



BOVIET SOLAR

ENVIROMENTAL | SOCIAL | GOVERNANCE

REPORT

2022

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CEO's Message

In 2022, the world was at an important stage of energy infrastructure transformation with countries establishing and progressing toward "Carbon Peaking and Carbon Neutrality" goals. The ongoing global pandemic and the Russia-Ukraine conflict drove fossil-fuel energy prices higher. In response, countries paid even more attention to renewable energy than before. This new focus promoted energy independence and the development of new energy sources, while reducing dependence on fossil fuel imports. Photovoltaic power generation has become the dominant form of renewable energy, and a competitive power source in more and more countries as the world turns to clean, renewable energy.

As a Tier 1 solar module manufacturer and supplier, Bovie Solar not only serves customers with efficient and reliable products but is also committed to innovative development oriented by self-renewal and continuous breakthroughs. Our corporate mission is "to make the earth a better place for all living beings utilizing the power of the sun." Consistent with that mission, Bovie Solar is setting up the "SEG Committee" under the Board of Directors, led by the chairman of the Boway Group. The main tasks of the Committee will be to analyze the domestic and international economic, environmental, and industrial situation; formulate SEG strategy; identify SEG-related risks; assess SEG performance; and supervise the implementation of the SEG strategy. The Committee will be accountable to and report to the Board of Directors.

In the field of sustainable development, we abide by international standards certified under ISO 14001 environmental and ISO 45001 occupational health and safety management systems. We are committed to minimizing the environmental impact of our products from design and manufacturing through installation and end-of-life management. We are developing new technologies that optimize product design, simplify the recycling process, and extend the useful life of a solar module to 30 years. The new technologies include lead-free solder trips that can enhance module recyclability. We plan to use additional environment-friendly materials in our module production in the coming years.

The year 2023 marks the 10th anniversary of Bovie Solar's founding in Vietnam. In the past ten years, we have shipped over 4.4 GW of solar modules to customers, representing clean electricity generation equivalent to displacing approximately 2 million tons of CO₂ emissions per year. We continue our efforts in product research, development, and design to continuously increase the efficiency of our products, reduce the environmental impact of our manufacturing activities and products, and contribute to global decarbonization goals.

In the field of social responsibility, Bovie Solar promotes and practices a culture of equity, diversity, and inclusion in all Human Capital Management Areas, as we believe a diverse workforce is the driver of creativity and innovation, and is critical to our long-term success. We

do not tolerate discrimination of any kind. We hire, promote, and reward employees based on their qualifications, experience, development potential, and performance, and take diversity into account, with the goal of assembling a group of talented and skillful individuals with diverse backgrounds, experiences, and perspectives. Best practices are implemented locally in keeping with our global strategies across our operations, from manufacturing to sales and project development.

At Boviet Solar, we start with the end in mind, focus on the long-term, and put SEG at the core of our business model. In 2023, Boviet Solar will further implement SEG in every aspect of company management and operation; promote sustainable development practices upstream and downstream of the industrial supply chain; and work with customers, investors, partners, and ecological partners to develop the new economy built on green infrastructure and industrial services, and jointly create a better future.

This SEG Report, our first ever, addresses our progress to date in all these critical areas, and lays out some of our goals for 2023 and beyond.

Thank You

Jimmy Xie

General Manager, Boviet Solar

1 COMPANY INTRODUCTION

1.1 Company Overview

Founded in 2013 in Vietnam, Boviet Solar is part of Boway Alloy and a global Tier 1 solar technology company that specializes in the manufacturing of Monocrystalline PERC cells and Gamma Series™ Monofacial and Vega Series™ Bifacial PV modules, as well as solar project development.

The company works with IPPs, EPCs, project developers, solar installers, and contractors to deliver top-performing PV modules for utility-scale, commercial, industrial, and residential solar projects.

With a proven track record of success working with many of the industry's leading players, Boviet Solar has maintained its position as a BloombergNEF Tier 1 solar module manufacturer and supplier since 2017. The company offers financial stability, technology know-how, manufacturing excellence and supply chain transparency.

Boviet Solar's PV Modules are known for their power, performance and quality, and have been rated as top performers on the PVEL module reliability scorecard since 2019. Boviet Solar has offices in the USA and Germany, and its global headquarters are in Vietnam.

1.2 Company Key Milestones

2013-2022: 4.4 GW of PV Modules shipped worldwide.

2021: 1.5 GW of PV cell & PV Module manufacturing capacity.

2020: 1.2 GW of PV cell & PV Module manufacturing capacity.

2019-Present: Recognized as a PVEL top performing PV Module.

2018: 800 MW of PV cell & PV Module manufacturing capacity.

2018: Developed 100 MW solar power plant in Vietnam.

2017-Present: Ranked as a BloombergNEF Tier 1 PV Module manufacturer.

2017: 700 MW of PV cell & PV Module manufacturing capacity.

2017: Developed 30 MW solar power plant in the U.S.

2016: Boway Alloy acquired Boviet Solar.

2015: 660 MW PV cell and PV Module manufacturing capacity.

2015: Boviet Solar entered the European market.

2015: PERC cell technology introduced.

2014: 280 MW PV cell & PV Module manufacturing capacity.

2014: Boviet Solar entered the U.S. market.

2013: First manufacturing capacity of 200 MW mono and multi-PV cells.

2013: Boviet Solar founded in Vietnam, began providing high-quality and high-efficiency PV cells to PV module manufacturers.

1.3 Company Culture

Our passion for solar electricity affects every level of our company. Our employees share a common understanding of the extraordinary mission in which we are engaged, which translates into an unparalleled commitment to what we do.

Our mission: To make the earth a better place for all living beings by utilizing the power of the sun.

Our vision: Continue to be a Tier 1 global brand and preferred partner in the solar energy industry.

Our promise: "Creating a sustainable future."

1.4 Sustainability at Boviet Solar

As a solar energy technology company, Boviet Solar aims to make the earth a better place for all living beings utilizing the power of the sun.

The total electricity generated by the 4.4 GW of solar modules we shipped over the past 10 years is equivalent to displacing approximately 2 million tons of CO₂ emissions per year.

At Boviet Solar, we incorporate SEG, or social, environmental, and governance factors, across our business and in our strategic decision-making, and continuously make efforts to improve our practices to ensure long-term sustainability.

In the past three years, the electricity consumption intensity of our solar cell workshop has been reduced by an average of 4.71% per year, the electricity consumption intensity of our module workshop has been reduced by an average of 11.79% per year, and our water consumption intensity has been reduced by an average of 7.65% per year.

2 ENVIRONMENTAL

2.1 Environmental at Boviet Solar

Boviet Solar is committed to providing a safe and enriching work environment for all our employees and contractors, and striving to reduce the environmental impact of our business activities.

Our environmental strategy is reflected in our solar products and services, from product design and production through delivery. We have standardized our environmental goals to drive continuous, measurable improvements across our business.

We abide by international standards certified under ISO 14001 environmental and ISO 45001 occupational health and safety management systems. These certifications cover waste reduction, energy conservation, injury reduction, and other environmental, safety, and health objectives.

All our photovoltaic module designs undergo Toxicity Characteristic Leaching Procedure (TCLP) testing to monitor the presence of any toxic metal substances (arsenic, barium, cadmium, chromium, lead, mercury, selenium, silver) according to TCLP Standard EPA Test Method 1311, as issued by the U.S. Environmental Protection Agency (EPA) under the Toxic Substances Control Act (TSCA) for landfill disposal of modules.

2.2 Solar Cell and Module Technologies Innovation

As a solar energy technology company, Boviet Solar produces PV cells and PV modules, and develops new solar cell and module technologies.

These technologies have helped reduce the LCOE (Levelized Cost of Energy) of solar systems to unprecedented levels by improving durability and lowering manufacturing costs for solar modules. They have also enabled significant improvements in the environmental payback time of solar modules, as measured in GHG (greenhouse gas) emissions and energy use, as well as other key environmental metrics such as water and waste intensities.

Our half-cell solar modules have improved solar module power output, performance, and durability. PERC cell technology has improved the efficiency of the cells and, at the same time, the power rating and power generation capacity of the modules.

All these technological improvements contributed meaningfully to improving the performance and reliability of solar energy while reducing its cost. More recently, we have introduced even

larger wafers and have continued to make product design and efficiency improvements, increasing our solar module efficiencies from 21% in 2021 to 21.5% in 2023.

These improvements have allowed us to more than double our module power output from about 260 W in 2013 to 550 W in 2023. Continuous technological innovations have also allowed us to reduce silicon usage. These improvements have reduced both the environmental footprint of our production on a per-watt basis and the BOS (balance of systems) costs for solar projects.

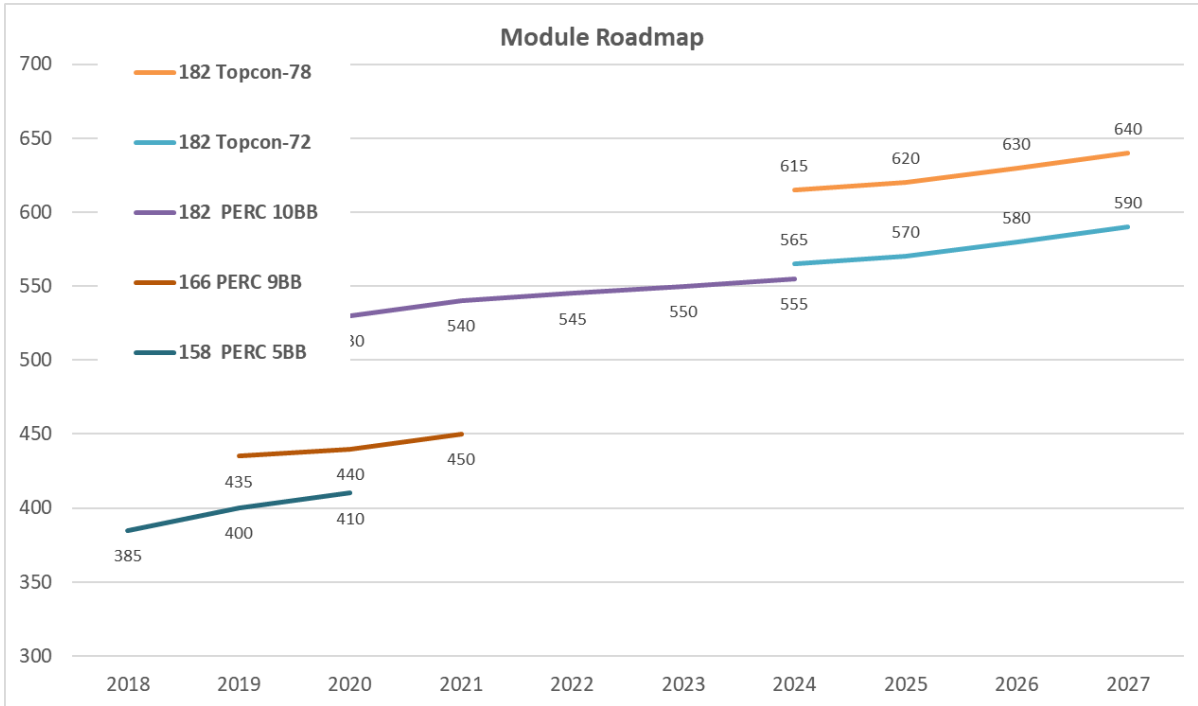
Investing in technological innovation is critical to Boviet Solar's competitive advantage and our mission. We continue our efforts in product research, development, and design to continuously increase the efficiency of our products, reduce the environmental impact of our manufacturing activities and products, and contribute to global decarbonization goals.

We are constantly working to adapt new technologies to improve our PV module efficiency and power. Our focus today is on three major initiatives.

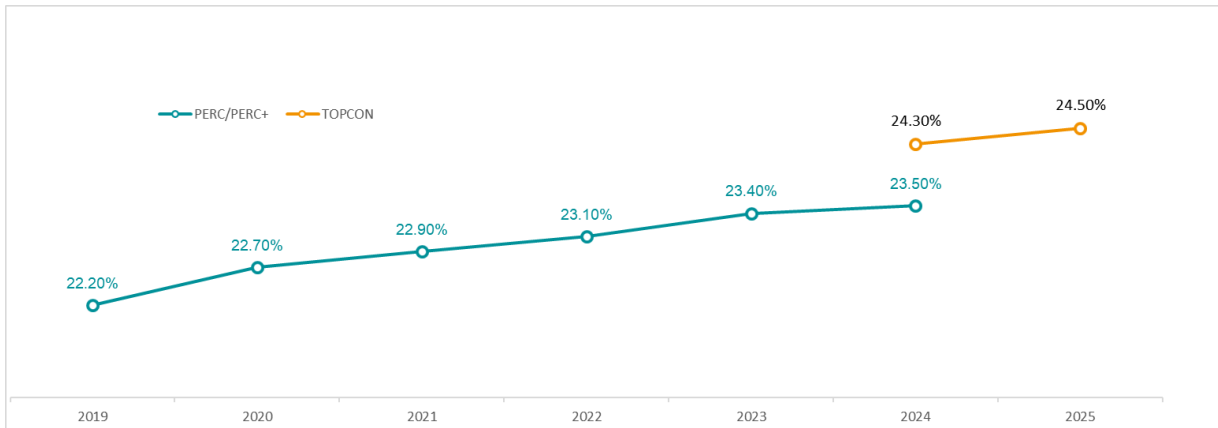
N-Topcon battery technology: This technology has significantly higher efficiency, stability, and yield rate potential. In addition, the existing PERC production line is compatible with the N-Topcon solar cells production line, so that the cost reduction of N-Topcon and PERC solar cells tends to be the same. This is also considered to be a major advantage of N-Topcon compared to other N-type technologies. Currently, the average efficiency of N-Topcon cells in industrial production is 25%. The ultimate efficiency of N-Topcon cells is about 28.7%, much higher than PERC's 25%, which is very close to the theoretical limit efficiency of monocrystalline silicon, 29.43%.

600+W PV Module product development: We are exploring N-Topcon high-efficiency cell and advanced packaging technology to develop high-power, low-light attenuation, and low-light response N-type 600W modules. In terms of power generation, N-Topcon has a stronger single-watt power generation capacity. Due to the advantages of low temperature coefficient, low attenuation, and higher double-sided ratio, N-Topcon solar modules of the same power have higher power generation gain.

HJT heterojunction high-efficiency cell technology: This technology is still in the research stage. Boviet Solar will conduct testing on the production line in the future. The HJT solar cell process is the simplest with the least steps, offering considerable room for localization to reduce costs. It is expected to become the next-generation mainstream technology with its efficiency limit of 27.5%.



PV Module Roadmap



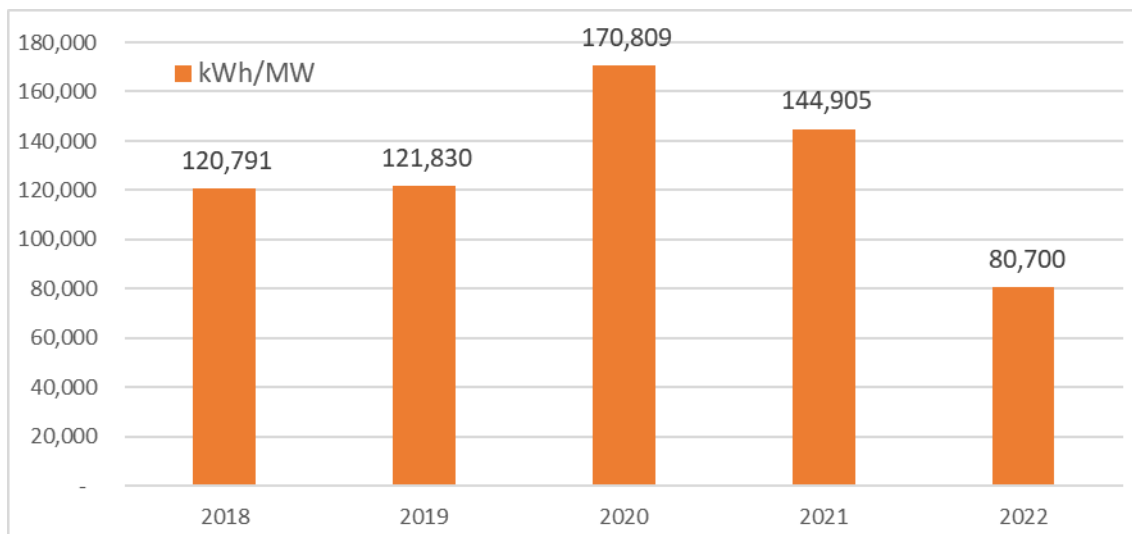
PV Cell Efficiency Roadmap

2.3 Electricity and Water Intensity

We comply with local and international laws and regulations for emissions. We monitor and assess all relevant emissions regularly and employ sophisticated exhaust and filtration technology in all manufacturing facilities to minimize emissions.

We use production-weighted averages to track the energy intensity of our cell and module manufacturing operations. Such methodology allows for an accurate and representative snapshot of the energy intensity of our Vietnam manufacturing. We reduce electricity intensity

per unit by continuously improving product yield, efficiency, equipment utilization, and capacity per unit.



Electricity intensity the last 5 years

Overall, we achieved year-on-year electricity intensity savings of 4.71%, and 11.79% for our cell and module manufacturing operations, respectively, which translates to a combined total of about 79 GWh of absolute electricity savings in 2022 (if electricity intensities did not change from 2021, but using 2022 cell and module production volumes).

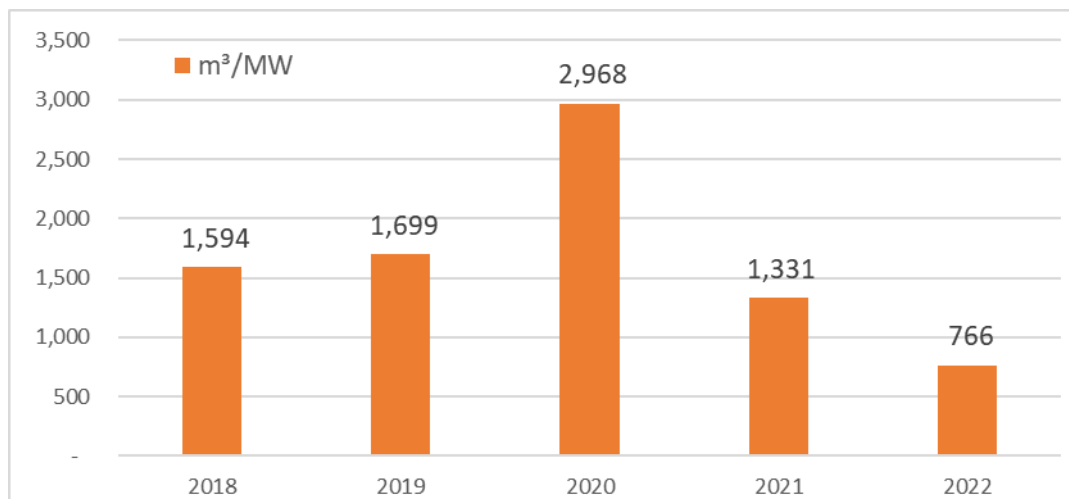
Water intensity is defined as the total amount of water withdrawn from all sources per MW produced. We use production-weighted averages across all our manufacturing units to track our water intensity, as shown in the chart below.

At Boviet Solar, we have been cognizant of the challenges water availability may pose to our long-term operations and sustainability. Our water conservation and recycling schemes, combined with the improvements in module efficiency and production yield, have helped drive a reduction in manufacturing water intensity. We achieved a 42% reduction in water intensity between 2021 and 2022, mainly driven by the incremental deployment of new, large-size 182 mm solar cell operations.

Water conservation is one of the top priorities in our sustainability initiatives. As such, we constantly seek to improve process utilization rates and reduce water withdrawal in our water management strategy. When designing production processes, we maximize water utilization rates by considering the water quality requirements for each process and recycling discharged water flows the appropriate number of times to achieve that quality.

Our goal is to ensure safe, reliable, and sustainable water access not just for our own operations, but also for the local communities that we may impact. We observe applicable local and international laws and regulations related to wastewater pollutants. We also perform

through analyses and plan out measures to reduce our impact on local water resources and on other water users. Wastewater from production is collected and treated internally first and then sent to local wastewater treatment facilities for clean up until it meets water discharge requirements.



Water intensity the last 5 years

2.4 Environmental Impact

Boviet Solar strictly abides by the e-waste management laws and regulations of the countries in which we operate and advocates for both recycling and reuse of end-of-life products. Our solar PV modules comply with the WEEE (Waste of Electric and Electronic Equipment) European Directive from 2018.

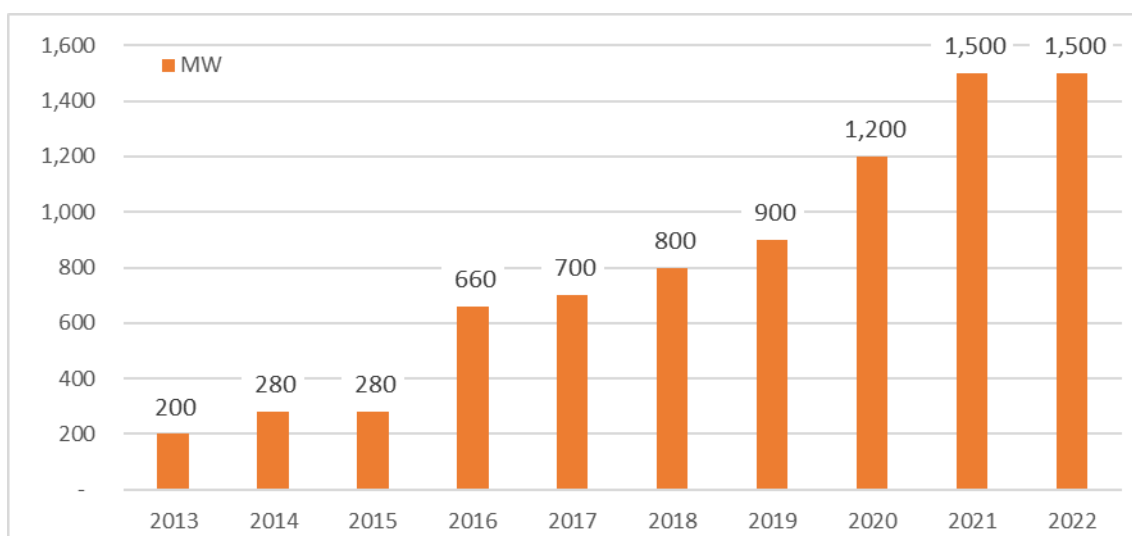
We are committed to minimizing the environmental impact of our products from design and manufacturing through installation and end-of-life management. We are developing new technologies that optimize product design, simplify the recycling process, and extend the useful life of a solar module to 30 years. The new technologies include lead-free solder trips that can enhance module recyclability. We plan to use additional environment-friendly materials in our module production in the coming years.

2.5 Environmental Impact of Manufacturing

To fully comprehend the environmental targets and results reported in the following sections, it is important to understand the impact of our manufacturing operations structure on defined environmental metrics, which can be evaluated through the following framework:

Scale of production & process efficiency: The more we produce, the more energy and water we consume and the more waste and GHG emissions we release. However, the more efficient our processes are, the smaller our energy and water consumption and the lower our waste and GHG production will be per unit produced. As such, energy efficiency has been one critical parameter for selecting manufacturing processes and equipment.

To a large extent, the choice of product technologies defines the environmental impact of our manufacturing process. At the same time, products based on new technologies have higher conversion efficiency, helping reduce per-watt energy, water, and material consumption, as well as waste and GHG emissions when in operation.



Manufacturing Capacity Expansion Roadmap

We thus expect our environmental metrics, in particularly energy consumption, to increase next year purely due to the magnitude of our increase in production scale, despite continued decreases in the energy intensity of our manufacturing processes. To offset this change in the coming years, we plan to prioritize capacity expansions for products that use more efficient and less energy-intensive N-type technologies.

We will reduce our energy intensity by leveraging our expertise and strength in product technologies, manufacturing process know-how, and energy savings while we continue to grow our business.

3 SOCIAL RESPONSIBILITY

3.1 Our Culture

Our passion for solar electricity affects every level of our company. Our employees share a common understanding of the extraordinary mission in which we are engaged, which translates into an unparalleled commitment to what we do.

Our Mission: The company mission is to make the earth a better place for all living beings utilizing the power of the sun.

Our Vision: Continue to be a Tier 1 global brand and preferred partner in the solar energy industry.

Our Promise: Creating a sustainable future.

Our Purpose: We exist to create a better future for all living beings by working closely with our customers, partners, and industry stakeholders to make solar energy a widely used energy source, to combat climate change, and to make the earth a better place for all living beings.

Company Name: “Boviet Solar” comes from the group company Boway Alloy. “Bo” stands for being a part of “Boway Alloy” and “Viet” stands for Vietnam where the company was founded and currently operates.

Company Logo: The company logo consists of design element and typeface. The half-dome orange design element represents the rising sun and the solar energy industry.

Company Motto: “Creating a sustainable future”

Our company values are the central, underlying philosophies that guide our business and employees, and reflect our interactions with customers and industry partners, to create a shared, enduring, and positive environment for all of us.

Solar Energy: We believe in solar, a clean and reliable energy source

Environment: We care about our community and environment

Company: We create sustainable, meaningful prosperity

Products: We provide innovative solar products for different solutions

Customers: We develop win-win partnerships with our customers

Team: We promote team member growth and happiness

3.2 Working at Boviet Solar

As of January 1, 2023, Boviet Solar had 1,093 employees, including 1,071 full-time employees and 22 trainees, plus other part-time employees.

Our culture has always been to put people first and treat everyone with dignity.

We promote equity, diversity, and inclusion, as we believe a diverse workforce is the driver of creativity and innovation and is critical to our long-term success. Best practices are implemented locally in keeping with our global strategies across our operations, from manufacturing to sales and project development.

Boviet Solar is an equal employment opportunity employer and does not tolerate discrimination of any kind, including, but not limited to, race, color, ethnicity, gender, religion, political or other opinion, sexual orientation, age, disability status, or other distinguishing characteristics. We hire, promote, and reward employees based on their qualifications, experience, development potential and performance, and take diversity into account, with the goal of assembling a group of talented and skillful individuals with diverse backgrounds, experiences, and perspectives.

Likewise, we follow and go beyond what is required by the employment laws and regulations in the jurisdictions where we operate. We have filed the Equal Employment Opportunity (EEO) Form for our operations in the U.S., which provides a demographic breakdown of our workforce in the U.S. by race and gender.

Promoting Equity, Diversity, and Inclusion in all Human Capital Management Areas

During the reporting period, Boviet Solar had approximately 1,093 employees in Vietnam, of which women accounted for 52.69% of the total workforce and increasingly took on key roles and responsibilities. Women work in a wide range of areas including R&D and manufacturing, marketing, sales, after-sales, and other departments. At Boviet Solar, women leaders are always present at management meetings and employee sharing sessions. Their visibility is a testament to their contribution to the success of Boviet Solar's business and the company's willingness to develop talent. Every day at Boviet Solar, women in many positions contribute to our "long-term, reliable and trustworthy" customer commitment. Our goal is to increase the percentage of women in middle management to 12.58% by 2026.

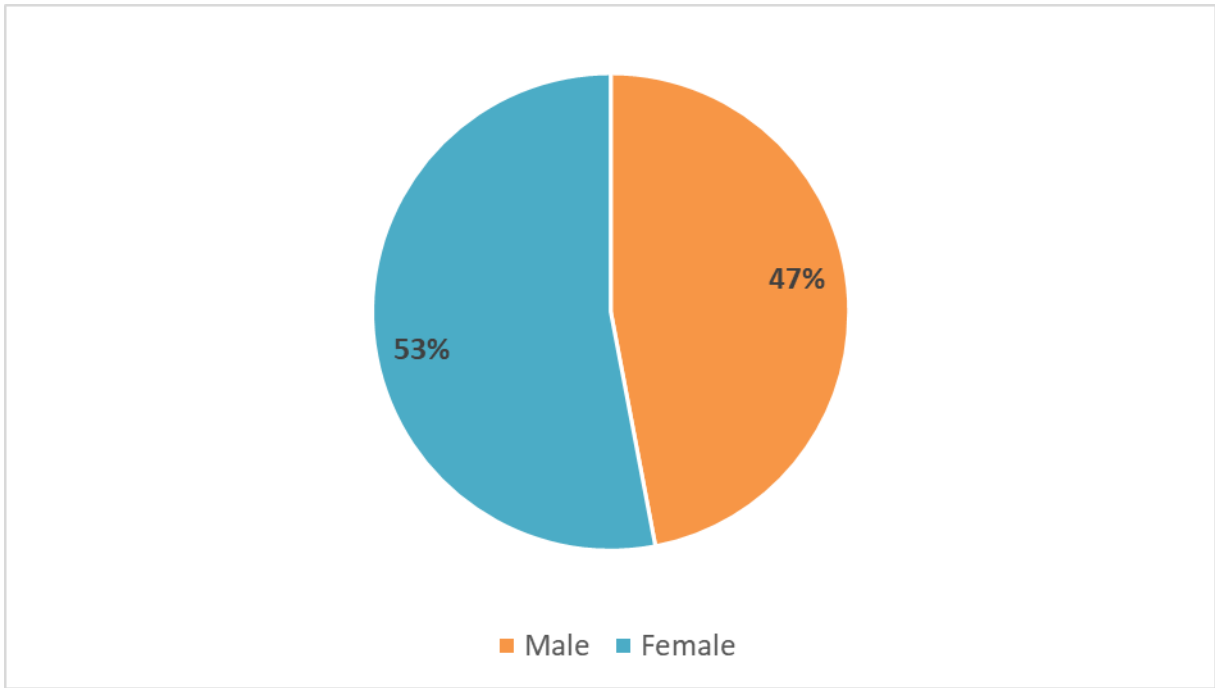
We respect and value our female employees. Every year, on International Women's Day and Vietnam Women's Day, the company and all departments actively organize activities for female employees to reinforce their value to Boviet Solar. We actively implement the parental leave system to protect the legal rights of our employees. During the reporting period, 376 female employees took parental leave and the rate of returning to work after the leave reached 93%.



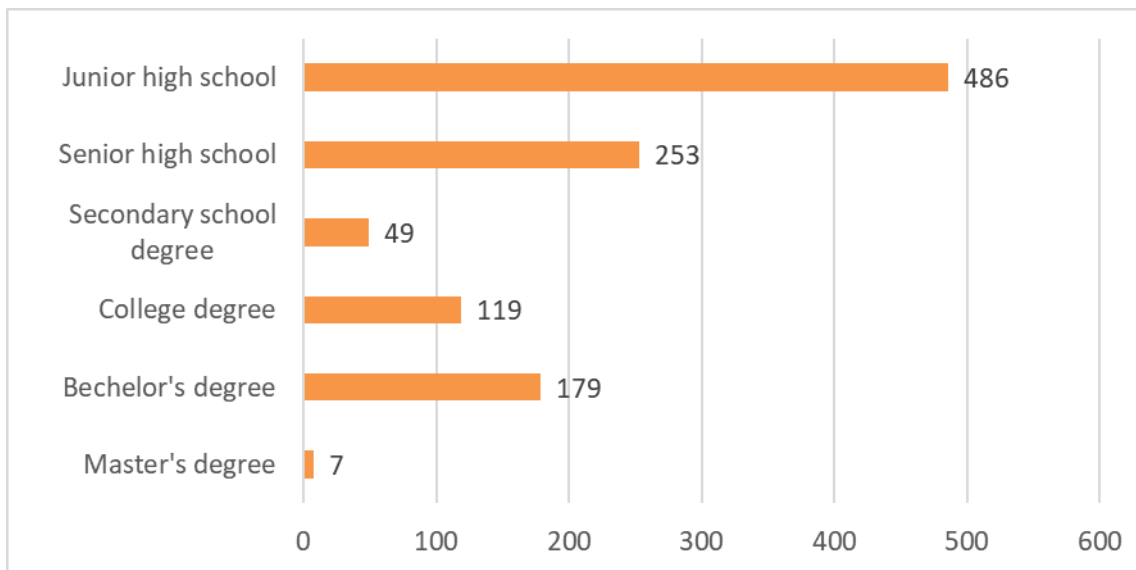
International Women's Day Festival

Every year, we review and adjust our employees' medical checkup programs so we can better meet the health needs of our employees. For example, in 2021, we added female-friendly medical checkups for every female employee. From time to time, we invite professional doctors to conduct health talks focusing on women's health. In 2022, we implemented a menstrual break for female employees in accordance with the Vietnamese government's law. We set up a mother and baby room in our main office and a special seat for pregnant women in our restaurant.

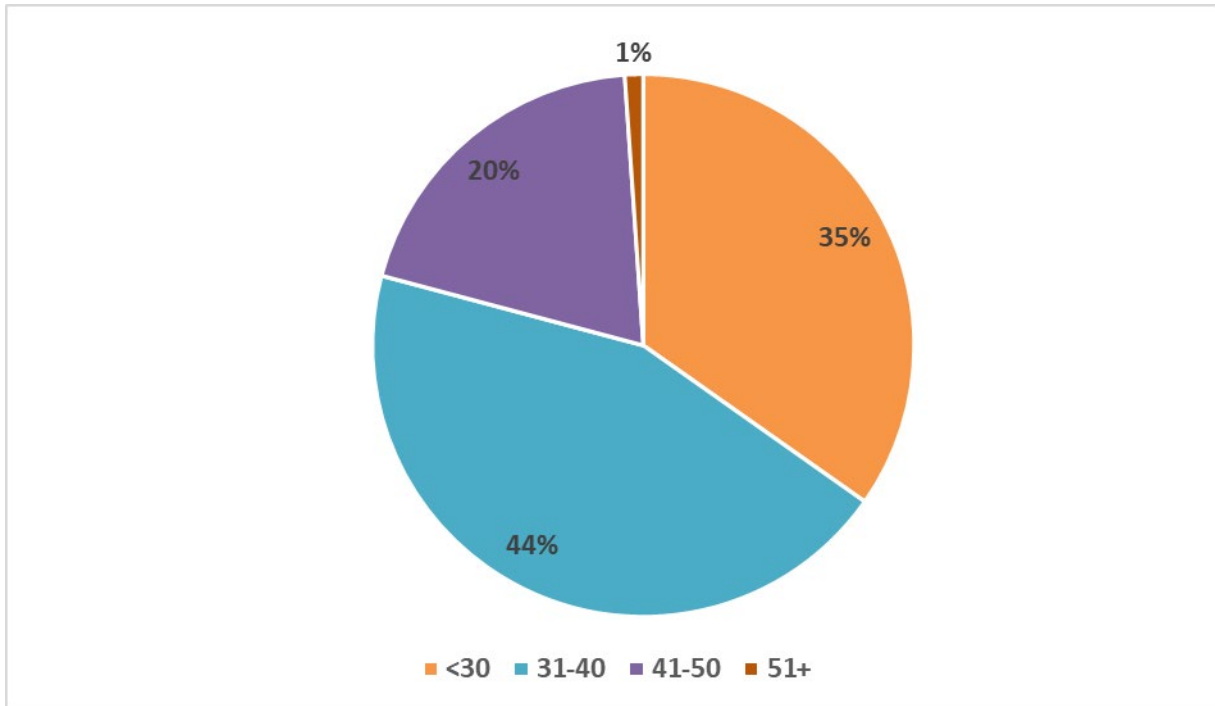
Boviét Solar promotes and practices a culture of diversity and inclusion. We support our female employees' pursuit of their dreams and are proud of their achievements.



Gender Structure Chart in 2022



Education Structure Chart in 2022



Age Structure Chart in 2022

Implementing training to address unconscious bias in our global operations is also a major part of Boviet Solar's drive to be more inclusive in the workplace. The training we offer includes:

22 Unconscious Biases to Watch Out for at Work

6 Unconscious Biases in Humans and How to Deal with Them

8 Ways to Self-Assess Unconscious Bias as a Manager

Gender Equity: At Boviet Solar, we believe gender equality is important not just from a human rights perspective, but also from a business standpoint. Encouraging and attracting women to join our talented workforce strengthens and diversifies our talent pool, as women offer crucial perspectives for decision making, thereby improving the efficiency and results of execution. Given that the renewable energy sector is significantly under indexed in female talent, we have made gender equity a priority at Boviet Solar.

Fair Pay: Human Resources conducts annual peer-to-peer pay equity studies, including periodic pay equity reviews, to ensure that our female employees receive fair and equal pay to male employees with similar responsibilities and achievements. This is a regular monitoring and improvement process to help us ensure that all employees are rewarded fairly.

Accountability: We have made diversity and inclusion part of every team leader's KPIs to ensure accountability for creating a diverse and inclusive workplace. This is a regular audit and improvement process to help us ensure that all employees are rewarded fairly.

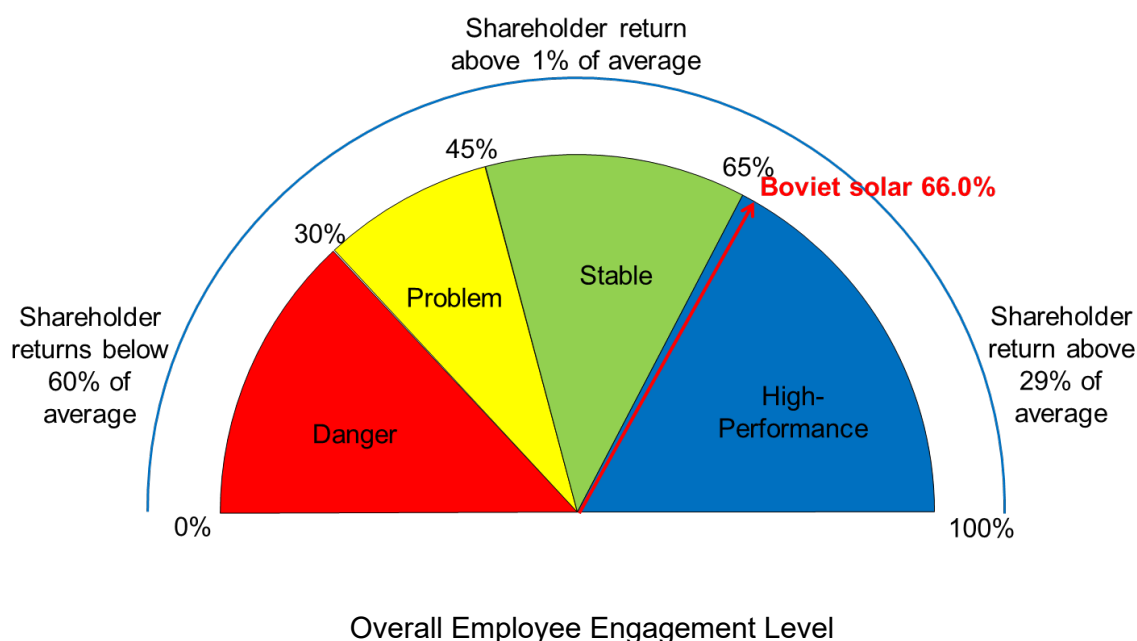
Gender Balance Acceleration Plan: In 2022, we developed an action plan to increase the number of female executives in the company. The Gender Balance Acceleration Plan includes the following specific actions:

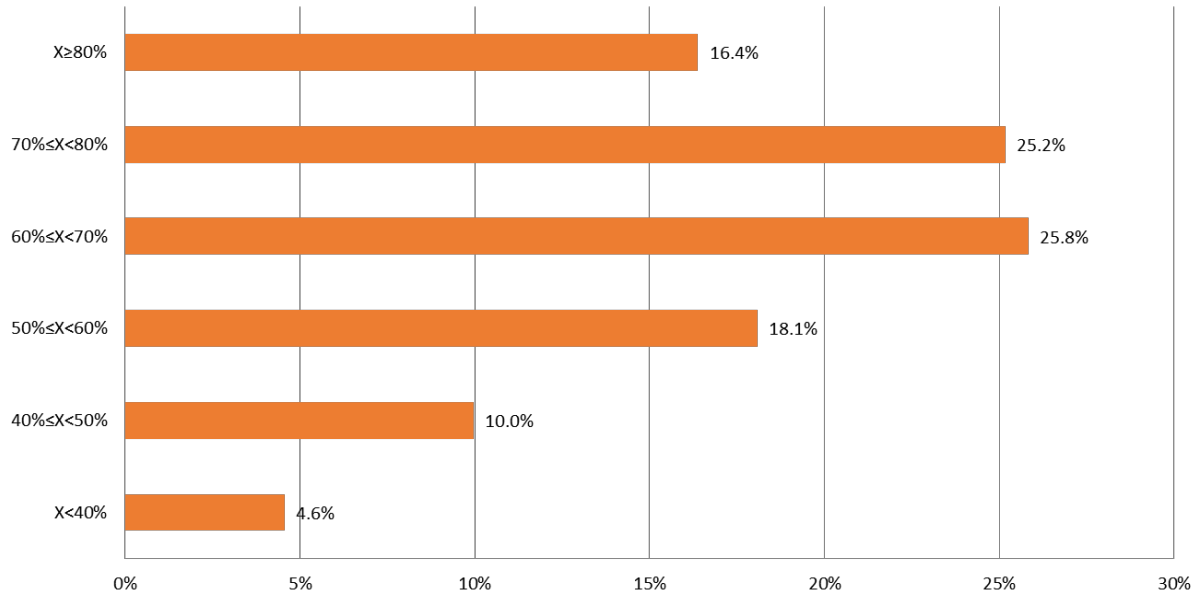
- Help all managers create inclusive workplaces and ensure they receive training related to unconscious bias;
- Encourage all Vietnam, U.S., and other companies to adopt Boviet's paid parental leave program and develop flexible work policies;
- Strengthen mentorship and funding programs to prepare high-potential women for executive positions;
- Hire and promote more women to executive positions;
- Review results achieved with senior leaders to promote gender balance and ensure progress;
- Continue efforts to advocate for equal pay for equal work and eliminate conditions that lead to gender pay gaps.

3.3 Employee Engagement

We conduct employee engagement surveys every two years to gauge employee satisfaction relative to internal and industry benchmarks, and to solicit employee feedback on areas of positive performance and areas for improvement. Employee engagement encompasses enthusiasm for the job and dedication to the company.

The results show that Boviet Solar's overall employee engagement is 66.0%, at the edge of the high-performance zone.

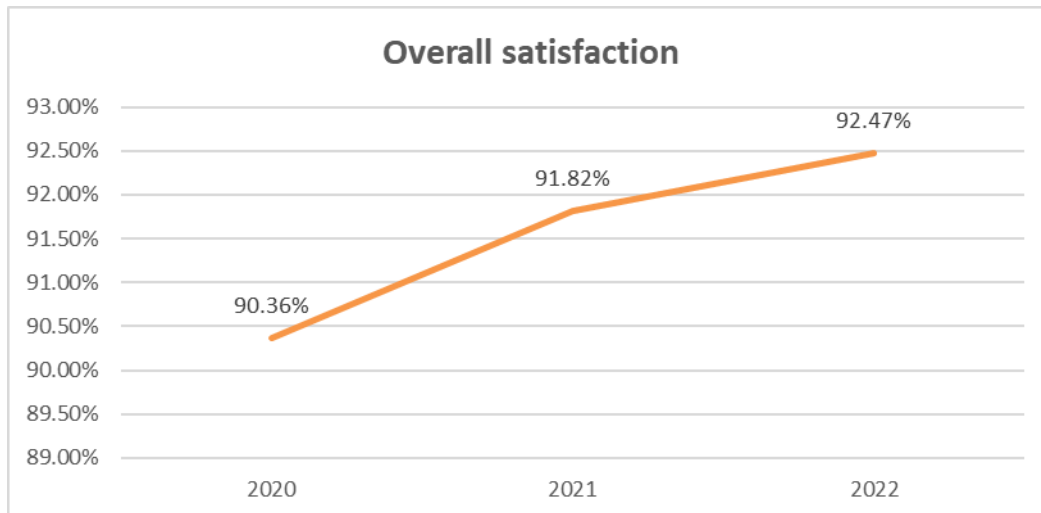




Employee Engagement Distribution

Among the valid questionnaires, 85.5% of our employees have an engagement level of 50% to 80% or higher. More than 16% have an engagement level of 80% or more, and only 4.6% have a level of 40% or less.

The overall employee satisfaction rate from 2020 to 2022 is 91.36%, 90.82% and 92.47% respectively.



Results of comprehensive employee satisfaction survey

3.4 Talent Strategy, Training, and Development

Our people are our most important asset. They are the driver of our sustainable competitiveness and key to achieving our goals and mission. As such, we recalibrate our talent strategy and monitor progress annually to ensure that we remain on track with our short, medium, and long-term goals.

3.4.1 Talent Review and Succession Planning

To prioritize talent skillsets identified as critical for the long-term success of our business, we build out and review our talent pipeline on a regular basis. Our human capital development team helps employees develop skills and knowledge sets that may not be readily available in the market. We have also established a succession planning process based on business needs, talent availability, and employee feedback.

We have signed formal school-enterprise cooperation agreements with the Encyclopedia University of Vietnam, Taiyuan University of Technology, Taiyuan University of Science and Technology, Phoenicia University, and Eastern University to jointly train basic research and innovation talents, and to continuously implement the innovative education concept of "bringing talents, research and industry with projects". In the process of implementing the succession plan, we incorporate the performance management system, compensation system, training system, career development planning system and other modules in the human resource system, which drive the "succession plan" and "general staff development plan". The succession plan and the general employee development plan comprise the career plan, which then drives the company's talent development plan.

3.4.2 Leadership and Key Talent Development Programs

As demand for the solar market grows, our succession planning calls for a robust leadership development program.

In partnership with leading universities, we offer online lectures, webinars, and project assignments to meet this need by providing training and development opportunities for leaders at all levels.

We provide leadership, personal effectiveness, and business execution training for managers and reserve officers at all levels through our reservoir program and our "New Power" college development program. In addition, we demonstrate our commitment to high-potential, high-performing employees by accelerating their career development and providing long-term growth opportunities.

Our key talent development programs employ a tailored approach based on individual qualities and contributions. Personalized development actions can include professional assessments, 360-degree feedback, coaching, targeted training, and developmental outreach assignments.

3.5 Freedom of Association and Collective Bargaining

Boviet Solar strictly abides by the employment laws and regulations in the jurisdictions where we operate. We respect employees' rights to form or join a labor union or equivalent organizations of their choice, and respect our employees' rights to collective bargaining in support of their interests. Boviet Solar's Human Resources Policy sets forth our employees' rights of freedom of association and collective bargaining.

3.6 Grievance Procedure and Zero Tolerance for Retaliation

As part of our commitment to providing our employees with a safe and inclusive environment, we have established internal procedures to protect our employees from acts of discrimination and other misconduct. We have a robust complaint and investigation process outlining how to file a complaint, the stages of the investigation process, and our zero-tolerance policy for retaliation.

We regularly promote awareness of these support mechanisms to encourage our staff to confidentially submit grievances regarding policy breaches, bullying, discrimination, harassment, or any other sensitive issues that may arise. As such, we are confident in our ability to take immediate action to address grievances should they arise, thereby mitigating risk, limiting the impact of violations, and reinforcing a healthy and positive work environment.

3.7 Occupational Health and Safety

At Boviet Solar, employee safety is our top priority.

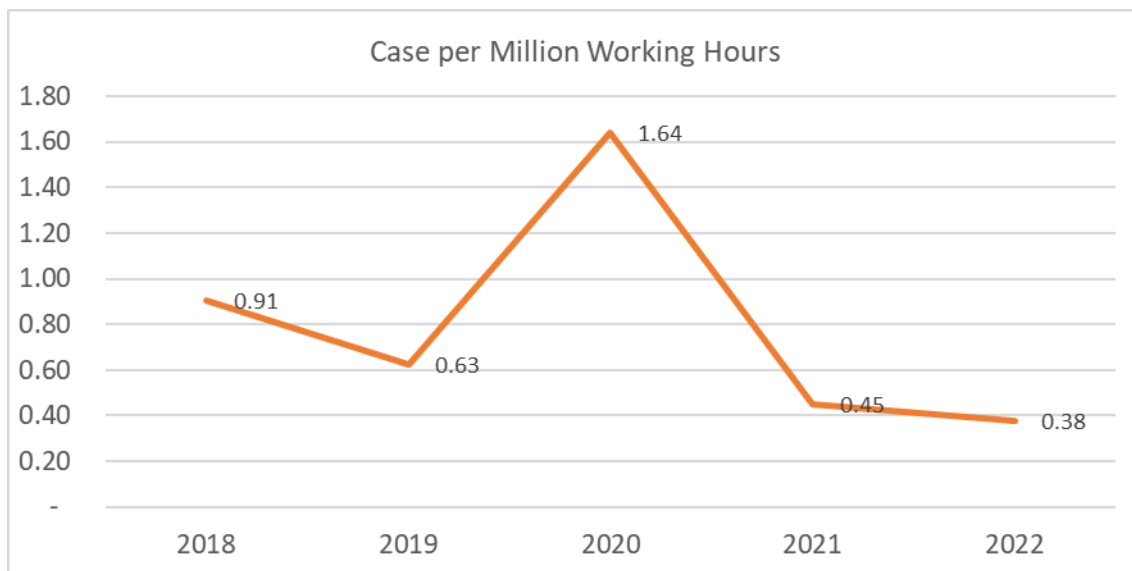
In 2018, we implemented the ISO 45001 occupational health and safety management system (formerly OHS 18001). Since 2018, our factories have been certified under ISO 45001.

Our safety policies require that a Safety Committee and dedicated Safe Operation Management Team are in place before a factory starts operating. The Safety Committee meets regularly to review, discuss, and decide on safety-related measures. Employees receive regular trainings and are required to pass related tests prior to starting work.

They are also equipped with appropriate personal protective equipment (PPE). Safety incidents, including "near misses," are reported and addressed in accordance with our strict safety protocols. Any lost time incidents must be reported within one hour of occurrence. We

conduct internal investigations into all such incidents and enforce solid corrective and preventive measures to avoid future accidents.

Our rigorous safety policies and procedures have helped us maintain a low rate of safety-related incidents. In 2022, our recordable injury (any injuries requiring medical treatment) rate was 0.3 case per million working hours, our lowest rate in the past five years.



Reportable injury rate (last 5 years)

3.8 Hazardous Materials and Environmental Management

Our environmental management system (ISO 14001) and occupational health and safety management system (ISO 45001) both cover chemical and operating equipment safety management to ensure that hazards in the workplace are systematically identified and evaluated and that relevant control measures are put in place.

All relevant employees receive tailored training on the risks of handling hazardous chemicals and are required to strictly follow safety precautions while handling hazardous chemicals. We also provide general training programs to employees, including mandatory EHS training for all new employees and regular EHS refresher trainings. Warning signs are clearly posted, and relevant employees are required to have unimpeded access to information regarding hazardous materials.

3.9 Work-life Balance

We have continued our practice of providing a hybrid working model to relevant office-based employees, in which they can split their time between working onsite and at home. Based on employee feedback and our internal assessment, this hybrid model provides greater work

flexibility, work-life balance, and employee satisfaction while also improving individual and collective productivity.

Sustainability is a core part of Boviet Solar's mission -- a mission in which we hope all our employees can share.

4 GOVERNANCE

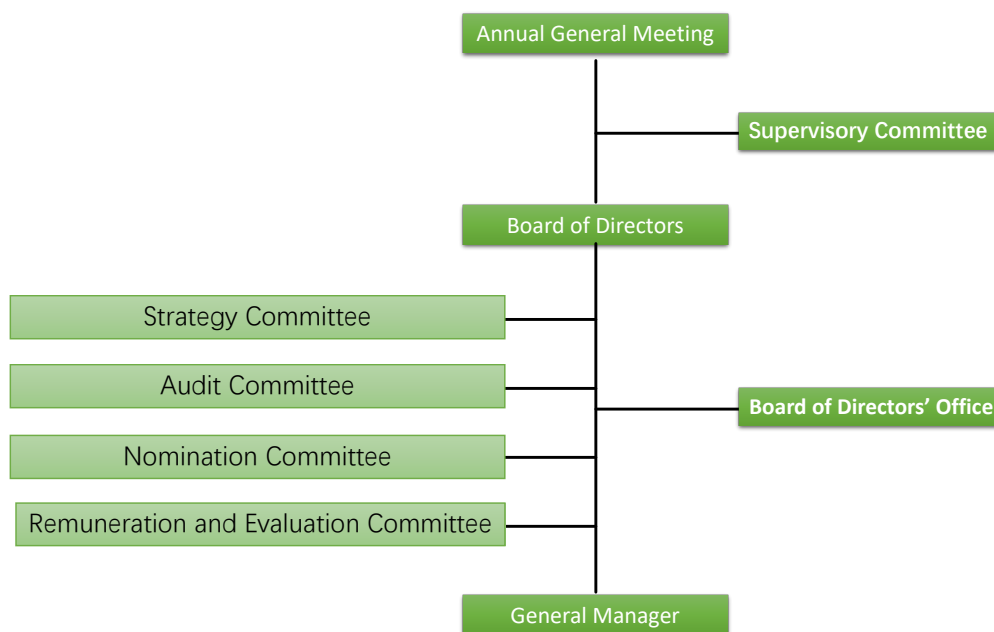
Boviet Solar is committed to sound management and continues to promote a just, responsible, effective, and inclusive corporate governance system. The company's Board of Directors is committed to exercising effective supervision over management from an independent and objective perspective, continuously improving the science and transparency of decision-making, and establishing fair and good relationships with all stakeholders to ensure the company's sustainable development and long-term value.

4.1 Sound Governance Structure

The Annual General Meeting is the power body of the company. The Annual General Meeting of the company operates in accordance with the provisions of the Company Law, the Articles of Association, and the Rules of Procedure of the Annual General Meeting, and the convening, proposal, attendance, proceedings, voting, resolutions, and minutes of the successive general meetings of shareholders follow the relevant laws and regulations and the Articles of Association and the Rules of Procedure of the Annual General Meeting. The establishment and implementation of the institution of the shareholders' meeting and related systems have played a positive role in improving the corporate governance structure of the company and regulating the operation of the company.

The Board of Directors is the operations and decision-making center of the company. The Board of Directors consists of seven members, three of whom are independent directors, accounting for more than one-third of the Board of Directors, and one accounting professional, in compliance with the relevant regulations. According to the Articles of Association of the company, the term of office of the directors of the company is three years, and they may be re-elected at the end of the term. Independent directors may not be re-elected for more than six years. During the reporting period, the company held 14 meetings of the Board of Directors.

The Supervisory Committee exercises its supervisory power in accordance with the law to protect the rights and interests of shareholders, the interests of the company, and the legitimate rights and interests of employees from infringement, and is responsible for the shareholders' meeting and reports on its work. The Supervisory Committee consists of three supervisors (including one female member), two representatives of shareholders, and one representative of the company's employees. The company held five meetings of the Supervisory Board during the reporting period. There are seven senior management personnel at the company, including a general manager, a manufacturing general manager, a secretary of the board of directors, a chief financial officer, an administrative director, an information director, and a human resources director.



Governance Structure

4.2 Board Committees

The company has established four special committees under the Board, namely the Strategy Committee, the Audit Committee, the Nomination Committee, and the Remuneration and Evaluation Committee. Since their establishment, the committees under the Board have been working strictly in accordance with the relevant provisions of the Articles of Association and the working rules of the relevant committees, and have performed their duties diligently and conscientiously.

* The Strategy Committee of the Board of Directors is a special working body established by the Board of Directors, and is mainly responsible for studying the long-term development strategies and major investment decisions of the company and making recommendations and proposals to the Board of Directors.

* The Audit Committee of the Board of Directors is a special working body established by the Board of Directors, and is mainly responsible for the communication and evaluation of internal and external audits, review of financial information and its disclosure, supervision, and inspection of major decision-making matters.

* The Nomination Committee of the Board of Directors is a special working body established by the Board of Directors, and is mainly responsible for selecting and recommending the qualifications of directors and senior management nominated by those with the right to nominate as stipulated in the Articles of Incorporation.

* The Remuneration and Evaluation Committee of the Board of Directors is a special working body established by the Board of Directors, and is mainly responsible for formulating performance evaluation standards for the evaluation targets, establishing a perfect evaluation system, and conducting effective evaluation. The committee is also responsible for formulating and reviewing remuneration policies and plans for the evaluation targets, as well as formulating the company's equity incentive plan and implementing the evaluation in accordance with the regulations.

4.3 Board Diversity

The diversity and specialization of the Board provide an important guarantee for the scientific decision-making of the Board and promote the continuous improvement of corporate governance. The company's Board of Directors currently consists of seven directors of different genders, ages, professional abilities, and background experiences, of which three are independent directors, accounting for 43% of the total number of board members. The board members have extensive experience and professional competencies in operational management, financial management, risk compliance, etc.

4.4 Board Expertise and Training

The company attaches importance to the continuous improvement of the ability of directors, supervisors, and senior management to perform their duties. In addition to sending directors, supervisors, and senior management the latest policies and regulations issued or revised by the SFC and the Stock Exchange on a regular basis, the company also actively organizes directors, supervisors, and senior management to participate in various types of regulations and policies, case training and performance training sponsored by the Stock Exchange and the Association of Listed companies, etc. In 2022, the company's directors, supervisors, and senior management participated in a total of 12 online training sessions of various kinds.

The company performs the nomination and election procedures for members of the Board of Directors in strict accordance with the Articles of Association, the Rules of Procedure of the Annual General Meeting, and other systems. According to the Articles of Association, directors have a duty of fidelity to the company and shall not use the convenience of their positions to seek business opportunities that should belong to the company for themselves or others or to operate businesses of the same kind as the company for themselves or for others without the consent of the Annual General Meeting, to ensure fairness and transparency in the company's decision-making.

Attendance of Board Meetings

During the reporting period, the company held two shareholders' meetings.

The company held a total of 14 board meetings during the reporting period.

The company held a total of five meetings of the Supervisory Board during the reporting period.

4.5 Risk Management and Audit

The company's management is responsible for risk identification and risk control related to significant business activities, balancing potential risks and potential rewards by detecting various risks in the company's strategy, such as legal risks, policy risks, environmental risks, financial risks, natural disaster risks, etc., and taking appropriate measures to control the risks. Management reports regularly to the Board of Directors and holds information sessions to report on significant spontaneous or non-spontaneous risks facing the company and to explain how the company will control the risks when appropriate, and the Board of Directors performs its risk oversight duties in the process. When making any significant investments, mergers or acquisitions, the company must assess the environmental, regulatory, and other impacts of the transaction to identify potential environmental, regulatory, and social risks in new ventures.

4.6 Anti-corruption, Anti-bribery

The company has set up an audit center as an anti-corruption and anti-bribery function department, which is responsible for establishing, evaluating, and improving the anti-corruption and anti-bribery management system. The company conducts annual anti-corruption and anti-bribery management audits, regularly evaluates corruption and bribery risks, and formulates corresponding control measures. The company conducts annual audits to review the compliance of business operations. At the same time, the company also requires its employees to strictly follow the Employee Handbook. No litigation cases related to commercial corruption and bribery have occurred in the company, and the anti-corruption and anti-bribery work has been carried out continuously and effectively to achieve the purpose of risk prevention and control.

4.7 Integrity

In addition to the Code of Ethics, Bovie Solar follows policies and practices in other areas including: anti-bribery/corruption, environmental protection, export controls, financial reporting processes/internal controls, insider trading, intellectual property protection, personal data protection, document data retention and destruction, etc. We have established a whistleblower system for irregularities related to procurement, accounting, internal control, auditing, and other areas for use by employees, business partners and other third parties. We are committed to keeping the information of whistleblowers confidential and retaliation against them is strictly prohibited.

4.8 Fair Competition

Based on the principle of fair competition, Boviet Solar respects its competitors and views excellence by competitors as motivation for the company to innovate and seek changes. We advocate advanced technology, an innovative business model, and quality products and services as our means to win in the competitive market. The company strictly abides by the laws and regulations of the countries where it is located, and refrains from restricting or excluding market competition by unfair means.

4.9 Information Security

Boviet Solar attaches importance to information security and data confidentiality to maximize the protection of information security of the company and its customers, and to minimize the impact of accidental information leakage. According to the training system, the company's managers and employees at all levels have received information security training at different levels, and the induction training for new employees also includes courses related to information security and confidentiality, with a 100% coverage rate of information security awareness training for employees. The company pays attention to the protection of customers' privacy data, and has signed "Non-Disclosure Agreements" with all long-term cooperative customers to ensure that customers' data will not be disclosed to third parties without authorization, and operations on customers' confidential data are subject to approval by OA system and process records.

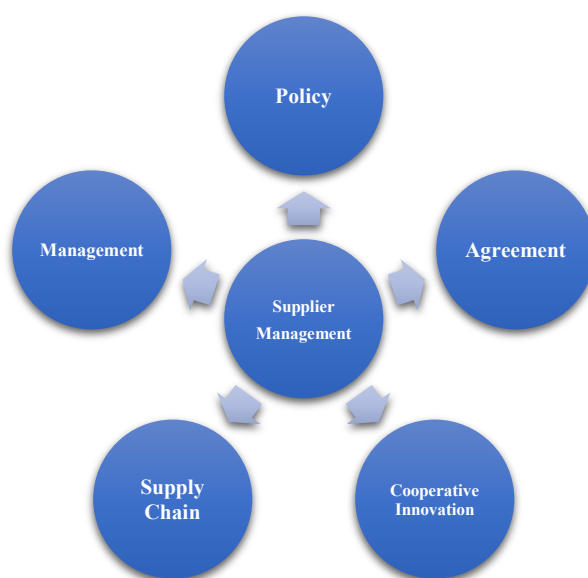
4.10 Intellectual Property

Boviet Solar always respects the power of knowledge and promotes the protection of intellectual property rights, thereby expanding its own business development. The company has established an intellectual property management system, strictly abides by intellectual property laws and regulations, respects the intellectual property rights of all parties, and continuously strengthens corporate intellectual property management and enhances the intellectual property awareness of employees and managers. We ensure that our operations do not infringe on the patents, copyrights or other intellectual property rights of companies or individuals.

5 RESPONSIBLE SUPPLY CHAIN

Boviet is committed to the sustainable management of suppliers by incorporating environmental and social factors into its supplier management mechanism. This entails an

enhanced focus on suppliers' performance in areas including environmental protection, worker rights, safety and health, and business ethics, all with a goal of realizing economic benefits while lowering any associated environmental and social risks. Also, Boviet has been developing a sustainable supply chain to ensure the continuity of supplies through a series of management strategies including supplier access policy, sustainable management of suppliers, development of a green supply chain, and improving supply capabilities.



Sustainable Supplier Management

5.1 Supplier Development Policy

A potential supplier is qualified when it complies with the thresholds in fulfillment capability, service quality, fair management, good work environment, and other areas.

Adhering to the principle of "mutual benefits for common development", Boviet Solar has established stable, sound partnerships with suppliers to ensure sustainable production and operation.

5.2 Supplier Code of Conduct and Ethics

Each supplier is required to sign the Supplier Code of Conduct and Ethics, and is prohibited from engaging in child labor, forced labor, slavery, or human trafficking. In addition, Boviet requires certain core suppliers to provide relevant documents for inspection, including a

sustainability report and an internal code of conduct. As of the end of 2022, none of our operations or suppliers posed a significant risk of child labor violations.

5.3 Cooperative Innovation

Boviet insists on collaborative innovation in the supply chain and conducts regular exchange activities with major suppliers. The supply chain team will establish all-around service channels and communication mechanisms for the Boviet R&D team and the suppliers to regularly exchange ideas on new technologies, materials, processes, or technical routes. In addition, we will present our innovation-related demand to suppliers regularly. In 2022, we established active cooperation with our suppliers regarding the technical innovation of cost-reduction materials, improvement of cell efficiency, and other areas.

5.4 Sustainable Management of Supplier

Boviet has a digital Supplier Relationship Management (SRM) system in place, designed to increase operational efficiency by ensuring the timely communication of business information regarding orders, inventories, settlements, invoices, claims, quotas, and performances. This also helps with the comprehensive evaluation of supplier performance for enhanced delivery of goods and level of services, receiving early warning of any risk from suppliers, and avoiding any harm to the supply chain.

5.5 Green Supply Chain Construction

To drive the development of a green and low-carbon supply chain, Boviet encourages suppliers to improve their social responsibility practices by requiring them to receive EHS assessment and risk identification, sharing the company's Notice on Occupational Health, Safety, and Environment of Suppliers with them, and asking them to sign the Social Responsibility Commitment Letter, which addresses areas including human rights, labor relations, work safety, environmental protection, and anti-corruption.

Boviet investigates the place of origin of the conflict minerals sourced from suppliers. Suppliers are required to prepare and provide supporting documents, including a conflict minerals declaration, a certificate of origin, and a raw material purchase agreement. The rate of execution for provision of these documents by the company's suppliers is 100%. In addition, Boviet prioritizes its procurement staff's social and environmental awareness by providing training and education opportunities.

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This presentation has been prepared by Boviet Solar Technology Co., Ltd. (the “Company” or “Boviet Solar”) solely to facilitate the understanding of the company’s business model and strategies on sustainability-related topics.

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