



RISEN ENERGY'S RESPONSIBLE SUPPLY CHAIN DUE DILIGENCE REPORT

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Purpose of the Report

To comply with the requirements of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, 3rd Edition (hereinafter referred to as the "OECD Guidance"), and to avoid any systematic or widespread human rights abuses, conflicts, money laundering, and the financing of terrorism, the Company has established a robust management system and adopted supply chain due diligence methods to identify and assess risks among suppliers, ensuring that its supply chain meets the requirements of the OECD Guidance.

This report summarizes the compliance status of Risen Energy Co., Ltd. with the relevant requirements of the OECD Guidance during the period from January 1, 2024 to December 31, 2024.

Company Overview

Risen Energy Co., Ltd. was founded on December 2, 2002, with its headquarters located in Ninghai County, Ningbo City, Zhejiang Province, and a registered capital of RMB 1,140,013,863. In September 2010, the company was listed on the Growth Enterprise Market (GEM) of the Shenzhen Stock Exchange, with the stock code: 300118. The company focuses on the global business of new energy and new materials, and its main business scope includes crystalline silicon materials, solar cells, modules, new materials, photovoltaic (PV) power plants, energy storage integrated systems, and smart lighting.

The company's PV module business ranks among the global leaders in the PV industry, with its shipment volume ranking among the top globally for many years. In 2024, the company achieved a PV module sales volume of 18.07GW, among which overseas module sales reached 6.79GW. Particularly, the sales volume of N-type heterojunction (HJT) products achieved a year-on-year growth rate of over 100%. The company has established production bases in Ningbo (Zhejiang), Changzhou (Jiangsu), Yiwu (Zhejiang), Chuzhou (Anhui), Malaysia and other locations, and set up branches in overseas markets such as India, Japan, South Korea, Australia, Spain, and Brazil, building a global marketing network. Its products are sold to countries and regions including Europe, America, South Africa, and Southeast Asia.

As of the end of the reporting period, Risen Energy has 10 production bases and 24 marketing & service centers worldwide, providing users with professional PV products and technical support to contribute to the optimization of the global energy structure and sustainable development.

Summary of Compliance Activities

Step 1: Establish a Robust Corporate Management System

We are committed to complying with international conventions and initiatives such as the United Nations Global Compact (UNGC), the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and the Responsible Minerals Initiative (RMI), as well as provisions such as Section 1502 of the U.S. Dodd-Frank Act and relevant industry initiatives. We firmly oppose forced labor, and procure mineral raw materials—including tantalum, tin, tungsten, gold (3TG) and silicon materials—used in our products in a responsible manner, striving to ensure that all raw materials for our products are sourced ethically.

Corporate Policy

Risen Energy recognizes that mineral extraction, trade, processing, and export activities in conflict-affected and high-risk areas may pose risks of causing significant adverse impacts. We also acknowledge our obligation to respect human rights and not contribute to conflicts. We are committed to adopting and widely promoting the following Responsible Sourcing Policy for Minerals from Conflict-Affected and High-Risk Areas, and incorporating it into contracts and/or agreements signed with suppliers.

This policy provides basic guidance for conflict-sensitive procurement activities throughout the entire process from extraction to end-users, as well as for suppliers' risk awareness. We commit to refraining from any activities that would fund conflicts, and to complying with relevant United Nations sanctions resolutions or, where applicable, the domestic laws that implement such resolutions.

- Severe Violations Related to Mineral Extraction, Transportation, or Trade:

When conducting procurement or business activities in conflict-affected and high-risk areas, we will neither tolerate nor, in any way, benefit from, aid, assist, or facilitate the commission of the following acts by any party:

- a) Any form of torture, or cruel, inhuman, or degrading treatment or punishment
- b) Any form of forced or compulsory labour. Forced or compulsory labour refers to any work or service extracted from an individual under the threat of penalty, which the individual has not provided voluntarily.
- c) The worst forms of child labour
- d) Other serious violations and abuses of human rights, such as widespread sexual violence

e) War crimes, other serious violations of international humanitarian law, crimes against humanity, or genocide

- Risk Management for Severe Violations

If we have reasonable grounds to believe that such a risk exists—i.e., that an upstream supplier is procuring from or has connections with any party that commits the severe violations specified in Article 1—we will immediately suspend or terminate cooperation with that supplier.

- Regarding Direct or Indirect Support to Non-State Armed Groups

We will not tolerate any direct or indirect support to non-state armed groups through mineral extraction, transportation, trade, processing, or export. "Direct or indirect support" to non-state armed groups via mineral extraction, transportation, trade, processing, or export includes, but is not limited to, purchasing minerals from non-state armed groups or their affiliates, making payments to them, or providing logistical support, equipment, or other forms of assistance to them.

- Risk Management for Direct or Indirect Support to Non-State Armed Groups

If we have reasonable grounds to believe that an upstream supplier is procuring from or has a relationship with any party that provides direct or indirect support to non-state armed groups (as defined in the third paragraph), we will immediately suspend or terminate cooperation with that supplier.

- Regarding Public or Private Security Forces

In accordance with the provisions of Article 10, we undertake to refrain from providing direct or indirect support to any public or private security forces that illegally control mining sites, transportation routes, or upstream actors in the supply chain; illegally levy taxes, demand money or minerals at the entrances of mining sites, along transportation routes, or at mineral trading points; or illegally tax or extort intermediaries, export enterprises, or international traders.

- We recognize that the role of public or private security forces at and/or around mining sites and/or along transportation routes is solely to uphold the rule of law. This includes protecting human rights, safeguarding the safety of miners, equipment, and facilities, and securing mining sites or transportation routes to ensure that legal extraction and trade activities are not disrupted.

- In cases where we or any enterprise in our supply chain have entered into a contract with public or private security forces, we commit to either complying with the provisions of the Voluntary Principles on Security and Human Rights (VPSHR) ourselves or requiring such compliance in the process of cooperating with these security forces. In particular, we will support or take measures to implement screening policies to ensure that individuals or security force units with a known record of committing severe human rights violations are not engaged.

- We will support or take measures to cooperate with central or local governments, international organizations, and civil society organizations to jointly identify feasible solutions for enhancing the transparency, proportionality, and accountability of security costs related to public security forces.

- We will support or take measures to engage with local governments, international organizations, and civil society organizations to avoid or minimize the adverse impacts of the presence of public or private security forces at mining sites on vulnerable groups—particularly on artisanal miners. This applies in cases where minerals in the supply chain are extracted through artisanal or small-scale mining.

- Risk Management for Public or Private Security Forces:

If we identify the existence of such risks to a certain extent, we will immediately develop, adopt, and implement a risk management plan for upstream suppliers and other stakeholders based on the enterprise's specific position in the supply chain. This plan aims to contain or mitigate the risk of providing direct or indirect support to public or private security forces as described in Paragraph 5. If the risk management plan fails to take effect within six months, we will temporarily suspend or terminate cooperation with the upstream supplier. The same response measures will be adopted if we identify a reasonable possibility of non-compliance with the provisions of Paragraphs 8 and 9.

- Regarding Bribery and Fraudulent Misrepresentation of Mineral Origin:

We will not offer, promise, commit, or demand any form of bribery. We will also resist temptation and refrain from offering bribes to conceal or falsify the origin of minerals, or to underreport taxes, fees, and royalties that should be paid to the government for mineral extraction, trade, processing, transportation, export, or other related activities.

- Regarding Money Laundering

If we have reasonable grounds to believe that there is a money laundering risk arising from or associated with minerals obtained through illegal taxation or extortion at mining site entrances, along transportation routes, or at mineral trading locations of upstream suppliers (in the course of mineral extraction, trade, processing, transportation, or export), we will support or take measures to contribute to the effective elimination of money laundering activities.

- Regarding Taxes, Fees, and Royalties Paid to Governments:

We will ensure that all legal taxes, fees, and royalties related to the extraction, trade, and export of minerals from conflict-affected and high-risk areas are paid to the government. We also commit to disclosing such payments in accordance with the principles of the Extractive Industries Transparency Initiative (EITI), based on the enterprise's position in the supply chain.

- Risk Management for Bribery, Fraudulent Misrepresentation of Mineral Origin, Money Laundering, and Government Payments (Taxes, Fees, Royalties):

Based on the enterprise's specific position in the supply chain, we commit to cooperating, as appropriate, with suppliers, central or local government authorities, international organizations, civil society, and affected third parties. The purpose of this cooperation is to improve or monitor performance, with the goal of taking meaningful measures to prevent or mitigate risks of adverse impacts within a reasonable timeframe. If the risk mitigation measures fail to take effect, we will temporarily suspend or terminate cooperation with the upstream supplier.

Internal Management Structure

Risen Energy has established a comprehensive supply chain management structure. The company's senior management oversees and makes decisions on the overall operation of the supplier ESG (Environmental, Social, Governance) management system, ensuring that the principle of sustainable development is implemented from the top management to the frontline. This structure more effectively drives the entire supply chain toward greater responsibility.

Under the Supply Chain Management Center at the company headquarters, there are supply chain management departments for business segments including photovoltaic (PV), energy storage, and power. These departments are committed to ensuring the stability and sustainable development capabilities of the supply chain for each business segment. Below these departments, category-based procurement departments are responsible for procuring various raw materials, consumables, equipment, and services, providing the company with product selection solutions that are technologically advanced and cost-effective.

In terms of internal systems, we strictly comply with the Contract Law of the People's Republic of China on Tenders and Bids as well as relevant laws, regulations, and requirements in the locations where we operate. We have formulated a series of supplier management systems, including the PV BU Supplier Development Management System, PV BU New Supplier & New Material Introduction Management System, PV BU Supplier Assessment and Scoring System, and Energy Storage Business Unit Supplier Management Regulations. These systems define a full-process management model covering supplier sourcing, onboarding, assessment, and exit.

In the supplier sourcing and onboarding phase, we follow the proximity principle and select suppliers that meet the requirements of technological iteration. We review suppliers' qualifications based on specific checklists for Quality System Audit (QSA) and Quality Process Audit (QPA). Meanwhile, we explicitly incorporate ESG-aligned indicators—such as the establishment of three management systems (quality, environment, occupational health and safety), product quality certifications, and MSDS (Material Safety Data Sheet) reports—into the screening criteria. We conduct on-site audit and scoring for new suppliers to ensure that indicators such as product quality, and environmental and safety standards in production meet the company's requirements. Suppliers with an audit score of less than 70% will not be onboarded.

After confirming cooperation with suppliers, we implement a classification management system,

categorizing suppliers into two groups: main materials and auxiliary materials, and applying targeted management measures. For core suppliers in the PV and energy storage segments, we have signed 100% of the following 12 ESG-related commitments and agreements: Supplier Social Responsibility Commitment, Supplier Occupational Health, Safety and Environment Notification, Supplier Anti-Commercial Bribery and Anti-Fraud Commitment, Carbon Emission Management Commitment, Conflict-Free Minerals Declaration, ESG Due Diligence Questionnaire, and Conflict Minerals Reporting Template (CMRT). Through these clear regulatory guarantees, we guide suppliers to practice ESG concepts.

We strictly control the quality of suppliers' delivered goods. By combining questionnaires with documentary evidence reviews, we conduct monthly assessments of supplier quality based on the Monthly Supplier Comprehensive Evaluation Form, which comprehensively considers suppliers' technical capabilities and ESG-related factors. For suppliers with outstanding performance, we adopt appropriate incentive measures to enhance cooperation loyalty; for suppliers with poor assessment results, we suspend transactions and supervise and support their rectification.

Meanwhile, we respond promptly to the international community's focus on supplier due diligence. We have incorporated environmental and human rights audit factors from the German Supply Chain Due Diligence Act, EU Battery Regulation, Corporate Sustainability Due Diligence Directive (CSDDD), and Guiding Principles on Business and Human Rights into supplier audit forms to ensure supply chain compliance and sustainability. In addition, we strictly control the use of hazardous substances and require suppliers to provide annual third-party test reports confirming compliance with hazardous substance requirements, ensuring that materials meet the standards of the EU's REACH Regulation and RoHS Directive.

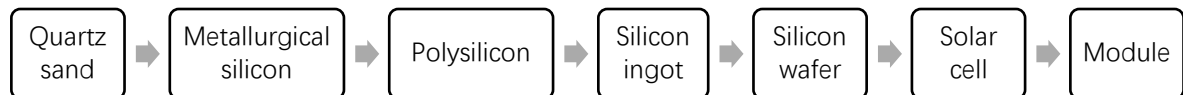
Traceability System and Identification of Other Supply Chain Participants

In terms of supplier traceability, we confirm the list of upstream suppliers and verify specific details through traceability efforts. We proactively build a traceability system and reporting framework, and based on the material traceability policies of the order clients and the countries where projects are located, we conduct real-time management and auditing of different traceability routes in conjunction with the company's supply chain map. This ensures that the entire supply chain strictly complies with the laws and regulations of the destination countries for exported modules.

Currently, we have achieved full-process traceability from silicon material modules back to silicon mines. Additionally, our supply chain has received excellent ratings from third-party assessments, including Module Grade A, Cell Grade AA, Wafer Grade AA, and Ingot Pulling Grade A1, which fully meets clients' traceability requirements.



Risen Energy's Supplier Traceability Journey



Photovoltaic module traceability path

Interact with trading parties and assist them in building due diligence capabilities

We are committed to building a green supply chain and enhancing suppliers' awareness of environmental responsibility. The company has established a Supplier Quality Management Department as the governing body, which is responsible for promoting and evaluating suppliers' emission reduction initiatives.

Meanwhile, we have incorporated the ESG Questionnaire into the supplier due diligence process and conduct comprehensive scoring of suppliers based on the Monthly Supplier Comprehensive Evaluation Form—with the annual score including an ESG score (covering the environmental protection dimension). Through the analysis of due diligence results, we classify suppliers by risk level and apply corresponding score deductions; the final data is compiled into the Annual Supplier Assessment Summary Form for archiving.

In addition, the company requires all key suppliers to sign the Carbon Emission Management Commitment to strengthen the green development and sense of responsibility of the supply chain.

Transaction Monitoring

All the company's relevant receipt and payment transactions are conducted through the company's bank accounts, with no cash transactions. These receipts and payments are supervised by banks and national fiscal and tax authorities, and a financial audit is conducted annually.

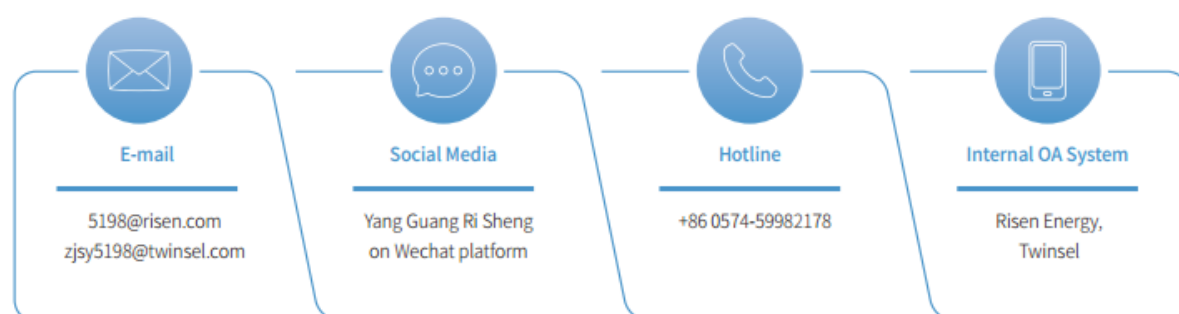
In accordance with the requirements of the management system, transaction supervision is implemented to address risks in the supplier supply chain. The company inspects documents received for each batch of products, including shipping documents, weight certificates, inspection reports, invoices, and transfer records.

The System Team is responsible for transaction monitoring work, and conducts inspections on transactions with inconsistent backgrounds or suspected inconsistencies in any form. During the reporting period, all transactions were conducted via bank transfer, with no cash transfers.

Communication and Grievance Mechanisms

We have established a comprehensive reporting and grievance mechanism (overseen by the company's Audit Department), providing a transparent platform for all stakeholders including employees, suppliers, and customers. This mechanism encourages all stakeholders to proactively report any potential violations of business ethics principles. For instance, employees can freely express their views and put forward valuable opinions and suggestions within the scope permitted by law through multiple channels specified in the Group Employee Feedback Management Measures.

We use multiple methods such as offline announcements, notifications, and online platforms to ensure that stakeholders are aware of these channels and can conveniently use them for reporting and feedback.



Sustainable Supply Chain Development

We aim to enhance suppliers' engagement in ESG (Environmental, Social, Governance) and guide them to jointly practice green and low-carbon development as well as responsible business conduct with us. On the basis of strictly assessing suppliers' ESG performance, we provide ESG general knowledge training to 100% of our suppliers, share industry-leading ESG best practice cases, strengthen their understanding of ESG concepts, and encourage them to integrate ESG concepts into their business operations to improve their ESG performance capabilities.

In 2024, Risen Energy held its annual ESG Supplier Training, with the theme "Empowering New-

Quality Productive Forces, Co-Creating a Sustainable Future". The training aimed to help suppliers reduce environmental burdens and carbon footprints in their production and operation processes, and enhance the resilience and stability of the industrial chain. A total of 85 participants attended the training, covering 100% of core suppliers. Through this training, the company further guided suppliers to deeply understand the value of ESG and promoted their full compliance with the company's Conflict-Free Minerals Commitment and Policy.

Record Keeping

All supplier-related documents—including due diligence documents, risk assessment forms, compliance documents, contract texts, inspection records, and warehouse inbound/outbound records—are retained for the long term (generally, paper documents are kept for 5 years, and electronic files for 26 years).

Step 2: Identify and Assess Supply Chain Risks

We initially meet the requirements of the second step: identifying and assessing supply chain risks.

Translation of Supply Chain Risk Identification

We have defined the methods for supplier risk identification and assessment, which cover all risks associated with high-risk mineral-containing materials from their origin to refineries. Through supplier due diligence, the following risks are identified, including those related to suppliers' basic information, beneficial owners, origin information, responsible precious metal supply chain policies, transportation processes, anti-money laundering (AML) and counter-terrorist financing (CTF), bribery and fraud, human rights violations, transaction monitoring, and support for non-governmental armed groups.

The identification methods include: Establishing supply chain customer profiles, which shall include: enterprise name, legal representative, address, contact information, operation mode, production method, transaction contract, etc. Conducting regular verification on existing supply chain customers. In case of newly established or changed customers, timely inspection of their profile materials shall be carried out to keep the profile database up-to-date. Identifying each customer, enterprise, and enterprise beneficial owner, and verifying their identities using reliable independent source documents, data, or information. Confirming that each customer, enterprise, and enterprise beneficial owner in the supply chain is not listed on any government watchlist for money laundering, fraud, or terrorism. Regularly obtaining detailed information on the business and financial status of supply chain customers, as well as the purpose of transactions and business operation conditions.

Supply Chain Risk Assessment

Before establishing a business relationship with a supplier, the supplier is required to fill out the Supply Chain Due Diligence Questionnaire. In accordance with the Supply Chain Due Diligence Rules, risk assessment shall be conducted for all materials containing high-risk minerals.

Suppliers need to provide information related to materials containing high-risk minerals, including origin details, mining licenses, import and export licenses, certificates of mining status, and due diligence documents. In addition, they shall also collect and submit business licenses, beneficial owner information, credit records, financial information, and verification of whether they are listed in government databases of money launderers, known fraudsters, or terrorists. For some suppliers, relevant personnel will conduct on-site investigations to verify the authenticity of the information, ensuring the accuracy and reliability of the assessment.

The company has established a relatively sound process to identify risks in the supply chain and formulated procedures for identifying CAHRAs (Conflict-Affected and High-Risk Areas). The company uses the following resources to determine CAHRAs:

- Heidelberg "Global Conflict Barometer";
- Availability of social responsibility audit reports (such as SA8000, ISO 26000, BSCIS, Sedex) with no serious human rights issues (e.g., child labor, forced labor) (applicable to domestic suppliers for human rights assessment);
- EU CAHRAs List;
- Countries/Regions listed as High-Risk by the Financial Action Task Force (FATF) (for anti-money laundering);
- Dodd-Frank Act;
- UN Sanctions Lists;
- Fragile States Index (FSI);
- Human Development Index (HDI) (applicable only to foreign suppliers);
- Global Peace Index;
- Basel Institute on Governance – Independent annual rankings for assessing global money laundering and terrorist financing risks;
- Euler Hermes Global – Country risk reports, maps, and ratings;
- Corruption Perceptions Index.

Reporting of Risk Assessment Results

The High-Risk Minerals Management Representative regularly provides a commentary report to the top management on behalf of the senior management team. The senior management retains ultimate control and responsibility for the high-risk minerals supply chain.

In the event of suppliers with medium or high risks, a report must be submitted to the top management for review/approval, and risk mitigation measures shall be implemented.

Step 3: Identify and Assess Supply Chain Risks

- During the supply chain design phase, we research the access requirements of export markets (especially the U.S.) and adopt preventive strategies:
Exclude suppliers in Xinjiang and Conflict-Affected and High-Risk Areas (CAHRAs);
Prioritize low-risk suppliers that have obtained third-party certifications.

- Implement a risk management strategy for identified risks:
For suppliers identified as low-risk or confirmed as low-risk through on-site audits: Continue cooperation with the supplier; during the cooperation process, gradually improve their investigation data, assist them in establishing their due diligence systems, and help them address gaps in risk management and control.

For suppliers identified as medium-risk and still confirmed as medium-risk through on-site audits: Suspend transactions to mitigate risks, and require the supplier to rectify the relevant risk items within a 3-month period. If the risks are eliminated, transactions will be resumed; if the rectification fails to meet requirements or risks cannot be eliminated, cooperation with the supplier will be terminated.

For suppliers identified as high-risk and still confirmed as high-risk through on-site audits:

If the supplier involves content that is zero-tolerance under the company's high-risk minerals supply chain management policy, immediately suspend or terminate transactions, report the assessment report and high-risk items to the top management, include the supplier in the company's blacklist, and prohibit transactions with the company within 3 years;

For other high-risk issues, grant a 3-month rectification period and suspend transactions during the rectification period.

- Quantitative measures, performance monitoring, re-evaluation, and regular reporting:

If the due diligence result is low-risk, and the company has adopted an improvement strategy with clear performance goals within the specified time frame, we will continue to source high-risk mineral raw materials from it. If the supply chain due diligence result is medium-risk or high-risk (indicating possible or high likelihood of money laundering, terrorist financing, fueling conflicts, or human rights violations), we will immediately stop sourcing high-risk mineral raw materials from it until the provided information or data confirms a low-risk level. Based on the due diligence results obtained during the reporting period, no suppliers require a risk mitigation management strategy.

Regular re-evaluation and continuous monitoring:

Annually, the procurement department organizes personnel to collect all changes in supplier

	Quartzite	Metallurgical Silicon	Polysilicon	Silicon Ingot	Silicon Wafer	Solar Cell
Number of Investigations	3	4	6	4	4	6
Investigation Results	No Risk	No Risk	No Risk	No Risk	No Risk	No Risk
Risk Identification Resources						
Heidelberg "Global Conflict Barometer";						
EU CAHRAs List (Conflict-Affected and High-Risk Areas List);						

High-Risk Countries/Regions listed by the Financial Action Task Force (FATF) (for anti-money laundering);
Dodd-Frank Act;
UN Sanctions Lists;
Fragile States Index (FSI);
Human Development Index (HDI) (applicable only to foreign suppliers);
Global Peace Index (GPI);
Basel Institute on Governance – Independent annual rankings for assessing global money laundering and terrorist financing risks;
Euler Hermes Global – Country Risk Reports, Maps, and Ratings;
Corruption Perceptions Index (CPI).

Our High-Risk Minerals Supply Chain Policy outlines additional information and specific details on how to implement supply chain due diligence policies, procedures, processes, and controls to comply with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals – specific requirements for high-risk minerals. This policy is available on the company's official website at www.risen.com.

Step 6: Remedial Measures

We are fully compliant with Step 6: The company's supply chain activities have not caused significant adverse impacts on relevant parties, and no remedial measures are required.

Conclusion

As of December 31, 2024, the company has implemented an effective management system, procedures, and processes, and is conducting practical work in accordance with the plan to comply with the requirements of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals.

The company is committed to continuous improvement and will regularly monitor all corrective measures identified internally to sustain compliance with the requirements of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals.