

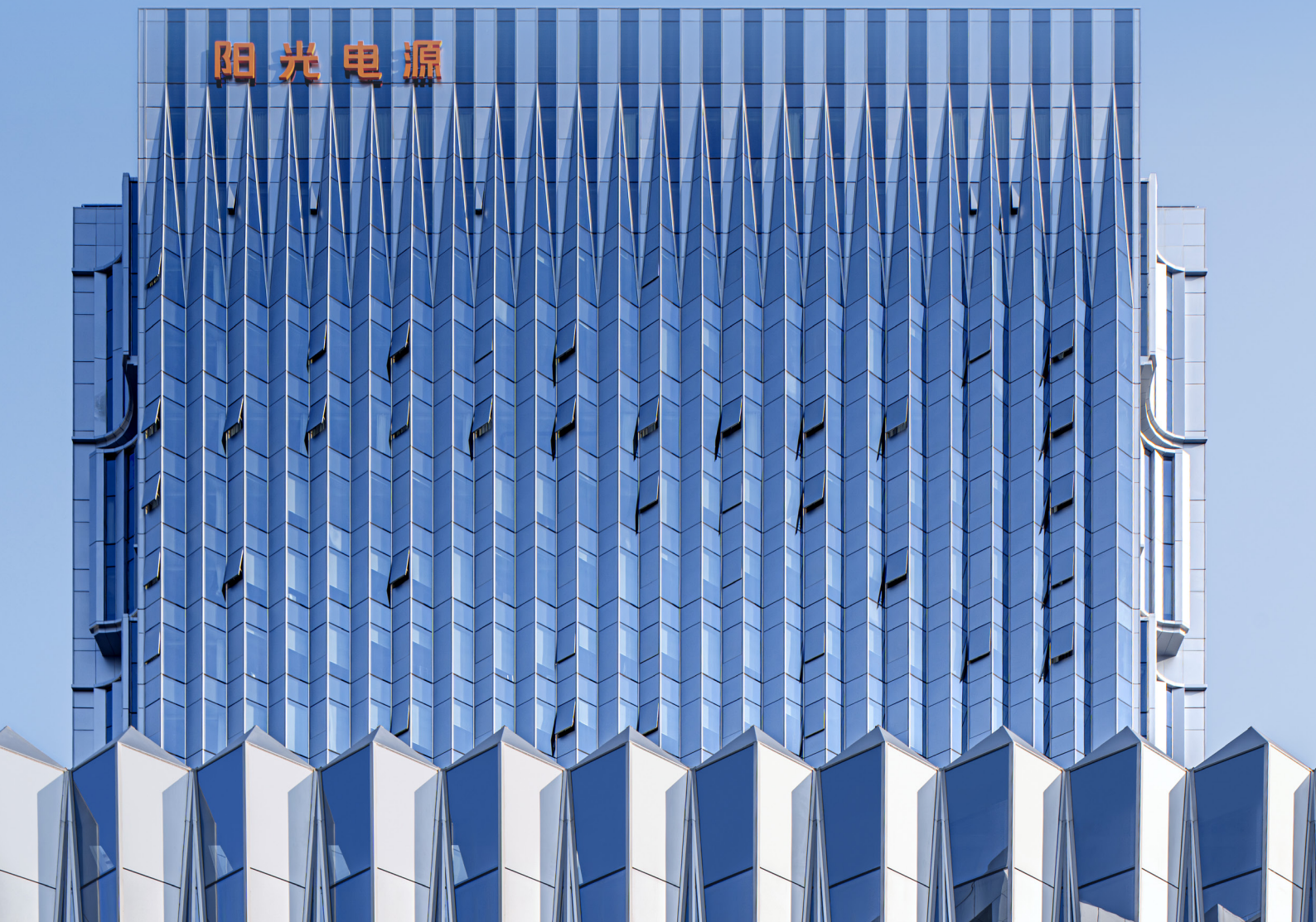
BIODIVERSITY CONSERVATION POLICY



Sungrow Power Supply Co., Ltd. (“Sungrow” or “the Company”) fully recognizes the fundamental importance of biodiversity to the long-term sustainability of global ecosystems, human society, and businesses. Natural capital, as the foundational asset of ecosystems, plays an essential role in sustaining key ecosystem services such as climate regulation, clean water provision, food security, disease prevention, and cultural values. The health, stability, and resilience of natural capital form the very cornerstone of human well-being and sustainable socio-economic development.

In fulfilling its environmental and social responsibilities, Sungrow is committed to respecting and protecting biodiversity, promoting the sustainable use of natural resources, minimizing the negative ecological impact of its operations, and—wherever feasible—contributing to the restoration and conservation of ecosystems.

This Biodiversity Conservation Policy (hereafter referred to as “this Policy”) applies to Sungrow Power Supply Co., Ltd. and its subsidiaries, covering the Company’ s production and business operations, products and services, etc. The Company also requires its suppliers, service providers, contractors, and other major business partners to comply with this policy or equivalent regulations and standards.



Establish a Management System



Sungrow strictly adhere to applicable laws and regulations concerning ecosystem and biodiversity conservation, including but not limited to the *Wild Animal Conservation Law of the People's Republic of China*, *Regulations of the People's Republic of China on Nature Reserves*, *Forest Law of the People's Republic of China*, *Water and Soil Conservation Law of the People's Republic of China*, *Environmental Protection Law of the People's Republic of China*, *Law of the People's Republic of China on Environmental Impact Assessment*, *Technical guidelines for environmental impact assessment—Ecological impact*, *Ecological Red Line System*, and *China Biodiversity Conservation Strategy and Action Plan (2023–2030)*, as well as other relevant laws and regulations in the jurisdictions where the Company operates, such as the European Union's Regulation on Deforestation-Free Products (EUDR), to prevent negative impacts on ecosystems.

The Board's Strategy and Sustainability Committee (a Board-level committee) is responsible for overseeing and making decisions regarding biodiversity conservation, including reviewing strategies, policies, and objectives, assessing the potential impacts of the Company's business on ecosystems and biodiversity, and supervising the implementation of related conservation initiatives. The ESG Development Center serves as the coordinating department, guiding and supervising all business units and subsidiaries in fully implementing ecosystem and biodiversity conservation efforts.

The Company is committed to integrating the principle of biodiversity conservation into multiple levels of its business operations. The Company has formulated a series of policies and regulations, including the *Environmental Management Policy*, *Biodiversity Conservation Policy*, *Regulations on Environmental Factor Identification and Environmental Impact Assessment and Control*, *EHS Management Chapter of the Project Management Manual*, *Project Design Process Management Regulations*, and *Regulations on Red Line Map Management for Domestic Projects*, thereby promoting the close integration of biodiversity conservation with the Company's business operations.

The Company is committed to achieving a “No Gross Deforestation” goal¹, ensuring that the Company's operations—including the production, trade, and sale of related goods—fully cease or minimize activities associated with deforestation.

¹ No Gross Deforestation initiatives: Commodity production, sourcing, or financial investments that do not cause or contribute to deforestation. Loss of natural forest is defined as a result of conversion to agriculture or other non-forest land use; conversion to a tree plantation; or severe and sustained degradation.

Comply with Key Principles

Achieve Net Positive Impact

Sungrow supports international conventions such as the United Nations *Convention on Biological Diversity* and the *Kunming-Montreal Global Biodiversity Framework* adopted at the UN Biodiversity Conference (COP15). The Company is committed to contributing to a Net Positive Impact (NPI) on biodiversity—stabilizing biodiversity impacts across the Company’s value chain by 2030 and enabling the recovery and net improvement of natural ecosystems by 2050—in alignment with the Convention’s vision of “living in harmony with nature by 2050.”

Adhere to the Mitigation Hierarchy

The Company commits to following the Mitigation Hierarchy principle—prioritizing the avoidance of impacts on the natural environment. Where avoidance is not feasible, efforts will be made to minimize such impacts; for impacts that have already occurred, the Company assumes responsibility for restoring the affected areas and their ecosystems. In cases where residual adverse impacts cannot be fully addressed through these measures, appropriate offset actions will be implemented to compensate for the remaining loss.



Promote Value Chain Commitments

The Company pledges to avoid business operations—whether conducted by the Company itself or within the upstream (e.g., suppliers, raw material sourcing) and downstream (e.g., logistics, distribution) segments of the value chain—in or adjacent to areas of globally or nationally important biodiversity areas².

The Company actively engages in dialogue and cooperation with stakeholders, including government agencies, non-governmental organizations, local communities, and supply chain partners. Through supplier management, employee training, and ecological restoration initiatives, efforts are made to reduce potential impacts on biodiversity throughout the value chain. Cooperation is prioritized with suppliers that hold sustainability certifications, thereby promoting biodiversity conservation across the entire value chain.

Enhance Ecological Synergy Pathways

Recognizing the intrinsic connection between biodiversity conservation and climate change mitigation, the Company is committed to integrating biodiversity strategies with climate action to promote synergies between natural capital management and climate initiatives. It advocates for Nature-based Solutions (NbS) as a means to establish positive feedback loops between ecosystem restoration and climate adaptation. Key pathways for synergy include:

- Prioritizing the restoration and conservation of natural ecosystems that offer both carbon sequestration potential and ecological protection value.
- Systematically incorporating the economic and environmental value of ecosystem services into climate scenario analysis and risk management to enhance overall climate resilience.
- Promoting the adoption of sustainable land management, regenerative agriculture, and other practices across the value chain to achieve coordinated goals of greenhouse gas emissions reduction and ecosystem conservation.

² Globally or nationally important biodiversity areas: UNESCO World Heritage Sites, Ramsar Sites, International Union for Conservation of Nature (IUCN) Protected Areas, National Parks, etc.

Deployment of Core Practices

Identify Priority Areas

Based on the dependency and impact of the value chain, Sungrow identifies key regions for biodiversity conservation through the following steps:

- Prioritize operational sites with significant biodiversity impacts, considering environmental impact and financial materiality.
- Analyse the impact of different operational locations, products, and suppliers on ecosystems to identify high-risk segments within the value chain.
- Assess stakeholder needs within the value chain and their dependence on ecosystem services.
- Evaluate the health of ecosystems in various regions of the value chain based on their natural conditions, and designate areas with fragile environments or low species diversity as priority conservation regions.

Conduct Biodiversity Assessments

The Company establishes a systematic biodiversity risk assessment process, referencing methodologies such as the TNFD LEAP Nature Risk Assessment Approach, Integrated Biodiversity Assessment Tool (IBAT), and WWF Biodiversity Risk Filter, integrating it into the Company's overall risk management framework to identify biodiversity risks in priority regions across the value chain, covering the Company's own operations, adjacent areas, supply chain, and downstream activities:

- Assess the dependence and impact of the photovoltaic, energy storage, and new energy projects on ecosystems during construction, production, and operation; identify whether project sites are near critical biodiversity areas (e.g., national parks, wetlands), and design measurable indicators to manage significant risks.
- Analyse the potential ecological impacts of procuring and processing key raw materials within the supply chain, and conduct environmental impact assessments for downstream activities, including product transportation, installation, maintenance, and end-of-life disposal.



Set No Net Loss Targets

Based on the results of biodiversity risk assessments, No Net Loss³ (NNL) targets are set for priority areas. Related initiatives include, but are not limited to:

- Avoid procurement in significant biodiversity areas.
- Reduce land-use changes, such as preventing deforestation.
- Mitigate overexploitation of resources, such as reducing water usage in water-scarce regions.
- Implement ecological restoration or regeneration actions in critical regions of the value chain.
- Conduct ecological compensation through reforestation programs or establishing protected areas.

Promote Ecological Restoration Initiatives

The Company is committed to systematically advancing ecological restoration and remediation throughout the entire project lifecycle—from development, construction to operational management—in order to minimize disturbances to natural ecosystems and enhance the ecological service functions of degraded areas.

An ecological restoration target has been set—starting from 2022, the Company aims to establish 5 habitat restoration sites within five years, with a total planting area of 500mu. This goal is embedded in the Company's sustainability strategy. All restoration initiatives, such as the “Sungrow Forest” giant panda habitat restoration project, are designed in alignment with local ecological characteristics, scientific assessments, and stakeholder input to ensure long-term effectiveness and ecological resilience.

The Company focuses on addressing land degradation and rebuilding ecological environments, promoting site-specific solutions to restore ecosystems in project development areas. For photovoltaic projects, priority is given to locations such as deserts, abandoned farmland, water surfaces, hillsides, and reclaimed mining lands. Tailored environmental remediation plans are implemented—including land leveling, slope stabilization, gully backfilling, and “PV + green planting” approaches—to improve the integrated efficiency of land use and achieve both ecological restoration and power generation enhancement.

³ No Net Loss (NNL): Within an appropriate geographic scope (e.g., local, landscape, national, or regional), measures are taken to avoid and minimize the impacts of operational activities, conduct on-site restoration, and ultimately offset significant residual impacts in order to balance the effects of operations on biodiversity.

Review and Update

Sungrow is committed to conducting a comprehensive review of its Biodiversity Conservation Policy at least once a year. This review process covers this Policy's legality, appropriateness, effectiveness, and alignment with the Company's current operations and future strategic direction. In addition, special reviews will be promptly initiated in response to significant regulatory changes, the adoption of new technologies, or adjustments in business models, to ensure timely updates and continued applicability of this Policy.

Information Disclosure

The Company's efforts in biodiversity conservation will be disclosed in the annual Sustainability Report. For the latest developments, please refer to the Sustainability section on Sungrow's official website. For any questions or suggestions, please contact: esg@sungrowpower.com

Upon review and approval by the Company's Strategy and Sustainability Committee, this Policy shall be implemented across all global production and operational sites.



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