

# Ganfeng Lithium Co., Ltd.

## 2020 Sustainability Report

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Utilize limited lithium resources to create a green, clean and healthy life for human development and progress



20TH ANNIVERSARY OF GANFENG LITHIUM  
(2000~2020)



## About This Report

This report is the sustainability report (or social responsibility report) for the fifth consecutive year issued by Jiangxi Ganfeng Lithium Co., Ltd., which aims to communicate with stakeholders on corporate social responsibility, operational initiatives and performance, and to respond to stakeholders' needs.

### Reporting Period

The reporting period is from January 1 to December 31, 2020. Some of the statements and data are beyond the reporting period in an appropriate manner.

### Reporting Scope

The report covers the headquarters, branches and subsidiaries of Ganfeng Lithium Co., Ltd. Unless otherwise specified, the environmental data disclosed in this report was generated by Ganfeng's operations in mainland China.

### Data Source

The data and information in the report was extracted from Ganfeng Lithium Co., Ltd.'s relevant documents, reports and system.

### Reporting Reference

The report was prepared in accordance with Appendix 27 Environmental, Social and Governance Reporting Guide of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (HKEx ESG Reporting Guide).

### Response to the Four Principles of the HKEx ESG Reporting Guide

**Materiality:** To prepare this report, the Company conducted a materiality analysis to determine the completeness and accuracy of its contents. The process and results of materiality analysis are presented in Section "Sustainability Development" of this report.

**Quantitative:** The report disclosed quantitative data on both environmental and social aspects to demonstrate the performance of indicators.

**Balance:** The Company strives to achieve objective and unbiased information disclosure. The contents of the report came from the Company's internal management documents, statistics and public disclosure, as well as public media reports, with no improper revisions.

**Consistency:** Unless otherwise stated, the data disclosed in this report was from the unified information collection process and working mechanism established by the Company to ensure the comparability of data year after year.

### Reporting Specification

For convenience, Ganfeng Lithium Co., Ltd. is referred to as "Ganfeng Lithium", "the Company" or "we" in the report.

### Access to This Report

You can download the Chinese version of this report on the website of the Shenzhen Stock Exchange, or the Chinese and English versions on the website of the Hong Kong Stock Exchange.

# CONTENTS

|                                |   |
|--------------------------------|---|
| 01 / About This Report         | 06 / About Us                           |
| 04 / Message from the Chairman | 12 / Sustainable Development Management |

## 01 Improving Management to Consolidate the Cornerstone of Governance

|   |    |
|---|----|
| Improving Corporate Governance          | 20 |
| Reinforcing Risk Management and Control | 22 |
| Abiding by Business Ethics              | 24 |

## 02 Leading Industrial Transformation with Comprehensive Layout

|  |    |
|--|----|
| Responding to the National Strategy of "Emission Peak and Carbon Neutrality" | 28 |
| Boosting Circular Industries   | 32 |
| Building Responsible Supply Chains Together                                  | 34 |

## 03 Becoming a Pioneer in the Lithium Industry with Proactive Innovation

|  |    |
|--|----|
| Ensuring R&D Capabilities              | 40 |
| Persisting in Technological Innovation | 42 |
| Optimizing Product Mix                 | 44 |
| Creating Value with Service            | 46 |

## 04 Contributing to Environmental Protection with Low-Carbon Operations

|                                       |    |
|---------------------------------------|----|
| Improving Environmental Management    | 50 |
| Striving for Lower Emissions          | 53 |
| Optimizing Use of Resources           | 58 |
| Conserving the Ecological Environment | 63 |

## 05 Ensuring Safety and Employee Health

|                                    |    |
|------------------------------------|----|
| Improving the Safety System        | 66 |
| Work Safety Practice               | 66 |
| Strengthening Chemicals Management | 69 |
| Safeguarding Occupational Health   | 71 |

## 06 Delivering Happiness with People-Oriented Ganfeng Lithium

|                                  |    |
|----------------------------------|----|
| Improving Team Building          | 74 |
| Pooling Strength for Development | 76 |
| Vigorous Spirit                  | 78 |
| Building a Warm Community        | 81 |

|   |    |
|---|----|
| Key Performance of Sustainable Development                    | 82 |
| Disclosures and KPIs Compliance with HKEX ESG Reporting Guide | 84 |
| Feedback Form   | 86 |

## Message from the Chairman

Dear readers:

Over the course of Ganfeng Lithium's 20 years of operation we have worked together to realize shared ideals.

Adhering to the development strategy of "building a worldwide first-class enterprise with upstream and downstream integration in the lithium industry", we center ourselves in the domestic market, while focusing on a global layout, striving to be a worldwide first-class enterprise in terms of market competition and internal management. In the past 20 years, every decision and measure of the Company has moved us towards this grand goal.

In order to ensure the sustainable development of the Company, we have continuously explored high-quality lithium resources at home and abroad, and gained significantly in overseas markets to provide raw material supply for our long-term development. In 2020, the Company's Basic Lithium plant officially entered operation with an annual output of 50,000 tons of lithium hydroxide and world-leading total designed production capacity, taking our battery-grade lithium hydroxide production capacity to the next level. Our lithium battery products performed well in the market, exhibiting their advantages in various market segments, among which our solid-state batteries gradually advanced in terms of industrialization. In the recycling sector, we took the lead for the first time in presiding over the "Technology and Demonstration of Efficient and Clean Recycling of Retired Ternary Lithium Battery Materials" national science and technology project to facilitate resource recycling.

Guided by customer demand, we maintain close communication with downstream customers and continuously upgrade product quality. While actively promoting IATF 16949 (for manufacturing of automotive production and service parts) certification to further standardize the manufacturing process, we pull the needs and management requirements of downstream customers upward. In 2020, we continued to improve the due diligence management of responsible supply chains by establishing a code of conduct for suppliers to promote sustainable development of the entire industrial chain.

We strive to achieve a balance between society, economy and the environment to maintain healthy momentum for the enterprise to grow. In 2020, Ganfeng Lithium joined the China ESG Leaders Association, obtained a BB MSCI ESG rating and was selected into the Hang Seng A-Share Corporate Sustainability Benchmark Index, indicating that our sustainable development performance has been recognized by the capital market. We not only pay attention to environmental friendliness in production and operation processes, but also actively build a product portfolio that responds to global climate change to facilitate the global energy transition. We have created a broad career development space for our employees, and respect and encourage them to work hard and forge ahead.

The year 2021 will be marked by further improvements in management of Ganfeng Lithium. We will improve our internal skills, deepen our main business and continue working with stakeholders to grow with an open and inclusive mind. We will build ourselves into a lithium ecosystem with first-class products, first-class services, first-class management and first-class technology, taking every opportunity to create a green, clean and healthy path for the development and progress of mankind!

Chairman Li Liangbin

“

**It is necessary to attract people with lofty ideals through the main business, always give full play to the spirit of hard-working, keep on the road of entrepreneurship, and strive to become a fighter of Ganfeng.**

”



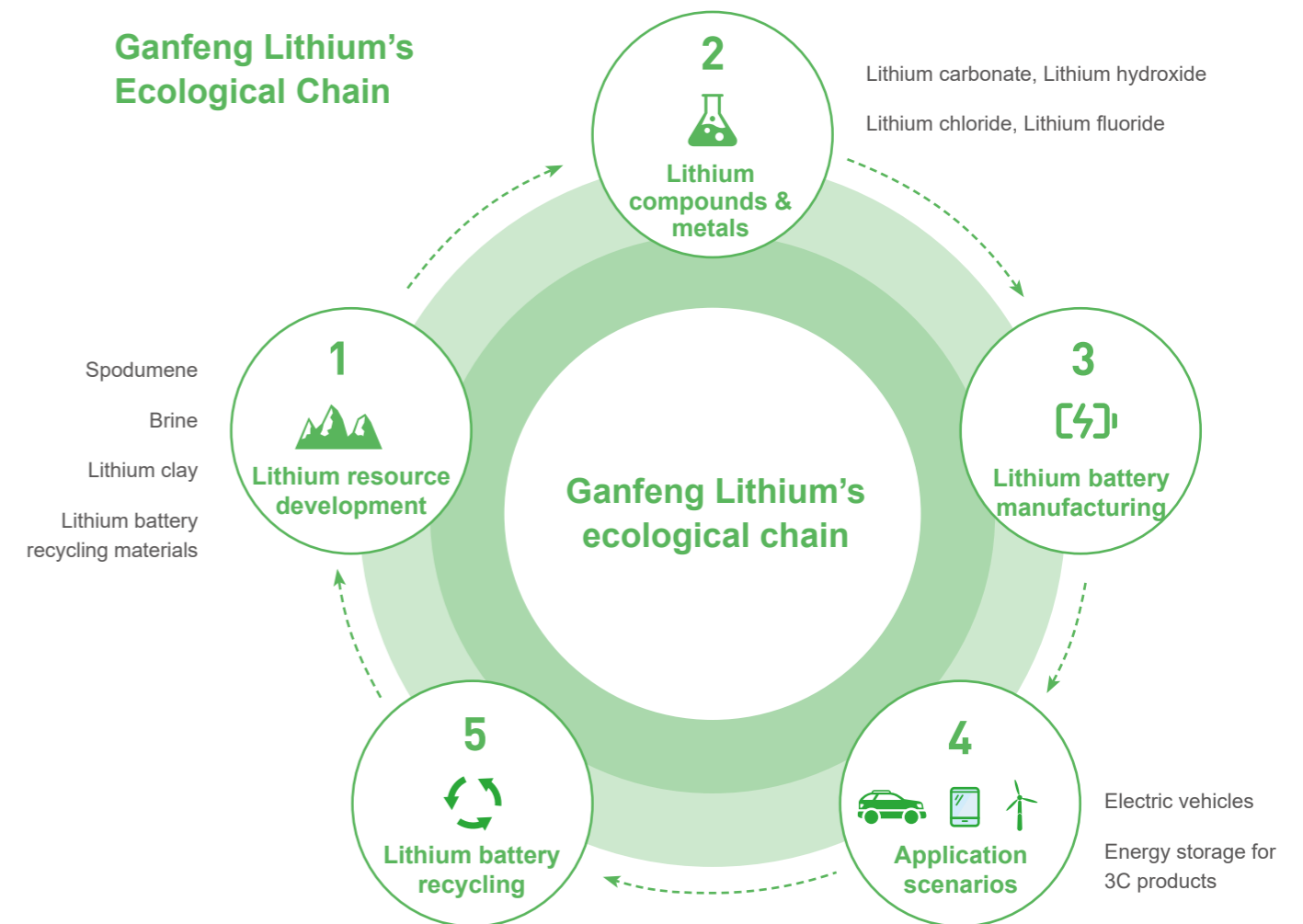


## About Us

Jiangxi Ganfeng Lithium Industry Co., Ltd. is a global leader in the lithium industry. The company was listed on the Shenzhen Stock Exchange in August 2010 (A-share code: 002460), becoming the first listed company in China's lithium industry. In October 2018, we were successfully listed on the main board of the Hong Kong Stock Exchange (H-share code: 01772). The company is currently the sole A+H share-listed company in the domestic lithium industry. We started as a manufacturer of midstream lithium compounds and lithium metals and have successfully expanded to the upstream and downstream of the industrial value chain.

The company's business runs through the industrial value chain including upstream lithium resource development, midstream lithium salt deep processing, lithium metal smelting, downstream lithium battery manufacturing and comprehensive recycling of retired lithium batteries. We are the only company in the world that possesses industrial technologies for lithium extraction from brine, lithium extraction from ore and lithium extraction, and recycling. The company has more than 40 types of lithium compounds and lithium metal products in five categories which are widely used in electric vehicles, energy storage, 3C products, chemicals and pharmaceuticals among other areas. Our comprehensive product portfolio can meet customers' personalised and diversified needs.

## Ganfeng Lithium's Ecological Chain

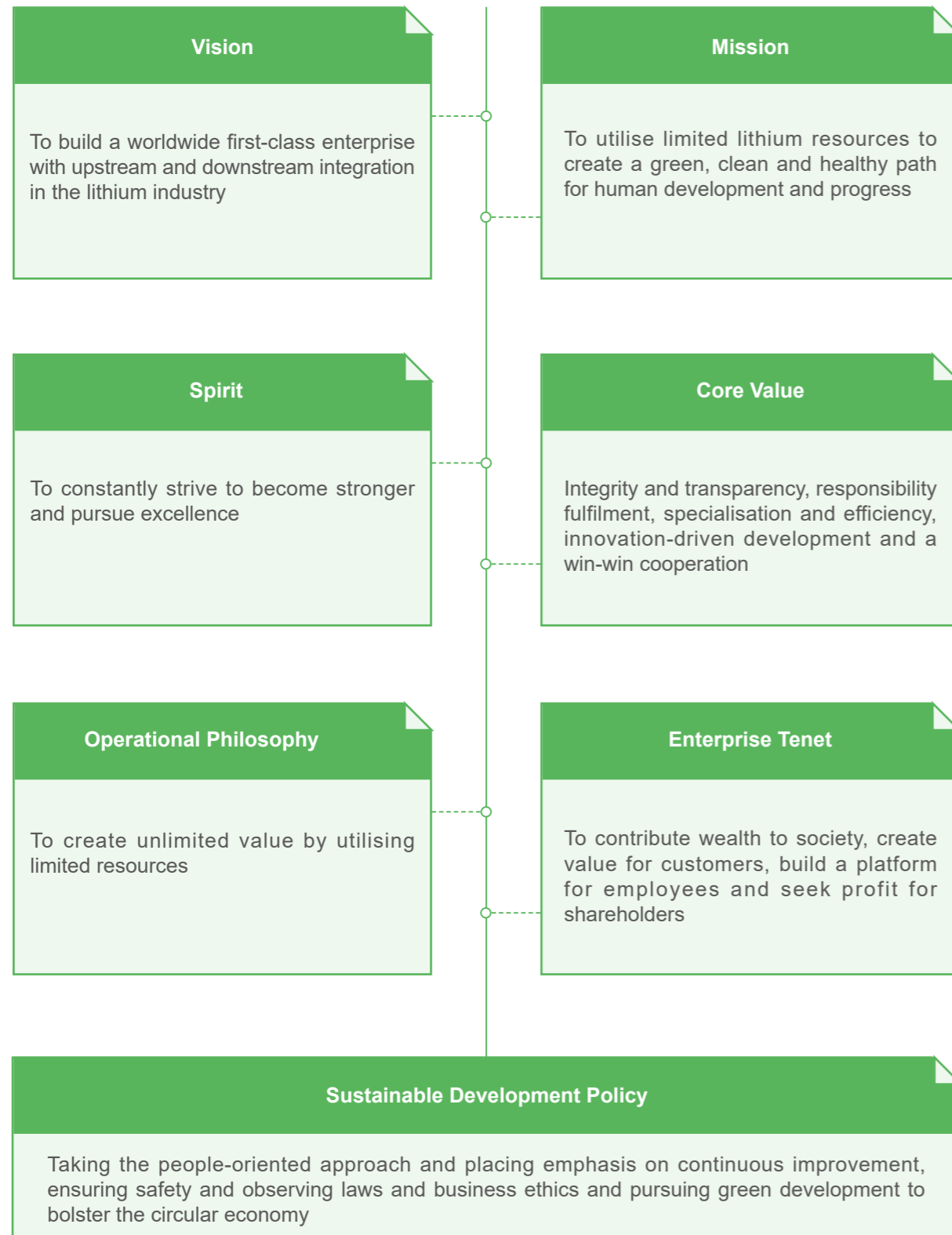


# Global Layout



The company launched plants in Argentina and Mexico which will help shorten the supply chain, improve the efficiency of lithium resource transportation, reduce carbon dioxide emissions during transportation and provide employment opportunities for local residents. We will also build basic living facilities and sustainable communities to enhance residents' wellbeing.

## Corporate Culture



## Brand Update

In 2000, Ganfeng Lithium was established. Over the past 20 years, we have continuously grown and evolved from a simple lithium chloride workshop into a leader in the lithium industry listed on A+H shares markets.

On its 20th anniversary, Ganfeng Lithium officially launched a brand update with a new logo and in-depth reinterpretation of its corporate culture and concept, in order to respond to the new era and the world with a new identity and sense of responsibility.

Previous Logo 

New Logo 

**For the initial letter G**, inspired by the recycling logo, we have redrawn the three surrounding arrows to reflect Ganfeng Lithium's unique lithium recycling model, highlighting its sustainable development concept.

**The cuts in the letter G** deliver a sense of sharpness, which shows Ganfeng Lithium's ambition of continuous self-improvement and exploration and its pioneering position in the industry, and on the other hand, represents its use of cutting-edge technology to promote iteration and green development.

**The opening of the letter G** indicates that Ganfeng Lithium will work with upstream and downstream partners to create greater value for the lithium and new energy industries with an open and inclusive mind.

**"Ganfeng" is in red font**, highlighting the Ganfeng brand, implying that Ganfeng Lithium has transformed from a lithium compound manufacturer to a lithium ecosystem.

**"Lithium" is in green font**, implying the environmental changes brought to the world by the lithium industry.

This logo update can be summarized as "innovation with inheritance", which retains the original layout and color style while:

|  |   |
|--|---|
| <ul style="list-style-type: none"> <li>1 incorporating the concept of sustainable development</li> <li>2 optimizing the font</li> <li>3 optimizing color matching</li> </ul> | <ul style="list-style-type: none"> <li>4 unifying Chinese and English font design rules</li> <li>5 standardizing drawing and optimizing text arrangement</li> </ul> |
|--|---|

# Sustainable Development Management

## Sustainable Development Profile





## Statement of the Board of Directors

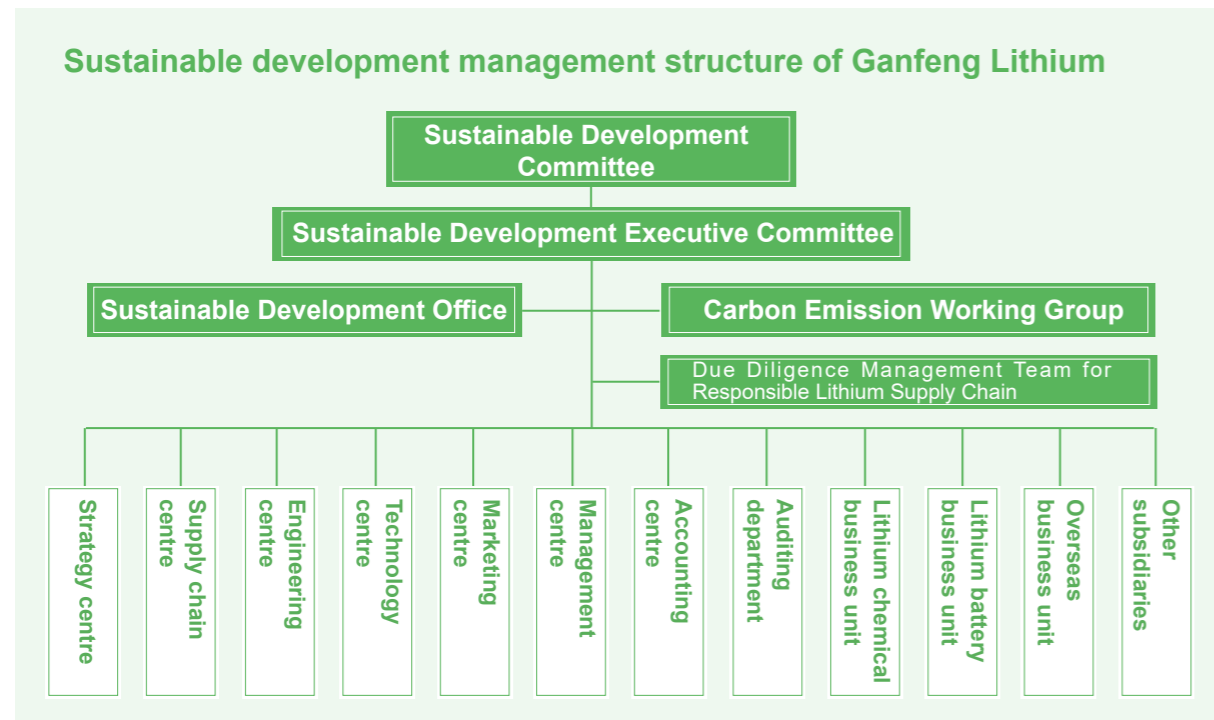
Ganfeng Lithium is well aware of the importance of sustainable development to the Company. We have established an effective sustainable development governance and management mechanism to effectively integrate the requirements of sustainable development into the Company's operation and management, in order to create long-term stable value for the environment, society and the Company.

Ganfeng Lithium's Board of Directors is the highest responsible and decision-making body for ESG matters, assuming full responsibility for the Company's ESG strategy and construction. In order to effectively fulfill the management and supervision responsibilities of the Board of Directors on ESG affairs, the Company has established a board-level Sustainable Development Committee and formulated the *Working Rules for the Board's Sustainable Management Committee*. Specifically, the Sustainable Development Committee is composed of three directors, responsible for formulating the Company's sustainable development goals and development plans, and supervising the operation of the sustainable development system for the Company's business segments. Under the Sustainable Development Committee, the Sustainable Development Executive Committee has been established, with the Sustainable Development Office and the Carbon Emission Working Group concretely coordinating the detailed work of various functional departments and subsidiaries on sustainable development. The Company sets ESG targets involving exhaust gas emissions, energy and resource utilization, etc., and the Board of Directors regularly reviews the completion of these targets.

Based on the external social and economic environment and the Company's development strategy, Ganfeng Lithium attaches great importance to the expectations and demands of all stakeholders by conducting regular stakeholder surveys and having the Board of Directors review material ESG issues, analyze the Company's ESG risks and opportunities, and determine the important tasks for the year based on the results of materiality analysis.

In 2020, according to the ESG development work plan, Ganfeng Lithium improved the construction of the IATF 16949 management system, refined the risk management process and capacity building, and built an information security platform to consolidate the foundation of ESG management on all fronts. At the same time, the Company formulated the *Ganfeng Lithium Code of Conduct for Suppliers*, *Due Diligence Management Control Procedures for Responsible Mineral Supply Chains* and other system documents to urge suppliers to strengthen ESG construction and reduce potential ESG risks in corporate operation from the external environment.

This report fully discloses the progress and achievements of Ganfeng Lithium's ESG work in 2020, and was reviewed and approved by the ESG Committee and the Board of Directors on March 30, 2021.



## Stakeholder Engagement

We attach great importance to communication with stakeholders. We regularly collect opinions and suggestions from internal stakeholders including employees and senior management through various channels, as well as feedback and expectations from external stakeholders such as the government, customers, suppliers and media.

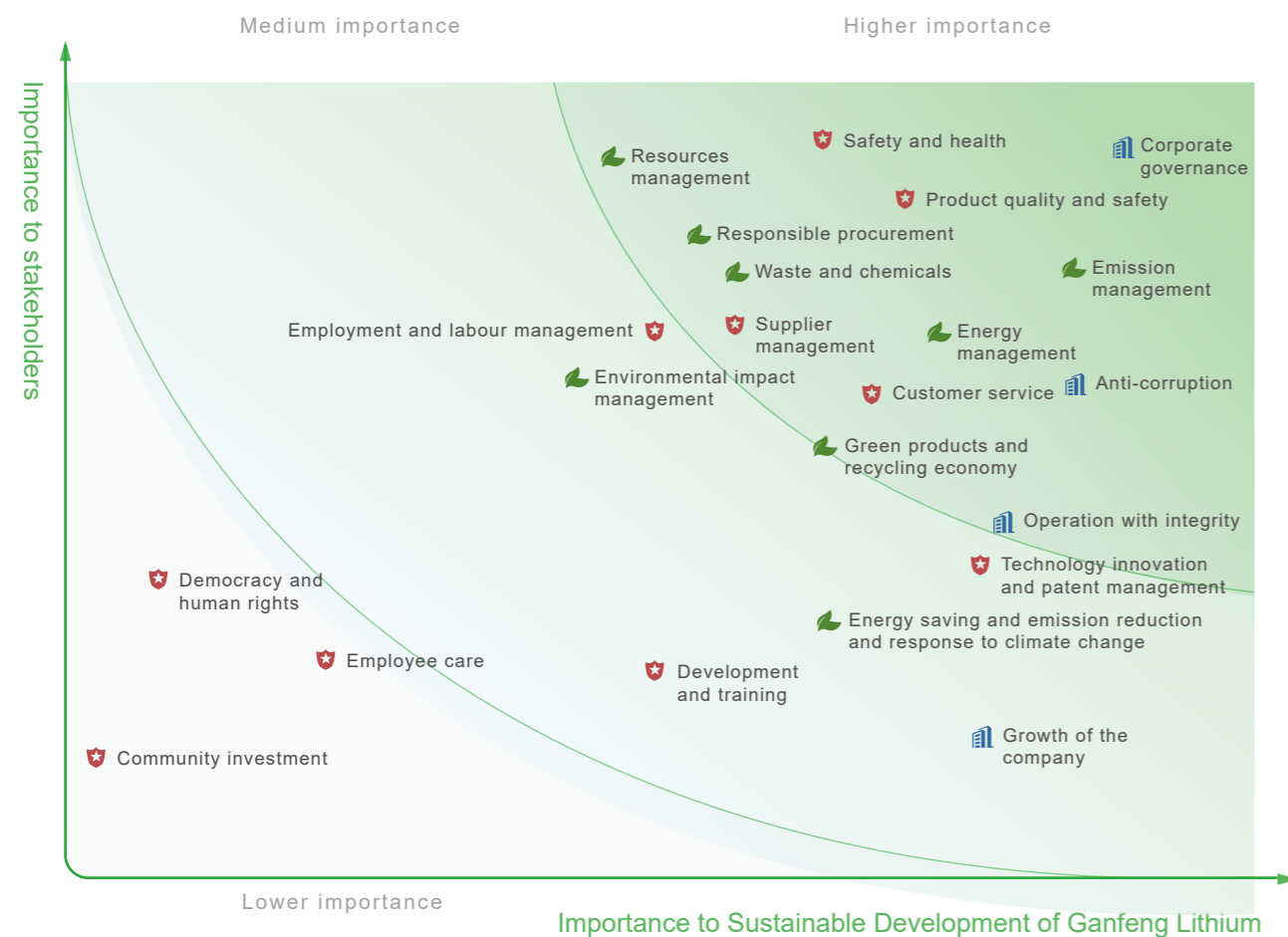
| Stakeholders                  | Demand and Expectations   | Means of Communication and Response  |
|-------------------------------|---|--|
| <b>Government</b>             | <ul style="list-style-type: none"> <li>Complying with laws and regulations</li> <li>Paying taxes according to law</li> <li>Supporting economic development</li> </ul>   | <ul style="list-style-type: none"> <li>Operating according to relevant regulations</li> <li>Paying taxes according to law</li> </ul>   |
| <b>Shareholders</b>           | <ul style="list-style-type: none"> <li>Return on investment</li> <li>Business and profit growth</li> <li>Risk management</li> <li>Information disclosure</li> </ul>   | <ul style="list-style-type: none"> <li>Timely disclosure of business information</li> <li>Shareholders' meeting</li> <li>Investment Summit</li> <li>Roadshow</li> </ul>                              |
| <b>Customers</b>              | <ul style="list-style-type: none"> <li>Stable supply of goods</li> <li>High-quality products and services</li> <li>Meeting diverse needs of customers</li> <li>Creating value for customers</li> </ul>          | <ul style="list-style-type: none"> <li>Signing a long-term agreement</li> <li>Guaranteeing service quality</li> <li>Customer information protection</li> <li>Customer satisfaction survey</li> </ul> |
| <b>Employees</b>              | <ul style="list-style-type: none"> <li>Safeguarding employees' rights and interests</li> <li>Improving paths to development</li> <li>Protecting occupational health</li> <li>Balancing work and life</li> </ul> | <ul style="list-style-type: none"> <li>Providing good compensation and benefits</li> <li>Improving paths to career development</li> <li>Implementing employee training</li> </ul>                    |
| <b>Partners</b>               | <ul style="list-style-type: none"> <li>Open, fair and just procurement</li> <li>Fulfilling contracts</li> </ul>   | <ul style="list-style-type: none"> <li>Performing contracts according to law</li> <li>Open tender</li> <li>Carrying out project cooperation</li> </ul>   |
| <b>Environment</b>            | <ul style="list-style-type: none"> <li>Environmental protection</li> <li>Energy savings and emissions reduction</li> <li>Ecological conservation</li> </ul>   | <ul style="list-style-type: none"> <li>Managing emissions</li> <li>Improving resource and energy efficiency</li> <li>Managing hazardous chemicals</li> </ul>   |
| <b>Society and the Public</b> | <ul style="list-style-type: none"> <li>Participating in community development</li> <li>Supporting philanthropy</li> </ul>   | <ul style="list-style-type: none"> <li>Participating in community development</li> <li>Supporting philanthropy</li> </ul>  |

## Materiality Analysis

The Company conducts a comprehensive and in-depth investigation and identification of material issues every two years. Under the premise that there were no major changes in the Company's business environment, the material issues in 2020 remained the same as that in 2019.

The company used questionnaires to determine the extent and boundaries of disclosure of these issues to ensure accurate and complete disclosure of information related to operation and management. In 2019, we recovered a total of 12 copies of executive questionnaire and 116 copies of stakeholder questionnaire, and collected opinions and suggestions from all stakeholders on the company's sustainable development management which will serve as important basis and direction for the company's future. Based on the evaluation of all social responsibility issues by stakeholders and executives, the company's 2019 materiality matrix on sustainable development was finalised and reported to the company's board of directors for approval.

**Materiality matrix of sustainable development issues of Ganfeng Lithium in 2020**



Corporate governance Social responsibility Environment responsibility

## Response to UN SDGs

- 

The company continuously helps the families of poor employees to get out of poverty. Over the years, we have actively participated in poverty alleviation, helped improve the lives of poor residents and sent gifts to poor households on festive occasions.
- 

For more than 10 years, the company has assisted needy students in various forms such as funding for study and music classroom building. The company cooperates with universities and research institutes to carry out projects that train professionals in the lithium industry.
- 

In opposition to gender discrimination, the company implements equal pay for equal work for men and women, protects the legal rights and benefits of female employees and increases the proportion of female executives gradually.
- 

The production wastewater and domestic sewage generated by the company's operations are properly treated to reach standards and then discharged to municipal sewage pipe networks without polluting local rivers and lakes.
- 

The company has replaced coal with steam and natural gas step by step and leveraged rooftop photovoltaic power generation and self-produced energy storage batteries to increase the use of clean energy.
- 

The company supports the development of strategic emerging industries that facilitate sustainable economic growth, bans compulsory labour and child labour and provides employees with a competitive salary and welfare system while creating an aspiring corporate culture and working atmosphere so that employees take pride in working for Ganfeng Lithium.
- 

The company continuously increases investment in technology development, research and innovation, attaches importance to the introduction and training of scientific research personnel and maintains innovation vitality and ability to drive industrial upgrading.
- 

The company respects and protects the human rights of every employee regardless of age, gender, disability, race, ethnicity, origin, religion or economic status and eliminates inequality.
- 

We provide a diverse product portfolio that complies with sustainable development trends. Our products are widely used in new energy storage, urban clean transportation and other fields.
- 

The company improves resource utilisation in all aspects of production and operation, strictly manages the use of hazardous chemicals, reduces waste emissions and rationally develops and utilises lithium ore resources and metal recycling to minimise its impact on the environment. The company regards safe production as the most important responsibility and strives to create a safe and healthy working environment for its employees.
- 

The company actively takes actions for energy saving and consumption reduction to address climate change. A few initiatives are energysaving targets for factories and linking them to the performance of executives, building a climate change risk management system and hiring third-party professional institutions to conduct greenhouse gas accounting in order to raise its specialty in responding to climate change.
- 

The company optimises the construction process during mining operations and actively carries out reclamation and greening afterwards to maintain the stability of local ecosystem and protect biodiversity.
- 

The company continuously improves corporate governance, strengthens anticorruption construction and strives to establish an efficient and transparent governance system.
- 

The company has established a symbiotic and win-win relationship with partners, working with upstream and downstream partners in the industry chain to push forward sustainable management.

## Improving Management to Consolidate the Cornerstone of Governance

Ganfeng Lithium always abides by business ethics by continuously improving its corporate governance structure and corporate governance level, promoting the establishment of a compliance management system, standardizing the internal control system and risk management mechanism, and strengthening the Company's ability to resist risks, so as to ensure the integrity and efficiency of the Company's operations and realize the sustainable development of the enterprise.

Material issues addressed in this chapter

- Corporate governance
- Company growth
- Anti-corruption
- Operation with integrity

Issues related to SDGs addressed in this chapter



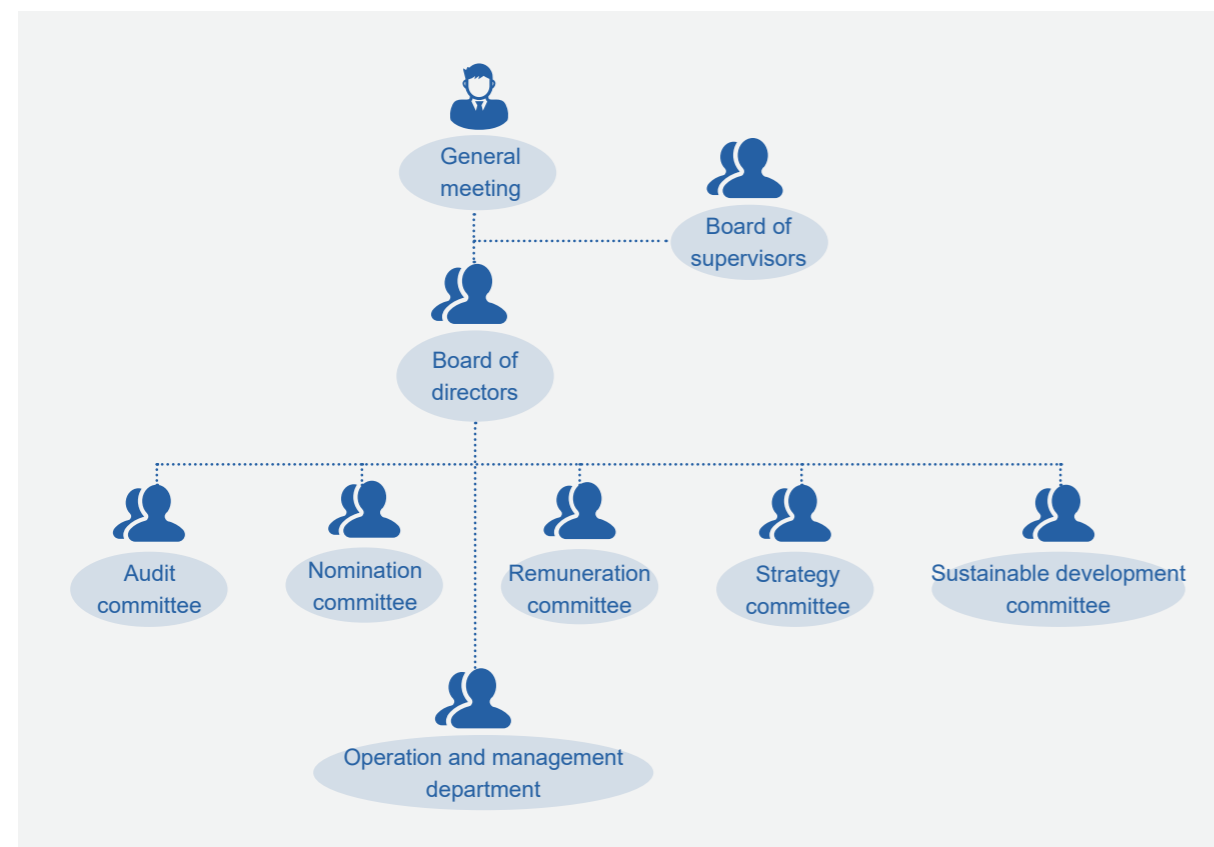
## Improving Corporate Governance

Ganfeng Lithium strictly abides by the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China*, *Guidelines for Governance of Listed Companies* and other relevant laws and regulations. The Company has formulated and improved a number of systems and regulations including the *Articles of Association*, *Management Measures for Fundraising*, *Rules of Procedure of the Shareholders' Meeting*, *Rules of Procedures of the Board of Directors*, *Rules of Procedures of the Board of Supervisors*, *Rules of Work for Independent Directors*, *Outbound Investment Management System*, *External Guarantee System*, *Information Disclosure Management System*, etc. We have continuously improved the construction of the shareholders' meeting, the Board of Directors and the Board of Supervisors to lay a solid foundation for the standardized operation and long-term sustainable development of Ganfeng Lithium.

Ganfeng Lithium attaches great importance to the diversified structure of the Board of Directors by electing board members based on multiple factors including age, educational background, professional experience and industry experience, etc. In February 2020, the Company held a general election for the fifth Board of Directors. There are 10 members of the fifth Board of Directors of which 4 are female.

Ganfeng Lithium attaches great importance to the protection of shareholders' rights and interests, and actively maintains close communication with shareholders. We convene a general meeting of shareholders as required every year, treat all shareholders equally, use online voting and separately count the votes of small and medium shareholders to maximize their participation in the Company's decision-making and protect the interests of investors. In the face of shareholders' inquiries, we give explanations in a timely manner, carefully listen to their opinions and suggestions, and ensure the right to know and the right to speak of small and medium shareholders. The members of the Board of Directors and the Board of Supervisors carefully review each proposal and perform their duties diligently. In 2020, the Company held a total of 6 shareholders' meetings, 16 meetings of the Board of Directors, 12 meetings of the Board of Supervisors, 3 meetings of the Nomination Committee, 4 meetings of the Audit Committee, 1 meeting of the Remuneration Committee and 1 meeting of the Sustainable Development Committee. The members of the Board of Directors and the Board of Supervisors carefully review each proposal and perform their duties diligently.

### Corporate Governance Structure



## Information Disclosure

Ganfeng Lithium in strict accordance with the relevant laws and regulations, *Information Disclosure Management System* and other provisions, fulfills its information disclosure obligations to ensure truthful, accurate, complete and timely disclosure of the Company's operations and management and matters that have a material impact on the Company.

In 2020, the Company published 4 regular reports, 226 temporary announcements for A shares and 252 announcements for H shares in both Chinese and English on the Company's official website, "Securities Times", [www.cninfo.com](http://www.cninfo.com), and the official website of the Hong Kong Stock Exchange (<http://www.hkex.com.hk/>). There was no selective disclosure. The Company proactively accepted market and public supervision to ensure that all shareholders of the Company had equal opportunities to obtain the Company's information so as to protect investors' right to know.

# 226

Temporary  
announcements  
for A shares

# 252

Announcements  
for H shares

## Investor Communication

In accordance with the requirements of laws and regulations and the *Investor Relations Management System*, Ganfeng Lithium appointed the secretary of the Board of Directors as the person in charge of investor relations, set up an investor relations team to coordinate investor relations, receive visits from shareholders and respond to investor inquiries. The company has established regular and effective communication channels for domestic and foreign investors, including online interactive platforms, investor hotlines, regular email exchanges, online performance briefings and on-site exchange activities.

In 2020, the Company established a regular "Investor Reception Day", updated the Company's dynamics in a timely manner through multiple channels, and proactively responded to investor inquiries. We carried out 6 on-site investor communication activities, 1 performance briefing, 1 online "Investor Reception Day" event and 1 online roadshow. We communicated with investors over 300 times via telephone and email and answered more than 380 investor questions via the Shenzhen Stock Exchange Interactive Exchange Platform for investors to have a thorough and comprehensive understanding of the Company. In 2020, the Company was recognized as one of the "Top 50 Most Popular Listed Companies among Institutions".

### Ganfeng Lithium attended the 2020 Collective Investor Reception Day of Listed Companies in Jiangxi

On July 17, 2020, Ganfeng Lithium's chairman, chief financial officer and secretary of the Board of Directors jointly attended the "High-quality Communication to Promote High-Quality Development" 2020 Collective Investor Reception Day of Listed Companies in Jiangxi. Affected by the epidemic, this event was held in the form of an online Q&A. Representatives of the Company had a robust exchange with investors, answering questions about its development strategies, operating conditions, financing plans and sustainable development among other issues of concern to investors.

## Ganfeng Lithium conducted special training on investor protection

In June 2020, Ganfeng Lithium launched the 2020 Publicity Month to Prevent Illegal Securities and Futures. Centering on the theme of "Reasonable Investment to Avoid Illegal Securities and Futures Traps", combined with our own situation, a variety of publicity activities were carried out to guide employees away from illegal fundraising and to consciously strengthen risk prevention awareness.

- Relevant publicity information was collected from the risk warning section of the China Securities Regulatory Commission website and other websites.
- Promotional activities were carried out in various ways, such as playing promotional videos on the Company's LED displays to prevent illegal fund-raising, posting promotional posters, distributing brochures and publicizing on the internal office platform, etc.
- Led by the Company's securities department, special training was offered on "Rational Investment to Avoid Illegal Securities and Futures Traps".

## Reinforcing Risk Management and Control

The Company continuously strengthens its risk management and control system to improve its management in accordance with laws and regulations. In 2020, the Company achieved remarkable results with IATF 16949 management system construction by system sorting and system construction. Many production bases such as Basic Lithium Plant and Yichun Ganfeng passed IATF 16949 and ISO 9001 certifications. In addition, we systematically assessed the risk points in our production process and the Company's information security risk points, actively carried out risk response and avoidance actions, and comprehensively strengthened the Company's management.



## Risk Identification and Assessment

The Company has formulated the *Risk Identification and Evaluation Control Form for Internal and External Factors* and *Risk Identification and Evaluation Control Form for Relevant Parties' Demands and Expectations*, using SWOT analysis and PEST analysis for each risk point in the production process. We organize each factory and production department to conduct comprehensive identification and evaluation of risk points, guide and coordinate all levels to achieve risk management goals and carry out risk responses, and unify risk evaluation standards to enhance the Company's overall risk response capabilities. The Company classifies risks as high, medium and low according to the probability and severity, determines the responsible department and response for each risk, and establishes specific improvement measures to reduce risks and improve the Company's ability to resist risks.

## Information Security Construction

Ganfeng Lithium insists on strict control over the Company's information security risks from the institutional and technical perspectives. We continuously improve the construction of information systems, optimize computer encryption and perception systems, offer industrial control information security training for employees, and detect computer virus on a regular basis to prevent information leakage.

In 2020, the Company further optimized information security measures, started the construction of an information security risk platform, and promoted the construction of an information security system in combination with security research and judgment, event monitoring, risk management and emergency response in the overall business operating environment. The implementation of the information security system and platform enabled early warning, event control and post-event traceability in daily work, which effectively reduced the risk of illegal destruction, theft or loss of the Company's business and resource information, thereby ensuring the security of the Company's business operating environment.

While improving the information security system, we have further improved our ability to identify information risks. As of the end of 2020, our IT system had realized such functions as real-time perception of network threat status, timely positioning and solution of potential or existing risks and problems in network resources to prevent escalation of information security incidents, and providing reliable data support for security construction of the IT department.

### The Company upgraded the ERP system to comprehensively improve the efficiency and accuracy of information accounting.

In 2020, the Company invested 6.5 million Yuan to upgrade the ERP system. By building a unified production and operation management and control platform, standardizing the basic data and business processes of capital flow, material flow and information flow, we achieved the integration of production, procurement, sales, inventory, quality control, human resources, capital and other business operations. The digitized management status and systematized quality data allowed internal business data to be fully shared, which effectively improved the Company's accounting efficiency and accuracy.

### The Company launched a network security system and platform construction to effectively improve information security management.

In order to ensure the Company's information security and strengthen its awareness of cyber threats and emergency response capabilities, the Company needed to establish a comprehensive platform that can identify, monitor, respond and manage the security situation for the Company's overall operating environment, thereby addressing the Company's need for security in line with its rapid development. In January 2020, the Company launched construction of a network security system and platform. After more than half a year of hard work, the platform has realized such functions as real-time perception of the status of network threats, accurate positioning of potential or current risks in network resources, and targeted network analysis. The platform provides reliable data support to rapidly handle risks and consolidate safety construction, which effectively controls the occurrence of security incidents, thereby achieving expected results.

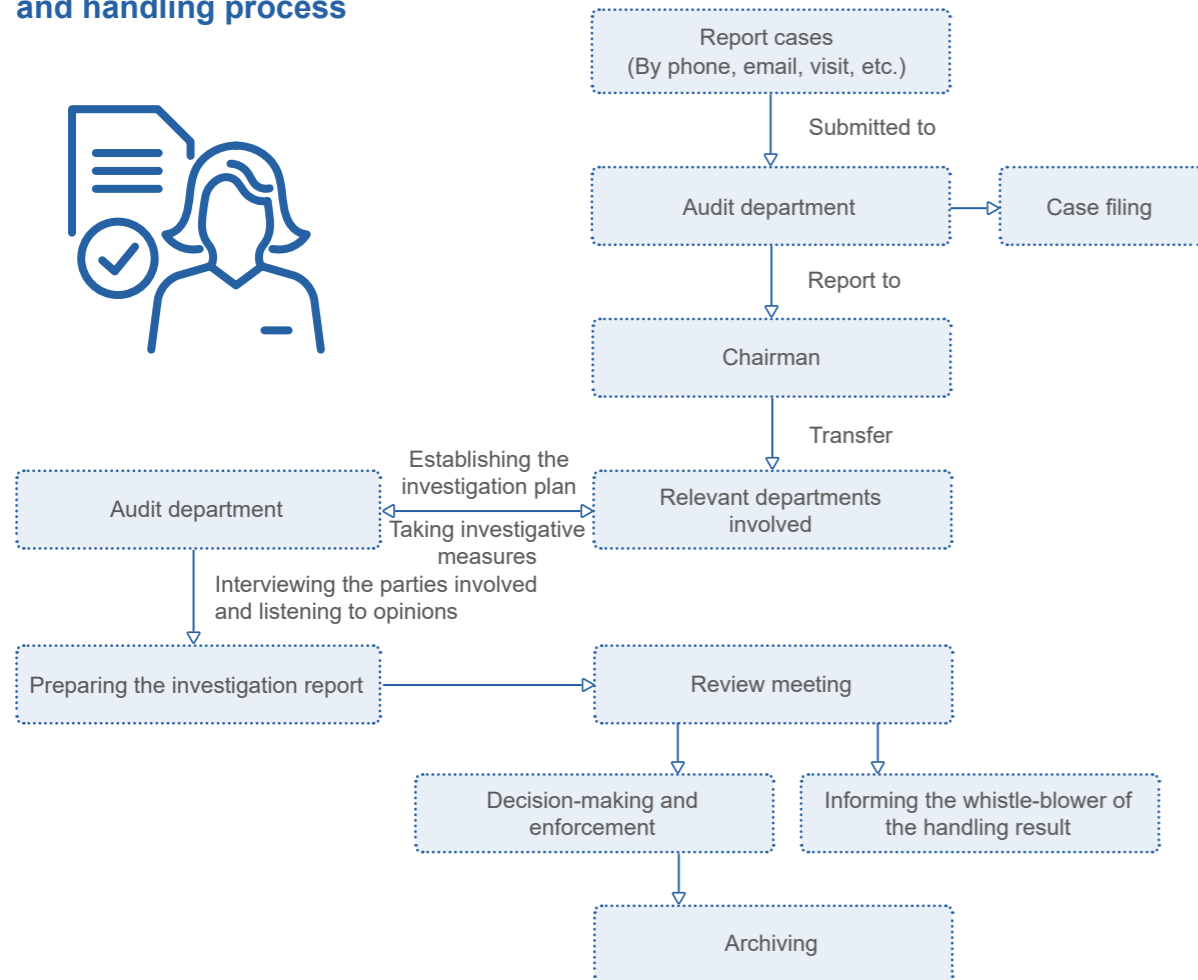
## Abiding by Business Ethics

Ganfeng Lithium strictly abides by the business ethics of honesty and trustworthiness, integrity and self-discipline, and has a zero-tolerance attitude towards unethical behavior such as corruption and fraud. We have set up an audit department to promote the establishment of the Company's internal control system and reporting and punishment mechanism, and supervise and inspect the implementation of anti-corruption work, and have simultaneously set up a disciplinary inspection and supervision team to investigate and handle reported cases. By incorporating anti-corruption work into routine management, we have established an effective system for prevention and punishment of fraud.

We strictly implement the *Anti-Corruption Anti-Bribery Control Procedure Document* and other internal policies, clarify the red line of commercial operation, conduct supplier audits during the bidding period and follow up on the anti-corruption publicity and implementation in later periods. We require employees in important positions, all customers, suppliers and contractors with whom the company has business dealings to sign the Letter of Commitment to Anti-Bribery and Anti-Corruption to achieve full coverage of anti-corruption work.

In order to further eliminate unethical business practices such as bribery and corruption, Ganfeng Lithium encourages employees and all parties that have direct or indirect business relationships with the Company to report fraudulent behavior. We publicize telephone numbers and e-mail addresses for complaints and reports on the Company's official website, office areas and other locations, and have set up reporting mailboxes. All parties can report information about actual or suspected fraud cases to the Company and its staff. We take strict measures to protect whistleblowers and reward those who provide valuable clues.

### The Company's Reporting and handling process



In 2020, we further revised the *Management Regulations for Anti-bribery, Anti-Corruption, Anti-fraud and Reporting* and established an integrity and self-discipline account to reward employees for proactively turning in commercial bribes and other improper business gifts.

Adhering to the principle of "combining prevention and punishment with a focus on prevention", we regularly carry out anti-corruption training and integrity culture education for cadres and ordinary employees at all levels to popularize anti-corruption and integrity knowledge to all employees. In 2020, the Company carried out 7 anti-corruption education and training activities for management cadres, department heads and ordinary employees, with a total training time of 28 hours, thereby realizing full coverage of anti-corruption education.

Ganfeng Lithium resolutely rejects any violations such as money laundering. In 2020, we renewed the *Management Regulations for Anti-Money Laundering and Anti-Terrorist Financing* and *Anti-Trade Discrimination Management Regulations* and formulated response plans to systematically standardize and strengthen the Company's work on anti-money laundering, anti-terrorist financing and anti-trade discrimination, so as to fully protect the Company's interests and economic security.

0 Litigation cases on anti-bribery/ anti-corruption/ anti-money laundering

### Ganfeng Lithium Launched a Theme Activity of "Advocating Integrity and Self-Discipline to Fight Corruption"

On June 15, 2020, Ganfeng Lithium launched business ethics training. The training mainly focused on the *Management Regulations for Anti-corruption, Anti-bribery, Anti-fraud and Reporting*. While explaining the systems, the training emphasized that all employees of the Company should sign a *Letter of Commitment to Anti-Corruption and Anti-Bribery*, requiring employees to live and work in an integrated and clean manner. For suppliers that are currently cooperating with us, we also require them to sign a *Letter of Commitment to Anti-Corruption and Anti-Bribery for Suppliers*.





Anti-corruption, anti-bribery and anti-fraud training session

## Leading Industrial Transformation with Comprehensive Layout

Ganfeng Lithium closely follows the pace of national development, thoroughly implements national strategies and policies, and vigorously promotes the development of new energy and environmental protection industries. We proactively identify various climate risks and opportunities and formulate targeted response measures to help China's carbon neutrality actions. Based on our own industrial advantages, we continuously provide green and high-quality products, simultaneously strengthen supplier ESG management, guide and standardize suppliers to assume environmental and social responsibilities, and collaborate with them to create a sustainable supply chain for the lithium industry.

Material issues addressed in this chapter

-  Energy saving, emission reduction and climate change
-  Green products and circular economy
-  Responsible sourcing

Issues related to SDGs addressed in this chapter



## Responding to the National Strategy of "Emission Peak and Carbon Neutrality"

Ganfeng Lithium actively responds to the national goal of "emission peak and carbon neutrality" and always practices the concept of green development and low-carbon strategies. Combined with our own development status and needs, we integrate climate risk indicators into the existing risk management system, while giving full play to the important role of new energy industries in optimizing the energy structure and construction of an ecological civilization, assisting the country's 2060 carbon neutrality strategy with practical actions.

### New Energy Industries

In the past 20 years, Ganfeng Lithium has gradually operated throughout the lithium industry chain with its business layout, establishing a full product value chain connecting upstream, midstream and downstream, and promoting the country's transformation towards a clean energy structure.

#### Upstream

On the upstream resource side, according to the Roskill report, demand for lithium-ion batteries is likely to increase by more than 1,000% in 2029. As the core raw material of lithium batteries, the demand for lithium compounds will continue to grow, so the resource-side layout is of great strategic significance to us. Ganfeng Lithium is deploying resources on a global scale. In Australia, Argentina, Mexico, Ireland, Qinghai, Jiangxi and other places in China, we have multiple spodumene mines in operation to ensure our supply of raw materials. We continuously explore a more abundant portfolio of lithium resources to hedge market risks, actively promote the progress of salt lake and clay projects, extracting lithium from brine to reduce manufacturing costs and improve our environmentally friendly attributes.

#### Midstream

On the midstream smelting side, our products cover more than 40 kinds of lithium compounds, including metal lithium, battery-grade lithium carbonate, battery-grade lithium hydroxide, lithium powder, lithium foil and other lithium materials used in battery cathodes, anodes and electrolytes. We have won unanimous praise and trust from customers with leading technological advantages, reliable quality assurance and excellent service quality. Our products are widely used in emerging industries such as new energy, new materials and new medicines, providing a powerful boost to the development of national strategic emerging industries. At the same time, the Company's lithium salt plant in Argentina is gradually showing results, in which the use of solar energy in the production process will effectively increase the sustainability of the supply chain.

#### Downstream

On the downstream battery side, our battery products involve power batteries, consumer batteries and small lithium polymer batteries, providing customers with diversified and customized lithium battery products. We will continue to advance the research and development of solid-state batteries and high-end polymer lithium batteries, guide customers to replace lead-acid batteries, and further improve the energy efficiency and environmentally friendly properties of products. In order to meet the increasing demand for energy storage equipment in various fields, we provide energy storage system solutions covering the entire value chain. We provide large-scale energy storage systems on the power generation side to store clean energy and reduce dependence on fossil fuels, which on the grid side can effectively reduce grid loss, maximize utilization of energy, stabilize power quality and improve utilization of power grid equipment. On the user side, consumer-grade energy storage equipment is provided, which uses the peak-to-valley price difference to effectively reduce the cost of business operations and household electricity. In the future, Ganfeng Lithium will further tilt resources to the lithium battery sector, vigorously support the development of battery products and energy storage systems, and use clean energy to promote social "decarbonization" and contribute to China's 2060 carbon neutrality strategy.

In 2020, Ganfeng Lithium continued to promote the globalization of resources, so as to further stabilize raw material channels, obtain a long-term stable supply and effectively reduce risks in all links of the supply chain, thereby providing guarantee for the Company's continuous and stable supply of high-quality new energy products.

We increased our stake in Sonora, a lithium clay project under Bacanora, so that we will hold 50% of the stake in Sonora after the transaction is completed.



#### The 10,000-ton lithium salt plant's Phase III lithium hydroxide project was completed and put into production

In October 2020, the third-phase lithium hydroxide project of Ganfeng Lithium's 10,000-ton lithium salt plant was completed and put into production. The project is designed to produce 50,000 tons of lithium hydroxide per year. After completion, the total production capacity of lithium hydroxide will reach 81,000 tons/year, ranking first in the world. In 2020, the Company's lithium hydroxide sales accounted for 24% of the world's total.



10,000-ton lithium salt plant's Phase III lithium hydroxide project was completed and put into production

#### Helping the global transition to a low-carbon economy

In the past 20 years, the Company has provided about 260,000 tons of lithium salt products for the new energy industry chain to meet the downstream demand of new energy vehicles on all fronts. From 2015 to 2020, new energy vehicles equipped with Ganfeng Lithium's new lithium salt products drove more than 50 billion kilometers around the world. These new energy vehicles have helped reduce more than 12.5 million tons of carbon dioxide emissions. The Company fully responds to the national "emission peak and carbon neutrality" strategy by actively devoting itself within the new energy industry chain and making proactive efforts to reduce global carbon emissions.

The Company has provided about **260,000** tons of lithium salt products for the new energy industry chain in the past 20 years.

Helped reduce more than **12.5** million tons of carbon dioxide emissions from 2015 to 2020



## Response to Climate Change

In 2020, we proactively identified and analyzed various climate change risks and opportunities in accordance with the framework and recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), and formulated climate risk management methods and response measures in a timely manner, which improved our ability to adapt to climate change.

| Risk type           | Risk description   | Countermeasures   |
|---------------------|--|---|
| Policy risks        | Combined with the development experience of the international carbon emission market, the formation and maturity of the national carbon emission trading market, the prices of carbon allowances are expected to gradually increase in the future, and the number of allowances issued by the National Development and Reform Commission (NDRC) may be tightened. Given that the Company's absolute total emissions have increased in the past three years, after being included in the national carbon emissions trading market in the future, the Company is more likely to face higher emission costs to meet compliance. At the same time, in response to the annual carbon emission report and verification requirements required by the NDRC, the Company must hire a third-party verification agency to verify the Company's annual carbon emissions and submit a verification report to the NDRC as scheduled, which further increases management costs. | The Company carefully studies the existing carbon disclosure policies for carbon trading, adjusts the Company's response strategies in a timely manner in accordance with the policies, regulations and carbon market conditions, invites third-party agencies to conduct carbon emissions verification of the Company, and sets carbon emission reduction targets. In addition, we promote the application of renewable energy such as wind power and hydropower in accordance with local conditions to promote the transformation of the existing energy use structure and reduce corporate carbon emissions. |
| Technological risks | The Company needs to consider the impact of climate change, including temperature changes and extreme weather, on battery performance when developing power battery products. If we fail to successfully invest in new technologies for adapting products to climate change, there will be a negative impact on our strategic cooperation with downstream customers and the Company's investment will be affected.   | The Company actively introduces advanced low-carbon production technologies and concepts at home and abroad, vigorously carries out R&D and upgrade of energy-saving technical improvement projects, eliminates outdated production capacity, and improves energy efficiency to realize low-carbon production.  |
|                     | The Company's current greenhouse emission levels are increasing. As industrial energy-saving requirements become more stringent, it is necessary to deploy and apply more energy-saving and environmentally friendly technologies and processes, and set up special investment in energy conservation and emission reduction to reduce the Company's carbon emissions.   |   |

| Risk type          | Risk description  | Countermeasures   |
|--------------------|---|---|
| Market risks       | In order to implement the State Council's deployment and requirements for cultivating strategic emerging industries and strengthening energy conservation and emission reduction, the central government has arranged special funds to support the development of subsidies for private purchase of new energy vehicles. The Company is located in the upstream of the new energy automobile industry. As the new energy automobile subsidies policy remains unclear, our product demand and market are much affected by the downstream new energy automobile industry policies, while the reduction or cancellation of subsidies directly affect the choice of end customers in the industry chain and change their consumption behavior, creating an impact on the upstream market. | Starting from customer needs and the development status of the entire industry chain, the Company actively explores the update of new energy technologies, continues upstream layout, expands midstream production capacity and actively develops the battery sector to break the growth ceiling in downstream business layout, reduce downstream costs in the new energy industry and expand product applications. Moreover, we actively develop the application of recycling technology, improve the recycling efficiency of waste batteries to realize the sound and sustainable development of new energy industries, and continuously enhance their market appeal. |
| Reputational risks | The development of new energy and new energy vehicles has brought new development opportunities to the power battery and upstream lithium salt industry. Their "clean" attributes are considered to play an important role in responding to climate change. However, the environmental impact caused by the process of lithium extraction and the recycling and treatment of waste batteries is widely controversial, and to a certain extent, has a negative impact in public opinion on their "clean" attributes. As investors pay more attention to the non-financial impact of companies and industries, it may have a negative impact on the Company's investment chain.   | The Company incorporates the concept of sustainable development into the procurement process, insists on risk assessment of suppliers and prudently identifies upstream suppliers' ESG management and environmental protection measures. We have formulated the <i>Code of Conduct for Suppliers</i> to guide and regulate their resources consumption and emission control and encourage them to assume environmental responsibilities. Furthermore, we promote higher-level suppliers to recognize and adopt Ganfeng Lithium's <i>Code of Conduct for Suppliers</i> to create a green and sustainable responsible supply chain.                                       |
| Acute risks        | The Company's mines are located in Ningdu County, Jiangxi Province. It is an area with a high incidence of geological disasters such as landslides and mudslides during the flood season. If the frequency of natural disasters increases in the future, the Company needs to increase investment in fixed assets related to infrastructure reconstruction or maintenance.  | For new large-scale projects and reconstruction and expansion projects, the Company carries out targeted assessments of hydrological, geological and climatic conditions during the preliminary environmental impact assessment process to avoid environmental, economic and physical risks brought by extreme weather to the construction and operation of projects.   |
| Chronic risks      | Climate change has exacerbated water shortages, and the water consumption of lithium mining is huge. In the future, the Company's water withdrawal conditions may change, resulting in higher water withdrawal or water costs.  | The Company has formulated a water footprint plan and increased recycling efforts through measures such as steam condensate reuse. In addition, the 10,000-ton lithium salt plant has built an ecological lake, so that the industrial wastewater after purification and treatment is collected in the ecological lake and reused for road cleaning, tree watering, workshop road cleaning, etc., thereby promoting the efficient use of water resources.   |

### Boosting Circular Industries

With the new energy vehicle products from early promotion and application gradually entering the end of their service life, the number of retired batteries produced has scaled up. If not safely disposed of, they will cause serious harm to the ecological environment. The creation of a complete battery recycling system is not only more conducive to environmental protection, but also allows the resources and energy in waste materials to be fully and effectively recycled, conducive to the sustainable development of society.

Based on existing resources such as lithium chemical plants, ternary precursor chemical plants, metal lithium plants, battery plants, etc. in the industrial ecosystem, Ganfeng Lithium is actively deploying in the recycling technology industry and creating a comprehensive recycling project for decommissioned lithium batteries. On the one hand, we efficiently extract various recyclable metals in batteries to help customers address product recycling and reduce carbon emissions; on the other hand, we effectively use these renewable raw materials for processing to provide unique green renewable products with Ganfeng Lithium characteristics and help customers build a more sustainable supply chain. We make use of our complete and mature sales channels to allow all kinds of resources to return to the market through corresponding channels after extraction, which completes the recycling of resources, realizes the closed loop of the industry and builds a green ecological industry chain with customers.

In 2020, Ganfeng Lithium focused on technological innovation in the recycling technology sector to improve the recycling efficiency of used batteries. We independently developed the in-depth and high-value utilization technology of waste lithium iron phosphate batteries, and realized the fine separation and recycling of waste lithium iron phosphate batteries on a large scale. Through pyrolysis and fluorine fixation technology, the problem of fluorine pollution from waste batteries was effectively solved; through de-weighting technology, heavy metals such as nickel, cobalt and copper that may be introduced in iron-lithium waste were recovered to solve the problem of heavy metals entering ferro-phosphorus, truly realizing the sale of ferro-phosphorus by-products.

On July 14, 2020, Ganfeng Lithium was selected as the first candidate to win the bid as the 2020 Green Manufacturing System Solution Provider by the Ministry of Industry and Information Technology (MIIT).

In November 2020, Ganfeng Lithium's "Comprehensive Recovery and Utilization Technology of Waste Lithium-ion Battery" was selected for the Green Technology Catalog of Jiangxi Province.

On January 21, 2021, the MIIT released the second batch of companies that meet the "Industry Standards and Conditions for the Comprehensive Utilization of Waste Power Batteries for New Energy Vehicles". Jiangxi Ganfeng Lithium Recycling Technology Co., Ltd. was successfully selected.

2020年，赣锋锂业共回收处理报废电池、电芯、极片及粉末等总计

7,200 噸

Nickel, cobalt and manganese produced by processing ternary waste 1,400 tons

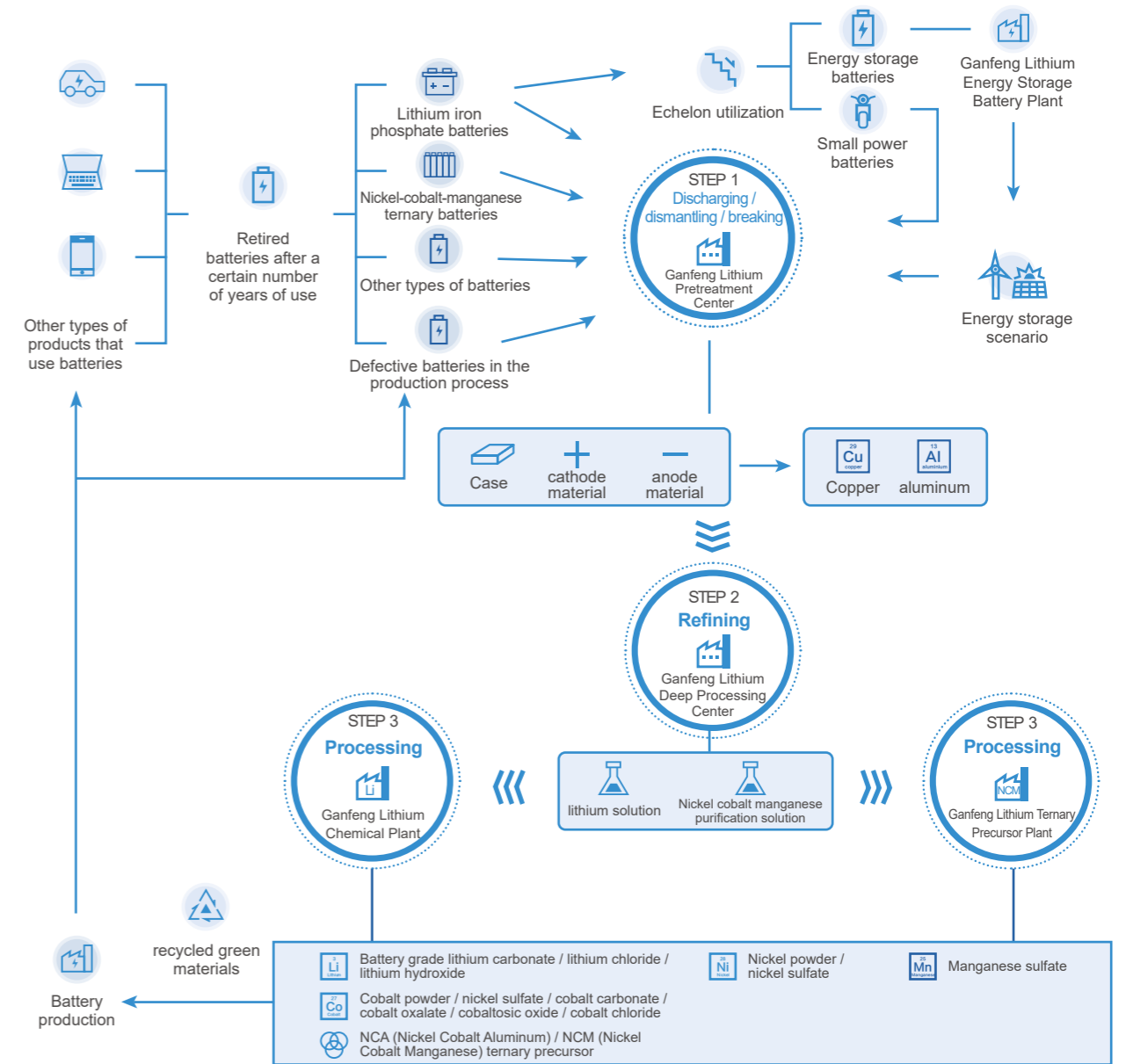
Recycle rate of nickel, cobalt and manganese over 98%

处理铁锂类废料产出氯化锂

1,500 噸

Recycle rate of lithium over 90%

### Schematic Diagram of Ganfeng Lithium's Lithium Recycling Solutions



**Ganfeng Lithium led the first national science and technology project**

On July 12, 2020, the "Technology and Demonstration of Efficient and Clean Recycling of Retired Ternary Lithium Battery Materials" national key R&D project led by Ganfeng Lithium was officially launched.

- At the level of scientific and technological development, this project will systematically reveal the multi-phase interface destruction and precise separation mechanism for decommissioned ternary lithium battery materials, as well as the directional conversion and echelon high-value recovery mechanism, so as to achieve a leading international level in the clean recycling of ternary lithium battery materials;
- At the level of application support, this project will develop 3 sets of high-efficiency and clean recycling technology systems and equipment adapted to ternary lithium battery materials of different decommissioning characteristics, coordinate the construction of a whole-process pollution control technology system to form a systemic solution of "fine classification-efficient conversion-clean utilization-intensive processing-precise pollution control", and establish a green recycling demonstration production line.

In the future, Ganfeng Lithium will continue to carry out research on battery recycling technology, promote mature battery recycling solutions and jointly create a green, clean and healthy path for the development and progress of mankind.



Kick-off meeting for "Technology and Demonstration of Efficient and Clean Recycling of Retired Ternary Lithium Battery Materials"

**Building Responsible Supply Chains Together**

Ganfeng Lithium actively fulfills responsible procurement by incorporating suppliers into the scope of anti-corruption, quality control and management, while integrating the concept of sustainable development into supply chain management, in order to reduce social and environmental risks in the industrial chain and develop collaboratively with suppliers to build responsible supply chains.

**Supplier Management**

Ganfeng Lithium strictly abides by the *Law of the People's Republic of China on Bidding and Tendering* and other laws and regulations, and has formulated such documents as the *Administrative Measures for Bidding, Negotiated Tendering and Contract Review* and *Supplier Management Procedures* within the Company to form a systematic management system for supplier access management and daily management and to improve management efficiency.

As of the end of 2020, the Company had a total of **307** suppliers in Jiangxi Province, **2,473** outside the province and **3** international suppliers. During the year, the Company conducted annual factory audits for **17** suppliers.

| Supplier selection  | Supplier classification  | Supplier evaluation   |
|---|--|---|
| <p>The Company has established a strict supplier access management system, involving screening, information verification, evaluation and review, on-site inspection, performance review and improvement, etc. to comprehensively evaluate suppliers from multiple dimensions such as manufacturing, quality control, innovation capability, social responsibility, etc. In order to ensure product quality, we strictly follow the process starting from market surveys, followed by sample testing to the use of small batches, and strictly control the admission of suppliers of qualified raw materials, packaging, labor protection supplies, etc.</p> | <p>The Company implements different quality controls according to the impact of suppliers' products on the quality of the Company's finished products. At the same time, to ensure the sustainability of the supply chain, the Company signs with suppliers the <i>Letter of Commitment to Anti-Bribery and Anti-Corruption for Suppliers, Code of Conduct for Suppliers, Confidentiality Agreement, Quality Assurance Agreement, Environmental Protection Agreement</i> and <i>Commitment to Not Using Environmental Hazardous Substances</i>, etc., and requires suppliers to have professional qualifications such as quality management system, safety production, environmental management system, etc. and to update them monthly.</p> | <p>The Company has established a supplier OTD to assess suppliers from four indicators: supply qualification rate, delivery punctuality rate, supplier delivery PPM and additional freight frequency. Suppliers are evaluated every quarter based on the four indicators in combination with such aspects as cost, quality complaints, services, systems, etc. Suppliers that fail the annual evaluation will be disqualified as our suppliers.</p> |

In 2020, thanks to the IATF 16949 certification guidance, Ganfeng Lithium improved on all fronts including supplier management, quality control of products provided by suppliers, etc.

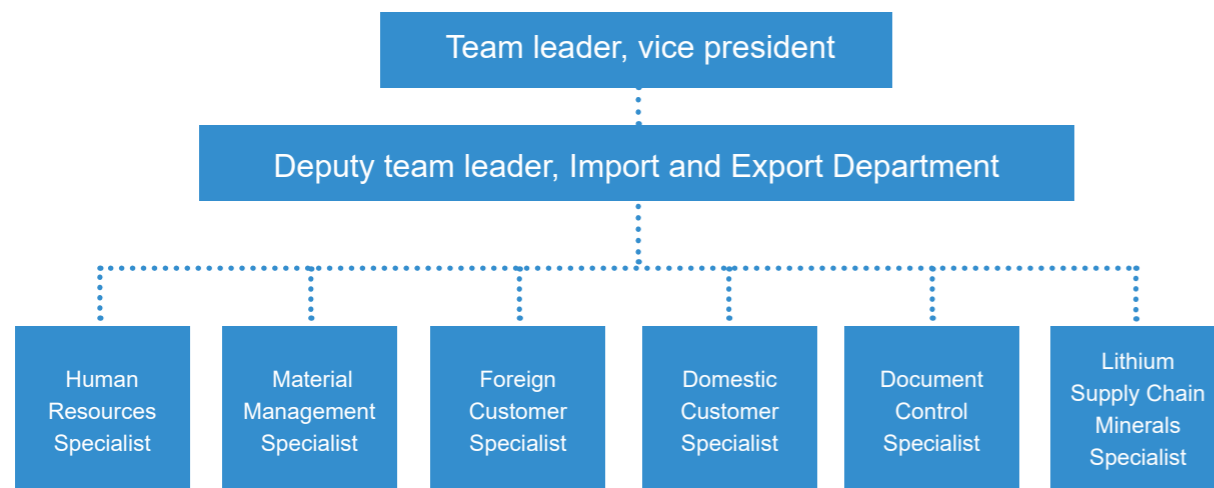
## Due Diligence Management of Supply Chains

In the context of the global transition to a low-carbon economy, the awareness of responsible consumption is gaining momentum, so building and maintaining responsible supply chains is of great significance to the international development of Ganfeng Lithium. Adhering to sustainable development-oriented responsible supply chain decision-making, Ganfeng Lithium actively explores the shaping of responsible supply chains, undertakes the transfer of responsibilities throughout the upstream and downstream of the industry, and reduces the social and environmental risks in the industry chain to realize both economic value and environmental value in the industry.

In 2020, the Company set up a due diligence management team for a responsible lithium supply chain under the Sustainable Development Committee, which is headed by the executive vice president. We established the industry's first due diligence management system and related procedural documents for the lithium supply chain including the *Ganfeng Lithium Code of Conduct for Suppliers*, *Due Diligence Management Control Procedures for Responsible Mineral Supply Chains*, etc. to promote the due diligence management of supply chains. We incorporated the due diligence management process for supply chains into the sustainable development system, clearly incorporating supplier safety, environmental protection and social requirements into the *Code of Conduct for Suppliers*, in order to guide and regulate the behaviors of upstream lithium ore suppliers from a number of aspects including law-abiding operations, compliance employment, resource consumption, emission control, health and safety, business ethics, etc. and encourage them to assume more environmental and social responsibilities.

In 2020, the Company set up a section on supply chain management on its official website to fully display the Company's demand for supply chains and provide a complaint mechanism. It not only put forward higher requirements to suppliers, but also provided a communication and feedback mechanism, reducing the communication cost of the industrial chain and improving its transparency.

### Organization structure of the due diligence management team for responsible supply chains



In terms of lithium ore procurement, Ganfeng Lithium has always adhered to the supplier management principles of "transparency in the supply chain, responsible procurement, no human rights issues and limited environmental impact" and the "five-step method" required by due diligence management procedures in due diligence management of the lithium supply chain. We regularly collect upstream supplier information through KYS (Know Your Supplier) processes and other procedures and conduct Conflict Affected and High-Risk Areas (CAHRAs) assessments to understand their links such as raw material mining, transportation, processing, etc. We also conduct risk assessment on suppliers and formulate and implement risk mitigation plans.

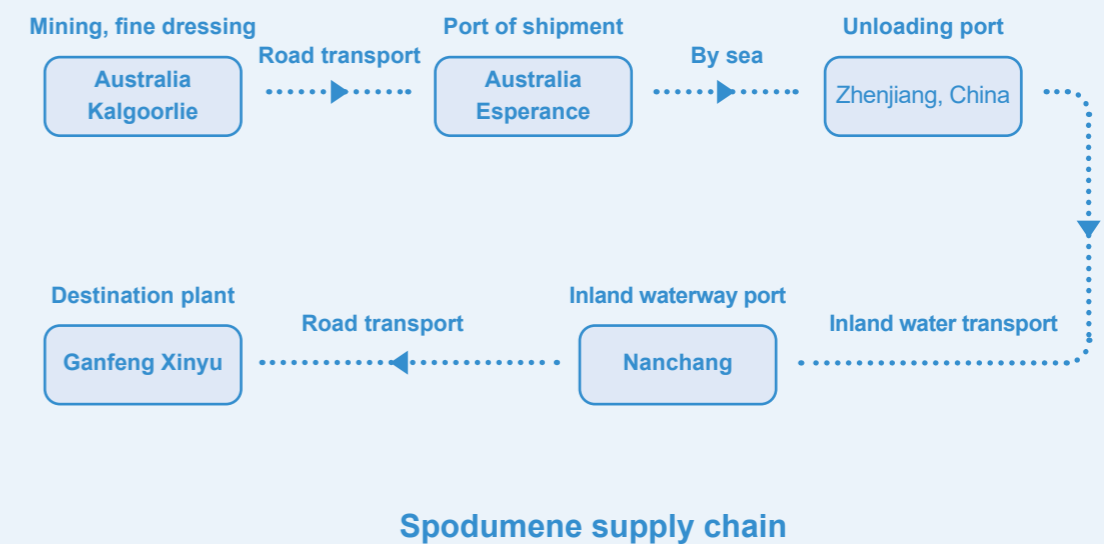
As of the end of 2020, the Company's spodumene resources were all from Australia with no artisanal mining or procurement by intermediate traders, and we had signed off-take agreements with upstream suppliers to ensure definite sources of minerals, controllable risks and traceability, thus to avoid the risk of conflict minerals.

In response to issues in the risk identification and assessment process, Ganfeng Lithium organized discussions with relevant departments of the Company, formulated risk mitigation plans and actively carried out supplier communication to solve related problems with joint efforts.

In 2020, Ganfeng Lithium received a total of 12 due diligence audits on the Company from third-party agencies hired by Daimler, Volkswagen, BMW, Tesla, Apple and other customers. The auditors assessed the due diligence management of Ganfeng Lithium's lithium supply chain. The due diligence management team for responsible lithium supply responded to the proposed improvement plan in a timely manner, implemented the improvement work in a concrete manner and regularly reported the improvement progress, in order to enhance the level of due diligence management in the supply chain.

### Audits on the due diligence management of supply chains

In 2020, our customer BMW commissioned a third-party organization RCS to audit the Company's due diligence management of supply chains. It was a comprehensive audit of the Company's existing supply chain management system, which raised issues while presenting an improvement plan to enhance the Company's supply chain management capabilities.



## Becoming a Pioneer in the Lithium Industry with Proactive Innovation

As the world's leading lithium ecosystem enterprise, Ganfeng Lithium continues the spirit of struggle since its establishment 20 years ago, driving the Company's rapid development with technological innovation, improving the Company's service level with customer satisfaction and optimizing products to serve the national economy and the people's livelihood. The Company constantly overcomes difficulties and breaks technical bottlenecks in the industry. We deepen cooperation with multiple parties and strengthen cooperation with various research institutions. We enrich product categories and implement the Company's strategic layout of the lithium industry. Adhering to the idea of "developing new products, exploring new markets and cultivating new impetus", the Company is transforming its business advantages into market and customer satisfaction.

Material issues addressed in this chapter

-  Customer service
-  Product quality and safety
-  Technological innovation and patent management

Issues related to SDGs addressed in this chapter



## Ensuring R&D Capabilities

Ganfeng Lithium has long-term plans for the Company's operation. We consolidate the foundation of technological innovation and foster the core competitiveness of the Company by building a research and development platform, cultivating professional talents and organizing combined practices in production, education and research. In 2020, the Company invested 28,900 Yuan in technology research and development.



Building  
platforms

Relying on a number of scientific research platforms such as the National Enterprise Technology Centre, the National and Local Joint Engineering Research Centre, National Postdoctoral Research Station, Academician Workstation, Jiangxi Provincial Lithium Battery New Materials Engineering Technology Research Centre, Jiangxi Provincial Key Laboratory, etc. the Company continues to invest funds to carry out technical research. In 2020, the Company had 2 municipal scientific research platforms approved:

- Xinyu Key Laboratory of Energy Storage Battery and System R&D and Testing
- Lithium Battery and Energy Storage System R&D and Industrial Design Center



Talent  
incentives

The Company has established a talent incentive system and long-term development path, providing a training model that combines internal and external training, and improved the technical level ascending channel represented by the internal professional title evaluation mechanism to stimulate the innovation of scientific researchers and engineering technicians. In 2020, the Company formulated and issued the *Management Regulations for Project Fund Application and Intellectual Property Reward*, which in the form of bonuses encourages front-line scientific research and technical personnel to translate their inspirations from daily work into innovative projects and intellectual property rights.

The Company actively listens to the rational, innovative, and ground-breaking suggestions of frontline personnel by organizing quarterly internal sharing and exchange activities and issuing annual technological innovation awards and outstanding contribution awards. In 2020, the Company issued a total of 922 rationalization proposal awards and 24 technological innovation awards, including 2 first-place prizes, 6 second-place prizes and 16 third-place prizes.

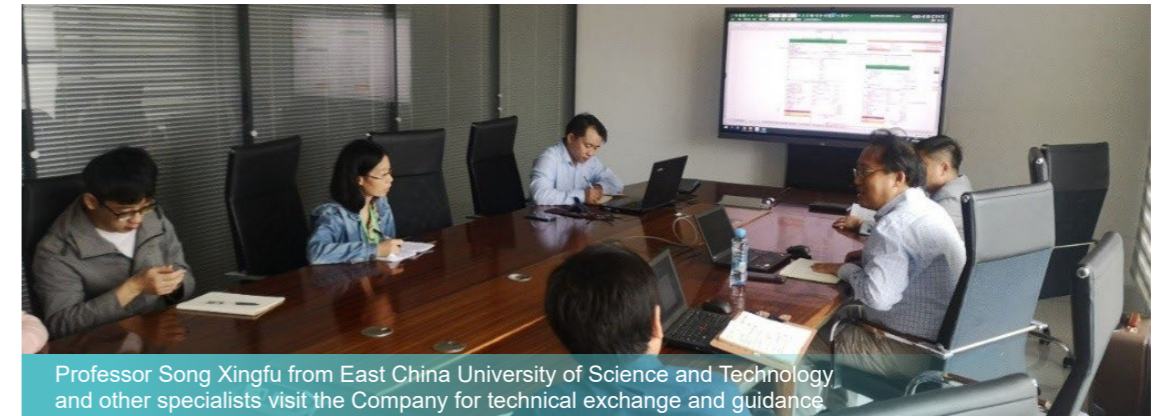


Exchanges  
and  
cooperation

The Company actively carries out industry-university-research cooperation. Using the "Internet +" expert service model, we have deepened cooperation with Ningbo Institute of Materials Technology of the Chinese Academy of Sciences (CAS), East China University of Science and Technology, Central South University, China University of Geosciences (Wuhan), China University of Geosciences (Beijing), China University of Petroleum, Nanchang Hangkong University, Nanchang University and other universities and research institutes. We carried out diversified cooperation projects through on-site expert services and video conferences.

### Ganfeng Lithium and East China University of Science and Technology deepened cooperation on "Comprehensive Development of Salt Lake Brine Water Resources"

In 2020, Ganfeng Lithium deepened its cooperation with East China University of Science and Technology on the comprehensive and efficient utilization of salt lake brine resources. Relying on the co-built "Laboratory for Comprehensive Development of Salt Lake Brine Water Resources", the Company allowed experts, professors and outstanding student representatives to fully explore the actual situation of the Marina Salt Lake in Argentina, so that they tackled such technical difficulties as membrane separation, electro dialysis and new-generation solvent extraction. During the cooperation project, the two sides optimized the process parameters, increased the comprehensive extraction rate according to the characteristics of the local brine mine and further clarified the process flow of lithium extraction from salt lake brine.



Professor Song Xingfu from East China University of Science and Technology and other specialists visit the Company for technical exchange and guidance.

### Ganfeng Lithium cooperated with CAS Ningbo Institute of Materials Technology to research solid electrolyte materials

In 2020, Ganfeng Lithium continued its cooperation with CAS Ningbo Institute of Materials Technology and Engineering ("CAS Ningbo Institute of Materials Technology" in short) to research solid electrolyte materials and solid-state batteries. We jointly built the Solid Electrolyte Materials Engineering Center and committed to developing next-generation solid-state lithium batteries. In 2020, our cooperation projects achieved remarkable results.

The sulfide solid electrolyte powder material and diaphragm reached an ionic conductivity of  $1.0 \times 10^{-2} \text{ S/cm}$  at room temperature;

A complete set of semi-automatic industrial lines that realize "automatic batching-ball milling mixture-solvent drying-tunnel kiln calcination-block crushing-screening and magnetic separation-automatic packaging" was developed and built with a stable production capacity of 100 tons per year;

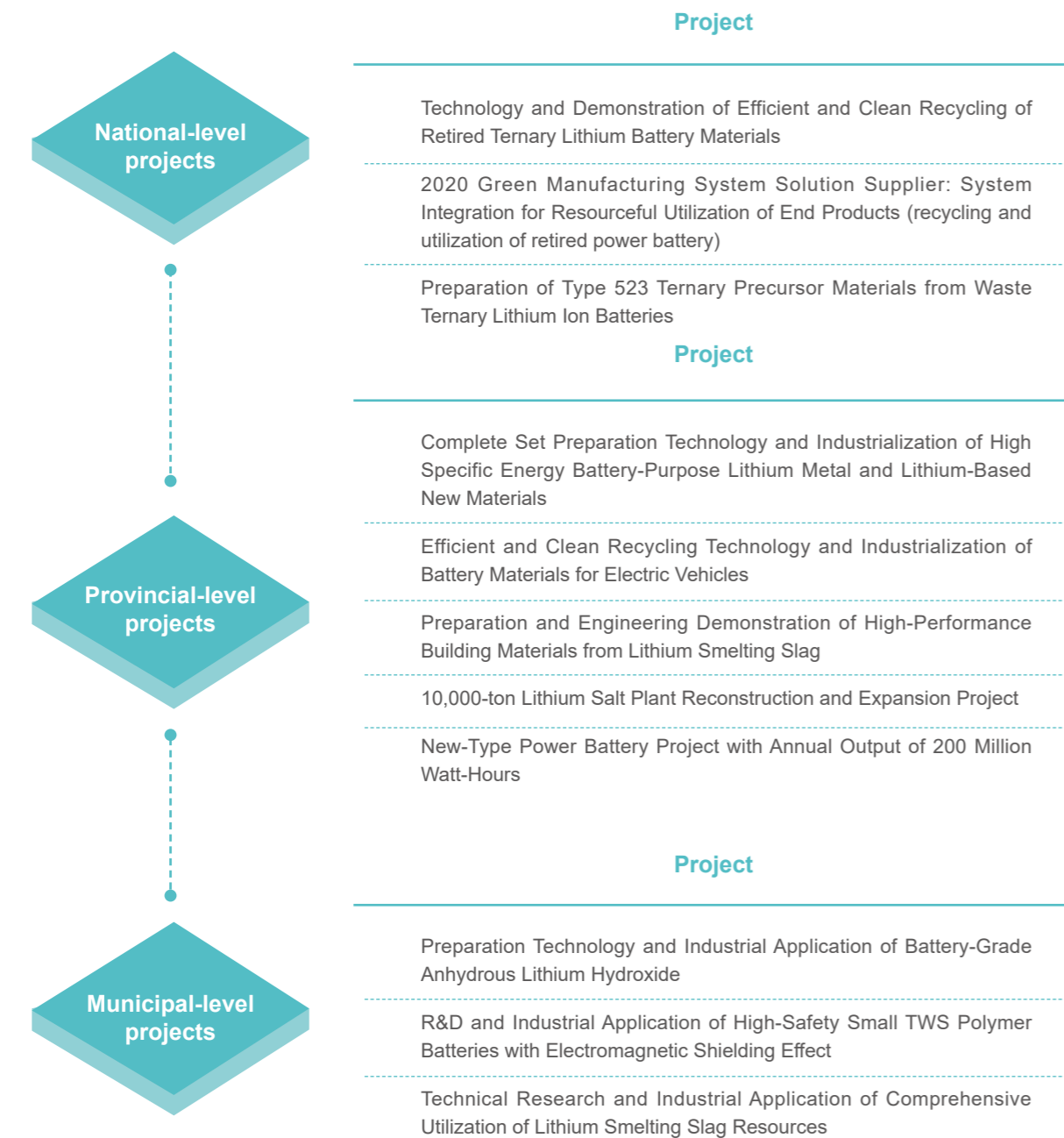
A new-generation solid-state lithium battery was developed with specific energy exceeding 240-260Wh/kg. The industrialized demonstration production line was completed and put into production and passed various third-party safety tests.



## Persisting in Technological Innovation

Adhering to the concept of "dedicated, innovative and sustainable development", Ganfeng Lithium actively undertakes major national and provincial scientific research projects and promotes the industrialization of project R&D and scientific research results. In 2020, the Company undertook 3 national-level projects, 5 provincial-level projects and 3 municipal-level projects, and had 2 new municipal-level scientific research platforms approved.

### Ganfeng Lithium's scientific research and technical transformation projects in 2020



Ganfeng Lithium collaborates with other outstanding companies in the industry to participate in the formulation of standards under the MIIT of the People's Republic of China. In 2020, the Company participated in the formulation of the national standard "Battery Grade Lithium Hydroxide Monohydrate" and the formulation of the industry standard "Method for Chemical Analysis of Secondary Battery Waste", helping the industry's technological progress with its own production experience.

Ganfeng Lithium guarantees research and development by actively applying for various intellectual property rights to translate its research and development capabilities into competitive advantages in the industry. In 2020, the patent of "a method for extracting lithium from spodumene to prepare lithium hydroxide monohydrate" won the Jiangxi Provincial Patent Award, and the "Center for Engineering Technology Research on New Materials of Lithium Batteries in Jiangxi Province" won the title of Jiangxi Provincial Key Industry Innovation Platform. We had a total of 83 patents authorized throughout the year, including 14 national invention patents and 69 utility model patents.

We had a total of **83** patents authorized throughout the year

**14** national invention patents

**69** utility model patents

### The "Method for extracting lithium from spodumene to prepare lithium hydroxide monohydrate" patent won the Jiangxi Provincial Patent Award

Battery-grade lithium hydroxide monohydrate is an important lithium raw material for preparing high-nickel ternary cathode materials. The quality of battery-grade lithium hydroxide monohydrate products directly affects the specific capacity, cycle stability, consistency and other electrochemical properties of cathode material, which in turn affects the performance of lithium power batteries and the performance of new energy vehicles driven by lithium batteries. In 2020, Ganfeng Lithium organized the R&D, production and quality management teams of the Production Technology Department to make technological breakthroughs. We proposed a fully enclosed fluidized bed drying process with circulated air to improve the core product indicators. In November, the process was awarded a patent for invention and also won the Jiangxi Provincial Patent Award.

The "Method for extracting lithium from spodumene to prepare lithium hydroxide monohydrate" patent won the Jiangxi Provincial Patent Award



## Optimizing Product Mix

Ganfeng Lithium's business operates through all important links in the value chain, including upstream lithium resource development, midstream lithium salt deep processing and metal lithium smelting, downstream lithium battery manufacturing, and comprehensive recycling and utilization of waste batteries. The Company is actively carrying out the layout of the entire industry chain, exploring in the field of lithium ecology and is committed to becoming a service provider with the most complete range of lithium products, the longest product processing chain and the most comprehensive process technology in the world.

In 2020, the Company empowered all vertical areas of the lithium ecological chain. We sought opportunities in market segments, supported talents and R&D, and incubated star products, helping the comprehensive and diverse development of the lithium compound industry. The Company's main products "Lithium Hydroxide Monohydrate" and "Lithium Belt" won the title of Jiangxi Famous Brand Product.

### The Cauchari-Olaroz lithium salt lake project advances to create "salt lake-based" lithium carbonate products

In 2020, the Company's Cauchari-Olaroz project in Argentina was constructed as planned. The first phase of 40,000 tons of lithium carbonate will be put into production in the first half of 2022. By then, the Company's first overseas lithium salt production line will officially be put into operation, which marks the Company's breakthrough in overseas "salt lake-based" lithium carbonate products.

The Company combines its industrialization technology capabilities of "Lithium Extraction from Brine", "Lithium Extraction from Ore" and "Lithium Extraction from Recycling" to carry out diversified work on raw material extraction, recycling, product optimization, etc. We actively listen to customer feedback, regularly collect information and make return visits, quantify indicator requirements and improve product production. In 2020, the Company achieved technological breakthroughs in the R&D of a number of products.

|  |   |
|--|---|
| Lithium perchlorate  | <ul style="list-style-type: none"> <li>Breakthroughs were made in self-preparation of lithium perchlorate, which greatly reduced costs.</li> </ul>  |
| Lithium sulfide  | <ul style="list-style-type: none"> <li>The process and quality of lithium sulfide was improved.</li> </ul>  |
| Lithium extraction by resin absorption from lithium fluoride mother liquor | <ul style="list-style-type: none"> <li>Lithium selectively adsorbing resin was used to adsorb and recover lithium in the defluoridation wastewater produced by current factories.</li> <li>The lithium yield increased to over 99%, further reducing production costs.</li> </ul> |
| Sec-butyllithium and methyl lithium  | <ul style="list-style-type: none"> <li>Breakthroughs were made in the technology of extracting sec-butyllithium and methyl lithium in laboratories.</li> </ul>  |
| Lithium tert-amoxide   | <ul style="list-style-type: none"> <li>The development of lithium tert-amoxide in laboratories was realized.</li> <li>Industrialization was carried out in combination with market and customer feedback.</li> </ul>  |

### Zhejiang Funlithium realized the whole process of solid-state battery R&D, mass production, on-vehicle testing, etc.

In 2020, Zhejiang Funlithium New Energy Technology Co., Ltd. ("Zhejiang Funlithium") and the CASC Shanghai Institute of Space Power-Sources signed a strategic cooperation agreement to deepen the scientific research of the solid-state battery joint laboratory. The cooperation successfully upgraded the solid electrolyte powder pilot test line and laboratory. A laboratory of more than 3,000 square meters was equipped with advanced production equipment to increase the annual production capacity of solid electrolyte to 100-ton class. In addition, the design freeze and review of a certain type of solid battery system was completed. After being manufactured and delivered to customers for on-vehicle testing, it was highly praised by customers for "high energy density and sound safety".



Zhejiang Funlithium and CASC Shanghai Institute of Space Power-Sources signed a strategic cooperation agreement



Solid electrolyte powder pilot test line and laboratory upgrade



## Creating Value with Service

Adhering to the concept of "lowest cost, highest efficiency, best quality and best service", Ganfeng Lithium responds to customer requirements in multiple fields such as electric vehicles, clean energy, consumer electronic equipment, manufacturing, chemicals and pharmaceuticals by regularly carrying out customer satisfaction surveys, making return visits on service quality and ensuring consistent product and service quality, in order to facilitate the sustainable development of the global lithium ecosystem.

The Company strictly implemented the *Quality Management System*, *Production Process Control Procedures Document*, *Product Delivery Process Document*, *Customer Feedback and Communication Process Document*, *Customer Satisfaction Measurement Process Document* and other internal management systems, in order to reduce the risk of error and guarantee product quality. In 2020, combined with the requirements for the full promotion of construction of the IATF 16949 system, the Company issued a series of system documents to effectively improve customer service quality, such as the *Customer Satisfaction Evaluation Form*, *Customer Return Visit Mechanism*, *Quality Management System and Process* and *Measures for the Administration of Customer Complaints*. In 2020, the overall customer satisfaction score was 95.12, an increase of 2.24% over last year; the Company received a total of 67 complaints which were promptly and properly handled; no product recall incidents due to health or safety hazards occurred.

### Ganfeng Lithium's Customer Return Visit Mechanism

#### After-sales feedback

The marketing center, quality department, accounting department and other departments coordinate to conduct regular satisfaction surveys (including quality, service, delivery, etc.), and collect and count customer feedback.

In case of abnormal feedback and customer complaints, relevant departments are urged to verify and deal with them efficiently.

#### Consistent improvement

The quality department and the marketing center take the lead to collect customer feedback represented by the number of customer complaints.

Quality control and product complaints are incorporated into the performance appraisal of relevant departments.

#### Risk aversion

The quality department and the marketing center take the lead to identify risks and opportunities in the after-sales feedback and performance monitoring process.

For frequent or recurring customer complaints, relevant responsible departments are urged to set up special improvement teams to avoid similar risks from happening again.



Client Return Visit Mechanism

### Ganfeng Lithium develops secondary battery-grade lithium carbonate in response to customer needs

In 2020, affected by the COVID-19 epidemic and the cost and price of battery-grade lithium carbonate, Ganfeng Lithium carried out R&D and mass production of secondary battery-grade lithium carbonate (lithium-iron electrocarbon) based on customer feedback. Through a large amount of research work, we clarified requirements for materials, processing, cost, etc., and combined with the relevant technical standards for domestic production of lithium iron phosphate materials, our technical team worked to complete product samples in the shortest amount of time. After listening to customer feedback on different batches of secondary battery-grade lithium carbonate, we improved product quality and completed the supply with quality and quantity as required, winning high recognition from customers.

### "Ganfeng Lithium Credit" became a bright nameplate in the industry







From 2015 to 2020, the lithium industry surged with significant fluctuations in the prices of lithium products. In order to reduce supply chain risks and stabilize the market share and customers, the Company negotiated and signed long-term supply agreements with customers with product prices adjusted quarterly. Now that the entire lithium industry cycle has passed, "Ganfeng Lithium Credit" has gradually become a bright nameplate in the industry, laying a solid foundation for the Company's sustainable development.



## Contributing to Environmental Protection with Low-Carbon Operations

Ganfeng Lithium attaches great importance to reducing the impact on the ecological environment during its operation. The Company has improved its environmental management system and promoted the improvement of energy-saving and environmentally friendly processes, striving to reduce pollutant emissions, tap the potential of resource utilization, and build its business philosophy of green development.

Material issues addressed in this chapter

-  Emissions management
-  Waste and chemicals
-  Energy management
-  Resource management
-  Environmental impact management
-  Green products and circular economy

Issues related to SDGs addressed in this chapter



## Improving Environmental Management

Ganfeng Lithium strictly abides by relevant environmental protection laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, *Environmental Impact Assessment Law of the People's Republic of China* and *Law of the People's Republic of China on Water and Soil Protection*. The Company combines with its own operational characteristics and has formulated systems such as the *Environmental Protection Regulations*, *Regulations on the Management of Environmental Protection Responsibility Systems* and *Environmental Protection Archives Management System*. Ganfeng Lithium has clarified the operational standards, emission reduction targets and environmental protection responsibilities of all levels of the Company, forming a complete environmental management system.

In 2020, the Company adjusted the members of the Management Committee for Safety, Environmental Protection and Fire Protection, designating the Chairman as the director, and set up the office for safety, environmental protection and fire protection with the CEO as the director. The Committee works together with the Company's Department of Safety and Environmental Protection and assesses the safety and environmental protection management team every quarter for rewards or penalties.



Ganfeng Lithium attaches great importance to the cultivation of environmental protection awareness of employees by formulating the *Management Regulations for Environmental Protection Training and Education* to standardize environmental protection training courses for different employees and require employees to master the control parameters and operating procedures of environmental protection equipment. In addition, the Company participated in the formulation of the national *Regulations for Green Factory Evaluation in the Lithium Salt Processing Industry* to promote the implementation of green factory evaluation in the lithium processing industry as soon as possible, and contribute to the improvement of the industry's environmental management level.

Ganfeng Lithium encourages plants to formulate emission reduction and efficiency enhancement goals after statistical analysis of exhaust gas, water use, energy consumption and carbon emissions during the production process based on historical data on operation and production capacity forecasts. Taking the 10,000-ton lithium salt plant as an example, the plant formulated environmental goals that should be achieved by 2025 based on 2019, and disclosed the status of achievement in 2020 as follows:

### Environmental goals set and achievements of this year

|  | 2019   | 2020  | 2025               |
|--|--------|---|--------------------|
| <b>Exhaust gas</b>                             |        |   |                    |
| NO <sub>x</sub> emissions per ton of LCE       | 3.48kg | 2.39kg                                      | To reduce by 5%    |
| SO <sub>2</sub> emissions per ton of LCE       | 0.83kg | 0.46kg                                      | To reduce by 1%    |
| Emission of particles per ton of LCE           | 0.52kg | 0.39kg                                      | To reduce by 5%    |
| <b>Water use</b>                               |        |   |                    |
| Water consumption per ton of LCE               | 38.3t  | 29.56t                                      | To reduce by 20%   |
| Water circulation rate                         | 72%    | 81%   | To increase by 20% |
| <b>Energy consumption and carbon emissions</b> |        |   |                    |
| Carbon dioxide emissions per ton of products   | 9.58t  | Pending calculation by a third-party agency | To reduce by 10%   |
| Coal consumption per ton of products           | 3.09   | 1.19  | To reduce by 6%    |



In 2020, the Company set a company-wide sustainable development goal based on the operating experience of the 10,000-ton lithium salt plant.

With 2019 as the base year, the 2025 sustainable development goals are as follows:

| By 2025  |
|--|
| To reduce exhaust gas emissions per ton of products by 5%        |
| To reduce water consumption emissions per ton of products by 20% |
| To increase water circulation rate per ton of products by 20%    |
| To reduce carbon emissions per ton of products by 10%            |
| To reduce coal consumption per ton of products by 6%             |
| To increase the proportion of sustainable electricity to 25%     |

The Company's Cauchari-Olaroz project in Argentina attaches great importance to environmental management to ensure full compliance with local laws and regulations. In 2020, the project continued to improve the level of environmental management and use renewable energy more effectively to reduce its overall carbon footprint. During the operation of Cauchari-Olaroz, the direct use of solar energy to evaporate brine greatly reduced the overall carbon footprint of the product. The use of renewable energy was expanded in the operation phase to reduce dependence on fossil fuels.

#### Argentina's Mariana Salt Lake Lithium Extraction Project uses sustainable electricity entirely

In order to reduce the carbon footprint and provide sustainable carbon-free energy, Ganfeng Lithium plans to build a 120 MW photovoltaic power generation + energy storage project as an energy supply solution. This is one of the few corporate projects in the plateau region of Salta Province that can provide 100% continuous energy supply. Through solar power generation, the emission of greenhouse gases into the atmosphere can be avoided. In this case, 157,000 tons of carbon dioxide can be reduced each year, thereby realizing the circular mode of lithium mining, product manufacturing and product use, conducive to environmental protection.

## Striving for Lower Emissions

In order to effectively control and minimize pollutant discharge in the operation process, Ganfeng Lithium has formulated the *Management Regulations for Environmental Protection in the Production Process* and *Environmental Operation Management Regulations*, which require the control of pollutant emissions. We control and test waste water, exhaust gas, noise and solid waste discharges to ensure that the "three wastes" are discharged in compliance with laws and regulations.

## Waste

Based on laws and regulations such as the *Law of the People's Republic of China on Environmental Pollution by Solid Wastes*, Ganfeng Lithium strictly regulates the process of waste collection, storage and disposal, and implements internal systems such as the *Management Measures for the Transfer of Hazardous Wastes* for classification management and compliance treatment.

### Main waste types and treatment methods of Ganfeng Lithium

| Waste type      | Waste breakdown   | Disposal method   |
|-----------------|---|---|
| Hazardous waste | Metal parts, waste paper boxes, waste wooden boxes, glass bottles and cans, waste plastics, waste paper, waste packaging bags, etc. | Wastes included in the <i>National Hazardous Waste List</i> shall be transferred to hazardous waste warehouses in time, and then handed over to a qualified unit for disposal or recycling in strict accordance with national requirements, and the "five-part" bill and other documents in the handover process shall be archived and managed. |
| General waste   | Recyclable  | Recyclable storage points shall be set up and clearly marked, and the recyclable waste shall be promptly handed over to relevant agencies for recycling.  |
|                 | Non-recyclable  | Non-recyclable waste storage points shall be set up. Non-recyclable waste shall be placed in designated trash bins and processed by municipal administration.   |

### Comparison of waste emissions per ton of Ganfeng Lithium products

| Waste discharge per unit product              | 2020  | 2019  | Lower in 2020 than in 2019 |
|---|-------|-------|----------------------------|
| Hazardous waste (tons/10,000 tons of LCE)     | 27.17 | 75.32 | 64%                        |
| Non-hazardous waste (tons/10,000 tons of LCE) | 3,983 | 9,830 | 59%                        |

**Ganfeng Lithium invited external experts to explain the new requirements of the new solid waste law on the solid waste management of industrial enterprises**

In June 2020, in order to strengthen employees' understanding of solid waste treatment and disposal, and enhance their knowledge and awareness of solid waste management, Ganfeng Lithium invited Director Zhang Shijin of the Jiangxi Solid Waste Management Center to explain the new regulatory requirements in the new solid waste law that industrial enterprises should face. Zhang also gave a detailed explanation of the standardized management index system of hazardous waste, the key points of on-site inspection on hazardous waste and knowledge on data preparation, which effectively improved employees' knowledge reserve and practical skills for solid waste treatment.



External experts explaining on site

**Ganfeng Lithium's 10,000-ton lithium salt plant builds a silicon-calcium slag storage system to reduce dust pollution**

Relying on the existing project, Ganfeng Lithium's 10,000-ton lithium salt plant invested 26 million Yuan to build a silicon-calcium slag storage warehouse on the south of the plant. The warehouse covers an area of 49,163 square meters and a building area of 29,160 square meters. After completion, the warehouse will have a total storage capacity of 20,400 tons of silica-calcium powder and an annual turnover of 420,000 tons of silica-calcium powder. The transportation of silica-calcium slag through the belt conveyor system has effectively reduced the dust pollution on the site.



Newly-built silica-calcium slag storage system



Silicon calcium slag belt conveyor system

**Waste management in the Cauchari-Olaroz project in Argentina**

The Cauchari-Olaroz project was designed with a waste management solution, which mainly includes

- A waste management plan to prevent any negative impact on the project;
- Waste management procedures to classify and measure waste;
- Disposal of waste monthly, including separation from the source, sorting, recycling, composting, etc.

In 2020, the project used all useful organic waste for composting. On the one hand, it can reduce the final disposal of waste. On the other hand, it can increase the amount of natural fertilizer and increase employees' awareness of the importance of waste management practices. Some recyclable waste is sent to recycling companies, which after being recycled will benefit schools, municipalities and communities. As the project is in the construction phase, a large amount of construction waste is generated. The Company stores the waste in specially designated facilities until they are disposed of.

The project has classified all wastes and used different treatment methods to effectively treat or reuse all wastes.

**Waste Water**

The Company strictly complies with the laws and regulations including the *Water Pollution Prevention and Control Law of the People's Republic of China*, *Inorganic Chemical Industry Pollutant Discharge Standard*, *Battery Industry Pollutant Discharge Standard* and *Pollution Permit Management Measures (Trial)* to control the wastewater generated from production and laboratory processes, ensuring that it is discharged after meeting the standards. The Company requires all subsidiaries to conduct analysis and testing in accordance with the relevant requirements of pollution discharge permits, install online monitoring equipment at the main wastewater discharge outlets and keep records. Domestic sewage is treated and discharged into the municipal sewage pipe network after it reaches the standard. In 2020, Ganfeng Lithium's 10,000-ton lithium salt plant implemented "zero" discharge of wastewater and set up a working group to substantially improve the Company's effectiveness in wastewater reduction.

**Efficient treatment of wastewater in the Cauchari-Olaroz project in Argentina**

The Cauchari-Olaroz project team has realized that the water used by the project is crucial in the process of project implementation. Therefore, Minera Exar is committed to responsible and transparent water management. From a long-term perspective, our water resources management plan includes

- Collecting extensive data on underground water resources;
- Real-time monitoring of water consumption and the amount of sewage generated;
- Testing surface water and conducting hydrogeological research to develop a modeling system;
- Implementing a link management plan to reduce water consumption and improve the efficiency of wastewater treatment.

## Exhaust Gas

The exhaust gas produced by the Company's operations is mainly boiler exhaust gas, drying exhaust gas and exhaust gas produced by the electrolysis process. In accordance with laws and regulations such as the *Air Pollution Prevention and Control Law of the People's Republic of China*, *Comprehensive Emission Standard of Air Pollutants* and *Emission Standard of Air Pollutants from Industrial Furnaces*, the Company installs online monitoring equipment at the main discharge outlets to monitor exhaust emissions to ensure all exhaust gas meets the emission standards. In addition, technical improvements and production equipment upgrades are carried out to reduce the concentration and total amount of exhaust gas emissions. In 2020, the Company invested a total of 33.86 million Yuan in process transformation, reducing emissions of nitrogen oxide, soot and sulfur dioxide by 91.65 tons, 24.31 tons and 30.81 tons, respectively.

### Comparison of exhaust gas emissions per ton of Ganfeng Lithium products

|                          | 2020  | 2019  | Decrease compared to 2019 |
|--------------------------|-------|-------|---------------------------|
| Particulate matter (ton) | 6.67  | 11.16 | 40%                       |
| Sulfur dioxide (ton)     | 9.27  | 14.98 | 38%                       |
| Nitrogen oxides (ton)    | 30.36 | 47.32 | 36%                       |

### Ganfeng Lithium's 10,000-ton lithium salt Phase I rotary kiln tail flue gas denitrification technology transformation

In order to implement the requirements of the *Comprehensive Emission Standard for Air Pollution* and achieve the compliance emission of nitrogen oxides, Ganfeng Lithium has renovated the denitrification of the flue gas from the Phase I rotary kiln of the 10,000-ton lithium salt plant. In October 2020, the construction of the project was completed. The concentration of NO<sub>x</sub> from the phase I rotary kiln tail dropped significantly. Before the technical renovation, the NO<sub>x</sub> concentration was basically around 500 mg/Nm<sup>3</sup>, and after the technical renovation, it was about 200 mg/Nm<sup>3</sup>, so that the estimated NO<sub>x</sub> reduction was 37.88 t/a.



Rotary kiln flue gas denitrification equipment

### Ganfeng Lithium's 10,000-ton lithium salt plant Phase III acidification kiln hot-blast stove coal-to-gas conversion

In 2020, the third-phase acidification kiln hot-blast furnace fuel of the 10,000-ton lithium salt plant was changed from coal to natural gas, which addressed the safety and environmental protection risks generated during the gas generation process. The environmental protection data before and after conversion was clearly compared to show an effective reduction in emissions of major air pollutants such as sulfur dioxide and nitrogen oxides.

|                               | Before transformation       | After transformation       |
|-------------------------------|-----------------------------|----------------------------|
| SO <sub>2</sub> concentration | About 500 mg/m <sup>3</sup> | Below the detection limit  |
| NO <sub>x</sub> concentration | 300 mg/m <sup>3</sup>       | About 20 mg/m <sup>3</sup> |



Natural gas pressure regulating station for acidification kiln renovation



Renovation of natural gas pipeline in acidification kiln

### Emissions management of the Cauchari-Olaroz project

Controlling emissions is of utmost importance to the health and safety of our employees. In addition, we recognize that customers and investors increasingly expect us to minimize emissions during the manufacturing process. Minera Exar regularly tracks greenhouse gas, air quality and noise emissions at all stages of the project, and has set five fixed detection points to obtain on-site air pollutant indicators in a timely manner.

## Noise

The Company strictly controls the noise pollution in the production area by clarifying the noise control standards in the plant, the boundary area of the plant and at the nighttime and regularly conducting noise monitoring. When the monitoring result exceeds the response standard, we conduct targeted emergency management according to the exceedance, such as improving the mechanical transmission part of the production equipment or air compressors, and in severe cases, stopping production for improvement immediately.

## Optimizing Use of Resources

The Company pays attention to improving energy efficiency in the production process by reducing resource waste and rationally using by-products. At the same time, the Company promotes green office measures to advance the construction of a resource-saving enterprise.

### Energy-Saving Technical Improvement

The Company has formulated relevant systems such as the *Energy Management System*, *Energy Consumption Quota Management System*, *Measures for Evaluation and Assessment of Energy-Saving Targets Oriented Responsibility* and *Energy-Saving Reward and Punishment System* to link target achievement and environmental performance to executive performance and urge energy conservation and emission reduction responsibilities to be implemented. The Company analyzes possible links for energy efficiency improvement in the operation process, and continuously improves energy efficiency through waste heat utilization and equipment update and optimization.

#### Comparison of energy consumption per ton of Ganfeng Lithium products

| Comprehensive energy consumption per unit product   | 2020 | 2019  | Decrease compared to 2019 |
|---|------|-------|---------------------------|
| -Lithium chemical (ton of standard coal/ton of LCE) | 2.22 | 2.28  | 3%                        |
| -Lithium batteries (ton of standard coal/MWh)       | 9.91 | 10.56 | 6%                        |

### Ganfeng Lithium 10,000-ton lithium salt plant's waste heat utilization transformation

Ganfeng Lithium's 10,000-ton lithium salt plant implemented waste heat transformation and utilization of the high-temperature flue gas generated from the rotary kiln head in the first and second phases. A heat exchanger was added to the lithium hydroxide workshop to exchange heat for concentrated liquor and purged liquor, which prevented dissipation of heat causing a waste of energy. The plant separately added a drying system and a waste heat boiler to the existing kiln head to collect the heat in the flue gas to produce steam or dry raw materials.

The annual drying capacity of spodumene in the drying kiln in the first phase is 158,400 tons, and the recovered heat is about 2,520 tons of standard coal;

The second phase of the project can produce 15,000 tons of steam per year;

The technical transformation of the lithium hydroxide workshop can save 0.9 tons of steam per hour and reduce the amount of steam used by 6,300 tons per year.



Retrofitting of rotary kiln's waste heat boiler



Retrofitting of rotary kiln head's drying system

### Ganfeng Lithium's 10,000-ton lithium salt plant switches to new energy forklifts

Ganfeng Lithium's 10,000-ton lithium salt plant actively responds to the government's call for vigorously promoting the use of clean energy, energy savings and emission reduction by replacing diesel-fueled forklifts with electric ones for all forklifts to be purchased for added production and ordinary tires of some forklifts with environmentally friendly ones. In 2020, a total of 5 electric forklifts were put into use in various warehouses. In the future, diesel-fueled forklifts other than those for engineering construction will be gradually replaced with electric forklifts, and all electric forklift tires will be replaced with environmentally friendly tires.



The Company's electric forklift

### Energy-saving transformation of dehumidifiers in the battery cell workshop of Xinyu Ganfeng Electronics Co., Ltd.

Xinyu Ganfeng Electronics transformed three low-temperature dehumidifiers from fixed frequency to variable frequency in the battery cell workshop of the second manufacturing division. Under the premise of not affecting the temperature, humidity and cleanliness of the workshop, the frequency was reduced to reduce the air supply, cooling capacity and heating power consumption. In addition, connecting the original two units in parallel to stand by each other made it easy to adjust the operating status of the chiller according to the season and weather, thereby reducing energy consumption. After the transformation, it is estimated that the annual electricity consumption can be reduced by about 920,000 kWh based on the actual operation effect.

### Ganfeng Lithium's energy-saving technical transformation of the butyllithium workshop in the lithium chemical sector

The butyllithium workshop of the lithium chemical sector of Ganfeng Lithium utilized the old 3 kW canned motor pump that had been dismantled and discarded to replace the 37 kW fire pump, and boosted the pressure of the butyllithium filter cleaning to save 1,530 kWh of electricity per month. In addition, the workshop recycled the original butyllithium cleaning solution after compliance treatment to reduce the amount of cleaning waste liquid for treatment, which can save 75,000 liters of solvent and 15 tons of steam on average each year.

## Use of By-products

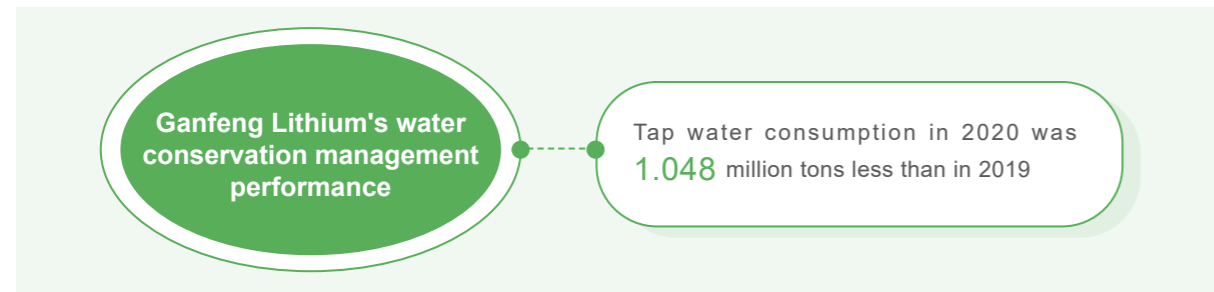
The productive waste (smelting by-products) produced by the Company in the ore refining business is stored in a special storage point, and sold by the marketing department as production materials for cement and glass manufacturing industries. For the chlorine tail gas produced by the electrolytic lithium process, the Company actively carries out gas capture and reuse to prepare disinfection solutions. In 2020, the Company used a total of 79.2 tons of solid by-products.

### Ganfeng Lithium recycled tail gas from electrolysis for metal lithium preparation

During the electrolysis process of metal lithium preparation in Ganfeng Lithium, chlorine-containing tail gas by-products are produced on the anode of the electrolytic cell, which causes serious air pollution if they are not absorbed. The Company collects chlorine-containing tail gas through a gas hood and guides it to the absorption treatment device by a fan. Sodium hydroxide is used as the absorption liquid and two sets of turbulent ball towers are used for absorption. The entire absorption process line prevents chlorine leakage through failure interlocking, chlorine leakage alarm, negative pressure alarm, etc. The chlorine absorption rate reaches 99.9%, and the generated sodium hypochlorite solution is absorbed and mainly used for multiple purposes such as water purification, disinfection, pulp bleaching, etc.

## Use of Water Resources

The Company advocates the recycling of waste water. From the waste water generated during the production process, condensate water is used in cooling water recycling, and the cooling water required for bag dust removal and desulfurization systems is precipitated, filtered and recycled to improve water resource utilization. In 2020, the Company strengthened the management and control of water testing points in production workshops, sewage stations, cleaning and sanitation stations, office buildings and canteens. Focusing on improving water metering and monitoring, we added 30 water meters and updated 12 to increase the water metering and testing rate to 100%.



### Comparison of water consumption per ton of Ganfeng Lithium products

| Water consumption per unit product | 2020  | 2019  | Decrease compared to 2019 |
|------------------------------------|-------|-------|---------------------------|
| -Lithium chemical (ton/ton of LCE) | 38.62 | 40.72 | 5%                        |
| -Lithium batteries (ton/MWh)       | 19.9  | 20.44 | 3%                        |

### Ganfeng Lithium's water recycling in its 10,000-ton lithium salt plant

From February to April 2020, Ganfeng Lithium recycled the condensed water and sewage from its 10,000-ton lithium salt plant. Heat exchange was performed between the high-level secondary condensate water (75-85°C) produced in the workshop and the LiOH solution (-5-10°C) produced by cooling to supplement tap water supply to the cooling tower, and the sewage recovered from the cooling tower through pipelines was used for sprinkling and workshop floor washing to effectively improve the utilization rate of water resources.

After the transformation, the annual water consumption can be reduced by 186,600 cubic meters.

### Ningdu Ganfeng's steam condensate reuse

In order to reduce the consumption of tap water and avoid the waste of primary steam condensate, Ningdu Ganfeng recovers primary steam condensate from the circulating fluidized bed boiler as the main source of boiler feed water. Since the project was implemented in April 2020, a total of 96,531 tons of steam condensate have been reused, accounting for 77.5% of the total boiler water supply.

At the same time, the lithium carbonate workshop supplements the circulating water station and is responsible for the operation of the circulating water system of the whole plant. The workshop utilizes the surplus cooling capacity of the circulating water cooling tower to recover the secondary steam condensate as supplementary water for the circulating water system to reduce tap water consumption. In 2020, 180,000 tons of fresh water were saved through secondary steam condensate reuse.

### Steam condensate reuse in Fengxin Ganfeng

From March to August 2020, Fengxin Ganfeng set up a condensate collection tank in the plant area to address condensate discharge after use of external steam. At the same time, a condensate cooling device was installed to input the collected water to the cooling tower and the absorption section for use, reducing water discharge and tap water consumption. According to calculations, the water saved was about 30,000 tons.

### Cauchari-Olaroz project's water resources management

Minera Exar recognizes that water is not only critical to the operation of the project, but also a key issue for local operators. We are committed to responsible water management and ensure full compliance with local water laws and regulations. In order to reduce competition with local communities for water resources, the project only purchases treated deep water which is alkaline and not suitable for humans or animals to drink. As our water use exceeds the standards of local government, we use advanced hydrological models to ensure that there is no conflict with the water use of local communities, so as to maintain trust among communities and their sustainable development.



## Green Office

The Company advocates green and low-carbon office work and encourages a variety of green office approaches. In December 2020, the Company launched an ERP system upgrade. While promoting unified and integrated information management and control, we continuously reduced the paper needed for office work and the energy consumption for communication, thereby effectively reducing resource consumption.

### Ganfeng Lithium launched the 2020 "World Environment Day Publicity Week"

From June 5 to 12, 2020, the Company took the 2020 World Environment Day as an opportunity to launch "World Environment Day Publicity Week" with the theme of "I'm an Actor to Beautify Ganfeng Lithium". The Company established the "World Environment Day Publicity Week" leading group and organized a variety of activities:

- Online quizzes with prizes on environmental protection knowledge;
- Special lectures and environmental diagnosis by environmental protection experts invited to the Company;
- Team activities with the theme of "How to implement on-site 5s management" organized in each subsidiary/plant;
- Hidden danger investigation around pollutant discharge standards;

These activities enhanced the Company's environmental management capabilities and consolidated its environmental awareness.



"World Environment Day Publicity Week" activities on site

## Conserving the Ecological Environment

Ganfeng Lithium pays high attention to the construction of ecological civilization. In strict accordance with the *Environmental Management System for Construction Projects* and *Environmental Factors Identification Form*, we investigate such key operations as mining, smelting and processing, restore the ecological environment to minimize the impact on the environment and ecosystem, and explore sustainable mining methods.

### Environment Reclamation

In accordance with the *"Three Simultaneities" Management Regulations for Environmental Protection of Construction Projects*, the Company strictly implements environmental impact assessment before starting construction, and ensures that the environmental protection facilities and the main body of the construction project are designed, constructed and put into use at the same time, thereby reducing the impact on the environment and ecosystem.

After the development of mineral resources, the Company promptly conducts reclamation management of the mining area. In accordance with the *Law of the People's Republic of China on Soil and Water Conservation*, *Service Guide for the Development and Utilization of Mineral Resources* (published by the Ministry of Natural Resources of the People's Republic of China) and *Environmental Protection and Recovery Management Plan for Mines*, we plant trees and grass to green mines, restore the ecological environment of the mining area as much as possible, and prevent soil erosion.

### Sustainable Mining

Ganfeng Lithium explores sustainable lithium resource mining methods. We use renewable energy such as solar energy, implement sustainable mining of lithium salt lakes, and avoid fossil fuel consumption and greenhouse gas emissions caused by ore extraction and mining. As of the end of 2020, the Cauchari-Olaroz and Mariana lithium salt lake projects led by Ganfeng Lithium in Argentina had incorporated the concept of sustainable mining, striving to build the world's most environmentally friendly lithium projects.

### The Cauchari-Olaroz project in Argentina

The Cauchari-Olaroz project site is rich in sunshine and is adjacent to the CAUCHARI 300MW smart photovoltaic power station, the largest such in South America. Compared with thermal power generation, annual carbon emissions have been reduced by about 598,000 tons. After the project is completed, it will use the electricity generated by solar energy and evaporation by sunlight to mine the salt lake. At the same time, the project will implement water recycling to avoid water waste, and adopt a three-effect evaporation process to reduce water consumption and increase the output per unit of water use. The entire project uses renewable resources as much as possible in the process of mining, processing and transportation.



Landscape of the Cauchari-Olaroz project site and surrounding areas

In addition, to promote local economic development, the project will create at least 260 permanent jobs during the 40-year operation period. We will organize activities in local communities, work with partners of different ethnicities and beliefs, and invite biological and environmental scientists on a regular basis to offer environmental training, so as to create a balance between society, economy and the environment.

## Ensuring Safety and Employee Health

Adhering to the safety concept of "shared risk and shared responsibility" Ganfeng Lithium continuously promotes the construction of a safety management system in order to build a solid line of defense for employees. Aiming at "zero accidents, zero damage to employee health and zero environmental accidents", we firmly promote safety management by implementing standardized management of safety production, actively carrying out safety production training and publicity, and establishing a sound safety culture, so as to keep forging ahead in creating a benchmark for safety production in the industry.

Material issues addressed in this chapter

- ✓ Waste and chemicals
- ✓ Safety and health

Issues related to SDGs addressed in this chapter



## Improving the Safety System

Ganfeng Lithium abides strictly by the laws and regulations such as the *Law of the People's Republic of China on Work Safety and Work Safety Management Regulations of Jiangxi Province* and has formulated and implemented internal system policies such as the *Work Safety Management System* and *Regulations on Management of the Responsibility System for Work Safety*.

We have established a Management Committee for Safety, Environmental Protection and Fire Protection within the Company to comprehensively manage safety work. A safety and environmental protection office has been set up under the Committee to organize, guide, coordinate and supervise the daily work of various subsidiaries, factories and departments. In 2020, we comprehensively organized the responsibilities of safety production management at all levels, strictly implemented the "one post and two responsibilities" system, and continued to improve the safety production responsibility assessment system, clarify entities responsible for safety, and fulfill the responsibility for safety production at every link, every post and by every employee.

In order to ensure that the safety management system is always in line with international first-class standards, Ganfeng Lithium actively participates in the certification of the safety management system. As of the end of 2020, Ganfeng Lithium and 7 subsidiaries had obtained ISO45001 occupational health management system certification; Ganfeng Lithium and 7 other subsidiaries have also obtained QHSAS18001 certification. The internationalization and standardization of Ganfeng Lithium's safety management system was effectively guaranteed.

### Occupational health and safety management of the Cauchari-Olaroz Project in Argentina

Health and safety are our core principles. The Company strives to prevent and reduce occupational health and safety risks for employees and contractors. Minera Exar has established a Health, Safety, Environment and Community Committee (HSEC), which is responsible for assisting the Board of Directors to supervise and review the Company's health and safety policies to ensure that they are consistent with local policies. The *Code of Conduct* formulated by Minera Exar states our commitment to health and safety. Our employees have established a Health and Safety Committee, which meets regularly every month to address and improve the health and safety of employees.

## Work Safety Practice

Ganfeng Lithium actively identifies various safety risks, constantly carries out comprehensive and detailed investigations of potential safety hazards, and devises corresponding safety emergency plans to create an atmosphere of safety production. We continuously improve employees' safety awareness and safety skills and exert comprehensive control of a series of processes such as internal control, operation and emergency response. During the reporting period, Ganfeng Lithium invested RMB 19.47 million in work safety and achieved "zero" work safety accidents.

During the reporting period, Ganfeng Lithium invested RMB **19.47** million in work safety and achieved "zero" work safety accidents.

## Safety Risk Control

In order to strengthen the control of project construction from the source, we have actively implemented the "three simultaneities" safety principle for construction projects. In the daily production and operation process, we insist on carrying out hazard identification training, requiring all units to actively identify and evaluate their own hazards, formulate hierarchical risk management and control measures, and establish specific management and control plans for dynamic management of identified major environmental risks.

Adhering to the work policy of "prevention first, combining prevention and elimination", we regularly carry out fire safety inspections and fire hazard inspections to discover and correct hidden hazards in a timely manner, prevent fires and make the Company's fire protection work scientific, standardized and institutionalized.

We incorporate contractor risk management into the overall safety risk assessment of the enterprise, and strictly implement the management and supervision of contractors' safety production. We sign the *Construction Safety Agreement for External Construction Units* with contractors, and issue the *Notification on the Safety Environment of External Construction Units* and *Detailed Rules for the Safety Assessment of External Construction Units* to contractors to achieve full coverage of the Company's safety production management policies and systems. Our daily on-site safety inspections include supervision and inspection of the contractor's construction safety to promptly discover potential safety hazards and require rectification, keeping strict control over contractors' safety risks.

## Hidden Danger Investigation and Management

Ganfeng Lithium has set up 5S specialists in each production workshop to carry out comprehensive and detailed dynamic safety inspections and hidden danger investigations, and regularly accept inspections by external supervisory authorities. In 2020, Ganfeng Lithium received 179 external inspections, in which 3,642 risks were screened out and 3,603 rectifications were finished with a rectification rate of 98.93%. The Company has fully implemented the work system of "one map, one sign and three lists", which has effectively strengthened safety management measures and comprehensively improved the safety conditions of production units.

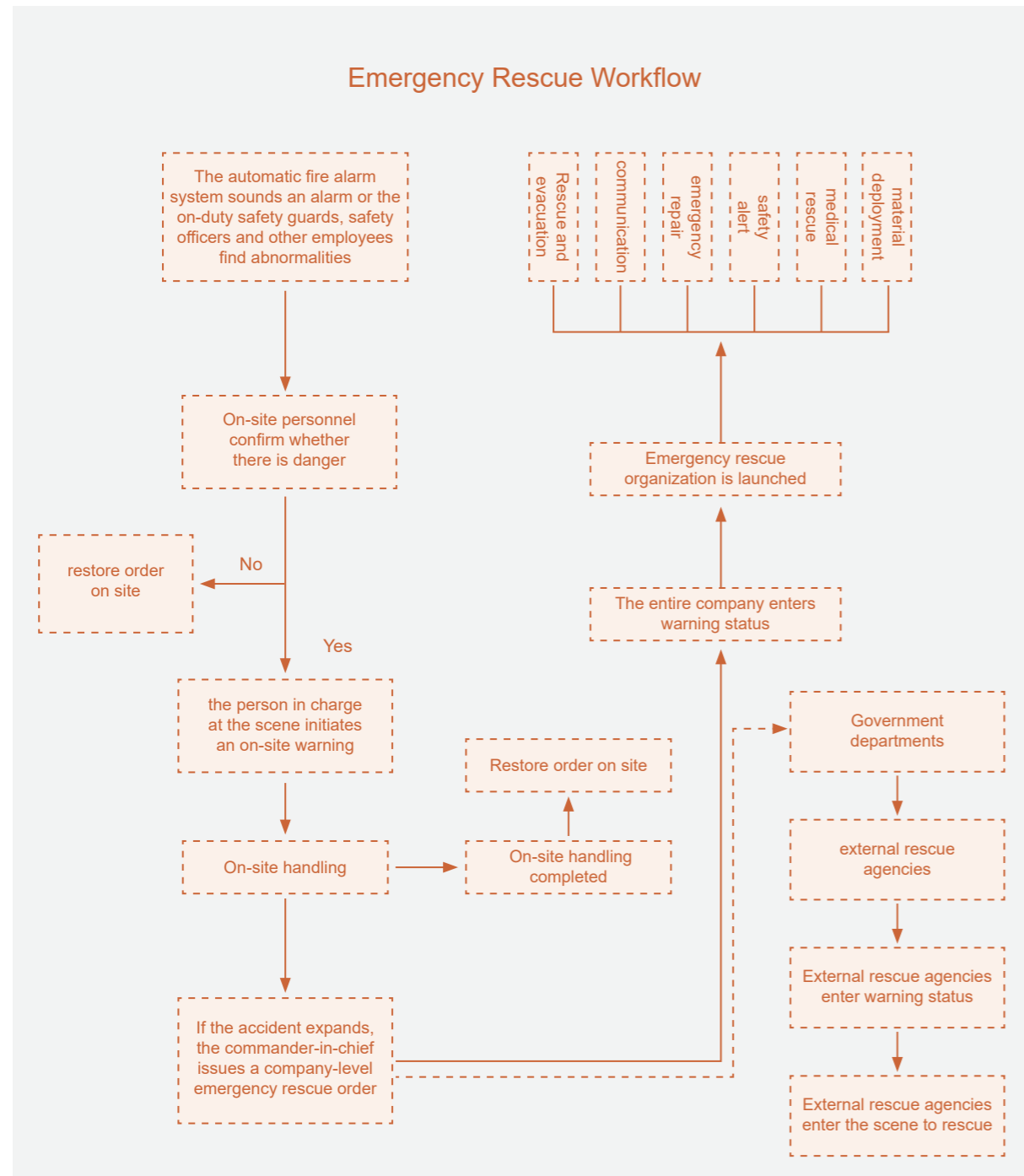
In 2020, we further identified high-risk links in production operations and fully standardized the management of hazardous operations. We implemented ticket management for dangerous operations such as operation with fire, operation in confined space, hoisting, etc., and established an approval system. In 2020, the Company issued a total of 23,823 job tickets.



In 2020  
a rectification rate of  
**98.93%**

## Safety Emergency Management

In order to respond to various emergencies in a timely manner, Ganfeng Lithium continuously improves its emergency management work. We have established and improved the emergency management system. The Company compiled the *Work Safety Emergency Plan* and reported it to the Emergency Management Bureau, and formulated the *Emergency Plan Management Process Document* during the year, which comprehensively improved our ability to prevent and respond to safety accidents. In 2020, the Company carried out a total of 71 emergency response drills.



## Safety Culture Construction

Ganfeng Lithium actively carries out safety production publicity and education. Through various forms of safety culture activities and safety training, we have further cultivated employees' safety awareness and technical qualities for safety production, instilled them with safety concepts, and improved the Company's safety culture construction.

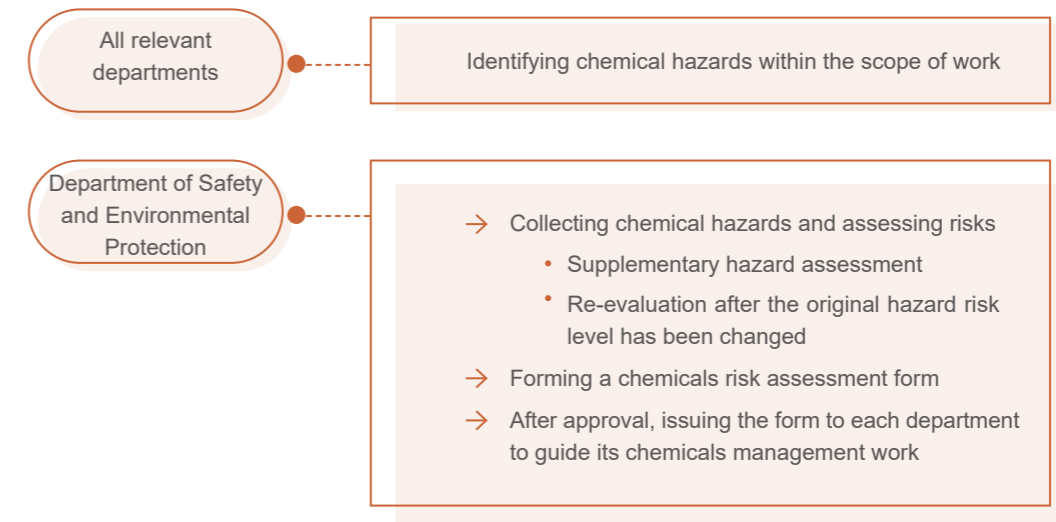
In 2020, relying on Ganfeng Lithium Business School, we carried out business training and on-job training activities. During the reporting period, 66,737 people participated in safety training. In addition, we insist on holding a series of Safety Production Month activities every year. In June 2020, we carried out safety production accident warning education, safety knowledge Q&A, safety knowledge lectures and other activities on the theme of "eliminating accidents and strengthening safety lines", which created an atmosphere of safety publicity and education and promoted the continuous improvement of safety awareness among all employees of the Company.

During the reporting period, **66,737** people participated in safety training

## Strengthening Chemicals Management

In accordance with the *Law of the People's Republic of China on Work Safety*, *Hazardous Chemicals Safety Regulations*, *Hazardous Chemicals Directory* and other laws, regulations and policy documents, Ganfeng Lithium has formulated a series of management rules to guarantee that the management of hazardous chemicals in every segment is well-documented, such as the *Hazardous Chemicals Registration Management System*, *Hazardous Chemicals Usage Management System*, *Hazardous Chemicals Storage Management System*, *Hazardous Chemicals Disposal Management System*, *Hazardous Chemicals Guidelines for the Detection and Control of Safety Risks in Enterprises* and *Hazardous Chemicals Transportation Management System*.

With reference to the *Guidelines for the Investigation and Governance of Corporate Safety Risks in Hazardous Chemicals*, Ganfeng Lithium conducts quarterly safety and environmental inspections of its subsidiaries, and urges timely rectification of the problems found. Each department fills in the *Inbound and Outbound Ledger* with reference to the *Safety Technical Manual*, *Safety Labels* and other guidelines to carefully assess and control risks throughout the process from purchase and sale, transportation and storage to outbound delivery. Each subsidiary organizes no less than two plant-level safety and environmental inspections every month, exerting strict control of dangerous chemicals.



In 2020, on the basis of the existing standardized management system for hazardous waste, Ganfeng Lithium made in-depth studies to ensure the implementation of solid waste compliance management, and resolutely eliminated environmental pollution caused by solid waste. Some hazardous wastes cause serious environmental pollution due to their infectious, corrosive, flammable and toxic properties. The environmental pollution caused is not only serious, but also irreversible and difficult to manage. The Company studied in depth the new version of the *Solid Waste Pollution Prevention and Control Law* (referred to as the "New Solid Waste Law") officially implemented in September 2020, and guided by the *National Hazardous Waste List* correctly identified hazardous waste, comprehensively managed and supervised the use of hazardous chemicals to eliminate potential environmental impact during operation.

In 2020, all the transportation vehicles of Xinyu Ganfeng Transportation Co., Ltd. were installed with 4G intelligent video surveillance systems that were connected to 4 dangerous goods transportation management platforms from other provinces to realize the visual and dynamic management of vehicle and personnel safety. Drivers can use a mobile phone APP to enter the system to perform related operations, and the transportation company and the transportation management platform can simultaneously obtain the vehicle's driving trajectory, personnel information, vehicle information, etc.

#### Transportation companies carried out joint emergency rescue drills for dangerous goods transportation accidents

In June 2020, Xinyu Ganfeng Lithium Transportation Co., Ltd. and 7 hazardous chemical transportation companies in Xinyu organized the 2020 emergency rescue drill for the transportation of dangerous goods in Xinyu City. Based on the characteristics of existing hazardous chemicals, they formulated special plans to improve the emergency response capabilities of employees in handling hazardous chemical leakage incidents. Through the simulation of hazardous chemical leakage and the explanation of on-site professionals, drivers and safety officers carried out drills for emergency, escape and self-rescue against primary hazardous chemical leakage to improve their risk control awareness during the transportation of hazardous materials. In these emergency drills, all equipment played an effective role in controlling the impact of hazardous chemicals on the health of personnel. In addition, environmentally sound treatment was carried out to reduce the potential impact caused by the leakage of hazardous chemicals.



Employees of transportation companies participating in joint drills



## Safeguarding Occupational Health

Ganfeng Lithium pays high attention to the occupational health and safety of employees. The Company complies with the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, *National Occupational Health Standards of the People's Republic of China*, *Occupational Health Monitoring Management Measures*, *Health Inspection Projects and Cycles*, *"Three Simultaneities" Supervision and Management Measures for Occupational Disease Protection Facilities of Construction Projects* and *Catalogue of Occupational Disease Hazard Factors*, among other laws or regulations. We have formulated and refined the Company's internal occupational health management regulations based on the business characteristics. With reference to the OHSAS 18001 certification that it has obtained, the Company implements systematic management of occupational health by formulating and continuously improving relevant regulations such as the *Occupational Health and Safety Inspection and Measurement Management*, *Occupational Health File Management*, *Company Safety Operation Management*, etc., which include a full range of detection methods for hazard factors such as project pre-evaluation, special evaluation, control effect evaluation and current status evaluation.

In 2020, the Company revised the *Management Regulations for Occupational Health Examination of Employees* to carry out targeted occupational hazard control. The Company comprehensively carried out regular physical examinations and occupational health monitoring, covering 100% of personnel exposed to occupational hazards. Our transportation companies comprehensively guaranteed the safety and health of drivers and safety officers by equipping them with work necessities such as helmets, protective glasses, reflective clothing, labor protection supplies, etc. Safety education and training were organized from time to time to strengthen their professional knowledge and capacity building as well as self-protection awareness.

In 2020, the Company invested  
**4.27** million Yuan in  
personal protective equipment  
for occupational health

**No** occupational diseases  
among new employees



**No** fatal  
accidents at  
work in the past  
three years



Employee injury  
rate of **0%**



**Zero** days  
lost due to work  
injury



## Delivering Happiness with People-Oriented Ganfeng Lithium

Ganfeng Lithium insists on serving employees wholeheartedly by constantly improving the talent management system, actively safeguarding employees' rights and interests, and establishing a diversified training system to help employees develop. We care for employees' lives, helping disadvantaged employees and employees in need to ensure the sustainable development of the Company's human resources.

Material issues addressed in this chapter

-  Employment and labor management
-  Development and training
-  Employee care
-  Democracy and human rights
-  Community investment

Issues related to SDGs addressed in this chapter



## Improving Team Building

Ganfeng Lithium strictly abides by the *Labor Law of the People's Republic of China*, *Labor Contract Law of the People's Republic of China* and other relevant laws and regulations. We have formulated internal management systems such as the *Recruitment Management Regulations* and *Salary Management Regulations*. In the face of ever-changing industry competition and corporate development, we strive to create an equal and diversified recruitment model and actively promote the reform of the salary system. In 2020, Ganfeng Lithium introduced the IATF16949 quality management system, and carried out a series of updates and optimizations to the human resource management system to fully protect the legitimate rights and interests of employees in such aspects as recruitment, promotion, salary and benefits.

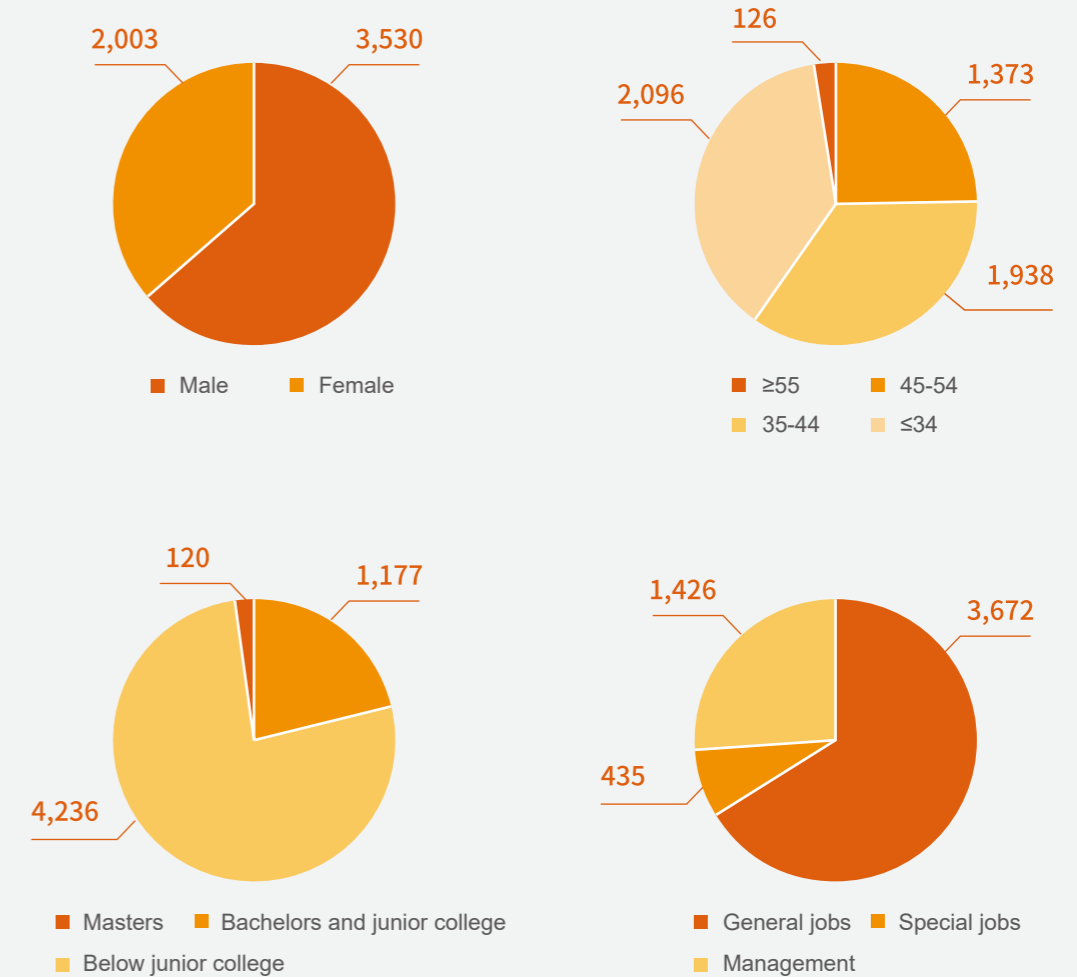
## Employee Employment

The *Recruitment Management Regulations* of Ganfeng Lithium require the Company to follow the principle of "fairness, impartiality, openness, competition and selection of the best" when recruiting employees. For selection and promotion, we give priority to suitable employees who meet the requirements of the position open for recruitment and have outstanding performance in the Company, and then consider open recruitment to the public. The Company has formulated the *Management Regulations for Non-Discrimination, No Harassment and No Abuse* to give all applicants equal opportunities, and does not discriminate against any applicant due to differences in region, ethnicity, race, gender, habits, religious beliefs, etc. or give different considerations due to such factors as recommenders. In addition, the Company has formulated the *Management Regulations for Prohibition of Forced Labor, Harassment and Abuse*, which prohibit the use of force or coercion to obtain labor services and any mental or physical harassment and abuse in order to protect the personal freedom of employees.

In 2020, Ganfeng Lithium formulated the *Recruitment Operation Guidelines* and *Care Management Regulations* to ensure ideological and behavioral unity and standardization in the Company's recruitment and internal promotion. The Company conducted recruitment work according to the human resource demand plan which was divided into quarterly plans according to the time of talent demand generated, and carefully analyzed the types of personnel for recruitment, so as to select suitable recruitment channels and achieve sound recruitment results. The Company also actively expanded recruitment channels. In addition to internal recruitment, our external recruitment channels included colleges, the Internet, the talent market, talent exchange meetings, intermediaries, headhunters, advertising media, etc. We also encouraged employees to recommend all kinds of outstanding talents to the Company, which effectively improved the Company's talent pool.

In 2020, Ganfeng Lithium incorporated "cadre management" from routine work into the agenda and system for the first time, and formulated the *Cadre Management Regulations* to standardize the Company's workflow regarding the selection, appointment, dismissal and evaluation of cadres and reserve cadres and clarify what kind of cadre team the Company needs. We organize an annual evaluation of all cadres and reserve cadres, including performance, professional ethics, integrity, etc., and link the results to remuneration, in order to promote the sustainable development of the Company's management.

## Staff Composition



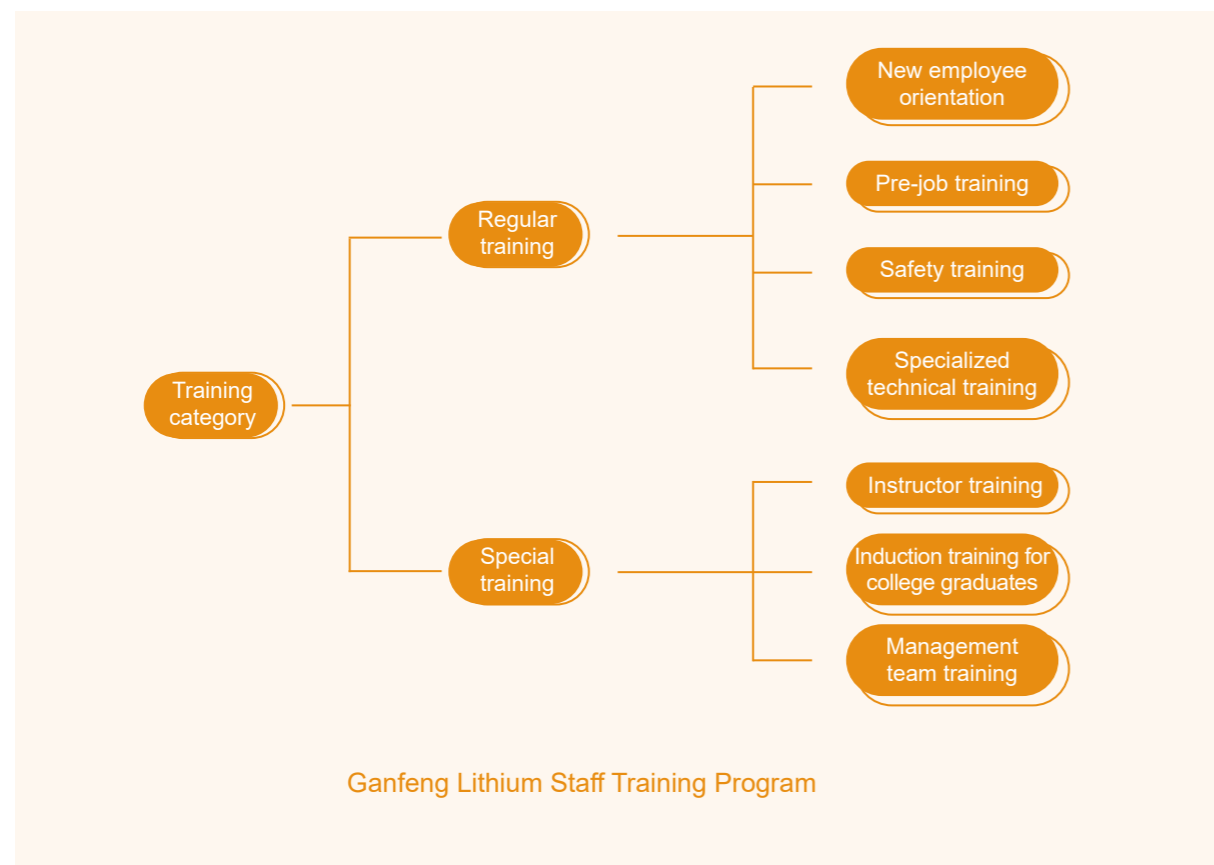
## Compensation and Benefits

Ganfeng Lithium actively carries out salary system reforms, taking performance as a strategic means to improve the efficiency of employees and the Company. In 2020, Ganfeng Lithium updated the *Provisions on Compensation and Benefits Management* to determine the Company's human resource salary management principles, established and standardized salary management standards, improved the talent incentive mechanism, and rationally distributed labor compensation. The Company's welfare management standards were detailed to provide employees with secure non-salary benefits.

The Company follows the three major principles of "competitiveness, incentive and fairness" in the distribution and management of remuneration. We combine the salary level of the same industry and in the region to bring the Company's salary level in line with the external market. At the same time, through performance appraisal, we closely integrate the overall performance of the Company and the department and the individual performance of employees with employee income to stimulate their enthusiasm for work, and set up salary grade promotion channels to encourage employees to work hard for excellent work performance. In addition, we have established a reasonable salary value evaluation mechanism to evaluate employee performance based on factors such as job status, work difficulty, personal ability and market conditions, so as to determine the employees' final income.

## Pooling Strength for Development

Ganfeng Lithium regards employee growth and development as the foundation of the Company's long-term development. The Company has formulated *Management Regulations for Employee Development and Training* and other internal system documents to create a comprehensive knowledge system for employees. Through various regular training activities and special training courses organized by Ganfeng Lithium Business School, we use a more standardized, scientific and systematic training system to help employees quickly integrate into the Company, improve specialty skills and continuously grow to create a high-quality workforce for the Company, thereby providing human resources guarantee for the sustainable development of the Company.



### Focused Training Programs at Ganfeng Lithium Business School

- Orientation training for college graduates

In July 2020, Ganfeng Lithium Business School held the 2020 orientation training for college graduates as scheduled, which by combining classroom training and outreach allowed new employees to quickly understand the Company's system and general situation and to get to know each other, helping them integrate into the new environment as soon as possible.



### Focused Training Programs at Ganfeng Lithium Business School

#### Management improvement training with the theme of "building a learning team with growth potential"

In September 2020, Ganfeng Lithium Business School carried out management improvement training with the theme of "building a learning team with growth potential" for the Company's middle and senior managers. Chairman Li Liangbin and Executive Vice President Deng Zhaonan talked about how to form a team and implement management. In addition, excellent external lecturers were hired to teach the participants how to master the key core concepts of the book entitled "From Outstanding to Excellent" on the spot. They extracted key methods and tools from the book and applied them in different scenarios to further improve the level of the Company's management personnel.





Employee training management of the Cauchari-Olaroz project in Argentina

Minera Exar recognizes that the success of an organization is closely related to skilled and well-trained employees, and that the local community is also vital to the operation of the organization. For these reasons, the Company provides a large number of opportunities for training and education to local community residents to improve their employment and entrepreneurial capabilities. Before the formal production of the project, we focus on the preparation and training of employees, emphasizing the need to hire and train local community residents. The Company strives to help employees acquire the necessary knowledge in order to better carry out their work and promote their personal growth. After the annual performance review, employees will be allocated with special development training to improve their specialized capabilities. Taking into account the huge resources that the Company has in the local community, we selected 20 local suppliers to participate in the training, introducing them to business management tools and technologies. As of the end of 2020, the Company had provided more than 700 jobs for local community residents.

As of the end of 2020, the Company had provided more than **700** jobs for local community residents.



Vigorous Spirit

Ganfeng Lithium is committed to promoting the establishment of a healthy workplace and improving the happiness and satisfaction of every member of the Company in an all-round way. We actively build communication channels for employees, improve the trade union and workers' congress system, and help employees solve problems encountered in work and life. The Company provides employees with a full range of care projects, organizes a wealth of cultural and sports activities, and makes every effort for employees to enjoy a happy workplace in all aspects.

Listening to Employees

Ganfeng Lithium attaches great importance to employee communication by actively seeking their actual opinions. The Company conducted an anonymous employee satisfaction survey covering 62.36% of the Company's employees with questions involving salary and compensation, incentive systems, welfare policies, etc. We collected suggestions from employees one by one. According to the results of the questionnaire, the Company made improvements and adjustments to existing problems to meet the needs of employees to the greatest extent and enhance workplace happiness.

Ganfeng Lithium launched an online "employee suggestion box"

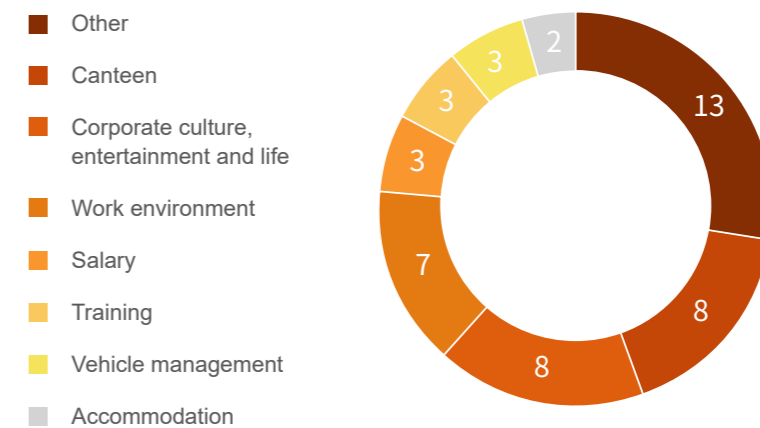
In 2020, Ganfeng Lithium launched an online "Ganfeng Lithium Employee Suggestion Box" to listen to the reasonable demands of employees. After receiving opinions and complaints and finishing the preliminary review, we communicated with relevant departments and personnel to verify the situation and adopted their suggestions as appropriate. Serious cases were dealt with within a time limit. Those suspected of any crime were transferred to judicial organs. Moreover, adhering to the principle of strict confidentiality, the Company never disclosed the circumstances pending resolution to the complainant or the target of the complaint, and strictly prohibited any retaliation to ensure that the rights and safety of employees were protected.

With the employee suggestion box, the Company can widely listen to the voices of grassroots employees, strengthen honest and clean governance, improve employee relations, establish a good image, and optimize various tasks. Our employees can also give full play to the spirit of ownership and provide valuable opinions and suggestions on the Company's operations and development.

The 4<sup>th</sup> Workers' Congress of Ganfeng Lithium

As the May 1st Labor Day in 2020 was approaching, the 4th Workers' Congress cum Corporate Culture Work Conference of Ganfeng Lithium was held in Jiangxi. 204 employee representatives from the Company's 16 units attended the meeting.

At the meeting, Li Liangbin, Chairman of Ganfeng Lithium, made a concluding speech, explaining in detail the Company's operation and future development, and encouraged Ganfeng Lithium employee representatives to take the lead in making world-class products and building a world-class enterprise with a fighter's mentality. The Workers' Congress was held in 6 conference venues and solicited 49 proposals. After the research and discussion by the Workers' Congress Proposal Review Committee, 47 proposals were filed, involving 32 items in 9 categories.



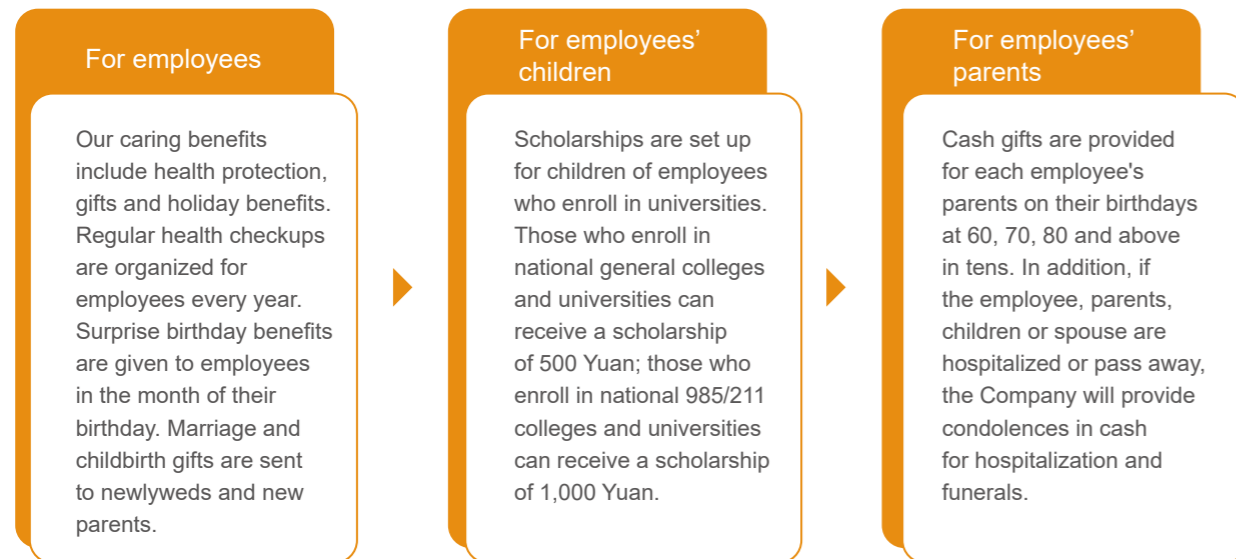
After the conclusion of the Workers' Congress, the Company from the height of safeguarding the rights and interests of employees and promoting the development of the enterprise made concerted efforts to find solutions, make practical moves and seek practical strategies to form a vertically linked and horizontally synergized proposal handling mechanism, which promoted the timely and effective implementation of proposals.

The Ganfeng Lithium Trade Union was established 13 years ago. As a link between the Company and its employees, it has always been committed to building a harmonious labor relationship, gathering the strength of employees and promoting the common development of both parties. In this congress, participants elected members of the fourth trade union committee, including the trade union chairman, vice chairman, commissary in charge of organization, etc.



## Caring for Every Employee

Ganfeng Lithium cares about every employee and their families. Our care projects cover employees and children and parents, providing exclusive benefits in all aspects including body, mind and soul to meet their diverse needs.



The Company has set up an employee mutual aid fund to provide assistance to employees in need. We have also set up a variety of cultural and sports facilities including employee libraries, gyms, clubs, etc., so that each employee has a fair share of exclusive care.



## Building a Warm Community

Ganfeng Lithium insists on fulfilling its social responsibilities by promoting corporate responsibility, using its own expertise and resources to create value for society, implementing targeted poverty alleviation and improving people's livelihood. We care for local communities by devoting ourselves to voluntary services to deliver love through practical actions.

### Fixed-point assistance by Ganfeng Lithium Western Resources Co., Ltd.

The agreement signed between Ganfeng Lithium Western Resources Co. and the Shangheyuan Group, Yuanxia Group 1, Yuanxia Group 2, Nanjiatang Group 1, and Nanjiatang Group 2 of Huling Village, Shishang Town surrounding the mine has formed a fixed-point assistance project. A total of 200,000 Yuan of assistance funds and grants are paid to the five groups each year. In 2020, Ganfeng Lithium Western Resources Co. paid assistance funds as scheduled for the improvement of roads and lighting in Huling Village.

In addition, in order to solve the water shortage in the surrounding farmland during mine operation, the Company pumped water in time after production and used it for continuous irrigation of the surrounding farmland (lotus and rice fields), which met the normal water demand of surrounding farmers. We provided gifts and sponsorships to the nursing home of Shishang Town, including thermal underwear, shoes, computer printers, etc. to fulfill our social responsibilities as a local enterprise.

### The Mariana project in Argentina interacts with surrounding residents

In 2020, the Company played an important role in the social responsibility seminar organized by the Mining Department of the province where the Mariana project is located. The seminar brought together a large number of local people's representatives, government officials and all local mining companies. At the seminar, the Company made active contributions and suggestions in corporate social responsibility planning, including: providing materials for the construction of a vegetable garden for a school, providing funds and donating prizes for local primary and secondary school activities, making donations to religious and cultural activities organized by local communities, donating cement and other building materials for road repair for Guido Spano School in San Antonio, providing training on health, safety and hygiene to members of a civil defense committee, as well as personal protective equipment for emergency exercises, and donating firewood and other necessities to the community during periods of severe weather.



## Key Performance of Sustainable Development

| Type                                  | Indicator                                    | Unit                                | 2020  | 2019       |           |
|---------------------------------------|--|-------------------------------------|---|------------|-----------|
| <b>Environment</b>                    |  |                                     |   |            |           |
| Exhaust gas emissions                 | Particulates                                 | Ton                                 | 36.20                                       | 60.51      |           |
|                                       | Sulphur dioxide                              | Ton                                 | 50.36                                       | 81.17      |           |
|                                       | Nitric oxides                                | Ton                                 | 164.84                                      | 256.49     |           |
| Wastewater                            | COD  | Ton                                 | 72.14                                       | 34.53      |           |
|                                       | Ammonia nitrogen                             | Ton                                 | 2.21  | 0.76       |           |
| Solid waste                           | Hazardous waste                              | Ton                                 | 146.71                                      | 406.75     |           |
|                                       | Non-hazardous waste                          | Slag                                | Ton   | 8,842.50   | 25,868.05 |
|                                       |  | Coal cinder                         | Ton   | 12,667.54  | 27,215.25 |
| Energy consumption                    | Total energy consumption                     | Tons of standard coal               | 130,242.02                                  | 185,180.00 |           |
|                                       | Energy consumption per unit of revenue       | Tons of standard coal/RMB 10,000    | 0.24  | 0.34       |           |
|                                       | Energy consumption per unit of product       | Lithium chemical sector             | Ton of standard coal/ton of LCE             | 2.22       | 2.28      |
|                                       |  | Lithium battery sector              | Ton of standard coal/MWH                    | 9.91       | 10.56     |
|                                       | Coal   | Ton                                 | 50,609.51                                   | 129,681.00 |           |
|                                       | Power  | 10,000 KWH                          | 36,226.28                                   | 37,880.01  |           |
|                                       | Diesel                                       | Ton                                 | 357.82                                      | 468.48     |           |
|                                       | Natural gas                                  | 10,000 m <sup>3</sup>               | 492.29                                      | 521.71     |           |
|                                       | Gasoline                                     | Ton                                 | 2.18  | 15.50      |           |
|                                       | Water consumption                            | Use of water in total               | 10,000 tons                                 | 237.35     | 342.17    |
| Water consumption per unit of revenue |  | Tons/RMB 10,000                     | 4.30  | 6.41       |           |
| Water consumption per unit of product |  | Lithium chemical sector             | Ton/ton of LCE                              | 38.62      | 40.72     |
|                                       |  | Lithium battery sector              | Ton/MWH                                     | 19.9       | 20.44     |
| Packaging materials                   | Use of plastic                               | Ton                                 | 2.50  | 3.13       |           |
| Greenhouse gas emissions              | Scope 1                                      | tCO <sub>2</sub> e                  | Pending calculation by a third-party agency | 30.22      |           |
|                                       | Scope 2                                      | tCO <sub>2</sub> e                  | Pending calculation by a third-party agency | 8.82       |           |
|                                       | Greenhouse gas emissions per unit of revenue | tCO <sub>2</sub> e /RMB 100 million | Pending calculation by a third-party agency | 0.73       |           |
| <b>Society</b>                        |  |                                     |   |            |           |
| Number of employees                   | Total employees                              | Person                              | 5,533                                       | 4,844      |           |
|                                       | Male   | Person                              | 3,530                                       | 3,207      |           |
|                                       | Female                                       | Person                              | 2,003                                       | 1,637      |           |
|                                       | ≤ 34   | Person                              | 2,096                                       | 1,941      |           |
|                                       | 35-44  | Person                              | 1,938                                       | 1,668      |           |
|                                       | 45-54  | Person                              | 1,373                                       | 1,122      |           |
|                                       | ≥55  | Person                              | 126   | 113        |           |

| Type                        | Indicator  | Unit                  | 2020  | 2019  |
|-----------------------------|--|-----------------------|-------|-------|
| Number of employees         | Master or above  | Person                | 120   | 131   |
|                             | Bachelor and junior college                                    | Person                | 1,177 | 1,069 |
|                             | Below junior college   | Person                | 4,236 | 3,644 |
|                             | General jobs   | Person                | 3,672 | 3,522 |
|                             | Special jobs   | Person                | 435   | 398   |
|                             | Management   | Person                | 1,426 | 924   |
|                             | Fulltime   | Person                | 5,533 | 4,844 |
|                             | Part time  | Person                | 0     | 0     |
|                             | Turnover rate  | Overall turnover rate | %     | 27.41 |
| Male                        |  | %                     | 32.15 | 17.15 |
| Female                      |  | %                     | 19.06 | 9.86  |
| ≤ 34                        |  | %                     | 31.72 | 19.51 |
| 35-44                       |  | %                     | 13.95 | 12.07 |
| 45-54                       |  | %                     | 4.99  | 5.15  |
| ≥ 55                        |  | %                     | 0.54  | 0.42  |
| Master or above             |  | %                     | 35.83 | 28.36 |
| Bachelor and junior college |  | %                     | 30.25 | 23.64 |
| Below junior college        |  | %                     | 23.81 | 12.72 |
| General jobs                |  | %                     | 40.92 | 18.71 |
| Special jobs                |  | %                     | 0.42  | 1.46  |
| Management                  |  | %                     | 9.87  | 6.12  |
| Occupational health         | Fatality   | Person                | 0     | 0     |
|                             | Serious injuries per thousand of employees                     | %                     | 0     | 0     |
| Employee training           | Percentage of trained employees                                | %                     | 100   | 100   |
|                             | Training hours per person                                      | Hour                  | 25.21 | 29.68 |
| Supplier                    | Number of domestic suppliers                                   | /                     | 2,780 | 2,585 |
|                             | Number of international suppliers                              | /                     | 3     | 6     |
| Product liability           | Proportion of product recalls due to safety and health reasons | %                     | 0     | 0     |
|                             | Customer satisfaction  | %                     | 95.12 | 93.04 |
| Anti-corruption             | Number of corruption lawsuits                                  | Case                  | 0     | 0     |
| Community investment        | External assistance and donations                              | RMB10,000             | 303.6 | 237.3 |

### Data-gathering used

1. The company hires third-party agencies to conduct greenhouse gas emissions accounting every year. The reported carbon emissions only refer to carbon dioxide emissions and do not include such types of greenhouse gases as methane and nitrous oxide emitted by other emission sources. The calculations were made in accordance with the Guidelines for the Calculation and Reporting of Greenhouse Gas Emissions of Chinese Chemical Production Enterprises (Trial) and the emission factors, of which the emission factor of purchased electricity took the average carbon dioxide emission factor of Central China Grid from the 2012 version of the Baseline Emission Factors of Regional Power Grids in China. By the release of this report, the third-party verified data on greenhouse gas emissions in 2020 has not been obtained and will be disclosed on the company's official website, when available.

## Disclosures and KPIs Compliance with HKEX ESG Reporting Guide

| Environmental, Social and Governance Reporting KPIs     |  | Page       |
|---|--|------------|
| <b>Environment</b>                                      |  |            |
| <b>A1 : Emissions</b>                                   |  |            |
| <b>General Disclosure</b>                               |  | p50-57     |
| A1.1  | The types of emissions and respective emissions data.  | p53-57,p82 |
| A1.2  | Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).  | p82        |
| A1.3  | Total hazardous waste produced (in ton) and, where appropriate, intensity (e.g. per unit of production volume, per facility).  | p53,82     |
| A1.4  | Total non-hazardous waste produced (in ton) and, where appropriate, intensity (e.g. per unit of production volume, per facility).  | p53,82     |
| A1.5  | Description of measures to mitigate emissions and results achieved.  | p53-57     |
| A1.6  | Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.   | p53-55     |
| <b>Aspect A2: Use of Resources</b>                      |  |            |
| <b>General Disclosure</b>                               |  | p58-62     |
| A2.1  | Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). | p82        |
| A2.2  | Water consumption in total and intensity (e.g. per unit of production volume, per facility).   | p82        |
| A2.3  | Description of energy use efficiency initiatives and results achieved.   | p58-59     |
| A2.4  | Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.                                    | p60-61     |
| A2.5  | Total packaging material used for finished products (in ton) and, if applicable, with reference to per unit produced.  | p59        |
| <b>Aspect A3: The Environment and Natural Resources</b> |  |            |
| <b>General Disclosure</b>                               |  | p63        |
| A3.1  | Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.  | p63        |
| <b>Social</b>   |  |            |
| <b>B1: Employment</b>                                   |  |            |
| <b>General Disclosure</b>                               |  | p74-75     |
| B1.1  | Total workforce by gender, employment type, age group and geographical region.   | p75,82     |
| B1.2  | Employee turnover rate by gender, age group and geographical region.   | p83        |

|                                     |  |        |
|-------------------------------------|--|--------|
| <b>B2: Health and Safety</b>        |  |        |
| <b>General Disclosure</b>           |  | p66    |
| B2.1                                | Number and rate of work-related fatalities.  | p71,83 |
| B2.2                                | Lost days due to work injury.  | p71,83 |
| B2.3                                | Description of occupational health and safety measures adopted, how they are implemented and monitored.  | p66-71 |
| <b>B3: Development and Training</b> |  |        |
| <b>General Disclosure</b>           |  | p76    |
| B3.1                                | The percentage of employees trained by gender and employee category (e.g. senior management, middle management).   | p76,83 |
| B3.2                                | The average training hours completed per employee by gender and employee category.   | p76,83 |
| <b>B4: Labour Standards</b>         |  |        |
| <b>General Disclosure</b>           |  | p74    |
| B4.1                                | Description of measures to review employment practices to avoid child and forced labor.  | p74    |
| B4.2                                | Description of steps taken to eliminate such practices when discovered.  | p74    |
| <b>Operating Practices</b>          |  |        |
| <b>B5: Supply Chain Management</b>  |  |        |
| <b>General Disclosure</b>           |  | p34-37 |
| B5.1                                | Number of suppliers by geographical region.  | p35,83 |
| B5.2                                | Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.    | p34-37 |
| <b>B6: Product Responsibility</b>   |  |        |
| <b>General Disclosure</b>           |  |        |
| B6.1                                | Percentage of total products sold or shipped subject to recalls for safety and health reasons.   | p46,83 |
| B6.2                                | Number of products and service related complaints received and how they are dealt with.  | p46    |
| B6.3                                | Description of practices relating to observing and protecting intellectual property rights.  | p43    |
| B6.4                                | Description of quality assurance process and recall procedures.  | p46    |
| B6.5                                | Description of consumer data protection and privacy policies, how they are implemented and monitored.  | 不適用    |
| <b>B7: Anticorruption</b>           |  |        |
| <b>General Disclosure</b>           |  | p24    |
| B7.1                                | Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. | P25    |
| B7.2                                | Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.   | P24-25 |
| <b>B8: Community Investment</b>     |  |        |
| <b>General Disclosure</b>           |  | P81    |
| B8.1                                | Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).   | P81    |
| B8.2                                | Resources contributed (e.g. money or time) to the focus area.  | P81,83 |

## Feedback Form

Dear readers,

Thank you for reading the *Sustainability Report of Ganfeng Lithium in 2020*. We sincerely hope to get your comments and suggestions regarding this report and our work as well. Please send the filled feedback form to us via mail, email after scanning, or call us to give valuable advice directly. Really appreciate it.

Address: Longteng Road, Economic Development District, Xinyu City, Jiangxi Province

Email: liaolonglong@ganfenglithium.com

1.Which of the following stakeholder do you belong to?

- Shareholder    Employee    Supplier    Customer    Government    Supervising regulator  
 Community    Other (please specify)

2.Have you read the Sustainability report of Ganfeng Lithium? (If no, please ignore No.3, 4, and 5)

- Yes    No

3.If yes, do you read a paper version or an electronic version?

- Paper version    Electronic version

4.Do you wish to read a paper version or an electronic version?

- Paper version    Electronic version

5.What is your overall evaluation for the report?

·Readability (i.e. intelligible expression, beautiful design, attractive content, and easy to find the required information)

- 3 (good)    2 (general)    1 (poor)

·Reliability (The information in this report is true and reliable)

- 3 (good)    2 (general)    1 (poor)

·The report should reflect positive and negative information, and meet your expectation.

- 3 (good)    2 (general)    1 (poor)

In addition to the contents that have been disclosed, what kind of information do you wish to read?

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Utilize limited lithium resources to create a green, clean  
and healthy life for human development and progress

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赣锋锂业  
**GanfengLithium**

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