DAQO NEW ENERGY CORP

2024

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Daqo New Energy Corp.

Contents

About the Report

The 2024 Sustainability Report of Daqo New Energy Corp. aims to disclose the Company's management initiatives, key practices, and achievements in the areas of economy, environment, society, and governance (ESG) for the year 2024.

Reporting Period

This is an annual report covering the period from January 1, 2024, to December 31, 2024. To ensure continuity and completeness of information, some content may extend beyond this timeframe.

Organizational Scope

This Report includes information concerning Daqo New Energy Corp., Xinjiang Daqo New Energy Co., Ltd., Inner Mongolia Daqo New Energy Co., Ltd., Inner Mongolia Daqo New Materials Co., Ltd., Inner Mongolia Daqo Semiconductor Co., Ltd., and Inner Mongolia Daqo New Energy Research Institute Co., Ltd.

Basis of Preparation

This report is prepared with reference to the following guidelines:

- The United Nations *The 2030 Agenda For Sustainable Development* (UN SDGs)
- *Sustainability Reporting Standards* by the Global Reporting Initiative (GRI Standards 2021)
- *SASB Standards* by the Sustainability Accounting Standards Board
- *Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)*
- *Self-Regulatory Guidelines No. 13 for Companies Listed on Shanghai Stock Exchange Sci-tech Innovation Board—Sustainability Report Preparation*
- *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)*

Terms of Address

For clarity and readability, the terms "Daqo New Energy", "the Company" and "we" in this Report refer to Daqo New Energy Corp. and its subsidiaries (including but not limited to Xinjiang Daqo New Energy Co., Ltd, Inner Mongolia Daqo New Energy Co., Ltd., Inner Mongolia Daqo New Materials Co., Ltd., Inner Mongolia Daqo Semiconductor Co., Ltd., and Inner Mongolia Daqo New Energy Research Institute Co., Ltd.). Specifically, "Xinjiang Daqo New Energy" refers to Xinjiang Daqo New Energy Co., Ltd.; "Inner Mongolia Daqo New Energy" refers to Inner Mongolia Daqo New Energy Co., Ltd.; "Inner Mongolia Daqo New Materials" refers to Inner Mongolia Daqo New Materials Co., Ltd.; "Inner Mongolia Daqo Semiconductor" refers to Inner Mongolia Daqo Semiconductor Co., Ltd.; and "Inner Mongolia Daqo Research Institute" refers to Inner Mongolia Daqo New Energy Research Institute Co., Ltd.

Data Source and Reliability Statement

The financial data in this Report are derived from the financial statements for the year 2024, which have been independently audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP. Other information and data are mainly obtained from relevant internal statistical reports or documents of the Company. All financial data covered in the Report are denominated in RMB. This Report has been reviewed and approved by the Board of Directors ("the Board") following confirmation by the Management.

Accessibility

The electronic version of this Report is available on the Company's website at http://www.dqsolar.com/ESG.

We attach great importance to the opinions of stakeholders and welcome readers to contact us through the following channels. Your opinions will help us further improve our Report and our overall ESG performance.

- Contact: (+86) 021-50560970
- Email: ir@daqo.com
- Address: 29th Floor, Huadu Building, No. 838, Zhangyang Road, Pudong New District, Shanghai

Message from the Chairman

Against the backdrop of a global shift toward a low-carbon energy structure and the growing consensus on sustainable development, polysilicon, a core raw material for the solar photovoltaic industry, has become increasingly important. Over the past year, the polysilicon market has experienced a mix of opportunities and challenges. The industry has embraced historic opportunities driven by accelerated technological innovation and rising demand for clean energy, while also facing severe challenges such as worsening supply-demand imbalances and sharp price corrections.

Amid the dynamic transformation of the industry, Daqo New Energy, as pioneer in China's solar PV high-purity polysilicon manufacturing sector, has consistently embedded the concept of sustainable development into its corporate DNA. Prioritizing quality and efficiency, we have wielded innovation as our spear and stability as our shield, leveraging our wisdom to tackle the challenges of the energy transition and contributing our strength to power global sustainable development with green momentum.

Strengthening the foundation of governance to safeguard high-quality development. We uphold high-standard corporate governance principles, continuously refining our governance structure and establishing a comprehensive risk management system. By strictly abiding by business ethics, we strive to create an open, transparent, fair, and equitable business environment that creates sustainable value for investors, partners, and society. At the same time, we have deepened our sustainability strategy, fully integrating ESG principles into all aspects of our operations and management. We have charted a clear roadmap for sustainable development, aiming to set a benchmark for sustainability within the industry.

Charting a net-zero vision to lead collaborative clean energy ecosystems. We actively embrace the sustainable development philosophy of "Dedication to Clean Energy and Green Development", continuously optimizing our environmental management system and rigorously controlling pollutant emissions to ensure all indicators surpass national standards. We relentlessly explore energy-saving and efficiency-boosting solutions, achieving refined operational management while maximizing resource efficiency. In alignment with China's "Dual Carbon" strategy (peaking CO_2 emissions before 2030 and achieving carbon neutrality before 2060), we have initiated full product lifecycle carbon footprint assessments and are systematically advancing our carbon reduction plans. Leveraging our technological and operational strengths, we contribute to building a green and low-carbon future.

Forging technological leadership to navigate the transformation of the solar photovoltaic industry. Innovation serves as our growth engine. We continuously enhance our innovation management system, fully unlocking the creative potential of our talent and fostering a culture of innovation across the organization. We actively explore new technologies and processes, building digital and intelligent manufacturing platforms to elevate both operational efficiency and product quality. We are committed to establishing a green supply chain system by optimizing carbon emission management across the industrial chain, actively participating in industry standards development and collaborative partnerships, and leading the transformation and upgrading of the value chain toward a greener and low-carbon future.

Nurturing talent to build a lasting ecosystem of shared value. We treat every employee with equality and respect, striving to build a fair, diverse, and inclusive workplace. By continuously optimizing our talent incentives and career development pathways, we provide a platform for employees to showcase their abilities and realize their professional potential. In terms of employee welfare, we maintain a competitive compensation and benefits system, rigorously enforce occupational health and safety management, and actively listen to employee feedback through diverse communication channels, enhancing their sense of well-being and belonging. As a responsible corporate citizen, we actively engage in community initiatives and social development, contributing to social harmony and progress through concrete actions and achieving shared growth for both the Company and society.

A bold journey, untroubled by mountains and seas, through time and momentum. Looking ahead, Daqo New Energy will remain steadfast in its corporate mission of "creating value for customers, delivering returns to shareholders, fostering growth for employees, and generating benefits for society". Rooted in quality and guided by efficiency, we will continue to strengthen innovation-driven growth and propel high-quality development. We will deepen our commitment to sustainable practices, injecting green momentum into our long-term success and stand at the forefront of the energy transformation, moving forward with resilience and vision.

——Chairman of Daqo New Energy
Xiang Xu

About Daqo New Energy

Company Profile

Daqo New Energy Corp. is a leading manufacturer of high purity polysilicon for the global solar PV industry. The Company has been listed on the New York Stock Exchange (NYSE: DQ) since 2010. With cutting-edge equipment and technology, as well as professional R&D and management teams, the Company has accumulated over 16 years of experience in polysilicon production and has established itself as one of the worlds lowest-cost manufacturers of high-quality polysilicon. Since its establishment, the Company has closely aligned itself with the national new energy strategic goals. It has continually invested in R&D, driving technological innovation. Capitalizing on its access to rich electricity resource and attractive electricity rate, and strategic location within a silicon industry hub, the Company has adopted robust and reliable iterations of the Siemens and hydrochlorination production processes. Through years of advancements in technology and industrial growth, it has consistently produced high-quality and high-purity polysilicon products that are both energy-efficient and cost-effective through digitalization, intelligent production facilities, and closed-loop operational processes.

To date, Daqo New Energy has established production capacities of 305,000 tons/year of high-purity polysilicon for the solar industry, and 1,000 tons/year of polysilicon for the semiconductor industry, across its production bases in Xinjiang and Inner Mongolia. Its polysilicon products have been recognized as patent-intensive products by the China National Intellectual Property Administration (CNIPA).

USD 1.03
billion Revenue

USD 6.42
billion Total assets

205,068 MT
Polysilicon production volume

429	54	373	2
Cumulative granted patents	Invention patents	Utility model patents	Other patents

In the high-purity polysilicon industry, the Company's 2024 output accounted for approximately 11% of domestic polysilicon production. Over 99% of its output is dedicated to mono-wafer applications, with over 90% of products meeting electronic-grade Level 1 standards. Notably, our N-type polysilicon accounts for more than 70% of our total production. In the semiconductor-grade polysilicon industry, the Company's 1,000 tons/year production capacity targets quality standards suitable for 8-inch and 12-inch wafers used in ultra-large-scale integrated circuits (ULSI), with product quality currently in the ramp-up phase.

Daqo New Energy is certified under the *Standard Conditions for the Photovoltaic Manufacturing Industry* and operates the "National and Local Joint Engineering Laboratory for Photovoltaic Silicon Material Development Technology". The Company has also received honors including "National High-Tech Enterprise", "National Technology Innovation Demonstration Enterprise", "National Intelligent Photovoltaic Pilot Demonstration Unit", "National Intelligent Manufacturing Pilot Demonstration Unit", "National Green Factory", and "National Water Efficiency Leader".

Looking ahead, Daqo New Energy will continue to deepen its focus on the high-purity polysilicon industry, delivering premium polysilicon products to the global solar photovoltaic and semiconductor industries while driving the transformation of the energy structure through technological innovation. Confronting global energy and environmental challenges, Daqo New Energy will leverage its professional expertise and innovative development philosophy to contribute "Daqo Wisdom" and "Daqo Solutions" to the modernization of China.

2024 Milestones

Daqo New Energy 2024 Milestones

January

- The polysilicon produced by Daqo New Energy was recognized as a Patent-Intensive Product.
- Xinjiang Daqo New Energy was awarded the title of "Philanthropic Caring Enterprise" by Shihezi Charity Federation.

February

- Xinjiang Daqo New Energy received the honor of "Digital Transformation Benchmark Enterprise".

March

- Xinjiang Daqo New Energy was ranked among the "Top 50 Industrial Enterprises in R&D Investment" at the First Session of Xinjiang Uygur Autonomous Region.
- Xinjiang Daqo New Energy was shortlisted for the "National Advanced Unit for Open Factory Affairs and Democratic Management (2021-2023)" commendation list.

April

- Xinjiang Daqo New Energy obtained Intellectual Property Management System Certification.

May

- The Phase 5B 100,000 MT/Year High-Purity Polysilicon Project of Inner Mongolia Daqo New Energy was completed and put into operation, raising the Company's total annual production capacity to 305,000 MT.
- The first batch of semiconductor-grade polysilicon products from Inner Mongolia Daqo Semiconductor was successfully produced.
- Xinjiang Daqo New Energy was awarded the title of "Advanced Collective for High-Quality Development".

June

- Xinjiang Daqo New Energy received the "Outstanding Organization Award" at the "Trade Union Cup" 2024 Competition for Vocational Skills of Safety Officers.
- Inner Mongolia Daqo New Energy was granted the title of "Top 100 Private Enterprises in Inner Mongolia".

July

- Xinjiang Daqo New Energy was ranked among the "Top 10 Semiconductor Material Enterprises" by the China Electronic Materials Industry Association (CEMIA).

September

- Inner Mongolia Daqo New Energy Research Institute Co., Ltd. was established.
- Xinjiang Daqo New Energy was admitted as a "Member of the Xinjiang Listed Companies Association (XJLCA)".

November

- Xinjiang Daqo New Energy was recognized as a "Water Efficiency Leader Among Key Water-Using Enterprises".

December

- Inner Mongolia Daqo New Energy was designated as a "High-Tech Enterprise".
- Inner Mongolia Daqo New Energy obtained ISO 50001 Energy Management System Certification.

Corporate Culture

Core Values

Integrity, Dedication, Innovation, Excellence

Corporate Mission

Creating Value for Customers, Delivering Returns to Shareholders, Fostering Growth for Employees, and Generating Benefits for Society

Corporate Vision

Global Industry, Centennial Daqo

Business Strategy

Innovation-Driven, High-Quality Development

Talent Concept

Pooling the Best Minds from All Sectors. Performance is the Sole Criterion for Evaluating Talent.

Corporate Development Strategy

Brand Building and Business Diversification

Business Philosophy

Quality First and Efficiency Prioritized

Daqo New Energy 2024 in Numbers

Economic Value

USD 1.03 billion

Revenue

USD 6.42 billion

Total assets

205,068 MT

Polysilicon production volume

Environmental Value

4,421,566.26 tons of CO_2 equivalent

GHG emissions (Scopes 1 & 2)

RMB 54.4547 million

Energy conservation and environmental protection investment

21.56 tons of CO_2 equivalent / ton of polysilicon

GHG emission intensity (Scopes 1 & 2)

1,664,367.28 tons of standard coal equivalent

Comprehensive energy consumption

5,514,085.28 MWh

Renewable energy usage

1,107,609,600 tons

Recycled water usage

46%

Renewable energy usage ratio

0.25 ton / ton of polysilicon

Non-hazardous waste generation intensity

0.0016 ton / ton of polysilicon

Hazardous waste generation intensity

Social Value

Total number of employees:

4,740

Total hours of training to employees:

1,186,232

Coverage of training to employees:

100%

R&D investment

RMB 387 million

Cumulative granted patents :

429

Number of suppliers:

848

Total hours of community contribution duration:

3,225

01

Pursuing Excellence in Governance to Drive Sustainability

Our Actions

- Corporate governance
- Risk management
- Compliance and business ethics
- ESG governance

Our Performance

- 6 independent directors
- 25 material ESG topics

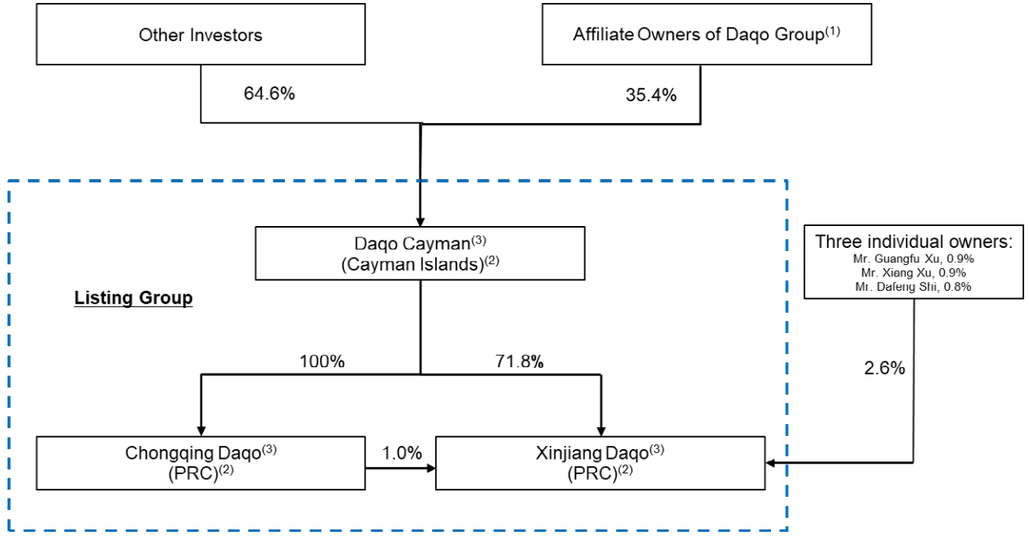
Contribution to SDGs

Corporate Governance

Daqo New Energy strictly complies with laws, regulations, and relevant requirements, and has established a robust corporate governance structure. We operate with transparency and impartiality, strengthen internal risk control capabilities, and actively earn trust from investors, partners, and society to ensure sustainable development.

Governance Structure

The following diagram illustrates our corporate structure, including our principal subsidiaries, as of March 31, 2025.



Notes:

(1) As of March 31, 2025, individual owners of Daqo Group that are affiliated to us, including Messrs. Xiang Xu, Guangfu Xu, Dafeng Shi, Fei Ge and Ms. Xiaoyu Xu, beneficially hold equity interests in Daqo Cayman directly and through three personal holding companies incorporated in the British Virgin Islands.

(2) Indicates jurisdiction of incorporation.

(3) Indicates companies within the listing group.

Board Diversity and Independence

Daqo New Energy prioritizes the independence and diversity of its Board of Directors and works to enhance diversity in gender, cultural backgrounds, and professional expertise to align with the Company's business diversification. Board members possess specialized knowledge and supervisory capabilities, effectively fulfilling oversight duties to ensure professional and efficient decision-making. As of December 2024, the Board comprised 11 members, including 6 independent directors.

Board Diversity and Independence

Name	Position	Since	Committee Roles
Xiang Xu	Chairman of the Board, Chief Executive Officer	2007	Chair of Nominating and Corporate Governance Committee
Guangfu Xu	Director	2007	-
Fei Ge	Director	2022	-
Dafeng Shi	Director	2013	Chair of Compensation Committee
Xiaoyu Xu	Director	2023	-
Fumin Zhuo	Independent Director	2009	Member of Compensation Committee
Arthur Wong	Independent Director	2012	Chair of Audit Committee
Rongling Chen	Independent Director	2010	Member of Audit Committee & Nominating and Corporate Governance Committee
Shuming Zhao	Independent Director	2011	Member of Compensation Committee & Nominating and Corporate Governance Committee
Minsong Liang	Independent Director	2011	Member of Audit Committee
Guoqing Chen	Independent Director	2023	-

Committee	Chair	Members
Audit Committee	Arthur Wong	Rongling Chen, Minsong Liang
Nominating and Corporate Governance Committee	Xiang Xu	Rongling Chen, Shuming Zhao
Compensation Committee	Dafeng Shi	Fumin Zhuo, Shuming Zhao

Protection of Investors' Rights and Interests

The Company prioritizes safeguarding investor rights and interests, attentively addressing investor concerns and suggestions. Guided by relevant laws and regulations, we continuously enhance the professionalism of our investor relations management to protect investors' lawful rights and interests.

We bridge information gaps and foster constructive interaction through routine market communication channels. Specifically, we have established a dedicated investor relations email, while maintaining close engagement via the Investor Relations section of our corporate website. These measures enhance information disclosure transparency, safeguarding the rights and interests of minority shareholders. At the same time, we actively engage in various investor activities to showcase operational performance and fulfillment of social responsibilities. This significantly improves the effectiveness of our investor relations management while boosting investor satisfaction and trust.

Risk Management

Daqo New Energy continuously enhances its risk management and internal control systems. Guided by normative documents including the *Internal Audit System*, the *Guidelines for Enterprise Internal Control Evaluation*, the *Guidelines for Enterprise Internal Control Audits*, and the *Application Guidelines for Enterprise Internal Control Audits*, we have formulated the *Comprehensive Risk Management Regulations*. This establishes a standardized and effective comprehensive risk management structure, defining processes for identifying, assessing, controlling, and monitoring risks and opportunities to strengthen risk response decisions and safeguard sustainable development.

We refine our comprehensive risk management structure through unified leadership, categorized management, professional accountability, division of responsibilities, and organization-wide participation. This integrated approach fosters a robust risk prevention mechanism. The organizational system comprises General Manager/President's Office, Risk Management Functional Department, functional departments, and business departments.

Organizational Structure of Comprehensive Risk Management

General Manager/ President's Office	Formulates the comprehensive blueprint and detailed implementation steps for the Company's risk control system; sets up provisional agencies to manage crisis situations; and directs and oversees all-encompassing risk management activities.
Supervision and Audit Department	As the designated department for centralized risk management in the Company, the department is responsible for the development of a comprehensive risk management system. It drafts relevant policies, conducts risk training, and continuously assesses the effectiveness of risk management.
General Manager/ President	Implements and continuously improve the comprehensive risk management system across the Company, and proposes solutions for critical risk issues and coordinate their execution.
Quality Department	As a department responsible for collecting risk identifications inputs from the Company's departments/ trades, organizing reviews and following risk management progress in all departments, it holds full accountability for the management and control of quality-related risks.
Representative of Managers	Organize the reviews of the Company's risk and opportunity management in accordance with the evaluation cycle.
Other Functional Departments and Business Departments	They are executive bodies for risk management. The heads of each department are the primary responsible persons for risk management within their respective departments.

We continuously refine risk identification processes by integrating ESG-related risks into enterprise risk management. This drives organization-wide participation in risk/opportunity identification and response planning. In 2024, Daqo New Energy implemented comprehensive risk assessments across the headquarters and manufacturing subsidiaries, identifying 194 effective risks. The Supervision and Audit Department monitored the implementation and timelines of risk mitigation measures to ensure effective execution.

Risk Management Process of Daqo New Energy

01 Risk Information Collection and Consolidation

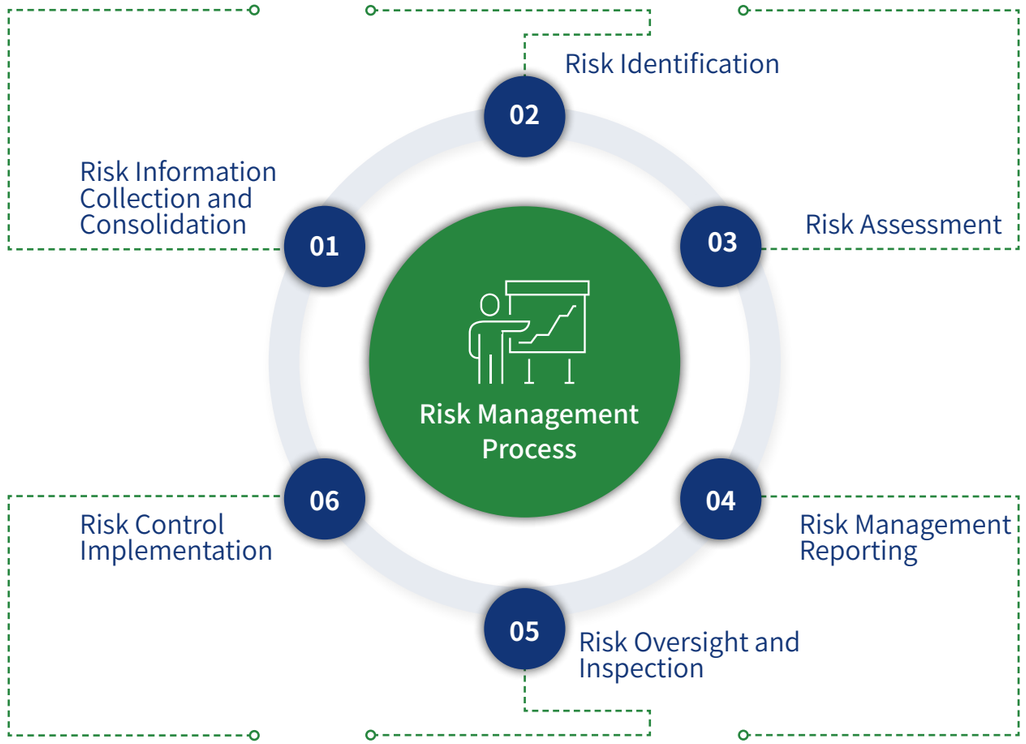
- Each department collects risk data and submits to the Supervision and Audit Department via official channels.
- The Supervision and Audit Department compiles information into the *Annual Risk Summary Form* and periodically updates/publishes the *Risk Catalog Repository.*

02 Risk Identification

- The Supervision and Audit Department conducts annual company-wide risk identification to formulate the *Risk Identification Form.*
- Each department develops department-specific *Risk Identification Forms* based on operational objectives and the *Risk Catalog Repository.*

03 Risk Assessment

- The Company's Management reviews preliminary assessments, assigns risks to responsible departments, and develops the *Risk Management Response Form.*
- Risk mitigation progress reports should be submitted for reassessment and approval.



06 Risk Control Implementation

- In accordance with the Company's managerial objectives and their respective business goals, each department defines control objectives, measures, timelines, and responsible persons in the *Risk Management Response Form* for execution post-reassessment/approval.

05 Risk Oversight and Inspection

- Each department conducts monthly self-monitoring of control measures and evaluates responsible personnel.
- The Supervision and Audit Department tracks mitigation progress/effectiveness via the *Risk Management Response Form* and reports to the Management.

04 Risk Management Reporting

- The Supervision and Audit Department prepares the annual *Comprehensive Risk Assessment Report* based on evaluation outcomes.
- Monthly risk management reports should be submitted to the Company's Management detailing control measure implementation.

Compliance and Business Ethics

Daqo New Energy adheres to lawful and compliant operations, upholding the highest business ethics to ensure steady growth in a fair and healthy market environment. We continuously strengthen compliance awareness and internalize ethical standards to safeguard long-term stability. Committed to building a transparent and equitable business ecosystem, we create greater value for stakeholders through integrity-driven practices and fair competition.

Lawful and Compliant Operations

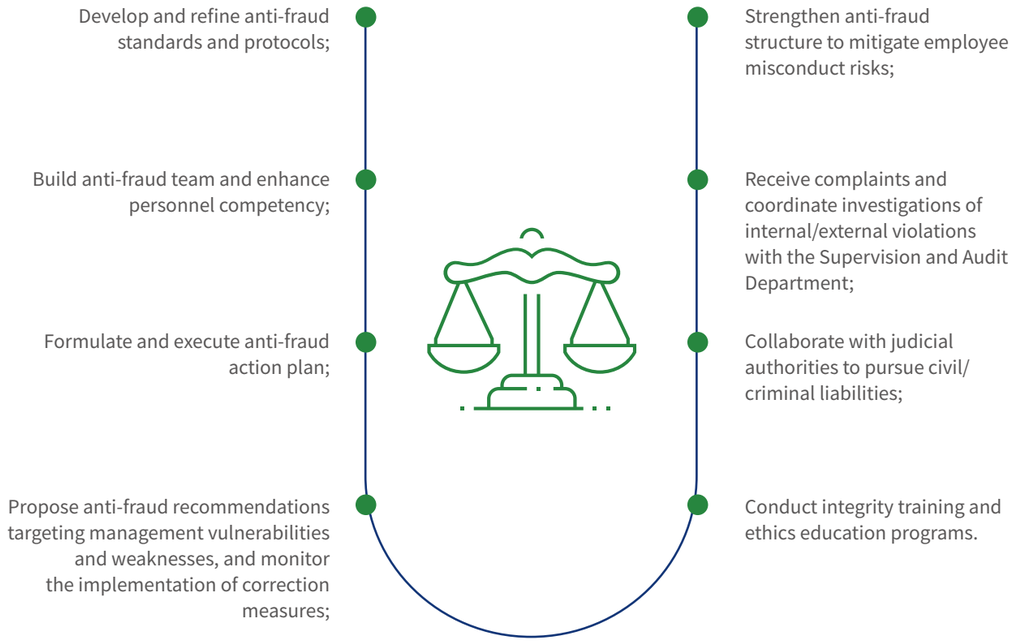
We prioritize robust compliance management by enhancing risk control mechanisms and elevating corporate governance standards. We advance the digital transformation of our compliance management systems, leveraging digital technologies and tools to improve operational efficiency. Internally, we clearly define departmental and positional responsibilities, enforce authorization control requirements, and embed compliance management requirements into corporate policies and business processes. At the same time, we have established a closed-loop management system for the entire process covering prevention, in-process monitoring, and post-incident improvements. This system optimizes departmental workflows to significantly reduce the probability of risk-prone operations, guaranteeing the ongoing effective operation of the compliance management system and thereby reinforcing foundational safeguards for lawful and compliant operations.

We continue to intensify compliance education and training to raise employees' awareness of compliance risk prevention. In 2024, we organized compliance training sessions on a regular basis for our directors, supervisors, and senior management. These sessions covered topics such as annual reports preparation, independent director system reforms, and prevention of financial fraud in Xinjiang's capital market. All our departments also conducted compliance inspections and training sessions on relevant policies and systems. The EHS Department conducted weekly safety hazard inspections, safety management training for special operations, drills on daily standard operations of employees, and training on the use of the online training system. Additionally, we invited legal counsel to deliver legal risk focused training directly applicable to daily operations, ensuring that employees thoroughly understand and implement relevant regulations and policies, thereby enhancing the company' s overall compliance and operational effectiveness.

Adherence to Business Ethics

Daqo New Energy strictly complies with the relevant laws and regulations such as the *Anti-Money Laundering Law of the People's Republic of China*, the *Oversight Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*. We enforce internal policies including the *Code of Ethics and Business Conduct* and the *Anti-Fraud Management System* and have established a dedicated Anti-Fraud Center to eliminate bribery, kickbacks, illicit gains, and money laundering. Daqo New Energy steadfastly upheld the rule of law in 2024, embedding compliance requirements into its corporate governance DNA. Adhering to a "zero tolerance" principle toward violations, it leveraged robust oversight mechanisms and strict accountability systems to forge a compliance ecosystem that "deters, prevents, and discourages corruption". Substantiated corruption cases were unconditionally referred to judicial authorities, demonstrating unwavering commitment to compliance operations through concrete actions.

Primary Responsibilities of the Anti-Fraud Center:



The Company encourages mutual oversight among internal and external stakeholders and protects whistleblowing based on reasonable assumptions. To ensure operational fairness and open communication, we maintain diverse reporting channels, i.e., dedicated email, hotline, WeChat official account, and internal system portals. Anti-fraud clauses are embedded in all contracts/agreements, and questionnaires are given to all employees to foster a culture of collective oversight.

Upon receiving a whistleblower report, the Company will immediately establish an anti-fraud investigation team. Internal oversight departments will collaborate with the relevant departments to conduct an evidence-based investigation in accordance with laws and regulations to ensure the fairness of the investigation. Substantiated violations incur disciplinary actions proportionate to severity, and criminal cases are referred to judicial authorities.

Reporting Channels:

- Anti Fraud Email：jd.solar@daqo.com
- Anti Fraud Hotline：+86 023 64866668
- WeChat Official Account: 大全能源反舞弊 (DAQO NEW ENERGY ANTI-FRAUD)

We prioritize protecting whistleblowers' lawful rights and interests by establishing comprehensive whistleblower protection mechanisms. These measures include strict confidentiality of whistleblowers' personal information and reported content, no tracing of anonymous whistleblowers' identities, zero tolerance for discrimination, harassment, or inappropriate actions against whistleblowers or investigation participants, and strict prohibition of any form of retaliation to ensure whistleblowers' safety and trust.

The Company promotes a culture of integrity through multi-pronged initiatives, combining systematic training with comprehensive awareness campaigns to foster a clean and upright work environment. We invite external legal professionals to conduct specialized training in a hybrid online-offline format, with a focus placed on anti-fraud policies and prevention of occupational crimes, thereby enhancing employees' compliance awareness and legal literacy. Additionally, we reinforce integrity messaging through promotional posters in public areas including elevators and restrooms, cultivating employee’ s sense of moral responsibility to build robust ethical safeguards for the Company.

Fair Competition Practices

Daqo New Energy upholds fair, just, and honest competition principles, resolutely opposes unfair competition practices. We mandate all sales personnel to strictly comply with the *Anti-Unfair Competition Law of the People's Republic of China,* the *Anti-Monopoly Law of the People's Republic of China*, and relevant industry standards, actively safeguarding market fairness and order. Besides, we prevent unfair competition risks through multiple measures including an early-warning system, conducting regular risk assessments, strengthening contract review management, and implementing a robust trade secret protection framework. Additionally, we maintain a customer complaint handling mechanism to promptly investigate and address unfair competition allegations. To enhance employee awareness, we conduct regular anti-unfair competition training sessions to enhance employees' legal literacy and operational competence, preventing violations due to lack of knowledge. During the reporting period, the Company incurred no administrative penalties for unfair competition.

Daqo New Energy invited legal counsels to conduct training on fraudulent conduct and common types of corporate crimes

ESG Governance

We explicitly integrate sustainability principles into our core strategic development, continuously embedding ESG concepts into daily operations and management systems. We are refining our ESG governance structure, formulating ESG strategic plans, defining the company' s sustainable development path, and establishing robust ESG management mechanisms to ensure the effective implementation of key ESG issues. In addition, we proactively identify material ESG-related risks, develop ESG risk management strategies, and enhance our ESG risk management capabilities through scientific methods and processes to safeguard stable operations and sustainable development. Furthermore, we continuously strengthen stakeholder engagement and communication to address their concerns, respond to their expectations and achieve a harmonious balance between economic performance and environmental and social benefits.

ESG Governance Structure

The Company has established a three-tier governance structure: Board of Directors—ESG Leadership Team—ESG Executive Working Group.

Board of Directors

- Developing ESG strategies and policies: Ensuring the integration of ESG factors into the Company's overarching strategy and operations;
- Oversight and management: Supervising ESG-related risks and opportunities to guarantee the ESG Leadership Team effectively implements ESG policies and objectives;
- Reporting and transparency: Ensuring the appropriate disclosure of ESG performance to external stakeholders and engaging in communication with stakeholders.

ESG Leadership Team

- Executing ESG strategy: Converting ESG strategies into concrete action plans and initiatives;
- Risk management: Identifying and addressing ESG-related risks to ensure compliance;
- Resource allocation: Assigning essential resources to ESG-related projects and initiatives;
- Performance assessment: Monitoring and assessing ESG performance to ensure goal attainment, and regularly reporting assessment outcomes to the Board of Directors.

ESG Executive Working Group

- Implementing ESG measures: Enforcing ESG policies and practices across different departments or business units;
- Task execution: Performing specific tasks and workflows in alignment with ESG policies and procedures;
- Reporting and improvements: Providing regular updates to the ESG Leadership Team on the execution of ESG efforts, and reviewing and improving ESG management measures.

ESG Strategic Planning

Daqo New Energy embraces the green operational philosophy of "Dedication to Clean Energy and Green Development", integrating ESG principles across the photovoltaic value chain. We have established the Daqo New Energy ESG Development Strategy, anchored by the "Shared Vision-3060" initiative, defining short-, medium-, and long-term sustainability objectives:

Daqo New Energy ESG Vision

2023-2025

- Continuously increase clean energy consumption ratio and reduce waste emission intensity during production;
- Optimize energy consumption per unit of product, enhance product quality, and achieve sustainable balance between optimal quality and minimal energy consumption;
- Improve recycling efficiency of raw/ auxiliary materials and build a resource-efficient, eco-friendly circular economy system;
- Leverage our strengths, innovate within the industry, explore new business value, and strive for a harmonious integration of product utility, corporate value, and socio-environmental impact.

By 2030

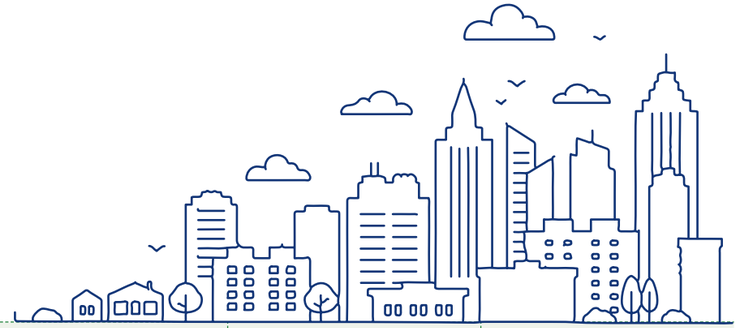
- Achieve peak carbon emissions, and exceed 80% clean energy consumption ratio.

By 2060

- Achieve carbon neutrality.

Stakeholder Engagement

The Company values the expectations and concerns of its stakeholders, identifying key groups as government agencies/regulatory authorities, shareholders/investors, employees, media, suppliers/contractors, customers, and local communities. We have established diversified communication channels to address key concerns to meet their expectations.



Stakeholder	Government Agencies / Regulatory Authorities	Shareholders and Investors	Customers	Employees	Suppliers	Media	Communities and Public
Expectations & Concerns	• Compliance operations • Anti-corruption initiatives • GHG emissions • Industry collaboration and development	• Governance structure • Corporate ESG governance • Product compliance • Product quality and safety • Compliance operations • Product innovation and R&D • Environmental R&D investments	• Product quality and safety • Product innovation and R&D • Complaint handling mechanism • Information security and privacy protection	• Occupational health and safety • Talent training and development • Employee rights and benefits • Diversity, equality and inclusion	• Supply chain ESG management • Product innovation and R&D • Product quality and safety • Industry collaboration and development	• Community initiatives & philanthropy • Renewable energy development and utilization • Biodiversity • GHG emissions • Climate response	• Community initiatives & philanthropy • Water resource management • Waste management • Sewage treatment • Energy management
Engagement & Response Methods	• Performance reports • Meetings • Daily operations/ communication • Official website of the Company • Customer services	• General Meeting of Shareholders • Brokerage investment conferences • Earnings conference calls • Company announcements • Roadshows • Daily telephone communication • Polysilicon industry conferences • PV industry conferences • Official website of the Company	• Market research • Customer satisfaction surveys • Customer complaint handling	• Employee training • Employee communication activities • Internal publications • Performance evaluation • Employee complaint email	• Supplier on-site assessment • Quality communication • Supplier training and support • Supplier admission and evaluation	• Official website • WeChat official account • Media interviews	• Interviews • Volunteer programs • Community charity events • Rural revitalization activities

Material Topic Identification

Daqo New Energy has identified and selected its 2024 ESG material topics through multi-dimensional analysis aligned with global sustainability standards, industry trends, and capital market concerns while also considering its actual business development. Through peer benchmarking, expert evaluations, stakeholder surveys (internal/external), and on-site interviews, it has identified the 2024 ESG Material Topic List, disclosing highly material topics in this Report to address stakeholder concerns.

Topic identification

Leveraging multidimensional data analysis— including domestic and international ESG standards, national regulatory policies, and capital market priorities— we performed industry benchmarking to ensure scientific rigor and relevance. This process identified 25 material topics reflective of our operational realities.

Topic research

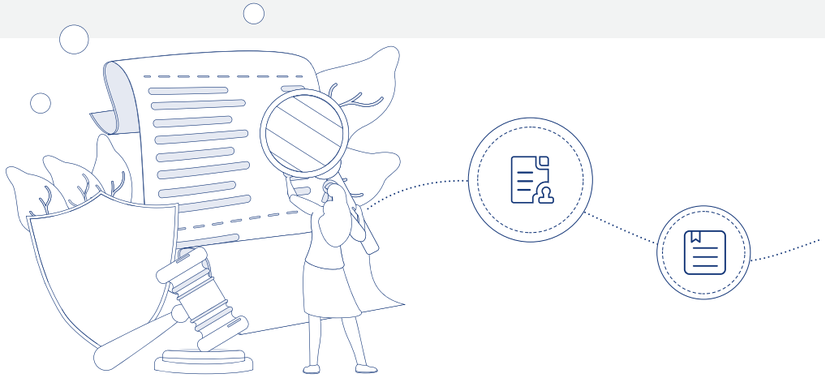
We conducted surveys with internal and external stakeholders including government agencies / regulatory authorities, shareholders and investors, customers, employees, suppliers, media, communities, and the public at large to solicit broad feedback on topic materiality; We conducted interviews with key internal departments heads to gather expert insights on ESG relevance.

Topic prioritization

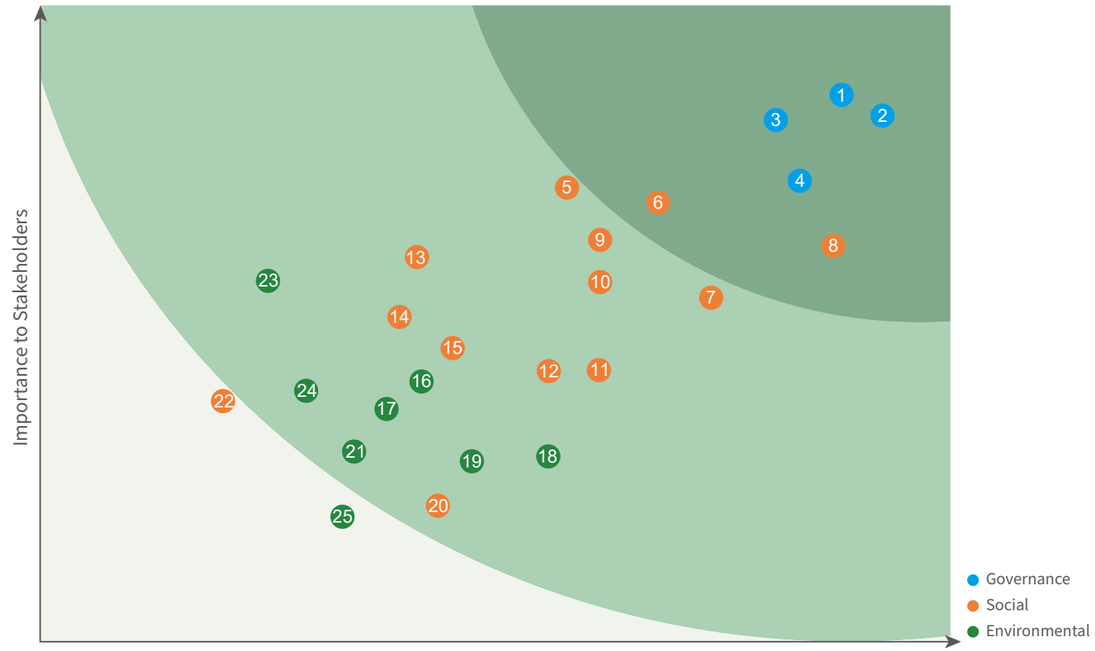
Based on the results of the surveys, topics were ranked from two dimensions - "Importance to Daqo New Energy's Development" and "Importance to Stakeholders." This analysis resulted in the formation of Daqo New Energy's 2024 ESG Material Topic Matrix.

Topic validation

The Board of Directors and external experts reviewed the results of the topic selection process, and finalized the list of highly material topics. These key topics are disclosed in this Report to address stakeholder expectations and guide the continued advancement of the Company’s ESG management initiatives.



Daqo New Energy's 2024 ESG Material Topic Matrix



1	Compliance operations
2	Governance structure
3	Anti-corruption initiatives
4	Corporate governance
5	Information security and privacy protection
6	Industry collaboration and development
7	Employee rights and benefits
8	Product quality and safety
9	Complaint handling mechanism
10	Occupational health and safety
11	Product compliance
12	Product innovation and R&D
13	Community initiatives & philanthropy

14	Talent training and development
15	Supply chain ESG management
16	Sewage treatment
17	Energy management
18	Environmental R&D investments
19	Waste management
20	Water resource management
21	GHG emissions
22	Diversity, equality and inclusion
23	Renewable energy development and utilization
24	Climate response
25	Biodiversity

02

Following Clean, Low-Carbon, Green, and Eco-Friendly Philosophies

Our Actions

- Environmental management
- Energy resource utilization
- Waste management
- Climate response
- Biodiversity protection

Our Performance

- Consumption of comprehensive energy: 1,664,367.28 tons of standard coal
- Total GHG emissions (Scopes 1 & 2): 4,421,566.26 tons of CO_2 equivalent
- Renewable energy usage: 5,514,085.28 MWh

Contribution to SDGs

Environmental Management

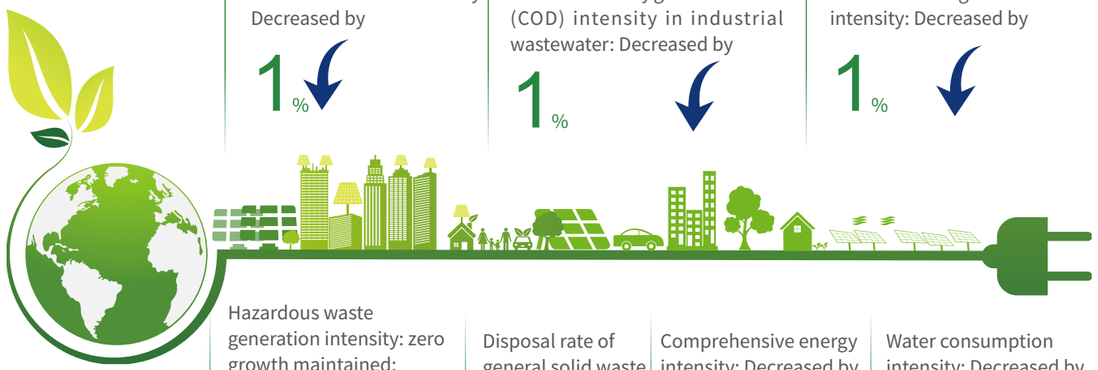
Daqo New Energy is committed to delivering clean energy, following a green development path, and advancing global clean energy transition by strengthening environmental management systems and fulfilling environmental responsibilities.

Environmental Target Management

We have established scientifically grounded environmental management targets based on relevant national standards and in alignment with our operational realities. Implementation plans and safeguards ensure effective execution.

Daqo New Energy's 2025 Environmental Targets:

(Baseline: 2024):



- NOX emission intensity: Decreased by 1%
- Chemical oxygen demand (COD) intensity in industrial wastewater: Decreased by 1%
- Ammonia nitrogen emission intensity: Decreased by 1%
- Hazardous waste generation intensity: zero growth maintained;
- 100% compliant disposal rate
- Disposal rate of general solid waste: 100%
- Comprehensive energy intensity: Decreased by 5%
- Water consumption intensity: Decreased by 1%

Environmental Management System

We uphold our commitment to environment protection by strictly complying with the *Environmental Protection Law of* the *People's Republic of China,* the *Law of the People's Republic of China on Environmental Impact Assessment,* the *Law of* the *People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, the *Water Pollution Prevention and Control Law of the People's Republic of China* and establishing sound environment management systems. In 2024, we revised the *Compilation of Environmental Management Systems* to enhance environmental incentive/penalty mechanisms and environmental risk assessment/control protocols. Through source control and process management, we rigorously mitigated environmental impacts during production and operations to contribute to our green production & operation. Inner Mongolia Daqo New Energy and Xinjiang Daqo New Energy both hold ISO 14001 Environmental Management System Certification. Daqo New Energy had no environmental incidents or administrative penalties related to the environment during the reporting period.

Energy conservation and environmental protection investment: RMB

54.4547 million

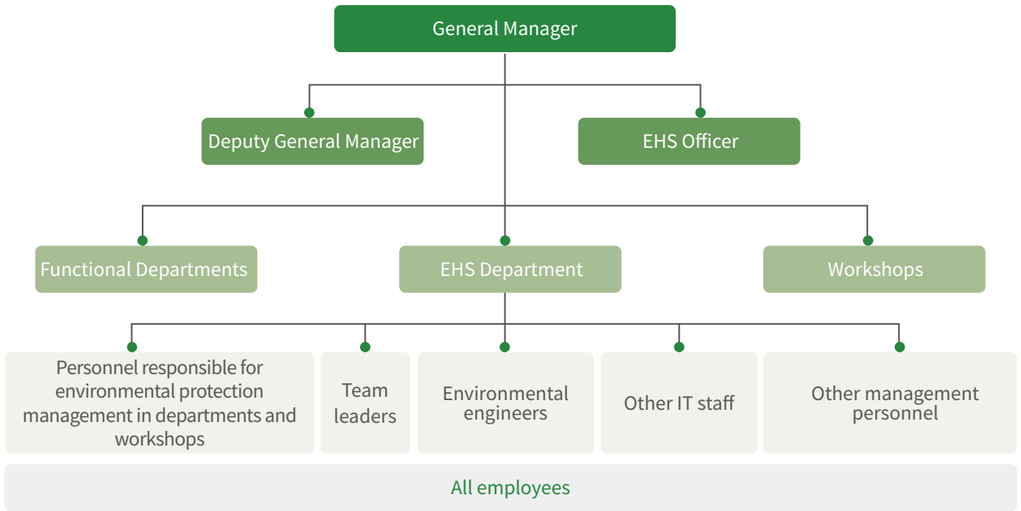
Environmental Management Structure

To ensure effective environmental management, we continuously optimize our environmental management organizational structure and strengthen EHS leadership. We also clearly define environmental responsibilities at all levels and establish robust reporting mechanisms.

The General Manager serves as the primary person responsible for environmental management and is responsible for ensuring the effective implementation of environmental policies and measures. According to the *Environmental Management System*, all other employees must strictly follow the environmental responsibility requirements assigned to their respective departments and implement environmental management systems. They should also conduct daily environmental inspections, promptly reporting any issues identified during the inspections to the responsible departments for rectification, and monitor the progress of corrective actions.

Functional departments participate in regular environmental inspections, supervise rectification results, and maintain detailed documentation. The Environment, Health, and Safety (EHS) Department is responsible for maintaining environmental management ledgers and records, developing/revising annual environmental plans and compiling environmental statistics. It also is responsible for submitting quarterly/annual pollutant discharge reports and completing and submitting the relevant environmental protection documentation. Workshops must actively engage in the resolution of environmental pollution disputes, the investigation and handling of pollution incidents, and the follow-up of outcomes. It is essential that, once investigations are concluded, the EHS Department takes responsibility for reporting environmental pollution incidents to the relevant local environmental protection authorities. Furthermore, they must report the environmental conditions to responsible department leaders, thereby ensuring real-time awareness of environmental management developments. In addition, all department employees should actively participate in the environmental emergency response drills to enhance response capabilities and ensure quick, effective response in emergencies.

Environmental Management Structure of Daqo New Energy

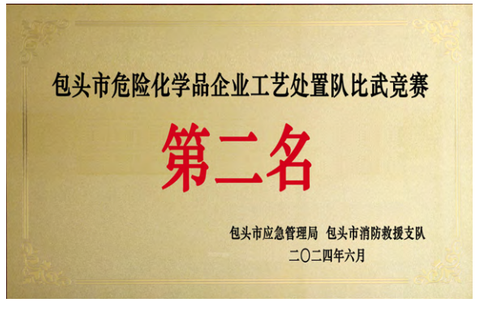


Environmental Risk Assessment and Management

Daqo New Energy prioritizes environmental risk management by establishing the *Environmental Risk Assessment and Control Management Regulations*. This framework enables comprehensive identification and evaluation of environmental risks arising from production, operations, and services, pinpointing key areas with significant environmental impact potential to effectively prevent incidents. It has developed emergency response plans for sudden environmental events and conducts regular training and drills to enhance response capabilities and incident resolution efficiency. Additionally, all its manufacturing bases conduct routine environmental monitoring and publicly disclose the results. In 2024, all monitored parameters remained within regulatory limits.

Fostering an Environmental Protection Culture

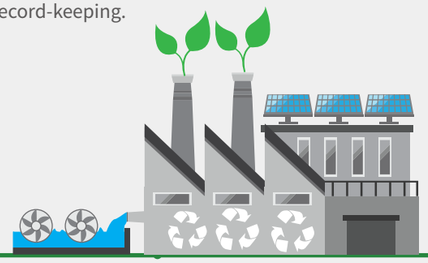
The Company regularly organizes emergency drills and professional training sessions and uploads recorded training materials to the digital education platform to broaden employee participation. These initiatives deepen staff understanding of environmental regulations and pollution control knowledge while continuously improving environmental protection skills and fostering environmental awareness, ensuring effective response to sudden incidents in daily operations and maintain a healthy ecological environment. In 2024, Inner Mongolia Daqo New Energy secured Second Place in the "Skills Competition for Emergency Response Teams from Hazardous Chemical Enterprises" hosted by the Baotou Emergency Management Bureau.



Environmental Training Initiatives by Daqo New Energy:

April 2024

- Xinjiang Daqo New Energy conducted the "Knowledge Training on Hazardous Waste Management" for safety management personnel and hazardous waste storage managers (waste repository administrators). The training covered national laws, regulations, and standards for hazardous waste management; management requirements for collection, generation, storage, and disposal; and guidance on ledger record-keeping.



June 2024

- Xinjiang Daqo New Energy launched a World Environment Day campaign themed "Advancing the Construction of a Beautiful China in All Respects". Promotional banners and videos ("2024 Environment Day Promotion Video: Green, Low-Carbon, Beautiful China", "Protect the Ecological Environment as One Protects One's Eyes") were displayed on main commuter routes, cafeteria screens, and high-traffic factory areas, using materials sourced from the website of the Ministry of Ecology and Environment of the People's Republic of China.

June 2024

- Inner Mongolia Daqo New Energy organized a World Environment Day event themed "Advancing Ecological Progress Together, Sharing a Green Future". Activities included the distribution of promotional manuals and eco-friendly bags to employees and the public to raise environmental awareness and foster a culture of environmental protection.

June 2024

- Inner Mongolia Daqo Semiconductor delivered hazardous waste disposal training to all departments and workshops, clarifying disposal procedures.

August 2024

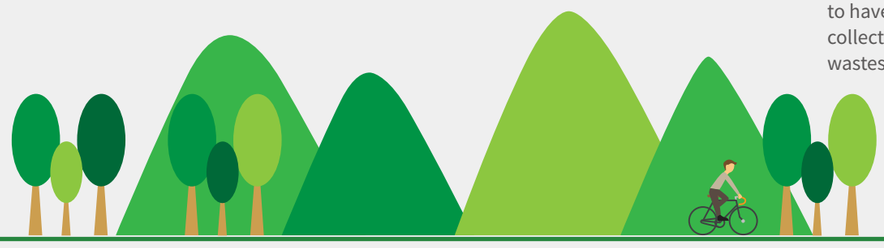
- Inner Mongolia Daqo New Energy held emergency management training for sudden environmental incidents for full-time safety management personnel. Curriculum included legal frameworks for environmental emergency response plans, classification of sudden environmental events, and information reporting and emergency response procedures regarding environmental emergency response plans. This training effectively enhanced the self-protection awareness of relevant staff, improved their emergency response skills, and increased their emergency response capabilities as well as their environmental emergency decision-making abilities.

August 2024

- Xinjiang Daqo New Energy trained safety management personnel on "Daily Management of Online Equipment & Emergency Response Plans for Sudden Environmental Incidents". The training covered environmental emergency regulations and corporate risk points; emergency response systems; principles of online monitoring equipment, daily operational requirements, and case studies. 50 staff attended, improving operational skills and environmental accountability.

July 2024

- Inner Mongolia Daqo New Energy provided hazardous waste management training for all full-time safety management personnel. The training covered differences between hazardous and general solid waste; classification and hazards of hazardous waste and protocols for proper collection and storage to enable the personnel involved to have a clear understanding of collection and storage of hazardous wastes.



Energy Resource Utilization

Daqo New Energy adheres to a dual-track approach of energy conservation and quality-efficiency enhancement, strictly complying with the *Energy Conservation Law of the People's Republic of China* and other regulations. We enhanced our energy management system by revising the *Energy Management Regulations* in 2024, detailing it into four sections - Energy Management, Energy Measurement Equipment Allocation and Management, Energy Statistical Analysis Management, and Inspection and Assessment, thereby strengthening energy governance. In 2024, Inner Mongolia Daqo New Energy obtained ISO 50001 Energy Management System Certification.

Energy Management

Daqo New Energy consistently prioritizes energy conservation and consumption reduction through diverse measures including ongoing equipment upgrades, process innovations, and energy structure optimization, actively exploring efficiency improvements to achieve refined management and maximized benefits. In 2024, Daqo New Energy's comprehensive energy intensity [During the reporting period, the Company proactively adjusted its production and operation load in response to the market environment, and its data of comprehensive energy consumption intensity only reflect the energy consumption level under the current capacity utilization rate.] was 8.12 tons of standard coal equivalent/ton of polysilicon, a 4.3% year-on-year reduction from 2023.

ISO 50001 Energy Management System Certification obtained by Inner Mongolia Daqo New Energy

Reducing Electricity Consumption:

The Company optimized tail gas recovery unit processes by interconnecting compressors and refrigeration systems, enabling equipment integration, intelligent control, and optimized operation modes, reducing large-equipment startups, increasing energy utilization rates and full-load operation rates, and lowering system power consumption.

The Company improved silicon core parameters and adjusted feed volume/current to elevate deposition rates and reduce power consumption, decreasing average reduction power consumption by >2 kW/kg-Si.

Inner Mongolia Daqo Semiconductor adopted microwave heating for reduction furnace startups, significantly lowering startup power consumption. It also replaced manual operations with sequential control programs to streamline workflows and reduce energy waste.

[1]During the reporting period, the Company proactively adjusted its production and operation load in response to the market environment, and its data of comprehensive energy consumption intensity only reflect the energy consumption level under the current capacity utilization rate.

Reducing Steam Consumption:

Through optimization of distillation process flows, decommissioning of overqualified distillation towers, and reduction of reflux ratios, steam consumption was significantly decreased, saving approximately 13.2 t/h of steam per 100,000-ton capacity.

Through optimization of silicon powder drying processes and adjustment of nitrogen operation parameters for drying, approximately 10.8 t/h of steam was saved per 100,000-ton capacity.

Through the lithium bromide system retrofit project for reduction processes, separation of heating water from process systems was achieved, improving thermal utilization efficiency and saving approximately 11 t/h of steam during heating seasons.

Through the steam pressurization R&D project, intelligent adjustment of low-pressure and medium-pressure steam loads was realized, enhancing steam utilization efficiency, reducing external steam procurement, and lowering operational costs.

Additionally, we actively collaborate with internal and external stakeholders to advance energy-saving technologies. In 2024, we partnered with the East China University of Science and Technology and specialized institutions to implement the Advanced Process Control (APC) for distillation, optimizing process stability while reducing energy consumption. We collaborated with equipment manufacturers, engaging in technical exchanges, site visits, and feasibility studies on waste heat power generation/cooling to enhance waste heat recovery rates.

Inner Mongolia Daqo New Energy focused on energy optimization during polysilicon production through continuous process parameter refinement and system integration, introducing advanced CVD simulation software to scientifically calibrate reduction operations. By optimizing feed ratios, silicon core specifications, and current parameters, it increased reduction growth rates and per-furnace output while lowering reduction power consumption. In addition, it implemented heat recovery from cold hydrogenation tail gas to realize efficient energy utilization. It interconnected hydrogen compression systems across tail gas recovery units to reduce redundant equipment operation and maximize energy efficiency.

Xinjiang Daqo New Energy implemented the *Key Technologies for Energy Saving and Carbon Reduction in Polysilicon Production*, completing energy consumption analysis for core production lines and initiating optimization trials. It deployed a graded energy recovery system to reduce comprehensive energy intensity per unit product of polysilicon. Furthermore, it applied intelligent control technology for reduction systems and furnace simulation modeling to achieve sustained reductions in reduction power consumption.

Steam Compressor

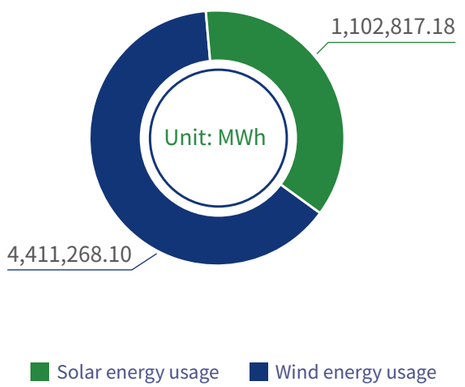
Utilizing Clean Energy

We continuously optimize our energy structure by procuring green electricity to reduce fossil fuel dependency, enhancing energy efficiency and clean energy utilization. In 2024, our renewable energy consumption reached 5,514,085.28 MWh, comprising 1,102,817.18 MWh of solar power and 4,411,268.10 MWh of wind power, with renewables accounting for 46% of total energy use. This effort reduced GHG emissions by 2,958,858.16 tons of CO_2 equivalent.

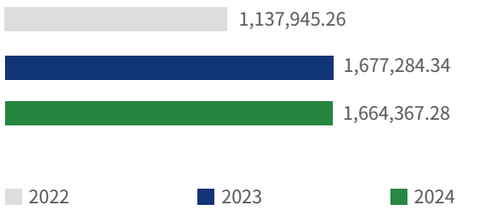
Indicator Name	Unit	2024
Comprehensive energy consumption	Tons of standard coal	1,664,367.28
Comprehensive energy consumption intensity	Tons of standard coal / ton of polysilicon	8.12
Electricity	MWh	12,067,180.77
Gasoline	Ton	55.75
Diesel	Ton	114.43
Liquefied petroleum gas (LPG)	Ton	2.84
Natural gas	m^3	88,693.06
Steam	Gigajoules (GJ)	5,303,024.47

Renewable energy usage

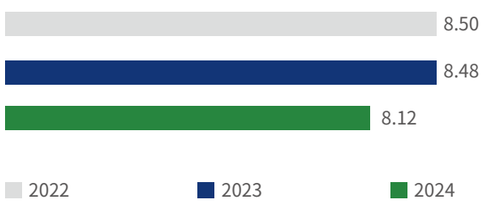
5,514,085.28 MWh



Comprehensive energy consumption:
(Tons of standard coal)



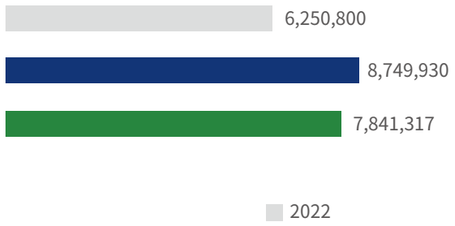
Comprehensive energy consumption intensity
(Tons of standard coal / ton of polysilicon)



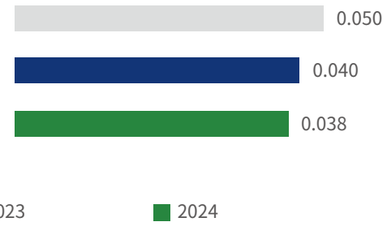
Water Resource Management

Daqo New Energy strictly complies with the *Environmental Protection Law of the People's Republic of China,* the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Water Law of the People's Republic of China*, and the *Water and Soil Conservation Law of the People's Republic of China*. We implement water-saving production processes, optimize equipment maintenance, and promote recycled water technologies to enhance water resources utilization efficiency. Municipal supplies constitute our primary water source, with consumption concentrated in daily production and no water scarcity incidents to date. In 2024, Daqo New Energy was listed as a National Water Efficiency Leader for outstanding water resources utilization efficiency.

Water consumption (Tons)



Water consumption intensity (1,000 tons/ton of polysilicon)



2022 2023 2024

We continuously improve water conservation by introducing advanced equipment and circular systems:

Xinjiang Daqo New Energy

It launched the Concentrated Water Evaporation Crystallization Project to recycle concentrated water from reclaimed water units—originally destined for discharge—achieving water conservation and emission reduction. Operational since June 2024, the units process non-compliant concentrated water through chemical dosing, ultrafiltration, reverse osmosis, and evaporation crystallization, converting it into compliant water reused in circulation pools. This reduced municipal water consumption by 142,566 m^3 by December 2024.

Reclaimed Water Recycling Unit

Inner Mongolia Daqo New Energy

Actively responding to national water conservation initiatives and enhanced water recycling requirements, it utilizes existing technologies to capture rainwater in collection ponds, channel it to the reclaimed water system, and subject it to chemical dosing, ultrafiltration, reverse osmosis, and evaporation crystallization processes, ultimately purifying rainwater into compliant reusable water to reduce water consumption intensity and decrease total water usage.

Case: Daqo New Energy Designated as National "Water Efficiency Leader"

Daqo New Energy cooperated with domestic and international specialized water conservation companies on water-saving and fog-dispersing technologies for circulating water cooling towers. Innovatively applying "concentrated water evaporation and crystallization" and "fog dispersion by cooling tower" technologies, it treated and reused concentrated water from reclaimed water reverse osmosis systems, with the reuse rate of industrial production water standing at 98.59%. Conventional cooling towers were retrofitted into fog-dispersing water-saving towers, enabling fog-free operation during winter. This can eliminate safety hazards during winter inspections, reduce tower replenishment volume, and contribute to regional heavy pollution control in winter. In 2024, Daqo New Energy was selected as a key "Water Efficiency Leader" enterprise.

Material Management

Daqo New Energy fully complies with the Quality Management Specifications for Raw and Auxiliary Materials and utilizes a material control management platform to standardize material selection and usage. Optimal material balance is achieved through optimization of production processes and workflows. Concurrently, tail gas recovery and recycling units regenerate and repurpose waste gases and by-products generated during production, transforming industrial waste into resources and fostering a circular economy ecosystem.

Material Recycling

Recycled silicon powder

The trichlorosilane synthesis unit primarily reacts metallurgical silicon powder with hydrogen chloride in synthesis furnaces to produce chlorosilanes. After purification, the chlorosilanes serve as raw materials for polysilicon production. Unreacted silicon powder enters the tail gas system. In 2024, Xinjiang Daqo New Energy recycled and utilized approximately 400 tons of silicon powder from the trichlorosilane synthesis unit.

Recycled salt

The high-salinity wastewater zero-discharge facility processes high-salinity wastewater generated during the treatment of three wastes. Through evaporation and crystallization, granular salt is formed and recycled for use in the chlor-alkali section.

High-purity graphite components

High-purity graphite components are required during the polysilicon production process. To implement low-carbon and environmental protection concepts and reduce the consumption of high-purity graphite components, the Company established the Installation and Operation Procedure for High-Purity Graphite Components in 2024, reducing graphite component usage by over 100,000 pieces.

Powder materials

A certain amount of powder silicon materials, such as floor silicon powder and low-value materials, are generated during polysilicon production. In 2024, Daqo New Energy cumulatively recycled and utilized over 1,000 tons of powder materials.

Packaging materials

Various packaging materials are involved from raw materials to products in the polysilicon production process. In 2024, Daqo New Energy recycled and utilized over 60,000 units of various packaging materials.

2024

55.6065 million m^3

Hydrogen consumption

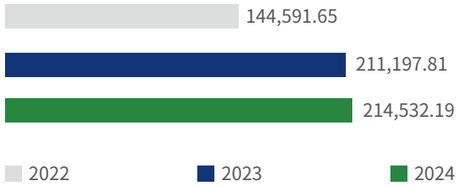
2,665.61 tons

Hydrochloric acid consumption

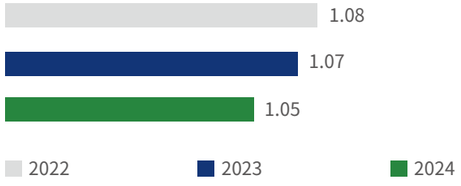
2,586.91 tons

Raw salt consumption

Silicon powder consumption (tons)



Silicon powder consumption intensity (tons / ton of polysilicon)

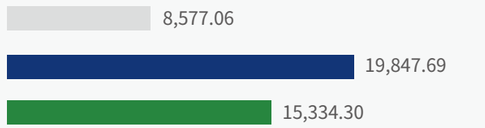


2024

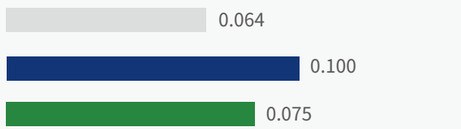
152.88 tons

Volume of recycled packaging materials

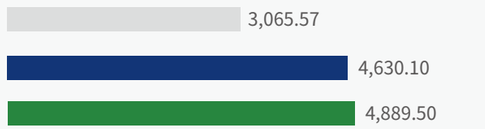
Packaging materials usage (tons)



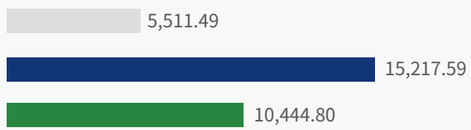
Packaging materials usage intensity (tons / ton of polysilicon)



Inner packaging materials usage (tons)



Outer packaging materials usage (tons)



Waste Management

Daqo New Energy strictly complies with the requirements of the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste,* and the *Regulation on the Administration of Pollutant Discharge Permits*, among other relevant laws and regulations. It has formulated and implemented rules such as the *Environmental Protection Management System* and the *Management System for Safety and Environmental Protection Supervision*, exercising strict control over various emissions. Standardized management is implemented throughout all stages from generation and collection to treatment, ensuring full compliance with pollutant discharge standards.

Waste Gas Management

In business operations, the Company strictly follows air environmental protection laws and regulations as well as relevant normative document requirements. Adhering to green development principles, we exercise strict control over waste gas emissions in all operational processes. We refine assessment indicators, assign environmental responsibilities to individuals, and incentivize employees to comply with the waste management system through clear reward and penalty measures. In addition, we adopted advanced waste gas treatment technologies, including scrubbing towers in product finishing workshops and recycling workshops, effectively reducing waste gas emissions and improving ambient air quality.

In 2024, Daqo New Energy commissioned qualified testing organizations to conduct regular on-site monitoring of organized waste gas emissions and fugitive emissions at factory boundaries. All test results were compliant, and monitoring data were periodically published on the National Platform for Monitoring Data Management and Sharing of Pollution Sources. During the reporting period, Daqo New Energy's nitrogen oxide emissions totaled 2.02 tons, and PM (Particulate Matter) emissions totaled 38.57 tons.

2024

2.02 tons

Nitrogen oxide emissions

38.57 tons

PM emissions

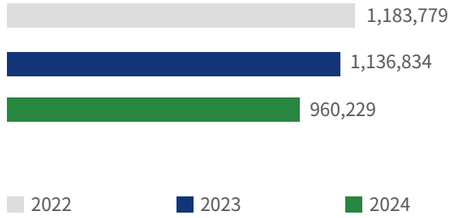
Wastewater Management

The Company strictly complies with relevant laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Water Law of the People's Republic of China,* the *Water Pollution Prevention and Control Law of the People's Republic of China*, and the Level III requirements of the *Integrated Wastewater Discharge Standard* (GB 8978-1996). We have improved the wastewater management system, strengthened source control, and optimized the operation and daily management of wastewater treatment facilities to ensure comprehensive, stable, and compliant pollutant discharge. During polysilicon production, we classify and collect production wastewater and we achieve full recycling and utilization of wastewater through processes including chemical treatment, high-density sedimentation tank settling, ultrafiltration, reverse osmosis, and evaporation crystallization.

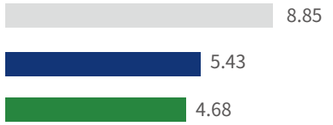
We have implemented reclaimed water reuse through upgrades of zero-discharge process for high-salinity wastewater and cooling tower defogging retrofits. This significantly reduces water resource consumption while minimizing wastewater discharge. We operate an online monitoring system for domestic sewage, enabling real-time monitoring and public information disclosure. After treatment by internal water treatment facilities, production wastewater meets the "zero discharge of process water" requirement and all treated water is reused in production. We have established a comprehensive reclaimed water reuse system, recycling treated and compliant reclaimed water in various production stages. This enhances water resource reuse rates and reduces freshwater intake.

Xinjiang Daqo New Energy has established a facility for treating circulating water, sewage and concentrated water. Employing pretreatment + evaporation crystallization technology, it converts circulating water, sewage and concentrated water discharged to the industrial park treatment plant into full recycling and utilization, effectively controlling water quality indicators in the circulating water system. We have also achieved recycling of crystalline salt generated by Unit 2161 when treating high-salinity wastewater, utilizing it as raw material for the "Chlor-Alkali Unit". This substantially reduced the use and procurement of externally purchased raw salt. Furthermore, we have improved the operational environment through technical modifications to optimize circulating water cooling towers and defogging retrofits on two cooling towers. This simultaneously reduced water resource consumption and effectively eliminated safety hazards during winter cooling tower inspections. Inner Mongolia Daqo New Energy has achieved "zero" discharge of industrial wastewater. It has also collected and treated rainwater for use as production water, reducing water resource consumption.

Wastewater discharge volume (tons)



Wastewater discharge intensity (tons / ton of polysilicon)



"Zero" Discharge of Industrial Wastewater by Inner Mongolia Daqo New Energy

Hazardous and Non-hazardous Waste Management

Daqo New Energy strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and other relevant laws and regulations. It has formulated and implemented environmental management systems such as the Environmental Protection Responsibility System, the *Environmental Protection Training and Education System*, and the *Environmental Protection Cost Investment Management System.* Adhering to the principle of "source reduction, process resource utilization, and end-of-pipe harmless treatment", we have conducted compliant and efficient treatment and disposal of solid wastes.

General Solid Waste

We implement a classified collection system. For recyclable general solid waste, centralized collection is carried out followed by resource recovery and utilization. We have brought in partners for solid waste recycling, expanding recycling channels to transform solid waste into valuable resources and achieving waste reuse.

Hazardous Waste

The Company has established a temporary storage facility for hazardous wastes. This facility meets the requirements of the *Standard for Pollution Control on Hazardous Waste Storage* (GB 18597-2023) and is equipped with hazardous waste signs and labels. The Company entrusts qualified hazardous waste disposal units to conduct unified and safe disposal of hazardous waste using a manifest system.

331.5 tons
Hazardous waste generation volume

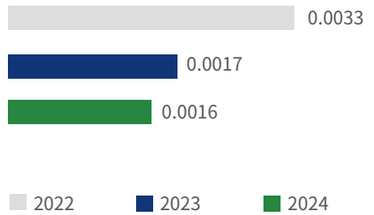
0.0016 ton / ton of polysilicon
Hazardous waste generation intensity

1,039.14 tons
Domestic waste generation volume

51,249.35 tons
Non-hazardous waste generation volume

0.25 ton / ton of polysilicon
Non-hazardous waste generation intensity

Hazardous waste generation intensity (tons / ton of polysilicon)



Case: Complexing Agent Replacement Technology Facilitates Solid Waste Recycling

Daqo New Energy, through independent R&D and testing, has successfully promoted a complexing agent replacement technology. This technology enables the effective utilization of a portion of the Company's solid waste. It reduces the system's solid waste treatment volume and lowers operational costs as well as environmental management pressure.

We conducted in-depth research on the impurity components and their structures in chlorosilane high-boilers and discovered a complexing agent capable of reacting with metal impurities. This complexing agent reacts with aluminum to form aluminum complexes with higher boiling points. Utilizing the difference in boiling points, low-boiling high-boilers such as hexachlorodisilane are recovered via vaporization and condensation, while the high-boiling polymers remain in the high-boiling distillation still and are periodically discharged. This enhances both the quality and quantity of recovered high-boilers.

By adjusting parameters such as the complexing agent formulation, dosage, reaction temperature, and pressure, we identified the optimal reaction conditions. Based on a comprehensive consideration of cost, operating conditions, and impurity removal effectiveness through complexation, we developed a complexing agent that offers excellent impurity removal performance at a lower cost. Through experimentation and summarization, we successfully controlled the unit consumption of the complexing agent to a level approaching the theoretical range. Furthermore, based on the actual operating conditions at our factory, we developed a set of safe, efficient, and environmentally friendly complexation impurity removal processes. This process encompasses the complete closed-loop flow of complexing agent production, pre-treatment, usage, and post-treatment.

Climate Response

Daqo New Energy actively responds to the international community's concerns on climate issues. With reference to the framework recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), it systematically advances climate change management efforts across four areas: Governance, Strategy, Risk Management, and Metrics and Targets.

Climate Risk Management

Based on the industry's specific characteristics and our own operational processes, we identify climate change-related physical risks and transition risks, explore potential opportunities arising from climate change, and formulate corresponding response measures accordingly.

Climate Governance

We incorporate the governance of climate response issues into our overall ESG governance framework. The Board of Directors is the highest decision-making body for our ESG matters and is responsible for reviewing and approving climate change-related targets.

Risk or Opportunity Type	Physical Risks		Transition Risks			
	Acute Physical Risks	Chronic Physical Risks	Policy and Legal Risks	Technological Risks	Market Risks	Reputation Risks
Risk or Opportunity Description	• Extreme weather events such as high temperatures, droughts, sandstorms, and cold waves may cause property damage, increase operational disruption risks, affect Daqo New Energy's operational stability and equipment safety, and consequently raise corporate insurance costs and operating costs. • Flood disasters may increase wastewater treatment pressure and cause water resource shortages, affecting production order.	• Sea-level rise poses risks of flooding or coastal erosion at operational sites. These impacts may increase corporate insurance, planning and prevention costs, affecting daily operations.	• Increasingly stringent policy requirements such as GHG emission limits may lead to higher operating costs and litigation risks.	• Technological capabilities fail to meet increasingly stringent national carbon neutrality policies, resulting in penalty and litigation risks.	• Rising raw material prices leading to increased cost risks.	• Failure to meet low-carbon targets damages corporate reputation, thereby causing losses to daily operations.
Response Measures	• For extreme weather, we incorporate wind and frost resistance factors during the design and construction of buildings and structures. Simultaneously, we strengthen daily inspections and preventive measures for wind, snow, and frost resistance of production facilities. For example, we reinforce factory building structures to ensure safety during extreme weather conditions like ice, snow, and strong winds, protecting internal production equipment and employees. • For high-temperature weather, we optimize ventilation and cooling systems in production workshops to ensure that equipment operates normally in high-temperature environments, while focusing on employee labor protection and providing heatstroke prevention measures • For drought conditions, we improve the water resource recycling system to enhance water utilization efficiency and reduce reliance on external water supply. • For flood prevention, we strengthen the construction and maintenance of drainage systems within the factory area, deploy flood control materials such as sandbags, prioritize protection for low-lying areas, and maintain close communication with local emergency management and meteorological departments to obtain flood warning information in advance and take timely preventive measures. • Daqo New Energy has formulated the *Special Emergency Plan for Natural Disasters*. This plan clearly defines natural disasters and associated risks, potential resulting accidents, classifies natural disaster incidents, and specifies emergency organizations and disposal measures for various accidents.	• Track officially disclosed chronic climate change data in real-time, predict and analyze impacts caused by chronic changes, and implement preventive measures and operational adjustments in advance. • Continuously increase R&D investments, expand technical teams, optimize existing cooling technologies, and enhance the factory's capability to cope with dry and high-temperature environments.	• Closely track energy conservation and emission reduction policies in both operational locations and sales regions, and timely update climate action management plans and standards to ensure compliant operations. • Comply strictly with national and industry standards while optimizing factory design, construction, and renovation processes.	• Always uphold technological innovation principles; increase R&D investments; continuously advance cost reduction and efficiency enhancement; strengthen R&D in clean technologies under the premise of sustainable development; improve digitalization, intellectualization, and automation levels.	• Enhance industry research capabilities; monitor market developments and latest technological information; understand changes in consumer demand in the polysilicon market; adjust strategic initiatives appropriately and timely.	• Closely monitor sustainability and climate change-related disclosure requirements, and optimize the timeliness, completeness, and authenticity of information disclosure.

Climate Actions

To address climate risks and enhance corporate climate resilience, the Company has formulated the *Special Emergency Plan for Natural Disasters (Earthquakes and Extreme Weather)*. This plan aims to respond to potential natural disasters, including earthquakes and extreme weather events, mitigate the impact of natural disasters on people's life and production, and ensure social stability and public safety. Through scientifically designed sound contingency plans, it enhances climate response ability and reduces potential damage.

Xinjiang Daqo New Energy Conducts Special Emergency Drill for "Earthquake Disaster"

In November 2024, Xinjiang Daqo New Energy conducted a special emergency drill for "earthquake disaster". This drill effectively tested the practical effectiveness of the Company's emergency response plan for earthquake disasters and enhanced employees' emergency response abilities during natural disasters.

Robust management of carbon emission data is the foundation for carbon reduction efforts. In 2024, Daqo New Energy formally launched its product carbon footprint verification, steadily advancing emission reduction efforts, assessing high-carbon emission segments, and reducing the carbon footprint across the whole industry chain and products step by step. Simultaneously, it continuously sought a positive cycle between operational efficiency and low-carbon attributes. Through energy-saving and consumption-reduction measures, increased use of clean energy, and increasing rate of clean energy utilization, it achieved its own green and low-carbon production. In 2024, Daqo New Energy directly reduced GHG emissions by 3,905,282.81 tons of CO_2 equivalent through process improvements, and its renewable energy usage reached 5,514,085.28 MWh, accounting for 46% of total energy use.

The Company continuously innovates in technology and products, expanding diversified large-scale application scenarios for photovoltaic technology. It provides clean, safe, affordable, and intelligent clean energy globally, assisting the world in climate response. In 2024, the Company produced a total of 205,068 MT of polysilicon for solar photovoltaic module manufacturing. This can produce 102.53 GW of solar photovoltaic modules, generating approximately 153.795 TWh of clean electricity annually. This is equivalent to reducing GHG emissions by 110.8847 million tons of CO_2 equivalent.

Metrics and Targets

Daqo New Energy actively responds to the national "Dual Carbon" strategy, leveraging its business and technological advantages to set GHG emission reduction targets. It plans to achieve a clean energy usage rate exceeding 80% by 2030, contributing to the carbon peak goal. In addition, it will continuously advance energy conservation and emission reduction, striving to achieve carbon neutrality by 2060.

4,421,566.26 tons CO_2 equivalent
GHG emissions (Scopes 1 & 2)

21.56 tons of CO_2 equivalent / ton of polysilicon
GHG emission intensity (Scopes 1 & 2)

740.90 tons CO_2 equivalent
Direct (Scope 1) GHG emissions

0.0036 ton CO_2 equivalent / ton of polysilicon
Direct (Scope 1) GHG emission intensity

4,420,825.36 tons CO_2 equivalent
Indirect (Scope 2) GHG emissions

21.56 tons of CO_2 equivalent / ton of polysilicon
Indirect (Scope 2) GHG emission intensity

Biodiversity Protection

Daqo New Energy adheres to the development philosophy of "Lucid Waters and Lush Mountains are Invaluable Assets", integrating ecological protection into all operational activities to ensure no negative impact on ecosystems and biodiversity. It has formulated a comprehensive water and soil conservation plan. This plan includes stratified stripping and proper storage of soil in construction areas during the building of new factories or facilities. Upon the completion, the soil is backfilled according to its original layering sequence to minimize damage to the soil structure.

For areas prone to soil erosion during production operations, such as material storage yards and slag storage sites, we have constructed retaining walls and intercepting drains, effectively preventing rainwater from scouring the soil. We prioritize vegetation restoration, implementing greening and revegetation within the factory area as required by the water and soil conservation plan. During summer, we plant herbaceous plants adapted to the local climate. This greening not only reduces soil erosion but also provides habitats for local insects, birds, and other organisms. For areas where vegetation is damaged by production activities, we conduct timely reclamation and revegetation after operations conclude, selecting native plant species to enhance vegetation coverage and promote the natural restoration of ecosystems.

03

Following the Quality First Principle to Advance Innovation-Driven Development

Our Actions

- Technological innovation
- Quality commitment
- Sustainable supply chain
- Contributing to industry development

Our Performance

- R&D investment: RMB 387 million, accounting for 5.2% of the revenue
- Number of patents granted to date: 429
- Number of R&D personnel: 822
- Number of suppliers: 848

Contribution to SDGs

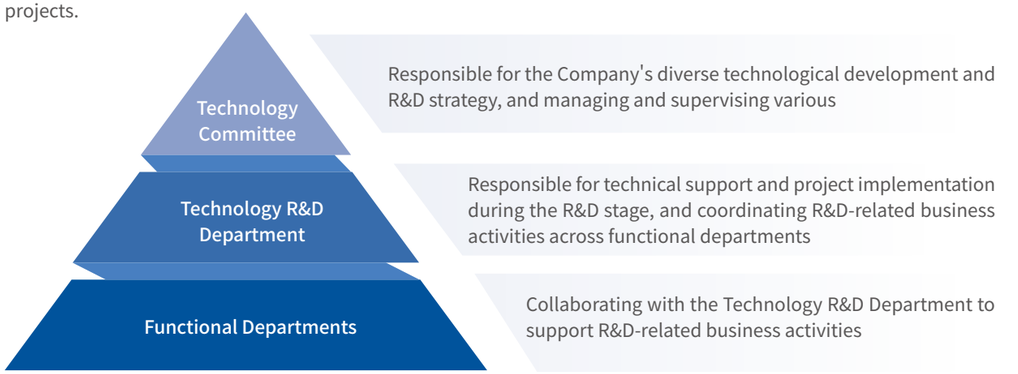
Technological Innovation

Innovation capability is the key for Daqo New Energy to maintaining competitiveness and sustainable development. Daqo New Energy actively explores and applies new technologies and processes to improve the production efficiency and product quality of polysilicon and to promote high-quality development of photovoltaic production. In 2024, it invested RMB 387 million in R&D, accounting for 5.2% of its revenue.

Innovative Management

Daqo New Energy attaches great importance to innovative R&D management, continuously improves the R&D organizational structure, and standardizes R&D and intellectual property management processes. It formulated and implemented internal management systems such as the *Management System for R&D Projects*, the *Patent Management Measures*, and the *Management System for Publishing Papers and Publications* to ensure standardized management of R&D projects. At the same time, it introduced LIMS (i.e., Laboratory Information Management System) to promote digital management of R&D, testing, etc. It also established a three-tier R&D management system consisting of a Technology Committee, a Technology R&D Department, and various functional departments to ensure the effective implementation of R&D projects.

ISO 56005-Based Qualification Certificate in Innovation and IP Management (Level 2) of Daqo New Energy



R&D Management Structure of Daqo New Energy

We have taken steps to thoroughly implement the strategy of driving high-quality development through technological innovation and to fully stimulate the enthusiasm of scientific and technological personnel for innovation and creativity. In March 2024, Daqo New Energy formulated and released the *Management System for Efficiency Improvement Incentive* and implemented performance-based profit-sharing incentives for eligible innovation projects such as technological upgrading and R&D projects in its manufacturing subsidiaries. These actions aimed to cultivate the enthusiasm of its employees, workshops, departments, and project teams, and establish a long-term stable incentive mechanism to stimulate employees' innovation motivation and improve their work efficiency and overall performance by defining clear goals, establishing performance evaluation mechanisms, and providing diversified incentive methods and more internal communication and collaboration.

To further enhance our R&D capabilities, we established the Inner Mongolia Daqo New Energy Research Institute in 2024. Based on the "three centers" (i.e., intelligent manufacturing technology center, new product R&D center, and testing center), Inner Mongolia Daqo Research Institute is committed to tracking the cutting-edge technologies throughout the entire photovoltaic industry chain and conducting related basic and cutting-edge technology research. The establishment and operation of the institute have important strategic significance for increasing the Company's insight into the energy industry, providing forward-looking forecasts for innovative development and integrating R&D resources and talent advantages. Its importance also lies in consolidating core competitiveness by focusing on technological innovation, building an open communication platform to attract and cultivate technical talents, implementing the strategy of "Technological Development for a Prosperous Inner Mongolia", and promoting regional development.

Inner Mongolia Daqo Research Institute is committed to research topics such as impurity removal technology for high-purity chlorosilane, cold hydrogenation project for high-efficiency and low-energy consumption, and reduction furnace process optimization. At the same time, it closely follows the advanced preparation technology and process of polysilicon and the cutting-edge technology of the entire photovoltaic industry chain. Meanwhile, it fully utilizes the industry-university-research cooperation platform to closely cooperate with polysilicon production enterprises, strengthen exchanges with universities and research institutions, and enable researchers to access the most cutting-edge scientific research achievements and technological concepts. In addition, it provides opportunities for R&D personnel to participate in practical projects, allowing them to address technical difficulties and challenges at the production line, accumulate experience and enhance their ability to solve practical problems, thereby accelerating talent growth and team building. As of the end of December 2024, Daqo New Energy employed a total of 822 R&D personnel, accounting for 17.3% of all employees.

The number of R&D personnel is
= 822

accounting for
17.3% of the total

R&D Achievements

Daqo New Energy actively promotes the transformation of innovative achievements and launches data collection and project analyses for specific R&D plans. It breaks down the specific research content of R&D projects into subprojects to form sub-topics. In this process, relevant departments collaborate to undertake the implementation tasks and further accelerate the commercialization of R&D achievements. As of the end of December 2024, Xinjiang Daqo New Energy had established 18 technology R&D subprojects and obtained 8 independent intellectual properties. In 2024, Inner Mongolia Daqo New Energy implemented 9 company-level R&D projects (broken down into 25 subprojects) around topics such as process optimization, material consumption control, comprehensive energy utilization, and product quality improvement.

Certificate of Recognition for Polysilicon Patent-Intensive Product of Xinjiang Daqo New Energy

Key R&D Projects of Daqo New Energy in 2024:

R&D Project for Quality Improvement of High-purity Polysilicon Products

Daqo New Energy has optimized the system to improve the impurity removal capacity of the distillation system and product quality and shut down certain equipment to save steam consumption. It has developed methods for determining methoxysilane in chlorosilanes and for detecting arsine in regenerated hydrogen, providing data support for production adjustments. In addition, it has upgraded the process of the tail gas absorption tower system, increasing the processing capacity of the tower. The theoretical analysis results have been verified by inspecting the quality of the reduced hydrogen gas delivered. This ensures that the quality of the hydrogen gas sent to the reduction device meets production requirements and reduces product quality fluctuations.

R&D Project for Polysilicon Process Optimization

Daqo New Energy has optimized the fluidized bed structure, improving the reaction conversion rate and the stable operation time of the fluidized bed to maintain long-term product quality stability. It has also optimized the process parameters of high-density tanks and improved sewage treatment efficiency, thereby reducing operating costs and ensuring operational stability. Furthermore, it has developed a mechanical crushing system for carbon head materials to avoid the generation of silicon on the ground and protect clean floors, thereby saving production costs and preventing product quality hazards caused by ground damage.

R&D Project for Polysilicon Production System Based on Digital Twins

With the help of digital twin technology, Daqo New Energy has made different types of models lightweight, standardized, and integrated into the platform to achieve local deployment in data centers and local storage of production data, supporting efficient management and application of data. This can simulate and optimize production processes and improve resource utilization and production efficiency. By analyzing production data, it has continuously adjusted and optimized process parameters, thereby improving product quality. The optimization of the process flow and equipment configuration has reduced energy and material consumption in the production process. As technology continues to advance and its applications deepen, digital twin technology will play an increasingly important role in chemical production, bringing lasting competitive advantages to companies.

Key Technology for Controlling Trace Metal and Non-metallic Impurities

Daqo New Energy has developed an online detection method for impurity elements and evaluated the influencing factors during the polysilicon production process, which further improves product quality. During research on the process for separating and removing trace boron and phosphorus in trichlorosilane we achieved the following results: by utilizing the complexation mechanism between the complexing agents and impurities we found efficient complexing agents and immobilized them on suitable adsorbents, or adsorbents were modified to enhance their selective adsorption capacity for boron and phosphorus impurities, and we optimized the analysis and detection techniques for trace boron and phosphorus impurities and established accurate and efficient detection methods. At the same time, the internal circulation of materials has been strengthened, and the quantity of purchased raw materials has been reduced to control the quality of polysilicon through production factors. Daqo New Energy has researched and developed key technologies for polysilicon production and clean production equipment. It has also worked out key quality control schemes for polysilicon production and kept statistics on polysilicon quality data in R&D projects. Meanwhile, it has developed optimized control schemes for data analysis to further reduce the concentration of donor impurities and acceptor impurities in the products by more than 60%.

Intellectual Property Protection

Daqo New Energy complies with laws and regulations such as the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Patent Cooperation Treaty*. It has formulated and implemented internal management systems such as the *Trademark Management System*, the *Management System for Intellectual Property Change*, the *Emergency Plan for Intellectual Property*, the *Management System for Retrieving and Evaluating Intellectual Property*, and the *Information Management System for Intellectual Products*, with the aim of building a comprehensive, standardized, and efficient intellectual property management system to ensure effective protection of its intellectual property and enhance its core competitiveness. Through education and training activities, it has enabled its technicians to deeply understand the importance of intellectual property for its development and employee growth and effectively increased the quantity and quality of patent applications. As of the end of December 2024, Daqo New Energy had obtained a total of 429 authorized patents, including 54 invention patents, 373 utility model patents, and 2 other patents.


知识产权管理体系认证证书

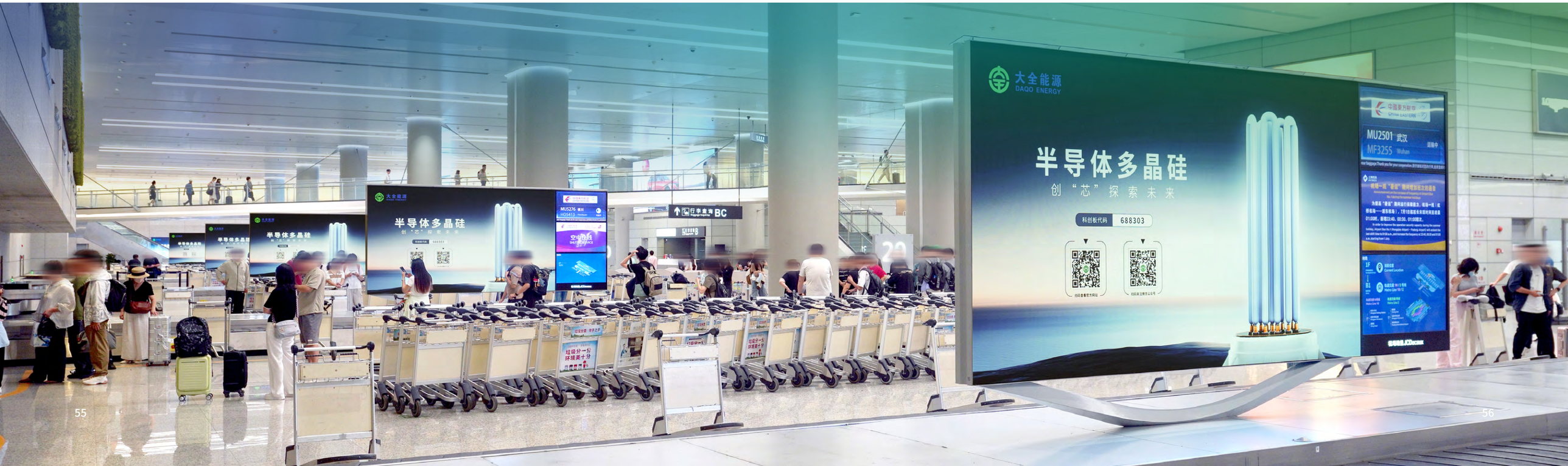
新疆大全新能源股份有限公司

GB/T29490-2013

中知(北京)认证有限公司

Figure: Intellectual Property Management System Certification Obtained by Xinjiang Daqo New Energy

Cumulative granted patents :	Invention patents:	Utility model patents:	Other patents :
429	54	373	2



Quality Commitment

Daqo New Energy keeps a close eye on market trends and adapts to the times, actively expanding into semiconductor-grade polysilicon and optimizing its industrial structure. Through technological innovation, the company continues to increase the proportion of N-type polysilicon. It is also actively advancing digital transformation and continuously improving the quality of its products and services.

Product Quality and Safety

Through the advancement of digitalization, Daqo New Energy has effectively improved its internal quality management and established a sound quality management system. In 2024, Daqo New Energy successfully signed technical and quality agreements with several well-known domestic and foreign companies. In terms of functional supervision, it conducted 70 spot checks, covering materials such as silicon powder, disposable PVC gloves, and square silicon cores. Additionally, it ensured the stability and reliability of product quality through external inspections and comparison of silicon powder. Both Xinjiang Daqo New Energy and Inner Mongolia Daqo New Energy successfully obtained ISO9001 quality management system certification, confirming that the Company’ s quality management has reached international standards. During the reporting period, the Company did not have any incidents requiring recalls due to safety or health reasons.

To ensure product quality, Daqo New Energy has carried out a series of exploratory experiments and comprehensive quality management initiatives based on the concept of "refined on-site quality management". Inner Mongolia Daqo New Energy conducted experimental studies on product turbidity and identified production processes that might affect turbidity. It also conducted a comprehensive analysis on the sources and influencing factors of metal elements on product surfaces, and developed corresponding solutions. In addition, the Company implemented a "Weekly Quality Meeting" management model to ensure that the responsibility for quality improvement is assigned to specific individuals, and established a tracking system to effectively monitor the quality performance of each project team. Xinjiang Daqo New Energy set up a mechanism for controlling on-site quality risks, took effective control measures to address potential quality hazards, and ensured the implementation and follow-up of these measures to reduce quality issues and customer complaints. At the same time, it optimized analytical projects and testing frequencies, revised key quality control points, and supported the development of the quality module in the LIMS project. In close collaboration with the production workshop, it promoted the increase of N-type polysilicon proportion and established a quality analysis meeting system to ensure that responsible parties for quality improvement projects can effectively manage the improvement of project quality.

To improve employees' quality awareness, the Company regularly organized quality training sessions. During these sessions, the relevant persons summarized and analyzed on-site risks and strengthened the sharing and application of quality knowledge and case studies. These sessions promoted behavioral changes and skill improvement among grassroot employees, further improving product quality management and ensuring sustained and stable product quality.

Digitalization

Daqo New Energy is committed to developing and implementing a comprehensive digital management strategy for all employees, with the aim of using systematic methods to thoroughly identify and improve shortcomings in the existing management system. Our core goal is to achieve full coverage and continuous optimization of business processes, ensuring that every link can be meticulously managed and monitored. In this process, we pay special attention to improving the rationality of business process control, ensuring clear and efficient operational logic. We continuously improve accuracy, reduce human errors, and further strengthen the stability of the process system.

To improve management efficiency and decision-making quality, we explore the potential value of operational data and regard it as a core driving force. Through data analysis techniques and algorithms, we transform massive data assets into operable insights and predictions to drive the digital transformation of management decision-making and enabling digitalization and automation of the decision-making process, thereby accelerating decision-making speed, and improving objectivity and scientific rigor.

Digital manufacturing is also a key area of focus for us. We are committed to establishing unified, standardized digital manufacturing protocols to ensure that every stage of product manufacturing is executed to the highest standards. By introducing advanced intelligent manufacturing systems, optimizing production processes, and strengthening quality control measures, we continuously iterate and optimize our production models to achieve simultaneous improvements in both production efficiency and product quality. These actions have helped us build a more efficient, flexible, and sustainable digital manufacturing system and maintain a leading competitive position in market.

In 2024, our manufacturing subsidiaries implemented digital systems, helping achieve prevention, in-process warnings and controls, and post-incident quality reviews, providing data support to improve quality management. The full rollout of digital manufacturing has enabled effective control of process quality, further improving the overall operational efficiency and product quality of the Company.

Optimization of Customer Service

We always place the protection of customers' fundamental rights and the improvement of customer service experience at the core of our work. We deeply understand that customer satisfaction is the foundation of our development. Therefore, we continuously improve service processes, innovate service models, and are committed to providing professional, efficient, and thoughtful services to our customers.

In safeguarding customers' fundamental rights, we strictly comply with national laws and regulations, fully protecting customers' rights and interests during the use of our services. To enhance the customer service experience, we continuously listen to customer feedback and focus on their needs. We uphold a customer-centric approach and are committed to improving service quality and creating greater value for our customers. To this end, we have developed and implemented a series of management systems, including the *Customer Management System* for pre-sales, the *Polysilicon Sales Contract and Order Management System* for in-sales process, and the *Customer Feedback Management System*, the *Customer Feedback - Return and Exchange Management System*, and the *Customer Feedback - Factory Rectification Management System* for after-sales, etc. These systems are designed to standardize management processes, improve service levels, and protect customers' rights. In 2024, our customer satisfaction score reached 94.49.

Complaint

According to the feedback from the sales department, the headquarters sales department and the quality departments of our manufacturing subsidiaries communicate and evaluate losses caused to customers, and determine the complaint handling approach based on the evaluation results. For cases where a customer explicitly files complaints, an *8D Report* (i.e., 8 Discipline Report) must be issued to the customer and the complaint handling standards should be followed.

Handling

The headquarters sales department will communicate with the customer to understand the reasons, and send relevant information and the *8D Report* to the quality department and other relevant departments of our manufacturing subsidiaries. The Company requires that a temporary solution be provided within 24 hours and communication with the customer regarding the resolution within 1 to 3 working days to improve the timeliness of complaint handling.

Feedback

The after-sales service engineer will provide feedback on the *8D Report* to the customer and ensure thorough explanation and communication. The responsible department will implement and verify the rectification measures within the rectification timeframe, and the quality departments of our manufacturing subsidiaries will track and verify the effectiveness of the corrective measures. In case of a complaint from a major customer, the Company will develop a dedicated solution and, if necessary, dispatch salesmen or technicians to handle the complaint at the customer site.

Rectification

Once the customer feedback analysis confirms that the complaint is attributable to product quality, the Company will promptly organize relevant workshops to analyze and identify the cause and make necessary rectifications. In addition, the after-sales service engineer will offer feedback to the customer, and archive and manage customer feedback and other after-sales materials.

Return and exchange service is an important part of testing the quality of our products and after-sales services. We continuously improve the return and exchange process and work to create a convenient, efficient, and fair return and exchange management system.

Return task

After a customer requests a product return, the batch information in the material reject bill will be automatically used to generate an inspection lot and synchronized with the LIMS;

Return inspection

Quality engineers will conduct on-site inspections and evaluations based on the reasons for the returns, record inspection data, and based on actual inspection results, develop specific rework plans which are communicated to the production workshop.

Rework inspection

The responsible workshop will carry out rework according to the rework plans, and the quality department will supervise the rework process.

In order to further improve customer service and build a first-class service team, we attach great importance to customer service training. We have provided our employees with a comprehensive and systematic training platform, aiming at enhancing their professional competence and service capabilities. Furthermore, we have developed a science-based and systematic training plan, which covers multiple areas such as service philosophy, service skills, communication skills, team collaboration, and emergency response, to ensure that every employee can receive comprehensive improvement in customer service capabilities.

Information Security and Privacy Protection

Daqo New Energy has formulated internal management systems such as the *Information Management Regulations*, the *Management Regulations on Information System Security*, and the *Confidentiality Management System* in strict accordance with the *Data Security Law of the People's Republic of China* and the *Personal Information Protection Law of the People's Republic of China*. These management systems have ensured that it achieves standardized, institutionalized, and science-based information management, thereby protecting data security and personal information. All its employees strictly abide by the above laws, regulations, and systems, and continuously improve their awareness of data security and personal information protection, thereby jointly creating a secure and reliable information environment and providing solid guarantees for its long-term development and the trust of its customers. During the reporting period, we did not have any incidents of customer privacy breaches.

Specific Actions for Information Security and Privacy Protection

Network Construction

- Phases 5A and 5B Project of Inner Mongolia Daqo New Energy, semiconductor network, new computer room and equipment capacity expansion for 4G and 5G signals in the computer room, indoor signal reinforcement, and new signal towers
- Improvement in the local and remote backup of information systems for Inner Mongolia Daqo New Energy and Xinjiang Daqo New Energy

Daily Management of Cybersecurity

- Patrol inspections on cybersecurity equipment of our manufacturing subsidiaries (weekly inspection reports)

Training on Cybersecurity

- 2 internal information security training sessions for all our employees
- 3 cybersecurity training sessions for all our employees

External Audit

- Launch of IT audits, with regular on-site inspections by external regulatory agencies such as the Cyberspace Administration of China, the Ministry of Industry and Information Technology, and the Office of the Central Cyberspace Affairs Commission

Protection Evaluation for Cybersecurity Protection Grades

- Inner Mongolia Daqo New Energy conducted grade protection evaluations and obtained filing certificates for video surveillance, DCS, and MES systems.
- Xinjiang Daqo New Energy added DCS cybersecurity equipment, carried out the cybersecurity assessment for industrial Internet enterprises and the DCS grade protection assessment, and obtained the filing certificates.

Establishment of an Encryption System

- The Company strengthened the terminal security and leak prevention management of departments such as Technology Department, Process Department, Finance Department, and Information Department, further improving the traceability of logs through file encryption, screen watermarking, and file decryption approval, and ensuring the security environment of data documents

Enhanced Information Security

- The Company launched cybersecurity risk assessments and cybersecurity drills to enhance the ability to respond to cybersecurity incidents

Sustainable Supply Chain

The Company continuously strengthens the sustainability management of the supply chain and integrates ESG concepts into the supply chain management process. It also assesses and manages environmental and social responsibility risks of suppliers, and promotes the transformation of the industrial chain towards sustainable development.

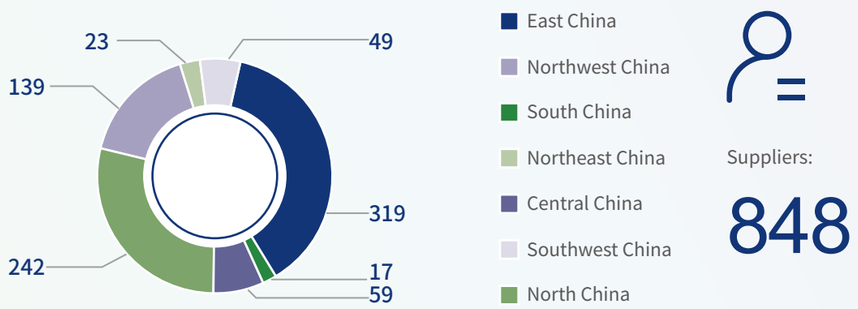
To make the procurement workflow more reasonable, standardized, and efficient, the Company revised its *Procurement Management System* in 2024, separating supplier development from admission procedures and optimizing key details of each stage. It implemented supplier lifecycle management and total procurement process management in the SRM system. Different admission upgrade strategies have been configured for different categories to facilitate the management of key material suppliers. The processes of inspection, sample delivery, and trial phases are all digitally traceable. At the same time, the Company developed a *Material Sample Delivery and Trial Use System* and moved the process to SRM for online management. As a result, the sample results can be directly synchronized back to the SRM system through LIMS, improving efficiency and accuracy.

Supplier Selection and Entry

During the supplier qualification review stage, our suppliers are required to submit a *Letter of Commitment to Corporate Social Responsibility* and a *Statement Against Forced Labor* to ensure that they fully understand and commit to complying with the environmental, social, and governance (ESG) requirements and standards of Daqo New Energy. When evaluating suppliers, we give priority to manufacturers certified by the ISO 9001 system and conduct in-depth assessments of their environmental protection measures, protection of employees' rights and interests, treatment of waste gases, wastewater and waste, R&D investment, occupational health checks, and provision of personal protective equipment to evaluate their sustainable development comprehensive capabilities.

In addition, we have signed an *Honest Cooperation and Fair Competition Agreement* and a *Confidentiality Agreement* with our suppliers, and specified intellectual property protection measures in the contract terms to safeguard the legitimate rights and interests of both parties and maintain a fair business environment. As of the end of 2024, we had a total of 848 suppliers, with the coverage rate of major material supplier system certification at 90%.

Total Number of Suppliers by Region



Supplier Assessment and Elimination

To ensure that suppliers have sustainable cooperation capabilities, the Company organizes monthly on-site inspections of suppliers, covering factory audits, technical exchanges, communication and learning, etc., to evaluate the comprehensive capabilities of suppliers. In 2024, Daqo New Energy organized a total of 164 on-site inspections based on the annual audit plan for qualified suppliers, development status, performance improvement, and other factors.

When suppliers encounter quality issues, the Company will promptly contact and communicate with them, and if necessary, issue an *8D Report* to seek resolutions. For suppliers who do not meet its standards and requirements, it will initiate the elimination process and terminate cooperation in appropriate circumstances. To improve product quality, it held talks with 88 suppliers during the reporting period.

Management of Supplier Risks

Daqo New Energy has launched a supplier risk monitoring platform to reduce cooperation risks by ways of risk screening during admission, risk monitoring during cooperation, risk event alerts, and risk mitigation measures.

Measures for Managing Supplier Risks

Questionnaires	For disaster-related or policy-related risks, a questionnaire may be issued to suppliers to understand the impact of disasters or policies on their operations and production, with suggestions offered.
On-site Inspection	For business risks or credit risks, on-site inspections may be conducted to understand the causes of these risks with suggestions offered.
Supplier Rectification	For business risks, their causes may be corrected through rectification.
Business Freeze	For significant business or credit risks that have potential for improvement, the supplier's eligibility to participate in sourcing, sign contracts, or obtain orders may be temporarily frozen.
Downgrade to Elimination	For significant but uncorrectable business or credit risks, suppliers may be eliminated.

Contributing to Industry Development

Daqo New Energy always upholds the responsibility of an industry-leading company and actively participates in the development of standards for the photovoltaic industry. The Company spares no effort in promoting the formulation and improvement of industry standards and contributes to the sustainable development of the photovoltaic industry by its application of these standards. During the reporting period, the Company participated in the drafting of multiple national and group standards, including 5 group standards and 1 local standard.

S/N	Standard Name	Standard Grade	Standard No.	Release Date
1	Technical Specification for High-purity Polysilicon Process of Photovoltaic Materials	Group standard	T/DZJN 298-2024	2024/9/10
2	Low Carbon and Clean Evaluation Requirements for High-purity Polysilicon Production	Group standard	T/DZJN 299-2024	2024/9/10
3	Evaluation Specification for Intelligent Manufacturing Demonstration Factory in Photovoltaic Industry	Group standard	T/CI 428—2024	2024/7/15
4	Technical Requirements for High-purity Polysilicon Purification System	Group standard	T/CIET 591--2024	2024/8/7
5	Quality Grading Requirements for Electronic Grade Silicon-based Materials and Products	Group standard	T/CI 464-2024	2024/8/15
6	Technical Specification for Polyethylene Packaging Materials for Electronic Grade Polysilicon	Group standard	T/CI 457-2024	2024/8/15
7	Evaluation Specification for Scientific and Technological Achievements	Local standard	DB65/T 4796-2024	2024/2/23

We always stand at the forefront of the industry, driving industry progress through technological innovation. We have cooperated with multiple enterprises to explore water-saving and defogging technologies for circulating water cooling towers and introduced advanced technologies to achieve fog-free operation in winter. With these actions, we have actively responded to government calls and contributed our strength to regional environmental governance. Meanwhile, we have collaborated with higher education institutions such as the East China University of Science and Technology to apply advanced control technology for distillation APC and worked to optimize key processes, save energy and reduce consumption. We have also engaged in systematic energy-saving optimization exchanges with enterprises and jointly developed new dehydration and drying processes with drying equipment manufacturers to reduce energy consumption and minimize environmental impact. In the semiconductor field, Inner Mongolia Daqo Semiconductor has engaged in technical exchanges with multiple enterprises and universities to explore electronic specialty gas production processes and market prospects, laying a solid foundation for enhancing product value.

In June 2024, Daqo New Energy unveiled its new technologies, products, and processes at the SNEC 17th (2024) International Photovoltaic Power Generation and Smart Energy Exhibition & Conference. The exhibition attracted a focused gathering of Chinese industry experts and partners, with over 3,500 exhibitors and over 500,000 visitors. During the exhibition, Daqo New Energy reached cooperation intentions with multiple industry-leading enterprises, presenting a new image to the world and jointly exploring the future of the photovoltaic industry.

In July 2024, Daqo New Energy collaborated with the Beijing Normal University to host an educational exchange event, welcoming international students from 26 different countries to its facilities for a study tour. During the event, the international students gained an understanding of the Company's development history, product types, technical processes and other information through a variety of activities, including watching corporate promotional videos, listening to presentations, and participating in a Q&A session. They also toured the Company's production facilities, product exhibition area, and the centralized information control room, experiencing the advanced digitalization achievements of Daqo New Energy.

In September 2024, the 2024 China Silicon Industry Conference with the theme of "Energy Transition Supports Dual Carbon Goals, and Technology Empowers Co-creation of Green Future" was held in Baotou City, Inner Mongolia Autonomous Region. Daqo New Energy was invited to participate in the conference and discuss the bright future of the crystalline silicon photovoltaic industry with the industry players.

In October 2024, Daqo New Energy participated in the special symposium on preventing inward-looking vicious competition in the industry held by the China Photovoltaic Industry Association in Shanghai. Entrepreneurs and their representatives engaged in thorough communication and exchanges on "strengthening industry self-discipline, preventing inward-looking vicious competition, enhancing the mechanism of survival of the fittest in the market, and smoothing the exit channels for outdated and inefficient production capacity" as well as the sound and sustainable development of the industry, ultimately reaching a consensus.

In December 2024, Daqo New Energy participated in the 2024 Photovoltaic Industry Annual Conference and the 2024 Annual Work Conference of the Standardization Committee under China Photovoltaic Industry Association, and discussed the development trends of the photovoltaic industry with peer enterprises.

04

Empowering Talents to Create a Better Future Together

Our Actions

- Protection of employees' rights and interests
- Remuneration and benefits
- Occupational health and safety
- Training and development
- Community contribution

Our Performance

- Total number of employees: 4,740
- Coverage of employee training: 100%
- Total hours of employee training: 1,186,232
- Amount of investment in community contribution: RMB 521,800

Contribution to SDGs

Protection of Employees' Rights and Interests

Daqo New Energy strictly follows laws and regulations such as the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*. It ensures that employees' legitimate rights and interests are protected in areas such as human rights protection, recruitment and employment, career development, salaries and benefits, and health and safety, and actively fosters harmonious labor relations.

Employee Recruitment and Employment

We are committed to safeguarding human rights in our global operations and respecting the rights of all groups within the communities where we operate. Guided by the principles such as the *Discrimination (Employment and Occupation) Convention*, the *Universal Declaration of Human Rights*, and the *Convention on Forced Labor*, we have established internal management systems such as the *Employee Handbook* and the *Recruitment Management System* according to laws and regulations such as the *Labor Law of the People's Republic of China* and the *Law on the Protection of Minors* to respect and protect employees' rights and interests.

We uphold the principles of equal and compliant employment. The *Employee Handbook* and the *Recruitment Management System* explicitly prohibit the use of child labor and forced labor, oppose any form of discrimination and differential treatment, and ensure equal pay for male and female employees. The two sets of rules also limit working hours, protect female employees' rights and interests, and promote employment opportunities for persons with disabilities. Should instances of employing child labor, forced labor, or other violations be discovered, we will immediately take severe measures against those responsible parties based on the severity of the situation. During the reporting period, we recorded no incidents of child labor or forced labor.

We attach great importance to building a talented workforce and have established a diversified recruitment system. Through campus recruitment initiatives, online recruitment, and partnerships with professional talent agencies within the industry, we attract qualified personnel for various positions. This ensures timely filling of talent gaps in all departments during different development stages, guaranteeing the sustained and steady advancement of our business. In 2024, we revised the *Recruitment Management System*, adding content and specific requirements such as "no recruitment of individuals with illegal records" and "discriminatory practices". This further refined the criteria, requirements, and execution steps for recruitment, standardizing management across all stages of the recruitment process.

Furthermore, we implement strategies such as providing market-competitive remuneration and benefits, valuing employee career development, creating open communication platforms, conducting regular employee satisfaction surveys, and promptly responding to employee needs to minimize employee turnover to the greatest extent possible.

Diversity and Inclusion

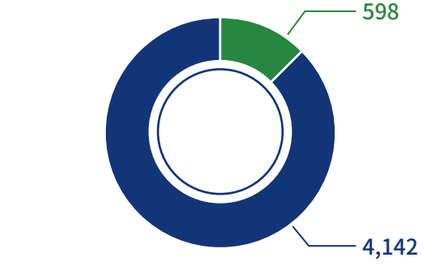
We treat and respect every employee equally, firmly opposing any employment discrimination based on nationality, race, color, age, gender, disability, pregnancy, religious belief, political affiliation, marital status, or other factors. We provide inclusive, equitable development and promotion opportunities, offering broad employment space for talents of diverse educational backgrounds and professional expertise. Recruitment is merit-based to ensure diversified talent development. We pay special attention to the career development of vulnerable employees and strive to promote a diverse, equal, inclusive, and open workplace environment. As of the end of December 2024, Daqo New Energy had a total of 4,740 employees, including 66 employees with disabilities and 92 veterans.

4,740
Total number of employees

66
Employees with disabilities

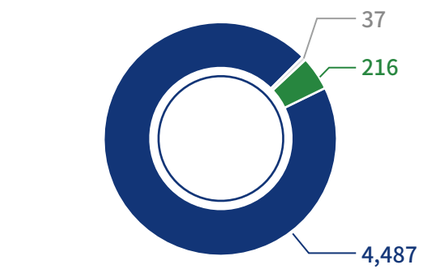
92
Veterans

Total number of employees by gender



Total number of employees by age

Total number of employees by rank



Total number of employees by region

Remuneration and Benefits

Employees' Remuneration and Benefits

The Company strictly abides by relevant laws and regulations such as the *Social Insurance Law of the People's Republic of China* and the *Labor Law of the People's Republic of China*, effectively protecting employees' legitimate rights and interests. It provides employees with five social insurances and housing provident fund, and fully covers the costs of commercial insurance for all employees as an additional benefit.

Regarding leave, the Company follows the *Employee Leave Management Measures*, offering various types of leave including annual leave, marriage leave, maternity leave, bereavement leave, work-related injury leave, family visit leave, and sick leave per regulations to ensure balance between work and life of the employees. Additionally, it has established the *Remuneration and Benefits Management System*. Aligning with its operational status and strategic development needs, it regularly conducts remuneration surveys and salary level analyses. Through a dynamic remuneration adjustment mechanism, the fruits of corporate growth are shared with employees. In 2024, the Company conducted 2 remuneration surveys and adjusted salaries based on their findings. Additionally, it accurately identified employees' workplace needs and offered diversified benefit packages, including telephone allowances, rent subsidies, high-temperature allowances, and family visit subsidies. These tailored benefit measures allow employees to deeply feel the Company's care and support, enabling them to devote themselves fully to their work and co-create a brilliant future with the Company.

Statutory Benefits

- Social insurances
- Housing provident fund
- Leave benefits
- Labor protection

General Benefits

- Festival benefits
- Staff canteen
- Health check-ups
- High-temperature allowances
- Family visit subsidies

Incentive Benefits

- Employee birthday celebrations
- Performance incentives
- Other group activities and benefits

Communication and Democratic Management

The Company continuously advances democratic management through channels such as the "General Manager Hotline" and "Suggestion and Proposal Meeting" to listen to employees' genuine feedback and address their reasonable demands. In 2024, 269 pieces of feedback were collected from the employees through the General Manager Hotline. The Company promptly launched investigations into the issues raised by the feedback, and developed corrective measures for some feasible suggestions to ensure effective resolution. Additionally, both Xinjiang Daqo New Energy and Inner Mongolia Daqo New Energy established trade union committees to safeguard employees' legitimate rights and interests and organize participation in democratic management and supervision.

Case: Uniting Strength of Women Employees to Boost the Development of Daqo New Energy

On March 8, 2024, Xinjiang Daqo New Energy organized a "Suggestions and Proposals" Symposium exclusively for female employee representatives. The event covered the Company's 2024 Development Plan, the Special Collective Contract for Protecting Female Employees' Rights and Interests, and women-specific welfare measures, while encouraging open discussions about feedback. Participants actively shared observations and insights from their daily work and lives, proposing constructive suggestions with candor. The Company's Management attentively listened to each representative, engaging in in-depth discussions. Actionable recommendations were immediately acknowledged for incorporation into corporate improvement plans, ensuring these insights translate into tangible actions to advance the Company's development.

Case: Inner Mongolia Daqo Semiconductor Organizes Employee Birthday Celebrations to Deepen Communication and Build Corporate Cohesion Together

Inner Mongolia Daqo Semiconductor Co., Ltd. combined employee birthday celebrations with Suggestion and Proposal Meetings after extensively soliciting comments from its employees at the beginning of 2024. Each quarter featured personalized greeting cards, customized cola bottles, exquisite cakes, and snacks for "birthday stars". The "birthday stars" freely shared insights during the meetings, communicating extensively with leaders at various levels to identify operational issues across all dimensions based on their work related to their positions and their understanding of workflows. This initiative harnessed collective wisdom for improvement, enhanced employee engagement in management, and strengthened employees' sense of gain and belonging. Ultimately, it fostered a desired scenario of "high product quality, meticulous cost management, optimized production process, and efficient execution".

Daqo New Energy has established the *Management System on Performance Appraisal at Daqo New Energy Corp*. and the *Management System on Employee Annual Appraisal*, using monthly performance evaluations to recognize employees' achievements in a timely and all-round way. The Company regularly conducts satisfaction surveys for all employees, and analyzes and develops improvement plans and implementation measures based on the survey results. In 2024, Inner Mongolia Daqo Semiconductor conducted 4 satisfaction surveys covering logistics support, remuneration and benefits, and processes. In 2024, the overall satisfaction of Inner Mongolia Daqo Semiconductor Co., Ltd. consistently exceeded 80 points.

Employee Care

We have established a comprehensive and diversified welfare and care system that addresses special circumstances and significant events in employees' work and life. Through multi-dimensional, grassroots-level support and care initiatives, we gain deep insights into employees' genuine needs, assist them in resolving practical difficulties, and thereby enhance their sense of belonging and well-being while strengthening unity and loyalty. Besides, we actively support special groups such as female employees and employees facing hardships, visiting and providing subsidies to those hospitalized for serious illnesses or bereaved of immediate family members. We proactively care for employees' work and life, making them feel our warmth.

Employees Facing Hardships

- Xinjiang Daqo New Energy: 20 visits were made to employees facing hardships, and 7 employees facing hardships were selected to apply for the "Hand-in-Hand" program.
- Inner Mongolia Daqo New Energy: 19 visits were made to employees facing hardships, and 16 employees facing hardships were organized to apply for the "Hand-in-Hand" program.

Female Employees

- Development program for female employees: We provide equal training, career development, and mental health support to safeguard female employees' rights and well-being.
- Women's Day activities: We distribute exclusive holiday gifts and share experiences and stories of female employees to boost their confidence and sense of belonging.

We prioritize employees' physical and mental health by providing health check-ups. Inner Mongolia Daqo New Energy enhanced workplace comfort by improving office environments and facilities, establishing staff pantries and rest areas with "energy replenishments" to ensure timely relaxation during intense work. "Free clinic sessions" were conducted to provide professional medical support, fully safeguarding employees' physical and mental health. Additionally, psychological counseling services were introduced to help employees alleviate work stress and enhance emotional resilience.

Xinjiang Daqo New Energy fully renovated employee apartment buildings, significantly improving living conditions and ensuring life quality for employees. Parking spaces for the apartment buildings were redesigned and expanded to meet parking demand from the employees while safety management was further strengthened, demonstrating the Company's comprehensive commitment to employee welfare.

In 2024, Daqo New Energy organized festive care activities including New Year's Day, Spring Festival, Lantern Festival, Women's Day, Labor Day, Dragon Boat Festival, and Mid-Autumn Festival celebrations, alongside summer heat relief initiatives, demonstrating ongoing attention to employee welfare. To foster communication and interaction among employees, Inner Mongolia Daqo New Energy and Xinjiang Daqo New Energy regularly hosted recreational activities such as fun sports meetings, tug-of-war competitions, badminton matches, and basketball matches to promote employees' physical and mental health and strengthen team cohesion.

Fun Sports Meeting of Inner Mongolia Daqo Semiconductor

2024 Summer Heat Relief Initiative of Xinjiang Daqo New Energy

Dumpling-making Event of Inner Mongolia Daqo New Energy at the Start of Winter

"Heart in Full Bloom, Journey in Splendor" Themed 2024 Women's Day Event of Inner Mongolia Daqo New Energy

Tug-of-war Competition of Xinjiang Daqo New Energy

Occupational Health and Safety

Daqo New Energy strictly abides by laws and regulations such as the *Work Safety Law of the People's Republic of China*, the *Fire Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases*, and the *Emergency Response Law of the People's Republic of China*. In 2024, the Environment, Health, and Safety (EHS) Department of Daqo New Energy led a joint effort with Xinjiang Daqo New Energy, Inner Mongolia Daqo New Energy, and Inner Mongolia Daqo Semiconductor to revise seven systems, namely, *Compilation of Safety Rules and Regulations*, *Operating Procedures for Occupational Health*, *Compilation of Fire Safety Management Systems*, *Compilation of Occupational Health Rules and Regulations*, *Compilation of Environmental Management Systems*, *Special Operation Management System*, and *Assessment System for Safety and Environmental Accidents*. Additionally, the *Safety Management System for Personnel Positioning* was newly established. During the revision of the *Compilation of Safety Rules and Regulations*, specific improvements were made to the Management System for Rewards and Punishments for Work Safety, the Investigation and Management System for Safety Risks and Hazards, the Safety Management System for Major Hazard Sources, and the Management System for Labor Protection Equipment and Medical Supplies. Inner Mongolia Daqo New Energy and Xinjiang Daqo New Energy have both held ISO 45001 Occupational Health and Safety Management System Certification.

ISO 45001 Occupational Health and Safety Management System Certification

All manufacturing subsidiaries of Daqo New Energy signed Safety Target Responsibility Statements in accordance with the organizational structure and strictly fulfilled their respective duties as outlined in the agreements. The Company assesses safety performance of its functional departments on a monthly basis, while production workshops undergo monthly evaluations under a points-based management system. Under the Safety Risk and Hazard Investigation Plan developed at the beginning of the year, 232 safety inspections were organized in 2024, including routine safety inspections, comprehensive safety inspections, specialized safety inspections, seasonal safety inspections, and holiday safety inspections. A total of 4,654 safety hazards or issues were identified and resolved through closed-loop management, effectively preventing and reducing incidents.

Furthermore, the Company has updated its Management System for Work Safety Responsibility Assessment (Safety Points) for All Employees, integrating it into a digital system for online management. In April 2024, Xinjiang Daqo New Energy completed the construction of its "Digital System for Dual Prevention Mechanism", deepening digital application in safety risk control across the Company, and effectively improving the level of safety risk control. Meanwhile, the completed "Personnel Positioning System" enhanced management of crowd gathering risks, effectively controlling on-site personnel concentration in high-risk areas.

Occupational Health and Safety Training

In 2024, Daqo New Energy successfully completed all safety training tasks according to its annual safety training plan. We conducted scheduled training, including Training on Work Safety Responsibility System, Occupational Health Training, and Safety Training on Major Hazard Sources. Additionally, we organized Three-Level Safety Training for new employees, with participation of 678 new hires, achieving a 100% completion rate for three-level safety education among new recruits. Meanwhile, 220 safety and occupational health managers received training, and 915 special operation personnel obtained certificates.

From September 11 to October 24, 2024, we carried out our annual specialized inspection for occupational health. We commissioned a qualified company to detect occupational hazard factors for 2024 and received a detection report.

Training and Development

We cultivate a fertile ground for talents by establishing a transparent and well-structured corporate management system. Through continuous optimization of talent incentives and promotion policies, we encourage employees to fully leverage their expertise, enabling them to achieve personal fulfillment in their roles. In 2024, the Company revised the *Employee Training and Development Management System*, optimizing sections such as "Skill Competitions", "Company-level Training", and "Management of Training Assessment". In 2024, Daqo New Energy achieved 100% coverage of training to employees.

Internal Promotion

- The Company implemented an internal job competition mechanism to fully mobilize employees' enthusiasm internally.
- The Company conducted 149 internal job competition sessions, resulting in 413 promotions to continuously reinforce talent capacity.

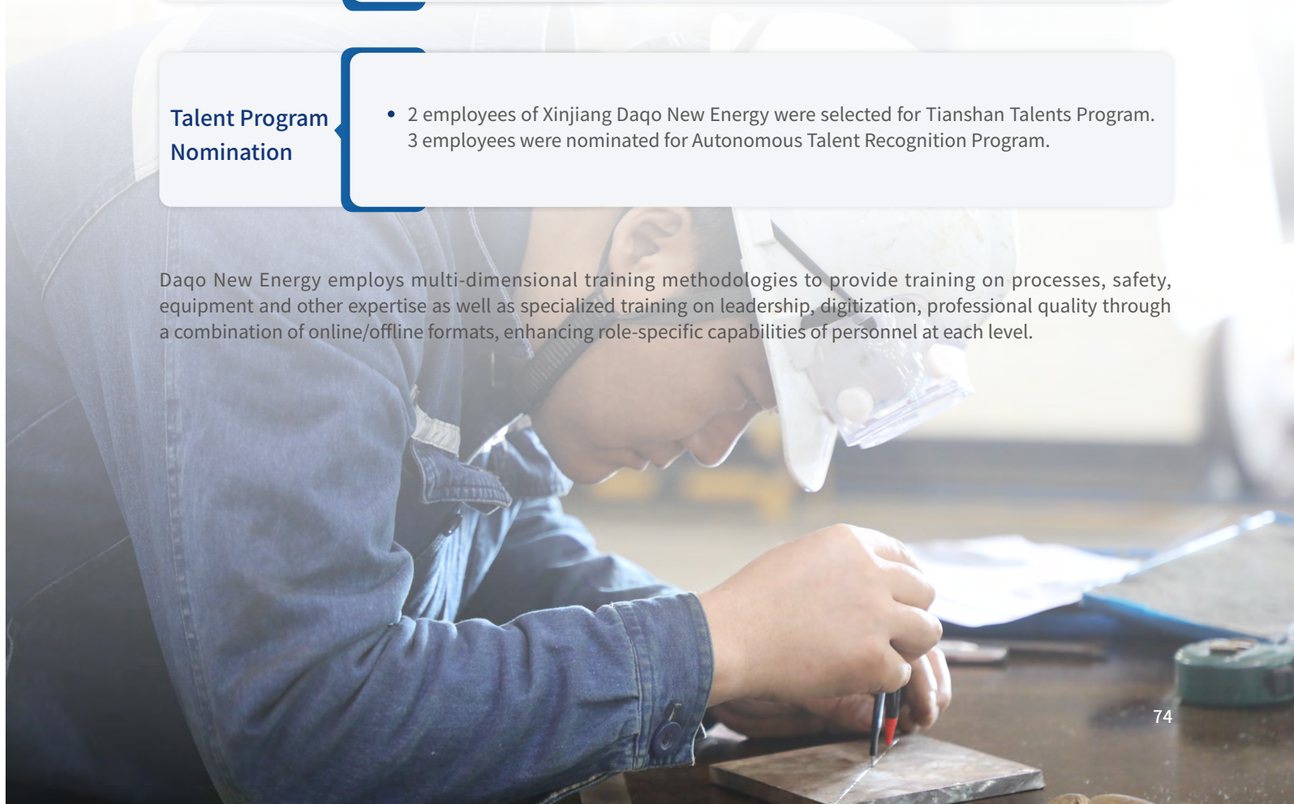
Talent Pipeline Development

- The Company sustained the AB Pipeline Development Program throughout the year based on needs of employee growth and reserve cadre pipeline building to ensure continuity and stability in critical roles.
- As of the end of December 2024, the established staff size for manager assistants and above was 234 people, while 218 people held those key positions, with an occupancy percentage of 93% for Role A. 183 pipeline talents held positions with an occupancy percentage of 80%, demonstrating talent abundance that meets current development demands of the Company.

Talent Program Nomination

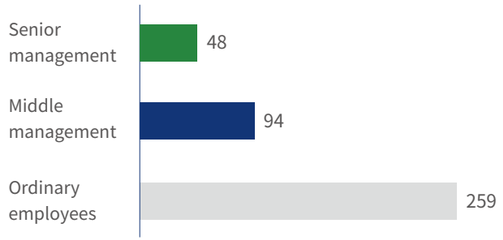
- 2 employees of Xinjiang Daqo New Energy were selected for Tianshan Talents Program. 3 employees were nominated for Autonomous Talent Recognition Program.

Daqo New Energy employs multi-dimensional training methodologies to provide training on processes, safety, equipment and other expertise as well as specialized training on leadership, digitization, professional quality through a combination of online/offline formats, enhancing role-specific capabilities of personnel at each level.



Average training hours of employees by gender (hours)

Average training hours of employees by rank (hours)

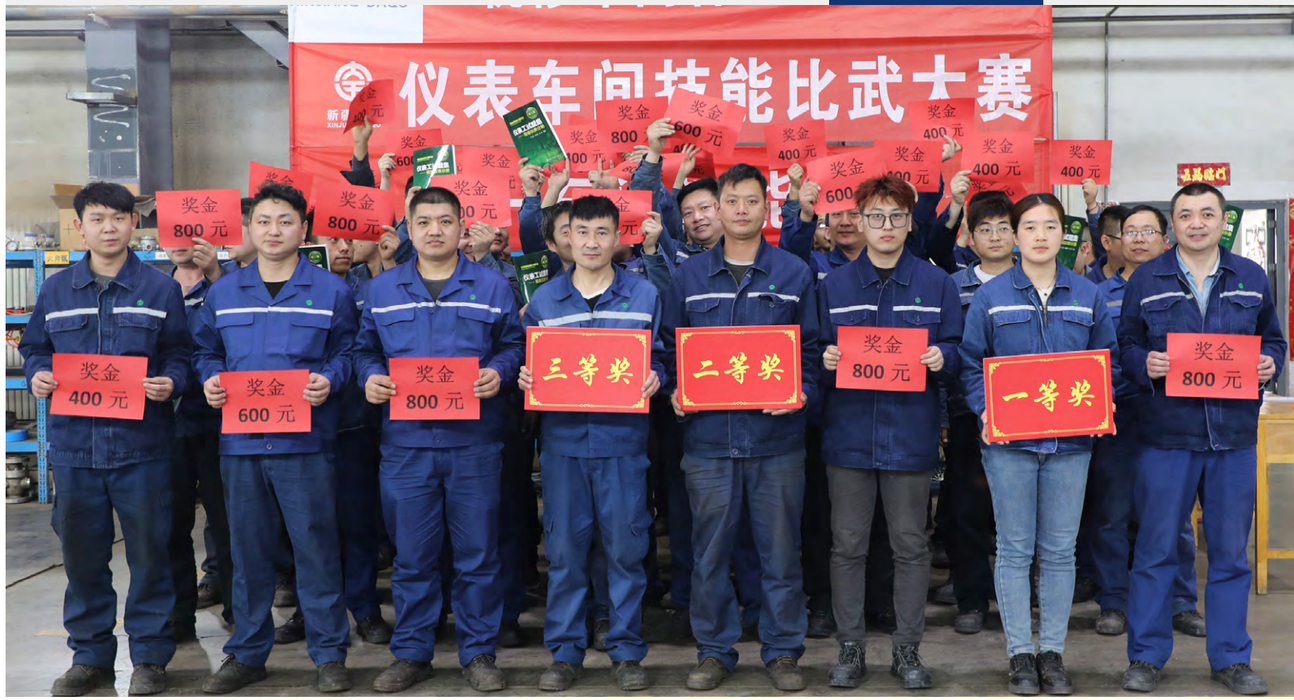


Case: Digital Management and Professional Training

To comprehensively enhance employees' digital literacy and strengthen overall team competitiveness, and improve its manufacturing subsidiaries' capabilities in digital and refined management, the Company organized 16 specialized training sessions on digital knowledge in September 2024. These sessions deepened employees' understanding and application of digital management, elevating their digital literacy and laying a solid foundation for the deepened implementation of digital manufacturing. The training curriculum covered eight areas: Production, Finance, Technology, Safety, Quality, Sales, Procurement, and Equipment, encompassing all aspects of the Company's digital management operations. Through a blend of foundational theory and practical application, case studies, and interactive sessions, the program provided a comprehensive, multi-dimensional approach to enhancing employees' grasp of fundamental digital concepts and their understanding of digital business processes. This initiative significantly deepened employees' comprehension and practical application of digital management.

Case: Employee Skills Competition

From March to June 2024, Xinjiang Daqo New Energy organized a "Skills Competition" involving its Mechanical Maintenance Workshop, Electrical Workshop, Instrumentation Workshop, various Production Workshops, and the Safety & Fire Control Section. The initiative precisely targeted the key technical points required for skilled positions across these workshops. Guided by the training philosophy of "enhancing training through competition and advancing learning through practical challenge", the activity enabled employees to elevate their professional skills through hands-on applications. This Skills Competition successfully fostered an intense atmosphere of technological innovation characterized by "emulation, learning, catching up and surpassing". It provided employees with a platform to showcase their abilities and enhance their technical proficiency, simultaneously injecting a powerful, sustained impetus into the Company's steady and continuous development.



Case: Functional Supply Station

To elevate the service quality of functional departments and better support production operations, the Human Resources Department of Inner Mongolia Daqo New Energy Co., Ltd. specially designed the "Functional Supply Station" training program. Starting from January 2024, this initiative delivered knowledge training on topics like process and equipment to the functional departments of the Company. The goal was to deepen employees' understanding of business operations, enabling them to better grasp production requirements and improve service efficiency. The program ran 10 sessions, attracting active participation from over 200 employees. Participant satisfaction with the courses was as high as 4.78 out of 5.

Case: *The Checklist Manifesto* Book Club

In today's work environment which demands meticulous management and efficient execution, the "checklist" stands out as a precise and potent tool with undeniable value for detail control. To effectively leverage this tool (by utilizing checklists for granular process control, integrating checklist methodology into work, and using checklists for work efficiency), Inner Mongolia Daqo Semiconductor Co., Ltd. launched a one-month book club focused on *The Checklist Manifesto* for its middle management. The program included organized reading sharing sessions among these managers. This exchange served to significantly deepen and broaden checklist-oriented thinking within the leadership team.

Community Contribution

Daqo New Energy firmly believes that, as a corporate citizen, it has a responsibility to actively participate in social activities for the public good, which are essential for promoting social harmony and progress. In 2024, the Company made significant contributions to communities through financial support and hands-on engagement in social activities for public good. By implementing concrete actions such as consumption-based agricultural support, educational philanthropy, and environmental protection, it actively fulfilled corporate social responsibilities and contributed to building a harmonious society. Throughout 2024, Daqo New Energy invested RMB 521,800 in and spent 3,225 hours on community contribution.

Consumption-based Agricultural Support

Xinjiang Daqo New Energy launched the "Xinjiang Agricultural Support Initiative to Link Hands and Share Love", purchasing over 8,600 kg of watermelons, Xizhou melons, and honeydew melons from Awat Village, Sanbao Township, Mountain of Flames, Turpan. These were distributed to frontline workshop employees. Inner Mongolia Daqo New Energy responded to national rural revitalization strategies through its "Daqo Energy's Love for Farmers Initiative", purchasing 20 tons of watermelons from Lijia Village, Haye Hutong Town, Jiuyuan District for employees' summer relief.

Educational Philanthropy

During the spring semester opening period, Xinjiang Daqo New Energy conducted the "Love Under Blue Sky, Warm Back-to-School Season" program at Shihezi No. 143 Third Middle School, providing 20 Kazakh students from Ziniquan pastoral areas with "Back-to-School Care Packages".

Voluntary Blood Donation Campaigns

Xinjiang Daqo New Energy organized voluntary blood donation campaigns where employees actively participated, demonstrating respect for life through concrete actions and spreading social positivity.

Tree Planting Campaign

The Company organized the 2024 Tree Planting Campaign, mobilizing more than 150 volunteers to plant over 120 apple and crabapple trees across more than 3,000 m2, advancing national Dual Carbon Goals and empowering green factory development.

Plastic Waste Collection

Xinjiang Daqo New Energy conducted a World Earth Day plastic waste collection drive along the Manasi Riverbank. Volunteers collected 14 bags (210 kg) of beverage bottles, foam plastics, cigarette butts, and other debris while promoting environmental awareness to passersby and calling on everyone to cherish our environment and safeguard our homeland.

Elderly Care

Ahead of the Double Ninth Festival, Inner Mongolia Daqo New Energy visited Sarula Community No. 2 in Jiuyuan District, delivering festive companionship and supplies to 15 elderly and disabled residents.

Supplies Donations with Compassion

Xinjiang Daqo New Energy donated 177,736 pieces of N95 masks, 2,805 sets of medical protective suits, 1,380 bottles of wash-free hand sanitizer, and 1,440 bottles of disinfectant effervescent tablets to 2,600 sanitation workers, 270 couriers, and 210 frontline community workers in Shihezi City to safeguard their health.

Appendixes

Appendix 1 Key Performance Indicators 2024

Indicator		Unit	2024
Economic Performance			
Revenue		USD 1,000,000,000	1.03
Total assets		USD 1,000,000,000	6.42
Total production volume of polysilicon		MT	205,068
Environmental Performance			
Environmental Management	Energy conservation and environmental protection investment	RMB 10,000	5,445.47
	Environmental accidents or administrative penalties related to the environment	Nos	0
Waste Management	Waste gas emissions	Tons	40.59
	Nitrogen oxide emissions	Tons	2.02
	Particulate matter (PM) emissions	Tons	38.57
	Wastewater discharge	Tons	960,229
	Wastewater discharge intensity	Tons/ton of polysilicon	4.68
	Hazardous waste generation volume	Tons	331.5
	Hazardous waste generation intensity	Tons/ton of polysilicon	0.0016
	Non-hazardous waste generation volume [1]	Tons	51,249.35
	Non-hazardous waste generation intensity	Tons/ton of polysilicon	0.25
	Generation volume of general industrial solid waste	Tons	50,210.2
	Comprehensive utilization of general industrial solid waste	Tons	33,521.03
	Landfill of general industrial solid waste	Tons	16,689.18
	Domestic waste generation volume[2]	Tons	1,039.14
Energy Management	Comprehensive energy consumption[3]	Tons of standard coal equivalent	1,664,367.28
	Comprehensive energy consumption intensity[4]	Tons of standard coal equivalent/ton of polysilicon	8.12
	Electricity	MWh	12,067,180.77
	Gasoline	Tons	55.75
	Diesel	Tons	114.43
	Liquefied petroleum gas (LPG)	Tons	2.84
	Natural gas	m^3	88,693.06
	Steam consumption	GJ	5,303,024.47
	Renewable energy usage	MWh	5,514,085.28
	--Including solar energy usage	MWh	1,102,817.18
	--Including wind power usage	MWh	4,411,268.10
	Equivalent reduction in GHG emissions	Tons of carbon dioxide equivalent	2,958,858.16
	Renewable energy usage ratio	%	46
	--Including solar energy usage ratio	%	9
	--Including wind power usage ratio	%	37
	Total amount of green electricity purchased	MWh	5,514,085.28
	Proportion of green electricity	%	46
Water Resource Management	Water consumption	Tons	7,841,317.00
	Circulating water	10,000 tons	110,760.96
	Water consumption intensity	1,000 tons/ton of polysilicon	0.038
Material Management	Packaging material usage	Tons	15,334.3
	Packaging material usage intensity	Tons/ton of polysilicon	0.075
	Usage of internal packaging material (PE bags, pearl cotton, etc.)	Tons	4,889.5
	Usage of external packaging materials (cartons, pallets, machine stretch films, silicon powder packaging bags, etc.)	Tons	10,444.8
	Volume of recycled packaging materials	Tons	152.88
	Silicon powder consumption	Tons	214,532.19
	Hydrogen consumption	10,000 m^3	5,560.65
	Hydrochloric acid consumption	Tons	2,665.61
	Raw salt consumption	Tons	2,586.91

[1]The non-hazardous waste generation includes generation of household waste and general industrial solid waste.
[2]The domestic waste generation includes the generation of disposable goods, kitchen waste, office waste papers, etc.
[3]The conversion coefficient of comprehensive energy consumption to standard coal equivalent refers to the General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020).
[4] During the reporting period, the Company proactively adjusted its production and operation load in response to the market environment, and its data of comprehensive energy consumption intensity only reflect the energy consumption level under the current capacity utilization rate.

Indicator			Unit	2024
Greenhouse Gas (GHG)	GHG emissions (Scopes 1 & 2) [5]		Tons of carbon dioxide equivalent	4,421,566.26
	GHG emission intensity (Scopes 1 & 2)		Tons of carbon dioxide equivalent/ton of polysilicon	21.56
	Direct (Scope 1) GHG emissions		Tons of carbon dioxide equivalent	740.90
	Direct (Scope 1) GHG emission intensity		Tons of carbon dioxide equivalent/ton of polysilicon	0.0036
	Indirect (Scope 2) GHG emissions		Tons of carbon dioxide equivalent	4,420,825.36
	Indirect (Scope 2) GHG emission intensity		Tons of carbon dioxide equivalent/ton of polysilicon	21.56
	GHG emissions directly reduced by improved processes		Tons of carbon dioxide equivalent	3,905,282.81
Social Performance				
Employee Employment	Total number of employees		Person	4,740
	Total number of employees by gender	Male	Person	4,142
		Female	Person	598
	Total number of employees by employment type	Full-time	Person	4,732
		Part-time	Person	8
	Total number of employees by age	⩽ 30	Person	1,748
		31-49	Person	2,932
		⩾ 50	Person	60
	Total number of employees by rank	Senior management	Person	37
		Middle management	Person	216
		Ordinary employees	Person	4,487
	Total number of employees by region	Xinjiang	Person	1,779.
		Inner Mongolia	Person	2,949
		Shanghai	Person	9
		Other regions	Person	3
Remuneration and Benefits	Percentage of employees with social insurance		%	100
	Percentage of labor contract coverage		%	100
Employee Turnover	Employee turnover rate		%	20.95
	Number of employee turnover		Person	1,197

[5]The GHG emissions (Scopes 1 and 2) are determined by referring to the calculation methods and relevant default values in the GHG Protocol Corporate Accounting and Reporting Standard published by the World Resources Institute, the Guidelines for Accounting and Reporting Greenhouse Gas Emissions from China Land Transportation Enterprises (Trial) published by the National Development and Reform Commission of China, and the Appendix 2: Reporting Guidance on Environmental KPIs of How to Prepare an ESG Report published by the Hong Kong Exchanges and Clearing Limited. The electricity emission factor refers to the Announcement on the Release of 2022 Electricity Carbon Dioxide Emission Factors published by the Ministry of Ecology and Environment of China, and the value of emission factor for purchased green electricity is set to 0.

Indicator			Unit	2024
Employee Turnover	Employee turnover rate by gender	Male	%	21.45
		Female	%	17.32
	Employee turnover rate by age	⩽ 30	%	23.37
		31-49	%	19.03
		⩾ 50	%	22.39
	Employee turnover rate by region	Xinjiang	%	26.96
		Inner Mongolia	%	17.01
		Shanghai	%	0
		Other regions	%	0
Employee Training and Development	Total numbers of employees training		Person	4,740
	Total hours of employee training		Hour	1,186,232
	Average hours per employee training		Hour	250.26
	Proportion of trained employees by gendar	Male	%	100
		Female	%	100
	Proportion of trained employees by employee category	Senior management	%	100
		Middle management	%	100
		Ordinary employees	%	100
	Total training duration by gender	Male	Hour	1,043,948
		Female	Hour	142,284
	Average training hours by gender	Male	Hour	252
		Female	Hour	238
	Total training hours by employee category	Senior management	Hour	1,758
		Middle management	Hour	20,386
		Ordinary employees	Hour	1,164,089
	Average training hours by employee category	Senior management	Hour	48
		Middle management	Hour	94
		Ordinary employees	Hour	259
	Training investment amount		RMB 10,000	42
Occupational Health and Safety	Number of deaths due to work-related reasons		Person	0
	Lost days due to work-related injury		Day	15,428
	Number of safety training sessions		Times	216
	Total duration of employees receiving occupational health and safety training		Hour	333,936

Indicator			Unit	2024
Product Quality and Service	Number of products sold or shipped subject to recalls for safety and health reasons		Nos	0
	Customer satisfaction rate		Score	94.49
Technological innovation	R&D investment		RMB 100,000,000	3.87
	Accumulated number of patent applications		Nos	641
	-- Patent for invention		Nos	153
	-- Utility model patent		Nos	486
	-- Other patents		Nos	2
	Accumulated number of granted patents		Nos	429
	-- Patent for invention		Nos	54
	-- Utility model patent		Nos	373
	-- Other patents		Nos	2
Supply Chain Management	Total number of suppliers		Nos	848
	Number of suppliers by region	East China	Nos	319
		South China	Nos	17
		Central China	Nos	59
		North China	Nos	242
		Northwest China	Nos	139
		Northeast China	Nos	23
		Southwest China	Nos	49
		Overseas regions and Hong Kong, Macao, and Taiwan	Nos	0
	Suppliers' signing rate of the *Integrity Agreement*		%	100
Anti-corruption	Number of concluded corruption litigation cases		Nos	1
	Number of directors receiving anti-corruption training		Person	2
	Total duration of directors' participation in anti-corruption training		Hour	4
Community Development	Community contribution amount		RMB 10,000	52.18
	Community contribution duration		Hour	3,225
	Number of employee volunteers		Person	290

Appendix II GRI Standards Content Index

Instructions Statement of use	By referring to the GRI standards, Xinjiang Daqo New Energy Corp. reported the information cited in this GRI Standards Content Index from January 1, 2024 to December 31, 2024
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Page
GRI 2: General Disclosures 2021	2-1 Organizational details	P1-2
	2-2 Entities included in the organization's sustainability reporting	P1-2
	2-3 Reporting period, frequency, and contact point	P2
	2-4 Restatements of information	P1-2
	2-6 Activities, value chain and other business relationships	P61-62
	2-7 Employees	P67-76
	2-9 Governance structure and composition	P12
	2-10 Nomination and selection of the highest governance body	P16
	2-11 Chair of the highest governance body	P16
	2-12 Role of the highest governance body in overseeing the management of impacts	P15-16
	2-13 Delegation of responsibility for managing impacts	P15-16
	2-14 Role of the highest governance body in sustainability reporting	P23
	2-16 Communication of critical concerns	P25-26
	2-17 Collective knowledge of the highest governance body	P23
	2-18 Evaluation of the performance of the highest governance body	P23
	2-19 Remuneration policies	P69
	2-20 Process to determine remuneration	P16
	2-22 Statement on sustainable development strategies	P24
	2-23 Policy commitments	P24
	2-25 Processes to remediate negative impacts	P18-19
	2-27 Compliance with laws and regulations	P20-22
	2-29 Approach to stakeholder engagement	P25-26
	2-30 Collective bargaining agreements	P70

GRI Standard	Disclosure	Page
GRI 3: Material Topics 2021	3-1 Process to determine material topics	P27-28
	3-2 List of material topics	P28
	3-3 Management of material topics	P27-28
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	11
	201-2 Financial implications and other risks and opportunities due to climate chang	P47-48
	201-3 Defined benefit plan obligations and other retirement plans	P69-72
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	P77-78
	203-2 Significant indirect economic impacts	P77-78
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	P61
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	P20-22
	205-2 Communication and training about anti-corruption policies and procedures	P20-22
	205-3 Confirmed incidents of corruption and actions taken	P20-22
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competition, anti-trust, and antimonopoly practices	22
GRI 301: Materials 2016	301-1 Materials used by weight or volume	P41-42
	301-2 Recycled input materials used	P41-42
	301-3 Reclaimed products and their packaging materials	P41-42
GRI 302: Energy 2016	302-1 Energy consumption within the organization	P35-38
	302-3 Energy intensity	P35-38
	302-4 Reduction of energy consumption	P35-38
	302-5 Reductions in energy requirements of products and services	P35-38
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	P39-40
	303-2 Management of water discharge-related impacts	P43-44
	303-3 Water withdrawal	P39-40
	303-4 Water discharge	P43-44
	303-5 Water consumption	P39-40
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products, and services on biodiversity	P50

GRI Standard	Disclosure	Page
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	P49
	305-2 Energy indirect (Scope 2) GHG emissions	P49
	305-4 GHG emissions intensity	P49
	305-5 Reduction of GHG emissions	P37
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	P43
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	P43-46
	306-2 Management of significant waste-related impacts	P43-46
	306-3 Waste generated	P43-46
	306-4 Waste diverted from disposal	P43-46
	306-5 Waste directed to disposal	P43-46
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	P61-62
	308-2 Negative environmental impacts in the supply chain and actions taken	P61-62
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	P67-68
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	P69-70
	401-3 Parental leave	P69
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	P73
	403-2 Hazard identification, risk assessment, and incident investigation	P73
	403-3 Occupational health services	P73
	403-5 Worker training on occupational health and safety	P73
	403-6 Promotion of worker health	P73
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P73
	403-8 Workers covered by an occupational health and safety management system	P73
	403-9 Work-related injuries	P73
	403-10 Work-related ill health	P73
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	P74-76
	404-2 Programs for upgrading employee skills and transition assistance programs	P74-76

GRI Standard	Disclosure	Page
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	P67-68
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	P67-76
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	P67-76
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	P67
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	P61-62
	414-2 Negative social impacts in the supply chain and actions taken	P61-62
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	P57-59
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	P57-60
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	P57-60
	417-2 Incidents of non-compliance concerning product and service information and labeling	P57-60
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	P60

Appendix 3 Index of *Self-Regulatory Guidelines No. 14 for Companies Listed on Shanghai Stock Exchange—Sustainability Report (for Trial Implementation)*

Dimension	Number	Topic	Article	Chapter of the Repor
Environmental	1	Climate change tackling	Articles 21 to 28	Climate Change Response
	2	Pollutant Discharge	Article 30	Waste Gas Management, Wastewater Management
	3	Waste Disposal	Article 31	Hazardous and Non-hazardous Waste Management
	4	Ecosystem and Biodiversity Protection	Article 32	Biodiversity Protection
	5	Environmental Compliance Management	Article 33	Environmental Management
	6	Energy usage	Article 35	Energy Management
	7	Usage of water resources	Article 36	Water Resource Management
	8	Circular Economy	Article 37	Material Management
Social Society	9	Rural Revitalization	Article 39	Community Contribution
	10	Contributions to the society	Article 40	Community Contribution
	11	Innovation-driven Development	Article 42	Technological Innovation
	12	Ethics of Science and Technology	Article 43	N/A
	13	Supply Chain Security	Article 45	Sustainable Supply Chain
	14	Equal Treatment of SMEs	Article 46	N/A
	15	Product and Service Safety and Quality	Article 47	Quality Commitment
	16	Data Security and Customer Privacy Protection	Article 48	Information Security and Privacy Protection
	17	Employees	Article 50	Protection of Employees' Rights and Interests, Remuneration and Benefits, Occupational Health and Safety, Training and Development
Governance Related to Sustainable Development	18	Due Diligence	Article 52	ESG Governance
	19	Stakeholder Engagement	Article 53	Stakeholder Engagement
	20	Anti-commercial Bribery and Anti-corruption	Article 55	Adherence to Business Ethics
	21	Anti-unfair Competition	Article 56	Anti-unfair Competition

DAQO NEW ENERGY CORP

Contact: (+86) 021-50560970

Email: ir@daqo.com

Address: 29th Floor, Huadu Building, No. 838, Zhangyang Road, Pudong New District, Shanghai