

Trinasolar

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Trinasolar Co., Ltd Climate Change Policy

Leading Dep.: Compliance management

Supportive Dep.: EHS

Approval: EMT

Doc#: TSL-CM-010

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1. Purpose

The purpose of this policy is to reduce the carbon emissions associated with the company's operations and its value chain. We aim to enhance the company's capability to address climate change risks, seize opportunities, and achieve sustainable development. This aligns with our commitment to putting efforts on mitigating global climate crisis, in accordance with the Air Pollution Prevention and Control Law of the People's Republic of China, the Working Guidance for Carbon Dioxide Peaking and Carbon Neutrality in Full and Faithful Implementation of the New Development Philosophy, the United Nations Framework Convention on Climate Change, the Paris Agreement, etc.

2. Scope

This policy applies to all climate-related actions undertaken by Trinasolar Co., Ltd., including its domestic and overseas subsidiaries (hereinafter referred to as "the Company"). The Company encourages all partners and stakeholders to follow the principles reflected in this policy to jointly address climate change.

3. Climate governance

3.1 Governance Initiatives

The Company is committed to global carbon reduction initiative, contributing to the realization of China's carbon peaking and carbon neutrality goals and the Paris Agreement climate goals. We strive to achieve carbon neutrality at the global organizational level by 2030 and net-zero emissions by 2050.

3.2 Governance Structure

- a) The Company regards climate change as a key component of our sustainable development strategy. The board of directors serves as the core responsible body. We have established a three-tier carbon management structure encompassing decision-making, management, and implementation. This includes the board of directors, ESG Management Committee, and the ESG Working Groups. The ESG Management Committee oversees climate-related matters.
- b) The Company integrates core operations, functional departments and business units into the carbon management system. Relevant departments take specific responsibilities, combining top-down and bottom-up approaches to comprehensively, systematically, and effectively achieve low-carbon development.

4. Climate Risk and Opportunities

4.1 Frameworks and Standards

The Company aligns with the Task Force on Climate-Related Financial Disclosures (TCFD) and International Financial Reporting Standards (IFRS) to evaluate potential climate risks and opportunities in operational activities, integrating them into overall risk management.

4.2 Risk and Opportunity Assessment

The Company assesses climate change-related risks and opportunities through policy studying, benchmarking, and expert consultation. We also evaluate the impacts to our financial performance by the risks and opportunities. Risks and opportunities identified including but not limited to:

a) Physical Risks

- 1) Climatic disasters, such as typhoons and floods, may lead to incidents or shutdown of production.
- 2) Climate change effects, such as power supply instability and rising sea levels, may increase cost expenditures and necessitate plant relocations.

b) Transition Risks

- 1) Policy and legal risks: As international and domestic regulations evolve, the Company must adapt its business strategies to comply with new laws and standards. Failure to do so may result in non-compliance, affecting the competitiveness and acceptance of our photovoltaic products and services both domestically and internationally.
- 2) Technology risks: Rapid advancements in clean technologies pose a risk if the Company is unable to keep pace with innovation. This may lead to increased costs or loss of market share if competitors adopt more efficient technologies sooner.
- 3) Reputational risks: The Company's reputation may be adversely affected if stakeholders, including capital markets and customers, perceive our climate actions as insufficient. This could impact our market performance and stakeholder relationships.
- 4) Market risks: With the increase of low-carbon awareness, customer behavior has changed, i.e. more and more people tend to purchase low-carbon products; In addition, the cost of raw and auxiliary materials has increased;

c) Transition Opportunities

- 1) Technological opportunities: The early adoption and integration of clean technologies and renewable energy sources enable the Company to preemptively address potential risk of increasing energy prices. By investing in innovative technologies, the Company improves operational efficiency, leading to enhanced sustainability.
- 2) Market preference opportunities: Considering the growing demand from capital markets, customers, and other stakeholders for clean energy-related products and services, the company keep selling products and services with these preferences, which strengthens our competitive position in the market, and increase the revenue.

4.3 Action Plans

The Company assesses the potential impact of various climate risks and opportunities on the Company, and formulates response measures and action plans based on the Company's strategic objectives.

5. Climate Action and Management

5.1 Climate Management Objectives

The Company sets carbon emission and energy management goals based on thorough assessments. It establishes specific targets for improvement in carbon intensity, renewable energy usage, energy conservation, and waste reduction.

5.2 Energy Management

a) Improving Energy Structure

- 1) The Company installs solar photovoltaic power systems on factory roofs at all its manufacturing sites globally, to increase the proportion of renewable energy in the overall electricity consumption.
- 2) The Company actively promotes the development of photovoltaic power station project integrating source, network, load, and storage to realize smart energy interconnection and mutual support.
- 3) The Company, while meeting its operational and production needs, integrates excess electricity into the local power grid, contributing to the energy transition in the areas where it operates.

b) Improving Energy Efficiency

- 1) The Company reduces energy consumption through technological innovation, process improvement, and adoption of energy-saving management measures.
- 2) The Company strictly implements the energy-saving review system for fixed asset investment projects. Projects requiring an energy-saving review must not commence construction, nor be put into production or use, if they have not undergone or failed the review.
- 3) The Company actively selects energy-saving equipment, improves equipment operational efficiency, implements energy-saving measures such as waste heat and pressure recovery, and regularly measures and analyzes energy efficiency performance parameters.

5.3 Carbon Management

a) Establishing a Net-Zero System

- 1) The Company establishes a system that includes net-zero operations, a net-zero value chain, and net-zero products.
- 2) The Company establishes a green value chain system, advocating and promoting main carbon emission suppliers to participate in the net-zero transition initiatives. It establishes and improves a greenhouse gas inventory system for the supply chain and a carbon footprint certification system for products.
- 3) The Company continuously conducts product carbon footprint verification and Environmental Product Declaration (EPD) certification to explore the potential of carbon reduction.

b) Carbon Inventory and Carbon Footprint Verification

- 1) The Company actively promotes carbon inventory, carbon footprint verification, and carbon footprint tracking processes. We aim to align our greenhouse gas inventory and verification standards with international standards and trends.
- 2) The Company regularly identifies and reviews greenhouse gas emission sources across all the 3 scopes. We calculate the greenhouse gas emissions from each source using specified quantitative methods, to establish

a comprehensive carbon inventory.

- 3) The Company obtains verification from a qualified 3rd party institution for its greenhouse gas emissions data, covering Scope 1, Scope 2 and value chain emissions, in accordance with ISO 14064-1:2018.

c) Reducing Carbon Emissions

- 1) The Company actively promotes the all-round development of net-zero industry and photovoltaic industry chain. Additionally, we focus on the construction and certification of net-zero factories.
- 2) The Company integrates climate change mitigation strategies into every stage of construction project development, including design, construction, and operation, to reduce the greenhouse gas emissions throughout the project lifecycle.

5.4 Enhancing Climate Resilience

- a) The Company regularly tracks climate-related laws, regulations, standards and guidelines to stay updated on global trends in climate action.
- b) The Company fully considers the local climate and the potential impacts on climate change when selecting locations for new construction projects.
- c) The Company establishes an emergency plan for climate-related disasters and conducts regular emergency drills to ensure preparedness.
- d) The Company enhances its operational resilience to climate change by fostering environmental awareness among its employees, thereby improving the capability of adapting to climate changes.

6. Appendix

6.1 Revision record

Doc#	Version	Responsible Person/Dep.	Effective date	Description
TSL-CM-0010	V01	Shenwei Tong/Compliance management	2024-10-08	New version release

6.2 Validity period

This policy is drafted and will be explained and revised by Compliance management department. It is active in two years ever since it is published.

7. Attachment

NA