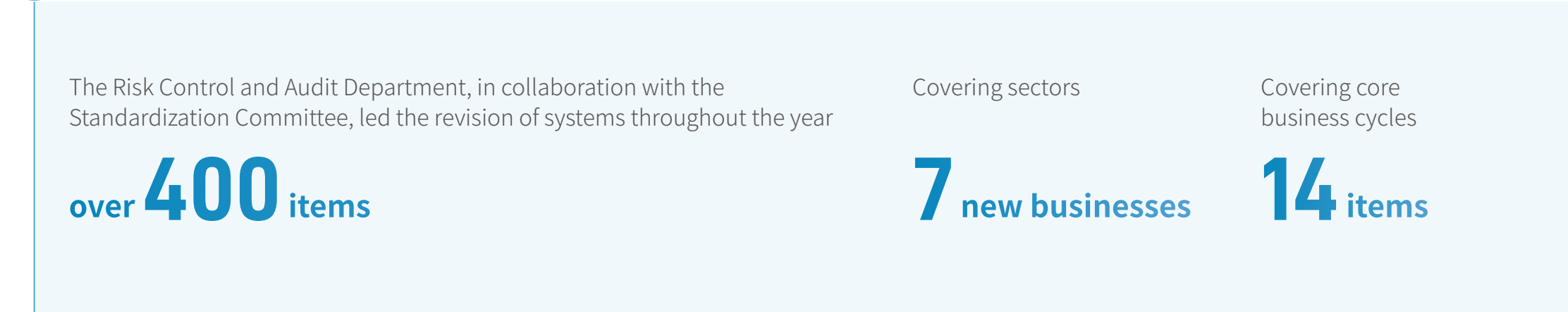
GCL ET has always adhered to lawful and compliant operations, strictly complied with relevant laws and regulations, improved its compliance management system, and continuously optimized its internal control and audit mechanisms to ensure the standardization of corporate governance and the stability of operations. Focusing on core areas such as compliance governance, risk control, and financial management, the Company continues to improve its institutional construction and enhances its management capabilities through multi-level measures such as compliance training and internal audit, adhering to compliant operations and facilitating the achievement of the Company's strategic goals.

## Compliance Operation

GCL ET adheres to the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, and other relevant laws and regulations. In accordance with regulatory requirements, it formulates and revises policies such as the *Articles of Association*, the *Fundraising Management System*, the *GCL Ten Commandments*, the *Employee Reward and Punishment Management Measures*, and the *Related Party Relationship Management Standards* to ensure compliant operations. All employees of the Company must sign the *Code of Conduct Declaration and Commitment*, pledging to adhere to the *GCL Ten Commandments*, the *Employee Reward and Punishment Management Measures*, and the *Related Party Relationship Management Standards*, and strictly fulfill relevant compliance requirements.



During the reporting period



The Company ensures compliant and stable business operations by improving management mechanisms, strengthening system revisions, enhancing compliance training, and optimizing subsidiary management. The Company has established a feedback mechanism for major transactions to monitor related party transactions, guarantees, purchases, and sales. At the same time, it has implemented a compliance risk warning mechanism, focusing on potential risks such as sensitive transactions, use of raised funds, and related party transactions, strengthening early warning to reduce information asymmetry.

## Internal Control Audit

GCL ET strictly adheres to the requirements of the *Basic Norms for Enterprise Internal Control*, formulating and implementing the *Internal Control and Risk Management Standards* based on the fundamental principles of internal control. Simultaneously, the Company continuously enhances its institutional framework, encompassing critical high-risk areas such as investment management, asset management, engineering projects, financial management, and related-party transactions. By strengthening its operational management capabilities and risk prevention mechanisms, it provides robust support for the advancement of the Company's strategy and the achievement of its operational objectives.

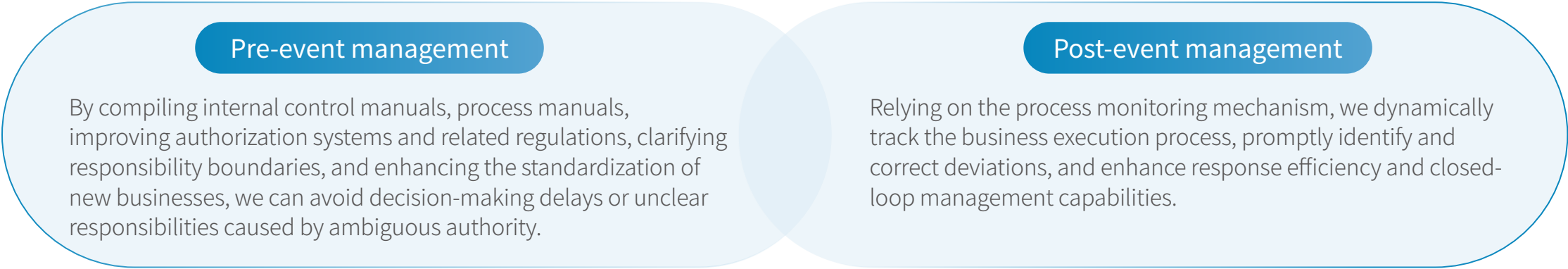


During the reporting period



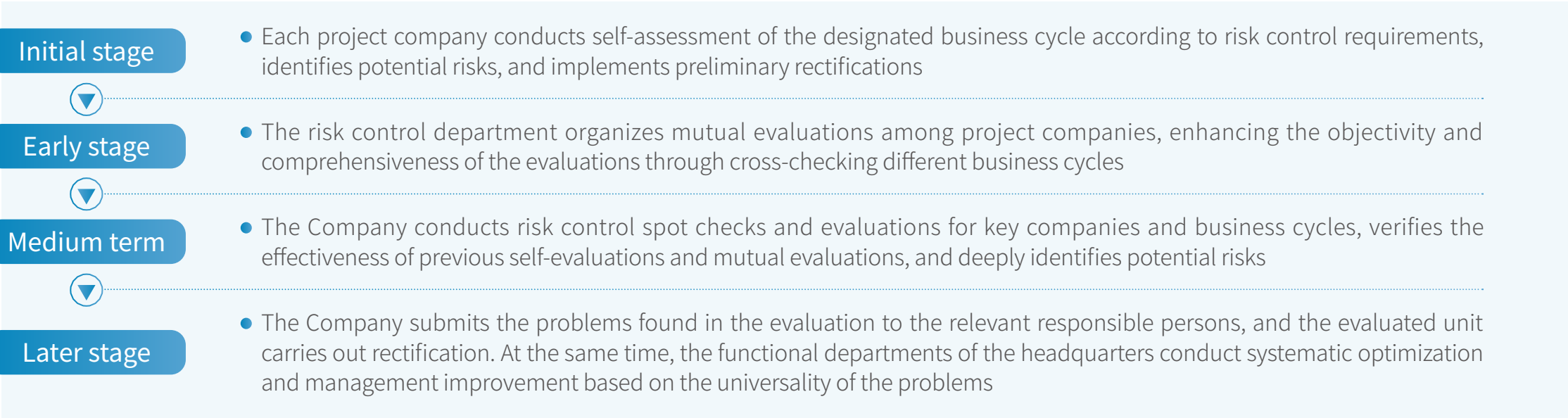


GCL ET's "pre-event + post-event" dual internal control strategy

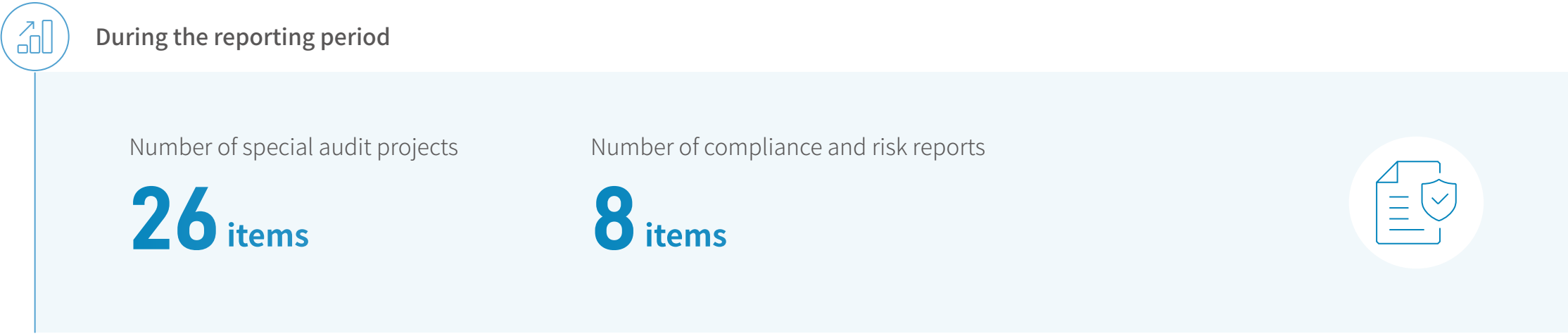


GCL ET adopts a phased and multi-level internal control evaluation mechanism for traditional businesses, ensuring compliance and risk control capabilities in all business processes, and further enhancing the standardization and effectiveness of the overall internal control system.

GCL ET Internal Control Evaluation Mechanism



The Company adheres to conducting compliance reviews on a monthly basis, focusing on key matters such as related-party transactions, guarantees, and information disclosure, to ensure standardized and efficient audit work. It strictly implements supervision and rectification mechanisms, continuously tracks the progress of problem rectification, promotes management optimization, and ensures compliant operations.



Compliance Training

GCL ET attaches great importance to compliance training, adopting a combination of annual specialized training, monthly compliance briefings, and regular regulatory training to strengthen the compliance awareness and performance capabilities of all employees. In 2024, the Company held various specialized training, focusing on information disclosure management, corporate governance, prevention of insider trading, fund utilization, and financial compliance, to facilitate the steady development of the Company. In addition, the Company regularly shares the latest regulations and cases every month to help the management keep up with regulatory requirements and ensure the compliance of the Company's operations.





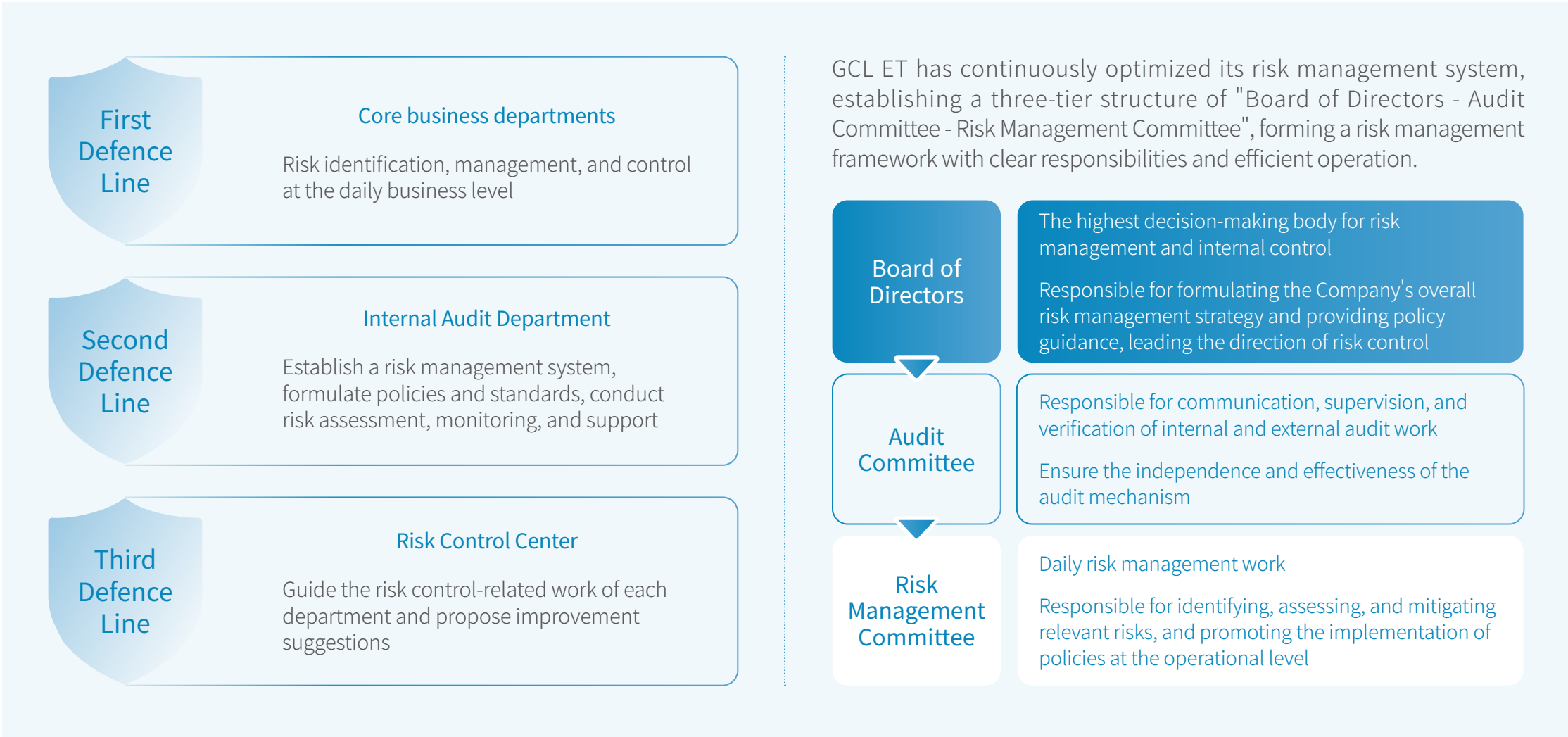
## Optimize Risk Management

In order to comprehensively enhance the efficiency of corporate governance and operational stability, GCL ET has continuously deepened the construction of its risk management system, gradually establishing a full-chain risk control system characterized by standardized systems, clear responsibilities, closed-loop processes, and normalized execution. Focusing on dimensions such as risk identification and process control, the Company has continuously consolidated the foundation of risk control, promoting the transformation of risk control work from passive response to active prevention, and from post-event remedial measures to pre-event warning, fully supporting the Company's strategic goals and high-quality business development.

### Risk Management Framework

GCL ET has continuously promoted the construction of its risk management system, establishing a full-process and all-element control system covering the headquarters and various business segments. By revising the risk indicator library, issuing risk reports, warning letters, and conducting post-project evaluations, the Company has strengthened the proactive identification and dynamic monitoring of risks, forming a closed-loop management mechanism from identification, assessment, control to feedback and rectification. At the same time, the Company has formulated the *Internal Control and Risk Management Standards*, systematically improving the institutional system covering high-risk areas such as investment management, asset management, engineering projects, financial management, and related party transactions, continuously enhancing risk prevention capabilities and operational management levels, and providing strong guarantees for achieving the Company's strategic goals.

GCL ET continues to promote the optimization of its risk control governance system, focusing on the top-level design of risk prevention and control, and gradually building a "Three Lines of Defense" system with "core business departments", "risk control functional departments", and "independent audit supervision bodies" as the mainstay. By clearly defining the boundaries of responsibilities, enforcing job responsibilities, and strengthening the coordination and linkage between various links, a risk control architecture mechanism with equal rights and responsibilities and powerful checks and balances has been formed, laying a solid foundation for the Company's steady development.





# Abide by Business Ethics

GCL ET adheres to promoting anti-corruption and business ethics construction. In accordance with relevant laws and regulations such as the *Oversight Law of the People's Republic of China* and the *Regulation on the Inspection Work of the Communist Party of China*, it formulates and strictly implements internal institutional regulations such as the *Group's Anti-Corruption Regulations*. While continuously enhancing the Company's governance level and operational efficiency, it brings significant social and economic benefits to the Company and fully promotes the construction of "Clean GCL".

## Anti-corruption

GCL ET adheres to the construction of a comprehensive and multi-tiered anti-corruption management system, with the Group's Discipline Inspection and Supervision Office serving as the highest responsible institution for anti-corruption and commercial bribery, responsible for establishing a comprehensive system of inspection and patrol work. Supervision and risk control departments at all levels are responsible for investigation and supervision work to prevent and combat commercial corruption. Management at all levels is responsible for implementing relevant management measures to reduce the probability of violations of business ethics.

At the same time, the Company is committed to creating a clean supplier cooperation environment, signing the *GCL Group Supply Chain Partner Social Responsibility Code of Conduct* with suppliers, requiring them to adhere to business ethics in commercial activities, comply with GCL Group's anti-commercial bribery and anti-fraud systems and related requirements, adopt a zero-tolerance policy, and prohibit any form of bribery, corruption, extortion, and embezzlement. Additionally, the Company actively carries out integrity audits, business ethics, and other related publicity and implementation activities to ensure that the behavior of suppliers conforms to the Company's values and ethical standards.



During the reporting period

Total number of internal inspections for integrity construction

3 times



## Culture of Integrity

GCL ET has continuously promoted the construction of a culture of integrity, strictly adhered to various party disciplines, and incorporated the newly revised *Code of Integrity and Self-discipline*, *Regulations on Party Disciplinary Actions*, and *GCL Ten Commandments* into the compulsory subjects for the learning and training of party members and leading cadres. Meanwhile, regular anti-corruption and integrity promotion publicity and education activities are carried out to continuously enhance employees' awareness of integrity and compliance.

The Company has always adhered to the construction of integrity in the party and government. In order to build a three-dimensional risk prevention and control system featuring "full participation, comprehensive coverage, and full-process tracking", it adheres to the principle of "identifying problems, forming deterrence, promoting reform, and facilitating development". It continues to focus on the overall situation of transformation and development, and promotes the comprehensive and strict governance of the party to develop in depth.



During the reporting period

The Company organized personnel from all sectors to participate in integrity-themed training and complete the corresponding exams, and the Party branches of the subordinate enterprises organized anti-corruption and integrity education on average during the year

2 times



During the reporting period

Number of special audits

over 20 times

Penalize

45 person

Penalty amount

360,000 yuan

Issue risk warnings

3 times

Defect found

over 180 times

Propose rectification requirements

over 200 times

Rectification completion rate

over 95%





CASE  
Anti-commercial Bribery and Anti-corruption Training

Each branch company has continued to conduct anti-commercial bribery and anti-corruption training. Special integrity training sessions were held for senior executives of Xinyuan Company, Xuzhou Xinhengrun, and Suzhou Blue Sky, totaling two sessions. The activities covered a total of 43 people, including 12 management personnel and 31 employees.



## Anti-unfair Competition and Anti-monopoly

GCL ET strictly abides by external laws and regulations related to anti-unfair competition and anti-monopoly, and continuously promotes the improvement of internal and external business ethics control mechanisms. The Company has formulated relevant systems such as the *GCL ET Employee Handbook* and the *Related Parties Management Guidelines*, to eliminate any form of corruption, fraud, interest connection, and other behaviors that violate business ethics and company codes of conduct within the Company. Employees are strictly prohibited from participating in any activities that harm the interests of the Company or its customers.

## Whistleblowing System

During the reporting period, GCL ET continuously updated relevant systems such as the *Whistleblowing Investigation Management Standards*, established diversified whistleblowing channels both online and offline, including oral, written (letter), telephone, and email, and clarified the whistleblowing handling process and the corresponding responsibilities of each internal control functional department. In addition, relevant regulations were established for whistleblowers and reporting content, and GCL ET's risk control and audit centers at all levels handled violations, ensuring strict confidentiality and fully protecting the legitimate rights and interests of whistleblowers.

During the reporting period, the Company received a total of three reports through various channels. Internal professional auditors were assigned to conduct on-site interviews and field investigations to verify and determine the authenticity of the reported facts. Based on the *Employee Reward and Punishment Management Standards*, recommendations for handling and punitive measures were proposed.



## Supervision and whistleblowing channels

- Whistleblowing hotline: 0512-68538110
- Whistleblowing email: jubao@gcl-power.com
- Whistleblowing address: Supervision Center, 3rd Floor, Phase I, GCL Energy Center, No. 28 Xinqing Road, Suzhou Industrial Park
- WeChat whistleblowing: Follow the official account of "Clean GCL" and enter the platform to report



## During the reporting period

Number of internal complaints  
regarding disciplinary violations

3 times






# Accelerate Digital Transformation

GCL ET attaches great importance to its digital transformation strategy, utilizing digital means to significantly enhance operational efficiency. It has also established a comprehensive smart energy service platform to improve service quality and build a new energy ecosystem. Simultaneously, the Company has established a comprehensive information security defense system to ensure data security and system stability, providing a solid foundation for digital transformation.

## Digitalization

GCL ET actively responds to the Group's "Digital GCL" strategy, implements the "Digital Energy Technology" plan, strengthens digitalization construction, and enhances four major capabilities: AI supercomputing, IoT perception, process control, and intelligent collaboration. The Company has established a Digital Energy Research Institute to coordinate and promote digital transformation, digital platform planning and implementation, distributed energy intelligent systems, data business scenarios and digital derivative products, computing power development, and information software and hardware system management. It is committed to building an "energy + intelligent manufacturing" AI application ecosystem.

The Company builds energy models through data accumulation, focuses on deploying large-scale time-series models, and develops intelligent customer service semantic large models. By combining intelligent agent encapsulation technology, it achieves intelligent interaction and decision support in business scenarios. At the same time, the Company integrates management systems such as PM, SIS, ERP, EC, and EAM to achieve intelligent control throughout the entire process from project planning, engineering construction to operation and maintenance, thereby enhancing asset management efficiency and effectiveness.




During the reporting period

An investment of

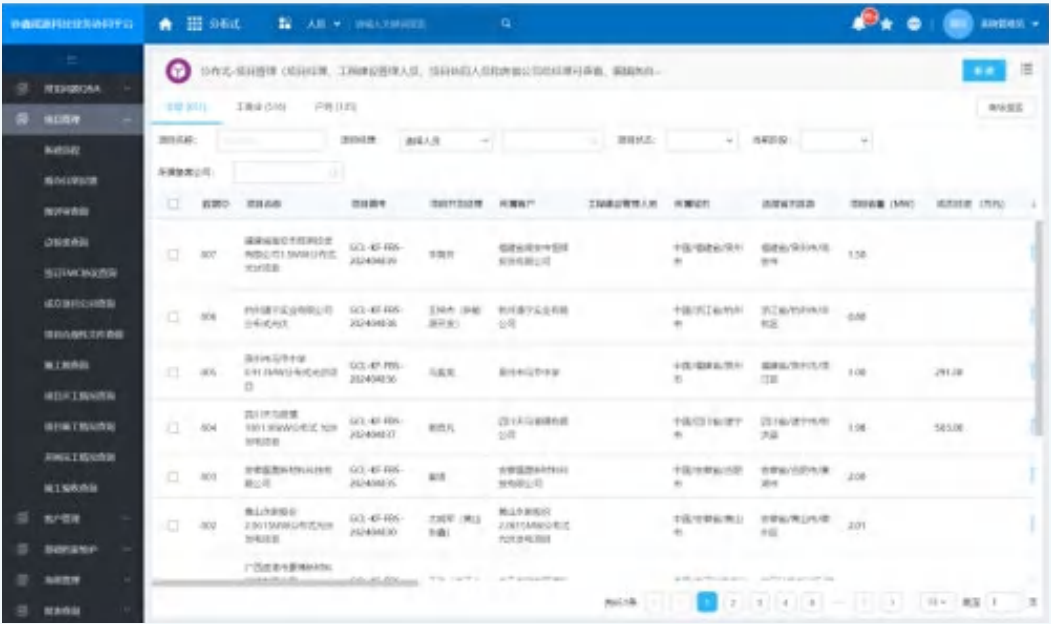
**28 million yuan**

was made in digital and intelligent transformation

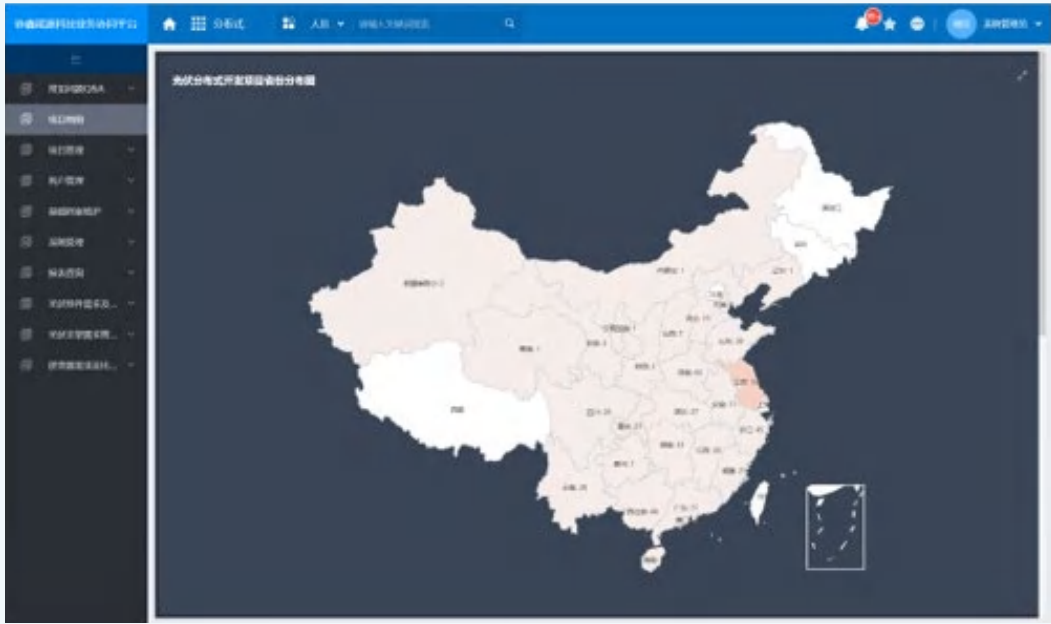


## Full-cycle Management System for Industrial and Commercial Distributed Generation

The industrial and commercial distributed project has achieved full-cycle process control from development investment, grid connection to intelligent operation and maintenance by constructing a building lifecycle management system (BMS) with project and customer business opportunity management as the core main line. The system supports information traceability and risk prevention and control, ensuring efficient, safe, and compliant operation of the project, while enhancing investment efficiency and customer satisfaction, and facilitating the sustainable development and value maximization of industrial and commercial distributed energy.



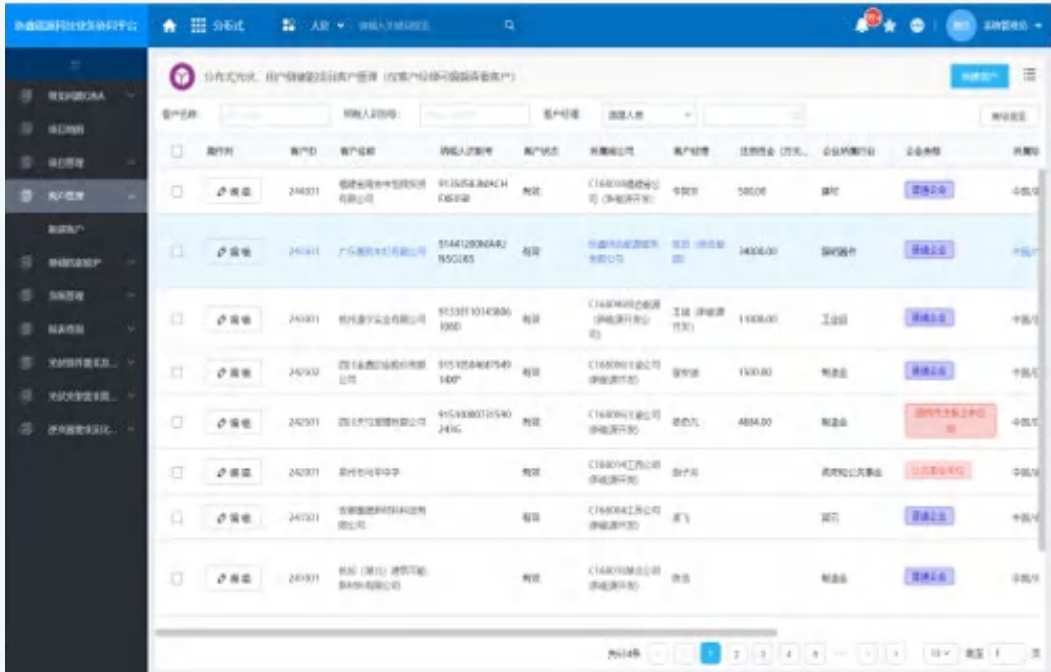
Project Management Ledger



Project Map



Business Process Guide

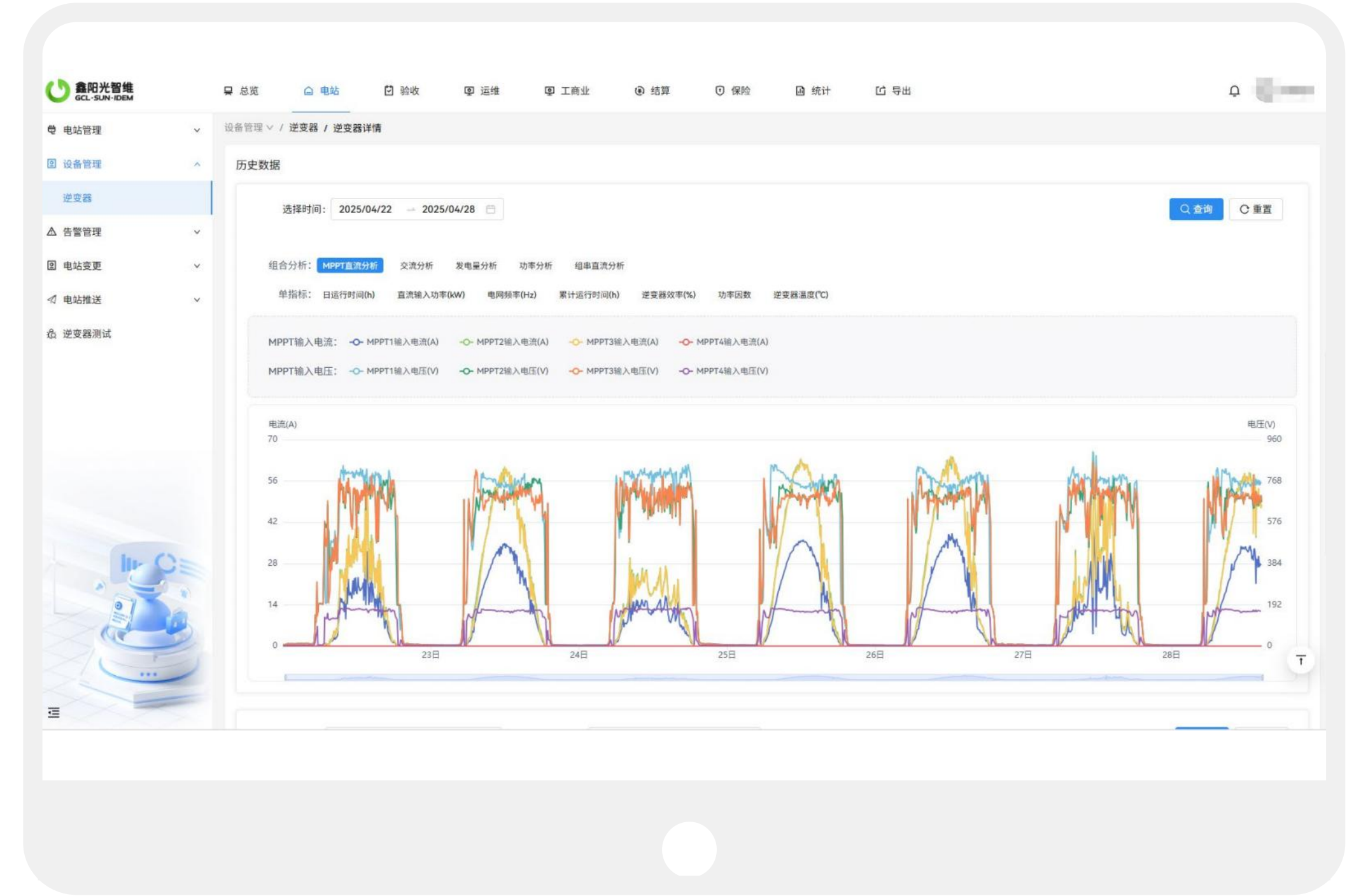


Customer Management Ledger



## Intelligent Operation and Maintenance Management of Distributed Power Stations

Intelligent operation and maintenance management of distributed power stations focuses on the full lifecycle management of power station assets, achieving asset operation and maintenance traceability from construction to operation. It encompasses the entire process control and tracking of online patrol inspection, offline comprehensive inspection, and quality rectification after the power station is connected to the grid. By strengthening operation and maintenance work order management, spare parts management, and agent performance evaluation and settlement management, it comprehensively promotes the digital coverage of business processes, enhances operation and maintenance efficiency and asset management level, and ensures the safe, stable, and efficient operation of power stations.



Intelligent Maintenance Platform

## Smart Logistics Management for Distributed Power Stations

The smart logistics platform comprehensively optimizes logistics warehousing management and scheduling processes through digital technology. The front end integrates functions such as intelligent delivery logic, automatic task allocation, intelligent warehouse inspection, trajectory tracking, and delivery confirmation, significantly enhancing operational efficiency. Simultaneously, the platform combines the large-scale development of distributed PV business to build a supply chain warehousing and logistics management system based on e-commerce models, achieving intelligent management of the entire process from procurement and warehousing to intelligent warehouse search and logistics tracking. It creates flexible and efficient procurement operation capabilities, helps to effectively control procurement and logistics costs, and promotes the overall efficiency upgrade of the supply chain.



Intelligent Operation Platform



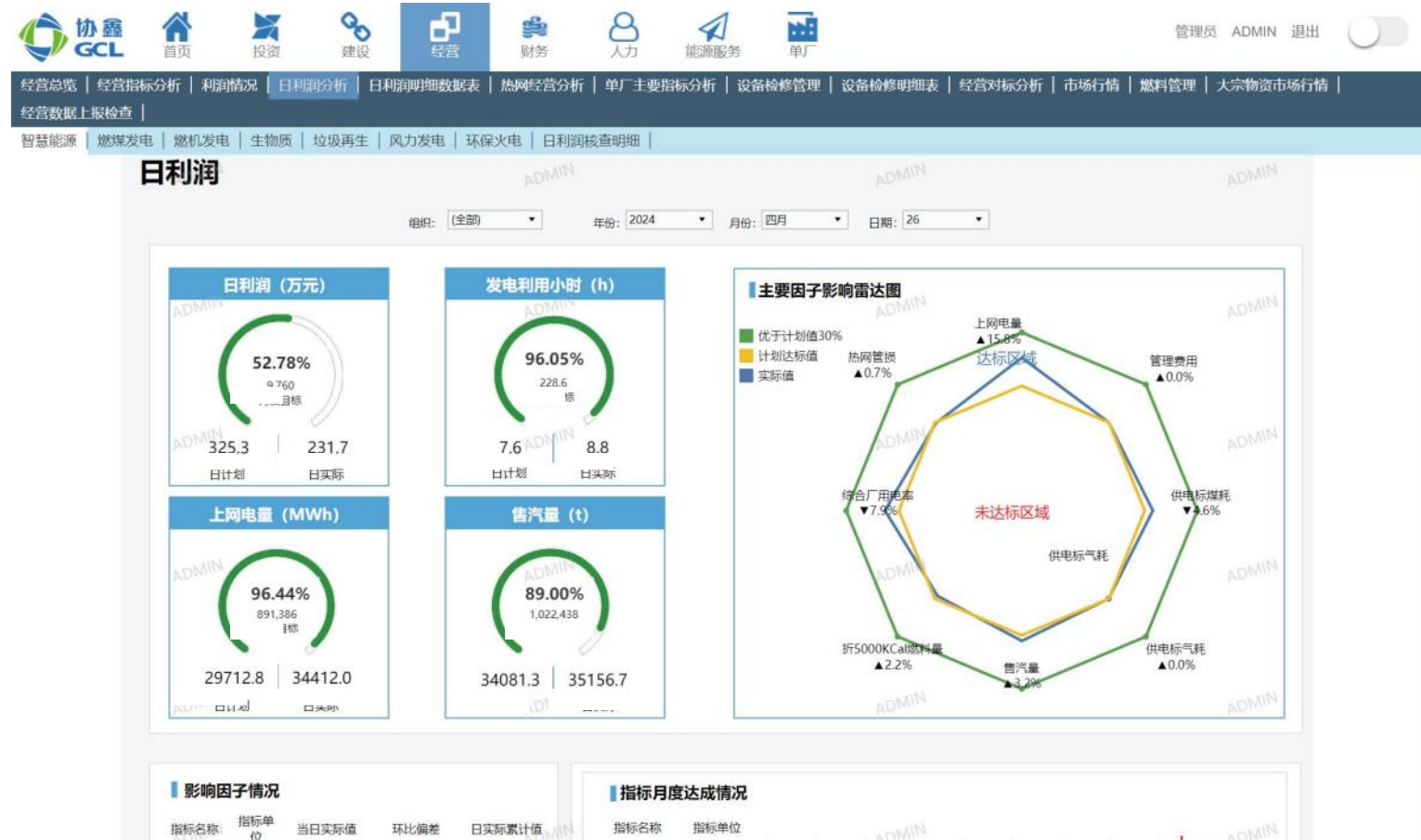


## GCL SUN Development Platform

The platform, centered around the development of orders for household power stations, is committed to refining standardized business processes, expanding data interfaces and business collaboration channels with multiple cooperating investors, and supporting the integration of new investors, the creation of new business model scenarios, and the iteration of new installation plans. By flexibly adjusting business calculation logic, optimizing data statistics display capabilities, and providing business breakpoint solutions, the platform ensures efficient business operation and sustainable development, thereby aiding the Company in expanding its business and enhancing its competitiveness in the field of household PV systems.

## Integrated Business and Finance Platform

The platform aims to integrate the entire process of business and finance through digital means, focusing on distributed business scenarios and encompassing various aspects such as asset management, equipment inventory, revenue settlement, rental payment, contract EPC settlement, and payment and receipt business. The platform enables direct generation of financial accounting documents from front-end business data, significantly reducing personnel input while ensuring the accuracy of financial data amidst a substantial increase in business volume. Furthermore, the platform providing data support for corporate decision-making and assisting enterprises in achieving efficient operations and refined management while supporting both strategic and operational management perspectives.



Operating Day Profit Model

In addition, the Company has built a digital ecosystem and engaged in multiple rounds of exchanges and communications with leading technology enterprises such as Alibaba Cloud, Baidu AI Cloud, Zhipu AI, and Ant Group-Digital Technologies, exploring innovative paths for digital transformation. To comprehensively enhance the Company's digital capabilities, the Company systematically conducted a series of specialized training sessions, including "Financial Management Innovation and Transformation in the Digital and Intelligent Era", "Big Data Development and Application Practice", and "Intelligent Risk Control System Construction", which improved employees' data governance capabilities and intelligent application levels, laying a solid talent foundation for the Company's digital transformation.

## Information Safety

GCL ET has established a comprehensive information security governance framework by formulating institutional documents such as the *Information Security Management Standard*, *Network System Management Standard*, and *Information Technology Work Assessment Management Standard*. To achieve comprehensive coverage and whole-process control, the Company has established the Information Committee as the highest decision-making body, responsible for the review, decision-making,, supervision and implementation of information security strategic planning. Additionally, the Operation Management Center is established as the executive body, specifically responsible for implementing information security work. Meanwhile, each business department, as the demand proposer, proposes information technology project demand based on business development needs, and participates in the whole-process management of project selection, implementation, acceptance, and post-evaluation.

The Company attaches great importance to information security and privacy protection, and has established a full-process security management mechanism from prevention, monitoring to response, ensuring business continuity and data security. To reduce security risks, the Company has introduced the Alibaba Cloud information security management certification system and built a multi-level network security defense system. By continuously optimizing the emergency response plan for network and information security incidents and regularly organizing network security incident emergency drills, the Company has significantly improved its ability to respond to network attacks and security incidents. During the reporting period, the Company did not experience any data security incidents.

The Company regularly organizes training sessions on information security and privacy protection, incorporating practical work scenarios to strengthen employees' awareness of security precautions in daily operations and comprehensively enhance their cybersecurity awareness and protection skills.





# Appendix

## Key Performance Table

Topics	Index		Unit	Numerical Value in 2024	2023 Data
Financial Situation	Operating revenue		Ten thousand yuan	979,641.04	1,035,777.28
	Total profit		Ten thousand yuan	93,601.56	127,642.10
	Net profit		Ten thousand yuan	58,214.45	97,486.96
	Tax amount		Ten thousand yuan	83,292.33	64,708.85
Environmental Compliance Management	Environment-related investment		Ten thousand yuan	3,946.58	-
	Number of major environmental pollution incidents		Item	0	-
	Number of environmental emergency drills		Times	54	-
	Number of participants in environmental emergency drills		Person	846	-
Emissions	Atmospheric Pollutant	Total exhaust gas emissions	m <sup>3</sup>	95,178,410,772.30	98,099,470,202.00
		NO <sub>x</sub> emissions	Ton	2,067.18	2,024.16
		SO <sub>2</sub> emissions	Ton	315.29	307.65
		Dust	Ton	78.15	76.87
	Water Pollutant	Total wastewater discharge	Ton	3,572,529.07	2,778,211.79
		Industrial wastewater discharge	Ton	3,380,006.80	-
		Domestic wastewater discharge	Ton	192,522.27	-
		Wastewater discharge intensity	Tons/Ten thousand yuan output value	3.65	-
		COD emissions	Ton	128.25	125.71
		Total phosphorus	Ton	2.02	1.98
		Ammonia nitrogen	Ton	5.00	4.23
		Suspended solids discharge	Ton	32.99	102.08
		Other	Ton	2.63	52.03
		Hazardous waste generation	Ton	71,931.01	50,055.59
		Hazardous waste generation intensity	Tons/Ten thousand yuan output value	0.07	-

Topics	Index		Unit	Numerical Value in 2024	2023 Data
Emissions	Disposal volume of hazardous waste		Ton	71,831.16	-
	Production-related General Waste	Total	Ton	963,002.03	912,941.33
		Fly ash	Ton	322,101.30	329,774.01
		Waste slag	Ton	592,381.24	533,998.76
		Other general waste	Ton	48,519.49	46,916.56
	Recycling volume of production-related general waste		Ton	206,835.62	-
	Household waste generation		Ton	583.34	-
	Harmless waste generation		Ton	1,263.40	-
	Disposal volume of harmless waste		Ton	1,263.40	-
	Total recycling of harmless waste		Ton	1,200.50	-
	Greenhouse Gas Emissions <sup>6</sup>	Total GHG emissions	tCO <sub>2</sub> e	6,761,563.59	-
		Scope 1 emissions	tCO <sub>2</sub> e	6,741,567.15	-
		Scope 2 emissions	tCO <sub>2</sub> e	19,996.44	-
		GHG emissions intensity	tCO <sub>2</sub> e/Ten thousand yuan output value	6.90	-
Energy and Resource Utilization	Power grid purchases and usage of electricity		kWh	44,028,420.80	49,173,174.45
	Self-generated electricity consumption		kWh	553,700,343.54	2,677,834,576.33
	Clean energy usage <sup>7</sup>		kWh	16,358,074.36	-
	Installed capacity of self-use distributed clean energy		MW	23.69	-
	Utilization capacity of self-consumption of renewable electricity		kWh	25,270,888.10	-
	Natural gas consumption		m <sup>3</sup>	2,019,702,126.27	2,085,311,310.04

<sup>6</sup> GCL ET has always adhered to the green development path and continuously improved its carbon emission management level. The Company's greenhouse gas emission data calculation refers to the Greenhouse Gas Protocol (GHG Protocol) and relevant requirements of ISO 14064-1: 2018.

<sup>7</sup> Based on the current centralized management of company data, the usage of clean energy includes Lanxi GCL Environmental Cogeneration, Suzhou Blue Sky, Northern Gas Turbine, Wuxi Lantian, Sihong GCL Intelligent Wind Power, Funing GCL Guoshu Wind Power, Lai'an Wind Power, Fengtai Wind Power, Guangzhou Lantian, Zhongshan Gas Turbine, and Gaozhou Gas Turbine Power Plant.



Topics	Index	Unit	Numerical Value in 2024	2023 Data
Energy and Resource Utilization	Coal	Ton	1,811,022.48	1,860,431.72
	Gasoline	Ton	29.27	66.09
	Diesel oil	Ton	1,540.33	1,318.27
	Liquefied petroleum gas	Ton	7.56	5.18
	Gasoline consumption of official vehicles	Ton	147.86	-
	Diesel consumption of official vehicles	Ton	15.37	-
	Purchased steam usage	GJ	10,298,667.00	-
	Comprehensive energy consumption	Ton of standard coal equivalent	2,088,059.89	3,939,894.53
	Comprehensive energy consumption intensity	Ton of standard coal/Ten thousand yuan output value	2.13	3.88
	Total water consumption (recycled water)	Ton	5,313,092.99	13,852,743.66
	Total water consumption (fresh water)	Ton	25,208,873.00	24,890,295.90
	Total water consumption intensity	Ton/Ten thousand yuan output value	25.73	-
	Investment in energy conservation and emission reduction	Ten thousand yuan	1,093.03	-
Environmental Protection Training	Number of sessions of environmental protection training	Times	239	219
	Number of participants receiving environmental protection training	Person	4,301	3,536
	Hours of environmental protection training	Hour	1,351.50	850.00
Technology R&D	R&D investment in green technology	Ten thousand yuan	5,483.26	-
	R&D investment	Ten thousand yuan	7,067.47	10,654.00
	Number of R&D personnel	Person	64	102
	The total number of patents granted by the end of the year	Item	339	-
	Number of accumulated patents granted within the year	Item	44	-
	Number of accumulated patent applications within the year	Item	96	-
Product Quality and Safety	The amount involved in significant liability accidents related to product and service safety and quality	Ten thousand yuan	0	0
	Number of major accidents related to products and services safety and quality	Times	0	

Topics	Index	Unit	Numerical Value in 2024	2023 Data
Customer Management	Customer complaint rate <sup>8</sup>	%	1.20	-
	Number of customer information leakage incidents	Item	0	-
	The amount involved in the customer privacy leakage incidents	Ten thousand yuan	0	-
	Average customer satisfaction across business segments	%	99.5	-
Number of Employees	Total number of employees	Person	3,408	4,583
	Number of employees by gender			
	Male	Person	2,735	3,674
	Female	Person	673	909
	Number of employees by age			
	30 years old and below	Person	1,014	1,974
	30-50 years old	Person	2,026	2,271
	Over 50 years old	Person	368	338
	Number of employees by level			
	Senior management	Person	139	-
	Middle-level employees	Person	357	-
	Ordinary employee	Person	2,912	-
	Number of employees by educational level			
	Junior college degree or below	Person	1,465	2,489
	Bachelor degree	Person	1,672	1,793
	Master degree or above	Person	271	301
Number of New Employees	Total number of new employees	Person	1,230	-
Employee Satisfaction	Overall employee satisfaction	%	95.00	-
Employment	Number of labor dispute cases	Item	10	-

<sup>8</sup> Based on the Company's business characteristics, the scope of customer complaint rate here involves Mobile Energy Company.



Topics	Index	Unit	Numerical Value in 2024	2023 Data
Development and Training	Total duration of employee training	Hour	120,241	-
	Total number of sessions of employee training	Times	68,277	-
	Employee training coverage rate	%	96.00	-
	Average training hours for employee	Hour	26	-
	Average training hours for employee by gender			
	Female	Hour	25	-
	Male	Hour	26	-
	Average training hours per employee by employee type			
	Grassroots employees	Hour	26	-
	Management	Hour	18	-
	The number of employees who undergo regular performance and career development assessments	Person	3,408	-
	Percentage of employees receiving regular performance and career development assessments	%	100	-
	Employee training expenditure amount	yuan	3,800,000	-
	Health and Safety	Expenses for safe production	Ten thousand yuan	17,196.20
Number of major safety accidents		Item	0	-
Number of work-related deaths		Person	0	-
Number of lost workdays due to work-related injuries		Day	0	-
Number of safety production accidents		Times	0	-
Public Welfare Activities	External donation	Ten thousand yuan	303.60	-
	Total number of social welfare activities	Times	5	36
	Total participation person-times in social welfare activities	Person	100	800
	Total duration of social welfare activities	Hour	40	-
Board of Directors	Number of directors on the Board of Directors	Person	9	9
	Number of independent directors	Person	3	3
	Proportion of independent directors	%	33.33	33.33

Topics	Index	Unit	Numerical Value in 2024		2023 Data
Board of Supervisors	Number of meetings held by the Board of Supervisors	Times	9	-	
	Actual attendance of the Board of Supervisors meeting	Person	27	-	
	Number of proposals deliberated by the Board of Supervisors	Item	19	-	
	Number of supervisors	Person	3	3	
	Shareholder supervisor	Person	2	2	
	Employee representative supervisor	Person	1	1	
Risk Control Compliance	Number of sessions of risk control compliance/audit training	Times	10	-	
	Number of sessions of compliance and risk control training	Times	7	-	
	Number of sessions of audit training	Times	3	-	
	Duration of risk control compliance/audit training	Hour	16	-	
	Duration of compliance and risk control training	Hour	10	-	
	Duration of audit training	Hour	6	-	
	Number of participants in risk control compliance/audit training	Person	3,958	-	
	Number of participants involved in compliance and risk control	Person	3,778	-	
	Number of participants in audit training	Person	180	-	
Business Ethics	The number of corruption litigation cases	Item	0	0	
	The number of individuals involved in corruption litigation cases	Person	0	-	
	Number of sessions of anti-corruption training	Times	2	-	
	Number of participants in anti-corruption training	Person	43	-	
Information Security and Privacy Protection	Number of sessions of information security training	Times	3	49	
	Duration of information security training	Hour	12	707	
	Number of participants in information security training	Person	27	113	
	Major information security incidents	Item	0	-	
	Information security incidents involving external complaints	Item	0	-	
	The amount involved in the data security incidents	Ten thousand yuan	0	-	
	The number of customer privacy leakage incidents involved	Item	0	-	
	The amount involved in the customer privacy leakage incidents	Ten thousand yuan	0	-	



Content Index

Index of Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange——Sustainability Report (For Trial Implementation)

Chapter			Guidelines	Corresponding Chapter
Chapter I General Provisions			Articles 1 - 10	About the Report
Chapter II Disclosure of Sustainability Framework			Articles 11 - 19	Sustainable Development Management
Chapter III Disclosure of Environmental Information	Section 1 Addressing Climate Change	Addressing Climate Change	Articles 20 - 28	2.1 Addressing Climate Change
	Section 2 Pollution Prevention and Ecosystem Protection	/	Articles 29	2.2 Environmental Compliance Management、2.6 Embrace the Concept of Environmental Protection
		Pollutant Emissions	Article 30	2.5 Strengthen Sewage and Wastewater Management
		Waste Disposal	Article 31	2.5.3 Waste Management
		Ecosystem and Biodiversity Conservation	Article 32	2.6 Embrace the Concept of Environmental Protection
		Environmental Compliance Management	Article 33	2.2 Environmental Compliance Management
	Section 3 Resource Utilization and Circular Economy	/	Article 34	2.3 Strengthen Energy Management、2.4 Efficient Resource Utilization
		Energy Utilization	Article 35	2.3 Strengthen Energy Management
		Water Resource Utilization	Article 36	2.4.1 Water Resources Management
		Circular Economy	Article 37	2.4.1 Water Resources Management、2.4.2 Optimize Material Usage
	Section 1 Rural Revitalization and Social Contribution	/	Article 38	1.1.2 Green Industry Layout、3.3 Participate in Public Welfare and Charity
		Rural Revitalization	Article 39	1.1.2 Green Industry Layout、3.3 Participate in Public Welfare and Charity
		Social Contribution	Article 40	3.3 Participate in Public Welfare and Charity
	Section 2 Innovation-Driven and Technological Ethics	/	Article 41	1.1.1 Increase Investment in Scientific Research
		Innovation-Driven	Article 42	1.1 Contribution of Green Industry
		Technology Ethics	Article 43	Not applicable (the subject is not engaged in scientific research related to ethically sensitive areas of science and technology, such as life sciences and artificial intelligence, but has optimized the management of data security, as detailed in 1.2.2 Customer Service Guarantee and 4.5.2 Information Safety)
Chapter IV Disclosure of Social Information		/	Article 44	1.2 High-Quality Products and Services、1.3 Work Together with Partners for a Win-Win Outcome
		Supply Chain Risk Management	Article 45	1.3 Work Together with Partners for a Win-Win Outcome
	Section 3 Suppliers and Customers	Equal Treatment of Small and Medium-Sized Enterprises	Article 46	Not applicable (the balance of accounts payable as a percentage of total assets at the end of the subject's reporting period did not exceed 50%, please refer to the annual report for details)
		Product and Service Safety and Quality	Article 47	1.2 High-Quality Products and Services
		Data Security and Customer Privacy Protection	Article 48	1.2.2 Customer Service Guarantee、4.5.2 Information Safety
	Section 4 Employees	/	Article 49	3.1.1 Protection of Employees' Rights and Interests
		Employees	Article 50	3.1 Build a Vibrant Workplace、3.2 Occupational Health and Safety

Chapter			Guidelines	Corresponding Chapter
Chapter V Disclosure of Sustainability Governance Information	Section 1 Sustainability Governance Mechanism	Corporate Governance	Article 51	Sustainable Development Governance、 2.1.1 Governance、 4.1.1 Corporate Governance System
		Due Diligence	Article 52	1.3 Work Together with Partners for a Win-Win Outcome
		Communication with Stakeholders	Article 53	Communication with Stakeholders
	Section 2 Business Conducts	Compliance Management	Article 54	4.2 Achieve Stable Operation、 4.3 Abide by Business Ethics
		Anti-Commercial Bribery and Anti-Corruption	Article 55	4.3 Abide by Business Ethics
		Anti-Unfair Competition	Article 56	4.3 Abide by Business Ethics
Chapter VI Supplementary Provisions and Interpretation		Index	Article 57	Content Index
		Third-Party Verification Report	Article 58	Third-party Assurance Report

GRI Index

GRI standard	Disclosures	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	About the Report、About GCL ET
	2-2 Entities included in the organization's sustainability reporting	About the Report
	2-3 Reporting period, frequency and contact point	About the Report
	2-4 Restatements of information	About the Report
	2-5 External assurance	Third-party Assurance Report
	2-6 Activities, value chain and other business relationships	About GCL ET
	2-7 Employees	3.1.1 Protection of Employees' Rights and Interests
	2-8 Workers who are not employees	1.3 Work Together with Partners for a Win-Win Outcome
	2-9 Governance structure and composition	Sustainable Development Governance、2.1.1 Governance、4.1.1 Corporate Governance System
	2-10 Nomination and selection of the highest governance body	4.1.1 Corporate Governance System
	2-11 Chair of the highest governance body	4.1.1 Corporate Governance System
	2-12 Role of the highest governance body in overseeing the management of impacts	4.1.1 Corporate Governance System
	2-13 Delegation of responsibility for managing impacts	Sustainable Development Governance、2.1.1 Governance、4.1.1 Corporate Governance System
	2-14 Role of the highest governance body in sustainability reporting	Sustainable Development Governance
	2-16 Communication of critical concerns	Communication with Stakeholders、4.1.1 Corporate Governance System
	2-17 Collective knowledge of the highest governance body	Communication with Stakeholders、4.1.1 Corporate Governance System



GRI standard	Disclosures	Location
GRI 2: General Disclosures 2021	2-19 Remuneration policies	2.1.1 Governance、2.3 Strengthen Energy Management、3.1.1 Protection of Employees' Rights and Interests、3.2.1 Safety Management System、4.1.1 Corporate Governance System
	2-20 Process to determine remuneration	3.1.1 Protection of Employees' Rights and Interests
	2-22 Statement on sustainable development strategy	Sustainable Development Strategy
	2-25 Processes to remediate negative impacts	1.2.2 Customer Service Guarantee
	2-26 Mechanisms for seeking advice and raising concerns	Communication with Stakeholders、3.1.1 Protection of Employees' Rights and Interests、4.1.1 Corporate Governance System
	2-27 Compliance with laws and regulations	1.2.2 Customer Service Guarantee、3.2.1 Safety Management System、4.3 Abide by Business Ethics
	2-29 Approach to stakeholder engagement	Communication with Stakeholders、4.1.2 Investor Relations
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Double Materiality Assessment
	3-2 List of material topics	Double Materiality Assessment
	3-3 Management of material topics	Double Materiality Assessment
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	About GCL ET、Key Performance Table
	201-2 Financial implications and other risks and opportunities due to climate change	2.1 Addressing Climate Change
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	About GCL ET、1.1 Contribution of Green Industry
	203-2 Significant indirect economic impacts	1.1 Contribution of Green Industry、2.1.2 Strategy
	205-2 Communication and training about anti-corruption policies and procedures	4.4 Abide by Business Ethics
	205-3 Confirmed incidents of corruption and actions taken	4.4 Abide by Business Ethics
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	4.4 Abide by Business Ethics
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Key Performance Table
	302-2 Energy consumption outside of the organization	Key Performance Table
	302-3 Energy intensity	Key Performance Table
	302-4 Reduction of energy consumption	2.3 Strengthen Energy Management
	302-5 Reductions in energy requirements of products and services	1.1.2 Green Industry Layout、2.1 Addressing Climate Change、2.3 Strengthen Energy Management
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	2.4.1 Water Resources Management
	303-2 Management of water discharge-related impacts	2.4.1 Water Resources Management、2.5.2 Wastewater Discharge
	303-3 Water withdrawal	Key Performance Table
	303-4 Water discharge	Key Performance Table
	303-5 Water consumption	Key Performance Table

GRI standard	Disclosures	Location
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	2.6 Embrace the Concept of Environmental Protection
	304-2 Significant impacts of activities, products and services on biodiversity	2.6 Embrace the Concept of Environmental Protection
	304-3 Habitats protected or restored	2.6 Embrace the Concept of Environmental Protection
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	2.1.4 Indicators and Targets、Key Performance Table
	305-2 Energy indirect (Scope 2) GHG emissions	2.1.4 Indicators and Targets、Key Performance Table
	305-4 GHG emissions intensity	2.1.4 Indicators and Targets、Key Performance Table
	305-5 Reduction of GHG emissions	2.1.4 Indicators and Targets、Key Performance Table
	305-7 Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significantair emissions	2.1.4 Indicators and Targets、2.5.1 Waste Gases Emissions、Key Performance Table
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	2.5.3 Waste Management
	306-2 Management of significant waste-related impacts	2.5.3 Waste Management
	306-3 Waste generated	2.5.3 Waste Management
	306-4 Waste diverted from disposal	2.5.3 Waste Management
	306-5 Waste directed to disposal	2.5.3 Waste Management
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	1.3.2 Sustainable Supply Chain
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	3.1.2 Employee Training and Development、Key Performance Table
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	3.1.1 Protection of Employees' Rights and Interests
	401-3 Parental leave	3.1.3 Create a Warm Atmosphere
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	3.2 Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	3.2.1 Safety Management System
	403-3 Occupational health services	3.2 Occupational Health and Safety
	403-5 Worker training on occupational health and safety	3.2 Occupational Health and Safety
	403-6 Promotion of worker health	3.2 Occupational Health and Safety、3.1.3 Create a Warm Atmosphere
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.2.2 Occupational Health Management
	403-9 Work-related injuries	3.2.2 Occupational Health Management
GRI 404: Training and Education 2016	403-10 Work-related ill health	3.2.2 Occupational Health Management
	404-1 Average hours of training per year per employee	3.1.2 Employee Training and Development、Key Performance Table
	404-2 Programs for upgrading employee skills and transition assistance programs	3.1.2 Employee Training and Development
	404-3 Percentage of employees receiving regular performance and career development reviews	3.1.2 Employee Training and Development



GRI standard	Disclosures	Location
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	3.1.1 Protection of Employees' Rights and Interests
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	3.1.1 Protection of Employees' Rights and Interests
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	1.3.2 Sustainable Supply Chain、 3.1.1 Protection of Employees' Rights and Interests
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	1.3.2 Sustainable Supply Chain、 3.1.1 Protection of Employees' Rights and Interests
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	2.2 Environmental Compliance Management、 3.3 Participate in Public Welfare and Charity
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	1.3.2 Sustainable Supply Chain
	414-2 Negative social impacts in the supply chain and actions taken	1.3.2 Sustainable Supply Chain
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	1.2 High-Quality Products and Services
	417-2 Incidents of non-compliance concerning product and service information and labeling	1.2.2 Customer Service Guarantee
	417-3 Incidents of non-compliance concerning marketing communications	1.2.2 Customer Service Guarantee
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	1.2.2 Customer Service Guarantee

## Company Abbreviation

Corporate Name	Abbreviation
GCL Energy Technology Co., Ltd.	GCL ET, the Company, the enterprise, we
GCL Smart Energy (Suzhou) Co., Ltd.	GCL Smart Energy
Jiangsu GCL New Energy Integrated Energy Services Co., Ltd.	Xinyuan Company
GCL Shengneng Integrated Energy Services Co., Ltd.	Shengneng Company
Suzhou GCL Xinguang Smart Energy Co., Ltd.	GCL Sun Household Company
Changlong Co., Ltd.	International Company
GCL Huandong Energy Technology (Shaoxing) Co., Ltd., Jiangsu GCL Storage & Charging Energy Technology Co., Ltd.	Mobile Energy Company
GCL Power Fuel (Suzhou) Co., Ltd.	Fuel Company
Beijing Shengneng Energy Technology Co., Ltd.	Beijing Shengneng


## List of Important Topics

Serial No.	Dimension	Topics	Topic Connotation
1	Environment	Response to Climate Change	Actively addressing the challenges of climate change, incorporating climate change risks into corporate strategic planning and decision-making processes, participating in international cooperation on climate governance, and jointly promoting progress in global climate action.
2	Environment	Energy and Resource Management	Taking into comprehensive consideration the efficient utilization of energy and resources, we aim to enhance energy efficiency, reduce resource waste, and achieve sustainable development through technological innovation and management optimization.
3	Environment	Clean Energy Development	Accelerate the research, development, and application of renewable energy technologies, optimize the proportion of clean energy in the business structure, actively explore and develop clean energy sources such as solar and wind energy, reduce dependence on traditional fossil fuels, lower carbon emissions, and promote the green transformation of the energy mix.
4	Environment	Environmental Compliance Management	Establish and improve an environmental management system to ensure that corporate business activities comply with domestic and international environmental regulations and standards. By continuously improving environmental management performance, we aim to reduce environmental pollution and ecological damage, and protect the ecological environment.
5	Environment	Pollutant and Waste Management	Enterprises effectively manage and control pollutants and waste generated during production and operation. By adopting advanced pollution control technologies and waste resource utilization technologies, we reduce pollutant emissions and waste generation, achieving waste reduction, resource recovery, and harmless treatment.
6	Environment	Ecological Environment Protection	Strengthen the awareness of ecological environment protection, take measures to reduce the damage of production activities to the ecological environment, protect biodiversity, and promote the balance and stability of the ecosystem.
7	Society	Technical Innovation	Continuously promote technological innovation, develop new products, technologies, and services, improve product performance and quality, while paying attention to technological ethics to ensure the sustainability of technological development.
8	Society	High-Quality Products and Services	Build a full-chain quality traceability system, with a focus on project engineering quality, to provide high-quality green energy services to society. We are committed to providing customers with excellent services and continuously optimizing service processes through means such as big data analysis.

Serial No.	Dimension	Topics	Topic Connotation
9	Society	Human Capital Development	Attach importance to the cultivation and development of human capital, pay attention to the protection of employees' basic rights and interests, and strive to provide a fair, diverse, and excellent working environment and development opportunities, stimulate employees' potential, and enhance employee satisfaction and loyalty.
10	Society	Occupational Health and Safety	Ensure the occupational health and safety of employees, establish and improve the occupational health and safety management system, provide necessary safety training and protective measures, and prevent the occurrence of occupational diseases and work-related accidents.
11	Society	Responsible Supply Chain	Integrating ESG principles into supply chain management, conducting rigorous screening and management of suppliers, ensuring the stability and sustainability of the supply chain, and promoting collaborative development among supply chain partners.
12	Society	Community Engagement and Rural Revitalization	Actively participate in community activities and rural revitalization projects, establish good cooperative relationships with the community, provide support and assistance for community development, and achieve win-win development between the enterprise and the community.
13	Governance	Corporate Governance	Improve the corporate governance structure, enhance governance transparency and efficiency, ensure the scientific and rational nature of corporate decisions, and safeguard the rights and interests of shareholders and other stakeholders.  Improve the Company's sustainable development/ESG governance framework and standardize the management processes for sustainable development and ESG-related matters.
14	Governance	Business Ethical Conduct	Adhering to the principles of business ethics, complying with business norms and laws and regulations, strictly implementing anti-corruption and integrity promotion work, advocating fair competition and honest business practices, and establishing a good corporate image and reputation.
15	Governance	Data Security and Privacy Protection	Strengthen awareness of data security and privacy protection, establish and improve a data security management system, ensure the security and confidentiality of information such as that of the Company, customers, and employees, and prevent data leakage and abuse.



Third-party Assurance Report



ASSURANCE STATEMENT  
CN25/00002725

**SGS-CSTC'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE GCL ENERGY TECHNOLOGY CO.,LTD. SUSTAINABILITY REPORT FOR 2024**

**NATURE OF THE ASSURANCE/VERIFICATION**  
SGS-CSTC STANDARDS TECHNICAL SERVICES CO., LTD. (hereinafter referred to as SGS) was commissioned by GCL ENERGY TECHNOLOGY CO.,LTD. (hereinafter referred to as GCL-ET) to conduct an independent assurance of the Chinese version of *GCL Energy Technology Co.,Ltd. Sustainability Report for 2024* (hereinafter referred to as the Report).

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

**RESPONSIBILITIES**  
The information in the Report and its presentation are the responsibility of the board and the management of GCL-ET. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance with the intention to inform all GCL-ET's stakeholders.

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

**ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE**  
The SGS ESG & Sustainability Report Assurance (SRA) protocols used to conduct assurance are based upon internationally recognised assurance standards including the AA1000 series of standards and ISAE3000.

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

Assurance Standard Options	Level of Assurance
AA1000AS v3 Type 2	Moderate

**SCOPE OF ASSURANCE AND REPORTING CRITERIA**  
The assurance engagement was conducted to evaluate the accuracy and reliability of the sustainability performance information included in the Report. Additionally, it assessed the extent to which the Report's content refers to the requirements of *GRI Standards 2021*.

**ASSURANCE METHODOLOGY**  
The assurance comprised a combination of pre-assurance research, interviews with relevant employees at the headquarters of GCL-ET, GCL Energy Center, No.28, Xinqing Road, Suzhou Industrial Park, Suzhou City, Jiangsu Province, P.R.China; documentation and record review and validation where relevant.

**LIMITATIONS AND MITIGATION**  
Data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

The greenhouse gas emissions related data in the Report has not undergone verification by an independent third-party auditor. In the context of the present assurance engagement, our procedures were limited to sample-based validation.



This assurance engagement was restricted to the level of GCL-ET and did not include traceability of original data from all subordinate institutions.

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

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

**FINDINGS AND CONCLUSIONS**  
**ASSURANCE/VERIFICATION OPINION**  
On the basis of the methodology described and the assurance engagement performed, the specified performance information included in the scope of assurance is accurate, reliable, and has been fairly stated.

**CONCLUSIONS, FINDINGS AND RECOMMENDATIONS BASED ON *GRI STANDARDS 2021***  
The assurance team concludes that the Report has referred to the requirements of *GRI Standards 2021*.

All observations pertaining to commendable practices, sustainable development activities, and managerial recommendations identified throughout the assurance process have been thoroughly documented in the *Internal Management Report on Sustainability Reporting Assurance*. This report has been officially presented to the relevant management divisions of GCL-ET to serve as a reference for their ongoing efforts towards continuous improvement.

Signed:



For and on behalf of SGS-CSTC

David Xin  
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Apr. 27<sup>th</sup>, 2025  
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