

Manufacturer's Warranty for Energy Storage Systems

Effective date: 17 March 2021

1 OVERVIEW

- 1.1 This warranty is effective for the Sungrow ESS (Energy storage systems), including its peripheral devices (PCS, BCP, Batteries, HVAC, EMS, etc.), hereinafter referred to as the "Products".
- 1.2 Depending on your location, the warranty may be performed out by Sungrow's regional affiliates. The warranty provider is referred to as "Sungrow" in this warranty. The performance of the warranty by any one of the companies discharges the obligations of the other companies.
- 1.3 This warranty can be claimed by the owner, purchaser or authorised distributor of the Products.
- 1.4 This warranty applies in addition to your legal rights and remedies under local laws in your country that cannot be excluded or limited. The terms of this warranty will apply to the extent permitted by applicable law.
- 1.5 This warranty is offered by Sungrow as standard warranty. Sungrow reserves the right to offer special warranty conditions. In that case, these special conditions will be stated in a separate document in relation to the specific products.

2 LIMITED WARRANTY

- 2.1 Sungrow warrants that the Products are free from defects in material and workmanship for the standard warranty period set out in Schedule A. Warranty Commencement Date.
- 2.2 The Warranty Commencement Date shall be the earlier date between:
 - i) the commissioning date, or
 - ii) three (3) months after the Product is shipped from Sungrow factory
- 2.3 The warranty does not cover consumable parts, such as, but not limited to fuses, surge suppressors, filters etc.
- 2.4 Where applicable, extended warranty must be purchased along with the purchase of the Product.
- 2.5 Sungrow may offer paid lifetime service for the products, such as repairs or upgrade to its latest models, even after the expiry of the warranty under clause 2.1 or the extended warranty under clause 2.4.

3 CLAIM PROCESS

- 3.1 To initiate the warranty claim process, the claimant should inform Sungrow via the contact methods set out on Sungrow's website www.sungrowpower.com. Sungrow may require additional information regarding the claim, which may include, without limitation, proof of purchase and/or delivery, installation, serial and model numbers, evidence regarding the basis of claim including images, and information to assist troubleshooting.
- 3.2 Sungrow will respond to the claim in a timely manner by either accepting the claim with the service ticket number or refusing the claim with appropriate reasons by email. Sungrow may determine the solutions for the claim. Sungrow will endeavour to respond within 24 hours, excluding weekend and local public holidays.
- 3.3 Sungrow reserves the right to demand the claimant to pay a deposit in advance before the service solution is implemented if there is an overdue payment in purchasing of products or service from Sungrow.

4 HOW THIS LIMITED WARRANTY APPLIES

- 4.1 If the Product has been claimed to be defective under this warranty, Sungrow will, at its discretion, repair or replace the defective product.
- 4.2 The product presented for repair or replacement may be replaced by new or refurbished product of the same type. If any product is no longer available, Sungrow may, at its sole discretion, use a product that differs in size, appearance, model number or power level while ensuring that the replaced or refurbished product will be technically compatible with the existing product.
- 4.3 Post remedy, the defective product becomes Sungrow's property should Sungrow wish to retain this product. The claimant agrees to securely store the defective product for Sungrow's collection for up to one (1) month.
- 4.4 Sungrow may conduct any of the following:
 - (a) Dispatch the replacement product/parts or on-site service personnel (Sungrow employees, agents or authorised contractors) to the project site where the defective product is located;
 - (b) Investigate the issue of the defective product
 - (c) Repairing or replacing the defective product;
 - (d) Testing and repairing the defect units or parts in Sungrow's workshop or authorised third-party;
 - (e) Reimburse the portion of loss capacity based on Schedule C.
- 4.5 Sungrow has sole responsibility and discretion for determining the cause and nature of the defect. The claimant will be responsible for additional costs of detailed analysis and/or third-party inspectors to dispute the cause of the defect.

5 WARRANTY TRANSFER

- 5.1 The warranty is transferable when the Products remains installed in its original location. This means, when the ownership of the Products has changed, the new owner shall continue to benefit under this warranty. Further, a lessee or assignee may obtain consent from the owner of the Products and make a claim under this warranty. If the Products are relocated to another site, whether the warranty is transferable to the new site will be subject to a site inspection by Sungrow at the new site prior to installation with the written consent. For the avoidance of doubt Sungrow shall not bear any costs associated with the re-installation of the Products such as installation, commissioning, site inspection by Sungrow etc.
- 5.2 When Sungrow replaces a defective Product, the remaining warranty period of the original product will be transferred to the replaced Product. There are no extensions applied on repair or replaced Product.

6 CLAIMS NOT COVERED BY WARRANTY

- 6.1 If the cause of failure is confirmed to be out of warranty by the On-site Report or Recovery Report, the claimant shall be responsible to pay for the associated expenses incurred, including the service fees, travel disbursements, freight and material fees.
- 6.2 If a unit or part returned to Sungrow is found not to be defective or otherwise not covered by this warranty, the claimant shall be responsible to pay for the associated expenses incurred, including the service fees, travel disbursements, freight and material fees.
- 6.3 If the claimant has paid deposit in advance, the related expenses set out in 6.1 and 6.2 shall be deducted from the deposit within three (3) months from the date of issuance of the On-site Report or Recovery Report and the balance shall be duly returned to the claimant.
- 6.4 If the claimant does not pay the related expenses set out in 6.1 and 6.2 when it falls due, Sungrow reserves the right to reject further warranty claims for all Products installed at the same project site until the fees are paid in full.

7 WARRANTY EXCLUSIONS

- 7.1 The Product Warranty and Battery Performance Guarantee does not cover any defects or damages through no fault of Sungrow, including damages caused by:
- (a) Improper transportation and delivery;
 - (b) Failure to properly store the product before installation;
 - (c) Failure to comply with applicable laws and standards;
 - (d) Failure to comply with the product guidelines, warnings or instructions including, but not limited to, Technical Specification, O&M manual, installation guidelines, design guidelines, etc.
 - (e) Improper use or misuse of the products, including accidents and external influences beyond the control of Sungrow, e.g. third-party EMS or controllers, extended period of shutdown/idle resulting in deep discharge of the battery below its minimal cell voltage level.
 - (f) Improper maintenance or lack of maintenance, as set forth in the products user manuals;
 - (g) Repairing, adjustment or alteration, not authorised in writing by Sungrow;
 - (h) Damage to the Products that originates from other parts of the system (e.g. voltage surge coming from PV array DC side or from grid AC side);
 - (i) A force majeure (e.g. war, crime, riots, strikes natural disasters, etc.) or impact damage;
 - (j) Conditions exceeding the voltage, wind, snow load specifications, and any other operational specification;
 - (k) Power failure surges, storm, lightning, flood, fire, break-down of transport, telecommunication, grid outage or voltage spike;
 - (l) Damage from persons, biological activity, or industrial chemical exposure
 - (m) Flaws that do not adversely affect the proper functioning of the Products (e.g. cosmetic defects);
 - (n) Any damage to the container/enclosure
 - (o) Salt mist or corrosion over and above the design specification; or
 - (p) Fair wear and tear.
- 7.2 This warranty does not cover fuses, surge suppressors, filters, or cosmetic damages.
- 7.3 This warranty shall cease, if
- (a) Serial number of the product has been altered, manipulated, or cannot be clearly identified;
 - (b) The claimant fails to make the Products or associated devices available for inspection, testing and correction;
 - (c) The products are relocated without Sungrow's approval under clause 5.1.
- 7.4 Any other warranty rights not covered in this document is out of the scope of warranty.

8 CLAIMANT'S OBLIGATIONS

- 8.1 The Products must be used for its intended purpose within the specifications and environment prescribed in the Products' user manuals. Best efforts must be taken to protect the Products against further damage if any defect has been discovered.
- 8.2 The claimant must grant Sungrow's service personnel free access and permits to the site as required to conduct any on-site services as soon as the personnel arrives on site. The claimant must also that the site is free from hazards or obstructions, and that all safety precautions are followed at the site. Sungrow shall have no liability in the event access to the products could not be provided at the agreed time. In such cases, the claimant shall be invoiced for, and must pay, any costs incurred by Sungrow as a result of rescheduling the site visit.
- 8.3 The claimant must validate the performance of third-party equipment or controllers and ensure that it does not adversely impact on-site service.

9 OTHER LIMITATIONS

- 9.1 Sungrow's obligations under this Warranty are expressly conditioned upon settling all payments associated to the Products at the project site (including interest charges, if any). If the payment owed to Sungrow has not been duly paid in accordance to the contract terms under which the Products are purchased or the payments stipulated under clause 6.4 has not been paid in full, Sungrow shall have no obligation under this Warranty until the payment is settled. Under no circumstance shall the Warranty period and expiry be extended even upon settling any overdue or unpaid payments until and unless agreed in writing by Sungrow.

10 LIMITS OF LIABILITY

- 10.1 This warranty constitutes the sole and exclusive remedy for claims against Sungrow in respect to defective or non-conforming products and is in lieu of and excludes all other warranties, conditions, guarantees or representations relating to the products, whether oral or written, express or implied, including without restriction, any warranties of merchantability or of fitness for a particular purpose. All other obligations or liabilities on the part of Sungrow are expressly excluded and disclaimed. In no event shall any claim, failure of any product hereunder, or breach of this warranty, render Sungrow, its affiliates, employees, subcontractors or suppliers liable for indirect or consequential damages or loss of use associated with warranty claims for lost profits, loss of revenues, loss of data, loss of production or any associated equipment, cost of capital, cost of substitute equipment, facilities, services or replacement power, downtime costs, claims of any third- parties for such damages, or for any other special, consequential, incidental, indirect or exemplary damages. Sungrow's aggregate liability for any claims and costs under this Warranty shall not exceed the total amount of payments received by Sungrow for the product that is the subject of a claim.

11 SERVICE FEES

- 11.1 The payment for the service should be paid in one payment once within Thirty (30) days after the date Sungrow's invoice issued.

12 GOVERNING LAW

- 12.1 This warranty and any dispute or claim arising out of or in connection with it (including non-contractual disputes or claims) is governed by and construed in accordance with the laws of the China.
- 12.2 If any provision of this warranty is held by a court of competent jurisdiction to be unenforceable because it is invalid or in conflict with any law or any relevant jurisdiction, the validity of the remaining provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the unenforceable provisions were replaced by valid, legal and enforceable provisions that come closest to Sungrow's intention underlying the invalid or unenforceable provision.
- 12.3 The United Nations Conventions on Contracts for the International Sale of Goods (1980) shall not apply to this warranty or any aspect of any dispute relating to this warranty.

Schedule A. Warranty Period

Products	Standard Warranty Period
Residential Products (Up to 10kW)	
RT Hybrid inverter series, SBR battery series	10 years
Other Residential hybrid inverters and batteries	5 years
C&I Products	
ST CP-50HV series	2 years
Utility Scale Products	
PCS* (Power Conversion System)	5 years
BCP* (Battery Control Panel) - excluding Uninterruptible Power Supply (UPS)	
Batteries	2 years
Auxiliary Equipment and System Accessories - HVAC (Heating, ventilation, and air conditioning), FFS (Fire Fighting System), EMS (Energy Management System)	
UPS (Uninterruptible Power Supply)	1 year
<p>*For systems supplied with the C5 enclosure, the PCS, and BCP warranty will be limited to 2 years if the Product is installed within 500 metres to the sea.</p> <p>*For systems supplied without the C5 enclosure, the PCS, and BCP warranty will be limited to 2 years if the Product is installed between 2 to 5 kilometres to the sea. Warranty is voided if the Product is installed within 2 kilometres to the sea.</p> <ul style="list-style-type: none"> • The warranty does not cover consumable parts, such as, but not limited to fuses, surge suppressors, filters etc. • Warranty is valid for items supplied by Sungrow only. Third-party items or any items not supplied by Sungrow are not covered by this warranty 	

Schedule B. Battery Performance Guarantee

1. Performance Guarantee

- a) To the extent that Customer’s use, operation or maintenance of the Product conforms with the Technical Specification and daily charge/discharge cycle limits, Sungrow may offer battery Performance Guarantee from the Warranty Commencement Date as set forth in the Purchase Agreement.
- b) For the sake of clarity, any Defect found in the components other than cell will not be covered under the Performance Guarantee but will be exclusively covered in accordance with Clause 2.1 of this Policy. Furthermore, after the Product warranty expires, if the aforementioned Performance Guarantee is not satisfied not because of battery cell capacity or battery capacity issues itself but because of Defect of battery itself or accessories, Supplier shall not be liable for Performance Guarantee and, thus, Supplier shall not be responsible for any warranty obligations in this Policy.
- c) In the event of failure to meet the capacity set forth in the Technical Specification, Sungrow, at its sole discretion, may (1) replace Product, (2) supply additional Product to fulfil the loss of capacity, or (3) reimburse for the portion of capacity losses based on Schedule C.

2. Limitations in the Performance Guarantee

- a) In the event that the Claimant fails to procure log file as required, it shall be deemed that any deviation in efficiency or capacity of the Product from Technical Specification is the result of Customer’s noncompliance with the user instructions or other technical conditions, and any repair or replacement of such Product shall be at Claimant’s expense.
- b) The Product shall be stored in accordance with the temperature conditions (5~28°C) of Technical Specification provided. When the maximum storage period of the Product by Customer exceeds three (3) months from the date the Product have been delivered to Customer, the capacity degradation (0.1% per month) shall be accepted. However, if the Product are not stored 5~28°C or Customer fails to prove the Product are stored at 5~28°C, additional capacity degradation shall be accepted.

3. Information Required to Lodge a Claim for the Battery

Period	Documents required
During storage	<ul style="list-style-type: none"> • Temperature & Humidity Log Data during storage period (3 Times/Day) to demonstrate that the Product was stored within the permitted condition • Inspection reports of storage conditions and photos of the Product in storage • (If there is a product defect) Inspection/Defect Report while unloading Product (or while opening container or while opening product packaging)
During installation	<ul style="list-style-type: none"> • Ambient Condition of Installation Site (Temperature & Humidity) in/outside of battery building or enclosure (container) • Defect Report to demonstrate that the Product is defective (Module Damage while unpacking, Shock Sensor Status by Colours, etc.) • Detail history and test result to demonstrate the defect of components/ parts function.
During operation	<ul style="list-style-type: none"> • Battery Log Data (before and right after issue occurs) • Ambient Condition of Battery Room (Temperature & Humidity) • Defect Report to demonstrate that the Product is defective

Schedule C. Reimbursement Remedy for Battery Claims

Sungrow may, at its discretion, remedy the claims associated to the battery by reimbursing the owner of the system for the deficiency in its performance guarantee or defective battery covered by the product warranty. Reimbursements for performance guarantee and product warranty are mutually exclusive. For example, a battery defect that had caused the capacity to fall to zero shall be considered as under product warranty and not under performance warranty. Once the performance guarantee reimbursement is paid for the year, no further claims against the performance guarantee could be made for the same year. Reimbursements shall be settled at no more than once every 12 months per project. The system where the reimbursement has been paid shall be excluded against any other claims or penalties.

The reimbursement payment calculations are based on the following:

For deficiency in performance guarantee:

$$R_y = P \times (C_y - M_y) \times C_y - \sum_1^{y-1} R_n$$

where :

R_y = Reimbursement in year y , the years after the warranty commencement date

P = Battery purchase price

C_y = Battery capacity guarantee % warranted in year y

M_y = Battery capacity measured at year y (average of the whole system, not individual cells/packs)

$\sum_1^{y-1} R_n$ = Sum of the reimbursements paid over the previous years

For defective battery covered by product warranty:

$$R_y = P \times C_y \times \frac{W - M}{W}$$

where :

R_y = Reimbursement in year y , the years after the warranty commencement date

P = Battery unit price

C_y = Battery capacity guarantee % warranted in year y

W = Product warranty period (in months)

M = Months after the warranty commencement date