

DISCLAIMER

This report contains forward-looking information that involves risks and uncertainties, including statements about CNGR's plans, objectives, expectations and intentions. Should one or more of these risks, uncertainties or contingencies materialize, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of CNGR. As a result, neither CNGR nor any other person assumes any responsibility for the accuracy of these forward-looking statements.



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About this Report

This report is a non-financial disclosure issued by CNGR Advanced Material Co., Ltd., intended to address the expectations of stakeholders and provide a comprehensive overview of our philosophy, management practices, actions, and achievements in the field of sustainability. This report is prepared with reference to the Shenzhen Stock Exchange Self-Regulatory Guidelines No.17 on Sustainability Reports (Trial), Shenzhen Stock Exchange Self-Regulatory Guideline No.3 for the Preparation of Sustainability Reports, and the Environmental, Social and Governance Reporting Code of the Hong Kong Stock Exchange. For ease of reference and readability, "CNGR", "the Company" or "we" are used throughout this report to refer to CNGR Advanced Material Co., Ltd.

Scope of the Report

The information and data presented in this report are derived from CNGR Advanced Material Co., Ltd. and its subsidiaries under our actual operational control. The reporting scope is consistent with that of the CNGR (300919.SZ, 02579.HK) Annual Report. If any content extends beyond the defined reporting scope, it will be clearly noted within the main text. All data disclosed is sourced from our internal data collection and statistical systems. Unless otherwise specified, all monetary figures in this report are denominated in Renminbi (RMB).

Reporting Period

This document is an annual report covering the period from 1 January 2025 to 31 December 2025. Any information pertaining to periods outside this timeframe is duly indicated in the main text.

Basis of Preparation

This report adheres to the requirements of the GRI Sustainability Reporting Standards (GRI Standards) Core Options, 2021 Edition, established by the Global Sustainability Standards Board (GSSB), the Shenzhen Stock Exchange Self-Regulatory Guidelines No.17 on Sustainability Reports (Trial), Shenzhen Stock Exchange Self-Regulatory Guideline No.3 for the Preparation of Sustainability Reports, the Environmental, Social and Governance Reporting Code under Appendix C2 of the Main Board Listing Rules of the Hong Kong Stock Exchange, the International Financial Reporting Standards Sustainability Disclosure Standard No. 1 - General Requirements for Sustainability - related Financial Information Disclosure (IFRS S1) and International Financial Reporting Standards Sustainability Disclosure Standard No. 2 - Climate-related Disclosures (IFRS S2) issued by the International Sustainability Standards Board (ISSB), and the Sustainability Accounting Standards Board (SASB) Standards for Chemicals, and Electrical & Electronic Equipment industry. The Report also draws upon framework recommendations, including the United Nations 2030 Sustainable Development Goals (SDGs) and the Ten Principles of the United Nations Global Compact (UNGC), for pertinent information disclosure.

Report Preparation

The Report has been prepared by the Sustainability Office of CNGR Advanced Material Co., Ltd.

Independent Verification

This report has undergone independent third-party verification and assurance by two professional institutions, BOVA Technology (Beijing) Co., Ltd. and Baker Tilly China Certified Public Accountants, in accordance with the "Type II, Moderate" assurance level and depth under the AA1000 Assurance Standard 3rd Edition, the International Standard on Sustainability Assurance (ISSA) 5000—General Requirements for Sustainability Assurance Engagements, and the limited assurance under the Sustainability Information Assurance Services Standards No. 6101 — Basic Standards (Trial) (No. 34 Assurance Standard of the Ministry of Finance) issued by the Ministry of Finance of the PRC. The Independent Assurance Statement on the Sustainability Report and the Limited Assurance Report on Selected Sustainability Disclosures of CNGR Advanced Material Co., Ltd. are issued as set out in the Appendix.

Report Publication

The Report was reviewed and approved by the Board of Directors of the Company on 30 March 2026. The Board and all Directors guarantee that the contents of the Report contain no false representations, misleading statements, or material omissions. The next report is expected to be published in March 2027.

Report Inquiry

The Report is available in Simplified Chinese, Traditional Chinese, and English, and may be accessed via our website (http://www.cngrgf.com.cn/shzr.html). In the event of any discrepancies among versions, the Simplified Chinese version shall prevail. In case of any inconsistencies between the Report and our annual report, financial statements or audit report, the latter shall prevail.

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Chairman's Statement

Amid the surging tides of our era, the new energy industry is entering a pivotal phase characterized by "in-depth technological iteration and competitive coexistence". The profound integration of AI intelligence with emerging application scenarios and the in-depth advancement of global green transformation have unlocked unprecedented growth opportunities for the materials industry. However, cutthroat competition pressures and uncertainties in international markets have also propelled the industry into entered a deep water zone of all-round competition. In the face of complex and intertwined changes, we shall be more steadfast in staying true to our original aspirations and maintaining strategic focus. In 2025, guided by our four-pronged strategy of "Technology Diversification, Globalization, Digitalization, Industry Ecologization", we advanced resolutely against headwinds and ushered in robust and substantive development.

Reflecting on 2025, "innovation-driven growth" has emerged as the most distinctive feature of CNGR's development. Adhering to the core strategy of "Technology Diversification", we have allocated core resources to innovation, which serves as an engine enabling us to transcend cyclical fluctuations and cutthroat competition. We continued to deepen our collaborations with universities, including Central South University, Hunan University, and Xiangtan University. Jointly optimized technologies, such as oxygen-rich side-blown smelting, remain at the forefront of the industry, while the jointly developed lithium-rich manganese-based precursor technology has successfully passed provincial-level validation, further accelerating the industrialization of solid-state batteries. Over the year, we secured more than 100 new patents. Our nickel- and cobalt-based materials maintained global leadership, and high-nickel materials of the 8-series and above surpassed a 70% market share. Our precursors compatible with solid-state batteries achieved large-scale shipments. Our phosphate-based materials, distinguished by high compaction density, have entered the top global supply chain. Our sodium-based materials have achieved a delivery of over 100,000 tons, and major breakthroughs were made in the "Wide-Temperature-Range High-Performance Sodium-ion Battery Development" project, one of Hunan Province's "Top Ten Key Technological Breakthrough Projects" for 2025 led by the Company. Meanwhile, recycling technologies, including hydrometallurgical regeneration of black mass and lithium salt production, have been continuously improved, and an innovative ecosystem integrating metallurgy, chemical engineering and materials science has taken shape.

Reflecting on 2025, we expanded our industrial synergy network through a global perspective, and reinforced the foundations of sustainable development with an ecosystem-oriented mindset. In response to the Belt and Road Initiative, our four major industrial bases in Indonesia continued to release production capacity and significantly improved efficiency. A localized workforce of over ten thousand employees has become deeply integrated into regional development, acting as an important hub for CNGR to connect global resources and serve the regional economy. Our nickel-based materials project in Morocco has entered large-scale operation, while our project in South Korea has progressed steadily. Our global industrial layout has translated from isolated breakthroughs to all-round synergy, with overseas revenue surpassing 50% of total revenue. Through counter-cyclical allocation of core resources, we have successfully obtained the mining license for the Xinchang phosphate mine in Guizhou and initiated the project, acquired controlling interests in two brine lithium mines in Argentina, and secured lithium resources exceeding 10 million tons of lithium carbonate equivalent. In terms of the recycling business, we partnered with CRONIMET Group, a leading global recycling company, to establish a benchmark green recycling plant in Western Europe. The domestic lithium carbonate recycling project in Tongren has yielded substantial results in industrialization. The closed-loop industrial chain of "resource development, intelligent material manufacturing, and global recycling" was taking shape at an accelerated pace, while an industrial ecosystem characterized by "domestic + international" synergy continued to strengthen. Meanwhile, our ESG performance has achieved leapfrog development. Our MSCI ESG rating was upgraded from BBB to AA, ranking among the top in the industry. We have been included in the Fortune China ESG Impact List for the second consecutive year and were selected for the first time into the Sustainable Development Industrial Enterprises Selection Series issued by Forbes China. We embody corporate responsibility and protect green mountains and clear waters with green development practices. Notably, we were successfully listed on the Hong Kong Stock Exchange and became the first "A+H" listed company in the global new energy materials industry. These two capital platforms have injected powerful momentum into our global expansion and R&D innovation.

Reflecting on 2025, we tackled the most formidable challenges through digitalization innovation, and leveraged management upgrades and efficiency improvements as a key driver for high-quality development. In collaboration with IBM, we successfully implemented and launched our SAP project, an essential pillar of our "digitalization" strategy. This initiative has not only dismantled cross-functional information barriers and enabled seamless integration of core businesses, but also significantly enhanced responsiveness and coordination efficiency across R&D, production, and supply chain functions. Operational costs are now subject to precise control, while decision-making is empowered by real-time data. As all CNGR employees embraced change with an open mind and collective commitment, we advanced the standardization and transparency of end-to-end processes, and successfully drew our first comprehensive process blueprint covering 175 core business processes. These tangible transformations and achievements not only put into practice our profound recognition that "without digital transformation, there is no future", but also establish digitalization as a core competitive strength in navigating cycles and improving quality and efficiency.

As the tide of spring surges, the call to action resounds. With the in-depth integration of artificial intelligence with industry and the vigorous development of the green energy revolution, the new materials industry is ushering in a new opportunity for cross-disciplinary technological convergence and an ecosystem of co-existence and common prosperity. The year 2026 is critical for our accelerated pursuit of the vision to become a global leading innovator for battery materials and solutions. We will intensify investment in cutting-edge technological research, and proactively explore the super synergy between advanced materials, new energy, and digital technologies. We will transcend industry boundaries through cross-disciplinary innovation, invigorate growth momentum through robust operational vitality, embrace transformations with a broader vision, confront challenges with greater responsibility, create value through deeper collaboration, and steadily improve quality with more concrete actions. In doing so, we are confident in forging new pathways in the tide of the times and delivering unparalleled value experiences to customers worldwide.

As a great era surges forward, let us stride boldly into a new journey in the spirit of "growing through entrepreneurship, and forging strength through progress".



Chairman of CNGR
Weiming DENG

About CNGR

1.1 Our Footprint

CNGR Advanced Material Co., Ltd. (CNGR, 300919.SZ, 02579.HK), founded in September 2014, is a globally recognized enterprise in the field of new energy materials. Driven primarily by technological innovation, the Company focuses on materials and cutting-edge technologies related to nickel, cobalt, phosphorus, sodium, manganese, and lithium. Through continuous iteration, CNGR has established a new energy materials industry ecosystem that spans resource development, intelligent material manufacturing, and global recycling. Currently, CNGR has established ten major industrial bases around the world, integrating global resources to serve global customers. Adhering to its corporate mission of "Materials to Perfection", CNGR is committed to promoting the global energy transition and contributing to sustainability worldwide, with the ambition of becoming a global leading innovator for battery materials and solutions.

In 2025, the Company recorded a revenue of RMB48.14 billion, representing a year-on-year increase of 19.68%, respectively. Its core products (ternary precursors and cobalt tetroxide) have ranked first in global shipments for six consecutive years.

Global Footprint of CNGR

Country	Business type	Total employees (including part-time employees)	Male (%)	Female (%)
Mainland China	Mining, smelting, material manufacturing, recycling, marketing, R&D	7,776	71.79%	28.21%
Indonesia	Mining, smelting, marketing	10,002	89.41%	10.59%
South Korea	Marketing	47	63.83%	36.17%
Argentina	Mining	50	64.00%	36.00%
Morocco	Material manufacturing	375	77.07%	22.93%
Europe	Marketing	6	50.00%	50.00%
Hong Kong	Marketing	11	54.55%	45.45%
Zimbabwe	Marketing	3	100.00%	0.00%
Japan	Marketing	4	75.00%	25.00%

1.2 2025 Annual Milestones

Looking back on 2025, CNGR forged ahead resiliently against the wind and the waves and charted a new chapter of development. Breakthroughs in cutting-edge R&D unlocked the market potential of our products, and the expansion of our global footprint strengthened industrial synergies. The rapid development of digitalization significantly enhanced our management efficiency, and our sustained expertise in the materials ecosystem reinforced the foundations of development resilience. In the face of the uncertainties arising from profound industry adjustments in the past year, CNGR teams worldwide maintained strategic resolve to steer the Company steadily along a path of certainty, and delivered a series of inspiring achievements.

Breakthroughs in Nickel and Cobalt Material Technologies Driving Emerging Industries

In 2025, focusing on critical battery material technologies required for emerging sectors such as solid-state batteries, humanoid robotics and low-altitude aircraft, the Company deepened collaboration with leading global customers to help address key industry bottlenecks and accelerate the commercialization of advanced materials and next-generation technologies. Significant breakthroughs were achieved in ultra-high-nickel and medium-nickel high-voltage ternary material technologies, while the high-aluminum cobalt-based process was successfully established. We have developed several new cobalt tetroxide products with operating voltages of 4.60V and above, with complete technological independence in key materials. Throughout the year, the shipment volume and market share of nickel-based and cobalt-based materials reached new highs, further consolidating our leadership in the global market.

Phosphate Materials Scaling New Heights, and Ecosystem Strategy Taking Shape

In 2025, CNGR's phosphate-based materials made rapid progress, further integrating the phosphate ecosystem value chain. On the raw material side, the Company successfully obtained the mining license for the Xinchang phosphate mine in Guizhou and initiated the project, thereby strengthening control over upstream raw ore supply and laying a solid foundation for enhancing its product competitiveness and the future sustainable development of phosphorus-based materials. On the market side, the shipment volume of iron phosphate products surged to rank first in the external sales market, with a comprehensive upgrade in the customer structure. Strategic partnerships were established with leading battery manufacturers, including BYD, CALB, EVE Energy and Gotion High-Tech, laying a robust foundation for the large-scale development of lithium iron phosphate materials.

Sodium-Based Shipments Exceeding 1,000 tons, and Manganese Technologies Achieving Significant Progress

During the year, CNGR made progress in both sodium-based and manganese-based materials, and launched a campaign to tackle technological bottlenecks in the industry. The "Wide-Temperature-Range High-Performance Sodium-ion Battery Development" project was selected as one of Hunan Province's "Top Ten Key Technological Breakthrough Projects" for 2025 with major breakthroughs, and was awarded the title of "Sodium-Ion Battery Industry Technology Innovation Consortium in Hunan Province". Annual shipments of sodium-based materials exceeded one thousand tons, marking the initial realization of the commercialization effect. Meanwhile, the Company has overcome several industry challenges in key technologies for lithium-rich manganese precursors and formed a series of technical solutions based on independent innovation, laying a solid foundation for unlocking key pathways in solid-state battery cathode materials.

Strategic Global Expansion Securing First-Mover Advantage, and Overseas Capacity Bearing Fruits

- On 23 January 2025

The first batch of ternary precursor production lines at CNGR's Morocco industrial base in North Africa officially commenced operations.

- On 25 June 2025

Phase I of its nickel-based materials production line was fully put into operation, marking a significant milestone in our journey toward building a global new energy materials ecosystem and laying a foundation for establishing large-scale production capacity to serve the European and North American markets.

- On 23 December 2025

The Company entered into a joint venture agreement for LFP materials with South Korea's Posco FM, and officially launched the construction of an advanced LFP materials manufacturing project in Pohang, South Korea. This project represents another landmark in the global materials industry landscape of the Company, which is poised to supply new energy materials for various application scenarios such as overseas energy storage and to inject strong momentum into the global supply chain.

Counter-Cyclical Investment in South America's "Lithium Triangle" and Diversified Domestic and International Recycling Layout

In 2025, CNGR acquired controlling interests in the Jama and Solaroz projects to make counter-cyclical and forward-looking investments in Argentine brine lithium resources, thus securing high-quality resources equivalent to over 10 million tons of lithium carbonate and ensuring a stable supply of raw materials. Meanwhile, the Company accelerated the development of its circular economy through multi-channel deployment. At the CNGR Tongren industrial base, the black mass hydrometallurgical regeneration line operated at full capacity and achieved record-high utilization rates. The battery-grade lithium carbonate production line with an annual production capacity of 10,000 tons reached full-scale operation and optimal efficiency. Over the year, the production line processed the equivalent of 70,000 tons of retired batteries and reduced carbon emissions by approximately 300,000 tons. The Company formally entered into a partnership with Germany's CRONIMET Group to jointly establish a battery recycling facility in Europe, marking a significant step forward in CNGR's "global recycling" strategy. In late August, the first batch of imported recycled black mass in China was delivered to Guizhou CNGR Resource Recycling Industrial Development Co., Ltd., signifying a new resource pathway for the Company and even China's new energy industry.

CNGR Successfully Listed on the Hong Kong Stock Exchange as the First "A+H" Listed Company in New Energy Materials

• On 17 November 2025

CNGR Advanced Material Co., Ltd. (02579.HK) was officially listed on the Hong Kong Stock Exchange, becoming the first "A+H" listed company in the new energy materials sector. This landmark achievement has established a strategic hub connecting domestic and international capital markets, while creating a value bridge for in-depth engagement with global investors. Through the synergistic effects of dual capital platforms, the Company has unlocked domestic and international financing channels and formed a long-term capital replenishment mechanism. Leveraging the resource allocation advantages of international capital markets, the Company is accelerating the expansion of its global industrial footprint and further strengthening its brand influence and industrial discourse power.

Successful Launch of CNGR SAP System Marking a Milestone in Digitalization Management Transformation

• On 7 October 2025

CNGR successfully completed the launch of its SAP system that covers a range of business functions, including master data, sales, procurement, planning, production, R&D, logistics, quality and finance, and integrates 22 peripheral application systems such as SRM, MOM and PLM. This system has effectively established an "information superhighway" across our operations, marking a key step forward in CNGR's digitalization management transformation. The successful implementation represents a significant phase achievement in CNGR's "digitalization" strategy, and lays a solid foundation for its global information-based standardized management.

Sustained Expansion of Business Scale and Continued Recognition Across Authoritative Rankings

In 2025, CNGR continued to expand its business scale and achieved steady growth in business performance. The Company secured positions on several authoritative rankings, with consistently improving standings, thereby injecting strong momentum into its social recognition and brand influence. For example, the Company was selected into the 2025 Global Top 500 New Energy Enterprises, China's Top 500 Private Enterprises 2025, 2025 Fortune China 500, 2025 Hurun China 500, and 2025 Top 500 Private Enterprises in R&D Investment. These rankings reflect the authoritative certification and high recognition of our production and operation capabilities by all sectors of society.

Comprehensive Advancement in Industrial Scale and Technology Application in Indonesia and Significant Achievements in Ecological and Localized Development

In 2025, CNGR continued to expand its industrial scale in Indonesia. At the Morowali industrial base, the Phase II production line, which converts laterite nickel ore to low-grade matte, and further to high-grade matte, was progressively commissioned and ramped up. At the North Morowali base, single-batch shipments of nickel raw material products reached the scale of 10,000 MMTs, further consolidating the foundation of CNGR's raw material supply chain security. Meanwhile, the Company continued to refine the world's first oxygen-enriched side-blown nickel smelting technology in Indonesia, significantly reducing overall energy consumption while generating exceptional investment returns. By building an integrated ecosystem of "resource development – ore smelting – intelligent material manufacturing", the Company has supported Indonesia in optimized development from mineral resources to high-end materials. Currently, CNGR has a total of 12,000 employees in Indonesia. Through sustained efforts in talent development, environmental protection and public welfare, CNGR has become an important driver in advancing Indonesia's new energy industry.

Championing Social Responsibility and Advancing High-Quality Sustainable Development

• On 28 July 2025

Morgan Stanley Capital International (MSCI), a renowned international investor index provider, issued its latest ESG ratings, in which CNGR was upgraded from BBB to AA, marking a qualitative transformation from an industry frontrunner to a global leader. In 2025, the Company was once again selected into the Fortune China ESG Impact List and the S&P Global Sustainability Yearbook China Edition 2025, thereby establishing a comprehensive ESG value recognition pyramid covering ratings, rankings and yearbooks. As a responsible leader in the new energy industry, CNGR deeply integrates ESG principles into its strategic operations, and embraces social responsibility as its mission. In response to disaster relief efforts in Tai Po, Hong Kong, the Company promptly donated HK$5 million for emergency assistance. With an unwavering focus on high-quality and sustainable development, the Company is committed to transforming its core ESG competitiveness into long-term development momentum and setting new benchmarks for the industry.

1.3 Sustainability Recognition in 2025

As of the end of 2025, CNGR had achieved comprehensive improvements in ESG ratings from the world's three major index providers. The S&P Global ESG Score increased from 49 to 75. The MSCI ESG Rating was upgraded from BBB to AA. The FTSE Russell ESG Score rose from 3.8 to 4.0. Meanwhile, CNGR maintained a B rating in the CDP Climate Change Questionnaire, and achieved a B rating in the first CDP Water Questionnaire, both exceeding the global average.

S&P Global 75/100

MSCI AA

FTSE Russell 4.0

CDP DISCLOSURE INSIGHT ACTION Carbon Questionnaire B

Water Questionnaire B



Corporate Strategy

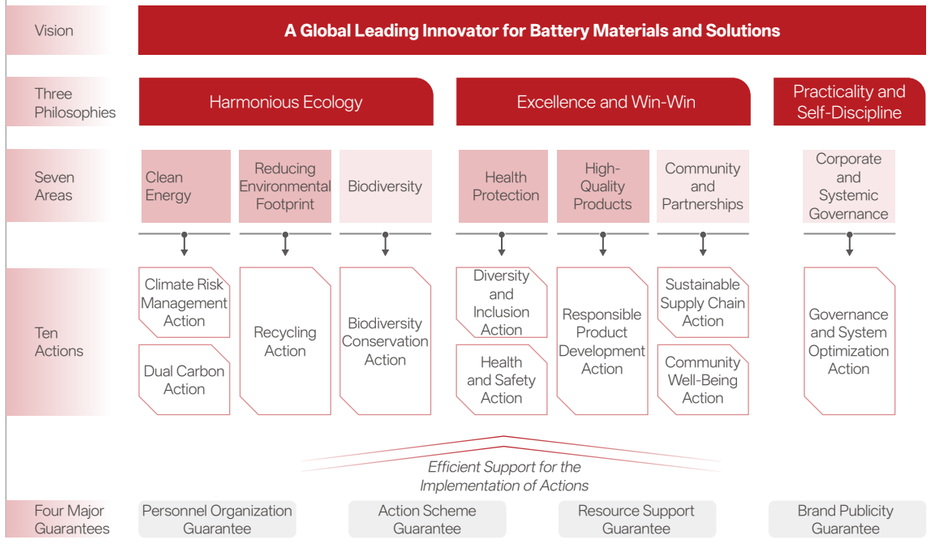
Riding on the new wave of industrial transformation led by AI and new energy, CNGR adheres to its corporate mission of "Materials to Perfection" and upholds its development vision of "becoming a global leading innovator for battery materials and solutions". The Company continues to reinforce its strategic pillars of "Technology Diversification, Globalization, Digitalization, Industry Ecologization". CNGR is committed to building a new energy materials ecosystem that embodies shared resources, co-created value, low-carbon compatibility, and sustainability, empowering a better life for humanity with technological innovation. Technology Diversification focuses on R&D-driven innovation to establish a "multi-material + multi-technology" system, exploring new materials and technological frontiers to navigate industry cycles through continuous innovation.

Globalization reflects the globally distributed nature of the new energy industrial chain, with CNGR striving to enhance its capabilities in integration, manufacturing, and service on a global scale, to serve international customers and promote the sustainability of the industry. Digitalization is driven by a unified digital platform that optimizes and reshapes key business units including R&D, manufacturing, quality, sales and delivery, thereby improving operational efficiency, enabling precise decision-making, and achieving seamless collaboration. Industry Ecologization aims to strengthen collaboration with upstream and downstream enterprises, fostering industry coordination and building a low-carbon, circular, and mutually beneficial sustainable new energy industrial ecosystem.

2.1 Sustainability Strategy

CNGR's long-term vision is to become a global leading innovator for battery materials and solutions. This vision is supported by three core sustainable operating philosophies: Harmonious Ecology, Excellence and Win-win, and Practicality and Self-Discipline. The strategy is centered on seven key focus areas: Clean Energy, Ecological Footprint Reduction, Biodiversity Conservation, Health Protection, High-Quality Products, Community and Partnerships, and Corporate and Systemic Governance. Ten specific actions have been defined to support these focus areas and form a strategic closed loop. Through a four-dimensional Sustainability framework - philosophy, focus, action, and system, CNGR seeks to promote innovation, industrial collaboration, and ecological transformation, exploring a path toward the deep integration of industrial and ecological civilizations.

Sustainability Strategy Map of CNGR



2025 Sustainability Key Performance Indicators of CNGR

Indicators		Data and Units	Description
Economy	Total Revenue	RMB48.14 billion	Year-on-year increase of 19.68%
Environment	Scope 1, 2, and 3 GHG Intensity Across Global Operating Locations	14.78 tCO_2e/ ton product	Decrease of 50.41% compared to the baseline year
	Proportion of Clean Energy Electricity in China	73.88%	Target achievement rate: 73.88%
	Energy Consumption Intensity in China	9.04 GJ/ton product	Year-on-year decrease of 3.32%
	Water Recycling Rate	59.05%	Target achievement rate: 84.36%
	Total Waste Recycling/Reuse[1] Rate	99.76%	Target achievement rate: 581.01%
Society	Global Workforce	18,267 employees	Year-on-year increase of 10.06%, with female employees accounting for 18.50%.
	Employee Compensation	RMB2.813 billion	Year-on-year increase of 23.58%
	Employee Satisfaction	84.42	Basically the same as last year
	Average Training Hours(Covering Safety, Human Resources, and Knowledge Skills, Among Others)	51.73 hours	Year-on-year increase of 162.72%
	Amount of Work Safety Investment	RMB73.7709 million	Year-on-year increase of 41.32%
	LTIR (Lost-Time Injury Rate, per 200,000 Hours)	0.11	Target achievement rate: 409.10%
	R&D Innovation Investment	RMB1.17 billion	Year-on-year increase of 5.50%
	Customer Satisfaction	96.82	Basically the same as last year
Governance	Coverage Rate of Business Ethics and Anti-Corruption Training for Management, Employees and Partners	100%	Consistent with last year
	Compliance Management System Certification (ISO 37301:2021)	8 entities	Consistent with last year
	Information Security Vulnerabilities and Cybersecurity Incidents, Customer Privacy Breach Incidents	Nil	Consistent with last year

1. Reuse refers to the total volume of general industrial solid waste (primarily including smelting slag and by-product gypsum) converted into usable resources (such as steelmaking raw materials, building material aggregates, and roadbed materials) through internal recycling or external collaboration. The data encompass all resource utilization projects across the Qinzhou Industrial Base (including depleted slag reuse in steelmaking and gypsum brick production) and industrial bases in Indonesia (including smelting slag for road construction and building materials).

2.2 Stakeholder Engagement

GRI 2

CNGR attaches great importance to communication and collaboration with stakeholders. The Company has formulated the CNGR Stakeholder Engagement Policy with reference to the AA1000 Stakeholder Engagement Standard (AA1000 SES). Guided by five core principles of "Dependence", "Influence", "Responsibility", "Diversity of Views" and "Attention", the Company systematically identifies stakeholders across the entire value chain based on industry characteristics and value chain analysis. Through normalized and diversified communication mechanisms and platforms, CNGR actively listens to and promptly responds to stakeholder concerns, with particular emphasis on in-depth engagement with local stakeholders. Building on this foundation, the Company conducts accurate assessments of the impact of key factors on different stakeholders, scientifically optimizes communication strategies, and rationally prioritizes material issues to ensure that resource allocation and operational decision-making effectively balance diverse stakeholder expectations, thereby aligning our sustainability strategy with stakeholder interests.

Stakeholder	Communication Method and Frequency		Focus Topics	
Shareholders Investors Banks	• General meeting: Held each year irregularly • Board: Irregularly convened each year • Quarterly reports, interim reports, and annual reports: issued regularly each year • Investor briefing: Held irregularly each year	• Investor Interaction Platform Interactive Ease: Real-time • Telephone Hotline: Real-time • Roadshow Activities: Irregular annually • Other Temporary Announcements: Irregular annually	Governance Structure Economic Performance Risk and Compliance Management	Climate Change Response Innovation
Customers	• Customer Satisfaction Survey: Conducted annually on a regular basis • Technical Seminar: Held annually on an irregular basis • Industry Exhibition: Participated annually on an irregular basis • Sales Service System: Real-time	• Quality Service System: Real-time • Supply Chain Audit: Real-time • Responsible Minerals Supply Chain Due Diligence	Circular Utilization of Energy Metals Innovation Product Lifecycle Management	Product Quality and Safety Customer Management Due Diligence and Responsible Sourcing
Employees	• Employee Satisfaction Survey: Conducted annually on a regular basis • Employee Training: Conducted annually on a regular basis • Performance Evaluation and Communication: Conducted annually on a regular basis • Complaints and Feedback: Handled in real-time	• Employee Activities: Conducted annually on a regular basis • Labor Union Activities: Conducted annually on a regular basis • Executive Symposium: Conducted annually on a regular basis	Occupational Health and Safety Legal Employment and Human Rights Protection Employee Training and Career Development	Stakeholder Engagement Economic Performance Digital Operation Information Security Management
Suppliers Contractors	• Supplier Questionnaire: Irregular intervals annually • Supply Chain Audit: Real-time • Supplier Commitment Agreement: During contract period	• Transaction Training: Irregular intervals annually • Business Meeting: Irregular intervals annually	Innovation Intellectual Property Management Chemicals Management Product Quality and Safety Occupational Health and SafetyDue Diligence and Responsible Sourcing	Equal Treatment for Small and Medium-Sized Enterprises (SMEs) Stakeholder Engagement Information Security Management
Government Authorities Regulatory Authorities Stock Exchanges Rating Agencies	• Information disclosure: Annually on a regular basis • Policy implementation: In real time • Institutional inspections: Annually on an irregular basis • Official document correspondence: In real time		Climate Change Response Energy Management Environmental Management System and Compliance Waste and Pollutant Management Water Stress Biodiversity and Land Use Occupational Health and Safety	Legal Employment and Human Rights Protection Community Engagement Rural Revitalization and Social Contribution Risk and Compliance Management Taxation Strategy
Industry Associations	• Industry Exhibition: Participated annually on an irregular basis		Circular Utilization of Energy Metals Innovation	Intellectual Property Management Due Diligence and Responsible Sourcing
Communities NGOs News Media	• Information disclosure: Annually on a regular basis • Complaints and Feedback: Handled in real-time • Community Activities: Annually on an irregular basis	• Media Activities: Annually on an irregular basis • Public Welfare Activities: Annually on a regular basis	Climate Change Response Waste and Pollutant Management Water Stress Biodiversity and Land Use Occupational Health and Safety	Legal Employment and Human Rights Protection Due Diligence and Responsible Sourcing Community Engagement Economic Performance

2.3 Double Materiality Analysis

GRI 3

CNGR conducts a comprehensive materiality assessment of sustainability topics on an annual basis. In 2025, the Company conducted a double materiality analysis for the materiality assessment in accordance with the Shenzhen Stock Exchange Self-Regulatory Guideline No. 3 for the Preparation of Sustainability Reports and the Environmental, Social and Governance Reporting Code of the Hong Kong Stock Exchange.

The Company identifies key material topics based on four principles of "inclusiveness, materiality, responsiveness, and impact", and adopts CNGR's sustainability strategy as the core framework for the sustainability report. By adhering to a systematic materiality assessment process, CNGR proactively engages both internal and external stakeholders in the assessment. The Company comprehensively identifies and analyzes the economic, social and environmental impacts of its sustainability performance, and evaluates the implications of these issues on its business model, business operations, development strategy, financial position, operating results, cash flows, financing methods and cost structures. Finally, the Company has formed a double materiality matrix, which intuitively illustrates the prioritization of issues and provides a solid foundation for defining sustainability management priorities and formulating systematic action plans.

Materiality Assessment Process

Understanding our Activities and Business Context 1

Through value chain analysis and a comprehensive review of relevant laws and regulatory polices (including comprehensive laws and regulations, regulatory guidelines, industry norms and standards issued by countries and relevant departments, and relevant international laws and regulatory polices), the Company gains a thorough understanding of its sustainability context and identifies the affected stakeholders.

Establishing a list of issues 2

The Company systematically compiles and analyses regulatory requirements of the Shenzhen Stock Exchange and the Hong Kong Stock Exchange, mainstream disclosure standards such as GRI and ISSB, ESG rating criteria, and peer practices, to form a basic information database[1]. At the same time, stakeholder engagement is crucial. We systematically review the results of communications with key stakeholder groups including investors, customers, employees, communities and suppliers, and incorporate their concerns and expectations into the issue identification and screening process (see the section headed "Stakeholder Engagement"). Building on this foundation, we incorporate, break down, merge and assess the applicability of these issues, establish a list of materiality issues, and identify sustainability-related impacts, risks and opportunities. The final list of materiality issues comprises 7 environmental sub-topics, 13 social sub-topics, and 7 governance sub-topics, totaling 27 material sub-topics under 12 major categories.

Materiality assessment of issues 3

(1) Impact Materiality Assessment: The Company conducts targeted questionnaire surveys among a wide range of internal and external stakeholders, including shareholders, customers, suppliers, employees, communities and industry experts, and invites them to evaluate the significance of each issue's impact. The questionnaires are provided in both Chinese and English, accompanied by detailed explanations to ensure a comprehensive understanding by participants. At the same time, anonymity is maintained to protect personal privacy and ensure the authenticity and objectivity of responses. A total of 2,496 valid questionnaires were collected, the results of which provide a solid foundation for assessing the actual and potential economic, social and environmental impacts of each issue.

(2) Financial Materiality Assessment: The Company engages senior management, relevant functional departments and the finance department to evaluate the potential financial implications of each sustainability issue, assess their financial materiality, and refer to the opinions of internal and external experts to form a financial materiality assessment result.

(3) The Company systematically consolidates the results of the impact and financial materiality assessments through normalization analysis and integration, thus finally determining the analysis matrix of CNGR's double materiality issues in 2025.

Issue review and reporting 4

The results of the materiality assessment are reported to the Board's Strategy and ESG Committee and the Risk Management Committee, and the identified material issues are prominently disclosed in the report. Meanwhile, the results of the materiality assessment are integrated into the risk management process of the Company as a reference for the study and determination of its long-term sustainability goals and strategies.

1. Shenzhen Stock Exchange Self-Regulatory Guidelines No.17 on Sustainability Reports (Trial), Environmental, Social and Governance Reporting Code of the Hong Kong Stock Exchange, GRI Sustainability Reporting Standards (GRI Standards) Core Options, 2021 Edition, Sustainability Accounting Standards Board (SASB) Standards, United Nations 2030 Sustainable Development Goals (SDGs), Responsible Business Alliance (RBA), S&P Global Corporate Sustainability Assessment, MSCI ESG Rating.

Results of the Materiality Assessment

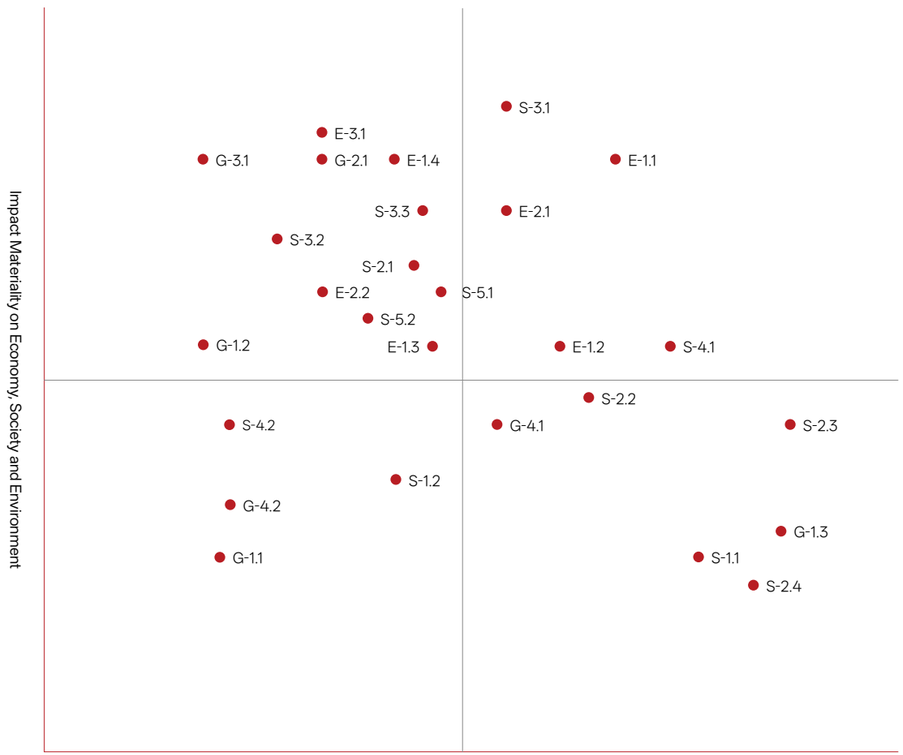
CNGR's Material Issues, and Their Impacts, Risks and Opportunities

Scope	Material Issues for 2025	Interpretation of Material Issues for 2025	Actual Positive Impacts	Potential Negative Impacts	Risks	Opportunities	Impact on the Scope of the Value Chain	Time Dimension[1]
Environmental (E)	E-1 Climate and Environment	E-1.1 Climate Change Response: Comply with the Shenzhen Stock Exchange Self-Regulatory Guideline No.3 for the Preparation of Sustainability Reports and the Environmental, Social and Governance Reporting Code of the Hong Kong Stock Exchange, and refer to IFRS S2 and ESRS to identify climate-related risks and opportunities. Set Science-Based Targets (SBTi) to reduce greenhouse gas emissions;	√	√	√	√	Upstream of the value chain, self-operation, downstream of the value chain	Short-term、Mid-term、Long-term
		E-1.2 Energy Management: Establish an energy management system, improve energy utilization efficiency, and increase the proportion of renewable energy usage;	√	√	√	√	Self-operation	Short-term、Mid-term、Long-term
		E-1.3 Environmental Management System and Compliance: Establish an environmental management system, increase capital investment and operation expense in the environmental field; conduct environmental compliance management, perform risk assessment and prevention for environmental incidents;		√	√		Self-operation	Short-term、Mid-term、Long-term
		E-1.4 Waste and Pollutant Management: Manage waste and pollutants such as water, air, and residue, set targets to reduce the generation of toxic substances and waste, and mitigate the negative environmental impacts of business operations.		√	√		Self-operation	Short-term、Mid-term、Long-term
	E-2 Circular Economy	E-2.1 Circular Utilization of Energy Metals: Formulate goals and plans for the Circular Utilization of Energy Metals to achieve recycling of energy metals;	√		√	√	Upstream of the value chain, self-operation, downstream of the value chain	Short-term、Mid-term、Long-term
		E-2.2 Water Stress: Conduct water resource risk identification, assessment, and management for operational locations; set water resource management targets, and strengthen water reduction, reuse, and recycling.		√	√		Self-operation	Short-term、Mid-term、Long-term
	E-3 Biodiversity and Land Use	E-3.1 Biodiversity and Land Use: Referencing the TNFD framework and adopting the LEAP approach, systematically assess and disclose biodiversity-related risks and opportunities in operational locations to support the achievement of global biodiversity goals.		√	√		Upstream of the value chain, self-operation, downstream of the value chain	Mid-term、Long-term
SOCIAL (S)	S-1 R&D and Innovation	S-1.1 Innovation: Formulate our technological innovation strategy and objectives, invest in research and development of clean technologies, and develop safer, greener, and more economical new processes and products;	√			√	Self-operation	Short-term、Mid-term、Long-term
		S-1.2 Intellectual Property Management: Establish a comprehensive Intellectual Property Management system.		√	√		Self-operation	Short-term、Mid-term、Long-term
	S-2 Responsible Products	S-2.1 Chemical Management: Establish a chemical management system, formulate policies related to procurement, traceability, transparency, etc., focus on the use of high-concern chemicals, strengthen hazardous substance management, and conduct hazard and risk assessments as well as substitutability evaluation and management of chemicals;		√	√		Self-operation	Short-term、Mid-term、Long-term
		S-2.2 Product Lifecycle Management: During the product design and production stages, fully consider reducing the product's environmental footprint, increasing the proportion of recycled resource usage, and lowering the product's carbon footprint, water footprint, etc.;	√			√	Upstream of the value chain, self-operation, downstream of the value chain	Short-term、Mid-term、Long-term
		S-2.3 Product Quality and Safety: Establish a quality management system, improve product quality and safety, and satisfy various requirements of downstream industries and end-users for the products;	√	√	√	√	Upstream of the value chain, self-operation, downstream of the value chain	Short-term、Mid-term、Long-term
		S-2.4 Customer Management: Establish and implement after-sales service and product recall systems, provide customers with high-quality services, protect customer privacy, and commit to improving customer satisfaction.	√	√	√	√	Self-operation, downstream of the value chain	Short-term、Mid-term、Long-term

1. Time dimension: Short term refers to within 1 year; medium term refers to 1 to 5 years; and long term refers to beyond 5 years.

Scope	Material Issues for 2025	Interpretation of Material Issues for 2025	Actual Positive Impacts	Potential Negative Impacts	Risks	Opportunities	Impact on the Scope of the Value Chain	Time Dimension
Social (S)	S-3 People-Oriented	S-3.1 Occupational Health and Safety: Develop relevant strategies and establish an Occupational Health and Safety management system covering all employees (including temporary workers, etc.), conduct hazard identification and risk assessment for Occupational Health and Safety, strengthen relevant Occupational Health and Safety training, enhance occupational disease prevention for employees, promote worker health, and create a favorable working environment;	√	√	√	√	Upstream of the value chain, self-operation	Short-term、Mid-term、Long-term
		S-3.2 Legal Employment and Human Rights Protection: Promote localized employment and improve the employee welfare system; Conduct human rights risk assessments, advance corporate diversity and equality, oppose discrimination/harassment, support freedom of speech, and prohibit child labor and forced labor;	√	√	√	√	Upstream of the value chain, self-operation	Short-term、Mid-term、Long-term
		S-3.3 Employee Training and Career Development: Establish a human resource management system, increase investment in talent cultivation, enhance employee skills, and promote staff development.	√			√	Upstream of the value chain, self-operation	Short-term、Mid-term、Long-term
	S-4 Sustainable Supply Chain	S-4.1 Due Diligence and Responsible Sourcing: Conduct due diligence to identify and address sustainability-related negative impacts or risks, strengthen supply chain and internal management, and practice responsible procurement;	√	√	√	√	Upstream of the value chain, self-operation, downstream of the value chain	Short-term、Mid-term、Long-term
		S-4.2 Fair Treatment of Small and Medium-Sized Enterprises (SMEs).	√	√	√		Upstream of the value chain, self-operation, downstream of the value chain	Mid-term、Long-term
	S-5 Community Relations	S-5.1 Community Engagement: Conduct a comprehensive social impact assessment of the local community and implement necessary mitigation measures for potential negative impacts; strictly adhere to the principles of anti-violence and anti-conflict, fully respect the human rights of local community residents, with special attention to the interests of vulnerable groups within the community; establish a Community Engagement mechanism and set up convenient and efficient communication channels between the local community and the Company;	√	√	√		Self-operation, downstream of the value chain	Short-term、Mid-term、Long-term
		S-5.2 Rural Revitalization and Social Contribution: Invest in community infrastructure construction, support the development of rural characteristic industries, promote local employment, and facilitate rural revitalization; carry out public welfare, charitable, and volunteer activities.	√			√	Self-operation	Mid-term、Long-term
Governance (G)	G-1 Corporate Governance	G-1.1 Governance Structure: Establish an advanced governance framework and improve internal systems, build a sustainable development performance management system, enhance the professionalism, independence, effectiveness, and diversity of the Board of Directors, and ensure the scientific, compliant, and transparent operation of corporate governance;	√	√	√	√	Self-operation	Mid-term、Long-term
		G-1.2 Stakeholder Engagement: Formulate and improve the stakeholder management system, identify stakeholders through value chain analysis, establish effective Stakeholder Engagement channels, extensively solicit stakeholder demands, and integrate them into our business strategies;	√			√	Upstream of the value chain, self-operation, downstream of the value chain	Short-term、Mid-term、Long-term
		G-1.3 Economic Performance: Establish and implement corporate development strategies to enhance the sustainable profitability of enterprises.	√		√	√	Self-operation	Short-term、Mid-term、Long-term
	G-2 Risk and Compliance Management	G-2.1 Risk and Compliance Management: Establish and improve the Risk and Compliance Management system, conduct sustainability issue risk management with reference to the four pillars of governance, strategy, risk and opportunity management, objectives and indicators; Anti-corruption and anti-bribery; Anti-competition and anti-monopoly; Emphasize intellectual property protection.	√	√	√	√	Upstream of the value chain, self-operation, downstream of the value chain	Short-term、Mid-term、Long-term
	G-3 稅務戰略	G-3.1 TAX STRATEGY: FORMULATE TAX POLICIES AND STRATEGIES, CONDUCT TAX GOVERNANCE, CONTROL, AND RISK MANAGEMENT.	√	√	√		Self-operation	Short-term、Mid-term、Long-term
	G-4 Digitization and Information Security	G-4.1 Digital Operation: Achieve full-process Digital Operation management and build an agile digital operation system;	√	√	√	√	Self-operation	Short-term、Mid-term、Long-term
		G-4.2 Information Security Management: Establish and improve the Information Security Management system, construct the Information Security Management framework, formulate and refine information security and network security policies, prevent and control systemic risks, and avoid the occurrence of information security violations.	√	√	√	√	Self-operation	Short-term、Mid-term、Long-term

CNGR's Material Issues, and Their Impacts, Risks and Opportunities



Issues with Both Impact and Financial Materiality

- E-1.1 Climate Change Response
- E-1.2 Energy Management
- E-2.1 Circular Utilization of Energy Metals
- S-3.1 Occupational Health and Safety
- S-4.1 Due Diligence and Responsible Sourcing

Issues with Financial Materiality but Without Impact Materiality

- S-1.1 Innovation
- S-2.2 Product Lifecycle Management
- S-2.3 Product Quality and Safety
- S-2.4 Customer Management
- G-1.3 Economic Performance
- G-4.1 Digital Operation

Issues with Impact Materiality but Without Financial Materiality

- E-1.3 Environmental Management System and Compliance
- E-1.4 Waste and Pollutant Management
- E-2.2 Water Stress
- E-3.1 Biodiversity and Land Use
- S-2.1 Chemical Management
- S-3.2 Legal Employment and Human Rights Protection
- S-3.3 Employee Training and Career Development
- S-5.1 Community Engagement
- S-5.2 Rural Revitalization and Social Contribution
- G-1.2 Stakeholder Engagement
- G-2.1 Risk and Compliance Management
- G-3.1 Taxation Strategy

Issues with Neither Financial nor Impact Materiality

- S-1.2 Intellectual Property Management
- S-4.2 Equal Treatment for Small and Medium-Sized Enterprises (SMEs)
- G-1.1 Governance Structure
- G-4.2 Information Security Management



03

Thematic Topics

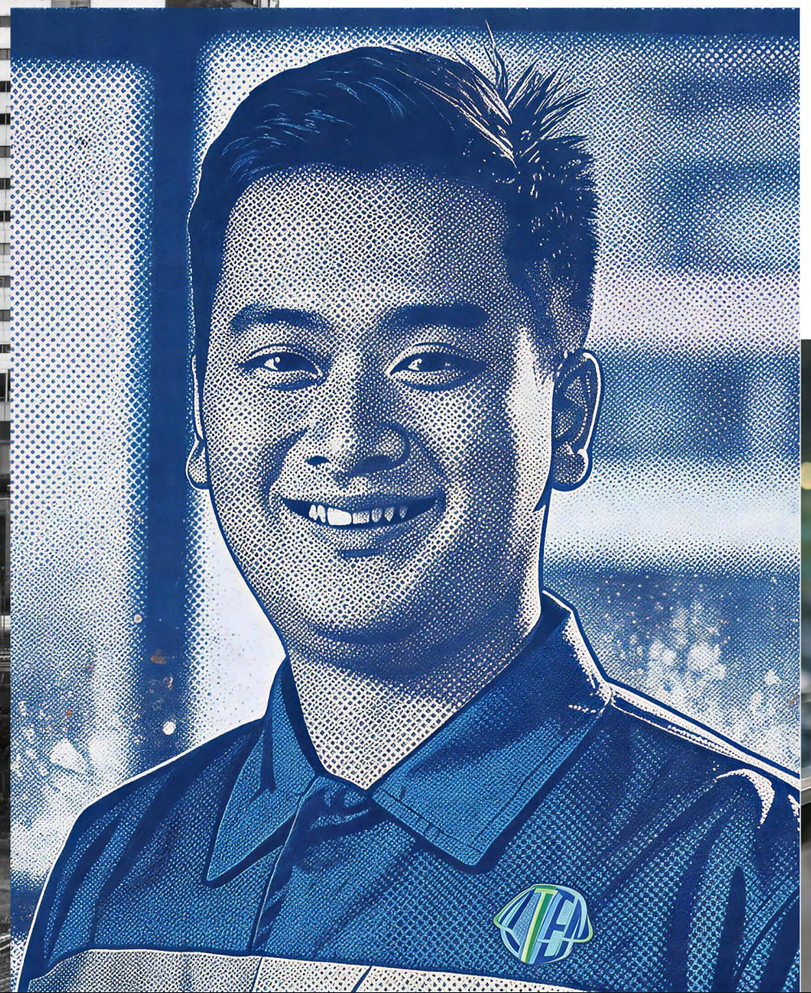
For CNGR, the year 2025 witnessed its steadfast advancement and accumulated strength. Amidst the profound transformation in the new energy materials industry, we recognize that corporate sustainability is no longer confined to green production, but has evolved into a comprehensive transformation covering environment, governance and operations. Looking back, we have made resolute strides and left an enduring imprint in three key areas: responsible supply chain, digitalization transformation, and risk management. Against the backdrop of increasingly complex global supply chains, we are aware of the weight of responsibility. Through in-depth due diligence and responsible sourcing, we are committed to building a transparent and traceable supply chain system to ensure that every material from origin to end use embodies the weight of business ethics and social responsibility. Stability forms the cornerstone of our development. We continuously improve our risk management system, adopt a systematic and forward-looking approach to identifying and addressing various risks, and solidify the safety bottom line for corporate development, thereby ensuring steady progress in a complex and evolving market environment. We firmly believe that digitalization transformation are fundamental to reshaping productivity. By vigorously advancing our digitalization transformation, we promote data-driven decision-making and enhance efficiency with intelligence, which not only optimizes our production and operations but also injects strong innovative momentum into our sustainable development.

This chapter responds to the following topic:

- Due Diligence and Responsible Sourcing
- Risk and Compliance Management
- Digital Operation
- Information Security Management

This chapter responds to the following SDGs:







3.1 Topic I Due Diligence and Responsible Sourcing

GRI 308, GRI 414

CNGR Advanced Material Co., Ltd. remains steadfast in its commitment to becoming a sustainability benchmark in the global new energy materials industry. We recognize that a responsible and traceable mineral supply chain is not only the cornerstone of the global energy transition, but also central to long-term value creation and risk management. Since joining the Responsible Cobalt Initiative (RCI) in 2019, CNGR has embarked on a transformative journey in responsible supply chain management that is continuously iterating from pilot initiatives to a more integrated approach and from the elementary to the profound.

Over the past six years, our practices have advanced in multiple dimensions: expanding from pilot implementation at a single production base to full coverage across all industrial bases worldwide; extending our management from cobalt alone to comprehensive due diligence management of multiple metals such as nickel, cobalt and manganese, and with plans to incorporate lithium; deepening our management system from a responsible supply chain management focusing on key mineral risks to a comprehensive sustainable management covering environmental, social and governance (ESG) dimensions; and progressively extending our influence from our own precursor manufacturing process to upstream refining, smelting and even the mining source itself, with a view to building a green and responsible ecosystem across the entire chain.

This thematic section aims to systematically introduce CNGR's governance framework, evolution strategy, risk management practices, quantitative achievements and future goals in mineral supply chain due diligence management from 2019 to 2025.

Governance: Establishing a Top-Down Foundation for Due Diligence Management

A sound governance structure constitutes the fundamental cornerstone for the effective implementation of responsible supply chain management. CNGR has elevated the sustainability concept to the core of its corporate strategy, established three major operating principles of "Harmonious Ecology, Excellence and Win-win, and Practicality and Self-Discipline", and focused on seven key focus areas including "supply chain and partnerships".

Senior Management Commitment and Organizational Assurance: The Strategy and ESG Committee under the Board bears ultimate responsibility for the sustainability of the supply chain. A Sustainability Office was established to identify and assess potential ESG risks across the supply chain, formulate mitigation measures, and ensure the effective implementation of our mineral supply chain due diligence management under the guidance of the Strategy and ESG Committee. Meanwhile, the Quality Management Center, the Human Resources Center, the EHS Center, the Operations Center and relevant departments across all production bases also participate in responsible sourcing practices.

Institutional Framework and Accountability Mechanisms: The Company has established and continues to improve a comprehensive internal control and accountability system covering its global operations. In 2025, the Company officially issued the CNGR Internal Accountability Policy, which clearly defines the principles, procedures and forms of accountability for Directors, senior management, and relevant personnel in cases of negligence or misconduct in the discharge of their duties, particularly where such actions cause environmental, safety, compliance and reputational risks. This framework incorporates significant oversight failures into the scope of accountability of responsible supply chain management, thereby ensuring the binding force of governance requirements.

Alignment with and Integration of International Standards: We actively engage with and integrate into mainstream global multi-stakeholder industry initiatives. Since joining the Responsible Cobalt Initiative (RCI) in 2019, our governance framework has consistently aligned with and incorporated the requirements of international standards such as the Responsible Minerals Initiative (RMI), the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and the UN Guiding Principles on Business and Human Rights. This ensures that our management system evolves in alignment with global best practices and remains responsive to increasingly stringent global regulatory requirements, including the EU Regulation on Batteries and Waste Batteries and Germany's Supply Chain Due Diligence Act.

Strategy: A Continuously Evolving Four-Dimensional Management Blueprint

Our strategy follows a closed-loop logic of "system establishment, risk identification, prevention and mitigation, independent verification, reporting and communication, and continuous improvement", which is reflected in the orderly expansion and deepening across four dimensions of scope, type, depth and process.

Geographical Scope: From a Domestic Model to a Global Benchmark

Our due diligence management practices originated in China and have progressively expanded to overseas operating entities in tandem with its global footprint.

2019–2022 (Domestic Cultivation Period): In June 2019, the Company accumulated experience in its first Responsible Minerals Initiative (RMI) audit. In January 2020, the Ningxiang production base became the second enterprise in China to pass the Responsible Minerals Assurance Process (RMAP) audit for cobalt, setting a domestic industry benchmark. In 2022, the Tongren production base successfully passed the same audit, further consolidating the compliance foundation of our domestic operations.

2023-2025 (Global Expansion Period): Our strategic focus shifted toward international markets. In 2023, the Guangxi production base and the Dingxing Project at the Indonesia Morowali Industrial Base successfully passed the Responsible Cobalt Initiative (RCI) audit for mineral supply chains, facilitating the successful registration of our products on the London Metal Exchange (LME). In 2025, the Company achieved a major breakthrough: three industrial bases in Morowali, North Morowali, and WedaBay in Indonesia all successfully passed both the RMAP and ESG audits conducted by the Responsible Minerals Initiative (RMI), making CNGR the only enterprise in Indonesia to attain this distinction. In the same year, the Morocco project successfully introduced the ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System, laying a solid foundation for the RMI ESG audit in 2026 and marking the entry of all global production bases into a new phase of standardized due diligence management.

Metal Categories: From Cobalt to a Diversified Portfolio of Critical Minerals

To address the new energy vehicle industry's reliance on diversified materials, we have systematically expanded the scope of due diligence management. From 2019 to 2020, we established a comprehensive supply chain traceability and risk assessment system with cobalt metal as the starting point. In 2021, nickel was incorporated into the scope of due diligence management, covering core product lines of the Company. In 2023, manganese was included in our management scope, forming a comprehensive coverage of key raw materials for nickel-cobalt-manganese (NCM) ternary precursors. In the future, we intend to incorporate additional key battery metals, including lithium, into our management system.

Depth of Management: From Due Diligence Management to Comprehensive ESG Integration

We have continuously deepened the substance of management, upgrading from the initial supply chain compliance risk control to comprehensive ESG performance improvement. In the initial phase, we focused on supply chain due diligence in accordance with OECD guidelines, primarily targeting the identification and mitigation of risks such as armed conflict and human rights violations. Furthermore, we have further deepened our efforts since 2024 by pioneering the implementation of RMI's RMAP and ESG audits in the Indonesian region. As such, industrial bases are required not only to ensure supply chain compliance but also to meet international standards in environmental performance (including emissions reduction and biodiversity conservation), social responsibility (including labor rights and community relations), and corporate governance. For instance, all industrial bases in Indonesia have fully implemented ISO 14001 and ISO 45001 systems and have attained advanced certification under Indonesia's Occupational Health and Safety Management System (SMK3).

Supply Chain Coverage: Extending from Downstream to Source Governance

We proactively extend our management reach to upstream of the supply chain, and are committed to promoting shared responsibility across the entire industry chain. At the midstream precursor stage, we ensure operational compliance through audits and certifications such as RMI RMAP and the Responsible Business Alliance (RBA Non-VAP). At the upstream refining and smelting stages, we promote the adoption of management systems in accordance with the guidelines of the China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters (CCCMC) or RMI standards among key suppliers. The source mines are our current and future strategic focus. In 2024, we initiated in-depth assessments of mines in the supply chain. In the cobalt supply chain, we engaged a professional organization to conduct an ESG audit of a large cobalt mine in the Democratic Republic of the Congo. In the nickel supply chain, we also launched IRMA Critical assessments for six nickel mines in Indonesia from 2023 to 2024. These initiatives have paved the way for advancing toward comprehensive and high-standard ESG certifications such as IRMA, Copper Mark or CMSI in the future.

Overview of Standards Applied in CNGR's Supply Chain Due Diligence Management

Supply Chain	Key Standards/Audits	Management Focus and Objectives
Precursor (self-operated)	RMI RMAP+ESG, RBA (Non-VAP), ISO 14001/45001/50001	Ensure compliance in its manufacturing processes and achieve excellence in environmental, safety, and occupational health management.
Refining/Smelting (suppliers and self-owned)	RCI DD, RMI RMAP+ESG	Promote key suppliers to establish due diligence management systems to ensure responsible sourcing of intermediate materials.
Mines (suppliers and self-owned)	IRMA Critical Audit, Copper Mark, etc.	Identify and mitigate core risks related to human rights, environmental protection and communities at mining sources, and facilitate progression toward comprehensive certification.

Risk Management: Dynamic Prevention and Control Through a Closed-Loop Process

We have established a dynamic risk management mechanism covering the entire lifecycle of "risk identification, assessment, mitigation, verification, and reporting".

Risk Identification and Assessment

CNGR implements due diligence for all raw-material suppliers (nickel, cobalt, manganese) of its core products in accordance with the Due Diligence Policy for a Responsible Global Supply Chain of Mineral and the Suppliers' Code of Conduct. We conduct systematic risk mapping of the global supply chain every year, with particular focus on cobalt, nickel, and manganese supply chains in regions such as the Democratic Republic of Congo and Indonesia. Leveraging tools such as Know Your Supplier (KYS), we collect data on material origins and integrate macro information such as geopolitics, community dynamics, and environmental regulations to conduct a risk rating of suppliers. Meanwhile, we conduct on-site assessments of upstream mines. Since 2023, the Company has been conducting IRMA Critical audits of nickel mines in Indonesia.

Risk Mitigation and Collaborative Improvement

For identified risks, we adopt a tiered strategy. For high-risk suppliers, we require them to formulate and implement formal corrective action plans, and we provide capacity-building support or on-site guidance. Should substantive improvements not be achieved within agreed timelines, supply chain adjustment procedures will be initiated. For medium- and low-risk suppliers, we encourage them to take proactive improvement measures through regular communication, training, and sharing of best practices. For self-owned mines, such as PT KKU and PT KS, we implement the most stringent standards. In 2025, both mines passed ISO 14001 and ISO 45001 system certifications and completed the initial greenhouse gas emissions inventory in accordance with ISO 14064. We plan to determine appropriate mine-level certification standards (such as IRMA or Copper Mark) in 2026 and initiate system implementation accordingly. In 2025, for suppliers in the supply chain that have not yet passed third-party audits, we provided both online and offline support to facilitate the establishment of mineral supply chain due diligence management systems. We organized training on the identification and assessment of environmental and human rights risks, shared industry best practices for supplier reference, and guided suppliers through rectification processes required for third-party audits. These efforts aim to mitigate risks such as human rights violations and child labor in the mining process.

Audit and Verification

We believe that independent third-party audits are essential to ensuring credibility. Each year, the Company engages independent third-party organizations to conduct audits of mineral supply chain due diligence management and ESG performance across its production bases. In addition, key smelting facilities in the supply chain are required to undergo a third-party audit of mineral supply chain due diligence management.



Mineral Supply Chain Due Diligence Management and ESG Audit Form of CNGR

— In Process ✓ Completed

Industrial Base	Audit Scope	Raw Material Type	Audit Type 1	Audit Status 2023	Audit Status 2024	Audit Status 2025
Indonesia Morowali Industrial Base - CNGR Dingxing	Smelter	Nickel	CCCMC DD	✓	✓	✓
Indonesia Morowali Industrial Base - Zhongtsing New Energy	Smelter	Nickel	RMI RMAP	—	✓	✓
		-	RMI ESG	—	✓	✓
Indonesia Debonair Industrial Base	Smelter	Nickel	RMI RMAP	—	✓	✓
		-	RMI ESG	—	✓	✓
Indonesia North Morowali Industrial Base	Smelter	Nickel	RMI RMAP	-	—	✓
		-	RMI ESG	-	—	✓
Tongren Industrial Base Recycling Facility	Refinery	Cobalt	RMI RMAP	✓	✓	✓
		Nickel	RMI RMAP	-	—	✓
		-	RMI ESG	-	—	—
Ningxiang Industrial Base	Refinery & Precursor Facility	Cobalt	RMI RMAP	✓	✓	✓
		Nickel	RMI RMAP	-	—	✓
		-	RMI ESG	-	—	—
Qinzhou Industrial Base	Refinery & Precursor Facility	Cobalt	RMI RMAP	-	✓	✓
		Nickel	RMI RMAP	-	✓	✓
		Nickel	CCCMC DD	✓	-	-
		-	RMI ESG	-	—	✓
Morocco Project	Precursor Facility	Nickel	RMI ESG	-	—	✓

The Company formulates an annual supplier system audit plan each year. In accordance with the Supplier Management System Audit Checklist, CNGR conducts on-site or desk audits of quality systems and ESG performance for qualified suppliers of key raw materials and auxiliary materials, as well as newly developed suppliers. The audit covers five key areas: quality management systems, EHS, social (labor and business ethics), carbon emissions, and mineral supply chain due diligence, with ESG-related items accounting for more than 20% of the total audit criteria. Based on the audit results, suppliers scoring above 80 are considered qualified. Those scoring between 70 and 80 are required to implement corrective actions within a specified timeframe. These suppliers must formulate a corrective action plan and complete the necessary improvements within three months. A follow-up audit is conducted thereafter to determine whether they can be included in our approved supplier list. Suppliers scoring below 70 are directly eliminated. During the Reporting Period, the audit plan was fully implemented with a 100% completion rate. No suppliers with major quality issues or significant negative social or environmental impacts were identified.

Supplier Audit Data of CNGR

	2023	2024	2025
Number of Tier 1 Suppliers[1] Entities		55	109
Mainland China Entities			75
Hong Kong, Macau, Taiwan and Overseas Entities			34
Number of Suppliers Assessed(Domestic Only) Entities	84	49	31
Number of New Suppliers Screened by ESG Criteria (Social or Environmental Criteria) Entities	12	9	3
Number of Suppliers that Passed ESG Audit Within the Year (Domestic Only) Entities	61	61	31
Number of Suppliers With Actual and Potential High ESG Risks (Significant Negative Social or Environmental Impacts) Entities	0	0	0

1.Suppliers include providers of nickel, cobalt, and manganese raw materials, auxiliary materials, and packaging materials.

	2023	2024	2025
Number of Suppliers Audited/Certified by Responsible Minerals Initiative (RMI) Entities	22	33	36
Number of Suppliers Receiving On-site Guidance and Training on Mineral Supply Chain Due Diligence Entities	3	4	7

To strengthen our internal management capabilities, we have developed a training plan to provide ESG and sustainable procurement training for procurement personnel and internal employees, ensuring they understand the potential environmental and social risks in the supply chain such as key risks related to labor rights and environmental pollution, while clarifying their responsibilities in our sustainable procurement process to enhance their awareness of due diligence management. At the same time, we have established traceability-related systems and platforms to obtain environmental and social risk information associated with raw materials, ensuring full-process traceability from the entry of raw materials to the delivery of products.

Metrics and Targets: Quantitative Performance and Future Planning

We have set measurable and traceable performance indicators and forward-looking goals for continuous advancement.

Key Performance Indicators for 2025

Audit and Certification Coverage: Our Morowali Industrial Base, North Morowali Industrial Base and WedaBay Industrial Base in Indonesia, and Qinzhou Industrial Base in China have all passed RMI RMAP and ESG audits.

Management System Development: The Morocco project has obtained triple certifications under ISO 9001, ISO 14001, and ISO 45001. Our self-owned mines, i.e., PT KKU and PT KS, have passed ISO 14001 and ISO 45001 certifications.

We have updated the Social Responsibility Complaint Management Policy and introduced a new complaint channel applicable in Indonesia. Please refer to:**http://www.cngrgf.com.cn/shzr.html.**

During the Reporting Period, no complaint cases relating to mineral supply chain due diligence were received through the public complaint channels disclosed by CNGR's Sustainability Office, with zero cases recorded.

Targets for 2026 and Beyond

Deepening Source Governance: We will complete the second IRMA Critical audit for our self-owned mines, i.e., PT KKU and PT KS, and determine the final pathway for the final international ESG standard certification for mines, followed by formal implementation.

Advancing Carbon Management: We will complete third-party verification of ISO 14064 greenhouse gas inventories for our self-owned mines, and formulate a detailed emissions reduction action plan.

Integrating Management Systems: We will explore deeper integration of specialized standards such as RMI and IRMA and our overall ESG management system to address the new requirements of global sustainable development in a more systematic and efficient manner. The Morocco project is expected to complete the RMI ESG audit in early 2026, thereby achieving unified and high-level due diligence management standards across all overseas production bases.

CNGR Mineral Supply Chain Due Diligence Management Roadmap (2019–2026)

2019

CNGR joined the RCI;

2020

Ningxiang Industrial Base passed the RMAP audit (establishing a benchmark in China's cobalt industry);

2021

Nickel was incorporated into the scope of due diligence management;

2022

Tongren Industrial Base passed the RMAP audit;

2023

Manganese was incorporated into the management scope: the Qinzhou Industrial Base in China and the Dingxing Project at the Morowali Industrial Base in Indonesia passed RCI audits, facilitating LME registration;

2024

In-depth upstream mine audits were initiated (IRMA Critical for Indonesian nickel mines and ESG assessments for cobalt mines in the Democratic Republic of the Congo); two industrial bases in Indonesia passed the RMAP+ESG audits;

2025

Three industrial bases in Indonesia passed RMAP and ESG audits; the Morocco base commenced implementation of the RMI ESG management system;

2026

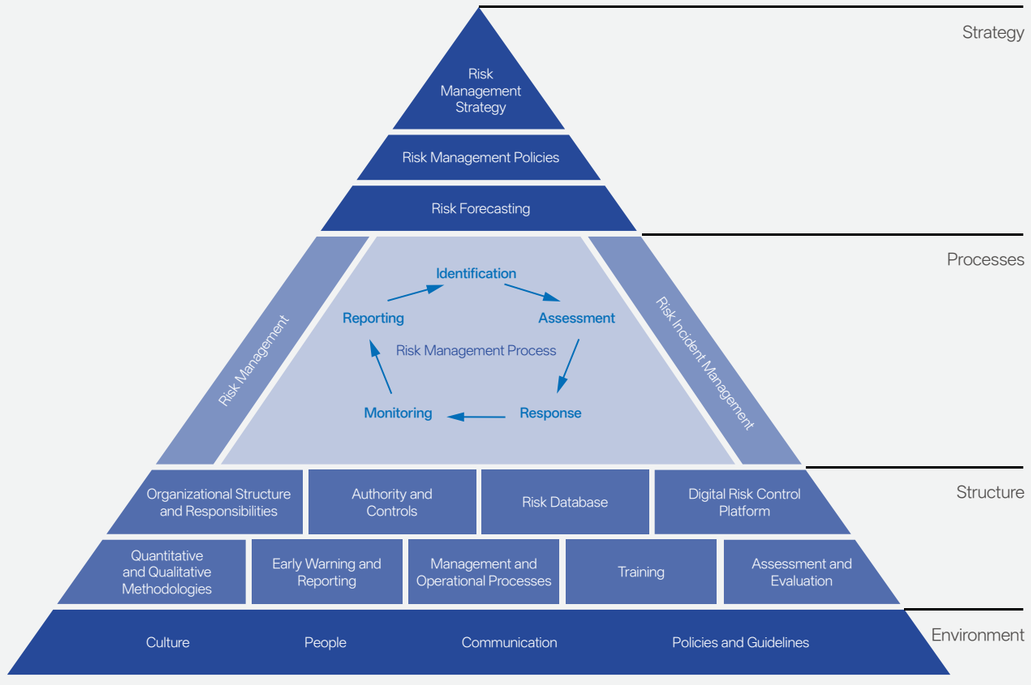
Our focus shifts towards certification at mining sources, and certification pathways are determined for self-owned mines; the Morocco base passes the RMI ESG audit; and the South Kalimantan base in Indonesia initiates the establishment of an ESG management system.

Reflecting upon the period from 2019 to 2025, CNGR's journey in mineral supply chain due diligence has transformed from passive compliance to proactive leadership, from isolated pilot initiatives to overall integration, and from risk control to value creation. We have not only constructed a robust "moat" against potential risks, but have also forged a powerful "engine" to drive the sustainable development of the industry. Looking ahead, global requirements for responsible supply chains will become increasingly stringent and comprehensive. CNGR will continue to uphold its development philosophy of "taking social responsibility as our mission", and steadfastly advance due diligence management toward mining sources. In collaboration with upstream and downstream partners across the value chain, we will co-create, co-develop and share a more transparent, fair and green global new energy materials supply chain, and contribute resolutely and responsibly to the world's clean energy transition.

3.2 Topic II: Risk Management

The Company has adopted the internationally recognized framework of Enterprise Risk Management (ERM). Drawing upon global best practices and aligning with its own operational realities, the Company has established an advanced, comprehensive risk management system to enhance organizational resilience, proactively address uncertainties, and support the sustainable development of the Company. Anchored in our mission, vision and core values, the ERM framework is embedded into our strategic and operational management to create, maintain and realize organizational value.

CNGR ERM System



Guided by the ERM framework and tailored to its current management landscape, the Company has implemented its objectives, strategies, and implementation pathways of risk management through process design, thereby promoting the construction of a comprehensive risk management system. In 2025, the Company carried out the construction of risk management processes, with a focus on process planning and formalization, and designed a total of four Level-3 processes and fourteen Level-4 processes.

CNGR Risk Management Process Planning

L1	10.0 Risk Management, Compliance and Audit			
L2	10.1 Risk Management			
L3	10.1.1 Management of Risk Management Strategy	10.1.2 Management of Risk Management Processes	10.1.3 Risk Management Infrastructure	10.1.4 Risk Management Evaluation and Assessment
L4	10.1.1.1 Risk Management Strategy	10.1.2.1 Risk Management – Integrated Governance	10.1.3.1 Management of Comprehensive Risk Checklist	10.1.4.1 Risk Work Report
	10.1.1.1 Risk Management Policies	10.1.2.2 Risk Management – Ordinary Risks	10.1.3.2 Development and Optimization of Red-Line Risk Checklist	10.1.4.2 Risk Management Maturity Assessment
	10.1.1.1 Risk Management Framework Standards	10.1.2.3 Management of Major Risk Incidents	10.1.3.3 Management of Digital Risk Controls	10.1.4.3 Red-Line Risk Accountability Management
		10.1.2.4 Annual Risk Report	10.1.3.4 Risk Management Organizations and Responsibilities	
		10.1.2.5 Risk Management Improvement		

Risk Management Strategy and Approach

Our risk management strategy coordinates the overall risk management objectives and implementation pathways. The Company adopts a risk management strategy of "making risks identifiable, visible and controllable and ensuring the achievement of strategic and operational goals". As an integral component of corporate governance, risk management aims to facilitate our transition from "rule by man" to "rule of law" through full integration with its strategy and operations.

Risk management strategies introduce the value concepts, risk preferences, and risk tolerance of risk management. Guided by the goal of realizing corporate value, our risk management strategy requires the participation of all employees, involves the entire business process, balances risk control and efficiency, and considers practicality to ensure effective implementation and execution. Our risk management strategy fully assesses the current conditions of the Company. Differentiated management strategies are adopted for different development stages or business segments, such as pursuing risks during periods of rapid expansion, accepting risks during phases of steady growth, and avoiding risks during the mature period.

Foundational Architecture of Risk Management

Organizational Structure

To build a comprehensive risk management system with CNGR's characteristics, integrate risk management with its strategy and operations, make risks identifiable, visible and controllable and ensure the achievement of strategic and operational goals, the Company has established a Risk Management Committee under the Audit Committee. Chaired by the Chairman of the Board, the committee comprises Board members and vice presidents in charge of various functional and business departments. The Risk Management Committee is tasked with establishing the organizational structure and institutional mechanisms for the comprehensive risk management system of the Company, and is fully responsible for risk management, the construction of risk management culture, and the dissemination and communication of risk management concepts. The Risk Control and Supervision Center, as the core risk management department, leads the coordination, supervision, and promotion of risk management activities across the Company. It reports significant risks identified during operations to the Risk Management Committee in a timely manner. Each region/base or business department serves as the primary risk management department and the principal entity responsible for the construction and daily operation of the risk management system. It is responsible for the daily operation of risk business, implementing risk management improvement requirements, and accepting risk management assessment and supervision. Each department designates a risk liaison officer to facilitate effective coordination and communication with the risk management department.

Comprehensive Risk Management Procedures

The Company has formulated the Comprehensive Risk Management Procedure to enhance its risk prevention and control capabilities, strengthen its risk resistance capabilities, and promote the sustainable, healthy and stable development of the Company. The procedural document defines the responsibilities, management, and content design of risk management from the perspectives of "who governs, how governance is exercised, and what is governed". The Company specifies the responsibilities and authorities of each organizational level, clarifies the content and management methods of risk management, and designs the operational processes for risk management and risk event management, thereby providing guidance for risk management.

Risk Database

In alignment with its operational realities, the Company classifies key risks into six categories: strategic risk, organizational risk, financial risk, market risk, operational risk, and compliance risk. Leveraging internal and external channels, the Company adopts professional institutions, market research and analysis, and historical risk event analysis for risk identification. Accordingly, the Company further refined risks under six primary risks into 41 secondary risks and 88 tertiary risks. The Company has formed a comprehensive risk list, which is published to all employees on its process management platform and is subject to regular maintenance and updates. Meanwhile, the Company regularly collects business risk information from various regions and business departments through the established risk liaison mechanism, analyzes risk information, assesses risk severity, and tracks the implementation of mitigation measures for material risks. Finally, such risk information is maintained in the risk database.

Digital Risk Control

From the establishment of a comprehensive risk management system, the Company has concurrently deployed digital risk control. By leveraging digital technologies, it strengthens risk control functions, facilitates the practical implementation of the ERM framework, improves the efficiency and effectiveness of risk monitoring, enriches multi-dimensional risk perspectives, and empowers risk control, thus steadily progressing toward the risk management strategy of "making risks identifiable, visible and controllable".

The Company leverages its digital risk control platform to enhance its risk management capabilities. The Company promotes a forward-looking shift in risk insights from "passive" risk control that relies on post-event reports to "proactive early warning" risk control driven by models. By harnessing system-driven early warnings, the Company is able to identify risks in advance and expand the scope of risk coverage. To enhance the consistency and scientific nature of risk-related decision-making, unified assessment models and quantitative analysis are adopted to minimize judgment discrepancies arising from individual experience or scale, thus making risk decisions more standardized and scientific. The Company enhances the identifiability, visibility and controllability of risks from an overall business perspective, and establishes a unified risk taxonomy to dismantle departmental silos and raise the risk awareness among all employees. Leveraging data-driven analysis and a unified platform, the Company enables comprehensive risk visualization across diverse business segments, strengthens holistic risk oversight, and supports informed decision-making. Furthermore, the Company systematically codifies the dispersed experiential risk judgment of employees into digital risk models, thereby forming high-value corporate data assets and competitive advantages.

The Company leverages its digital risk control platform to enhance the efficiency of risk management. By improving the effectiveness of risk identification through automated data capture and system-generated early warnings, it liberates risk control personnel from labor-intensive manual data processing and report preparation. At the same time, it shortens the risk response cycle and ensures clear accountability and defined timelines at every stage through digitally driven workflows (identification -> analysis -> assessment -> response -> resolution).

In 2025, the Company continued to refine and optimize its self-developed digital risk control platform, and designed two dashboards that cover all centers at headquarters and four domestic industrial bases. The Company further strengthened the construction of risk models for high-risk areas and fostered close collaboration with business operations. The Company conducted over 15 project meetings, more than 9 rounds of online testing and validation and over 6 in-person training sessions, and issued 17 operation manuals. In total, 15 risk models were developed, enabling system-driven risk identification, autonomous business management, and closed-loop resolution.

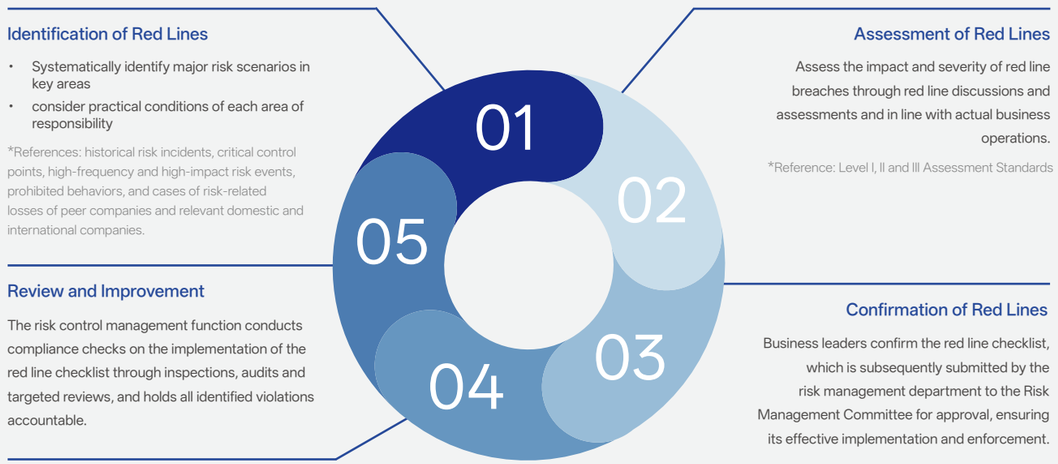
Red Line Accountability Management Mechanism

To maintain sound operational order, standardize management practices, remind and warn employees to abide by laws and regulations, and deter acts of gross negligence, willful misconduct or fraud that could cause significant losses or impacts to the Company, the Company has formulated the Red Line Accountability Management Policy which identifies typical "red line" violations and defines clear accountability mechanisms to ensure rewards and penalties based on solid grounds.

Beginning in the second half of 2025, the Company launched a dedicated initiative to review red line behaviors, and improved the closed-loop management of red line behaviors through identification, assessment, confirmation, training and publicity, and inspection. The red line list covers 28 business areas across the Company. During the red line identification and confirmation phase, the risk control department organizes business departments to map critical risk scenarios across key areas, and formulates the red line list by combining dimensions such as mandatory control activities and prohibited behaviors. After careful evaluation, the risk control department defines red lines and accountability at different levels, and submits them to the Risk Management Committee for approval prior to formal issuance. Upon publication of the finalized red line list, the risk control department organizes systematic interpretations of each red line among all departments to eliminate ambiguity and clarify boundaries. The Red Line Interpretation Manual will be issued to help all employees understand the content of red lines and eliminate ambiguity among business personnel. Offline and online training on red lines will be carried out for all employees to ensure that red lines are internalized in the mindset and reflected in conduct. The training completion rate reached 100%, with 47% of participants achieving a full score in exams. After the training, all departments were required to conduct self-inspections and corrective actions, and foster proactive compliance and timely rectification. The risk control department continuously monitors the red line list and undertakes aperiodic updates and refinements.

The purpose of the red line accountability mechanism lies not in accountability, but in guiding positive behaviors through the description of negative behaviors. These red lines represent our lifeline for protecting both the Company and every employee.

CNGR Closed-Loop Management of Red Line Behaviors



Identification of Red Lines

- Systematically identify major risk scenarios in key areas
- consider practical conditions of each area of responsibility

*References: historical risk incidents, critical control points, high-frequency and high-impact risk events, prohibited behaviors, and cases of risk-related losses of peer companies and relevant domestic and international companies.

Assessment of Red Lines

Assess the impact and severity of red line breaches through red line discussions and assessments and in line with actual business operations.

*Reference: Level I, II and III Assessment Standards

Review and Improvement

The risk control management function conducts compliance checks on the implementation of the red line checklist through inspections, audits and targeted reviews, and holds all identified violations accountable.

Confirmation of Red Lines

Business leaders confirm the red line checklist, which is subsequently submitted by the risk management department to the Risk Management Committee for approval, ensuring its effective implementation and enforcement.

Training and Communication

Company-Wide Disclosure, Training and Guidance on the Red Line Checklist

Risk Management Process

1 Comprehensive Governance of Material Risks

The Company conducts comprehensive governance of material risks in key business areas and high-risk scenarios. Through a risk management process covering risk identification, assessment, response, monitoring, improvement and reporting, risks are systematically identified and assessed to form risk management strategies. By benchmarking against best practices and applying risk modeling to sensitive businesses, the Company can identify gaps, predict and prevent potential risks, propose recommendations for risk management improvement, and enhance risk management capabilities in specialized areas.

Risk Identification:

The risk responsibility department employs a range of methodologies, including questionnaires, interviews, document reviews, risk seminars and risk scenario simulations, to systematically identify potential risks in business processes, their sources, key influencing factors and potential impacts in line with the development objectives and operational practices of the Company.

Risk Assessment:

After collecting risk information through various channels and identifying risks, we conduct risk assessments and generate a monthly risk list and an annual risk list. The risk management department formulates risk assessment criteria through a combination of qualitative and quantitative methodologies, which classifies risks into major, critical and general risks based on their likelihood and potential impact. Relevant risk responsibility departments will conduct special risk assessments. They will conduct risk assessments based on risk assessment criteria, analyze the causes of major and critical risks, and report the risk assessment results to the risk management department. The risk management department collects the risk assessment results from the management of the Company, and conducts a comprehensive analysis and review of the risk assessment results from various departments.

Risk Response:

Taking into account its own conditions, external environment, development strategy, risk management effectiveness standards, and risk assessment results, the Company comprehensively balances costs and benefits, and determines and effectively implements appropriate response measures for different risks. For major and critical risks, responsible departments conduct root cause analyses, define risk management strategies, and formulate risk response plans. The risk management department provides assistance and professional recommendations throughout the process.

Risk Monitoring and Improvement:

The Company continuously tracks the implementation of risk management measures, makes timely adjustments in response to interim results and evolving internal and external conditions, and improves the risk management system.

Risk Reporting:

The Company organizes the preparation of interim and annual risk management reports, summarizes the status and effectiveness of risk management, analyzes the risk landscape of the Company, and puts forward recommendations for risk management.

Specialized governance initiatives are undertaken for major and critical risks to formulate risk management strategies and enhance risk management capabilities in specialized areas. The specific implementation of comprehensive governance of major risks is as follows:

Risk Identification	Risk Assessment	Risk Response	Risk Monitoring
• Focus on high-value assets; • Map the entire lifecycle of material flows; • Conduct walkthrough testing; • Develop a preliminary risk checklist.	• Establish risk assessment criteria; • Distribute risk assessment questionnaires; • Conduct risk seminars to assess the risk checklist.	• Perform a holistic analysis of risks based on seminar results; • Conduct governance reviews on major risks and formulate response strategies.	• Implement closed-loop risk management, clearly define the responsible personnel for risk response, and track risk rectification progress; • Reassess major risks and track the effectiveness of mitigation measures.

The table below sets forth key risks:

Risk Area	Risk Description	Risk Response
Engineering Materials Management Risk	(i) Risk of delayed asset recording/warehousing due to a combination of reasons such as management objectives, management granularity, and division of responsibilities, materials transferred from Party B to Party A may not be recorded or warehoused promptly, and surplus engineering materials may not be returned and recorded promptly.	(i) Implement specialized governance initiatives for engineering management. (ii) Enhance asset management systems for engineering construction and clarify the division of responsibilities.
	(ii) Risk of inadequate asset management and supervision The lack of clear management responsibilities and the insufficient implementation of division of responsibilities in matrix management result in a lack of coordinated management.	
Engineering Design Risk	Incomplete front-end project design fails to provide guidance for subsequent design and engineering solutions, leading to frequent design revisions, increased implementation complexity, adjustments in equipment requirements, and adverse impacts on the overall project schedule.	Establish and refine design processes, and incorporate Key Control Points (KCPs) for normalized control.

2 Ordinary Risk Management

In terms of investment risk control, the Company has established a comprehensive investment management framework and fully embedded risk management into the pre-investment, during-investment, and post-investment processes. At critical pre-investment stages, the Company conducts risk identification and assessment, and issues risk assessment conclusions and response recommendations. During the investment process, the Company closely monitors risks and response measures, and conducts regular reviews and feedback. At the post-investment management stage, the Company collaborates with the investment management department to conduct post-project evaluations.

In terms of regional risk control, the Company has set up regional risk control departments in major regions in alignment with its organizational structure. These departments undertake targeted risk management activities, including irregular interviews with key personnel and regular compilation of regional risk lists, and conduct risk inspections of key business areas in each region. In 2025, more than 50 risk inspections were conducted, with a risk point identification coverage rate of approximately 25%.

In addition to its traditional and core business risks, the Company extends full-process supervision to new business formats and emerging businesses, thus forming a full-chain risk management mechanism covering front-end prevention, in-process control, and back-end emergency response. Ex-ante: The risk management department proactively collects and analyses case studies of risk events in new business formats, visits and learns from outstanding organizations, identifies major risk events and scenarios, and prepares a risk management checklist. In-process: The risk management department establishes business process supervision standards, participates in the on-site supervision of key business stages, regularly tracks the progress of business execution, identifies process risks, and promptly provides risk control recommendations.

3 Risk Event Management

The risk management department conducts continuous monitoring and analysis of risk events on a daily basis, and establishes a working mechanism covering timely reporting, tiered decision-making, and closed-loop management. Timely Reporting: Relevant risk responsibility departments are required to promptly report identified major and critical risk events to the risk management department and submit relevant information at the same time. Tiered Decision-Making: For major and critical risk events, the Company conducts root cause analyses and formulates response plans. Major risk events are subject to deliberation and decision by the Risk Management Committee. Implementation and Follow-up: The risk responsibility department implements the approved response plans, while the risk management department is responsible for follow-up on such implementation. Review and Knowledge Consolidation: The Company reviews major risk events to enhance its management capabilities and update the risk event database.

Risk Management Culture and Environment

The Chairman of the Risk Management Committee is responsible for setting the tone and understanding of risk management.

The cultivation of risk management culture is a top-level endeavor that requires a top-down approach. The Chairman of the Risk Management Committee attaches great importance to risk management, and emphasizes that "the essence of risk management lies in managing uncertainties which require extraordinary capabilities". All levels of management are required to strengthen their risk awareness and risk management capabilities and are equipped with such extraordinary capabilities.

The Chairman of the Risk Management Committee strongly supports the construction of our risk management framework, actively promotes the top-level architecture design of risk management, the establishment of risk management and risk defense systems, the high-level identification of systemic risks, and the full-process empowerment for the development system.

The Executive Vice Chairman of the Risk Management Committee is responsible for cultivating the risk management awareness of senior management.

The Executive Vice Chairman of the Risk Management Committee also actively promotes the cultivation of a risk management culture environment. Through thematic speeches on risk management at annual and interim senior management meetings, the Executive Vice Chairman cultivates a risk management culture among management at all levels from various dimensions, including the concept and working methods of comprehensive risk management, learning from risk management benchmarks, and drawing on external risk management failures. These initiatives aim to deepen the decision-makers' understanding of risk governance, strengthen resource support, enhance the risk awareness of management personnel, and help them gradually foster a dual decision-making habit for business risks.

Promoting risk culture among all employees.

The Company has established a dedicated risk management WeChat official account to promote risk management knowledge and culture to all employees, enhance their risk management awareness, publicize basic risk management theories and knowledge, and provide guidance on risk identification and response in the course of ordinary operations. The WeChat official account systematically transmits risk management culture and creates a knowledge repository accessible to all employees at any time. In 2025, we published several articles including basic risk management knowledge and the "Risk Zoo" thematic series.

Thematic Studies and Analysis of External Risk Cases

The Company also actively explores the integration of risk culture in other dimensions by conducting research and analysis on risk and corporate management of industry peers and relevant upstream and downstream companies. Through earning from their strengths and making up for their weaknesses, the Company can conduct risk assessments in advance and establish risk response plans.

Business Ethics

To address business ethics risks, CNGR has established a dedicated governance structure composed of the Audit Committee under the Board of Directors, as well as the Supervisory Committee and the Risk Control and Supervision Center at corporation level. The Audit Committee serves as the highest supervisory body for overseeing and auditing business ethics practices.

CNGR attaches paramount importance to the management of business ethics and compliance risks. The Company rigorously adheres to pertinent laws and regulations, such as the Company Law of the People's Republic of China, the Anti-Monopoly Law, and the Interim Provisions on Prohibiting Commercial Bribery. In accordance with the Universal Declaration of Human Rights, OECD Guidelines, ILO standards, and the Ten Principles of the UN Global Compact, CNGR has formulated and publicly disclosed its Code of Business Conduct and Supplier Code of Conduct. To enhance compliance, CNGR has implemented an ISO 37301-based compliance management system and developed the Anti-Corruption and Anti-Bribery Compliance Guidelines. Since 2023, the Company has been a member of the Sunshine Integrity Alliance and holds the position of vice-chair unit within the Corporate Anti-Fraud Alliance. The Company combats corruption through robust risk management strategies, extensive employee training and awareness initiatives, and transparent reporting mechanisms. Internal issues are pinpointed via internal audits, whistleblower reports, and third-party evaluations. Audits focusing on business ethics and bribery risks are carried out at least once a year across all regions, while internal audits of business units are performed bi-monthly. Annual external audits, aligned with ISO 37301 standards, also emphasize business ethics as a core area. All verified instances of misconduct are internally disclosed and utilized as negative case studies to enhance awareness and foster a culture of integrity. Anti-corruption measures are seamlessly integrated into ordinary operations. CNGR further requires that all suppliers adhere to the Supplier Code of Conduct and sign the Integrity and Anti-Corruption Commitment Letter. This necessitates the implementation of robust anti-corruption measures, strict compliance with relevant laws and regulations, formulation of internal policies, and active participation in anti-bribery training programs. During the 2025 Reporting Period, the execution rate of the Integrity and Anti-Corruption Commitment Letter among CNGR's suppliers consistently remained at 100%.

In 2025, five major production entities under CNGR's Indonesia operations (namely PT Zhongtsing New Energy, PT CNGR Dingxing New Energy, PT Nadesico Nickel Industry (CNGR North Morowali Industrial Base), PT Debonair Nickel Industry (CNGR WedaBay Industrial Base), and PT Pomalaa New Energy Materials) successfully obtained ISO 37001 Anti-Bribery Management System certification, further strengthening our anti-bribery and anti-corruption controls. This milestone not only enhanced its anti-monopoly and anti-money laundering practices in Indonesia and globally, but also reinforced trust with stakeholders and government authorities by promoting ethical business practices.

CNGR has instituted the Whistleblower Reward Management Policy to protect corporate interests, enhance internal controls, and proactively prevent and eradicate fraudulent activities at their origin. This policy guarantees that the whistleblowing process is standardized, transparent, and adheres to relevant laws and regulations, thereby safeguarding the legitimate rights and interests of whistleblowers. The Company actively encourages both employees and external stakeholders to report any misconduct or fraudulent activities that could potentially harm the Company's interests, ensuring such reporting is conducted in a lawful and orderly fashion. The reporting mechanism acts as a crucial safeguard, fortifying CNGR's long-term, stable, and healthy growth. To enhance convenience for whistleblowers, CNGR has established various accessible reporting channels, such as WeChat mini program, telephone hotline, and in-person reporting options. Irrespective of the chosen method, the Company warmly welcomes reports and oversight related to any internal violations, misconduct, fraud, or activities that could harm CNGR's reputation and interests. Upon receiving a report, the Company promptly assembles an investigative team. All cases are managed with stringent confidentiality. The team evaluates the scope and severity of the issue and presents its findings to the Board. Upon completion, an investigation report is submitted for board approval. If the Report is validated, the whistleblower will be rewarded in accordance with company policy, and individuals or departments identified as responsible will be held accountable. Cases involving legal infractions will be referred to judicial authorities as per legal requirements.

CNGR Reporting Channels

- **Social Responsibility Public Email (for receiving social responsibility complaints):** cngrCSR@cngrgf.com.cn
- **Whistleblowing Email:** ubao@cngrgf.com.cn | jubaogj@cngrgf.com.cn
- **Whistleblowing Hotline:** +86 193 7516 6553（for China） | +62 812 9309 3607（for overseas regions）
- **Whistleblowing Mailbox (for China):** 16/F, Block B, Yunda Central Plaza, Yuhua District, Changsha City, Hunan Province, Postcode: 410600
  CNGR Risk Control and Supervision Center
- **Whistleblowing Mailbox (for overseas regions):** Noble House 37th floor, Mega Kuningan 2, Jl. Dr. Ide Anak Agung Gde Agung kav. E4.2, rt 5/ r kuningan, kuningan tim., setiabudi, Jakarta Selatan 12950, Indonesia
  Postcode:12950
- **WeChat Mini Program:**
- **WhatsApp QR Code:**
- **In-person Reporting:** CNGR Risk Control and Supervision Center

The Company remains committed to fostering diversified industry engagement with the Corporate Anti-Fraud Alliance and the Sunshine Integrity Alliance. Internally, it has established multi-tiered supervisory leadership structures and conducts tiered integrity awareness programs for our employees and business partners, thereby reinforcing comprehensive integrity risk management across systems, culture and business operations.

Successful Launch of CNGR's 2025 Integrity Month Activities

To further reinforce the foundations of integrity and cultivate a corporate culture defined by transparency and ethical conduct, CNGR launched its 2025 Integrity Month Activities under the theme "Integrity Revitalizes Enterprise, and Trust Builds the Future". A series of thematic activities was conducted from November 15th to December 15th in overseas industrial bases in Indonesia and Morocco, as well as major domestic industrial bases. Through multi-dimensional publicity and education campaigns, internal and external collaboration, case-based learning, and cultural engagement, the program achieved comprehensive publicity and education outreach and embedded integrity awareness in the mindset, thus injecting impetus into the healthy and sustainable development of the Company.

Supplier Integrity Conference Jointly Held by Risk Control and Supervision Center & Supply Chain Center

To further promote the construction of corporate integrity culture and fortify risk defenses across the supply chain, the Risk Control and Supervision Center and the Supply Chain Center jointly held the "Sunshine Procurement · Shared Future" 2025 Supplier Integrity Conference on 25 December 2025. More than 30 key suppliers from the equipment, chemicals, and logistics sectors were invited to attend the conference. This conference represented not only an extension of our annual integrity advocacy efforts, but also a pivotal declaration in advancing the transformation of our supply chain ecosystem from contract-based cooperation to value co-creation. During the conference, the leadership of the Company and supplier representatives solemnly signed the Integrity Co-Building Initiative, embedding their shared commitment to "Integrity Co-Building" into a binding contract.

Anti-Corruption Risk Assessment:	During the Reporting Period, we conducted comprehensive corruption risk assessments across all operational locations and identified no material corruption risks. The coverage of such assessments reached 100% of our operating locations.
Anti-Corruption Training:	During the Reporting Period, our anti-corruption training covered 100% of governance body members, 100% of employees (including part-time and outsourced personnel), and 100% of business partners (including suppliers and contractors).
Anti-Corruption Cases:	During the Reporting Period, there were four corruption cases that resulted in employees being dismissed or subjected to disciplinary action, and three corruption-related violations that involved the termination of contracts with business partners. No concluded legal proceedings relating to corruption were brought against the Company or its employees.

3.3 Topic III: Digitalization and Information Security

Digital transformation is an imperative for the Company to remain aligned with the evolving times and to avoid marginalization.

— Deng Weiming, Chairman and President of CNGR

To support our global strategy and build an agile, efficient and intelligent digital organization, the former Digital Center has been comprehensively upgraded into the "Digitalization Center", which is directly overseen by a senior executive at the vice president level. The new center adopts a hybrid governance model that integrates centralized oversight with vertical management, and assumes unified responsibility for global digitalization strategy planning, budget control, technology selection, and project delivery. Internally, the Company has established core functional departments such as digitalization planning, demand and project management, system development, operations and maintenance, data governance and AI innovation, and has formed a comprehensive and professional team covering architecture design, product development, data governance, basic operation and maintenance, and AI research and development. By implementing the Business Partner (BP) service model, the digitalization team is deeply embedded across headquarters, regional offices and operational sites, ensuring profound integration of technology and business, as well as efficient coordination and rapid responsiveness of global resources.

The Company has formulated a clear digitalization strategy, which aims to promote the full implementation of its "digitalization" strategy. In the short term, the Company focuses on establishing a unified IT organization, building core systems centered on the value chain and the integration of business and finance, thereby laying a robust digital foundation. In the medium term, the Company endeavors to achieve full coverage and continuous integration and optimization across the core value chain and business-finance integration, thus eliminating data silos and providing strong data-driven support for management decision-making. In the long term, the Company aims to realize fully intelligent operations through the in-depth empowerment of advanced technologies and data elements, enhance its value creation within the industry ecosystem, and support sustainable business development with a flexible and innovative digital foundation.

In 2025, guided by its "New Four Modernizations" strategy, CNGR continued to advance its "digitalization" construction and released a medium- and long-term digitalization transformation roadmap. The Company successfully developed and launched the SAP core platform in China, accompanied by the upgrading, expansion and deep integration of 22 business systems, including EHR, PLM, LIMS, BDMS, SRM, MOM, TMS, FSSC, QMS and PMS. Integration across key business sectors, including R&D, engineering, procurement, sales, production and quality, human resources and finance, has fostered a unified ecosystem. In terms of data, the Company has established a dedicated data governance organization to consolidate data assets, standardize all scenarios across data inventory, standardization, governance and application, and implement data lake integration for core production data alongside pilot BI visualizations. In terms of information security, the Company undertook a comprehensive upgrade of its system architecture, reinforced server security, conducted targeted remediation of information security risks, and implemented data classification and grading across all regions. In terms of AI, the Company has advanced a series of projects such as electron microscopy recognition, virtual laboratories, and the Insight Holographic Platform, and fostered collaborative innovation between business functions and AI technologies. These efforts have cultivated distinctive AI application scenarios unique to CNGR, and empowered business and intelligent operations, thus accelerating our digitalization transformation through technological innovation.

SAP Management Transformation Project

The SAP Management Transformation Project represents a flagship digitalization management program in the new energy materials industry jointly developed by CNGR and IBM, the world's largest information technology consulting company. It also serves as a cornerstone of the core "digitalization" strategy of the Company. Its core scope includes top-level process architecture design, digital transformation planning, and the implementation of the SAP system in China. Through top-level process architecture design, the Company has established a process framework aligned with its management transformation, systematically defined a list of L1–L3 processes, and appointed process owners and stewards, thereby improving management efficiency through process-driven governance. Through digital transformation planning, the Company has clarified its digital strategy, digital transformation blueprint, implementation strategies, and implementation roadmap, which provides a clear direction for CNGR's digital transformation. The SAP system implementation covers all core processes of the entire value chain, including R&D, production, supply, sales and finance. The system was deployed simultaneously across the headquarters and four major industrial bases in China, which integrates 22 peripheral systems, cleans and standardizes hundreds of thousands of data entries, and facilitates over 90 supporting business enhancements.

Digitalization Transformation Roadmap

The Company has formally released its digitalization transformation roadmap, and is committed to constructing the "932" digitalization transformation blueprint in line with the transformation philosophy of "understanding reality, setting direction, defining pathways and ensuring execution". With a mission centered on data-driven and intelligent operations, and a vision to establish a global benchmark in the new energy materials industry through advanced digitalization technologies, our digitalization transformation aims to build a customer-centric digital service ecosystem, establish a globally leading digital operation system, and develop an industry-leading digitalization innovation platform. Guided by a five-year roadmap, the transformation will be executed in phases to realize a unified, visible and intelligent CNGR.

"932" Digitalization Transformation Blueprint of CNGR

Two Foundations	• Standardized Data Governance and Service Foundation • Globally Integrated Hybrid Cloud Infrastructure Foundation
Three Core Platforms	• MIP Unified Portal Platform • ELMP Open Ecosystem Platform (not yet operated) • MDP Unified Integration Platform
Nine Core Application Systems	SAP ERP System • PLM (Product Lifecycle Management System) • SCP (Supply Chain Planning System) • SRM (Supplier Relationship Management System) • MES (Manufacturing Execution System) • CRM (Customer Relationship Management System) • QMS (Comprehensive Quality Management System) • FMS (Financial Management System) • EHR (Human Resources Management System)

Top-Level Process Architecture Design

The Company has comprehensively completed the construction of its process management system, covering the process framework system, process governance system, and process documentation system. In terms of constructing the process framework system, the Company has established a five-tier process classification framework, and completed the planning and design of 12 L1 process domains, 78 L2 process groups, and 316 L3 core processes. In terms of strengthening the process governance system, the Company has defined the organizational structure of management processes, implemented the process responsibility mechanism, appointed 87 process owners and 114 process stewards, and formulated management processes and systems. In terms of improving the process documentation system, the Company has formulated business process standards and specifications, clarified the expression requirements of process lists, charts and documents, and integrated process management platform functions and standards.

SAP System Implementation

After the successful launch of the SAP system, the Company has established a core digital engine that hat comprehensively covers business areas such as master data, sales, procurement, planning, production, R&D, logistics, quality and finance. In parallel, the Company completed the upgrade and integration of 22 peripheral application systems, including SRM, MOM, PLM, FSSC, QMS, TMS, LIMS and BDMS, forming a highly coordinated application ecosystem. The project successfully achieved its core objectives of "standardized business operations, integrated business and finance, alignment of accounts with physical assets, seamless metal traceability, process visibility, and accelerated monthly settlement". Therefore, the Company has established an "information superhighway" between production and operations, which provides an important tool for enhancing business visibility and management efficiency.

Integration of R&D, Production, Supply and Sales

To advance the integration of R&D, production, procurement, and sales, the Company has comprehensively deepened the integration of its core business domains, including R&D, production, procurement, sales, quality, human resources and finance, and is committed to building a highly efficient and collaborative unified ecosystem.

In terms of research and development, Phase III of the integrated R&D project has realized a closed-loop digital management across the entire process of new product and process development. This system covers the entire value chain from customer demand insights, process development, production and manufacturing, quality inspection to warehousing and delivery, with a system coverage of 100%. By adopting a "large program cluster" model, the Company manages both order-based and self-developed projects in a unified manner, enabling shared resource pools and optimized allocation. At the same time, data integration across R&D, production and testing processes has enabled the accumulation of critical R&D datasets, laying a solid foundation for a "data-driven R&D" paradigm.

In terms of research institute operations and project management, digital empowerment has delivered remarkable results. The research institute has deployed the batch management system in over 20,000 data collection points, and achieved closed-loop management and automated efficiency improvement in plan execution. It supports 24-hour automated archiving and the automated generation of fully digitized operational records, replacing manual data entry while accurately mapping process parameters. Meanwhile, the metallurgical R&D project management system has achieved full-chain traceability and refined control, covering 10 performance elements and 36 key indicators across all project stages. In the first half of the year, the system automatically verified the performance of 18 active projects in the Metallurgical Institute, and achieved 100% evaluation coverage, which significantly improved both management efficiency and scientific decision-making.

In terms of engineering project management and supply chain collaboration, the Company has concurrently advanced several key upgrades. Phase I of the engineering project management system (PMS) has established a three-tier project management and decision-making dashboard framework consisting of "company + construction center + base", which enables visualized management of core business processes from project initiation, changes, implementation, completion to post-evaluation. Through hierarchical and categorized management and the establishment of an investment decision-making model, the Company has standardized project initiation processes to effectively mitigate investment risks. The SRM system was upgraded based on the category management strategy, and provides a refined "category + supplier" control matrix, which improves execution efficiency while strengthening supply chain risk prevention and control. In addition, in terms of production and quality management, the Company has deeply optimized the LIMS system across its four major domestic industrial bases, thus further promoting compliant operations and driving cost reduction, quality improvement and efficiency enhancement.

Shared Core Capability Development

By deepening the construction of its shared services system, the Company has significantly enhanced the operational efficiency of human resources and finance. Human resource sharing has successfully enabled the integration and interconnectivity of data across all modules, including organizational management, personnel administration, attendance and performance, thereby establishing an integrated talent data foundation. Building upon this, the Company has initiated Phase II intelligent upgrades and introduced AI-powered recruitment and intelligent customer service systems, resulting in a reduction of the recruitment cycle by two to three days and the resolution of over 80% of employee inquiries. The development and rollout of the shared financial services system have likewise delivered outstanding results. By comprehensively optimizing the efficiency of core processes from input verification to output invoicing, the Company accelerated the functional transformation of financial personnel from basic accounting toward management accounting. Leveraging the shared finance platform, the cycle from application, payment to voucher processing has been reduced by 70%, while the efficiency of voucher retrieval and document chain processing has improved by 90%. These breakthroughs in key performance indicators have not only substantially strengthened financial responsiveness and compliance control capabilities, but have also provided robust data support and decision-making basis for the overall refined operations of the Company.

Global Expansion of Digitalization Capabilities

The Company has accelerated the global and localized deployment of its digitalization capabilities, and is committed to building a global deployment model of "rapid replication + regional adaptation". In the Morocco project, the Company has achieved real-time localized collection of production data, and successfully deployed core functions such as one-click furnace activation, current ramp-up alerts, and critical process alarms. The full implementation of the LIMS system has elevated the reliability, accuracy and traceability of testing data to 100%, while improving testing execution accuracy to 99.9% and timeliness to 98.5%. Meanwhile, the Company has established a shared financial services center and a global training system in Indonesia, and formulated digital standards in South Korea, marking a new phase in its global management coordination and standardized operations.

Deepening Data Governance

The Company has established a dedicated data governance organization with clearly defined roles and responsibilities. This organization is responsible for coordinating and promoting the entire data governance process, and standardizing the management of data from all scenarios across data inventory, standardization, governance and application, thereby achieving closed-loop control across all stages. Comprehensive cleansing and rigorous validation of master data have been undertaken to ensure data quality compliance. The Company has concurrently advanced the launch of the MDG system and built a standardized master data management platform that enables unified governance and dynamic updates of master data.

Advancing Data Lake Integration and Upgrading Information Security

In terms of unlocking data value, the Company has enabled full-scale integration of workshop-level energy consumption data (water, electricity and gas) into centralized data lakes across its Ningxiang, Tongren and Qinzhou Industrial Bases. Through visualized BI dashboards on the big data platform, this integration has significantly enhanced the refined energy management. In terms of information security, the Company has completed a comprehensive upgrade of its system architecture and reinforced server security. It has also piloted specialized governance of information security risks at the Research Institute and the Qinzhou Industrial Base, and concurrently implemented regional data classification and grading management. A comprehensive, multi-layered information security defense system has been established to ensure continuous and stable global operations.

Empowering Intelligent Operations with AI-Driven Innovation

The Company continues to deepen its "Business + AI" collaborative innovation model, with a strategic focus on electron microscopy recognition, virtual laboratories and the Insight Holographic Platform. These efforts have cultivated distinctive AI application scenarios unique to CNGR, and empowered business and intelligent operations, thus accelerating our digitalization transformation through technological innovation. The electron microscopy recognition project concentrates on core function development and automated electron microscopy recognition, which aims to quantify microscopy indicators across the entire product portfolio and establish a new industry benchmark. The virtual laboratory project integrates process data modeling with advanced image recognition technologies to achieve comprehensive predictive capabilities for pilot-stage indicators from raw materials to precursor products. It significantly reduces the number of experiments, lowers trial production costs, and enhances R&D efficiency. The Insight Holographic Platform project integrates functions such as intelligent Q&A, online search, knowledge base management and in-depth data analysis. By establishing an enterprise-level intelligent knowledge hub, it can provide real-time and accurate intellectual support for business operations and management decision-making.

First Large-Scale AI Training Program in China

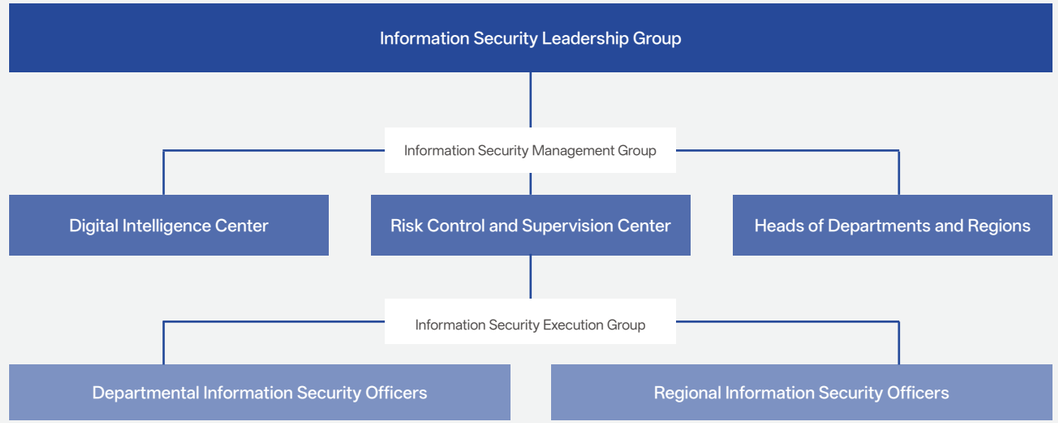
To fully embrace the wave of digital transformation, unlock the core potential of AI technologies in driving corporate innovation and efficiency, and guide all employees in the standardized use of AI tools, the Company organized a special training session for 1,187 non-operational employees in China in February 2025 under the theme "AI Applications in Office Scenarios". This program was conducted through a combination of live-streaming and offline group learning. The training program systematically demonstrated the high-efficiency application of AI tools across six key scenarios, including meeting minutes summarization, cross-cultural press release drafting, complex Excel formula generation, and design of PPT architecture for competitive product analysis. The training program not only reshaped the perception of AI as merely a search tool, but also significantly enhanced the digitalization office skills of all employees through hands-on practices such as dual-tool collaboration and mind map construction. In the future, the China region will further analyze the AI application needs across various bases and functional lines, and complete the deployment and practical application of AI tools in various application scenarios within one year. It aims to achieve standardization, intelligence and automation of repetitive tasks across bases and headquarters, and create demonstration roles, bases and zones in AI applications. Over the next two to three years, the Company will establish itself as an industry benchmark in AI applications.

Information Security Management

To further standardize its information security practices, fully implement the primary responsibility for information security, and enhance its overall information security capabilities, the Company has established a dedicated information security organization in 2025, which consists of leaders of the Company, the information security management department, and representatives from all departments and regions. The organization establishes the Information Security Leadership Group, the Information Security Management Group, and the Information Security Execution Group. It is responsible for making strategic decisions on major information security matters, formulating information security policies and standards of the Company, and promoting, coordinating and implementing information security tasks of the Company. As the highest governing authority for information security, the Information Security Leadership Group is responsible for making the ultimate decisions relating to the information security work of the Company. It is headed by the President of the Company, who serves as the primary accountable officer for information security, with the Vice President in charge of the Digitalization Center and the Risk Control and Supervision Center serving as deputy head. Its members consist of vice presidents in charge of functional and business departments. The Information Security Management Group is a task force under the Information Security Leadership Group. It serves as the central coordinating body for our information security work, and is responsible for formulating, maintaining and implementing the information security policies, standards and procedures of the Company. The Information Security Management Group is chaired by the head of the Digitalization Center, with the head of the Risk Control and Supervision Center serving as deputy head. Its members consist of heads of departments and regions. As the designated information security management department, the Digitalization Center is responsible for the overall planning, organization and promotion of our information security construction. The Information Security Execution Group consists of designated information security officers from each department and region, who are responsible for implementing information security work within their respective departments.



Information Security Organizational Structure of CNGR



Over the next one to three years, CNGR will further refine its information security management system and technical defense system, continuously optimize its information security management system, and ensure regulatory compliance while effectively mitigating common cyber threats. Over the next three to five years, CNGR will establish a forward-looking information security protection system that can adapt to the evolving cybersecurity landscape. CNGR will achieve deep integration between information security and business operations to provide strong support for business development.

CNGR strictly complies with applicable laws and regulations, including the Cybersecurity Law of the PRC, the Data Security Law of the PRC, the Personal Information Protection Law of the PRC, and the Administrative Measures for the Graded Protection of Information Security, and has established relevant information security management policies, including information security management manuals, terminal security, information security red lines, bastion hosts, zero trust, data center management, data backup management, and emergency response drills. Relevant measures are rigorously implemented in accordance with the requirements of such policies. The Company has established an information security management system based on ISO/IEC 27001:2013, undertaken information security leadership responsibility, and implemented information and data security work at all levels. The principal entity of CNGR Advanced Material Co., Ltd. first obtained ISO/IEC 27001:2013 Information Security Management System certification in November 2022, and successfully completed the transition audit to ISO/IEC 27001:2022 in October 2025. In 2025, five major production entities under CNGR's Indonesia operations (namely PT Zhongtsing New Energy (CNGR Morowali Industrial Base), PT CNGR Dingxing New Energy, PT Nadesico Nickel Industry (CNGR North Morowali Industrial Base), PT Debonair Nickel Industry (CNGR WedaBay Industrial Base), and PT Pomalaa New Energy Materials) successfully obtained ISO/IEC 27001:2022 Information Security Management System certification. In April 2025, our ERP and HR systems successfully passed the Level III cybersecurity protection assessment and were duly registered with public security authorities, ensuring that our information security practices comply with the requirements of national laws and regulations such as the Cybersecurity Law of the PRC and the Data Security Law of the PRC.

In the third quarter of 2025, the Company conducted an internal audit of its information security management system, which aims to comprehensively evaluate its compliance and operational effectiveness. All seven non-conformities identified during the audit were rectified and validated by the responsible departments, ensuring continuous improvement and effective operation of the information security management system. Meanwhile, the Company conducts ordinary information security inspections. In July 2025, the Company issued and clarified its information security inspection standards covering nine inspection areas, including computer usage security and the management of confidential documents. These inspections are carried out regularly by designated information security officers of each department. As of 30 December 2025, 56 departments had identified and rectified a total of over 400 information security non-compliances in 2025, effectively preventing the spread of risks and achieving proactive prevention.

The Company formulates and maintains an IT Service Continuity Plan (ITSCP), covering risk assessments, and the development and drills of contingency plans. By regularly testing and optimizing recovery plans, the Company ensures the rapid restoration of IT services in the event of disruptions, thereby minimizing the impact on its business. The Company has further intensified its security incident management by establishing comprehensive mechanisms for monitoring, reporting, responding to and handling security incidents. This enables the timely detection and handling of incidents such as cyberattacks and data breaches, thereby mitigating potential losses and adverse impacts caused by security incidents. Should any business department identify internal or external personnel engaging in activities involving technological leakage

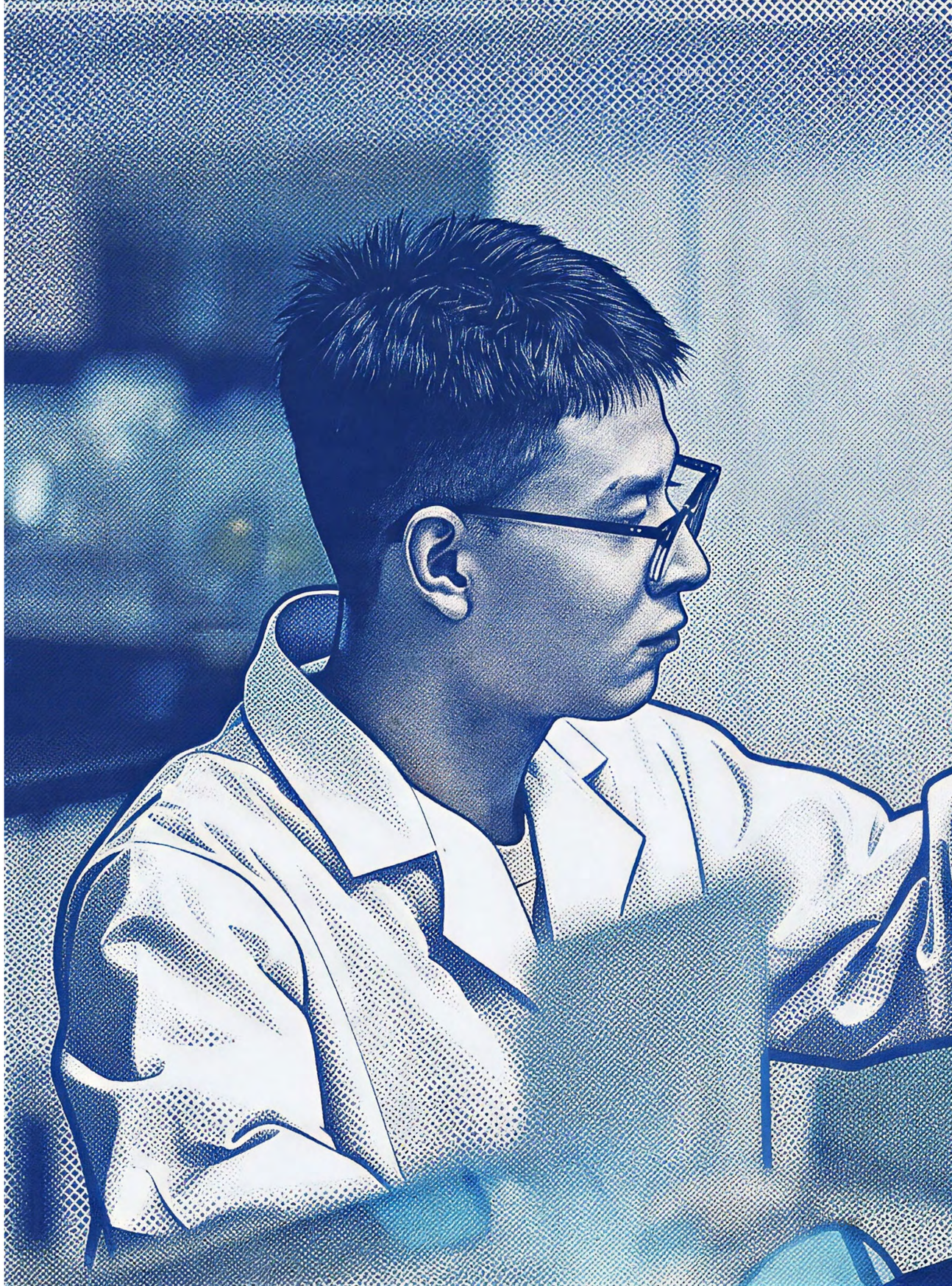
or misappropriation of proprietary technologies, such matters may be reported directly to the information security management department via WeCom or telephone. Upon verification by the information security management department, the Company provides appropriate incentives to whistleblowers based on the severity of the case, while strictly protecting their confidentiality. In the event of an information security incident, the relevant department or individual shall promptly report such incident to the information security management department through available channels, including but not limited to WeCom or telephone, while preserving the integrity of the incident scene. Upon receipt of the report, the information security management department intervenes immediately, and assumes leadership in the investigation and resolution process. Where necessary, it coordinates relevant parties to conduct a joint investigation and analysis, including collecting relevant information about the incident, identifying the type of incident, determining the source and nature of damages, analyzing the impact of the incident, and determining the incident level. At the same time, the corresponding emergency response plan will be activated.

The Company actively promotes information security education and training to enhance employees' information security awareness. From July to August 2025, the Company organized training on information security red lines and inspections for all employees, covering more than 9,200 employees, with 100% coverage of employees in China. Beginning in August 2025, the Company incorporated information security training and examinations as mandatory components of new employee training, covering more than 500 participants by the end of December 2025. In September 2025, the Company organized training on red-line case studies and compliance guidance for key positions, covering more than 140 participants. In October 2025, the Company organized specialized training on data classification and grading for departmental information security officers, covering 100 participants.

Training Program on Information Security Red Line Checklist and Inspections for All Employees

In 2025, the Information Security Management Group launched an information security training program under the theme "Information Security Red Line Checklist and Inspections". Prior to the training, the Information Security Management Group conducted specialized training for departmental information security officers, equipping them to serve as both "security ambassadors" and "risk sentinels" who know relevant rules and are capable of implementing them effectively. This training program was initiated on 30 June 2025. Information security officers may flexibly organize offline group learning or online self-study based on the actual situation of their departments. This training program aims to ensure that the red lines of information security are internalized in mindset and that every employee clearly understands prohibited actions and their consequences, thereby eliminating complacency and preventing violations at the source. As of August 5, more than 50 online and offline training sessions had been conducted across departments and regions, reaching over 9,200 employees and achieving full coverage of core operational and functional roles. This training program promoted an in-depth understanding of information security red lines, and reinforced employees' awareness of information security boundaries, thus laying a solid foundation for building a strong security defense line from the source.

In relation to information security management, the Company has established corresponding goals and indicators: data breach rate (maintaining a zero data breach rate) and annual compliance audit pass rate (achieving an annual compliance audit pass rate of no less than 95%). During the Reporting Period, the Company recorded no cases of data leakage, no cases of customer privacy infringement, and no cases of information security incidents, while attaining a 100% pass rate in information security audits.



04

Practicality and Self-Discipline

By fostering a sound and well-ordered industrial ecosystem, the Company continues to enhance its corporate governance capabilities and digital system infrastructure. The Company is committed to building a modern management system characterized by integrity, transparency and efficiency, and shaping a trustworthy, upright and responsible corporate image. The Company remains steadfast in upholding the fundamental principle of lawful and compliant operations, and strictly abides by national laws, regulations and relevant international standards. The Company continuously optimizes its governance structure to ensure scientific and standardized decision-making, thereby reinforcing the stability and sustainability of its operations. In terms of corporate governance, the Company continuously refines its internal control system, enhances decision-making mechanisms, and strengthens risk prevention and control to ensure that all business activities are conducted in a compliant and orderly manner. At the same time, the Company is committed to continuously improving the quality of information disclosure, ensuring the transparency of key financial, operational, and sustainability-related information, and proactively embracing supervision from all sectors of society. In terms of system construction, the Company actively promotes its digital management transformation, streamlines business processes, enhances operational efficiency, and reinforces data security and information protection, thereby establishing a solid foundation for compliant operations and secure development. Furthermore, the Company vigorously promotes a corporate culture rooted in integrity, fairness and responsibility, strengthens professional ethics and behavioral standards of employees, and advances ethical conduct. These efforts aim to create a workplace environment defined by integrity, fairness and transparency, and continuously enhance the credibility and sense of social responsibility of the Company. In the future, the Company will continue to uphold the development philosophy of "Practicality and Self-Discipline". Leveraging an efficient and transparent management system and well-regulated corporate governance, the Company will promote high-quality and sustainable development, set an industry benchmark for integrity, and contribute to a healthier, more compliant, and sustainable industrial ecosystem.

This chapter responds to the following topic:

- Governance Structure
- Economic Performance
- Risk and Compliance Management
- Taxation Strategy

This chapter responds to the following SDGs:

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE





4.1 Corporate and Systemic Governance

CNGR is committed to enhancing its system construction and corporate governance capabilities by building a sound industrial ecosystem and establishing a digital platform. Through end-to-end empowerment of operational management, the Company achieves accurate and scientific decision-making, efficient organizational coordination, and honest and transparent management, thereby creating a trustworthy and upright corporate image.

4.1.1 Governance and System Optimization Actions

The Company continues to optimize its corporate governance system to enhance integrity, transparency and efficiency, while strengthening its information security systems to comprehensively enhance the corporate and system stability, with a view to establishing an honest and pragmatic corporate image. We have established the following action objectives:

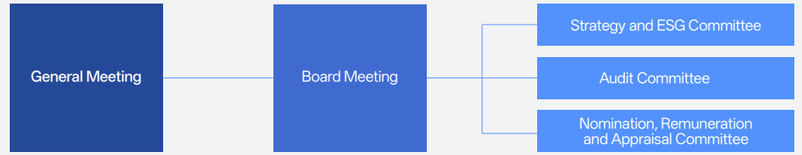
2022	Initially established a risk and compliance management system; Formulated and disclosed the Code of Business Conduct of CNGR; Established information management policies.	Completed For details, please refer to the 2022 ESG Report of CNGR.
2023	Further improved the risk and compliance management system and tax policies; Optimized the structure of the Board and its specialized committees; Initiated digital transformation.	Completed Commenced the establishment of the ISO 37301 compliance management system; Adjusted certain specialized committees to be composed entirely of independent Directors.
2024	Advanced the integration of ESG KPIs with the remuneration and performance of senior management; Initiated business ethics audits; Further improved the information security management system.	Completed
2025	Continuously improved the ESG KPI performance evaluation system; Further optimized the construction of the Board; Achieved the information security management system certification, including ISO 27001.	Completed
2030	To reach a domestically leading standard in corporate governance and system development.	

4.1.1.1 Governance Structure

GRI 2

CNGR strictly abides by the requirements of the Company Law of the PRC, the Securities Law of the PRC, the Code of Corporate Governance for Listed Companies, the Listing Rules of the ChiNext Market of the Shenzhen Stock Exchange, the Self-Regulatory Guidelines No. 2 for Listed Companies on the ChiNext Market—Standardized Operations, the Self-Regulatory Guidelines No. 17—Sustainability Reports (Trial), the Listing Rules of the Hong Kong Stock Exchange, and the Environmental, Social and Governance Reporting Code of the Hong Kong Stock Exchange, as well as relevant laws, regulations and normative documents issued by the China Securities Regulatory Commission. The Company has formulated a series of internal governance policies, including the Articles of Association, the Independent Directors Working Rules, the Information Disclosure Management Policy, the Internal Audit Policy, the Internal Accountability Policy, the Insider Information Management Policy, and the Securities Investment Management Policy. The Company has established a corporate governance structure composed of the general meeting, the Board, and the management. Through a governance system characterized by scientific and standardized operations, clearly defined responsibilities and authorities, effective checks and balances, and efficient operations, the Company continues to enhance the transparency and effectiveness of its governance, thereby creating long-term value for its shareholders.

Corporate Governance Structure of CNGR



The general meeting serves as the highest authority of the Company. It is entitled to all the rights stipulated by laws, regulations and the Articles of Association, and exercises decision-making power over major matters such as business strategies, financing, investment and profit distribution. The Company strictly adheres to procedural requirements in convening and conducting general meetings, and ensures that all shareholders, particularly minority shareholders, enjoy equal rights and are able to fully exercise their voting rights. The Board operates under the authority of the general meeting, and is responsible for overseeing the overall governance and business development of the Company, implementing resolutions passed by the general meeting, and promoting standardized corporate operations. The Board has established three specialized committees: the Strategy and ESG Committee, the Audit Committee, and the Nomination, Remuneration and Appraisal Committee. Each specialized committee operates under the authority of the Board, and performs the following duties in accordance with the Articles of Association of CNGR Advanced Material Co., Ltd., the rules of procedure for each committee, and the authorization of the Board:

Strategy and ESG Committee: It is responsible for reviewing and providing recommendations on our long-term strategic development plans; reviewing and providing recommendations on major investment and financing proposals requiring Board approval under the Articles of Association; reviewing and providing recommendations on major capital operations, and asset management projects requiring Board approval under the Articles of Association; reviewing and providing recommendations on other significant matters affecting the development of the Company; reviewing and providing decision-making advice on ESG governance, reviewing the progress of ESG strategy and objectives, listening to the work reports of the task force, and expressing opinions; reviewing annual ESG report and other ESG-related information disclosures to ensure their completeness and accuracy; and monitoring the implementation of the aforementioned matters.

Audit Committee: It is responsible for supervising and assessing the performance of external auditors, and proposing the appointment or replacement of external audit firms; supervising and assessing the performance of internal auditors, and coordinating internal and external auditors; expressing opinions on the diligence and performance appraisal of internal auditors, and nominating the head of the audit department; reviewing financial information and its disclosure; supervising and assessing internal control system, and expressing opinions and providing recommendations on the improvement of internal control system; exercising the powers of the Supervisory Board as stipulated under the Company Law of the PRC; and other matters authorized by the Board and stipulated under relevant laws, regulations and stock exchange rules.

Nomination, Remuneration and Appraisal Committee: It is responsible for formulating the selection criteria and procedures for Directors and senior management, selecting and reviewing candidates for Directors and senior management and their qualifications, and making recommendations to the Board on the following matters: the nomination or removal of Directors; the appointment or dismissal of senior management; and other matters as stipulated by laws, administrative regulations, the China Securities Regulatory Commission, and the Articles of Association. It is also responsible for formulating performance evaluation standards for Directors and senior management and conducting such assessments, formulating and reviewing remuneration policies and proposals for Directors and senior management, and making recommendations to the Board on the following matters: the remuneration of Directors and senior management; the formulation or change of equity incentive schemes, employee share ownership plans, and the granting and vesting conditions of equity awards; arrangements for Directors and senior management to participate in shareholding plans in connection with proposed spin-offs of subsidiaries; and other matters as required by laws, administrative regulations, the CSRC, and the Articles of Association.

Sustainability Governance Framework

CNGR has deeply integrated the principles of sustainable development into its corporate governance and operational management systems, and has established a well-structured sustainability governance framework characterized by clearly defined responsibilities and orderly division of functions. Leveraging its Strategy and ESG Committee, the Company has innovatively developed a dual-axis "decision–execution" governance system. Through a dual empowerment mechanism that integrates top-level design with effective implementation, the Company systematically promotes the implementation of its sustainability strategy. As the core decision-making body for ESG governance, the Strategy and ESG Committee has instituted a three-in-one management loop covering "strategic orientation, process control, and performance iteration". A dedicated Sustainability Office has been established as a standing body to undertake the function of translating strategic objectives into actionable initiatives. By developing institutional standards, establishing cross-functional collaboration platforms, and implementing lifecycle project management, the Sustainability Office focuses on foundational initiatives such as the formulation of sustainability policy frameworks, the integration of ESG metrics, and the development of material issue management mechanisms. International sustainability standards, including GRI and ISSB, are systematically embedded into the governance structure of the Company. This governance model, which combines strategic vision with in-depth execution, effectively ensures the comprehensive integration of ESG elements into the entire processes of principal businesses, thus significantly enhancing the visibility of stakeholder engagement and the depth of management.

Board Diversity and Independence

CNGR adheres to the principles of openness, fairness, impartiality and independence in the appointment of Directors, while fully respecting the intentions of minority shareholders. Directors are elected or removed by the general meeting for a term of three years and are eligible for re-election. The Nomination, Remuneration and Appraisal Committee is responsible for drafting the selection criteria and procedures for Directors and senior management, and selecting and reviewing candidates for Directors and senior management and their qualifications, taking into account a range of considerations, including the opinions, diversity, independence, and professional competence of stakeholders (including shareholders).

The Company has formulated the Independent Directors Working Rules of CNGR Advanced Material Co., Ltd. to ensure that independent Directors constitute no less than one-third of the Board. The Company strictly implements the avoidance provisions, and precludes any form of conflict of interest. For example, independent Directors are prohibited from entering into personal service contracts with the Company or its senior management, from being affiliated with non-profit organizations that receive significant donations from the Company, and from having served as partners or employees of our external auditors within the preceding year. Independent Directors are further required to avoid any other circumstances that may give rise to conflicts of interest as determined by the Board.

The Board consists of ten members, all of whom possess profound industry expertise and extensive corporate management experience. Among them are four independent Directors who are finance and industry experts, accounting for 40% of the Board, as well as one female Director, accounting for 10% of the Board. The Company continues to optimize the diversity of its Board structure to enhance overall governance effectiveness.

Board Committees of CNGR

Strategy and ESG Committee	Deng Weiming (Chairman)	Male	Chairman and President	Industry experience, and business administration
	Tao Wu	Male	Non-independent Director, and Executive Vice President	Industry experience, and business administration
	Jiang Liangxing	Male	Independent Director	Industry experience, and R&D
Audit Committee	Cao Feng (Chairman)	Male	Independent Director	Finance
	Hong Yuan	Male	Independent Director	Finance
	Huang Siying	Female	Independent Director	Finance and Audit
Nomination, Remuneration and Appraisal Committee	Hong Yuan (Chairman)	Male	Independent Director	Finance
	Cao Feng	Male	Independent Director	Finance
	Huang Siying	Female	Independent Director	Finance and Audit

Board Effectiveness Assessment

The Board operates in strict accordance with the provisions of laws, regulations and the Articles of Association, and diligently implements the resolutions of the general meeting. The Company has formulated and strictly implemented the Independent Directors Working Rules, with particular emphasis on the performance capabilities of independent Directors. Each independent Director may serve concurrently on no more than three domestic listed companies, and shall ensure the allocation of sufficient time and attention to discharge their duties effectively. During the Reporting Period, the Company convened 15 Board meetings, at which 75 proposals were reviewed and approved, with a 100% attendance rate among Directors. All Directors demonstrated a high degree of diligence and responsibility, exercised their powers in a standardized manner, and actively participated in decision-making on significant corporate matters. The Board conducts an annual self-assessment of internal control, alongside an evaluation of its own performance and effectiveness. The Board continuously strengthens its decision-making capacity and supervisory functions, thereby enhancing the overall effectiveness of our internal control and ensuring our steady development in a complex and evolving market environment.

Statistics on Directors' Performance of Duties in 2025

General Meeting

Number of meetings convened	Number of proposals reviewed and approved	Actual attendance rate
8 sessions	39 cases	77.78 %

Board Meeting

Number of meetings convened	Number of proposals reviewed and approved	Actual attendance rate
15 sessions	75 cases	100 %

Remuneration Policies for Directors and Senior Management

The Nomination, Remuneration and Appraisal Committee is responsible for formulating and reviewing remuneration policies and proposals for Directors and senior management. The remuneration plan for Directors proposed by the Nomination, Remuneration and Appraisal Committee shall be approved by the Board and subsequently submitted to the general meeting for consideration and approval prior to implementation. The remuneration distribution plan for senior management is subject to approval by the Board. The remuneration of senior management is determined as follows: (i) market research and benchmarking: collecting data on the remuneration of senior management from industry peers, and conducting comparative analyses to ensure competitiveness; (ii) cost and efficiency analysis: assessing the alignment between remuneration costs and the financial position of the Company to ensure reasonable resource allocation; (iii) remuneration plan design: formulating remuneration plans, determining structures and levels, and arranging short-, medium- and long-term incentives; and (iv) approval and implementation: submitting the plan proposed by the Nomination, Remuneration and Appraisal Committee to the Board for approval prior to execution. At the same time, a robust oversight mechanism has been established. When designing remuneration policies and determining remuneration, the Nomination, Compensation and Assessment Committee oversees the entire process to ensure that remuneration decisions are fair and scientifically grounded. Once finalized, the remuneration plan is subject to a stringent review process involving thorough evaluation and review by relevant stakeholders, thereby ensuring the rationality and effectiveness of the remuneration policy.

Pursuant to the Announcement on the Resolutions of the 30th Meeting of the Second Session of the Board of CNGR Advanced Material Co., Ltd. issued in April 2025, items 9 and 10 reviewed the Proposal on Determining the 2024 Remuneration of Directors and Formulating the 2025 Remuneration Plan and the Proposal on Determining the 2024 Remuneration of Senior Management and Formulating the 2025 Remuneration Plan. It was resolved that the 2025 Remuneration Plan for Directors would follow that of 2024. Independent Directors of the Second Session of the Board are entitled to an average annual allowance of RMB90,000 (tax inclusive). Non-independent Directors of the Second Session who concurrently hold specific management positions in the Company receive basic salary and performance-based remuneration in accordance with their employment contracts and our remuneration management policies for Directors, Supervisors, and senior management, and do not receive additional allowances. Non-independent Directors of the Second Session of the Board who do not hold other positions in the Company are not entitled to allowances.

The leadership of the Company[1] is entitled to incentive-based remuneration in accordance with the Remuneration Management Policy and the Detailed Rules for Annual Operational Incentives. Differentiated remuneration standards are applied based on executive rank and role. The total bonus package for the leadership of the Company (including the President) and chief experts is determined based on the set return on assets (ROA) adjustment coefficient, which is calculated as follows: Total accrued bonus package = Base bonus package × ROA coefficient (of which internal benchmarking accounts for 70% and external benchmarking accounts for 30%). Internal benchmarking is primarily based on historical data and actual operating performance, taking into account the comparison between the current year's return on assets (ROA) and the average ROA of the preceding three years, as well as the degree of achievement of the current year's actual ROA against the predetermined target. The corresponding coefficient is calculated in accordance with the following formula: (current year's ROA ÷ average ROA of the preceding three years) × 50% + (current year's ROA ÷ target ROA for the current year) × 50%. External benchmarking is based on a comparative analysis of the growth in ROA over the past two years between CNGR Advanced Material Co., Ltd. and other listed industry peers. The corresponding adjustment coefficient is calculated by ranking comparison.

1.Positions at Grade 22 and above are classified as the leadership of the Company.

Remuneration of Directors of CNGR in 2025

Unit: RMB

Position	Name of Director	Gender	Term of Office	Academic Background	Professional Expertise	Professional Expertise	Floating Salary	Pension	Clawback	Retirement Benefits	Regular Additional Benefits	Cross-Border Salary Equalization	Total
Chairman	Deng Weiming	Male	2014.9.15-2029.3.23	Bachelor's degree	Industry experience, and business administration	2,476,467.30	1,396,768.00	15,463.68	0.00	0.00	99,588.76	240,000.00	4,228,287.74
Non-independent Director	Deng Jing	Male	2023.3.30-2029.3.23	Bachelor's degree	Business administration	0.00	0.00	0.00	0.00	0.00	0.00	600,000.00	600,000.00
Non-independent Director	Tao Wu	Male	2019.5.20-2029.3.23	Master's degree	Industry experience, and business administration	1,519,139.47	426,909.64	15,463.68	0.00	0.00	91,126.58	1,824,197.20	3,876,836.57
Non-independent Director	Liao Hengxing	Male	2023.3.30-2029.3.23	Junior college degree	Business administration, and finance	789,401.27	100,000.00	15,463.68	0.00	0.00	333,144.88	2,493,506.23	3,731,516.06
Non-independent Director	Li Weihua	Male	2023.3.30-2029.3.23	Bachelor's degree	Engineering R&D	2,053,738.00	417,530.25	15,463.68	0.00	0.00	79,588.76	0.00	2,566,320.69
Non-independent Director	Liu Xingguo	Male	2023.3.30-2029.3.23	Bachelor's degree	Business administration	1,931,339.00	878,668.00	15,463.68	0.00	0.00	78,114.68	0.00	2,903,585.36
Independent Director	Cao Yue[1]	Male	2019.11.10-2025.10.15	Doctor's degree	Finance and Audit	70,887.10	0.00	0.00	0.00	0.00	0.00	0.00	70,887.10
Independent Director	Li Wei	Male	2019.11.10-2025.10.15	Doctor's degree	Finance	70,887.10	0.00	0.00	0.00	0.00	0.00	0.00	70,887.10
Independent Director	Jiang Liangxing	Male	2024.1.9-2029.3.23	Doctor's degree	Industry experience, and R&D	90,000.00	0.00	0.00	0.00	0.00	0.00	0.00	90,000.00
Independent Director	Cao Feng[2]	Male	2025.10.15-2029.3.23	Doctor's degree	Finance	19,112.90	0.00	0.00	0.00	0.00	0.00	0.00	19,112.90
Independent Director	Hong Yuan	Male	2025.10.15-2029.3.23	Doctor's degree	Finance	19,112.90	0.00	0.00	0.00	0.00	0.00	0.00	19,112.90
Independent Director	Huang Siying	Female	2025.11.17-2029.3.23	Master's degree	Finance and Audit	11,000.00	0.00	0.00	0.00	0.00	0.00	0.00	11,000.00

1.Mr. Cao Yue and Mr. Li Wei had served as independent Directors of the Company since 10 November 2019, and their cumulative tenure had reached six years. In accordance with the relevant provisions of the Administrative Measures for Independent Directors of Listed Companies regarding tenure limits, Mr. Cao Yue and Mr. Li Wei had resigned from their positions as independent Directors of the Second Session of the Board and from all related Board committee roles, and ceased to hold any positions in the Company thereafter.

2.For the biographies of Mr. Cao Feng, Mr. Hong Yuan and Ms. Huang Siying, please refer to the Announcement on the Resignation of Independent Directors upon Expiry of Term and By-election of Independent Directors and Announcement on the Appointment of Additional Independent Directors to the Second Session of the Board of CNGR Advanced Material Co., Ltd. published on CNINFO.

4.1.1.2

Economic Performance

GRI 201

After years of development, the Company has established a multi-dimensional system of core competitive strengths in materials science, "resources + materials" ecosystem, deep globalization, customer resources and brand, modern manufacturing and sustainable development. These advantages position the Company to achieve high-quality, leapfrog growth in the new round of the industrial cycle.

Leading Strengths in Materials Science

The Company has developed a matrix of advanced materials, represented by nickel-based, cobalt-based, phosphorus-based, and sodium-based materials. This diversified matrix enables the Company to fully cover a wide range of technological pathways, including ternary lithium batteries, lithium cobalt oxide batteries, lithium iron phosphate batteries, sodium-ion batteries, and solid-state/semi-solid-state batteries, as well as their corresponding application scenarios.

The Company has strategically extended its operations from midstream materials into both upstream and downstream segments, thereby strengthening its control over the core value segments of the industrial chain. Accordingly, the Company has formed industry-leading differentiated advantages across its various material systems. In nickel-based and cobalt-based materials, the Company stands as a global leader in the ternary precursor industry, and has ranked first worldwide for six consecutive years as of 2025. In phosphorus-based materials, the Company has rapidly emerged as a formidable contender, and achieved the highest sales volume in the external supply market in 2025 (excluding in-house consumption within the industry). In sodium-based materials, the Company has successfully realized mass production across dual technological pathways, with shipments reaching 1,000 tons, thereby establishing a first-mover advantage ahead of the large-scale commercialization of sodium-ion batteries.

Driven by technological innovation, the Company has consistently taken the lead in materials science, and has achieved several industry-first breakthroughs while maintaining a leading position in next-generation technologies and material R&D and production. It has established a fully integrated full-stack R&D platform that covers the entire life cycle of mineral smelting technologies, advanced material R&D and large-scale production, equipment design and optimization, product testing and evaluation, and end-of-life material recycling. This seamless integration from R&D results to large-scale production enables both the Company and its downstream partners to respond swiftly to market dynamics, continuously enhance material performance, accelerate product iteration, and drive cost reductions across the value chain.

For example:

- The pioneering ultra-high-nickel ternary precursors in the industry achieve an energy density of up to 230 mAh/g, representing an improvement of approximately 27.8% to 12.7% over ternary batteries with nickel content ranging from 60% to 80% (180–204 mAh/g). The Company possesses a markedly leading market share in both high-nickel and ultra-high-nickel segments;
- The Company has developed a high-nickel precursor specifically designed for electric vertical take-off and landing (eVTOL) aircraft, delivering superior performance in terms of high energy density, rapid charge–discharge capability, and thermal stability at high temperatures;
- In terms of solid-state batteries, the Company has maintained close collaboration with leading battery manufacturers to develop high-nickel precursors tailored for solid-state batteries. During the Reporting Period, significant breakthroughs were achieved in solid-state precursor synthesis technologies through customized design addressing three core requirements, i.e., high compatibility, structural stability and interface optimization. The total shipment volume of solid-state precursors reached approximately 100 tons in 2025 and is expected to maintain high double-digit growth in 2026. As the solid-state battery industry remains at an early stage of commercialization, most R&D activities are concentrated at laboratory-scale and pilot-scale stages and typical material shipments are measured in the kilogram and hundred-kilogram ranges. The Company has achieved hundred-ton shipments, signifying its early entry into the large-scale application validation stage;
- The Company launched the first high-concentration doped and coated mid-nickel, high-voltage single-crystal material sample, characterized by low cost, high capacity, low impedance and excellent cycling performance, which provides critical material support for the intelligent driving sector's demand for batteries with high energy density, extended lifespan, and fast-charging capabilities;
- The Company introduced the industry's first 4.55V high-voltage cobalt-based precursor, which enables faster charging performance for lithium cobalt oxide (LCO) batteries used in consumer electronics;
- The Company has efficiently advanced the development of cobalt-based precursor products, and has established a comprehensive product portfolio. A number of new product series, including HZC225A, HZC223A, GZC4002, and HZC407, have successfully entered mass production. Meanwhile, the Company has achieved critical breakthroughs in high-voltage process technologies. Through the development of high-aluminum homogeneous and multi-element doped materials on the 4.53–4.58V platform, it has established an integrated high-aluminum process pathway. On even higher voltage platforms of 4.60V and above, the Company has independently developed a range of tetracobalt materials compatible with next-generation lithium cobalt oxide structures, thereby achieving full autonomy in R&D and technological capabilities while further reinforcing its technological barriers and core competitiveness;
- The Company has developed enhanced technologies for producing lithium iron phosphate (LFP) materials from iron phosphate compounds, effectively reducing manufacturing costs. During the Reporting Period, fourth-generation high-compaction LFP cathode materials entered the volume validation stage, while fourth-and-a-half and fifth-generation high-compaction LFP cathode materials, fourth-generation high-compaction LFP materials via the iron oxide route, and high-compaction lithium manganese iron phosphate cathode materials progressed from laboratory-scale to pilot-scale testing;
- Our experimental titanium-doped LFP precursors have improved ionic diffusion, electronic conductivity and structural stability, thereby effectively enhancing the kinetic performance of LFP cathode materials;
- The Company has developed the industry's first low-cost polyanionic (NFPP) precursor for sodium-ion batteries, and achieved mass production in 2024;
- The Company pioneered the global adoption of the oxygen-enriched side-blown furnace (OESBF) process for smelting laterite nickel ore, marking a significant breakthrough in pyrometallurgical nickel smelting technologies worldwide; and
- Its industry-first centrifugal extraction technology has transformed traditional hydrometallurgical nickel and cobalt refining from a low-efficiency, high-pollution model into a modern process characterized by high efficiency and environmental sustainability.

Distinctive Advantages in "Resources + Materials" Ecosystem

Amid the ongoing global revaluation of resource assets, the importance of production factors and strategic resources has risen markedly, and resource security has emerged as a core element of industrial competitiveness. Leveraging its profound understanding of industry cycles and extensive operational experience, the Company has conducted efficient counter-cyclical resource allocation to accurately capture opportunities at cyclical troughs. Through strategic investments, it has secured high-quality critical mineral resources worldwide, thereby establishing a distinctive "resources + materials" business positioning and forming an integrated new materials ecosystem covering resource extraction, smelting and processing, materials manufacturing, and secondary resource recycling.

In the nickel segment, the Company has taken the lead in establishing a closed-loop ecosystem for the nickel industry chain. With a strategic focus on high-quality laterite nickel resources in Indonesia, the Company has secured more than 600 million wet metric tons of nickel ore through diversified approaches, including direct investment, equity participation, long-term agreements, and offtake arrangements. This robust resource base provides a solid foundation for the nickel value chain and offers outstanding strategic and cost advantages amid tightening global nickel supply conditions, effectively ensuring raw material security. The Company operates a nickel smelting capacity in Indonesia of nearly 200,000 MMTs, and employs a dual-technology pathway of OESBF and rotary kiln-electric furnace (RKEF) to establish multi-product output channels capable of fully meeting the raw material requirements of various nickel-based ternary precursors. As a result, the Company has successfully transitioned its nickel raw material supply model from reliance on external procurement to a hybrid model of "self-supply + externally sourced intermediates", thereby maximizing value across the supply chain. In addition to meeting its internal demand for nickel-based materials, the nickel products produced by the Company may be flexibly directed in response to market conditions, whether sold externally as ferronickel, matte nickel or electrolytic nickel, or further processed into high-purity nickel plates, thereby optimizing profitability and enhancing operational efficiency. In addition, through its smelting processes, the Company is able to extract by-product metals such as cobalt, copper and germanium.

In the phosphorus segment, the Company possesses high-quality phosphate rock resources in Kaiyang, Guizhou Province, with total reserves of approximately 98.44 million tons and a planned annual mining capacity of 2.8 million tons. The project formally commenced construction on 31 December 2025, which will ensure a stable supply of phosphorus resources for the downstream industrial chain. The phosphate rock project, together with the existing iron phosphate and lithium iron phosphate production capacities at the Kaiyang base, has established an integrated "mine–chemical–material–recycling" phosphorus value chain and a closed-loop phosphorus ecosystem, thus creating a new driver of profit growth. Furthermore, the high-grade nickel matte by-product generated from Indonesian smelting production lines contains iron, which can be utilized in lithium iron phosphate production, thereby enabling synergistic resource utilization.

In the lithium segment, the Company has strategically focused on high-quality brine lithium mines in Argentina, and secured them at low cost during cyclical downturns. It currently controls lithium resources exceeding 10 million tons of lithium carbonate equivalent (LCE), with further potential for expansion as exploration activities progress. This early-stage layout effectively locks in low-cost lithium resources for future development and effectively ensures the security of lithium resources in the long term.

Our distinctive "resources + materials" ecosystem significantly strengthens the risk management capabilities of the Company, forms the cornerstone of our cost advantage, and affords greater space and flexibility for performance growth.

Deep Globalization Advantage

Amid profound transformations unseen in a century, as well as intensifying geopolitical competition, the collective rise of emerging markets, and the in-depth integration of technological revolutions represented by artificial intelligence, the global landscape is undergoing accelerated restructuring from a unipolar-dominated model to a multipolar equilibrium. Accordingly, corporate priorities are shifting from a singular focus on efficiency to a dual emphasis on efficiency and security, while the industrial division of labor is transiting from global collaboration to regional restructuring under the checks and balances of major powers. Trade rules, industrial policies and technological revolutions are jointly reshaping the global industrial competition landscape. Given that our key downstream industries are all global supermarkets, the capacity for deep globalization has become an essential prerequisite for sustained market competition.

Adhering to a global development strategy, the Company proactively aligns itself with evolving global industrial trends and effectively responds to external challenges. Leveraging its exceptional capabilities in rapid industrialization and global operations, it has established an integrated global system covering product supply, technical services, and resource security. Therefore, the Company has cultivated several core competitive strengths, including differentiated market positioning, industry-leading cost control, and strong localization capabilities, and has gradually developed a deep global advantage characterized by the integration of "business + industry + resources + capital".

On the market side, the Company adopts a flexible global expansion strategy tailored to diverse market conditions and opportunities, actively collaborates with leading local companies overseas, and co-builds a global business ecosystem with its partners to navigate the complex overseas operating environment. On the supply chain side, the Company is accelerating the development of an autonomous, secure and highly efficient global supply chain system, continuously optimizing global resource allocation to ensure stable access to critical raw materials and maintain cost competitiveness, thereby laying a solid foundation for long-term sustainable growth.

In its strategic regional deployment, the Company adheres to a principle of tailored localization, precision positioning and full-chain synergy to build distinctive yet mutually reinforcing global industrial bases:

In Indonesia, the Company has achieved synergistic development across the entire industry chain and in-depth localized operations. Through industrial collaboration, vertical and horizontal collaboration, and sustained local engagement, the Company has emerged as a benchmark for the international expansion of Chinese enterprises.

In Morocco, leveraging abundant local phosphate resources, the Company is establishing a strategic hub oriented towards European and North American markets, while building a comprehensive battery recycling system in these markets that enhances regional reach and advances circular economy capabilities.

In South Korea, the Company has established a battery materials production base to closely serve core customers in the world's second-largest battery-producing nation, thereby further consolidating its advantages in the high-end market.

Customer Resources and Brand Strength

Driven by technological leadership, the Company has advanced its business development through robust capabilities in materials science, leading product performance and scale, deep globalization and an integrated industrial ecosystem. As a result, the "CNGR" brand has been widely recognized across global markets. The Company has established a vertically integrated global network of high-quality core customers covering "automotive OEMs, battery manufacturers, and cathode producers". It maintains stable partnerships with leading domestic and international companies, including Xiamen Tungsten, Samsung SDI, LG Chem, CALB, Sunwoda, CATL, BYD, SK On, SVOLT Energy, Panasonic, Easpring Technology, BTR, Bamo Technology, L&F, Zhenhua E-chem, Ronbay Technology, ECOPRO, and POSCO. In terms of new energy metal products, the Company has also established comprehensive and multi-dimensional cooperation models with leading industry players such as Trafigura, IXM and Jinchuan Group.

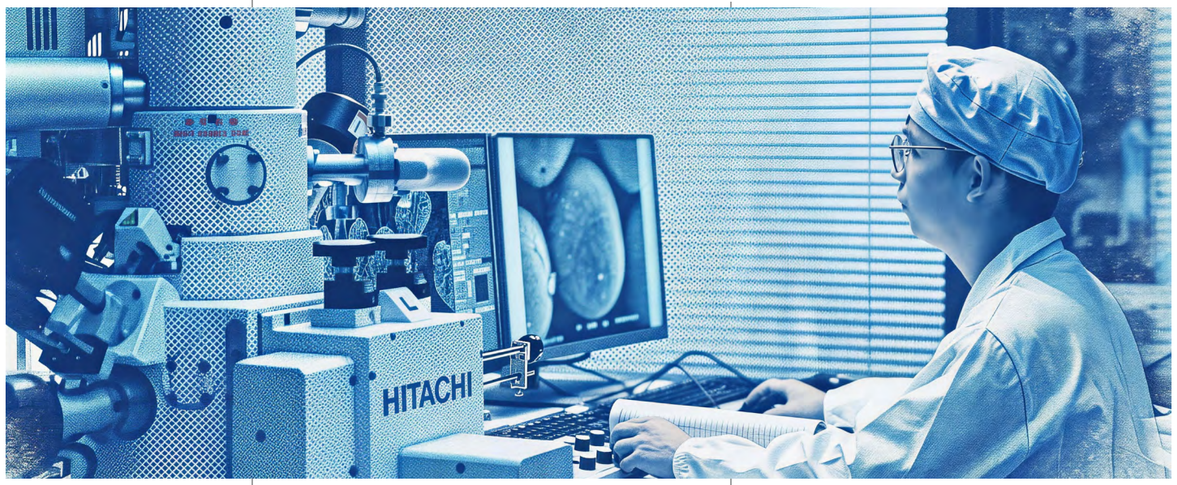
The Company has always adhered to the philosophy of open and collaborative technological cooperation with customers to ensure the flexibility and scalability of production capacity. By continuously deepening strategic synergies with leading global customers and working with high-quality partners, it has achieved strong customer stickiness. Currently, the Company has entered into strategic cooperation agreements or long-term supply contracts with its key customers, thus forming a stable and multi-layered collaboration framework covering resource development, product supply and distribution, processing and manufacturing, and information sharing.

Our electrolytic nickel products have been successfully registered as deliverable brands on the Shanghai Futures Exchange (SHFE) and the London Metal Exchange (LME), significantly enhancing our market recognition and product liquidity and further reinforcing our industry leadership. On 17 November 2025, the Company was successfully listed on the Hong Kong Stock Exchange and became the first "A+H" listed company in the new energy materials industry. Through the combined leverage of commodity and capital markets, we have substantially enhanced the global influence of the "CNGR" brand and our industry voice. Our premier customer base and internationally recognized corporate brand stand as a direct testament to our core competitive strengths.

Advanced Modern Manufacturing Capabilities

The Company steadfastly pursues a total cost leadership strategy and actively advances "digitalization", underpinned by a prominent market position and significant economies of scale. Its modern manufacturing capabilities rank among the forefront of the industry. The Company embeds the principle of cost optimization throughout the entire lifecycle of "resources - crude ore refining - raw material refining - material manufacturing - recycling". It continuously enhances its modern manufacturing capabilities and reduces production costs through a multifaceted approach covering technological innovation (including material development and contract process optimization), intelligent manufacturing (AI-driven and automated systems), supply chain optimization (centralized procurement and logistics integration), and energy management (green electricity utilization and energy efficiency enhancement).

The Company has established a comprehensive digital platform that enables end-to-end operational management, integrates advanced technologies across design, processes and equipment to shorten development cycles and enhance decision-making capabilities. By digitizing the entire manufacturing process from R&D to mass production, it enables



real-time adjustments to optimize production efficiency. Supported by advanced technologies such as robotics, the Internet of Things and artificial intelligence, the system ensures both operational security and cost efficiency across all business functions.

The Company continues to improve its manufacturing capabilities through automation and digitalization. Since 2020, it has progressively transformed all domestic production bases into intelligent manufacturing facilities, and introduced MES systems, SAP/ERP platforms and AGV technologies, thereby significantly improving manufacturing efficiency across several critical areas. For instance, the MES system enables automated error-proofing and real-time monitoring of material feeding, achieving a zero-error rate and enhancing quality control. Integrated information management systems facilitate real-time data transmission, thus effectively reducing average inspection time, while intelligent feeding systems improve production efficiency. The adoption of AGV-based automated logistics technology further enhances our overall productivity and cost efficiency.

Quality control remains paramount. The Company is committed to maintaining product consistency at mass production. Its key production equipment is independently designed and manufactured to enable an efficient transition from R&D to large-scale production, thereby significantly enhancing product consistency while reducing manufacturing costs. The Company has a professional team of approximately 300 engineers specializing in engineering process development, optimization and construction. It has established an integrated construction management system covering design, process control, procurement and logistics, which enables efficient and centralized execution, particularly suitable for complex overseas projects. Currently, the Company is the only Chinese company that has successfully constructed and operated new energy material production facilities in Morocco. Its advanced modern manufacturing capabilities ensure the delivery of superior value to customers while maintaining cost advantages and industry leadership.

Sustainability Advantage

Focusing on the new materials sector, the Company leverages materials science to drive the high-quality development of the energy, power and cutting-edge technology industries. Throughout this process, it has deeply embedded ESG principles to establish a new paradigm for sustainable development. Guided by a dual-wheel strategy of "technology-driven + green intelligent manufacturing", and underpinned by its globally leading "resources + materials" ecosystem, the Company pioneers low-carbon processes and circular economy solutions. Through continuous improvements in material performance and production processes, it enables customers to significantly reduce energy consumption and carbon emission intensity. Meanwhile, the Company has developed an integrated ecological supply chain covering "resource extraction, smelting, material production, and recycling". The Company works in close partnership with global partners to build zero-carbon industrial bases, continuously advance the substitution of green electricity and the circular utilization of industrial resources, and remains steadfast in its commitment to promoting social sustainable development with clean energy.

In recent years, our MSCI rating has risen steadily, with continuous improvement across carbon emission and carbon neutrality indicators. In 2025, the proportion of clean energy utilized in its operations in China increased to 62%, while carbon emissions were reduced by 52%. The Company achieved an upgrade in its MSCI rating from BBB to AA, marking its leap from an industry frontrunner to a global leader.

On the other hand, the Company actively builds a high-value platform and establishes a virtuous value management framework of "platform + talent + incentive". Through a multidimensional approach covering organizational development, talent cultivation, management team and incentive mechanisms, the Company has built an organization and team with sustainable competitiveness. Our management and core R&D teams demonstrate rigorous scientific discipline and exceptional strategic execution capabilities, and have efficiently and precisely implemented a series of major strategic initiatives in recent years. Remarkable results are made in materials science development as well as in the diversification, globalization, digitalization and ecological layout, thereby promoting our steady and sustainable growth.

4.1.1.3 Compliance Management

GRI 2, GRI 205, GRI 206

Governance

CNGR has established a Compliance Committee, chaired by the Chairman of the Board. Its members consist of the heads of its centers, departments and subsidiaries (collectively, the "entity"). The responsibilities of the Compliance Committee include overall planning, coordination, guidance, supervision, evaluation, convening regular meetings, and other responsibilities authorized by the Board. An office has been established under the Compliance Committee, which operates jointly with the Legal Affairs Department. The office is chaired by the head of the Legal Affairs Department, and its members consist of compliance officers from all entities. They are responsible for compliance management within their respective responsibilities, including improving the responsibilities of compliance management organizations, formulating/revising policies, designing/optimizing operational mechanisms, cultivating a compliance culture, and planning compliance information technology construction.

Strategy

Through comprehensive research and management of 10 issues, including environmental protection, anti-monopoly, anti-corruption and anti-bribery, intellectual property, export control, labor and employment, accounting and taxation, occupational health and safety, product responsibility, and information security and privacy protection, the Company has conducted a thorough identification and assessment of the economic, environmental, and social impacts related to its corporate activities. Furthermore, the Company has formulated a three-year plan for 2026–2028, aimed at driving a fundamental transformation of its compliance management system from a model of "passive response and formalistic compliance" to "proactive leadership and substantive compliance", including: establishing a top-level design and operational framework for substantive compliance, with a focus on addressing high-risk areas; embedding compliance deeply into business processes and decision-making chains to achieve organic integration between compliance management and business development; fostering a robust compliance culture; and forming a mature ecosystem of substantive compliance to maximize the value of compliance.

Risk and Opportunity Management

The Company has identified and established a Compliance Obligations Repository and a Compliance Risk Repository according to applicable national and regional laws and regulations, and its operational realities. It establishes management systems, management processes, risk warning and resolution mechanisms by formulating the Compliance Management Measures, the Detailed Rules for the Implementation of Compliance Control Operations, the Compliance Manual, and ten thematic Compliance Guidelines. The Company also makes multi-faceted commitments under the Integrity and Compliance Manual and the Compliance Guidelines.

As of the end of the Reporting Period, CNGR Advanced Material Co., Ltd., Hunan CNGR New Energy Technology Co., Ltd., and Guizhou CNGR Resource Recycling Industry Development Co., Ltd. have obtained certifications under ISO 37301:2021 and GB/T 35770-2022 compliance management systems. In addition, five principal production entities under CNGR's Indonesia operations, namely PT Zhongtsing New Energy, PT CNGR Dingxing New Energy, PT Debonair Nickel Industry, PT Jade Bay Metal Industry and PT Nadesico Nickel Industry, have successfully obtained ISO 37301:2021 Compliance Management System certification. The certification coverage across CNGR's global industrial bases has reached 62.50%. Our Qinzhou Industrial Base is expected to complete compliance management system certification in 2026.

Our compliance management system is underpinned by three lines of defense:

3 — **The Risk Control and Supervision Center serves as the third line of defense**

which performs independent oversight and disciplinary enforcement. It conducts rigorous supervision and, upon identifying any indications of non-compliance, promptly initiates independent investigations. Through strict accountability measures for violations, it establishes a strong deterrent effect to ensure that our operations consistently proceed along a sound and compliant trajectory.

2 — **The Legal Affairs Department functions as the second line of defense**

which plays a leading and enabling role in the construction of the compliance system. It formulates compliance policies, organizes comprehensive risk identification and early warning, reviews and evaluates business processes, conducts targeted training, advances digitalization initiatives, and helps build a comprehensive compliance management system to provide institutional support and risk warnings for our operations.

1 — **Each center and department serves as the first line of defense**

As the primary responsible party for compliance management, they are required to deeply integrate risk prevention and control into the entire process of ordinary operations, conduct identification and assessment of various risks in the course of ordinary operations, and promptly formulate risk contingency plans and carry out emergency response. At the same time, they are responsible for reviewing the work progress and reporting it to higher management, organizing the implementation of rectification measures, and enhancing the risk awareness and response capabilities of all employees through investigation and training, so as to control risks from the source.

Targets & Metrics

Our compliance management aims to enhance our capacity for law-based governance, compliant operations and standardized management. Guided by the principles of "taking social responsibility as our mission, putting customers at the center, and valuing creators", the Company seeks to achieve effective identification and management of compliance risks, prevent and control compliance risks for the Company and its employees, and promote the construction of a comprehensive risk management system. These efforts are designed to ensure lawful and compliant operations, maintain our reputation, and support our vision of "becoming a global leading innovator for battery materials and solutions". In particular, the Company aims to achieve "zero non-compliance incidents". All centers and entities are subject to quantitative assessments of indicators based on the Compliance Management System Performance Monitoring and Evaluation Form of CNGR.

During the Reporting Period, CNGR conducted a total of four compliance management training sessions, including one session for Directors and three for employees. All employees have participated in the training and examinations, achieving a 100% compliance training coverage rate. No incidents of non-compliance or penalties were recorded, nor were there any legal proceedings arising from unfair competition or monopolistic practices. Meanwhile, no cases involving conflicts of interest, money laundering or insider trading occurred. Furthermore, over the past five years, the Company has not made any donations to any political parties or organizations, industry associations, or lobbying groups.

4.1.1.4

Taxation Strategy

GRI 207

Governance

CNGR has established a comprehensive tax management organizational framework. A dedicated Tax Management Department was established under the Finance Center to comprehensively coordinate tax-related matters. As the core functional entity, the Tax Management Department undertakes responsibilities of tax risk management and strategic support, including but not limited to promoting the construction of a tax compliance system, improving the tax risk control mechanism, organizing tax policy research and professional training, and regularly reporting all tax-related work to the head of finance.

Each subsidiary has instituted a designated tax accounting role responsible for daily tax-related matters, including tax registration, invoice management, tax filings, and tax documentation management. The Tax Management Department of the headquarters provides unified guidance and standardized management over the daily work of tax specialists to ensure compliant, consistent and efficient tax practices across all entities. The Accounting Management Department is responsible for formulating tax accounting standards, clearly defining recognition and measurement criteria for various taxes and levies, and ensuring the accuracy of financial data. For overseas entities, the local finance head is responsible for coordinating tax affairs and establishing a regular reporting mechanism, while major tax matters are subject to the coordination and guidance of the Tax Management Department.

Strategy

The Company integrates tax management deeply into its business decision-making and ordinary operations, and is committed to effectively supporting strategic implementation through forward-looking tax planning within a lawful and compliant framework. The Company insists that all tax-related transactions are carried out with reasonable business purposes, conducts business arrangements in accordance with the principle of "substance over form", and considers tax implications in advance during the decision-making process to create sustainable business value.

The Company undertakes that we do not shift value creation to low-tax jurisdictions; we strictly adhere to the arm's length principle in related-party transactions; and we do not utilize secrecy jurisdictions or so-called "tax havens" to evade tax obligations.

To promote the synergy between tax policies and sustainable development strategies, the Company actively aligns with global sustainable development goals, and thoroughly implements the substantive spirit of tax laws. Guided by policy frameworks, it appropriately leverages applicable tax incentives and implements compliant and scientific tax optimization measures, thereby channeling economic resources efficiently into sustainable development areas such as environmental protection and green technology research and development, and forming a positive cycle between tax management and green development.

Risk Management

CNGR consistently regards tax management as an integral component of its long-term strategic planning. While upholding stringent tax compliance standards and systematically mitigating tax risks, the Company has established a comprehensive tax compliance and risk management system covering both itself and its subsidiaries. Meanwhile, it has developed risk control measures covering the entire process of tax-related activities, including but not limited to the following:

1 Tax Information Reporting and Feedback Mechanism:

Building upon its financial organizational framework, CNGR has established efficient channels for the transmission of tax-related information. All tax matters are promptly recorded and dynamically managed, and its information disclosure obligations are fulfilled to tax authorities in accordance with regulatory requirements.

2 Compliance Management of Tax Declarations:

Routine Tax Declarations: Monthly tax declarations are prepared accurately by tax accountants based on the facts. After substantive review by each industrial base, the Tax Management Department conducts a standardized formal review and completes the declaration upon due approval according to established procedures.

Annual Corporate Income Tax Reconciliation: A mechanism combining "external professional assurance + three-tier review" is adopted. Key tax entities shall obtain assurance reports, while other entities are subject to sequential review and confirmation by industrial bases, the Tax Management Department, and the head of finance.

The Company regularly conducts tax self-inspections and submits the inspection results to the Tax Management Department for record. In response to inquiries or inspections initiated by tax authorities, the Company ensures proactive communication, timely response, and strict self-inspection and self-correction in accordance with requirements.

3 Tax Incentives and Special Matters Management:

In applying tax incentive policies, the Company strictly complies with statutory eligibility criteria, calculation methodologies and filing procedures. The Tax Management Department provides centralized planning and guidance, while designated tax personnel at each base are responsible for implementation and timely reporting of execution status. For major tax-related matters, the Tax Management Department leads the formation of dedicated task forces to formulate unified strategies, coordinate cross-functional efforts, and incorporate results into comprehensive management performance evaluations.

4 Improved Tax Compliance Procedures:

Tax compliance management covers tax registration, tax declaration, and invoice management. The Company has established standardized workflows and approval timelines for all tax-related activities. The Tax Management Department manages and supervises the ordinary performance of tax accountants, while major tax matters shall be reported promptly to the head of finance.

5 Continuous Training and Professional Capability Building:

In response to dynamic changes in tax policies, the Company regularly organizes tax training and business guidance for employees to enhance their tax compliance awareness and practical skills. Training programs cover functional skill development, cross-departmental tax knowledge dissemination, and special interpretation of newly issued policies.

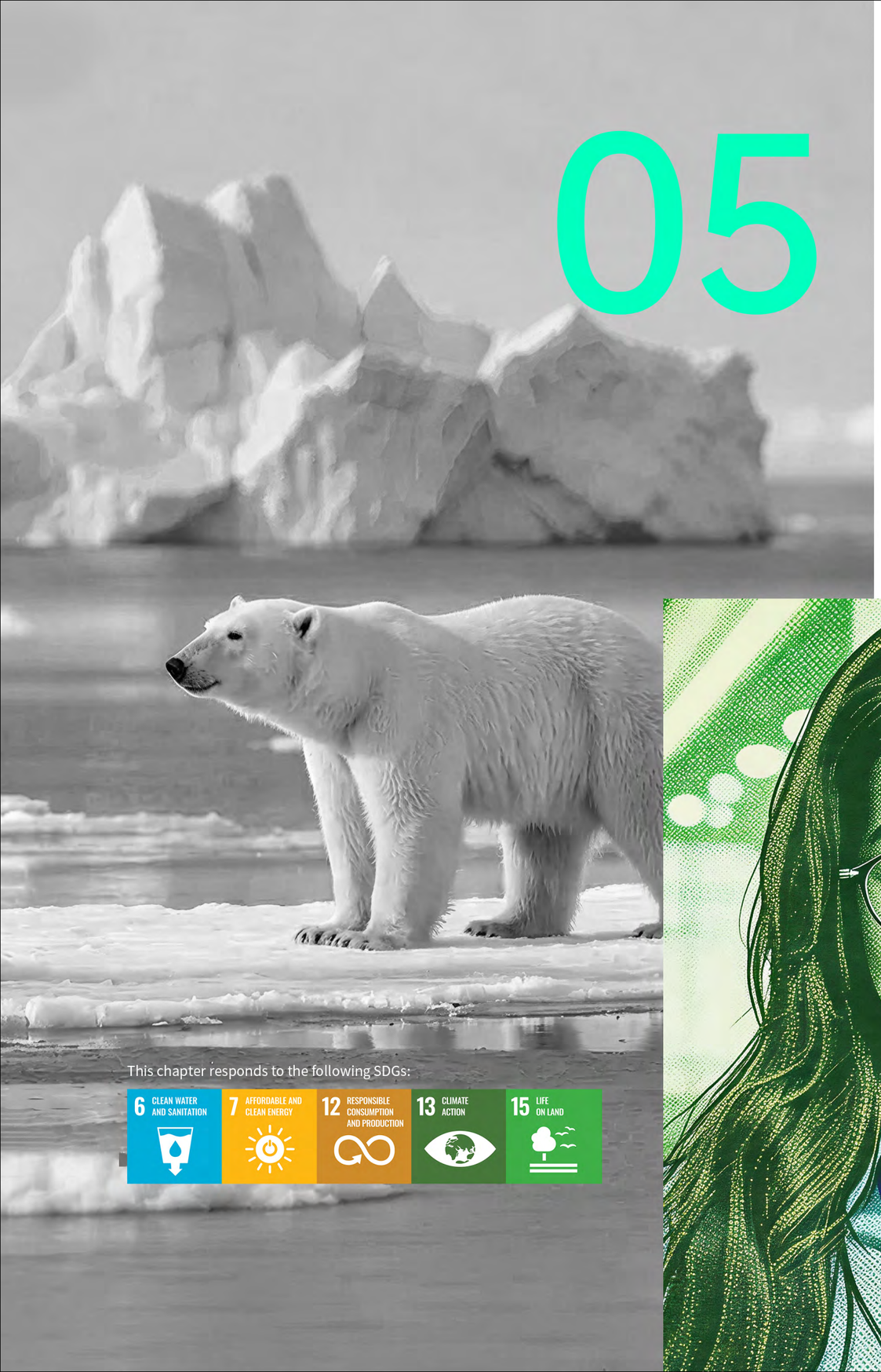
6 Cross-Functional Collaboration:

The Tax Management Department works in close collaboration with finance, legal and business departments to provide professional tax advice on major business decisions and the design of new business models and jointly promotes the integration of tax management into the entire process of our operations, thereby providing professional support for our sustainable development.

Targets & Metrics

At the beginning of each year, the Tax Management Department establishes key quantitative performance indicators, including the accuracy and timeliness of tax declarations, tax credit ratings, and tracks the implementation of these indicators as planned. At the end of the year, a comprehensive assessment is conducted to ensure clear objectives, controllable processes, and traceable results in the course of tax management. During the Reporting Period, the Company strictly complied with national tax laws and regulations, executed all tax declaration procedures in a standardized manner, and consistently maintained a sound tax credit record.





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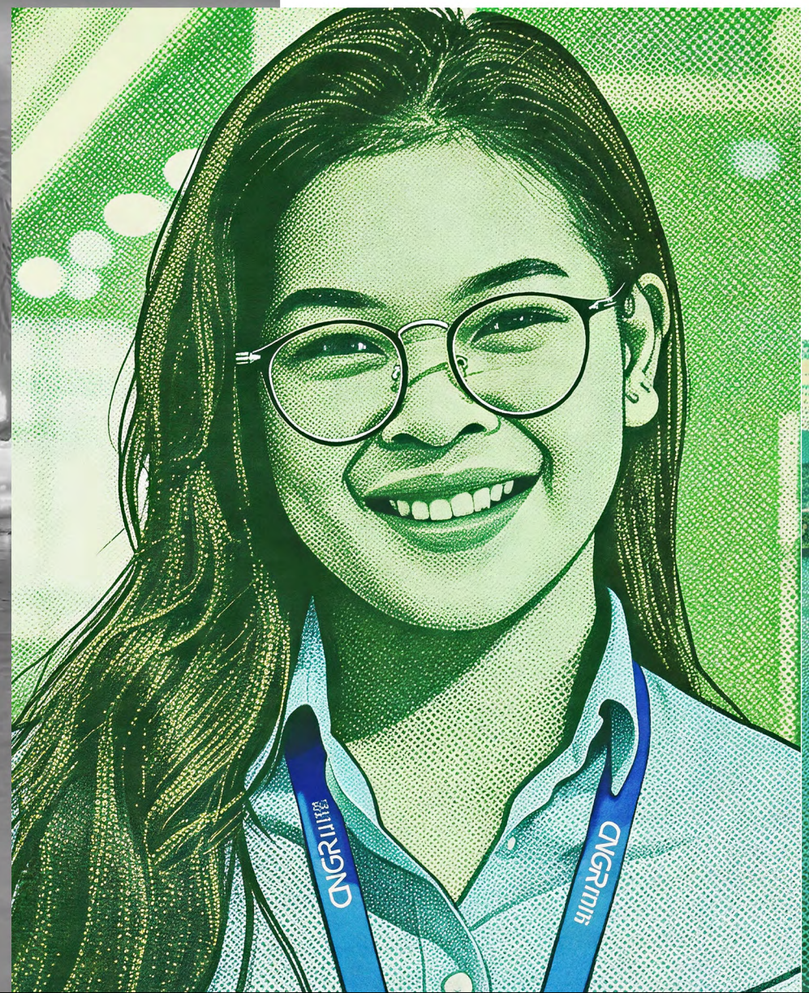
Harmonious Ecology

With accelerating low-carbon transformation as its core, the Company actively practices environmentally responsible modes of production, and advances green and low-carbon operations across the Company and the entire value chain to continuously reduce its environmental impact. Through optimizing its energy structure, enhancing energy efficiency, and promoting the adoption of clean energy and green technological innovation, the Company effectively alleviates the ecological pressures arising from its operations. Meanwhile, it continues to improve its supply chain management system, and collaborates closely with upstream and downstream partners to build a low-carbon supply chain and collectively drive the industry's green transformation. In terms of biodiversity conservation, the Company rigorously manages resource development and consumption, and actively undertakes ecological protection, pollution prevention and ecosystem restoration initiatives to foster harmonious coexistence between its operations and the natural environment. Responding proactively to the national "dual carbon" strategic goals, the Company steadily advances carbon reduction initiatives and actively explores pathways toward carbon neutrality, thereby contributing to the low-carbon and sustainable development of the industry. In the future, the Company will further deepen its green development concept, work in concert with all sectors of society to promote ecological protection and sustainable development, and contribute meaningfully to building a beautiful home where humans and nature coexist harmoniously.

This chapter responds to the following topic:

- Climate Change Response
- Energy Management
- Environmental Management System and Compliance
- Waste and Pollutant Management
- Water Stress
- Circular Utilization of Energy Metals
- Biodiversity and Land Conservation

This chapter responds to the following SDGs:





5.1 Clean Energy

5.1.1 Climate Risk Management Actions

Climate change presents a significant impact on stakeholders. CNGR actively assesses the risks and opportunities posed by climate change, advances climate-resilient business transformation, implements organizational structure, and formulates response strategies and action plans. The Company has set forth the following action objectives:

2022	Conduct preliminary assessments of climate-related risks; Disclose climate risks with reference to the TCFD framework, and establish a climate governance structure; Set corporate carbon targets; and Initiate the CDP climate change questionnaire. Completed For details, please refer to the 2022 ESG Report of CNGR.
2023	Optimize the analysis of climate risks and opportunities with reference to the TCFD framework; and Optimize the governance framework for climate change. Completed
2024	Conduct Identification and assessment of climate risks and opportunities across the entire industry chain; Establish climate risk prevention and control processes; and Introduced the ISSB standard system. Completed
2025	Conduct climate scenario analyses; and Established a preliminary financial assessment model for climate risks. Completed The 2025 Climate-Related Financial Disclosure Report of CNGR Advanced Material Co., Ltd. is expected to be issued in May 2026.
2030	Become a leader in climate risk disclosure.

5.1.1.1 Climate Change Response

GRI 201, GRI 305

Governance

In the field of climate governance, CNGR adheres to the core principles set forth in the Enterprise Sustainability Disclosure Standard No. 1—Climate (Trial) issued by the Ministry of Finance of PRC, the Shenzhen Stock Exchange Self-Regulatory Guidelines No. 3—Preparation of Sustainability Reports, the Implementation Guidance for Climate Disclosures under HKEX ESG Reporting Framework, and the International Financial Reporting Sustainability Disclosure Standard No. 2—Climate-Related Disclosures (IFRS S2). Guided by these frameworks, the Company has established a robust governance system characterized by top-level design and cross-functional collaboration, which embeds climate risk management deeply into our strategic decision-making and ordinary operations. Its governance structure fully reflects the core requirements of "governance" elements, namely establishing an effective oversight mechanism, clarifying the responsibilities of management, and ensuring the systematic management of climate issues.

Governance Structure and Responsibilities

The Strategy and ESG Committee of the Board serves as the highest governing body for climate-related matters. It is responsible for reviewing dual-carbon targets and zero-carbon action plans, reviewing and approving climate strategies, overseeing the assessment of climate-related risks and opportunities, formulating climate targets, monitoring progress against climate targets, and establishing key performance indicator (KPI) evaluation systems. The Committee discusses and reviews climate action plans submitted by the Sustainability Office, supervises sustainability and climate-related disclosures, and conducts an annual review of relevant reports. The Sustainability Office functions as the core hub of climate governance, and reports directly to the Strategy and ESG Committee of the Board to ensure the strategic prioritization of climate issues. A Climate Change Task Force has been established under the Sustainability Office, which consists of core management personnel from R&D, production and supply chain departments, thereby forming a robust cross-functional coordination mechanism. The principal responsibilities of the Task Force include:

- Target Decomposition and Oversight:

  Decomposing our carbon peaking and carbon neutrality objectives into detailed targets at the business unit level, supported by quarterly tracking and dynamic adjustment mechanisms;

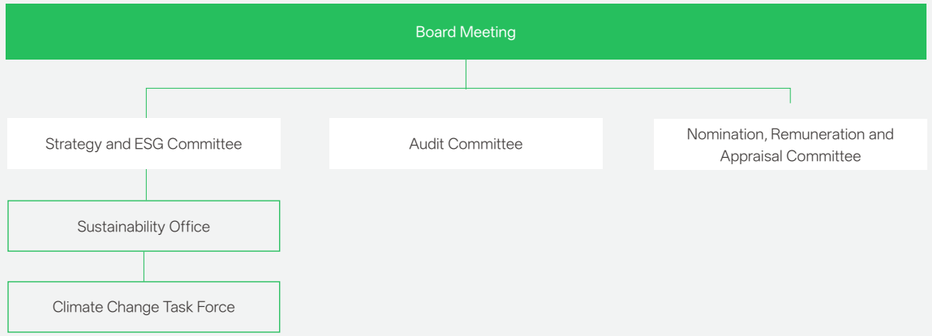
- Verification and Data Management:

  Organizing annual greenhouse gas emissions verification by independent third parties, and advancing the development of a digital greenhouse gas monitoring platform; and

- Supply Chain Empowerment:

  Driving emissions reductions among upstream partners by conducting supplier management training and formulating green procurement standards.

Climate Governance Framework of CNGR



Capability and Competency Assurance

The Strategy and ESG Committee of the Board ensures, through regular evaluation and continuous enhancement mechanisms, that it possesses the requisite expertise and competencies to oversee climate-related risks and opportunities effectively. The Sustainability Office organizes annual specialized climate training sessions, engages external experts to deliver instruction on key topics such as regulatory developments, climate scenario analysis, and greenhouse gas accounting, thereby continuously enhancing the professional capabilities of the Task Force. Meanwhile, it regularly assesses the skills gaps of the climate governance team, and formulates and implements targeted training programs to ensure alignment between organizational capabilities and the practical demands of climate risk management and opportunity identification.

Highlights of Climate Change Response:

During the Reporting Period:

- The Company engaged an external third party to conduct a specialized training session on the interpretation and practice of global typical green electricity consumption rules, covering eight production bases, seven relevant departments at the headquarters, and 28 upstream and downstream supply chain partners;
- The Sustainability Office conducted an internal training session on basic knowledge of ISO 14064 carbon emission verification, covering six production bases.
- A climate policy interpretation training session was conducted for the Board, achieving 100% coverage;
- The Board and its committees convened one dedicated meeting to review climate-related issues.

Through the governance framework delineated above, CNGR adopts a strategic, systematic, and ecosystem-centric approach to climate risk management. This approach is marked by profound Board-level involvement, a dual emphasis on institutional mechanisms and data systems, and harmonized collaboration across the value chain. This structure satisfies the transparency mandates stipulated in pertinent guidelines and standards, by integrating climate governance into core corporate procedures. Furthermore, by harnessing innovative mechanisms, CNGR is converting climate-related challenges into strategic opportunities for technological progress and market expansion.

Strategy

CNGR adheres to a strategic philosophy of "value chain-wide, phased decarbonization and Net-Zero transformation" for climate governance, guided by the Science Based Targets initiative (SBTi). The Company has established a comprehensive greenhouse gas (GHG) management system that spans the entire value chain, operations, products, and supply chain, and promotes a low-carbon transition through a strategic path of "three-phase progression and four-dimensional coordination". Based on its comprehensive climate governance framework, CNGR prioritizes four pivotal levers: clean energy substitution, energy efficiency enhancement, circular technology innovation, and supply chain collaboration. These foundational pillars underpin the creation of a phased, quantifiable, and enforceable decarbonization roadmap, aiming to establish CNGR as a global frontrunner in carbon neutrality within the new energy materials sector.

Zero-Carbon Strategy Roadmap

CNGR's GHG management strategy is anchored in staged targets and systematic execution, adhering to a coherent progression of "short-term breakthrough, mid-term transformation, and long-term leadership". The carbon neutrality objective is divided into actionable and manageable segments:

2025 Acceleration Phase

Prioritize clean energy substitution at the operational level. Through a combination of clean electricity procurement and on-site solar PV installations, CNGR aims to achieve 100% clean electricity coverage (Scope 2). In parallel, the Company is advancing electrification of production equipment to lay the groundwork for deep decarbonization.

2030 Breakthrough Phase

Leveraging advanced metallurgical technologies, enhancing waste heat recovery systems, and boosting the utilization of recycled materials, CNGR aims to achieve a 50% reduction in intensity of GHG emissions (Scope 1+2+3) relative to the baseline year 2020. The adoption of clean energy will expand beyond electricity to encompass other integrated energy sources, such as thermal energy, ensuring that clean energy (Scope 2) constitutes at least 80% of total energy consumption.

2040-2050 Leadership Phase

Leveraging disruptive innovations such as the commercialization of sodium-ion and solid-state batteries, along with the substitution of raw materials with recycled and biobased alternatives, CNGR is committed to achieving operational Net-Zero (Scope 1+2) by 2040. Furthermore, the Company aims to extend this goal to encompass Net-Zero across the entire supply chain (Scope 1+2+3) by 2050, thereby establishing a closed-loop, Net-Zero value chain.

Climate Resilience Assessment

To systematically identify the potential impacts of climate change and strengthen its long-term sustainability, CNGR conducted a climate resilience assessment during the Reporting Period. Through climate scenario analysis, the Company identified climate-related risks and opportunities and evaluated their potential impacts on its strategic planning, business model and financial performance. Based on the results of climate scenario analysis, we believe that against the backdrop of accelerated global low-carbon transition and frequent extreme weather events, the uncertainty of the business environment has increased significantly. From the perspective of CNGR's current management capabilities, the Company has a certain foundation for climate adaptation and transformation in terms of energy structure optimization, low-carbon technology layout and global supply chain management. However, under the long-term trend of climate change, continued efforts are required to further strengthen its operational resilience and strategic flexibility.

Uncertainty Factors	Strategic Adjustment and Adaptability	Description
Uncertainty in carbon pricing trends and the pace of policy implementation	Financial resources and investment flexibility	• CNGR possesses the financial capacity to sustain investment in low-carbon technology R&D and green production capacity construction; • CNGR actively explores green finance instruments and sustainability-linked financing mechanisms to enhance capital resilience.
Differences in the predicted frequency and intensity of extreme weather events may affect the results of asset risk assessments.	Asset allocation and operational adjustment capabilities	• CNGR dynamically optimizes the global layout of production bases in response to evolving climate risk trends; • CNGR advances energy-saving renovation and low-carbon technology upgrades of existing production lines to improve asset utilization efficiency; • CNGR maintains the capacity to reconfigure or replace high-carbon assets when necessary.
Volatility in the commercialization of new energy technologies and shifts in market demand Global trade policies and the pace of energy structure transition may affect the competitive landscape of the industry.	Climate-related investment planning capability	• CNGR continues to increase investment in energy conservation, emissions reduction, and renewable energy; • CNGR proactively expands into new energy materials and resource recycling businesses to cultivate new growth drivers; • CNGR integrates climate change factors into long-term strategic planning and capital expenditure decision-making processes.

Climate Scenario Analysis

In alignment with the requirements of the IFRS S2 climate-related disclosure standards, CNGR has conducted a comprehensive scenario analysis based on the Shared Socioeconomic Pathways (SSPs) of the Intergovernmental Panel on Climate Change (IPCC) and the climate-economic modelling framework of the International Energy Agency (IEA). The Company has selected three core climate scenarios: the 1.5° C net-zero transition scenario (SSP1-2.6), the stated policies baseline scenario (SSP2-4.5), and the high-emission fossil fuel scenario (SSP5-8.5). This analysis comprehensively identifies the physical risks, transition risks, and potential development opportunities faced by the Company under different climate development paths, and accurately assesses the medium- and long-term impacts of climate factors on our strategic implementation, business operations, and financial performance. For detailed results of the climate scenario analysis, together with relevant financial information disclosures, please refer to the 2025 Climate-Related Financial Disclosure Report of CNGR Advanced Material Co., Ltd. to be issued in May 2026. This scenario analysis combines industry characteristics with our business operations, and comprehensively considers key variables such as policy environment, energy structure adjustments, and extreme weather events to identify climate risks and opportunities. The table below sets forth the specific results:

Climate-Related Risk Identification Checklist of CNGR

Risk Type	Climate-Related Risk	Risk Description	Time Horizon[1]	Scope of Impact	Potential Financial Impact	Response Strategy
Transformation Risk	Policies and Regulations	• The progressive rollout of global energy conservation and emissions reduction policies, with increasingly stringent carbon emission controls in China and the European Union; • The phased implementation of the EU Carbon Border Adjustment Mechanism (CBAM), battery regulations, and product carbon footprint management requirements; • Continuously tightening standards for energy efficiency, green procurement, and climate-related disclosures; • Increasingly stringent climate-related litigation and compliance responsibilities.	Short / Medium / Long Term	• Self-operation • – Upstream suppliers • – Downstream value chain • – Communities	• Rising compliance and carbon compliance costs, and high project implementation risks; • Increased carbon costs for exported products may affect their competitiveness in the international market; • More rigorous climate disclosure requirements may increase the cost of green financing; • Potential climate-related litigation may result in additional legal expenses.	• CNGR has established a dedicated policy and regulatory monitoring mechanism to ensure timely awareness of regulatory developments and adjustment of strategies; • – CNGR continuously strengthens its compliance to address policy and regulatory risks; • – CNGR closely monitors government incentives, such as subsidies and tax benefits for low-carbon technologies and green transformation, to alleviate financial pressure during the transformation process; • – CNGR has established a climate issue management system to deeply embed climate risk management into its strategic decision-making and ordinary operations.
	Technology	• Accelerated iteration of low-carbon metallurgy and new energy materials technologies; • Increasing pressure to phase out or upgrade high-energy-consumption and high-emission production processes; • Slower-than-expected progress in green technology R&D; • Insufficient maturity in the commercialization of emerging technologies.	Short / Medium Term	• Self-operation • – Downstream value chain	• Early impairment or obsolescence of traditional processes and equipment, leading to stranded high-carbon assets; • Increased capital expenditures for transitioning to low-emission production processes and materials; • Increased short-term operating costs due to the adoption of alternative energy and low-carbon materials.	• CNGR actively advances the adoption of innovative metallurgical technologies and upgrades waste heat recovery systems to develop low-carbon processes; • CNGR enhances battery recycling technologies to improve recovery rates of nickel, cobalt and lithium, thereby reducing the cost of recycled materials.
	Market	• Global end-market demand increasingly shifts toward low-carbon products; • Strengthening green supply chain requirements in the power battery industry; • Fluctuations in raw material and energy prices driven by policy changes and supply-demand dynamics; • Intensifying industry competition and heightened product price volatility.	Short / Medium Term	• Self-operation • – Upstream suppliers • – Downstream value chain	• Failure to meet customers' low-carbon procurement requirements may lead to a loss of market share and reduced order revenues; • Rising raw material and energy costs may increase production and operating expenses; • Changes in product supply and demand may intensify industry competition and compress profit margins.	• CNGR conducts regular market analysis to assess evolving customer demand for green and low-carbon products, as well as future market trends, and adjusts product direction and production strategies in a timely manner.
	Reputation	• Increasing concerns from stakeholders regarding corporate climate performance and ESG management; • Negative publicity and media coverage related to climate issues; • Potential downgrades in sustainability ratings.	Short-term	• Self-operation • – Downstream value chain • – Communities	• Negative perceptions among investors and other stakeholders may affect the market capitalization; • Downgrades in sustainability ratings may lead to reduced financing capacity and higher bond interest rates; • Depreciation of brand value may lead to customer loss.	• CNGR strengthens stakeholder engagement, sustainability management, and information disclosure to continuously enhance its sustainability ratings; • In 2025, CNGR's MSCI ESG rating was upgraded from BBB to AA, its S&P CSA score rose to 75, and its CDP Climate Questionnaire rating remained at B.
Physical Risk	Acute Risk (Severe Natural Factors)	• Increasing frequency and intensity of extreme weather events, including typhoons, heavy rainfall, flooding, and heatwaves.	Short-term	• Self-operation • Upstream suppliers	• Direct economic losses caused by asset damage due to equipment maintenance and production disruptions; • Disruptions in raw material supply, leading to production delays and additional procurement costs; • Rising insurance premiums and financing costs.	• CNGR enhances infrastructure resilience, constructs typhoon-resistant facilities at coastal industrial bases, particularly those in Indonesia, raises flood protection standards and deploys digital climate monitoring and early warning systems to mitigate losses from extreme weather; • CNGR strengthens supply chain resilience by diversifying procurement of critical minerals (e.g., cobalt and nickel), and establishes blockchain-based traceability systems to ensure the stability of mineral supply in the Democratic Republic of Congo and Indonesia, thereby reducing resource disruption risks.
		• Higher exposure to natural disaster risks in overseas mineral resource regions.	Short-term	• Self-operation • Downstream value chain		
	Chronic Risk (Long-term Natural Factors)	• Rising global average temperatures; • Gradual sea-level rise.	Medium / Long Term	• elf-operation • Upstream suppliers • Downstream value chain • Communities	• Potential impairment of existing fixed assets and increased infrastructure costs due to relocation of production facilities; • Challenges to long-term operational stability, supply chain security, and customer delivery satisfaction.	

1.In light of industry characteristics and risk cycle assessments, CNGR clarifies the time dimension for different

Climate-Related Opportunities Identification Checklist of CNGR

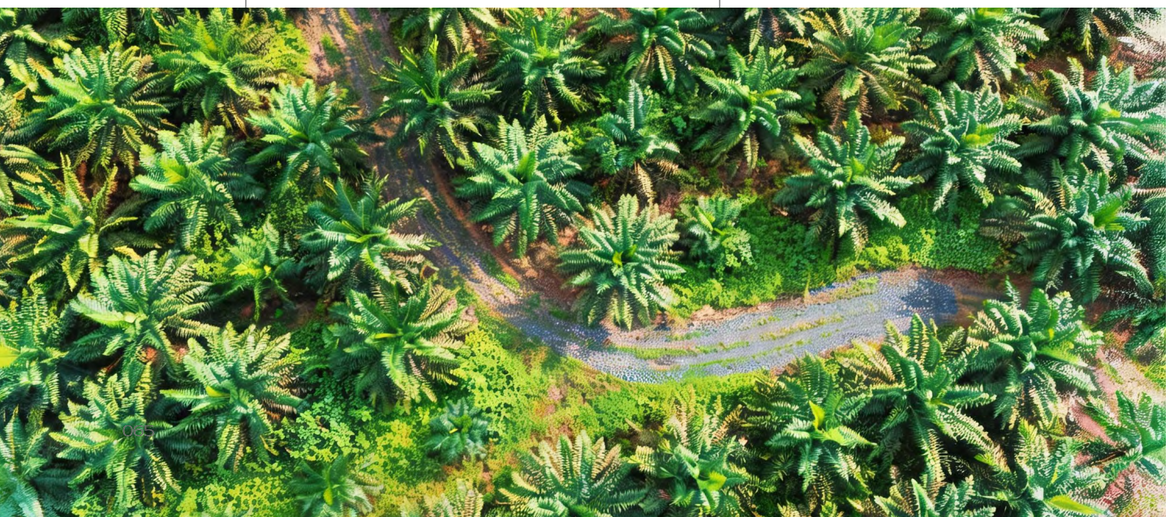
Opportunity Type	Climate-Related Opportunities	Description of Opportunities	Time Horizon[1]	Scope of Impact	Potential Financial Impact	Countermeasures
Transition Opportunities	**Policies and Regulations**	• Opportunities arising from green finance and favorable policy incentives, capacity to hedge against international carbon tariffs and innovation in green finance instruments; • Opportunities for ecological synergy and standard-setting leadership, leading the development of international standards and the construction of zero-carbon industrial clusters.	Short / Medium / Long Term	• Self-operation • Upstream suppliers • Downstream value chain • Communities	• Reduced costs associated with the EU's CBAM carbon tariffs; • Lower financing costs for green bonds; • Reduced costs through technological collaboration for companies in zero-carbon industrial parks; • Technology licensing revenue generated from the export of international standards.	• CNGR continues to enhance its sustainability management framework, and actively advances sustainability KPI-linked financing projects; • CNGR actively participates in the formulation of domestic and international green and low-carbon standards and industry initiatives; • CNGR promotes the inclusion of key low-carbon projects within policy support frameworks.
	Technology	• Opportunities arising from the low-carbon technological revolution, and first-mover advantages brought about by innovation in new energy materials (e.g., sodium-ion batteries and hydrogen metallurgy technology) and improvements in process energy efficiency.	Short / Medium / Long Term	• Self-operation • Downstream value chain	• Revenue from technology licensing; • Premium pricing for low-carbon products; • Early capture of the hundred-billion sodium-ion energy storage market.	• CNGR actively adopts advanced metallurgical technologies, with sodium-ion battery material projects progressing steadily; • CNGR accelerates the strategy of digital operation and intelligent metallurgy to drive growth through technological breakthroughs.
	Market	• Opportunities arising from the circular economy and enhanced resource efficiency, and a closed-loop value chain formed by the recycling of retired batteries and the substitution of recycled materials.	Short / Medium Term	• Self-operation • Upstream suppliers • Downstream value chain	• Recycled materials offer lower costs compared to primary raw materials, alongside an environmental premium.	• CNGR actively advances "urban mining"

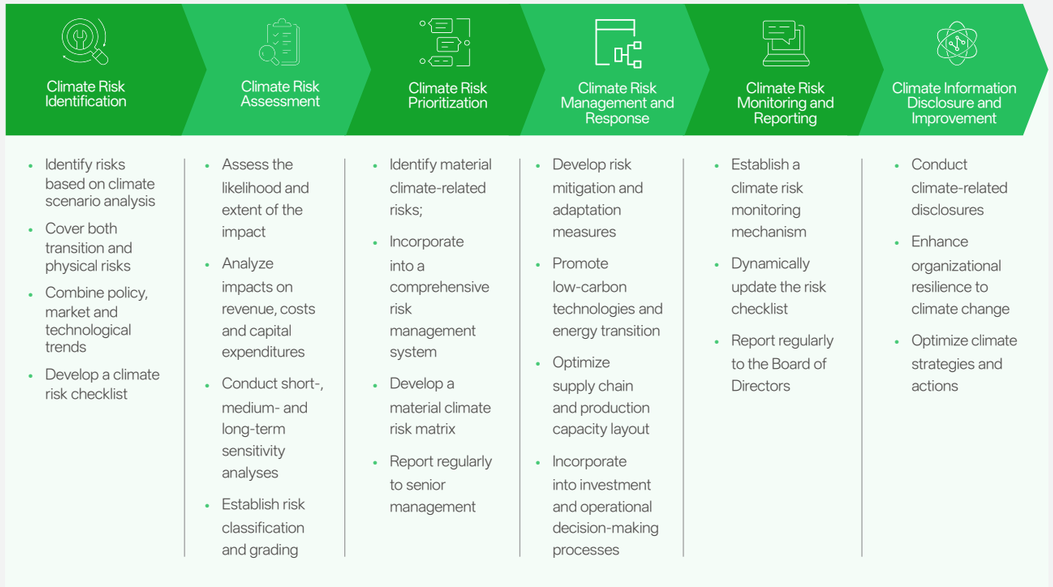
1.In light of industry characteristics and risk cycle assessments, CNGR clarifies the time dimension for different types of climate risks and opportunities: short term refers to 1–3 years (inclusive), medium term refers to 3–5 years (inclusive), and long term refers to 5–10 years and beyond.

Risk and Opportunity Management

Lifecycle Climate Risk Response

CNGR initiated its climate-related risk management efforts in 2021. In response to the risks and opportunities posed by climate change, the Company has established a comprehensive, full-cycle management framework, covering risk identification, assessment, mitigation, and opportunity conversion, supported by strategic planning and diversified implementation measures. In line with CNGR's Risk Management Policy, climate-related risks are classified as key enterprise risks and are systematically incorporated into our broader risk management framework. At the same time, CNGR is committed to transforming the challenges of climate transition into strategic opportunities, leveraging them to enhance industrial resilience and reinforce long-term competitiveness in the low-carbon economy.





Closed-Loop Management of Climate Risks of CNGR

CNGR has established its Greenhouse Gas (GHG) Inventory Procedure in accordance with the ISO 14064 standard, and consistently conducts annual GHG emission verifications across all its domestic industrial bases. During the Reporting Year, the Company carried out the first annual GHG verification for four core production bases under stable operation in Indonesia. The verification covers seven categories of greenhouse gases: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), sulfur hexafluoride (SF_6), nitrogen trifluoride (NF_3), perfluorocarbons (PFCs), and hydrofluorocarbons (HFCs). This quantitative approach provides a solid foundation for measuring progress toward our GHG emissions target. CNGR has responded to the CDP Climate Questionnaire for four consecutive years. In 2025, the Company received a score of "B", outperforming the industry average.

The Company organized a special training program titled "Interpretation and Practice of Typical Global Green Electricity Consumption Rules", with participants from over 30 upstream and downstream supply chain companies as well as relevant departments of the Group, which significantly enhanced collaborative decarbonization capabilities across the industrial value chain. Meanwhile, the Company revised the CNGR Supplier ESG Audit Checklist, which incorporates the carbon emissions performance of key raw material suppliers into routine supplier performance evaluations. It also provides suppliers with carbon-related training, strengthens their carbon verification capabilities, and requires them to establish formal emissions reduction targets.

CNGR Qinzhou Industrial Base Recognized as a National Green Factory

In 2025, Guangxi CNGR New Energy Technology Co., Ltd. (CNGR Qinzhou Industrial Base) was awarded the title of "National Green Factory" in recognition of its outstanding performance in low-carbon energy utilization and resource efficiency. This marks our third such recognition, following our Tongren and Ningxiang Industrial Bases, and positions us among the first batch of companies selected under the newly issued national green factory standards. As a pivotal hub in our global integrated industrial layout, the Qinzhou Industrial Base integrates raw material processing with the intelligent manufacturing of "new energy materials + energy metals". It employs advanced low-carbon, circular OESBF and high-efficiency MSP refining technologies, thereby establishing a fully integrated industrial chain covering "low-grade nickel matte – high-grade nickel matte – nickel sulphate – high-nickel ternary precursors". Leveraging its technological innovation capabilities, the Company also extracts and recycles other metal elements from raw materials, significantly enhancing resource utilization efficiency. In terms of low-carbon energy, the base has extensively installed photovoltaic systems, implemented intelligent energy management systems, and continuously increased the proportion of renewable electricity consumption, with a view to creating a replicable ESG practice model for the Company.

Targets & Metrics

CNGR actively aligns with China's "dual carbon" strategy, the global climate governance framework under the Paris Agreement and the standards of the Science Based Targets initiative (SBTi), and proactively fulfills its responsibility for low-carbon development as a new energy materials company. In May 2022, the Company formally announced a set of clear, quantifiable, and actionable greenhouse gas (GHG) emissions reduction targets. Using 2020 as the baseline year for GHG emissions, the Company has established a tiered framework of reduction targets and medium- and long-term goals covering the operational, product and supply chain dimensions. These targets cover key areas such as the substitution of clean energy, reduction in carbon intensity per unit of product, and resource recycling. After four consecutive years of unremitting efforts, the Company has rigorously advanced its low-carbon initiatives in strict alignment with its predefined targets, steadily fulfilled its emissions reduction commitments and achieved notable phased progress in GHG emissions management and the establishment of green production models.

General Indicators for Climate-Related Industry

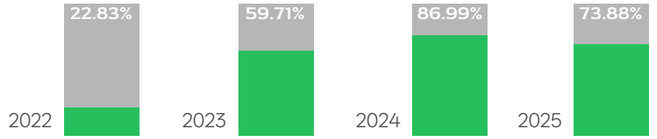
Total Greenhouse Gas Emissions 01	It covers the total greenhouse gas emissions (GHG) of Scope 1 (direct emissions), Scope 2 (indirect emissions), and Scope 3 (other indirect emissions), measured in tons of carbon dioxide equivalent (tCO_2e) and comprehensively reflecting the overall carbon emissions of the Company. The Company conducts annual audits in accordance with the ISO 14064 standard, covering both domestic and international industrial bases.
Physical Intensity of Greenhouse Gas Emissions 02	It refers to GHG emissions per unit of product, typically expressed as tCO_2e per ton of output. It serves as a key indicator of carbon efficiency in production activities and represents one of our core decarbonization performance indicators.
Proportion of Clean Energy 03	It refers to the percentage of clean energy electricity used by the Company relative to total electricity usage, expressed as a percentage. It includes renewable energy sources such as photovoltaic, wind and hydropower, and reflects our progress in transitioning towards a low-carbon energy structure.
Total Energy Consumption and Intensity 04	It includes both the total energy consumption (e.g., electricity, natural gas) and energy consumption per unit of product or output value, which is used to evaluate energy efficiency and the effectiveness of our energy conservation and emissions reduction efforts, while supporting the implementation of our energy management goals.
Carbon Footprint Tracking 05	By establishing a carbon footprint tracking system throughout the entire product lifecycle, the Company quantifies emissions across all stages of a product's lifecycle from raw material procurement, manufacturing, transportation, usage to disposal, thereby providing robust data support for precise emissions reduction and low-carbon product certification.

Greenhouse Gas Emissions Targets of CNGR

2025

Specific Goals: To achieve 100% clean electricity usage[1] across domestic industrial bases, including 20% in 2022, 50% in 2023, and 75% in 2024.

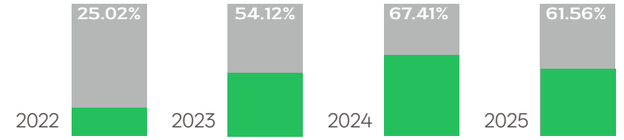
Achievement:



2030

Specific Goals: To achieve 80% clean energy usage

Achievement:



2030

Specific Goals: Compared to the baseline year, carbon emissions per ton of product shall be reduced by 50%.

Achievement:

n 2023, carbon emissions per ton of product at operating locations in China were reduced by 40.23% compared to the baseline year;

In 2024, carbon emissions per ton of product at operating locations in China were reduced by 47.31% compared to the baseline year;

In 2025, carbon emissions per ton of product at operating locations in China were reduced by 52.27% compared to the baseline year, while carbon emissions per ton of product at global operating locations were reduced by 50.41% compared to the baseline year (the Indonesian industrial bases underwent their first greenhouse gas verification in 2025).

2040

Specific Goals: To achieve operational carbon neutrality

Achievement: In progress

2050

Specific Goals: To achieve supply chain carbon neutrality

Achievement: In progress

1.Including photovoltaic, wind power, hydropower, geothermal energy, biomass energy and nuclear power generation.

Greenhouse Gas Emissions Management Data of CNGR

Scope 1 Total Emissions tCO_2e	2020(Baseline Year)	42,961.00
	2024Operating Locations in China	199,996.30
	2025Operating Locations in China	334,293.22
	2025Global Operating Locations	12,391,004.11
Scope 2 Total Emissions (Market-Based) tCO_2e	2020(Baseline Year)	317,911.00
	2024Operating Locations in China	250,892.70
	2025Operating Locations in China	372,363.50
	2025Global Operating Locations	746,588.24
Scope 3 Total Emissions tCO_2e	2020(Baseline Year)	2,494,781.00
	2024Operating Locations in China	4,629,042.44
	2025Operating Locations in China	5,488,907.59
	2025Global Operating Locations	8,345,695.21
Total Emissions (Market-Based) tCO_2e	2020(Baseline Year)	2,855,653.00
	2024Operating Locations in China	5,079,931.44
	2025Operating Locations in China	6,195,564.31
	2025Global Operating Locations	21,483,287.56
Emission Intensity of Scope1+2 (Market-Based) tCO_2e/ton product[1]	2020(Baseline Year)	3.77
	2024Operating Locations in China	1.39
	2025Operating Locations in China	1.62
	2025Global Operating Locations	9.04
Scope 3 Emission Intensity tCO_2e/ton product	2020(Baseline Year)	26.04
	2024Operating Locations in China	14.31
	2025Operating Locations in China	12.60
	2025Global Operating Locations	5.74

During the Reporting Period, CNGR conducted its first greenhouse gas verification and consolidated statistics for four industrial bases in Indonesia. The total greenhouse gas emissions (Scope 1+2+3) (market-based) of its global operating locations amounted to 21.48 million tCO_2e, with an emission intensity of 14.78 tCO_2e per ton of product. During the Reporting Period, CNGR has not yet engaged in carbon credit or carbon market trading activities.

1.The product scope includes major products such as precursors, iron phosphate, nickel plates, low-grade nickel matte, and high-grade nickel matte, etc.

5.1.2 Dual Carbon Action

CNGR takes China's "carbon peaking and carbon neutrality" strategy as the benchmark for its emissions reduction efforts. Guided by a philosophy of long-termism, the Company is gradually reducing GHG emissions across its operations and supply chain, with the ultimate goal of achieving its GHG emission targets.

2022	Set carbon targets for CNGR; Completing CDP climate change questionnaires; Research low-carbon production transformation; Pilot construction of Net-Zero plant. Completed For details, please refer to the 2022 ESG Report of CNGR.
2023	Sort out the carbon emission data of the product life cycle; Establish a preliminary product carbon footprint management system. Completed
2024	Develop and evaluate low-carbon strategies across the supply chain; Launch a digital carbon data management platform; Improve the low-carbon product management system. Completed
2025	Initiate the construction of a carbon management platform for the supply chain; Initiate the construction of a transportation carbon emissions monitoring and control system. Partially completed
2030	Achieve a 50% reduction in carbon emissions per ton of product; Achieve 80% clean energy usage; Achieve selected zero-carbon products.

5.1.2.1 Energy Management

GRI 302

Governance

As a company driven by technological innovation and efficient resource utilization, CNGR recognizes the strategic importance of energy management. The Company has systematically formulated and implemented energy management strategies. Through a series of measures such as conducting comprehensive energy audits, setting quantifiable energy-saving targets, advancing energy-saving technological upgrades, and promoting the application of clean energy, the Company continuously reduces overall energy consumption and steadily advances towards its goal of green and high-quality development.

The Company strictly adheres to the ISO 50001 Energy Management System standard and has established a comprehensive energy management governance structure. The general manager of each industrial base serves as the highest authority in the energy management system, who is responsible for reviewing and approving our energy policy and authorizing dedicated energy management task forces to execute relevant initiatives. These task forces are responsible for organizing the establishment, implementation and continuous improvement of the energy management system to ensure its close alignment with our overall strategic direction. They also provide guiding principles and frameworks for setting energy objectives, while steadfastly fulfilling our commitment to regulatory compliance and continuous improvement. At the execution level, the equipment departments across all industrial bases assume overall responsibility for the monitoring, management and optimization of energy utilization. They conduct regular assessments of equipment energy efficiency, dynamically adjust energy allocation in response to evolving production demands, and optimize both operational models and management processes.

Strategy

Our energy management strategy is anchored in regular comprehensive energy audits. Through in-depth evaluations of energy consumption across all industrial bases, we can accurately identify high-energy-consuming processes and potential opportunities for energy conservation. Energy audits not only reveal weaknesses in energy usage, but also provide support for setting scientific and reasonable energy-saving targets, optimizing energy consumption structures, and deploying green technologies. Based on the results of the energy audit and in combination with its industrial characteristics and stage of development, CNGR has formulated short, medium and long-term energy management strategies. In the short term, the Company will prioritize the identification and mitigation of energy-related risks and the establishment of an energy management system, and accelerate the adoption of mature energy-saving technologies and green products. Meanwhile, it will ensure sustained compliance with energy regulations and carbon emission policies, while responding swiftly to the growing market demand for green manufacturing. In the medium term, the Company will focus on optimizing its energy structure by systematically increasing the proportion of clean energy sources (such as photovoltaic and wind power) in its overall energy consumption. Meanwhile, it will advance technological innovation and energy efficiency upgrades in critical production processes, while fostering the development of a green supply chain to drive collaborative energy conservation and emissions reduction across upstream and downstream stakeholders. In the long term, the Company is committed to the comprehensive adoption of renewable energy, the in-depth advancement of decarbonization initiatives, and the realization of carbon neutrality. Through these efforts, the Company aims to establish an industry-leading green technology platform and set a sustainability benchmark in the new energy materials industry.

Risk and Opportunity Management

CNGR consistently complies with national laws and regulations including the Energy Law of the PRC, the Energy Conservation Law the PRC, the Electricity Law the PRC, the Renewable Energy Law the PRC and the Measurement Law the PRC, as well as relevant policies and regulations including the Administrative Measures for Energy Conservation of Key Energy-Using Entities, the Supervision and Administration Measures for Energy Conservation of High-Energy-Consuming Special Equipment, the Measures for the Administration of Electricity Conservation, the General Principles for Energy Conservation Monitoring Technology and the Measures for the Administration of Industrial Energy Conservation. Furthermore, the Company has established a robust internal energy management system according to leading domestic and international standards, including ISO 50001, GB/T 23331, GB/T 2589 and GB/T 17167. Currently, the Company has formed a comprehensive system, including the Energy Management Manual, the Control Procedure for Target Energy Indicators and Performance Parameters, the Control Procedure for Energy Review, the Control Procedure for Energy Management Measures, the Control Procedure for Monitoring, Measurement and Analysis, the Control Procedure for Operational Management, the Control Procedure for Energy Performance Evaluation, which provide strong support for the standardization and normalization of energy management practices.

During the Reporting Period, CNGR newly secured ISO 50001 Energy Management System certification for its Kaiyang Industrial Base. Consequently, all domestic production bases have now obtained this certification, achieving 100% coverage. In 2026, the Company will extend the implementation of its energy management system to overseas regions, and advance energy management across its Indonesian industrial bases and the Morocco project team in an orderly manner.

Energy Review

In order to reasonably assess our energy management status, determine current energy types, identify Significant Energy Uses (SEUs), identify relevant variables, energy performance and relevant personnel affecting Significant Energy Uses, identify and prioritize opportunities for energy performance improvement, and assess future energy use and consumption, the Company conducts annual energy reviews. In the event of any material changes in facilities, equipment, energy systems or production processes, or any significant adjustments in applicable laws, regulations or product and service structures, the Company will initiate supplementary reviews promptly to ensure the dynamic adaptability and continued compliance of its energy management practices. While identifying areas for improvement, the Company systematically evaluates energy-saving opportunities across twelve core dimensions, including energy conversion efficiency, energy losses, energy wastage, system compatibility, cascade utilization of residual heat and pressure, efficiency of energy-consuming equipment, equipment operating efficiency and energy-saving indicators, process-level energy parameters, and the impact of energy quality, raw materials and workforce competency.

Energy Management of CNGR Qinzhou Industrial Base

To thoroughly implement the requirements of our energy management system, CNGR Qinzhou Industrial Base collaborated with local governments and third-party professional institutions to conduct comprehensive energy diagnostics, energy-saving evaluations and supervisory inspections in 2025. Focusing on key energy sources including water, electricity, natural gas, coal and diesel, the Base comprehensively reviews on-site equipment, process flows and energy usage conditions across material, pyrometallurgical, hydrometallurgical and environmental protection plants as well as utilities and logistics facilities. As such, the Base can identify opportunities for improvement and continuously optimizes its energy conservation and carbon reduction strategies. In 2025, the pyrometallurgical plant in the Base introduced an alternative energy solution to partially replace coal consumption by utilizing crude carbon powder generated from the recycling workshop at the Tongren Industrial Base. This initiative yielded favorable results and effectively reduced coal usage.

In accordance with the Control Procedure for Target Energy Indicators and Performance Parameters, the Qinzhou Industrial Base conducts monthly statistics on energy consumption, calculates the comprehensive energy consumption of products, and performs dynamic comparisons and energy deviation analyses against annual targets. The Qinzhou Industrial Base has set clear energy consumption control targets for 2025: comprehensive energy consumption for the precursor products in the materials plant at 0.3686 tce/t, and comprehensive energy consumption per unit of product for the pyrometallurgical plant at 0.9853 tce/t, and the hydrometallurgical plant at 0.2765 tce/t. Annual performance data indicate that the material plant, hydrometallurgical plant, and utilities and logistics facilities achieved their annual energy consumption indicators, and the pyrometallurgical plant met its targets in all months except August due to equipment failure and maintenance.

In 2026, the Qinzhou Industrial Base will further establish dedicated energy management positions to promote normalized and professional energy management and control. Meanwhile, it plans to conduct a comprehensive assessment of energy utilization efficiency across all production capacity equipment and systems, with a particular focus on optimizing the control mechanisms of centrifugal air compressors in the compressed air station. This assessment aims to eliminate energy losses caused by intermittent venting and continuously enhance overall system efficiency.

Energy Conservation and Efficiency Enhancement Programs

As a key energy-consuming company, CNGR faces major risks arising from energy price fluctuations, as rising energy prices will directly increase its production costs. To this end, the Company has consistently upheld energy conservation and cost reduction as the core objective of its energy management strategy, and has continuously carried out a series of energy conservation and consumption reduction programs. These programs cover production process optimization, upgrades and renovation of critical equipment, recovery and reuse of waste heat and condensate, efficiency improvements in compressed air systems, energy-saving upgrades to lighting and power systems, water recycling, and the development of intelligent energy management platforms. Through these systematic measures, the Company has continuously enhanced energy efficiency, effectively controlled energy costs, and strengthened its sustainability capabilities.

In 2025, the ternary materials workshop at the Qinzhou Industrial Base implemented an energy-saving program of "optimizing process control to reduce power consumption of products" for high-energy processes. By scientifically lowering drying oven temperatures, shortening centrifugal dehydration time, and applying differentiated variable-frequency control to aging tank agitation, the Base significantly reduced non-essential energy consumption while maintaining product quality. Following the implementation of this program, the comprehensive electricity consumption per unit of product declined markedly. Moreover, the optimization of overall electricity usage contributed to a reduction in the unit electricity price, resulting in an annual economic benefit of RMB8.73 million. By achieving precise parameter control through refined management and control and systematically coordinating process optimization and energy procurement strategies, this program exemplifies a replicable and scalable energy-saving and consumption-reducing paradigm relying on technological and management innovation at zero incremental investment, fully demonstrating the substantial cost-saving and efficiency-enhancing potential unlocked through in-depth process optimization.

In 2025, the Ningxiang Industrial Base comprehensively promoted the thermal insulation and energy-saving renovation of rotary kilns in the cobalt material workshop. By applying full-coverage insulation using aluminum silicate fiber across all 30 rotary kilns in the workshop, this program significantly reduced heat loss, improved thermal efficiency and operational stability, and lowered overall operating costs. The program is expected to achieve annual electricity cost savings of RMB0.78 million.

Clean Energy

Policy changes also constitute a significant risk factor. As climate change continues to raise global attention, governments worldwide have introduced a series of laws and regulations governing energy consumption and carbon emissions. In response, the Company actively promotes clean energy projects, including clean energy procurement and distributed photovoltaic projects. In 2025, the Ningxiang and Qinzhou Industrial Bases continued to expand their distributed photovoltaic installations, and further increased our usage of clean energy to reduce greenhouse gas emissions. In particular, the Ningxiang Industrial Base completed the installation and grid connection of 6 MW of photovoltaic capacity, with a cumulative photovoltaic power generation of 7.66 million kWh in 2025. Meanwhile, the Qinzhou Industrial Base completed the installation and grid connection of 30.649 MW of photovoltaic capacity, with a total photovoltaic power generation of 30.06 million kWh.

Energy Conservation Training

CNGR attaches great importance to the development of its energy management workforce and the capacity enhancement of all employees. The Company has systematically implemented specialized training programs on energy management, energy conservation and consumption reduction across its four major domestic industrial bases. These programs cover department heads, technical specialists, and front-line employees at each base, and adopt a tiered and categorized approach with differentiated training content designed for different roles and responsibilities. For management personnel, the training emphasizes the interpretation of energy policies, energy cost analysis and energy-saving management strategies. For technical staff, the focus lies on the application of energy-saving technologies, optimization of equipment efficiency, and energy data monitoring. For front-line employees, the training focuses on operational procedures, daily energy-saving behaviors, and on-site identification of energy wastage. These training programs effectively enhanced the awareness of the importance of energy management among employees at all levels, strengthened the sense of responsibility and practical competencies of all employees in energy conservation and consumption reduction, and promoted the integration of the energy conservation concept into the entire process of ordinary production and operations.

Targets & Metrics

CNGR has established the continuous reduction of comprehensive energy consumption per unit of product as a core objective, while actively advancing the transformation of its energy consumption structure. The Company is committed to deepening its energy-saving initiatives and steadily reducing overall energy intensity. Each production base formulates scientifically grounded annual energy-saving targets based on its own conditions, while actively securing and efficiently utilizing green electricity to maximize energy efficiency. In 2025, our four domestic industrial bases consumed a total of 1.068 billion kWh of clean energy electricity, including 37.73 million kWh of self-generated photovoltaic green power. Clean energy electricity accounted for 73.90% of total domestic electricity consumption. In particular, the Qinzhou Industrial Base has achieved 100% clean electricity coverage since 2022, and has become a benchmark for our green and low-carbon transformation, exemplifying our firm commitment and tangible progress in advancing energy transition and sustainable development.

Energy Management Data of CNGR

Anthracite Coal kg	2023 Operating Locations in China	22,500.00
	2024 Operating Locations in China	0.00
	2025 Operating Locations in China	0.00
	2025 Global Operating Locations	0.00
Lignite Coal kg	2023 Operating Locations in China	0.00
	2024 Operating Locations in China	5,908,130.00
	2025 Operating Locations in China	13,859,040.00
	2025 Global Operating Locations	4,309,495,647.70
Bituminous Coal kg	2023 Operating Locations in China	9,740,910.00
	2024 Operating Locations in China	11,613,828.00
	2025 Operating Locations in China	5,265,920.00
	2025 Global Operating Locations	5,265,920.00
Diesel[1] kg	2023 Operating Locations in China	375,078.11
	2024 Operating Locations in China	396,621.80
	2025 Operating Locations in China	414,080.00
	2025 Global Operating Locations	31,123,212.65
Gasoline kg	2023 Operating Locations in China	39,294.81
	2024 Operating Locations in China	25,545.30
	2025 Operating Locations in China	19,260.00
	2025 Global Operating Locations	37,610.41

1,.Diesel consumption does not include biodiesel.

Natural Gas m^3	2023 Operating Locations in China	37,848,516.28
	2024Operating Locations in China	18,579,843.10
	2025Operating Locations in China	25,107,489.91
	2025Global Operating Locations	25,107,489.91
Electricity consumption[1] kWh	2023 Operating Locations in China	451,416,367.74
	2024Operating Locations in China	175,471,826.00
	2025Operating Locations in China	390,769,732.95
	2025Global Operating Locations	887,880,174.21
Steam Consumption ton	2023 Operating Locations in China	469,945.88
	2024Operating Locations in China	473,719.40
	2025Operating Locations in China	434,901.59
	2025Global Operating Locations	434,901.59
Total Energy Consumption GJ	2023 Operating Locations in China	4,531,938.51
	2024Operating Locations in China	3,024,403.26
	2025Operating Locations in China	3,937,241.07
	2025Global Operating Locations	76,512,229.45
Energy Consumption Intensity GJ/ton product[2]	2023 Operating Locations in China	15.95
	2024Operating Locations in China	9.35
	2025Operating Locations in China	9.04
	2025Global Operating Locations	52.64
Proportion of Clean Energy Electricity %	2023 Operating Locations in China	59.71
	2024Operating Locations in China	86.99
	2025Operating Locations in China	73.88
	2025Global Operating Locations	55.45

1.Electricity consumption does not include clean energy electricity consumption.

2,.The product scope includes major products such as precursors, iron phosphate, nickel plates, low-grade nickel matte, and high-grade nickel matte, etc.

5.2 Reducing Environmental Footprint

5.2.1 Recycling Action

CNGR will gradually implement resource recycling management across three main modules: product design, production, and waste and battery recycling, in order to achieve a closed-loop material cycle and strive to become a benchmark enterprise for sustainability in the industry.

2022	Launching the construction of an environmental management system; Strengthening the construction of resource recycling projects. Completed
2023	Further improving the environmental management system; Setting targets for water use efficiency; Starting the construction of a certification system for recycled materials. Completed
2024	Initiating product water footprint check; Strengthening the construction of waste and battery recycling systems. Completed
2025	The recycling rate of water resources in domestic industrial bases is expected to reach 70% or above; Setting targets for the use of recycled materials. Partially completed
2030	Establishing a sustainable benchmark as the industry's leading enterprise.



5.2.1.1 Environmental Management System and Compliance

Governance

To comprehensively strengthen occupational health, safety and environmental (EHS) management, CNGR has established the Work Safety Committee (the "Safety Committee") under the leadership of the Strategy and ESG Committee of the Board. As our highest decision-making and supervisory body for EHS affairs, the Safety Committee is responsible for formulating our overall environmental management strategy, overseeing EHS performance, and proactively preventing and mitigating major EHS health, safety and environmental risks that may arise in the course of our operations, so as to protect the safety of personnel and property, protect the ecological environment and achieve sustainable operation.

The Chairman and President serves as the director of the Safety Committee and exercises overall leadership, with remuneration directly linked to EHS performance. A non-executive Director acts as the deputy director, and it consists of members from senior management (including vice presidents, chief experts, and the President's assistants) and heads of first-level departments. The principal functions of the Safety Committee include:

(1) comprehensively reviewing, deploying, guiding and coordinating EHS initiatives across the Company;

(2) promoting, implementing and ensuring compliance with national EHS policies, regulations and standards, and reviewing the EHS compliance of business segments;

(3) reviewing and proposing major EHS policies and strategies;

(4) analyzing EHS conditions, and reviewing and making decisions on major EHS issues;

(5) responding to EHS emergencies and crises (including related public opinion) that exceed the response capacity of individual bases or centers;

(6) undertaking other EHS matters assigned by the Board.

A Work Safety Committee Office (the "Safety Office") operates as the standing executive body of the Safety Committee. In 2024, the Company further optimized its organizational structure and formally established the EHS Center, which assumed the responsibilities of the former Safety Office. The head of the EHS Center concurrently serves as the director of the Safety Office. The EHS Center includes the Integrated Technology Department and Supervision Department, staffed with department directors, mid-to-senior level safety engineers, and mid-to- senior level environmental engineers. The core responsibilities of the Safety Office include:

(1) reviewing and proposing decision-making measures and coordinating responses to major EHS issues;

(2) coordinating and supervising EHS-related work in project construction, production operations, and disposal activities;

(3) developing our EHS system and promoting a safety culture;

(4) decomposing and formulating EHS performance indicators for each unit and conducting assessments, with regular reporting on the performance of each unit;

(5) coordinating and organizing EHS inspections and ensuring corrective actions are taken;

(6) guiding and coordinating emergency responses and accident investigations;

(7) receiving, reporting and analyzing EHS incident reports, and regularly forecasting EHS risks, and issuing relevant alerts;

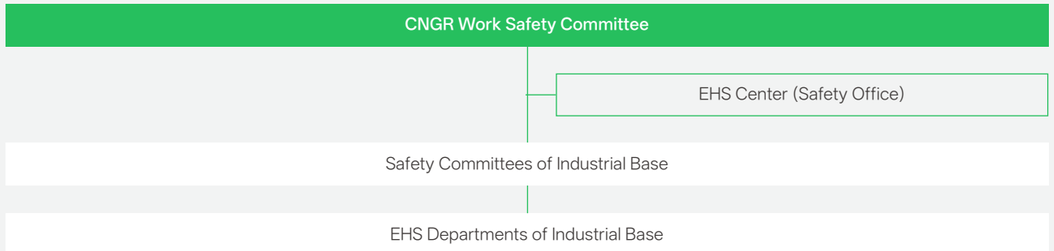
(8) organizing Safety Committee meetings and events, and ensuring implementation of resolutions;

(9) handling other matters assigned by the Safety Committee.

The Company requires that each business unit establish its own work safety committee to enhance centralized leadership of EHS work. Each unit shall establish a relatively independent EHS management organization, allocate sufficient and qualified professional management personnel according to relevant requirements, and maintain the continuity and stability of its management team. The safety committees at each industrial base are mainly composed of senior executives and department heads. Meetings are held at least quarterly with employee representative participation. All resolutions adopted at such meetings are subject to review and formal approval by the principal person in charge of the unit, thereby ensuring that EHS management directives are effectively communicated, rigorously implemented and strictly enforced at every level.

The Company has established a sound accountability system for work safety, and clearly defined responsibilities at every level and for every business unit and function to ensure all employees fulfill their safety responsibilities according to their roles. The Company follows a "dual responsibility for one position" principle for EHS management, with annual EHS responsibility agreements signed across all levels. EHS performance is managed through specific targets and indicators. Our management at all levels shall fulfill their EHS commitments through tangible actions, ensure resource allocation, demonstrate positive EHS behavior, and continuously improve overall EHS performance through effective two-way communication, performance evaluation and review mechanisms. Our management is also responsible for mobilizing all employees to achieve EHS targets.

Work Safety Committee Structure of CNGR



Strategy

CNGR is committed to ensuring the sustainability of its operations and minimizing environmental impact through a comprehensive Environmental, Health and Safety (EHS) management system. The Company organizes regular environmental factor identification and assessment involving all employees, and establishes and dynamically updates a detailed list of environmental factors. During this process, scientific evaluation methodologies are used to screen key environmental factors with material impacts and generate a list of key control factors. Targeted management systems and control measures are then formulated to ensure the effective prevention and control of environmental risks.

In the short term, the Company will focus on further enhancing its existing environmental management system, and ensuring that all departments and employees fully understand and adhere to environmental protection requirements. It will also strengthen environmental training and increase the frequency of environmental risk assessments to enhance the environmental responsibility awareness of all employees. In the medium term, the Company will focus on strengthening environmental management across the supply chain and encouraging partners to implement environmental due diligence, while leveraging technological innovation to improve energy efficiency and resource recycling rates in the production process. In the long term, the Company aims to achieve a comprehensive green transformation, and is committed to continuously reducing environmental impact across the entire product lifecycle and corporate operations. Through the ongoing optimization of environmental technologies and management systems, it seeks to establish itself as a sustainability benchmark in the industry.

Risk Management

CNGR strictly complies with the Environmental Protection Law of the PRC, the Environmental Impact Assessment Law of the PRC, as well as relevant environmental regulations in Indonesia and other jurisdictions. It has also developed a series of internal environmental management policies, which require all industrial bases to regularly review the operation of their environmental management systems. To minimize the adverse environmental impact of its operations, CNGR has incorporated environmental performance data into the short-term incentive assessment framework for its leadership and core management personnel. Performance evaluations are weighted according to the severity and classification of environmental incidents, with a maximum impact of up to 14% of annual variable remuneration, thereby strengthening management's attention and commitment to environmental management. Meanwhile, the Company has established the Environmental Protection Management Policy with reference to the relevant standards of ISO 14001 Environmental Management System and ISO 37301 Compliance Management System, thereby instituting a robust framework for environmental compliance and risk governance. The Company conducts annual environmental compliance and risk assessments to identify potential legal and regulatory risks, and then develops corresponding prevention and response plans. The Company establishes an accountability system based on the principles of "whoever is in charge is responsible" and "dual responsibilities for one position", and implements a cascading accountability system across all organizational levels.

As of the end of the Reporting Period, the Tongren, Ningxiang, Qinzhou and Kaiyang Industrial Bases in China, along with the Morowali, WedaBay and North Morowali Industrial Bases and the Morocco project have all obtained ISO 14001 Environmental Management System certification, achieving a 100% certification coverage.

During the Reporting Period, all industrial bases strictly implemented the established monitoring plans, covering ambient air quality, surface and groundwater conditions, soil quality and acoustic environments. Continuous monitoring was conducted across all emission sources, including exhaust gases, wastewater, noise and solid waste. The monitoring results show that all projects meet applicable national, local and international standards, with a 100% compliance rate, underscoring the effectiveness of our environmental management measures and the compliance of our operations.

In addressing environmental emergencies, the Company has established a systematic and detailed emergency management framework, supported by well-trained response personnel, fully equipped emergency facilities and efficient response mechanisms. At the prevention and preparation stage, all industrial bases regularly conduct comprehensive environmental factor identification and risk assessments to systematically identify potential environmental risk sources across production and operation processes, and then formulate targeted management objectives and control measures accordingly. In 2025, the Morowali Industrial Base identified 703 environmental factors and 22 material environmental factors through special risk assessments, for which corresponding management objectives and control measures have been established. In addition, two dedicated environmental inspections were conducted, with 16 risk factors identified and a rectification rate of 100%. The Company attaches great importance to the compliance and timeliness of its emergency response plans. Each operating entity has prepared or updated its Emergency Response Plan for Environmental Incidents according to national regulatory requirements and actual operations. These plans comprehensively cover corporate profiles, risk identification, consequence analysis, emergency organizations and responsibilities, response procedures, resource assurance, and coordination mechanisms with government authorities. All such plans have been duly filed with the relevant local ecological and environmental authorities to ensure their legal validity and operational effectiveness.

To systematically enhance environmental awareness and risk response capabilities of all employees, CNGR has implemented a series of diversified and practice-oriented environmental training programs and drills across its global industrial bases in 2025. In terms of domestic bases, the Tongren Industrial Base organized several training sessions and assessments focused on environmental factor identification, solid waste management and emergency response, achieving an average pass rate exceeding 90%. These were complemented by a hazardous waste leak tabletop exercise to strengthen the practicality of its emergency response plan. The Qinzhou Industrial Base conducted training sessions centered on solid waste management, environmental emergency response and environmental regulations, covering a total of 2,001 participants. In terms of overseas bases, the Morowali Industrial Base in Indonesia conducted 76 training sessions totaling 152 hours, covering 1,080 participants. These training sessions primarily focused on environmental factor identification and hazardous waste management, alongside emergency drills for leakage and dust emissions. Meanwhile, the North Morowali Industrial Base implemented a series of environmental management training programs for both Chinese and Indonesian employees. In the year, it completed training sessions for 83 Chinese participants, and provided 96 sessions for 1,920 Indonesian participants, which effectively facilitated the implementation and integration of cross-cultural environmental management standards. Through this comprehensive training framework characterized by full coverage, rigorous assessment and strong practical orientation, the Company continuously strengthened the environmental risk awareness and emergency response capabilities of all employees, thereby providing a solid human capital foundation for the stable and effective operation of its environmental management system.

To ensure the sustained compliance of its EHS management system with regulatory requirements and internal standards, the Company has established a regular review mechanism to systematically evaluate the effectiveness of policy implementation, the degree of operational compliance among employees, and the performance status of facilities and equipment. Through regular internal audits and management reviews, the Company continuously identifies opportunities for improvement and dynamically refines its EHS management practices and methodologies, thereby promoting the ongoing optimization and efficient operation of its management systems.

Targets & Metrics

Leveraging its comprehensive environmental control framework, CNGR is committed to fully implementing regulatory requirements across all stages of hazardous chemical handling, storage and leakage prevention, and ensure that the treatment and discharge of wastewater, exhaust gases and solid waste consistently meet applicable standards, so as to minimize the potential environmental impact of its operations. Our key environmental performance indicators are as follows:

Environmental Performance Data of CNGR

Number of penalties for environmental incidents case(s)	2023	0	2024	0	2025	0
Total amount of fines for environmental incidents RMB'0,000	2023	0	2024	0	2025	0
Pass rate of environmental monitoring %	2023	100%	2024	100%	2025	100%
Environmental complaints from customers and related parties case(s)	2023	0	2024	0	2025	1
Expenditures on environmental protection RMB'0,000	2023	1,838.51	2024	1,741.15	2025	2,288.37

The only recorded complaint occurred at the North Morowali Industrial Base in Indonesia and was promptly rectified through the construction of additional sedimentation tanks, source control measures and chemical treatment.

5.2.1.2 Waste and Pollutant Management

GRI 303, GRI 305, GRI 306

Governance

CNGR has always placed great importance on waste and pollutant management, which is led and supervised by the Work Safety Committee. The EHS Center assumes overall coordination responsibilities, including the formulation of environmental management strategies and the organization of performance evaluations. The EHS departments at each industrial base act as the primary execution bodies, and undertake the daily waste and pollutant management to ensure that all control measures are effectively implemented and rigorously enforced. For details of the governance structure and specific responsibilities of the Work Safety Committee, please refer to the section headed "Environmental Management System and Compliance".

Strategy

Against the backdrop of escalating global environmental challenges, accelerating climate change, and increasingly constrained resources, waste and pollutant management has evolved beyond a fundamental compliance obligation into a critical pathway for achieving high-quality development and fulfilling corporate social responsibility. CNGR has fully integrated waste and pollutant management into its strategic framework, and established a comprehensive environmental governance system covering the short, medium and long term. In the short term, the Company prioritizes institutional development and risk prevention, systematically reviews and dynamically updates the list of environmental factors throughout the entire production and operation process. It continues to refine management systems for environmental factor identification, assessment and control to ensure that all business activities strictly comply with national and local environmental protection laws, regulations and standards. The Company conducts comprehensive environmental risk assessments, formulates practical and feasible prevention and emergency measures for high-risk processes, and establishes a closed-loop rectification mechanism. Through routine, multi-tiered and diversified environmental training and publicity initiatives, the Company strives to enhance employees' environmental awareness, operational procedures and emergency response capabilities. In the medium term, the Company will comprehensively promote the adoption of clean production technologies, optimize process flows, and establish quantitative targets for reducing the generation of hazardous substances and waste. It will further strengthen resource recycling and promote the reduction and reutilization of solid waste, while developing a scientific environmental performance monitoring system to ensure the effective implementation of all environmental initiatives. Looking ahead to the long term, the Company is committed to deepening its green development strategy, actively exploring low-carbon circular economy models, and introducing internationally advanced environmental technologies to strive toward near-zero pollutant emissions. Meanwhile, it will collaborate with upstream and downstream partners to drive the green transformation of the supply chain and jointly build a sustainable ecosystem. Through the continuous improvement of environmental management standards, CNGR aims to become a leading force in the green transformation and a benchmark for sustainable development in the new materials industry.

Risk Management and Targets & Metrics

CNGR regards compliant operations as the cornerstone of its environmental management. It strictly abides by national laws and regulations including the Water Pollution Prevention and Control Law of the PRC, the Air Pollution Prevention and Control Law of the PRC, the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste, and the Noise Pollution Prevention and Control Law, while also complying with the applicable environmental regulations and standards of its overseas operating jurisdictions. The Company has established a comprehensive and rigorously enforced environmental protection management system, covering key areas such as water pollution, air pollution, solid waste management, noise control, and the prevention of soil and groundwater contamination. Through a refined management approach combining source control, process optimization and end treatment, CNGR ensures the systematic, compliant and efficient environmental management. By continuously optimizing processes, upgrading environmental protection facilities and strengthening monitoring and early warning, CNGR has effectively reduced pollutant emission intensity, steadily advanced the integrated treatment and resource utilization of wastewater, exhaust gases and solid residues, thereby minimizing its environmental footprint.

1 Wastewater Management

In terms of water pollution prevention and control, CNGR has established the objective of reaching peak total COD emissions by 2035. In accordance with applicable national laws and regulations, the Company has formulated and implemented the Wastewater Discharge Management Policy and the Wastewater Control Procedures, which apply standards exceeding national emission standards to ensure rigorous oversight and treatment of wastewater, thereby effectively mitigating its environmental impact. All industrial bases strictly enforce the separation of rainwater and wastewater, with all wastewater generated during production subject to classified collection and differentiated treatment. All production wastewater is directed to dedicated treatment facilities in environmental protection zones and is discharged only upon meeting prescribed standards. The discharge of untreated or non-compliant wastewater into municipal sewage or rainwater pipe networks is strictly prohibited. Wastewater treatment facilities are operated in stable synchronization with production facilities, with comprehensive operational data duly recorded. The Company has installed real-time online wastewater monitoring systems, which are connected to the supervisory platforms of ecological and environmental authorities to enable real-time data transmission. The specific operation and management requirements strictly comply with the relevant regulations of the ecological and environmental authorities. Before discharging wastewater, the Company strictly monitors nine key parameters, including nickel, cobalt, manganese and their compounds, ammonia nitrogen, COD and pH, to ensure that the discharged water quality meets the requirements of the Discharge Standard of Pollutants for Inorganic Chemical Industry (GB 31573-2015), thereby achieving the compliant and safe discharge of wastewater. All industrial bases embed the principle of source reduction throughout every process from raw material selection, energy structure optimization to process upgrades. Through the extensive adoption of clean energy, environmentally friendly materials, and high-efficiency, low-emission production technologies and equipment, the Company minimizes the generation of water pollutants. Meanwhile, the Company continues to advance the upgrading of industrial wastewater treatment and reuse technologies across all production processes, and actively progresses toward the "zero discharge" objective. In particular, high-salt wastewater is collected and sent to the environmental protection facilities, where salts are recovered and converted into value-added by-products through Mechanical Vapor Recompression (MVR) evaporation and crystallization processes. The purified reclaimed water is entirely recycled back into the primary production systems, forming a closed-loop resource cycle. These comprehensive emission reduction measures are deeply integrated into our end-to-end production operations across all industrial bases, and have effectively driven the sustained decline in pollutant discharge intensity and the steady improvement in water resource efficiency.

All CNGR industrial bases centrally collect production wastewater and channel it to environmental treatment facilities for purification. The treated water is subsequently recycled into the main production facilities, while salts recovered through MVR evaporation and crystallization are transformed into by-products, including sodium sulfate, ammonium magnesium sulfate, ammonium sulfate, ammonium phosphate, and magnesium ammonium phosphate.

In 2025, the Kaiyang Industrial Base commissioned a new lithium iron phosphate wastewater treatment facility, which enables the classified collection and conditioning of wastewater from diverse sources, removes heavy metals and suspended solids, and degrades organic matter. Following secondary sedimentation for solid-liquid separation, the effluent undergoes further chemical phosphorus removal to ensure compliance with total phosphorus standards before being discharged. Sludge generated throughout the process is centrally dewatered and subsequently transported for external disposal.

Wastewater Discharge Data of CNGR

COD Emission

ton

2023 Operating Locations in China	46.24
2024 Operating Locations in China	29.98
2025 Operating Locations in China	51.25
2025 Global Operating Locations	51.26[1]

2 Exhaust Gas Management

In terms of air pollutant prevention and control management, the Company has established a target for peak total emissions of nitrogen oxides (NOx), sulfur oxides (SOx), persistent organic pollutants (POPs), volatile organic compounds (VOCs), hazardous air pollutants (HAPs), and particulate matter (PM) by 2035. To this end, we strictly follow relevant national laws and regulations, and formulate and implement a series of policies, including the Air Pollution Prevention and Control Management Policy, the Exhaust Gas Emission Management Policy, and the Exhaust Gas Control Procedures. Through systematic exhaust gas monitoring and management, we ensure sustained compliance with all emission indicators and minimize environmental impact.

Adhering to a holistic governance philosophy, the Company maintains atmospheric pollutant emissions within a controllable range. Each industrial base systematically promotes air pollutant prevention and control with a focus on "source control—process management—end treatment—monitoring". Clean energy, environmentally friendly raw materials, and low-emission, high-efficiency production technologies are prioritized to reduce the generation of air pollutants at source. After identifying the sources of exhaust gas and the types of pollutants, we will deploy corresponding treatment facilities for classified collection and precise treatment of industrial exhaust gases, and take effective measures to reduce the risk of fugitive emissions. At the same time, routine equipment inspections and emissions monitoring are integrated into daily management to ensure that only exhaust gas that has been purified by the treatment facilities and meets the standards can be discharged through the emission outlet, thus effectively protecting the health and safety of our employees and surrounding communities.

The Company continues to intensify the upgrading of exhaust gas treatment technologies, actively advances the adoption of "ultra-low emission" technologies, and formulates long-term plans for reducing toxic emissions and waste generation in its core operations, so as to achieve higher environmental protection goals. To further optimize exhaust gas treatment solutions and minimize hazardous waste generation, the Company has prioritized initiatives such as the "Advanced Dust Removal Project" and the "Ammonia Absorption and Reuse Project". These initiatives not only involve technological innovation, but also require thorough preliminary research and experimental verification before implementation to ensure compatibility with the actual production conditions of domestic industrial bases. The Company has organized a dedicated technical team to conduct site inspections, solution optimization and process evaluations and accurately analyze the impact of different technical routes on emissions. Through repeated equipment commissioning, the Company can ensure the stable operation and processing efficiency of its systems. In addition, the Company regularly upgrades and renovates relevant facilities and continuously tracks project performance to achieve expected goals in reducing toxic gases and air pollutants.

Exhaust Gas Management at Zhongtsing Project (CNGR Morowali Industrial Base)

Desulfurization of Rotary Kiln Flue Gas in the Ferronickel Matte Project: : In 2025, the Zhongtsing Phase II 40,000-ton low-grade nickel matte project constructed an efficient limestone/gypsum wet desulfurization system for the four rotary kiln production lines. Designed in strict accordance with the Technical Specifications for Wet Flue Gas Desulfurization of Industrial Furnaces and Kilns (HJ462-2009), the project adopts a dual-tower technology comprising "primary desulfurization tower + secondary desulfurization tower" to ensure sulfur dioxide (SO_2) concentrations of ≤ 200 mg/Nm^3 (standard conditions, dry basis) and particulate matter concentrations of ≤ 100 mg/Nm^3 (standard conditions, dry basis), meeting applicable pollutant emission standards. After the system was put into operation, the four production lines reduced sulfur dioxide emissions by a total of 8.4 t/h.

Resource Utilization of Flue Gas and Comprehensive Treatment of Waste Acid in the Low-to-High Acid Conversion Project: The Zhongtsing Phase II Low-to-High Acid Conversion Project adopts a "waste-to-resource" approach to treating high-concentration SO_2 flue gas from the blowing furnace. Utilizing a combination of power-wave scrubbing and double-contact conversion processes, the project efficiently converts SO_2 into industrial sulfuric acid, with an annual production of 120,000 tons, achieving an overall sulfur utilization rate of 98.5%. Meanwhile, a comprehensive waste acid treatment system has been established, whereby dilute acid generated during purification undergoes sedimentation, pressure filtration, and stripping processes. The resulting filter cake is recycled into raw material preparation, while wastewater is directed to centralized treatment facilities, thereby achieving the dual objectives of flue gas resource utilization and compliant wastewater discharge.

1.During the Reporting Period, the Company incorporated wastewater discharge data from Indonesian industrial bases into the disclosure boundary for the first time. As data collection and accounting systems at certain sites remain under refinement, the current disclosure for Indonesian industrial bases represents partial coverage.

Exhaust Gas Emission Data of CNGR

Nitrogen oxide (NOx) emissions kg	2023 Operating Locations in China	69,798.74
	2024 Operating Locations in China	61,920.92
	2025 Operating Locations in China	87,209.69
	2025 Global Operating Locations[1]	10,609,211.83
Sulfur oxide (SOx) emissions kg	2023 Operating Locations in China	33,246.20
	2024 Operating Locations in China	135,540.38
	2025 Operating Locations in China	59,199.59
	2025 Global Operating Locations[1]	13,131,555.57
Persistent organic pollutant (POP) emissions kg	2023 Operating Locations in China	0.00
	2024 Operating Locations in China	0.00
	2025 Operating Locations in China	0.00
	2025 Global Operating Locations[1]	0.00
Volatile organic compounds (VOCs) emissions kg	2023 Operating Locations in China	4,354.26
	2024 Operating Locations in China	1,786.22
	2025 Operating Locations in China	5,735.54
	2025 Global Operating Locations[1]	5,735.54
Hazardous air pollutant (HAP) emissions kg	2023 Operating Locations in China	1,494.10
	2024 Operating Locations in China	24.83
	2025 Operating Locations in China	54.07
	2025 Global Operating Locations[1]	54.07
Particulate matter (PM) emissions kg	2023 Operating Locations in China	61,376.72
	2024 Operating Locations in China	25,987.56
	2025 Operating Locations in China	142,155.26[2]
	2025 Global Operating Locations[1]	2,092,131.26

1.During the Reporting Period, the Company incorporated exhaust gas emission data from Indonesian industrial bases into the disclosure boundary for the first time. As data collection and accounting systems at certain sites remain under refinement, the current disclosure for Indonesian industrial bases represents partial coverage.

2.During the Reporting Period, total particulate matter (PM) emissions increased due to a significant increase in production capacity and the expansion of production scale at the Kaiyang Industrial Base.

3 Solid Waste Management

In terms of industrial solid waste prevention and control, the Company has established a target of increasing the overall waste recycling rate by 5% annually using 2022 as the baseline year, and achieving a total recycling rate of 40% by 2030. The Company strictly abides by applicable domestic laws and regulations, the overseas laws and regulations of the countries and regions where it operates, and internationally recognized principles, standards and best practices. To this end, the Company has formulated the Solid Waste Management Policy, the Solid Waste Pollution Prevention and Control Management Policy and the Hazardous Waste Management Policy to promote the reduction, harmless treatment and resource utilization of solid waste and hazardous waste. Adhering to a source-oriented management approach, the Company strives to minimize waste generation throughout production and operational processes and promote the compliant and integrated utilization of solid waste. CNGR implements stringent classification-based controls over solid waste. General waste is reprocessed into products for reuse or external sale through resource recovery to maximize its utilization value. Hazardous waste is rigorously managed under a standardized framework of "classified collection + classified storage + classified disposal" to prevent environmental and safety incidents arising from hazardous waste interactions, including toxic gas emissions or explosions. Certain recyclable hazardous wastes are further recovered and reintroduced into production processes. The hazardous waste management methods are as follows:

(1) At the end of each year, all workshops and relevant departments consolidate forecasts of the types and quantities of hazardous waste expected to be generated in the following year, take into account additional hazardous waste that may arise from new construction, renovation and expansion projects, and scientifically predict the types and total amount of hazardous waste generated in the following year. Based on these forecasts, the Company proactively coordinates with the procurement department to engage qualified disposal contractors and execute annual treatment agreements in advance, while collecting and filing relevant qualification documents of disposal and transportation providers. If any hazardous waste types not included in the original management plan arise during the actual production process in the following year, the Company will promptly notify local ecological and environmental authorities, and submit an application for a change of its hazardous waste management plan to promptly include the newly added hazardous waste in the management scope and ensure compliant disposal throughout the entire process.

(2) Designated responsible personnel are appointed to oversee the classified collection of solid waste. The generation of hazardous waste is duly recorded in the Hazardous Waste Generation Record Form. All hazardous waste shall be sealed and packaged, and collected in purpose-built containers by category and location according to solid waste classification standards and on-site conditions. Each container shall be clearly labeled to indicate the name of the waste it contains.

(3) Dedicated, standardized hazardous waste storage facilities are constructed, and their design and management strictly comply with relevant national environmental protection requirements. Each workshop promptly transfers the hazardous waste it generates to a dedicated warehouse, and jointly completes the Hazardous Waste Inbound Record Form and the Hazardous Waste Outbound Record Form with the regional EHS department. All hazardous wastes are stored in designated areas by category to avoid mixed storage, and the storage period shall not exceed one year. The warehouse is equipped with necessary emergency supplies and is subject to regular inspection to effectively prevent environmental risks such as leakage or dispersion, thereby preventing environmental pollution incidents.

(4) During transportation, appropriate safety protection and pollution prevention measures are strictly enforced. Upon completion of internal transfer operations, transport routes are thoroughly inspected and cleaned to ensure that no hazardous waste is spilled on the transfer route, and all transport equipment is properly decontaminated. In addition, personnel engaged in hazardous waste collection and transport are equipped with appropriate personal protective equipment (PPE) to ensure their safety and health.

(5) All hazardous waste is entrusted by the EHS department to licensed disposal entities holding the requisite permits for corresponding hazardous waste. The EHS department shall sign disposal contracts with such disposal entities, and apply for a transfer manifest as required. The disposal contract clearly stipulates that the third-party disposal entity shall strictly comply with relevant national and local environmental laws and regulations, and carry out the transfer, reception and disposal of hazardous waste in a standardized manner to ensure that the entire process is legal and compliant.

(6) The Company conducts systematic annual assessments of service providers engaged in the disposal of both general and hazardous waste, supplemented by ad hoc on-site audits. These assessments focus on the disposal capacity, validity of hazardous waste operating permits, emergency response plans for environmental leakage incidents, compliance with the requirements of "simultaneous design, construction and commissioning", historical compliance records of solid waste and hazardous waste disposal, so as to ensure that all wastes are disposed of in a lawful, safe and compliant manner.

(7) The Company has developed an emergency response plan for hazardous waste incidents, which specifies the emergency organization structure, environmental risk identification, emergency response procedures and corresponding prevention measures. Through regular training sessions and practical drills, the Company continuously enhances its emergency response capabilities to effectively prevent and control environmental pollution accidents caused by hazardous waste.

(8) The Company organizes regular training programs on hazardous waste management. The EHS Department is responsible for the planning, submission and implementation of company-level education and training programs, while waste-generating departments are responsible for the planning and implementation of department-level and workshop-level hazardous waste education and training programs. Training content covers laws, regulations and standards for hazardous waste management, basic knowledge of hazardous waste, hazardous waste management system, use and maintenance of hazard protection equipment and personal protective equipment, and emergency response measures in the event of incidents.

In 2025, the Qinzhou Industrial Base established a strategic partnership with a qualified contractor to process bulk bags used for low-grade and high-grade matte raw materials (general solid waste). Through a series of processes including shredding, washing and compaction, these materials were converted into recycled granular products. Through this program, the Company has achieved effective recovery of residual materials in the bulk bags, while the partner was able to reuse the recycled granules in pellet production, thereby achieving the resource utilization of solid waste. In 2025, the Company recovered a total of 708.32 tons of solid waste for resource utilization, and recycled 39.84 tons of nickel metal.

In 2025, the Company optimized the environmental management strategy of its integrated pyrometallurgical project, and strictly completed the approval procedure for the change of the complete environmental impact assessment. This facilitated a transition in the treatment of spent activated carbon (hazardous waste), shifting from outsourced disposal by external professional entities to in-house resource utilization via pyrometallurgical processes. In line with the principles of "reduction, resource recovery and harmless treatment", this initiative enables the recovery of thermal energy through combustion of spent activated carbon, which not only reduces environmental risks of external hazardous waste disposal at the source, but also significantly improves resource efficiency. This program marks a key practice of our resource recycling and transformation toward the circular economy. In 2025, the Company internally utilized a total of 303.703 tons of spent activated carbon.

At the Morowali Industrial Base, the Dingxing Project refined its handling of soda ash packaging bags by transitioning from conventional cutting methods to procedures that preserve the integrity of packaging bags during unpacking. This adjustment allows for the reuse of bulk bags, thereby reducing the use of packaging bags and the generation of waste. In 2025, CNGR Dingxing internally recycled and reused 12,340 kg of bulk bags.

Solid Waste Emission Data of CNGR

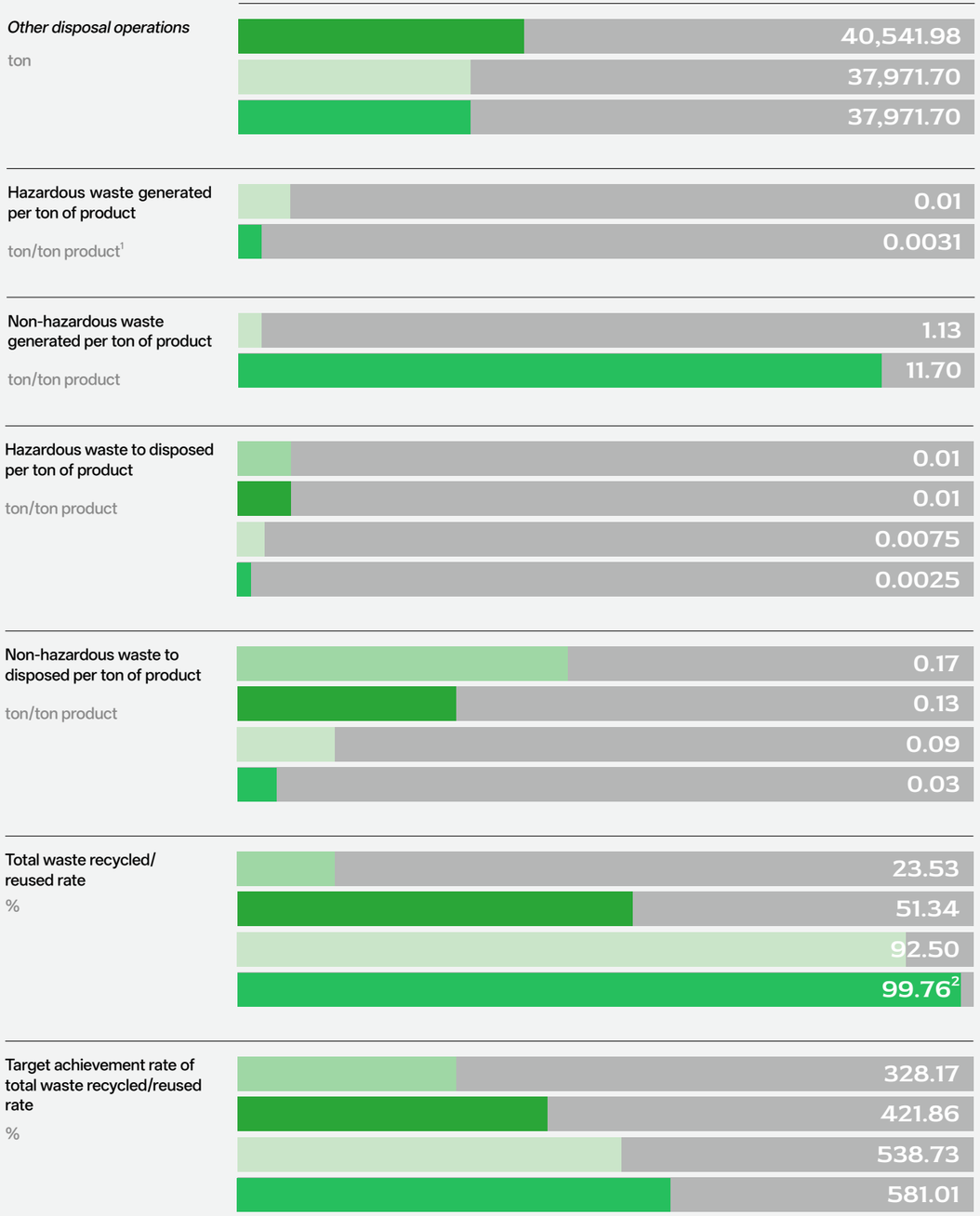
	2023Operating Locations in China	2024 Operating Locations in China	2025 Operating Locations in China	2025 Global Operating Locations
Total waste generated (excluding domestic waste) ton	74,117.62	78,291.80	496,462.86[1]	17,010,323.55
Hazardous waste generated ton	2,785.89	3,563.64	4,195.56	4,508.06
Non-hazardous waste generated ton	71,331.74	74,728.16	492,267.00	17,005,815.49

1.During the Reporting Period, the Qinzhou Industrial Base newly incorporated depleted slag into its statistical scope, resulting in a significant increase in total waste generation. Notably, 100% of depleted slag is comprehensively reutilized as a raw material for steelmaking.

	2023Operating Locations in China	2024 Operating Locations in China	2025 Operating Locations in China	2025 Global Operating Locations
Total waste to recycled/ reused[1] ton	17,441.20	40,197.77	508,331.33	17,021,879.83
Hazardous waste to recycled/reused ton	233.26	2,776.16	1,699.10	1,699.10
Non-hazardous waste to recycled/reused ton	17,207.94	37,421.61	506,632.23	17,020,180.72
Total waste to disposed ton	49,818.24	41,249.67	41,238.78	41,551.29
Hazardous waste to disposed ton	2,529.27	707.69	3,267.09	3,579.59
Waste incinerated with energy recovery ton	0.00	303.70	303.70	

1.Reuse refers to the total volume of general industrial solid waste (primarily including smelting slag and by-product gypsum) converted into usable resources (such as steelmaking raw materials, building material aggregates, and roadbed materials) through internal recycling or external collaboration. The data encompass all resource utilization projects across the Qinzhou Industrial Base (including depleted slag reuse in steelmaking and gypsum brick production) and industrial bases in Indonesia (including smelting slag for road construction and building materials).

	2023Operating Locations in China	2024 Operating Locations in China	2025 Operating Locations in China	2025 Global Operating Locations
Waste incinerated without energy recovery ton	111.46	1,363.34	1,363.34	
Waste landfill ton	0.00	478.92	478.92	
Other disposal operations ton	596.23	1,121.12	1,433.62	
Non-hazardous waste to disposed ton	47,288.98	40,541.98	37,971.70	37,971.70
Waste incinerated with energy recovery ton	0.00	0.00	0.00	
Waste incinerated without energy recovery ton	0.00	0.00	0.00	
Waste landfill ton	0.00	0.00	0.00	



1.The product scope includes major products such as precursors, iron phosphate, nickel plates, high-grade nickel matte, and low-grade nickel matte, etc.

2.During the Reporting Period, the Company incorporated smelting slag generated at the Qinzhou Industrial Base in China and all Indonesian industrial bases into the statistical scope. As smelting slag constitutes the vast majority of total waste and is fully reutilized, it significantly increased the overall waste recycling/reuse rate.

In addition, the Company adheres to the principle of "prevention first, complemented by integrated control" in the prevention and control of soil and groundwater pollution. Across all stages involving the production, utilization, storage, transportation, recycling, disposal and discharge of toxic and hazardous substances, rigorous and effective measures are implemented to prevent seepage, leakage, loss and dispersion, thereby preventing pollutants from entering the soil and groundwater environment. The Company implements strict controls on all aspects that may generate pollution. In particular, at critical junctures such as facility dismantling and equipment upgrades, the Company strictly complies with national and local environmental requirements and implements soil and groundwater pollution prevention and control measures, so as to ensure ecological and environmental safety and resolutely uphold the bottom line of environmental protection.

Furthermore, we conduct regular employee training programs on waste reduction management, aiming to enhance their awareness of waste classification and reduction, and to truly integrate the concepts of waste reduction and reuse into our ordinary operations. In 2025, CNGR organized comprehensive solid waste management training across its four major domestic industrial bases. This training focused on strengthening employees' competencies in waste classification and compliant disposal, while reinforcing the awareness of source reduction and resource recovery. Through these efforts, the Company has significantly enhanced the environmental responsibility awareness of employees at all organizational levels, and further solidified the cultural foundation for our green and sustainable development.

5.2.1.3 Water Stress

GRI 303

Governance

CNGR has established a comprehensive and well-structured water resource governance framework, characterized by tiered management and clear responsibilities. The Work Safety Committee is responsible for coordinating and formulating water resource strategies, and the Chairman and President, who serves as the highest authority of the Work Safety Committee, presides over all related matters. As the central coordinating body for water resource management, the Production and Operations Center undertakes core responsibilities including overall planning, cross-functional coordination, and supervision and assessment. At the industrial base level, the Production and Operations Department leads a collaborative mechanism that integrates production plants, the EHS Department and the General Office, thereby fostering an efficient and collaborative multi-departmental governance model. Responsibilities are clearly defined: The General Office is responsible for signing water-related contracts, handling payments, and external coordination to ensure a stable water supply. The Operations Department prepares annual water usage plans, maintains usage records, conducts water dispatching, and regularly analyzes water consumption. Each production facility is responsible for monitoring local water consumption, managing wastewater discharge, and implementing water-saving technical upgrades. The EHS Department manages effluent water quality to ensure that all discharge indicators meet national and local environmental protection standards. To enhance collaboration and timely response, the Company has established a monthly joint meeting mechanism to promptly communicate and resolve key and challenging issues in water resource management. A water performance evaluation system is also in place, incorporating water-saving targets into departmental KPIs to drive continuous optimization and improvement in water governance.

Strategy

CNGR attaches great importance to the sustainable management of water resources. In response to the framework requirements of the Taskforce on Nature-related Financial Disclosures (TNFD), the Company has incorporated water conservation and efficient utilization at the core of its corporate strategy. The Company has systematically constructed short-term, medium-term, and long-term water resource management pathways, which aim to minimize adverse impacts on aquatic ecosystems and foster while ensuring stable production and operation, and to promote the coordinated development of the Company and nature. In the short term, the Company focuses on optimizing existing industrial wastewater treatment processes to enhance water recycling efficiency; establishing and improving product-level water consumption management systems, with dynamic monitoring and quota-based controls across all production stages, subject to rigorous assessment; and conducting regular water-saving diagnostics and audits to identify high-consumption processes and unlock water-saving potential. In the medium term, the Company will promote the large-scale recycling of water resources, and realize the graded and tiered utilization of industrial wastewater, thus significantly reducing freshwater intake and consumption; and build an intelligent water management platform to facilitate real-time monitoring, intelligent analysis and optimized allocation of water use data, thereby comprehensively enhancing water efficiency and lean management. In the long term, the Company will pioneer an industry-leading water-saving and water reuse technology system centered on low water consumption processes and zero discharge of high-salinity wastewater; promote collaborative water conservation across the industrial chain and actively participate in watershed ecological restoration projects; and achieve positive benefits from water resources, which not only meet our own operational needs but also make a net positive contribution to regional aquatic ecosystems.

Risk Management

In terms of water resource management, CNGR strictly abides by national laws and regulations including the Environmental Protection Law of the PRC, the Water Law of the PRC, the Law of the PRC on the Prevention and Control of Water Pollution the Regulations on Water Resource Management, the laws and regulations of the countries and regions where it operates, and internationally recognized principles, standards and best practices. Internally, the Company has established a comprehensive institutional framework governing water resource management, including the Tap Water Management Policy, the Workshop Wastewater Discharge Management Policy, and the Environmental Protection Management Policy. Strict monitoring procedures are also implemented to ensure that water intake, utilization and discharge across the entire production process are legal and compliant. The Company is committed to prioritizing

water conservation and reuse in its production processes, continuously enhancing wastewater recycling rates, and ensuring that all wastewater discharges strictly conform to relevant national and local government standards.

Recognizing the crucial role of water resources in its operations, CNGR always upholds a profound sense of responsibility in water resource utilization, and is committed to ensuring that its production and operation activities do not adversely affect the management and utilization of surrounding water resources. To this end, the Company systematically conducts water risk assessments across all stages of its industrial bases, including site selection, construction and ordinary operations, and has incorporated the identification of water-related risks and impacts into routine water resource management. In 2025, the Company employed the Water Risk Filter (WRF), a tool developed by the World Wide Fund for Nature (WWF), to evaluate water stress risks under current scenarios across all global industrial bases. Based on the characteristics of the industry in which CNGR operates, the WRF framework systematically evaluated the water stress risks of all CNGR industrial bases across three principal dimensions (i.e., physical, regulatory and reputational) covering twelve specific categories, including water availability, flooding, drought, water quality, ecosystem service conditions, enabling environment, institutional and governance factors, management tools, WASH infrastructure, environmental factors, socio-economic conditions, and additional reputational considerations. The assessment results indicate that none of our industrial bases are located in regions with high or extremely high water stress risk. In the watershed physical risk assessment, the Tongren, Qinzhou, Kaiyang, Morowali, WedaBay, and North Morowali Industrial Bases are assessed as low risk, while the Ningxiang Industrial Base and the Morocco project are classified as medium risk. In terms of water availability, the Tongren, Qinzhou, Kaiyang, Morowali, WedaBay, and North Morowali Industrial Bases are assessed as low risk, while the Ningxiang Industrial Base is classified as low risk and the Morocco project as medium risk.

In 2025, the Qinzhou Industrial Base introduced a wash water recovery and filtration system, whereby process wash water is purified and reused for cleaning reaction vessels, thereby partially substituting the consumption of fresh pure water. Meanwhile, a technical upgrade redirected the ammonia absorption tower's motor sealing water pipeline to the cooling tower system, enabling closed-loop reuse. Through these two key water-saving measures, the Qinzhou Industrial Base achieved cascading utilization and circular reduction of water resources, resulting in annual savings of approximately 4,236 tons of pure water. Leveraging its existing rainwater collection system, the Qinzhou Industrial Base harvested a total of 59,427 m3 of rainwater throughout the year. The collected rainwater was utilized as a substitute for freshwater in production processes, including slag flushing in integrated pyrometallurgical production lines, thereby effectively enhancing overall water resource utilization efficiency. In addition, the Qinzhou Industrial Base implemented a "waste heat steam condensate recovery" technology to capture and condense surplus steam generated during the operation of the de-ammoniation tower, thus effectively reducing both pure water consumption and heating energy consumption.

The Kaiyang Industrial Base launched a "sampling cooling water recovery through boiler conductivity online analysis system" project, whereby cooling water generated from the conductivity online analysis system is collected, and after basic filtration and temperature regulation, then returned to the boiler soft water tank for reuse as boiler make-up water, thereby reducing both freshwater consumption and wastewater discharge. In addition, the Kaiyang Industrial Base recovered process condensate generated during production and repurposed it in the ferrous dissolution process, replacing the originally required pure water. The recovered condensate not only met process quality requirements but also retained intrinsic thermal energy. This initiative achieved savings of 4.48 m3 of pure water and 0.19 tons of steam per ton of product, achieving synergistic and efficient utilization of waste heat and water resources.

The Ningxiang Industrial Base launched a water resource synergy optimization project to address the imbalance of water supply arising from the previously independent operation of the ternary, cobalt and recycled pure water systems. The initiative successfully enabled complementary substitution among the three categories of reclaimed water and established dedicated recycled water storage tanks to build a unified cross-regional allocation hub. The project also deployed an intelligent monitoring system to achieve peak-shaving and valley-filling in water usage relying on big data. The project further enhanced the recovery efficiency of distilled water, and strictly controlled water volumes replaced by cooling towers, thereby establishing a multi-tiered water circulation system. As a result, municipal water consumption at the facility declined steadily, with peak monthly water savings reaching up to 80% and annual cost savings exceeding RMB1 million.

CNGR conducts a water resource risk assessment on an annual basis, which focuses on evaluating whether its industrial bases cause any adverse impact on surrounding water sources and local communities, as well as assessing potential risks arising from changes in the spatial and temporal distribution of water quantity and quality after the project is implemented, and from changes in policies and regulations. During the Reporting Period, none of our industrial bases were located within or adjacent to protected water resource zones, and no incidents were identified in which water intake or discharge adversely affected local watershed ecosystems or community water usage. Based on predictive analyses of regional water resource conditions and ongoing water quality monitoring, no risks of water scarcity or contamination were detected; both water availability and quality are expected to remain stable. Furthermore, the prevailing regulatory environment remains generally stable, with no policy adjustments or potential risk factors identified that could potentially constrain our access to water resources.

CNGR continues to advance water conservation initiatives, and systematically reduces water intensity in production and operation processes through energy-saving technological upgrades and resource recycling. In 2025, the Company implemented a series of water conservation projects, including process optimization, industrial wastewater reuse, wash water recycling, rainwater harvesting and distilled water recovery, which significantly enhanced the water recycling rate in its facilities and effectively reduced freshwater intake and wastewater discharge.

CNGR conducts regular water conservation training across its industrial bases each year to enhance employees' awareness of water conservation and professional competencies in water resource management. The training programs cover not only fundamental principles of water conservation but also practical methodologies for optimizing water usage processes and minimizing waste in ordinary operations. In addition, the Company regularly organizes diverse water conservation awareness campaigns in communities surrounding its water sourcing locations. These initiatives include the display of promotional posters, distribution of water-saving handbooks, and the hosting of thematic seminars, all designed to promote the concept of water conservation and resource protection. Through these initiatives, the Company encourages its employees and all sectors of society to participate in protecting water resources, thereby advancing continuous progress in water conservation and emission reduction.

Targets & Metrics

CNGR has established a target for wastewater discharge intensity per ton of product. Using 2022 as the baseline year, it aims to achieve an annual reduction of 3.5%, and reach 11 m^3 per ton of product by 2026. By 2025, the Company aims to achieve an overall water recycling rate of 70% across its four domestic industrial bases. The Company further commits to exploring and formulating water governance targets for its overseas industrial bases; refraining from conducting production and operation activities in regions classified as high water stress risk; and collaborating with communities surrounding its water sourcing areas to conduct water resource protection activities. To this end, the Company continues to increase investment and technological upgrades in existing water treatment and recycling systems, and increases investment in scientific research to develop more efficient and sustainable water resource treatment and recycling technologies. The Company will further optimize its water management framework, and enhance water use efficiency and recycling capacity. In addition, the Company has expanded the scope of its water footprint assessments, and actively engaged upstream and downstream partners in water resource management through water conservation training and technical support, thereby fostering a green and low-carbon industrial ecosystem.

During the Reporting Period, our wastewater discharge intensity was 7.10 m^3/ton product, achieving over 100% of the target. The water recycling rate reached 59.05%, representing an achievement rate of 84.36% against the 2025 target (70%). The Company also completed its first CDP questionnaire and was awarded a rating of B.



Water Resource Management Data of CNGR

	2023	2024	2025[1]
Total water intake ML	4,558.56	5,289.49	7,066.82
Surface water intake ML	2,821.58	3,037.79	2,716.88
Groundwater intake ML	0	0	0
Water intake from third-party facilities ML	1,736.98	2,251.71	2,354.83
Total water reused ML	6,997.25	7,809.78	10,188.62
Water Recycling Rate[2] %	60.55	59.62	59.05
Total water discharge ML	2,779.48	3,323.93	3,092.08
Discharge to surface water ML	1,302.81	1,246.85	1,116.48
Discharge to third-party facilities ML	1,476.67	2,077.08	1,975.60
Total water consumption[1] ML	1,740.97	1,965.57	3,974.75
Water consumption per unit product m^3/ton product[2]	6.19	6.08	9.13
Economic intensity of total water consumption m^3/RMB million	51.91	48.87	82.57
Reclaimed water reused[3] ML	8,228.46		10,265.35
Reclaimed water reuse rate[4] %	60.87[5]		59.23

1.The statistical scope of water resource management data for the current year primarily covers operating locations in China. With respect to overseas industrial bases, the Company is in the process of optimizing its global environmental data collection framework to ensure accuracy, consistency and verifiability of disclosed data, while standardizing measurement criteria and accounting methods across all industrial bases.

2.Water recycling rate = total water reused / (total water intake + total water reused) × 100%.

1.Total water consumption = Total water intake - Total water discharge.

2.The product scope includes major products such as precursors, iron phosphate, nickel plates, and high-grade nickel matte, etc.

3.In the Report, "reclaimed water" refers to water sources used to replace tap water, surface water and groundwater, including rainwater, greywater, and purified water derived from treated wastewater.

4.Reclaimed water reuse rate = reclaimed water reused / (total water intake + reclaimed water reused) × 100%.

5.For consistency of data methodology, the reclaimed water reused and the reclaimed water reuse rate for 2024 have been retrospectively restated in accordance with the definitions in the Report.

5.2.1.4

Circular Utilization of Energy Metals

GRI 301

Governance and Strategy

CNGR regards the recycling and circular utilization of energy metals as a core strategic priority. Through in-depth collaboration among its operations, R&D and production departments, the Company comprehensively drives the high-quality development of battery recycling and metallurgical slag utilization businesses. Guided by the strategic philosophy of "closed-loop lifecycle management", the Company leverages its vertically integrated industrial structure, cutting-edge technological innovation, global partnership network and market expansion capabilities to establish a complete ecosystem covering resource recovery to circular reuse. In the future, the Company will continue to strengthen the development of its global recycling network, enhance the global allocation of renewable resources, and position itself as a pivotal force in advancing the sustainable development of the new energy industry.

Opportunity Management and Targets & Metrics

Leveraging its profound expertise in the energy metal recycling system, CNGR has established a closed-loop ecosystem across the entire chain. As one of the few companies in China and the first in Guizhou Province to obtain both "cascade utilization" and "regenerative utilization" qualifications from the Ministry of Industry and Information Technology, the Company leverages its vertically integrated industrial footprint and advanced metallurgical technologies to effectively address key industry challenges in spent battery recycling, including low disassembly efficiency, impurity contamination, and difficulty in metal recovery. At the Tongren Industrial Base, the Company has successfully established an end-to-end production system covering "battery dismantling—cascade utilization / mechanical processing—comprehensive recycling and regeneration". Currently, it boasts an annual processing capacity of 30,000 tons for retired batteries and electrode pre-treatment, 25,000 tons for ternary black mass smelting, and 15,000 tons for lithium iron phosphate black mass smelting, alongside an annual cascade utilization capacity of 100 MW. At the downstream stage, the Company has implemented carbonization and purification processes for crude and industrial-grade carbon, achieving an annual production capacity of 10,000 tons of battery-grade lithium carbonate. CNGR has met national recycling standards in terms of recycling processes, recovery rates for nickel, cobalt and lithium, and traceability management. By adopting the ISO 14021 Recycled Content Certification system, the Company has realized internal circularity and external collaboration, where recycled nickel and cobalt feed directly into precursor production while lithium carbonate is supplied to cathode material customers. Through these integrated capabilities, CNGR has established highly competitive end-to-end closed-loop service capabilities.

The Company is actively advancing the establishment of a global recycling network while deepening cross-border strategic partnerships. In response to the imminent global wave of retired power batteries, the Company has expanded its international footprint and entered into in-depth strategic collaborations with leading global recycling companies. Notably, the Company is co-developing a spent battery recycling facility in Bitterfeld, Germany. The electrode processing line of this project has already commenced operations, while the battery recycling line is expected to be officially put into operation in 2026, aligning closely with Europe's battery retirement curve. As one of the first operational battery recycling facilities in Western Europe, this project will effectively alleviate the shortage of local processing capacity and provide professional and harmless recycling services. It marks the successful establishment of CNGR's industrial ecosystem of "resource development—intelligent material manufacturing— global circulation" in Europe.

Technological innovation serves as the core engine of the energy metal recycling business. In terms of the recycling business, the Company possesses a fully independent intellectual property portfolio, with 131 authorized patents. In 2025, Guizhou CNGR Resource Recycling Industrial Development Co., Ltd., a subsidiary of the Company, was awarded the First Prize of the 2025 Science and Technology Award by the China Association of Circular Economy for its project "Key Technologies and Applications for Efficient Multi-component Recovery of Retired Lithium Batteries and the Development of a Digital Platform". At the same time, it won the Second Prize for another project "Key Technologies and Applications for Energy Metal Extraction and Battery Material Preparation". These technologies cover the development of digital intelligent management platforms, targeted electrolyte recovery, and advanced pyrolysis-based separation technologies, which have significantly enhanced resource recovery efficiency and pollution control standards. This integrated technological framework covering from "front material preparation" to "end recycling" has not only reinforced our technological control over the entire value chain, but also provided critical technological support and demonstrative practices for the standardized and sustainable development of the new energy industry.

During the Reporting Period, our recycling business maintained strong momentum, and processed over 70,000 tons of retired battery equivalent and reduced carbon emissions by approximately 300,000 tons throughout the year.



5.3 Biodiversity

5.3.1 Biodiversity Conservation Action

Biodiversity conservation holds strategic significance for the long-term and stable development of CNGR. CNGR will gradually advance biodiversity protection efforts, expanding from pilot initiatives to a broader, more integrated approach.

2022	Issue a biodiversity conservation commitment. Completed For details, please refer to the 2022 ESG Report of CNGR.
2023	Conduct biodiversity risk assessments at domestic operational sites; Select CNGR's Indonesian base as a pilot for biodiversity conservation efforts. Completed
2024	Develop CNGR's Biodiversity and Land Use Policy; Adopt the TNFD framework and set strategic goals and management approaches for biodiversity conservation; Launch the Indonesia Biodiversity Conservation Project. Completed
2025	Collaborate with stakeholders to initiate biodiversity protection initiatives. Completed
2030	Disclose a TNFD report

5.3.1.1 Biodiversity and Land Use

GRI 101

Governance

CNGR has established a management system and reporting mechanism with clearly defined responsibilities and authorities in respect of biodiversity and land use. The Strategy and ESG Committee of the Board, as the highest governing body, comprehensively leads our strategic planning and policy formulation, and is responsible for supervising and managing related risks. The Sustainability Office, as the standing executive body, is responsible for the assessment and management of biodiversity and land use matters, covering evaluating our dependencies and impacts on natural ecosystems, identifying related risks and opportunities, and analyzing their potential implications for corporate strategy and operational planning. The Sustainability Office regularly reports progress to the Strategy and ESG Committee of the Board. The Sustainability Office dynamically adjusts our commitments, goals and implementation plans on biodiversity and land use based on changes in the internal and external environment to ensure the continued effectiveness and forward-looking nature of governance activities.

Strategy

CNGR recognizes the importance of biodiversity and land use in maintaining ecological balance, addressing climate change and advancing sustainable development. The Company hereby solemnly commits to fully adhering to the core principles established under the Convention on Biological Diversity, the Nagoya Protocol, and the Kunming–Montreal Global Biodiversity Framework, and to systematically integrating these principles into its strategic planning and ordinary operations, thereby proactively addressing biodiversity loss and land degradation.

To this end, CNGR has formulated clear and phased strategic goals. In the short term, the Company will actively collaborate with non-governmental organizations (NGOs) and international initiatives to initiate biodiversity conservation efforts, while advancing the identification and assessment of nature-related risks in accordance with the TNFD framework. In the medium term, it aims to comprehensively implement TNFD requirements, establish a structured internal management system for biodiversity and land use, and institute mechanisms for regular evaluation and continuous improvement. In the long term, CNGR aims to achieve a net positive impact (NPI) on biodiversity by 2050.

Risk Management and Targets & Metrics

CNGR developed its Biodiversity and Land Use Policy based on the requirements and goals of the Kunming-Montreal Global Biodiversity Framework, while also adhering to the principles of the UN Convention on Biological Diversity, the UN Convention to Combat Desertification, and the Task Force on Nature-related Financial Disclosures (TNFD) framework. The policy was reviewed and approved by the Strategy and ESG Committee of the Board.

CNGR has adopted the LEAP approach (Locate, Evaluate, Assess, Prepare) to conduct location-based analysis and utilized integrated biodiversity assessment tools to identify biodiversity-related risks across its domestic and international production and operational sites. This provides a foundational basis for identifying, assessing, and managing nature-related risks and opportunities. Based on this assessment, None of the four domestic industrial bases, nor the Indonesia Morowali and WedaBay Industrial Bases, are located within a 5-kilometer radius of habitats involving species classified as Critically Endangered (CR), Endangered (EN), or Vulnerable (VU) under the IUCN Red List of Threatened Species. Within a 5-kilometer radius of CNGR's four domestic industrial bases, no species listed under Class I or II of the Wildlife Protection Law of the PRC, or terrestrial wildlife under special state protection for their ecological, economic, or scientific research value, have been identified. These areas are also not located within key ecological function zones, ecologically sensitive or vulnerable areas, biodiversity conservation zones, or other strictly controlled zones designated under the Environmental Protection Law of the PRC and its associated ecological redline policies.

To further evaluate its nature-related risks and inform targeted risk management measures, CNGR used the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) database recommended by TNFD to assess the natural dependencies and impacts of the new energy value chain. Findings from the assessment include: high material impacts on nature: water usage, pollutant discharge to soil and water, solid waste discharge and greenhouse gas emissions; moderate dependencies on ecosystem services: water availability, flood regulation, storm protection and capacity for solid waste decomposition; low to moderate dependencies on other ecosystem services, such as: global climate regulation, noise attenuation and air purification. Detailed analysis of nature-related impacts and dependencies is as follows:

(1)Impacts on Nature:

Water usage: The Company's water intake and usage during production may place pressure on local water resources (please refer to the section headed "Water Stress").

Pollutant discharge to soil and water: During production, certain pollutants may be discharged into soil and water, affecting their quality and posing potential threats to ecosystems (please refer to the section headed "Waste and Pollutant Management").

Solid waste discharge: Improper management of solid pollutants generated throughout the upstream and downstream supply chain, as well as from our own operations, may degrade soil quality and introduce environmental risks (please refer to the section headed "Waste and Pollutant Management").

Greenhouse gas emissions: Emissions are generated due to certain production processes and energy consumption. The Company has promoted the implementation of carbon reduction measures (please refer to the section headed "Climate Change Response").

(2)Dependencies on Ecosystem Services:

Water availability: The Company's production heavily depends on water resources, making it highly reliant on the health and sustainability of aquatic ecosystems (please refer to the section headed "Water Stress").

Flood regulation: Some of our production bases may be vulnerable to the threat of flooding caused by extreme weather events, r, especially the areas where the Tongren Industrial Base and the Morowali Industrial Base in Indonesia are located. The stability of the supply chain is largely dependent on natural flood regulation (please refer to the section headed "Climate Change Response").

Storm protection: The Qinzhou Industrial Base, the Morowali Industrial Base, and the WedaBay Industrial Base are located near coastal areas and are prone to extreme weather such as typhoons. These events may damage facilities and disrupt employee commuting, thereby threatening the continuity of production (please refer to the section headed "Climate Change Response").

Capacity for solid waste decomposition: Solid waste generated during production relies on the surrounding ecosystem's inherent capacity for assimilation and ecological restoration at the final disposal stage. The Company shall strictly regulate the intensity of waste accumulation and landfill practices to prevent irreversible impacts on plant premises and adjacent ecosystems (please refer to the section headed "Waste and Pollutant Management").

CNGR has undertaken a systematic review of its entire production and operational value chain to comprehensively assess the impacts on and dependencies upon biodiversity and land use at each stage. Through this process, the Company has identified key areas with relatively high impact and dependency, thereby providing a basis for subsequent risk identification and assessment.

For those impact and dependency factors assessed as medium or above, the Company will further convene relevant departments to discuss and analyze their impact risks, dependence risks and potential financial impacts. In accordance with the ESG Policy of the CNGR, the Biodiversity and Land Use Policy of the CNGR and related internal risk management frameworks, nature-related risks have been formally classified as a material risk category and incorporated into our risk management system for unified management and mitigation.

Biodiversity Risk Analysis of CNGR

Risk Type	Relevant Risk	Impact Items	Risk Description	Potential Financial Impact	Countermeasures
Transformation Risk	**Policies and Regulations**	• Emissions of pollutants into soil and water • Discharge of solid pollutants • Greenhouse gas emissions	Against the backdrop of increasingly stringent global environmental regulations, regulatory requirements in key areas, such as carbon emission control, waste management and energy utilization, continue to intensify. Typical examples include the EU Battery Regulation and the Carbon Border Adjustment Mechanism. Enterprises are confronted with increasing compliance pressures; Regulators and investment institutions are imposing higher standards on the transparency and granularity of disclosures relating to greenhouse gas emissions, emissions reduction targets and implementation results, which directly increases operational and financing costs. In the face of rapidly evolving global environmental policies, CNGR shall maintain acute regulatory vigilance, promptly adjust its internal management practices and technological pathways, and strictly adhere to strict compliance standards to effectively avoid potential legal disputes and substantial financial penalties.	• Increased compliance costs, operating expenses and procurement costs.	• The Company has established a dedicated policy and regulation monitoring mechanism, with a dedicated team dynamically monitoring the evolution of domestic and international regulations to ensure timely understanding of policy changes and optimization of internal response strategies; • The Company continues to monitor government incentives, such as subsidies and tax benefits for low-carbon technologies and green transformation, and proactively leverages policy instruments to alleviate financial pressures during the low-carbon transition; • The Company strictly implements local waste discharge regulations at all its production bases worldwide, and adopts full-process classification and control over the discharge of general industrial solid waste and hazardous waste to ensure comprehensive regulatory compliance.
	Market	• Greenhouse gas emissions	With the growing prevalence of low-carbon consumption philosophies and the deepening orientation toward responsible investment, market preference for environmentally friendly and low-carbon products continues to strengthen. If The Company fails to promptly adjusts its product structure or technological capabilities, it may face multiple operational pressures, including loss of core customers, shrinking market share and declining profitability. Meanwhile, the procurement costs of green raw materials and clean energy are exhibiting a structural upward trend, which may further increase our overall manufacturing and delivery costs.	• Increased compliance costs, operating expenses and procurement costs.	• Through market analysis, the Company develops in-depth insights into the core demand of consumers and customers for green and low-carbon products, and proactively anticipates industry evolution trends to optimize its product portfolio and operational strategies, thereby ensuring strategic alignment with market demand.
	Reputation	• Water resource utilization • Emissions of pollutants into soil and water • Discharge of solid pollutants • Greenhouse gas emissions	Failure to effectively manage environmental and social impacts during operations may impair our reputation among local communities and non-governmental organizations. Moreover, inadequate implementation of risk mitigation measures could undermine the long-term confidence of investors and financial institutions in the Company, shake their judgment on our sustainability capabilities, and in extreme cases, may trigger capital withdrawal, thereby adversely affecting our financing capacity and the stability of our capital structure.	• Increased compliance costs.	• The Company has systematically integrated the requirements of biodiversity and land use management into the Supplier Code of Conduct, the Biodiversity and Land Use Policy, and the Due Diligence Policy for Responsible Global Mineral Supply Chains, which clearly stipulates relevant provisions and requires upstream and downstream supply chain partners to follow such provisions and strictly fulfill their obligations; • Through regular training programs and capability-building initiatives for its management and all employees, the Company continues to enhance organizational awareness and execution capabilities in biodiversity-related matters; • The Company has formally launched a dedicated biodiversity initiative, focusing on building a collaborative governance network with local governments, non-governmental organizations and industry peers. Through such partnerships, the Company seeks to mitigate the impacts and risks associated with nickel mining on biodiversity and land use.
Physical Risk	**Severe Natural Factors**	• Storm mitigation • Flood control	As global climate warming intensifies, both the frequency and severity of extreme weather events have risen markedly. Natural disasters, such as rainstorms, typhoons and flooding, pose direct threats to our production bases located in coastal regions. These climate anomalies may not only damage plant infrastructure and key production equipment, but also cause systemic disruptions to raw material supply, and logistics, transportation and production continuity, thereby undermining the stability of the overall supply chain and our delivery capabilities.	• Increased capital expenditure and operating costs.	• The Company continues to strengthen disaster prevention and mitigation capabilities across coastal and waterside industrial bases, and systematically advances the upgrade of critical infrastructure for flood control and wind resistance. The Company conducts comprehensive risk assessments at each industrial base, and formulates dynamic, scenario-based emergency response plans accordingly to ensure personnel safety and the continuity of production and operations.
	Long-term Natural Factors	• Water resources • Capacity for solid waste decompositio	The Company is highly dependent on water resources across its core production processes. Any shortage in the regional water supply may directly constrain its production rhythms and capacity utilization. Our operations generate a certain amount of solid waste, the treatment of which depends on the surrounding ecosystem's natural assimilative and restorative mechanisms. If waste classification controls and end treatment measures are inadequately implemented, hazardous substances may migrate into soil and groundwater systems, which could impair ecosystem functionality and increase our expenditures for environmental remediation and regulatory compliance.	• Increased capital expenditure and operating costs.	• The Company actively explores diversified water security solutions, and systematically evaluates approaches such as rainwater harvesting and seawater desalination to optimize supply structures, enhance water resilience, and alleviate pressure on regional water resources; • With a strategic focus on upstream process innovation, the Company seeks to minimize solid waste generation at source. For general industrial solid waste, it continues to refine resource recovery pathways and realize the production of recycled materials or compliant external sales through technological transformation, thereby maximizing the recycling value of waste while reducing end treatment burdens and environmental impact.

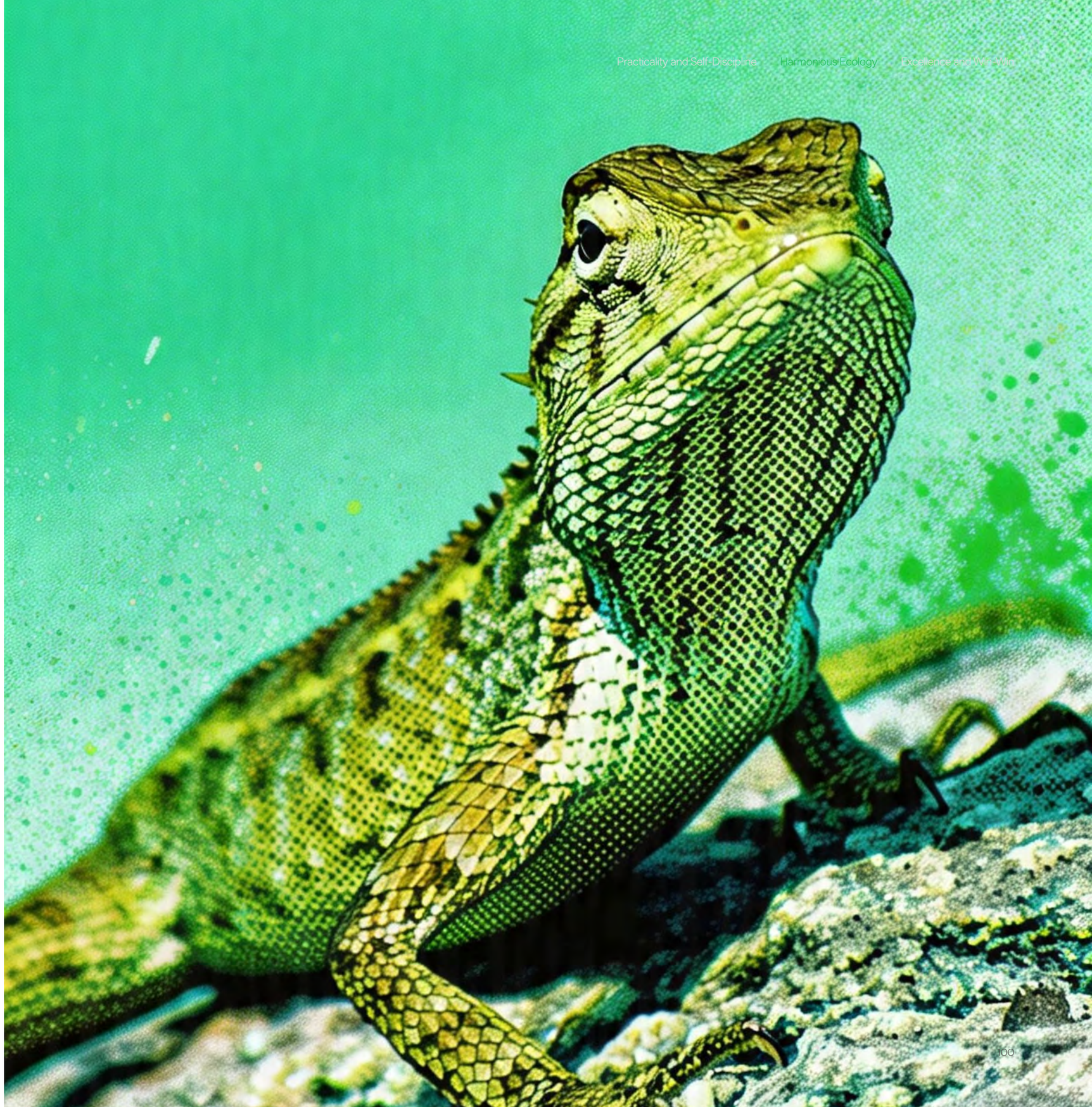
The Company remains committed to mitigating the impacts of its business activities on biodiversity and land use, and has established nature-related targets covering climate change, water resource utilization, waste management, and forest resource utilization. For details of climate change targets, water resource targets and waste targets, please refer to the sections headed "Climate Change Response", "Water Stress" and "Waste and Pollutant Management". In 2025, the Company completed its disclosures under the CDP climate and water questionnaires, and plans to publish the 2025 Climate-Related Financial Disclosure Report of CNGR Advanced Material Co., Ltd. in June 2026.

CNGR's Collaborative Biodiversity Initiatives in Indonesia

Our nickel impact program in Indonesia is a five-year initiative, and 2025 marks the second year of implementation. The program is designed to mitigate the environmental and social impacts, particularly those affecting biodiversity and land use, arising from nickel mining and smelting activities. The program is located on Sulawesi Island, Indonesia, and seeks to reduce the biodiversity and environmental impacts of nickel mining through engaging local communities and nickel mining companies.

The program employs screening methodologies based on High Conservation Value (HCV) principles, and emphasizes the early identification of sensitive species and habitats. It further establishes shared priorities among government authorities, corporate entities and local communities, and develops clear and standardized protocols for wildlife encounter management. In addition, by leveraging ongoing renewable energy projects, the program assesses pathways for reducing greenhouse gas emissions in mining areas, thereby further mitigating the adverse impacts of mining activities on biodiversity.

Through structured training sessions for stakeholders and participants, the program has facilitated a transition from passive compliance to proactive risk management. Upon completion of training, participants are equipped to recognize biodiversity as both a critical operational risk and opportunity, identify protected and endemic species in mining areas, respond safely and appropriately to wildlife encounters, and report wildlife sightings and fatalities in accordance with established procedures.



06

Excellence and Win-Win

The Company remains steadfast in addressing the legitimate expectations of all stakeholders, and proactively builds a closely integrated, mutually beneficial value chain ecosystem to promote the common growth and long-term development of the Company, employees, supply chain partners and all stakeholders. Throughout its business development, the Company places great importance on stakeholder rights and well-being. Guided by the principles of equitable collaboration, mutual benefit and value co-creation, the Company has established a sustainable framework for coordinated development. Internally, the Company is committed to fostering a safe and healthy working environment, offering equitable career development platforms and systematic talent cultivation systems. Through these efforts, it continuously enhances employees' professional expertise and holistic capabilities, while strengthening team cohesion and innovation culture. Externally, the Company deepens collaboration across the industrial value chain, and promotes resource sharing, technological synergy, and green and low-carbon development. It continues to refine its supplier management system, reinforce compliant operations, environmental management and social responsibility, and comprehensively enhance the resilience and competitiveness of the supply chain, thereby contributing to the overall quality improvement and upgrading of the industry. Meanwhile, the Company actively engages with government authorities, industry associations and public welfare organizations to advance the improvement of industry standards and the effective implementation of social responsibilities. Looking ahead, the Company will continue to uphold its philosophy of excellence and win-win, and further strengthen multi-stakeholder collaboration mechanisms. By working in concert with all sectors, we will explore sustainable development pathways, achieve overall synergistic development of the value chain, and generate greater social and economic value.

This chapter responds to the following topic:

- Legal Employment and Human Rights Protection
- Employee Training and Career Development
- Occupational Health and Safety
- Innovation
- Intellectual Property Management
- Chemicals Management
- Product Lifecycle Management
- Product Quality and Safety
- Customer Management
- Equal Treatment for Small and Medium-Sized Enterprises (SMEs)
- Community Engagement
- Rural Revitalization and Social Contribution

This chapter responds to the following SDGs:





6.1 Health Protection

6.1.1 Diversity and Inclusion Action

Based on its internal capabilities, CNGR has developed a comprehensive human rights framework encompassing a human rights statement, protection policies, relevant training, and employee diversity initiatives, with a view to enhancing our social impact and value creation.

2022	Develop and publicly disclose the CNGR Human Rights Policy. Completed For details, please refer to the 2022 ESG Report of CNGR.
2023	Establish a sound reporting and oversight mechanism to protect whistleblowers. Completed
2024	Conduct human rights protection training; Initiate human rights risk assessment; Expand employee communication channels and establish a process for receiving employee opinions and feedback. Completed
2025	Complete the human rights risk assessment; Develop a plan to enhance rights protection. Completed
2030	Become a leading advocate for diversity within the industry.

6.1.1.1 Legal Employment and Human Rights Protection

GRI 2, GRI 202, GRI 401, GRI 405, GRI 406, GRI 407, GRI 408, GRI 409

Governance

CNGR has established and continuously improved its human rights protection system by developing a governance framework and delegating management responsibilities to designated departments to ensure that all employment practices comply with relevant laws and regulations, and that the legal rights of every employee are fully protected. The Strategy and ESG Committee of the Board is responsible for reviewing and approving human rights-related strategic objectives, policies and major matters, as well as overseeing the identification, assessment and management of material human rights risks and opportunities. The Sustainability Office is responsible for the ordinary supervision and coordination of the implementation of strategic objectives and the management of major risks. The Human Resources Center and the HR departments at each industrial base play a critical role in this system, managing key HR functions including recruitment, training, performance appraisal, compensation and benefits, and labor relations coordination. These departments rigorously oversee each aspect of employment to ensure compliance with all applicable laws and regulations. The Human Resources Center consists of the Recruitment & Allocation Department, Talent Development Department, Organizational Development Department, Shared Services Department, Executive Management Department, and International Human Resources Department. Each has clearly defined responsibilities and works in close collaboration to ensure efficient and fair human resource management. In the recruitment process, the Company adheres to principles of fairness and transparency, and actively recruits outstanding talent who meet the job requirements. The Company firmly rejects all forms of discrimination, and ensures equal opportunity for every applicant. Training programs are designed in alignment with corporate strategy and employee job requirements, offering tiered and categorized plans to help employees enhance their professional skills and achieve career growth. The performance appraisal system is fair and objective, ensuring that employees' contributions are duly recognized and rewarded to maximize motivation. In terms of compensation and benefits, the Company ensures timely and full disbursement of wages and entitlements, safeguarding employees' economic rights. Labor relations are managed through well-developed labor dispute resolution mechanisms to address and resolve any conflicts between the Company and employees, thereby fostering a harmonious and stable work environment.

Strategy

Lawful employment and the protection of human rights constitute the cornerstone of sustainable corporate development. These priorities not only relate directly to the well-being of employees but also form the foundation for building harmonious and stable labor relations, enhancing corporate reputation, and improving competitive advantage. Focusing on three core dimensions of employee employment, human rights management, and employee care, the Company has systematically formulated and continuously advanced relevant strategies and objectives, and is committed to fostering an equitable, inclusive and human rights–respecting workplace, thereby providing a robust foundation for sustainable and high-quality development.

In terms of employment practices, the Company adheres to the principles of legality and compliance, while actively advancing localized, fair and diversified employment practices. The Company strictly complies with national labor laws and relevant international labor conventions, and ensures that the entire process of recruitment, hiring and contract execution meets both legal and ethical standards. By deepening its localized employment strategy, the Company has established long-term partnerships with local communities, educational institutions and regional organizations, thereby expanding employment opportunities in its operating locations and contributing to regional economic vitality. Furthermore, the Company continues to optimize its recruitment mechanisms, resolutely eliminates discrimination based on gender, age, ethnicity or geographic origin, and ensures a transparent and equitable recruitment process. It also promotes workforce diversity by actively attracting talent from varied backgrounds, thereby enhancing organizational inclusiveness and fostering innovation.

In terms of human rights management, the Company is committed to establishing a systematic and routine framework for the identification and management of human rights risks, and embedding due diligence practices throughout its governance and operational processes. The Company has established a comprehensive human rights risk assessment and monitoring system, under which annual due diligence exercises are conducted across all business segments to identify, evaluate, and manage potential risks. The Company formulates and rigorously implements human rights protection policies and procedures, and ensures their effective implementation across procurement, production and employment processes. The Company has established channels for human rights-related complaints and remedies to ensure that complaints from employees and stakeholders are handled and responded to in a timely and fair manner. In addition, regular human rights training programs and awareness initiatives are conducted to strengthen human rights literacy and managerial capability of all employees.

In terms of employee care, the Company has developed a comprehensive, multi-tiered support system designed to enhance employees' sense of belonging, fulfillment and job satisfaction. It continues to refine its compensation and benefits framework to ensure market competitiveness, with benefits extending progressively to cover health, family and broader lifestyle needs. Employee health and safety enhancement programs are implemented to systematically improve working conditions, while inclusive career development and training mechanisms support employee capability building and long-term professional growth. Regular employee satisfaction surveys and communication dialogues are conducted to respond to legitimate concerns in a timely manner, thereby fostering harmonious and stable labor relations.

Through the systematic and structured advancement of these strategic initiatives, the Company will continue to deepen its practices in employee recruitment and human rights protection, so as to reinforce the intrinsic drivers of sustainable development while offering a valuable benchmark for the industry.

Risk Management and Targets & Metrics

The Company is committed to respecting and protecting the human rights of all employees, irrespective of race, color, religion, gender, sexual orientation, age, disability, nationality or any other identity characteristic. The Company prohibits all forms of modern slavery and forced or compulsory labor across its operations, strictly forbids the employment of child labor, and maintains a zero-tolerance stance toward discrimination, harassment and abuse. It respects employees' rights to freedom of association and collective bargaining, while actively fostering a diverse, equitable and inclusive workplace environment.

The Company strictly adheres to international conventions including the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, the Convention on the Rights of the Child, and the United Nations Global Compact, as well as applicable domestic laws and regulations including the Labor Law of the PRC, the Law of the PRC on the Protection of Women's Rights and Interests, and the Provisions on the Prohibition of Child Labor. Respect for and protection of human rights are embedded throughout all aspects of our operations. According to international conventions, and domestic and international laws and regulations, and with reference to international human rights standards such as SA8000 and the Responsible Business Alliance (RBA) Code of Conduct, the Company has established its ESG Policy and Human Rights Policy, which include core contents such as prohibiting child labor and forced labor, anti-discrimination, reasonable working hours, and occupational health and safety. These policies apply to all employees (including full-time employees, dispatched workers, part-time employees, and interns) and the entire process of business operations. Furthermore, the Company extends its human rights governance to its supply chain and business partners, and requires suppliers and other stakeholders to adhere to its human rights policies, thereby jointly advancing responsible business conduct and building a sustainable value chain.

To ensure the systematic fulfillment of its human rights commitments, the Company has established and continuously improves a series of institutional documents, including the Anti-Discrimination Management Procedure, the Anti-Harassment and Anti-Abuse Management Procedure, the Freedom of Association and Collective Bargaining Rights Management Procedure, the Child Labor and Underage Worker Remediation Procedure, the Forced Labor Prevention Management Procedure, the Anti-Human Trafficking Control Procedure, and the Recruitment Management Policy. These policies apply to all employees (including full-time employees, dispatched workers, part-time employees, and interns), and ensure that their basic rights are effectively protected throughout the entire employment process.

1 Employee Employment

The Company strictly adheres to international labor standards and the laws and regulations of its operating jurisdictions, and regards lawful employment and equal opportunity as the cornerstone of its operations. Throughout the recruitment and employment process, the Company consistently upholds the principles of fair competition and equal opportunity, and resolutely prohibits any form of discrimination based on race, color, gender, age, religion, nationality, disability or other factors, thereby ensuring equitable access to employment for all candidates.

The Company actively promotes a localized employment strategy, and prioritizes talent recruitment in its operational regions, especially by creating employment opportunities in economically underdeveloped and remote areas, thereby contributing to local socio-economic development. During the Reporting Period, the Company continued to expand recruitment across its domestic industrial bases in Tongren, Ningxiang, Qinzhou and Kaiyang, as well as its overseas projects in Indonesia and Morocco. A total of 3,295 new local front-line positions were created in our operating locations throughout the year, with starting salaries set above local minimum wage levels, thereby effectively enhancing employee livelihoods and social well-being.

In terms of pay equity, the Company is firmly committed to the principle of equal pay for equal work for men and women. It has established a remuneration monitoring mechanism to regularly analyze salary data across genders, and continuously reviews and advances pay equity. During the Reporting Period, the ratio of starting salaries for both male and female employees to local minimum wage levels across all industrial bases remained above 1.36. In particular, in the Tongren Industrial Base, the ratios were 1.46 for male employees and 1.36 for female employees; in the Ningxiang Industrial Base, the ratios were 1.55 and 1.70; in the Qinzhou Industrial Base, the ratios were 1.50 and 1.36; and in the Kaiyang Industrial Base, the ratios were 1.59 and 1.55, respectively, demonstrating our ongoing efforts to ensure baseline income equity. The average annual salary for male employees was RMB157,128, compared with RMB154,281 for female employees. The Company will continue to optimize its remuneration structure and management processes, and strive to build a more equitable and transparent compensation system.

Looking ahead, the Company will further deepen its localized employment practices, enhance anti-discrimination and pay equity management mechanisms, and explore targeted recruitment and support initiatives for vulnerable groups (including women, persons with disabilities, and ethnic minorities), thereby fostering a more inclusive and equitable workplace environment.

During the Reporting Period, the Company maintained a 100% labor contract signing rate, with zero incidents of unlawful employment recorded.

Lawful Employment Data of CNGR

Labor contract signing rate %	2023	100%	2024	100%	2025	100%
Incidents of unlawful employment case(s)	2023	0	2024	0	2025	0

2 Human Rights Management

The Company has established a systematic human rights management framework, and has formulated and implemented a series of policies and measures to foster a fair and inclusive workplace while protecting the fundamental rights and interests of its employees.

Policy Commitments and Management Measures

Diversity and Equality

The Company consistently upholds its commitment to respecting employees' fundamental rights, actively promoting a culture of inclusion and diversity, and striving to cultivate a fair and equitable working environment. The Company strictly prohibits all forms of discrimination throughout recruitment and employment processes, vigorously advances localized employment, and steadfastly adheres to the principles of equal pay for equal work and gender equality. It diligently protects the lawful rights and interests of female employees and continually refines its remuneration system to ensure that all employees enjoy fair career development opportunities. We are dedicated to fostering a diverse, inclusive and internationalized workplace that honors differences in culture, belief and background. By creating diverse religious and cultural spaces, providing facilities for multiple faiths, and carrying out inclusive cultural activities, we actively build an open and trusting corporate culture.

Anti-Discrimination, Anti-Harassment and Prohibition of Abuse

The Company strictly complies with relevant laws and regulations, including the Labor Law of the PRC and the Law of the PRC on the Protection of Women's Rights and Interests, and has systematically established internal policies such as the Anti-Discrimination Management Procedures and the Anti-Harassment and Anti-Abuse Management Procedures, which integrate the principles of equality and respect into the entire human resources management process. In recruitment, we implement a standardized, transparent and unified selection mechanism to ensure equal opportunities for all candidates and eliminate discrimination on the basis of gender, age, ethnicity, religion or any other grounds. In its daily management, the Company conducts regular training programs on anti-discrimination, anti-harassment and the prohibition of abuse to strengthen employees' legal awareness and professional conduct. Furthermore, we have issued the "Thirty Danger Zones", which clearly defines a zero-tolerance list of prohibited behaviors and establishes clear bottom lines. Independent and confidential reporting channels, together with investigation mechanisms, have been instituted to ensure that every complaint is addressed promptly and impartially. Strict accountability measures are enforced for violations to ensure that every employee may work and develop in a respectful and barrier-free environment.

Freedom of Association and Collective Bargaining Rights

The Company firmly respects and protects employees' democratic rights and freedom of association, and upholds the legitimate rights of all employees to establish and join trade unions and to engage in collective bargaining in accordance with the law. The Company has formulated and implemented the Management Procedures for Freedom of Association and Collective Bargaining to continuously promote transparent, collaborative and stable labor relations. We actively support employees in forming and participating in trade unions in accordance with the law, and assist industrial bases in establishing and strengthening union organizations to ensure their effective operation. The Company regularly convenes employee representative assemblies, staff forums, and management communication sessions, thereby establishing a sustained dialogue mechanism with employee representatives to conduct equitable consultations on matters such as remuneration and benefits, working conditions, and career development. The Company conscientiously fulfills its obligations under collective agreements, and implements provisions covering employment, remuneration, occupational health and safety, and employee welfare, with a view to fostering harmonious and mutually beneficial labor relations.

During the Reporting Period, our trade unions covered all industrial bases, with both employee union membership and collective bargaining agreement coverage reaching 100%. Through consistently open communication channels and proactive consultation mechanisms, no work stoppages arising from major labor disputes or strikes occurred in 2025, and labor relations remained sound and stable overall.

Prohibition of Child Labor

The Company strictly complies with and fully implements all national laws and regulations on prohibiting child labor, including the Provisions on the Prohibition of Child Labor, the Law of the PRC on the Protection of Minors, and other relevant legal requirements. In this regard, the Company has formulated and implemented the Remedial Procedures for Child Labor and Underage Workers. We undertake to oppose and eradicate all forms of child labor in both our operations and supply chain system, and under no circumstances will we employ or support the employment of individuals below the statutory minimum working age. During the recruitment process, we strictly verify candidates' age and other information through a combination of identity authentication systems and background checks, so as to ensure full compliance with labor regulations. In the event that any suspected case of child labor is identified, remedial procedures will be immediately activated to provide them with necessary livelihood support and educational assistance, and assist their return to school and a normal growth environment. For underage workers who have reached the legal working age, we undertake not to assign them to roles that may endanger their physical or mental health, safety or moral development, and to provide age-appropriate labor protection and vocational guidance. We will continue to strengthen the supervision and review of the employment practices of suppliers and business partners, and will take immediate actions upon any discovery of child labor. Furthermore, in both our operations and supply chain, we adopt practices that respect and support the rights of children in accordance with the Children's Rights and Business Principles.

Prohibition of Forced Labor, Modern Slavery and Human Trafficking

The Company resolutely protects employees' freedom of labor and personal dignity, and strictly adheres to international labor standards and applicable domestic laws and regulations. We solemnly commit to eradicating all forms of modern slavery in our operations and supply chain, including forced labor, human trafficking, prison labor and debt bondage. The Company prohibits the use of any coercive or restrictive measures, such as the confiscation of identity documents, imposition of financial deposits, restriction of personal liberty, or unlawful withholding of wages and benefits, to compel or constrain employees to work. We are steadfast in upholding every employee's right to voluntary, equal and dignified employment. To this end, the Company has established and implemented the Management Procedures for the Prevention of Forced Labor and the Anti-Human Trafficking Control Procedures to protect employee rights through systematic control measures. These measures include regular

inspections across all workplaces and employee interviews to proactively identify and eliminate potential risks, as well as the establishment of multi-channel and confidential feedback mechanisms to ensure that employees can raise concerns conveniently. The Company is committed to responding promptly, handling all cases impartially, and implementing appropriate remedial actions. We also require our suppliers and business partners to adhere to these principles and conduct regular social responsibility audits across the supply chain.

Reasonable Working Hours

The Company strictly complies with the Labor Law of the PRC and other applicable regulations, and has established and improved working hours recording systems across all industrial bases. Through systematic monitoring and management of regular working hours and overtime, the Company ensures that all working time arrangements remain lawful and compliant. Based on production planning, shifts are arranged in a scientific and structured manner, with a clear requirement that any overtime shall be voluntary and subject to prior approval through internal procedures. By conducting regular analyses of working hours data, reporting findings promptly to management, and dynamically adjusting production schedules, the Company effectively mitigates excessive overtime and protects employees' rights to rest. At the same time, the Company rigorously enforces its remuneration management system, and ensures that all overtime work is duly and fully compensated in accordance with the law. In doing so, it steadfastly protects employees' legitimate rights and interests while fostering a fair, healthy and sustainable working environment.

3 Human Rights Due Diligence

- Risk Assessment

To systematically identify and assess potential human rights impacts and risks, the Company has established a comprehensive human rights due diligence mechanism covering the entire value chain. This framework covers its own operations, all stages of business activities, and supply chain management, with a particular focus on identifying risks related to forced labor, human trafficking, child labor, discrimination and other serious human rights violations. In terms of risk identification, the Company has established a multi-tiered due diligence mechanism to conduct risk identification through regular internal audits, supplier assessments, employee interviews, and anonymous reporting channels. Particular attention is directed towards three key groups. For full-time employees, we ensure that all employees enjoy lawful and equitable labor rights and that their remuneration, working hours and career development comply with relevant laws and regulations. For foreign employees, we pay attention to the legality and compliance of cross-border employment contracts, and ensure that working conditions and treatment align with local laws and international labor standards. For third-party employees (including outsourced and dispatched personnel), we ensure that all employment practices adhere to principles of fair employment and human rights protection. In terms of supplier human rights risk management, the Company conducts annual on-site audits of key suppliers, covering issues such as child labor, forced labor, working hours, remuneration, benefits, discrimination and harassment. These assessments are used to evaluate human rights risks, develop improvement plans to mitigate and manage these risks, and track rectification progress, thereby achieving closed-loop management. Where suppliers are found to have committed serious human rights violations, the Company will, depending on the severity of violations, require rectification within a specified period or terminate cooperation, so as to resolutely prevent such behavior. (For further details on supplier due diligence, please refer to the section headed "Due Diligence and Responsible Sourcing".)

In 2025, the Company collaborated with a professional third-party organization to develop a human rights risk due diligence tool applicable to all domestic and international operating locations. This tool provides a structured and scientific approach for systematically identifying and managing human rights risks in alignment with international standards. By integrating international standards and guidelines[1] and relevant local laws and regulations of the operating locations, the tool fully embeds human rights considerations into our overall risk management framework. Based on an internationally recognized human rights risk assessment framework, the tool covers six core dimensions: country risk, industry risk, vulnerable group risk, historical human rights record risk, internal management framework risk, and supply chain risk. The Company will apply this tool regularly each year to conduct systematic human rights risk assessments across all global operating locations, and will continuously refine its management measures in light of the assessment results, thereby ensuring that its operations consistently align with international human rights standards and sustainable development requirements.

The Company continues to deepen the development of its human rights protection framework. While advancing systematic internal human rights assessments, it also actively introduces authoritative independent third-party evaluations. During the Reporting Period, the Ningxiang Industrial Base in China obtained SA8000 Social Accountability certification, while the Qinzhou Industrial Base successfully passed the RMI ESG audit. Overseas, the Morowali Industrial Base (Zhongtsing Project), the WedaBay Industrial Base (Debon Project), and the North Morowali Industrial Base (NNI Project) in Indonesia all successfully completed RMI ESG audits. Furthermore, the Company has achieved significant progress in compliance management. The Tongren and Ningxiang Industrial Bases, along with PT Zhongtsing New Energy, PT CNGR Dingxing New Energy, PT Debonair Nickel Industry, PT Jade Bay Metal Industry and PT Nadesico Nickel Industry, have all obtained ISO 37301:2021 and GB/T 35770-2022 Compliance Management System certifications. The scope of these certifications covers human rights-related management practices, including labor and employment.

1. These standards include the International Finance Corporation (IFC) Performance Standards; the Equator Principles 4; the Responsible Minerals Initiative (RMI) Factory Standard for Social, Environmental, Occupational Health and Safety, and Governance Risks; the RMI Responsible Minerals Assurance Process – Extended Supply Chain Due Diligence; the RMI Global Standard for Responsible Mineral Supply Chains (applicable to all minerals); the OECD Guidelines for Multinational Companies on Responsible Business Conduct; the Initiative for Responsible Mining Assurance (IRMA) Standard for Responsible Mining; the Responsible Business Alliance (RBA) Code of Conduct; the EU Corporate Sustainability Due Diligence Directive (CSDDD); the United Nations Global Compact; the EU Battery Regulation; and relevant local laws and regulations.

- Monitoring and Continuous Improvement

For all identified risks, the Company implements targeted management measures to continuously mitigate such risks, while evaluating the effectiveness of its human rights measures in practice. Meanwhile, to ensure the integrity and forward-looking nature of its management system, the Company continuously reviews existing measures, promptly supplements and refines them, addresses potential gaps, and drives iterative optimization of its human rights management. We consistently uphold respect for employees' fundamental rights. By establishing robust mechanisms for risk prevention, identification and assessment, and response and remediation, the Company integrates human rights protection into its ordinary operations, and has formed a closed-loop management process of "identification – rectification – verification – closed-loop". Through this approach, it effectively protects employees' lawful rights and interests and ensures that its human rights commitments are meaningfully implemented and continuously enhanced.

- Human Rights Training

To comprehensively implement our human rights policies and systems, the Company conducts systematic and multi-tiered human rights training programs. These programs cover core topics including diversity and equality, anti-discrimination and anti-harassment, prohibition of abuse, freedom of association and collective bargaining rights, elimination of child labor and forced labor, and the prevention of modern slavery and human trafficking. During the Reporting Period, the Company organized and conducted a series of specialized training programs, including "Remedial Measures for Child Labor and Underage Workers", "Reject Child Labor, Safeguard the Future", "No Discrimination, No Coercion, No Harassment and Abuse", and "CNGR Human Rights Policy". These programs covered a total of 3,626 participants, significantly enhancing employees' depth of understanding and practical application of human rights policies, and effectively embedding the concept of respecting human rights into our ordinary operations and corporate culture.

- Complaint and Whistleblowing Mechanisms

The Company upholds a zero-tolerance stance towards any infringement of human rights, and has established diverse, accessible and confidential complaint and whistleblowing channels, including public email, dedicated hotline and suggestion boxes. These mechanisms ensure that all reports are promptly received, thoroughly investigated and appropriately addressed. To encourage employees, suppliers and other stakeholders to report issues, the Company has established a whistleblower protection framework, which expressly prohibits any form of retaliation, reprisal, discrimination or intimidation against individuals who lodge complaints or reports. (Please refer to the Social Responsibility Complaint Management Procedures at www.cngrgf.com.cn/shzr/366.html.)

- Remediation Mechanisms

The Company has established systematic management measures and procedures aimed at preventing, mitigating and ultimately eliminating human rights risks. In cases where adverse human rights impacts have occurred, the Company will provide effective, accessible and equitable remediation mechanisms to ensure that affected parties receive timely and appropriate relief.

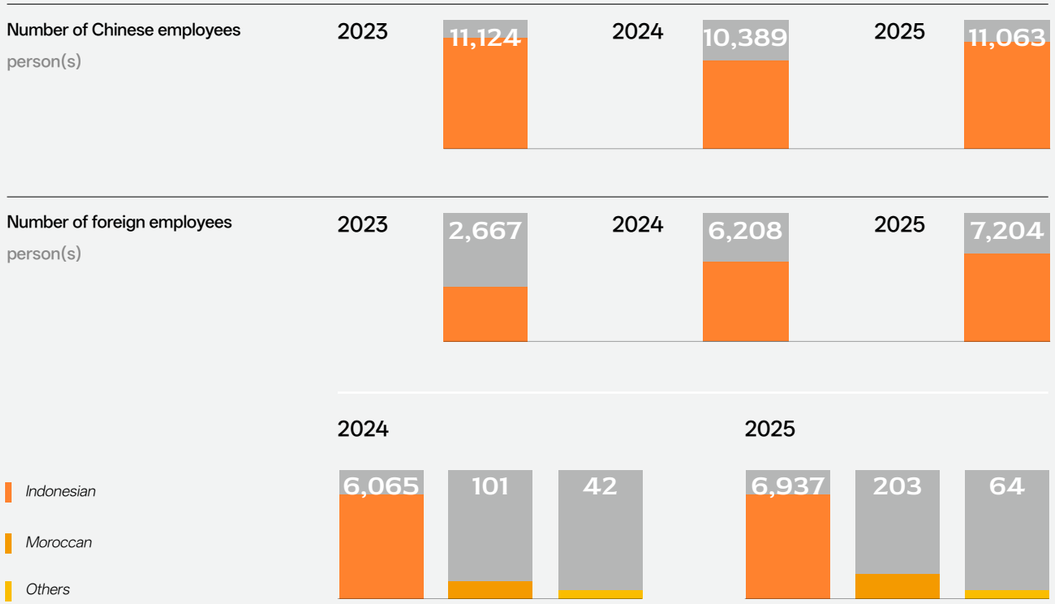
In addition, in the event of corporate restructuring or significant business adjustments, the Company gives priority to facilitating affected employees' interviews for internal redeployment. Employees who successfully pass the interview are integrated into the performance management framework according to the requirements of their new roles, with tailored training provided to support their smooth transition to new roles and responsibilities. Should an employee remain unable to meet the requirements of the new position after training, the Company will negotiate the termination of the employment contract and provide full statutory economic compensation in accordance with the law. At the same time, the Company actively leverages its resources and networks to assist employees in securing re-employment to the greatest extent possible.

The Company has established human rights-related targets, including zero child labor, zero discrimination, and full respect for freedom of association and collective bargaining. During the Reporting Period, there were zero incidents of discrimination, zero cases of harassment or abuse, and zero occurrences of modern slavery or human trafficking. No operating sites were identified as being at risk relating to freedom of association or collective bargaining rights, nor were any sites found to present significant risks of child labor or forced labor. No material human rights risk incidents were identified. No material human rights risks were detected within the supply chain.

Human Rights Data of CNGR

	2023	2024	2025
Human rights-related litigation case(s)	0	0	0

Employee Diversity Data of CNGR





4 Employee Care

The Company is committed to fostering a respectful, caring and inclusive workplace, so as to enhance employees' sense of well-being, belonging and fulfillment. The Company has formulated and implemented the Benefits Management Policy, and provides a systematic and diversified welfare framework complemented by vibrant cultural activities and personalized care measures tailored for specific needs. Through these efforts, the Company supports employees in achieving a healthy work–life balance while promoting their professional growth and all-around development. Across its global operations, the Company provides a fair, diverse and competitive non-salary benefits system, and strictly adheres to local laws and regulations. These benefits include paid annual leave, sick leave, supplementary medical insurance, pension, health care and other supporting benefits.

Type of Benefits

Social Insurance

All employees are provided with comprehensive social insurance and housing fund contributions, covering pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and housing provident funds, thereby ensuring fundamental protection in healthcare, retirement and housing.

Business Travel Insurance

Commercial insurance is provided to designated employee groups, including those at Grade 19 and above, expatriates, employees engaged in high-risk roles, those with frequent monthly travel, those traveling to high-risk destinations, and employees stationed overseas or undertaking international assignments, thereby enhancing overall protection.

Supplementary Medical Insurance

The Company organizes employees to participate in the Hunan Provincial Mutual Medical Assistance Program. Employees receiving inpatient treatment at designated medical institutions may, after reimbursement under basic medical insurance, major illness insurance and other subsidies, receive additional assistance of up to RMB200,000 under the mutual aid scheme.

Leave Benefits

All employees are entitled to 5–10 days of paid annual leave. Eligible employees are further granted 158 days of maternity leave, 15–25 days of paternity leave, and one hour of daily nursing leave from childbirth until the child reaches one year of age, thereby protecting employees' lawful rights during the maternity period.

Housing Benefits

Dormitory accommodation is provided for employees with housing needs. Each industrial base formulates its own Employee Dormitory Management Measures in accordance with actual conditions, offering free accommodation to eligible employees and ensuring a safe and comfortable living environment.

Festive and Birthday Benefits

Special care allowances are granted during statutory holidays, public holidays, employees' birthdays, and significant life events such as marriage and childbirth. In addition, the Company organizes celebratory activities tailored to local conditions, including birthday gatherings and festive events, to foster warmth and engagement.

Furthermore, the Company has established a diversified welfare system that integrates "statutory benefits + distinctive benefits" in accordance with the characteristics of each country and region where its employees are located. In addition to local statutory benefits, we proactively design and implement culturally attuned and care-oriented programs that respect and reflect local cultural customs. For example, in South Korea, we provide benefits related to Liberation Day and Buddha's Birthday, while in Islamic regions, we offer benefits related to Eid al-Fitr and pilgrimage-related needs. At the same time, we also promote elements of traditional Chinese culture and corporate care across our global subsidiaries, including initiatives such as Lunar New Year opening red envelopes and team-building benefits with distinctive Chinese characteristics.

Sports and Health Initiatives

The Company actively supports a wide range of employee sports clubs by providing funding and venue subsidies. Annual health examinations are organized for all employees, complemented by dedicated medical personnel offering free consultations. In addition, traditional Chinese medicine services are arranged from time to time to promote holistic health management and well-being.

Employee Activities

In terms of culture and entertainment, the Company hosts the annual CNGR Music Festival and Sports Games, which provide employees with dynamic platforms to showcase their talents and vitality. In terms of social life, the Company organizes networking events, parenting seminars and new energy exploration activities for employees' children, which address both individual and family needs. Furthermore, a diverse array of team-building initiatives is conducted to foster a positive and engaging workplace atmosphere.

Other Benefits

The Company has established dedicated maternity and nursing rooms to support female employees during pregnancy and breastfeeding, and has developed "Women's Centers" to strengthen the sense of belonging and support networks for female staff. In addition, targeted assistance programs are implemented to provide meaningful support and care to employees facing financial or personal difficulties.

Striving Forward with Unity — CNGR Group 2025 Sports Games

In November 2025, the "Striving Forward with Unity — CNGR Group 2025 Sports Games" was grandly held at the Qinzhou Industrial Base. Bringing together over 300 employees from ten global bases, the event was not only a vibrant sporting competition but also a heartfelt expression of employee care in action. The Games featured nine meticulously designed events, including e-sports, football and relay races, ensuring that employees of diverse ages, regions and cultural backgrounds could find opportunities to participate, excel and connect. The enthusiastic involvement of overseas colleagues, alongside tens of thousands of participants engaging both online and offline, transformed the event into a truly global "CNGR Family" gathering that transcended geographical boundaries. Beyond advocating a healthy lifestyle, the Games embodied the spirit of "faster, higher, stronger, and more united", and seamlessly integrate athletic endeavor with our commitment to employees' physical and mental well-being. Through this grand collective celebration, the Company enabled every participant to experience a profound sense of belonging and inspiration, and converted the joy of sport into team cohesion, reflecting its sincere dedication to employees' holistic development and happiness.

Establishing "Women's Center"

The Kaiyang Industrial Base has consistently prioritized the care and well-being of female employees. Through initiatives such as celebrations for International Women's Day and Mother's Day, as well as the regular organization of public welfare activities, the Base continually fosters a culture of warmth and support. To further deepen this commitment and galvanize the strength of its female workforce, the Women's Federation was established, accompanied by upgraded and refined services. These efforts included the provision of dedicated activity spaces, the refinement of institutional frameworks, the creation of display areas, and the development of records and volunteer teams. In recognition of such commitment and pragmatic approach, the Base was awarded the distinguished title of "Women's Center" in Guizhou Province. Building on this foundation, the Kaiyang Industrial Base has implemented a series of coordinated service measures. On the one hand, leveraging dedicated funding for the "Women's Center", the Base conducted legal awareness campaigns for female employees, and thoughtfully organized "Children's Day" public welfare activities. On the other hand, the Base accelerated the development of exclusive activity spaces, purchased sports apparatus such as nets and rackets, and subscribed to newspapers and periodicals such as the "China Women's News". Through these multifaceted measures covering rights protection, daily care and cultural enrichment, the Base comprehensively addresses the practical needs of female employees in both their professional and personal lives. In the future, the Kaiyang Industrial Base will position the "Women's Center" as a central platform, and carry out more targeted activities aligned with the needs of female employees, and cultivate it into a "haven of warmth" where women can grow together with the Company.

Eid al-Fitr Celebration in Indonesia

In the course of its global operations, the Company consistently places profound emphasis on respect and care for its employees. In April 2025, Zhongtsing and Dingxing companies at the Morowali Industrial Base in Indonesia jointly organized a warm and dignified Eid al-Fitr celebration for Muslim employees. The Company meticulously arranged a festive setting and prepared sixteen traditional dishes, enabling employees far from home to rediscover familiar customs and flavors, and to experience a genuine sense of warmth, belonging and festive joy. At the Morowali Industrial Base, mutual respect and shared growth have become integral to its corporate culture. In the future, Zhongtsing and Dingxing companies will continue to deepen employee care initiatives and enrich cultural exchange activities, ensuring that every employee finds a sense of belonging in this extended "family" as they collectively advance towards a brighter future.

The Company conducts employee satisfaction surveys on a semi-annual basis, with a target satisfaction score of 84. The surveys cover dimensions such as overall job satisfaction, clarity of work objectives, perceived work pressure, sense of fulfillment, and employee suggestions for improvement. Following each survey, the Company prepares a dedicated analysis report and formulates targeted improvement measures, while continuously monitoring implementation outcomes. This ensures the establishment of a closed-loop management mechanism of "assessment – improvement – feedback – optimization", and fosters the joint development of both the organization and its employees. During the Reporting Period, the employee satisfaction score reached 84.42.

In response to identified areas for improvement, the Company has implemented three key initiatives. Firstly, the Company prioritizes employees' career development by establishing a comprehensive training system, designing clear career development pathways for employees at different levels, and developing a tiered and categorized training curriculum. Secondly, the Company has introduced an effective incentive framework to enhance the fairness of performance evaluation, strengthen positive incentive policies, implement an immediate reward mechanism for outstanding daily performance, establish monthly and quarterly outstanding employee selection and rewards, introduce project completion incentives, and implement long-term service awards based on tenure and contribution. Thirdly, the Company has established cross-departmental collaboration incentives, alongside mechanisms for resource allocation and sharing across departments.

6.1.1.2 Employee Training and Career Development

GRI 404

Governance

The Company continues to improve its human resources management system. Under the organizational framework of the Human Resources Center, a dedicated talent development department has been established to comprehensively coordinate and implement employee training and career development initiatives. At the same time, the Company has constructed a three-tier organizational structure centered on the Talent Development Department of the Human Resources Center. The Talent Development Department consists of the center, regional headquarters and industrial bases, which operate under a hierarchical management framework. The center is responsible for formulating training strategies, policies and standards of the Company, overseeing enterprise-level programs, and communicating policies and directives only to regional headquarters. Training leads at regional headquarters are responsible for implementing directives from the center, coordinating and supervising training execution and data reporting across all bases within their respective regions. At the operational level, training coordinators at each base are responsible for the effective implementation of training programs, including participant notification, documentation management and data submission. Through this governance structure with clearly defined roles and responsibilities, the Company ensures that training initiatives are closely aligned with our strategic objectives and talent requirements, thereby effectively promoting policy implementation and oversight, and providing a robust foundation for both the human resources management system and our long-term talent development.

Strategy

The Company consistently regards talent as its most vital and sustainable asset. Guided by a development path centered on "systematization, professionalization, digitalization and internationalization", the Company has systematically established a comprehensive talent cultivation and development framework covering the entire career cycle of employees. In the short term, the focus lies on strengthening foundational capabilities through the improvement of the course matrix, optimization of internal trainer certification mechanisms, restructuring of onboarding programs, and the establishment of dynamic employee competency databases, thereby achieving precise alignment between training needs and individual growth. In the medium term, the Company accelerates digital transformation by developing intelligent learning platforms, implementing succession planning for key positions, and constructing an agile and efficient talent supply chain, thus significantly enhancing organizational resilience and responsiveness. In the long term, the Company is committed to advancing the cultivation of international talent through the establishment of cross-cultural management mechanisms and the implementation of initiatives for cultural integration and value transmission, thereby shaping a globally competitive model for talent development.

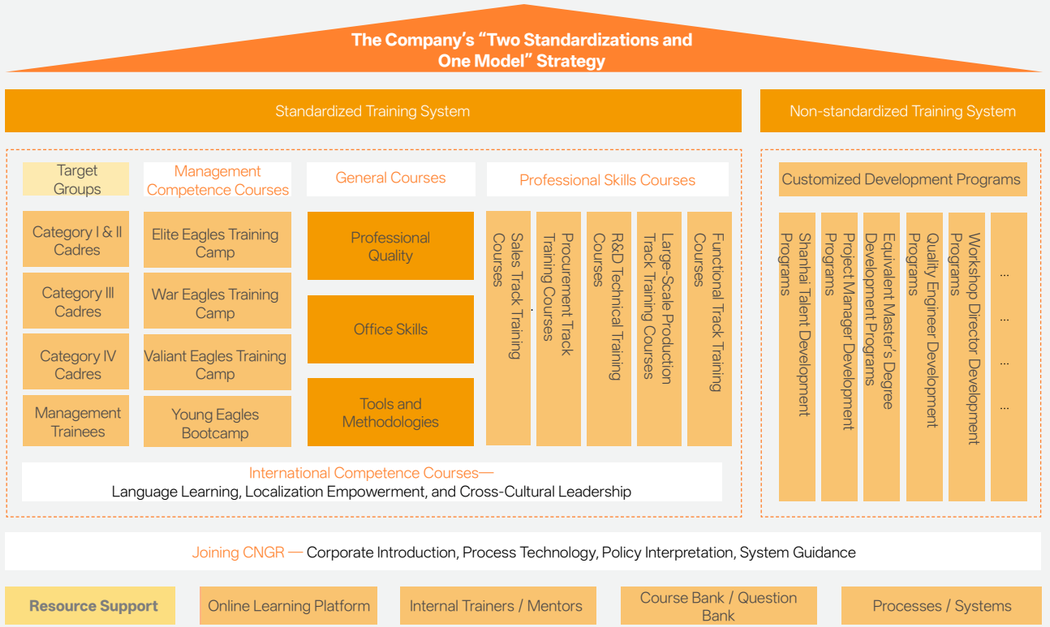


Risk & Opportunity Management and Targets & Metrics

1 Employee Training

The Company strictly complies with the Labor Law of the PRC, the Labor Contract Law of the PRC, and the Vocational Education Law of the PRC, as well as relevant overseas regulations, and has systematically established an equitable, comprehensive and sustainable learning and development system covering all employees, including full-time employees, part-time employees and outsourced workers. The Company has formulated and implemented institutional frameworks, such as the Training Management Policy, the Course Management Measures, the Online Platform Management Measures, and the Instructor Management Measures, to ensure that training activities are standardized, professional and traceable. The training system integrates both standardized and customized content, covering leadership development, professional skills enhancement, and academic education support, with differentiated empowerment pathways tailored to various job levels, functional categories and talent pipelines. Each year, in alignment with our strategic priorities, business needs and the results of the previous year's talent review, the Company formulates its annual training plan through demand assessments and budget planning. Meanwhile, it promotes a transition from traditional open courses towards more personalized and scenario-based learning models, thereby enhancing the effectiveness of knowledge transfer and enabling the dual advancement of employee career development and organizational sustainability.

CNGR Training System



- Employee Training Management Process:

The Company has established a comprehensive employee training management process covering the entire chain of "demand identification – process management – effectiveness evaluation – career development". Through the integration of questionnaire-based surveys and big data analytics, the Company accurately identifies employees' needs in areas such as skill gaps, learning preferences, and career planning, while conducting in-depth one-on-one interviews with employees in key positions. Leveraging digital learning platforms, the Company monitors learning behaviors in real time, and rigorously ensures the quality of instructors and the teaching process through a combination of participant evaluations, peer reviews and instructional supervision. Training effectiveness is assessed through a range of methodologies, including examinations, 360-degree feedback and performance comparisons, thereby ensuring that training outcomes are effectively translated into tangible business value.

Meanwhile, the Company advances employees' long-term development through a dual-engine approach comprising a mentorship system and a knowledge repository. Employees demonstrating strong growth aspirations are paired with internal executives, key business personnel or external experts as mentors. They will sign mentoring agreements, and receive tailored career development guidance. Meanwhile, the Company has established an integrated online–offline resource platform covering industry insights and skills courses. It regularly organizes expert lectures and experience-sharing sessions, and continuously updates knowledge content. These efforts provide all employees with systematic and sustainable learning support and development pathways.

- Employee Training Programs:

(1) Leadership Development

The Company provides leadership training for all employees. Through core training programs such as the "Young Eagles Program" and the "Falcon Program", it delivers tiered empowerment and precision training that enable employees to continuously enhance both professional expertise and management competencies, while strengthening their leadership and decision-making abilities. Meanwhile, our online learning platform, "CNGR E-Learning", offers a series of leadership courses, such as "From Management to Leadership", "Cultivating Personal Leadership", "Project Management Thinking" and "Communication and Collaboration", accessible to all employees, including part-time and outsourced personnel. By fostering a culture of organization-wide learning, the Company supports leadership development across all levels, reinforces our talent pipeline, and establishes a multi-tiered, integrated succession and development framework.

Young Eagles Program

The "Young Eagles Program" is a structured training initiative designed for campus recruits, with the "Young Eagles Training Camp" as its core. The 2025 Training Camp comprised 80 new graduates who underwent an intensive 10-day training program covering core areas such as corporate strategy, organizational culture, structural framework, talent development, industry trends, R&D systems, operational processes, quality and safety management, human resources policies, financial fundamentals, and integrity culture. This program facilitates a seamless transition for new employees into their professional roles. Beyond expert-led theoretical instruction, the training incorporates practical exploration and tool-based learning activities, so as to enhance the professional competencies and organizational understanding of participants. Over a decade of development, the program has successfully provided more than 2,500 skilled professionals to the Company. Following completion of the training camp, new employees enter a three-year "Foundation Enhancement Program". Guided by a refined "Three Years, Four Highs and Six Mechanisms" development model, we are committed to empowering sustained growth in their respective roles.

Elite Eagles Program

The "Elite Eagles Program" is a specialized training initiative tailored for team leaders and group leaders, which is designed to reinforce manufacturing capabilities and support our "New Four Modernizations" strategy. Centered on an "action learning + practical application" model, the program addresses four key dimensions: self-management, team leadership, business management, and standardization. It features a structured curriculum, including "Panoramic Guide for Team Leaders", "High-Performance Team Management Thinking", and "Frontline Team Management", combined with collaborative workshops and real-world practice. Within a four-month cycle, 30 participants achieved a full transformation from knowledge acquisition to capability application. Through this program, the Company has successfully established a distinctive team leader training system, while developing critical management tools such as the "30 Essential Actions for Team Leaders in Production Management" and the "Team Leader Competency Evaluation Framework". These tools provide a scientific foundation for grassroots talent assessment, operational standardization and management formalization, thus effectively empowering frontline management capabilities across all industrial bases.

(2) Professional Skills Training

The Company provides comprehensive, multi-disciplinary and multi-tiered professional skills training to all employees, including part-time and outsourced personnel. With a strong emphasis on practical capability enhancement, the Company offers specialized technical programs in trades such as fitting, electrical work, welding and boiler operation, with a view to cultivating a highly skilled and resilient frontline workforce. Meanwhile, targeted training initiatives for first aid responders, safety administrators and internal auditors are implemented to enhance emergency response capabilities, safety accountability and internal compliance audit. To further the comprehensive development of our employees, the Company has introduced the prestigious "Double 100 English" program delivered by an authoritative institution, with full reimbursement of associated costs, thereby effectively enhancing the global communication proficiency of our employees.

As a globally operating company, CNGR places significant emphasis on cross-cultural understanding and integration. Overseas industrial bases implement localized cultural training tailored to regional contexts, so as to foster mutual awareness

and respect among international and local employees. Meanwhile, the "CNGR E-Learning" platform features a diverse series of intercultural courses, including "Cross-Cultural Communication and Local Integration", "Star of Multicultural Integration", "Indonesian Culture" and "Chinese Culture", covering cultural insights from China, Indonesia, Morocco and beyond. These initiatives establish an open and inclusive learning ecosystem to strengthen global team collaboration, thus injecting dynamic, multicultural talent momentum into our sustainable development.

(3) Degree Programs and Certification Support

In terms of degree programs, the Company has entered into an Industry–Academia–Research Cooperation Agreement with Central South University, which provides access to high-quality postgraduate (master's degree) programs for all employees, including part-time and outsourced staff. The Company offers reimbursement for tuition fees, application fees, medical examination costs, and study-related travel expenses. This initiative significantly enhances employees' academic attainment and professional expertise, strengthens our talent pipeline, and bolsters our long-term competitiveness and sustainability. In addition, the Company has signed a Memorandum of Understanding (MOU) with Universitas Gadjah Mada (UGM) in Indonesia, covering advanced energy materials research, industry–academia collaboration and joint talent cultivation. In 2025, a further MOU was executed with Indonesia's Ministry of Energy and Mineral Resources and Hunan University, which fosters tripartite collaboration among government, industry and academia to expand cross-border industrial cooperation, technological innovation, and talent development.

Moreover, to encourage continuous enhancement in job skills and professional expertise, the Company provides incentives for employees who obtain qualification certificates relevant to enhancing its soft capabilities during their tenure. The costs of obtaining professional certifications, such as high- and low-voltage electrician licenses, forklift operation certificates and welding qualifications, are fully borne by the Company. For professional and technical certifications, employees are granted monthly certificate allowances for a continuous period of 24 months.

Launch of the Joint IMBA Program Among Indonesia's Four Ministries, CNGR and Hunan University

In collaboration with four key Indonesian ministries (the Ministry of Investment and Downstream Industry, the Ministry of Energy and Mineral Resources, the Ministry of Industry, and the Coordinating Ministry for Economic Affairs) and Hunan University, the Company has successfully initiated and launched a joint International Master of Business Administration (IMBA) program. The program is delivered by Hunan University through a structured curriculum, fully English-medium instruction and distinguished faculty support, while the Indonesian government plays an integral role in policy coordination, human capital development and national strategic priorities. The Company leverages its industrial practice platforms to bridge theory with real-world application. Through such high-level industry–academia–research collaborations, the Company not only deepens strategic synergies across Indonesia and the broader Belt and Road regions, but also cultivates a pipeline of versatile talent equipped with both local policy insights and a global perspective. This approach effectively enhances our soft capabilities and talent foundation for sustainable development in overseas markets.

Joint Training Program Between Morocco Project Team and ISTA

The Morocco Project team of CNGR and the Institute of Science and Technology Austria (ISTA) have formally launched a joint talent development program. The program aims to explore innovative pathways for industry–academia integration through corporate presentations, co-developed curricula, and structured talent pipelines. During collaborative engagements, approximately 120 students majoring in industrial chemistry gained systematic insights into our development trajectory and production practices. The partnership has yielded three key areas of consensus: jointly developing customized curricula integrating theoretical knowledge with practical application, which is jointly taught by corporate engineers and academic faculty; establishing a targeted placement mechanism to recommend 30 outstanding students for annual internship in the Company; and regularly organizing "open workshop day" activities, which enables students to acquire hands-on experience in equipment operation and production processes. By integrating corporate technical standards into academic instruction and creating a closed-loop training model connecting classroom learning with on-site practice, this initiative not only provides a robust development platform for Morocco's emerging industrial talent, but also injects sustained momentum into the localization of our overseas workforce.

The Company has established key performance targets, including average training hours per employee, with a target of no less than 39 training hours in 2025. During the Reporting Period, the average training time reached 51.73 hours per employee. Total investment in employee training and skills development amounted to RMB3.98 million, with an average training expenditure of RMB218 per employee.

Employee Training Data of CNGR

Total training hours (including safety, HR and professional skills) hour(s)	2023	399,952
	2024	362,724
	2025	945,011
Number of training participants person-time(s)	2023	389,258
	2024	345,296
	2025	505,764
Average training hours per employee[1] hour(s)	2023	29.00
	2024	19.69[2]
	2025	51.73

2 Career Development

The Company is committed to establishing a scientific, diversified and fluid career development framework, which offers each employee a clear progression pathway and broad advancement opportunities. The Company has formulated and implemented the Position Grading Management System, which systematically constructs three principal career tracks, namely management, professional and technical, thereby accommodating the diverse career aspirations and developmental needs of employees. By expanding career advancement opportunities, optimizing promotion mechanisms and shortening advancement cycles, the Company not only elevates the ceiling for individual growth, but also significantly accelerates talent development, enabling every employee to realize their full potential along a pathway best aligned with their strengths.

In terms of performance management, the Company has established the Personal Performance Management System, guided by three core principles: fostering behavioral improvement, aligning individual objectives with organizational goals, and ensuring objectivity and fairness. The framework covers four stages, namely goal setting, implementation coaching, evaluation and feedback, and application improvement, thereby forming a structured PDCA cycle. Performance management is highly aligned with our strategic priorities. Annual corporate objectives are systematically cascaded into departmental performance targets, and further translated into individual work goals. Employee performance is assessed based on the achievement of these objectives, with final performance ratings linked to organizational performance through differentiated weightings according to job grade, thus ensuring effective implementation of our strategic initiatives. Performance evaluation covers several dimensions, including performance goals, management objectives, core values and behavioral competencies, which deliver a comprehensive, objective and equitable reflection of individual contributions. Depending on the job functions and work stages, assessment cycles are flexibly set as monthly, quarterly, semi-annual and annual evaluations. Monthly and quarterly evaluations emphasize task completion and process management, while semi-annual and annual assessments adopt a more holistic approach covering performance reviews, comprehensive evaluations, and talent reviews, with greater focus on capability development and long-term value.

In terms of career development support, the Company adheres to a "people-oriented and talent-tailored" philosophy. The human resources function works closely with employees

1. Average training hours per employee = total training hours / total number of employees.
2. For the year 2024 and prior disclosed years, the total training hours used in calculating average training hours per employee only included the training hours of employees in China. However, the total number of employees used in the calculation included both domestic (China) and overseas employees. Therefore, the reported average training hours per employee are relatively low. In 2025, the Company included the training hours of overseas employees in the statistics.

to formulate personalized career development plans, taking into account their professional interests, competencies and aspirations. It will regularly track their implementation progress, and promptly coordinate resources and resolve difficulties. Through diverse development mechanisms including mentorship programs, job rotation, and participation in key strategic projects, employees are able to refine their skills, accumulate practical experience, and broaden their perspectives in authentic business contexts, thereby accelerating professional growth and capability enhancement. Meanwhile, the Company continuously reviews and optimizes its career development and performance management systems to ensure dynamic alignment with evolving corporate strategy and employee development needs, thus fostering an organizational environment that is equitable, open, and vibrant.

Employee Career Development Data of CNGR

	2023	2024	2025
Number of employees promoted person(s)	1,780	1,196	1,352
Number of vacant positions filled by internal candidates (internal recruitment) position(s)	3,455	4,032	6,962
Percentage of employees receiving regular performance and career development assessments %	100%	100%	100%

3 Employee Remuneration

To effectively navigate the risks and opportunities arising from an evolving market environment, the Company consistently upholds a market-competitive remuneration strategy. In formulating its annual compensation framework, the Company conducts a comprehensive assessment of macroeconomic trends, industry talent competition, and regional labor market conditions. In line with our medium- to long-term business development plans and operational forecasts, the Company conducts in-depth analysis of the external competitiveness and internal consistency of compensation levels to determine a scientific overall compensation positioning. To further enhance the attractiveness and incentive effectiveness of our remuneration system, the Company has developed and continually refined the Compensation Management System, and has established a comprehensive remuneration framework centered on "base salary + annual performance incentives + excess profit sharing + equity incentives + welfare benefits". All employees are entitled to performance-based variable remuneration, ensuring that compensation is closely aligned with individual contributions. Monthly performance pay is calculated according to the formula "position-based salary × performance ratio × performance coefficient", while annual performance bonuses are determined based on "annual performance pay base × overall performance coefficient × annual attendance rate".

Furthermore, the Company implements differentiated and multi-tiered incentive mechanisms tailored to employees across various roles, gradings and career stages. In terms of promotions and salary adjustments, the Company conducts promotions and salary adjustments twice a year (mid-year and year-end) to support employees in achieving steady increases in compensation while pursuing career growth. In terms of equity incentives, the Company operates a restricted stock incentive scheme extended to core and key personnel across its global workforce, with all employees eligible for participation. In addition, under its profit-sharing framework, the Company has established a dedicated operational incentive scheme allocating a defined proportion of annual net profit to a bonus pool, with a strategic focus on high-performing teams and critical roles, thereby reinforcing a virtuous cycle of value creation and reward.

Through this integrated system of policies and practices, the Company is committed to establishing a remuneration framework that balances external competitiveness, internal equity, and long-term incentive alignment. This approach not only energizes organizational vitality, but also provides a robust talent foundation and institutional support for our sustainable and high-quality growth.

Employee Remuneration Data of CNGR

	2023	2024	2025
Annual total compensation ratio[1] %			
Ratio of the annual total compensation of the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual)	29.82	29.50	55.69
Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual)	16.73	10.56	1.10
Ratio of employees eligible for performance-based variable compensation %	100	100	100
Number of employees participating in the stock incentive/ purchase plan[2] person(s)	778	1,088	1,096
Ratio of employees participating in the stock incentive/ purchase plan[3] %	5.64	6.56	6.00
Employee compensation[4] RMB	1,769,021,230.61	2,276,476,961.87	2,813,307,300.88

1. The annual total compensation ratio is calculated based solely on employees of Chinese nationality, excluding those who joined or left during the year and for whom full-year income cannot be calculated. Compensation includes: total position salary, seniority allowance, high-temperature allowance, skill allowance, meal subsidy, assignment allowance, etc., and also includes the year-end bonus. The highest-paid individual held the title of Vice President.
2. Number of employees participating in the stock incentive/purchase plan refers to the actual number of employees who were granted restricted stock in that year.
3. Ratio of employees participating in the stock incentive/purchase plan = number of employees participating in the stock incentive/purchase plan / total number of employees.
4. The statistics of employee compensation cover all employees worldwide.

6.1.2 Health and Safety Action

The Company has established a centralized EHS governance structure, improved its occupational health and safety system, formulated EHS improvement plans, and strengthened occupational health and safety training to ensure employee safety.

2022	Establish the EHS governance framework of CNGR; Set relevant objectives for employee health protection. Completed For details, please refer to the 2022 ESG Report of CNGR.
2023	Optimize and enhance the EHS governance framework; Formulate the EHS Policy of CNGR. Completed
2024	Refine the occupational health and safety training system; Optimize the EHS regulatory framework and process system. Completed
2025	Continuously optimize the EHS regulatory schemes across all bases worldwide. Completed
2030	Establish a high-level occupational health and safety system.

Nine EHS Principles of CNGR

All accidents are preventable.	01
Prevention is better than remediation.	02
EHS achievements stem from design, management, and responsibility.	03
I am responsible for the tasks, areas, and positions assigned to me.	04
Everyone must take responsibility for their own and others' safety.	05
Managers at all levels must personally participate in safety inspections, and all hazards must be rectified promptly.	06
All employees must undergo EHS education and training to be qualified for their positions.	07
Action speaks louder than words; Do not talk in empty words.	08
Long-term safety ensures enduring.	09

6.1.2.1 Occupational Health and Safety

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Governance

CNGR has always placed great importance on occupational health and safety management, which is led and supervised by the Work Safety Committee. The EHS Center assumes overall coordination responsibilities, including the formulation of a comprehensive occupational health and safety management strategy and the organization of performance evaluations. The EHS departments at each industrial base act as the primary execution bodies, and undertake the daily occupational health and safety management to ensure that all control measures are effectively implemented and rigorously enforced. For details of the governance structure and specific responsibilities of the Work Safety Committee, please refer to the section headed "Environmental Management System and Compliance".

Strategy

The Company firmly upholds the principle that "life is paramount" as an inviolable baseline, and is committed to fostering a safe and healthy working and living environment for all employees, which is regarded as a fundamental responsibility. Guided by this philosophy, the Company has established a clear EHS policy: "Always uphold the reverence for life above all, remain true to the original aspiration of green development, emphasize scientific prevention, promote full employee participation in integrated EHS governance, and build a better life for humanity". In support of this policy, the Company has also put forward nine core EHS principles to comprehensively guide its management practices. Looking ahead, the Company will continue to embed EHS culture deeply in its mindset, and further enhance risk warning and response capabilities through technological innovation such as intelligent monitoring systems and digital management platforms. With steadfast commitment and pragmatic actions, the Company will continue to achieve excellence in EHS management.

Risk Management and Targets & Metrics

The Company places strong emphasis on occupational health and safety management, and strictly adheres to the requirements of the International Labor Organization's Occupational Safety and Health Convention. The Company not only protects the health and safety of its own employees, but also attaches equal importance to the occupational health rights of suppliers and contractors. Through the systematic establishment of a comprehensive OHS management framework, the Company has coordinated and promoted multi-dimensional initiatives covering risk control, incident prevention, emergency management, occupational health protection, and safety culture construction. These efforts collectively enhance intrinsic safety standards and effectively prevent and curb the occurrence of incidents.

1 SYSTEM DEVELOPMENT

The Company operates in strict compliance with applicable laws and regulations, including the Work Safety Law of the PRC, the Law of the PRC on Prevention and Control of Occupational Diseases, the Administrative Measures for Occupational Health in the Workplace, the Technical Specifications for Occupational Health Surveillance, the Standards for Occupational Health Records Management, and the Warning Signs for Occupational Hazards in the Workplace. The Company has established a comprehensive occupational health and safety management system according to the ISO 45001 standard. The system applies to all personnel within its production facilities, including our employees as well as non-employee workers whose activities and workplaces are under our control (such as contractors and dispatched labor), and covers all operational activities and workplaces.

To further strengthen environmental protection and occupational health and safety management, the Company has formulated and issued the ESG Policy, which applies to all global operating locations and subsidiaries, as well as industrial facilities and business activities that are directly or indirectly controlled or operated by the Company. In addition, the Company has issued the EHS Management Manual, which serves as a foundational and mandatory document governing our internal EHS management. This manual clearly defines the principles and requirements to be observed by our management at all levels and all employees (including contractors and dispatched workers) throughout operational activities. All departments and regional units are required to further improve and refine their own EHS management practices according to the requirements of the manual.

The Company places equal emphasis on occupational health and safety management for its suppliers and partners. The Company effectively communicates its OHS policies to suppliers and business partners, and requires their commitment to the same standards. At the same time, the Company has incorporated explicit safety and occupational health provisions into supplier cooperation agreements, and encourages suppliers to continuously improve their performance through regular audits, training and exchanges, so as to jointly enhance occupational health and safety.

The Company conducts annual internal and external audits, and management reviews to ensure the continual optimization of its occupational health and safety management system. During the Reporting Period, the Tongren, Ningxiang, Qinzhou and Kaiyang Industrial Bases, and their overseas Morowali,

WedaBay and North Morowali Industrial Bases have all obtained ISO 45001 System certification and passed the recertification. In 2025, the Morocco project also achieved ISO 45001 certification. Therefore, we have achieved a 100% certification coverage across all operational industrial bases. In addition, the Tongren and Ningxiang Industrial Bases in China, along with PT Zhongtsing New Energy, PT CNGR Dingxing New Energy, PT Debonair Nickel Industry, PT Jade Bay Metal Industry and PT Nadesico Nickel Industry, have all obtained ISO 37301:2021 and GB/T 35770-2022 Compliance Management System certifications. The scope of these certifications covers occupational health and safety. The Debon project at the WedaBay Industrial Base in Indonesia has been awarded the Gold certificate under the SMK3 System[1], while the Zhongtsing and Dingxing projects at the Morowali Industrial Base and the NNI project at the North Morowali Industrial Base have each received a Silver certificate, further demonstrating our systematic and internationalized approach in occupational health and safety management.

2 Work Safety Management

The Company has established and implemented a comprehensive series of policies and procedures, including the Hazard Identification and Risk Assessment Management System, the Hazard Inspection and Remediation Management System, the Emergency Preparedness and Response Management System, the Incident Management System, and the Relevant Parties Safety Management System. These frameworks collectively address all critical aspects of work safety management, covering risk identification, prevention, monitoring and screening, as well as incident handling and reporting mechanisms. These systems clearly define management responsibilities, key definitions, and operational procedures in relation to work safety. Anchored in risk management and driven by rigorous hazard identification and remediation, the Company steadfastly enhances risk identification, assessment, control and rectification practices, thereby effectively protecting the life, safety and well-being of all employees.

In terms of risk identification and prevention, the Company has established an EHS major risk early warning and prevention mechanism, under which major risks are proactively identified and assessed on a regular basis to dynamically monitor risk changes. Identified potential risks are reported to the management on a monthly basis, with cross-functional collaboration to formulate targeted corrective measures as well as preventive and improvement recommendations, so as to continuously strengthen our capacity to prevent and resolve major risks. In accordance with the Hazard Identification and Risk Assessment Management System, the Company conducts systematic identification, scientific evaluation, dynamic updating and effective control of hazards throughout the entire process of product design and development, production and manufacturing, and sales and service. The Company conducts training on these systems, and prepares dedicated training materials on hazard identification and assessment. Prior to the commencement of identification activities, all employees participate in workshop-level training to ensure proficiency in identification methods. Meanwhile, equipment and operational activity lists are compiled to support a thorough identification of hazards. Practical control measures are then formulated across four dimensions: engineering technology, management control, training and education, and personal protective equipment. The Company rigorously implements the Hazard Inspection and Remediation Management System, conducts regular hazard inspections in line with the annual inspection plan to verify the effectiveness of control measures and promptly eliminates identified hazards.

In terms of risk monitoring and screening, the Company has established a mechanism engaging all employees. Through regular safety meetings and dedicated safety management WeChat groups, employees are encouraged to report potential hazards and risks encountered in their work. Employees can report safety hazards in real time via safety management WeChat groups, and responsible departments and EHS teams will respond promptly.

In terms of emergency management, the Company strictly complies with applicable laws and regulations of China and its overseas operating jurisdictions, including the Emergency Response Law of the PRC and the Administrative Measures for Emergency Response Plans for Work Safety Incidents. Based on its operational realities, the Company has established a comprehensive and multi-tiered emergency response framework for work safety incidents. This framework covers the entire process of emergency management, including incident reporting, early warning issuance, emergency response, and on-site handling, ensuring rapid and efficient action under all emergency scenarios. Emergency rescue contact information is prominently displayed across workshops and workstations. In the event of an incident or injury, a dedicated emergency response team can be called immediately via the emergency telephone number. Furthermore, the Emergency Preparedness and Response Management System of the Company clearly stipulates that employees have the right to withdraw from any work environment that poses a risk of occupational injury or health harm, with full protection against retaliation for exercising such rights. The Company also maintains independent and confidential complaint channels. Upon receipt of any complaint, a fair and impartial investigation process will be initiated promptly.

In terms of incident handling and reporting, the Company has established the Incident Management System, which requires that all incidents and near-miss events shall be reported truthfully and investigated within a specified period. Each case is subject to thorough analysis to identify root causes and systemic deficiencies, followed by the formulation and implementation of effective preventive measures. Lessons learned are disseminated through experience-sharing mechanisms to prevent recurrence of similar incidents.

In addition, with respect to external stakeholders such as contractors and suppliers, the Company has implemented the Relevant Parties Safety Management System and integrated it into our internal EHS management framework. Work Safety Management Agreements are executed to clearly define respective responsibilities, strengthen process supervision, and effectively prevent and eliminate safety incidents arising from relevant parties' operations.

During the Reporting Period, the Tongren Industrial Base identified 1,357 safety hazards, achieving a 100% on-time rectification rate; the Ningxiang Industrial Base identified 5,672 hazards, achieving a 100% on-time rectification rate; the Qinzhou Industrial Base identified 4,743 hazards, achieving a 100% on-time rectification rate; and the Kaiyang Industrial Base identified 1,424 hazards, achieving a 100% on-time rectification rate. Overseas, the Zhongtsing Project at the Morowali Industrial Base in Indonesia identified 5,177 hazards, achieving a 100% on-time rectification rate; the Debon Jade Bay project at the WedaBay Industrial Base identified 3,456 hazards, achieving a 100% on-time rectification rate; and the NNI project at the North Morowali Industrial Base identified 4,048 hazards, achieving a 100% on-time rectification rate.

1. The Indonesian Occupational Safety and Health Management System (SMK3) is established by the Indonesian government to ensure that employees receive comprehensive protection in the workplace and to prevent occupational safety and health risks. Gold represents the highest level of certification.

Work Safety Management Data of CNGR

Indicators	2023 Operating Locations in China	2024 Operating Locations in China	2025 Operating Locations in China	2025 Global Operating Locations
Amount of work safety investment /RMB'0,000	5,326.96	5,219.95	4,779.58	7,377.09
Number of work safety accidents /case(s)	59	25	30	46
Number of work-related deaths (including employees and contractors) /person(s)	0	0	0	0
Number of work-related deaths of full-time employees person(s)	0	0	0	0
Number of work-related deaths of dispatched workers person(s)	0	0	0	0
LTIR (lost-time injury rate, per 200,000 hours) [1]	0.53	0.26	0.17	0.11
LTIFR (lost-time injury frequency rate, per 1,000,000 Hours) [2]	2.65	1.30	0.85	0.55
TRIR (total recordable injury rate, per 1,000,000 hours) [3]	1.93	1.94	1.31	

1. LTIR (lost-time injury rate): this covers any work-related injury that prevents a company employee or third-party contractor from returning to their scheduled work on the next working day/shift. LTIR represents the number of lost-time injuries per 200,000 work hours. Formula: LTIR = (number of lost-time injuries) / (total work hours during the reporting period) × 200,000.

2. LTIFR (lost-time injury frequency rate): this also covers any work-related injury that prevents a company employee or third-party contractor from returning to their scheduled work on the next working day/shift. LTIFR represents the number of lost-time injuries per 1,000,000 work hours. Formula: LTIFR = (number of lost-time injuries) / (total work hours during the reporting period) × 1,000,000.

3. TRIR (total recordable injury rate): this includes all recordable work-related injuries, including minor incidents that require medical treatment but do not result in lost time. Formula: TRIR = (number of recordable injuries) / (total work hours during the reporting period) × 1,000,000.

In order to continuously maintain and improve our EHS management system and performance, the Company establishes and implements EHS targets and indicators across all relevant internal functions and organizational tiers.

EHS Targets and Achievement of CNGR

	Major incidents	Lost Time Injury Rate (LTIR) per 200,000 work hours (including contractors and dispatched workers)	Quantitative EHS management assessment	Concealment or omission of incident reporting
Target Value	0	Region or area ≤ 0.45	≥ 75	0
Achievement	0	0.11	≥ 75	0

The definition of a major incident is as follows:

Health-related	One or more employees diagnosed with an occupational disease; A single fatality; Multiple employees within the facility experiencing life-threatening health effects.
Injuries and fatalities	One or more employee fatalities resulting from the incident; Three or more employees sustaining serious injuries; Ten or more employees sustaining minor injuries.
Environmental	Chemical spills lasting more than 5 hours without response actions; Exceedance of emission/discharge standards for exhaust gas or wastewater, or improper disposal of solid waste resulting in administrative penalties from local authorities; Environmental pollution from chemical/wastewater leaks or emissions leading to inter-county administrative disputes; Loss or theft of Class IV or V radioactive sources; Self-monitoring data showing emissions/discharges exceeding permitted limits by more than 10 times.
Property damage	Direct property loss of more than 1 million RMB caused by the incident. Public opinion: Negative coverage by international or national media; government or public interest litigation; or adverse provincial-level media reports resulting in administrative penalties.
Public opinion	Negative coverage by international or national media; government or public interest litigation; or adverse provincial-level media reports resulting in administrative penalties.

3 Occupational Health Management

The Company has established and implemented a comprehensive series of management systems, including the Occupational Hazard Monitoring and Evaluation Management System, the Occupational Disease Prevention Responsibility System, the Occupational Health and Safety Management System, as well as detailed occupational hygiene operating procedures for each position. The Company systematically identifies, assesses and communicates occupational hazards in the workplace, and takes effective engineering controls, administrative measures and personal protective solutions to effectively prevent and mitigate occupational health risks. All employees, contractors and relevant personnel are equipped with appropriate personal protective equipment in accordance with established standards, thereby protecting their health and well-being. The Company conducts regular occupational health examinations to dynamically monitor the physical condition of employees, and has established the Occupational Health and Safety Job Adjustment Policy to promptly reassign personnel with occupational contraindications or high health risks. In addition, comprehensive health examination services are provided to all employees through partnerships with professional medical institutions, which ensure high-quality examinations and accurate results. Detailed post-examination reports and interpretations are also offered to enable employees to develop a well-informed understanding of their health status.

For construction projects, the Company strictly adheres to the "simultaneous design, construction and commissioning" principle, and conducts occupational disease hazard pre-evaluation, control effect evaluation and occupational health status evaluation for all new, renovated and expanded projects. At the same time, the Company conducts regular testing of occupational disease hazards in the workplace, formulates targeted rectification plans for non-compliant positions, and diligently implements corrective measures to continuously optimize the working environment and prevent occupational diseases at their source.

In terms of employee welfare and health promotion, the Company conducts routine food safety inspections in its canteens to rigorously protect food hygiene and safety. Employee dormitories are subject to systematic safety hazard inspections and sanitation assessments, with any identified issues promptly rectified to ensure a secure and orderly living environment. To further promote employees' physical and mental well-being, the Company actively organizes a diverse array of health activities, including staff sports events, complimentary medical consultations, health knowledge seminars, and first-aid training programs, thereby comprehensively improving the physical and mental health of our employees.

During the Reporting Period, the Company recorded zero occupational disease incidents.

4 Safety Culture Development

The Company consistently prioritizes employee health and safety, and has established a comprehensive EHS training framework covering all personnel including full-time employees, part-time employees, dispatched workers and contractors. Through a structured "three-tier safety education" system comprising company-level, departmental-level and position-specific training, the Company ensures 100% completion of annual safety training for all new hires and all employees. Combined with differentiated programs covering EHS leadership, general safety, specialized operations and high-risk occupational roles, these initiatives substantially enhance both safety awareness and practical competencies of our employees. Training content covers key areas such as work safety laws and regulations, standard operating procedures, hazard identification and risk control, emergency response to chemical leaks, fire evacuation, environmental compliance, and the proper use of personal protective equipment. At the same time, through mechanisms such as daily safety briefings, thematic seminars, case studies, and practical emergency drills (including fire evacuation, hazardous chemical leakage, and natural disaster response), the Company continuously strengthens employees' emergency response capabilities and cross-functional coordination capabilities. To maximize training effectiveness, the Company adopts a flexible and multifaceted approach integrating online courses via the "CNGR E-Learning" platform with offline centralized instruction, pre-shift briefings, mobile teaching and safety knowledge competitions, thereby enhancing learning engagement and practical applicability.

To deepen the development of a safety culture, the Company organizes a series of themed campaigns, including "Work Safety Month", "Occupational Disease Prevention Week", "Fire Safety Day", and "National Disaster Prevention and Reduction Day". Through diverse activities such as publicity slogans, targeted hazard rectification initiatives, emergency drills and safety-themed cartoon competitions, employees are encouraged to proactively identify risks, report hazards and participate in corrective actions.

Moreover, the Company conducts regular safety training and assessments for contractors and other relevant parties to enhance their operating safety management capabilities in our workplace and effectively mitigate risks associated with coordinated operations, thereby laying a solid foundation for our safe, green, and stable operation.

During the Reporting Period, the Company delivered a total of 186,785.65 hours of occupational health and safety training across our global industrial bases, with 18,267 participants and 260,641 cumulative attendances, resulting in an average of 10.23 training hours per employee. A total of 531 emergency drills were conducted across our global industrial bases, with 16,397 cumulative participations.



6.2 High-Quality Products

6.2.1 Responsible Product Creation Action

CNGR adheres to the quality philosophy of "technology changes the world and quality determines the future" focusing on two key dimensions: product development and product quality. CNGR strives to create a high-quality product model that aligns with its values. The Company promotes the development of new products and technologies, increases investment in research and development, establishes pilot projects for product R&D, and strengthens cooperation with external universities. Additionally, CNGR enhances its quality management system and improves chemical management.

2022	Initiate the formulation of a chemical safety management system; Improve the quality management system of CNGR. Completed For details, please refer to the 2022 ESG Report of CNGR.
2023	Establish and improve the chemical management system; Carry out product life cycle management; Conduct product carbon footprint verification. Completed
2024	Continuously expand the scope of product life cycle management and carbon footprint verification. Completed
2025	Issue the product life cycle evaluation report; Gradually enhance customer satisfaction. Completed
2030	Achieve global industry leadership in responsible products.

6.2.1.1 Innovation

Governance

The Company has firmly positioned technological innovation as the core driving force for its corporate development, and earnestly advances the "Technology Diversification" strategy. To this end, the Company has established a scientific and efficient R&D innovation governance framework to ensure the in-depth integration and effective execution of R&D initiatives in line with our corporate strategy. The Company has established the Technical Committee as the highest decision-making and advisory body for R&D innovation. Its principal responsibilities cover reviewing R&D strategies and technological roadmaps of the Company and its first-level departments; conducting preliminary technical feasibility assessments on major issues, organizing expert evaluations and review, and providing professional technical opinions to the Board; proposing development directions and suggestions on R&D innovation; and analyzing and reviewing major fundamental research, product development, process and equipment innovation, technological transformation, and major technical collaborations and technology acquisitions.

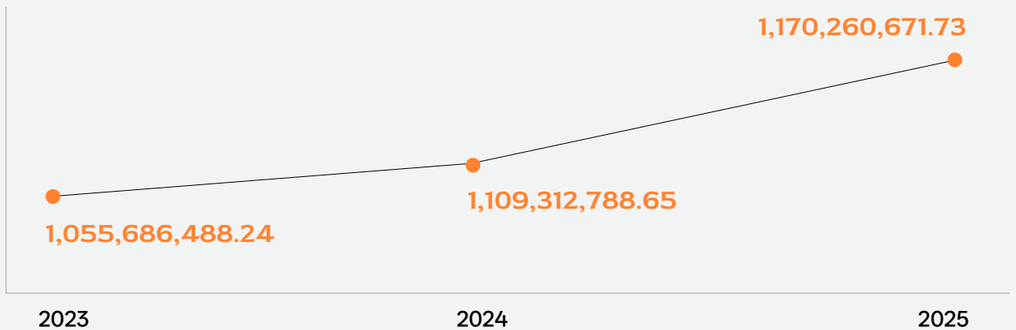
The Research Institute serves as the core execution body for our R&D innovation strategy, comprising specialized institutes/departments that operate with clearly defined roles and strong collaborative synergy. This governance structure ensures a fully integrated, end-to-end management loop from strategic decision-making, specialized R&D, engineering transformation, pilot production to coordinated support, thereby establishing a robust organizational foundation for our sustained leadership in technological advancement. The Metallurgical Chemical Research Institute is responsible for defining technological directions in its domain and systematically charting technical pathways. It leads the development and innovation of smelting technologies and diversified raw material technologies, provides advanced, stable and cost-efficient raw material solutions for new energy materials, and offers production technology support. The Process Development Research Institute focuses on the engineering transformation of materials, hydrometallurgical and pyrometallurgical processes, and environmental protection technologies. It spearheads equipment selection, new equipment development, and major technological upgrades, while overseeing the design of utilities, electrical systems, pipelines, and industrial control networks for production lines, thereby providing engineering support for technological innovation. The Nickel-Based Research Institute is dedicated to the technological R&D and process breakthroughs of nickel-cobalt-manganese precursors and sodium-based layered oxide materials. It defines technological pathways to maintain product competitiveness, advances the industrialization of new products, and provides technical support for production lines, so as to continuously enhance product quality and customer satisfaction. The Phosphorus-Based Research Institute undertakes project development, process optimization and technological research for phosphorus-based products and sodium-based polyanionic materials. It engages in cutting-edge exploration and innovative practices, delivers tailored technical solutions to customers, and drives industrialization efforts. In addition, it is also responsible for the technical maintenance of production lines and the establishment of phosphorus-based testing systems. The Chief Expert Studio, led by the Chief Expert, is dedicated to foundational theoretical and mechanistic research on precursors and cathode materials. It conducts exploratory studies on novel material systems and processes, develops new testing methods, and provides testing support. In addition, it leads the planning and execution of major projects involving strategic and key technologies while cultivating a robust pipeline of R&D talent. The Pilot Production Facility is responsible for the comprehensive planning of material trial production, formulation of production schedules, dispatch and coordination management, production delivery, as well as equipment operation and maintenance, and technological upgrades in workshops. It serves as a critical hub for translating R&D achievements into industrial-scale applications. The Administrative Institute is responsible for the formulation and implementation of R&D strategic planning, R&D project operations, intellectual property management, organizational capability development, talent and financial support, and R&D quality and system governance, while also functioning as the secretariat of the Technical Committee.

Strategy

With the vision of "a global leading innovator for battery materials and solutions" and upholding the mission of "Materials to Perfection", the Company formulates its R&D innovation strategy on an annual basis, in line with the rapidly changing industry policies and market characteristics. The Company conducts thorough analysis of external macroeconomic environments (policies, economics, society, technology, etc.), trends in technical routes, and internal operational, financial, and resource data to and develop R&D innovation strategies that focus on clean technologies The Company allocates more than 3% of its annual revenue to R&D investment, providing robust financial support for R&D innovation activities.

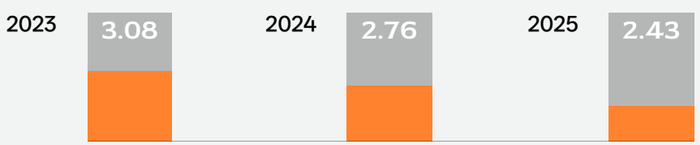
R&D Innovation Data of CNGR

R&D innovation investment (R&D expenses) RMB



Ratio of R&D innovation investment amount to revenue

%



The Company follows the following strategic principles: positioning nickel-cobalt materials as its foundational pillar, phosphorus-based materials as a breakthrough vector, strategic resources as a profit anchor, and technological innovation as the core driver. Through this approach, it aims to build system-wide cost competitiveness and cultivate a global business ecosystem.

Objectives of Nickel-Based Products 01

Carbonate-based products
Establish production lines for carbonate-based products, and achieve unparalleled cost competitiveness in the domestic market.

High-nickel products
Continuous iteration to sustain industry-leading performance.

New process products
Accelerate the development of low-cost products.

Industrialization
Reduce costs and increase efficiency in existing production lines, and optimize raw materials, processes, workflows and production capacity to achieve the highest cost-effectiveness in the industry.

Objectives of Cobalt-Manganese Products 02

Cobalt-based products
R&D and mass production of several cobalt-based products, including ultra-high-voltage tetracobalt, cobalt hydroxide and additives; development of precursor products for novel lithium cobalt oxide structures.

Manganese-based products
Achieve breakthroughs in 4.95V lithium nickel manganese oxide precursor.

Objectives of Sodium-Based Products 03

Precursors
Finalize pilot-scale NFPP process and achieve ton-scale certification.

Cathode materials
Realize mass production of NFPP with industry-leading performance, and achieve cost reduction through precursor-cathode integration.

R&D budget for nickel-cobalt-manganese and layered oxide technologies in 2026

RMB **528.76** million

Objectives of Phosphorus-Based Research Institute 04

FP products
Accelerate the planning and construction of demonstration lines for new FP processes to consolidate industry positioning.

LFP products
Overcome key limitations in high-compaction LFP, achieve industry-leading performance via single-firing processes, and make innovative breakthroughs in the iron red process.

R&D budget for 2026

RMB **91.92** million

Objectives of Metallurgical Chemical Research Institute 05

Existing business
Realize standardized and digitalized management, and ensure stable, high-yield and high-quality production while reducing costs.

Incremental businesses (new processes, iron resource utilization, rare and precious metals, electrowinning products)
Achieve high efficiency, efficient resource utilization and product diversification.

R&D budget for 2026

RMB **300.98** million

Objectives of Process Development Research Institute 06

Achieve in-depth process adaptation and rapid responsiveness
Enhance the performance of core equipment, and develop and deploy AI-driven predictive models.

R&D budget for 2026

RMB **55.00** million

The short-term goal of our R&D strategy focuses on building foundational competitiveness and securing market entry. In the nickel resources and smelting sector, we strive to rank in the top third of the industry and establish a highly competitive resource-to-smelting cost system. In the nickel-cobalt-sodium materials and recycling sector, we aim to rapidly capture market share through low-cost processes. In the phosphorus-based materials and lithium sector, we will systematically develop resource-driven technological pathways characterized by low capital investment, streamlined processes and cost-efficient conversion. The medium-term goal emphasizes the realization of technological value and breakthroughs in high-end markets. In the nickel resource and smelting sector, we advance the implementation of innovative technologies to progressively unlock resource and smelting efficiencies. In the nickel-cobalt-sodium materials and recycling sector, we will leverage technological innovation to seize the incremental opportunities in high-end markets such as solid-state batteries, and fully capitalize on our advantages of resource-smelting-material integration to further expand market share. In the phosphorus materials and lithium sector, we seek to achieve comprehensive industry leadership in product, production line, supply, quality and management system innovation, and support the large-scale, ecological expansion and development of phosphorus-based materials. The long-term goal is to achieve global leadership and sustained industry dominance. In the nickel resources and smelting sector, we will secure the strategic supply of global metal raw materials. In the nickel-cobalt-sodium materials and recycling sector, we will achieve comprehensive market share leadership, command global pricing power, and solidify our position as a global leader in new energy materials. In the phosphorus materials and lithium sector, we will continuously iterate and upgrade our product, production line, supply, quality and management system innovation to maintain our industry leadership.

Opportunity Management and Targets & Metrics

1 System Development

The Company has formulated the Qualification Framework Management Policy, which clearly defines the competency requirements and qualification standards for R&D personnel in line with its strategic and business development objectives. We will cultivate an "innovation-driven" R&D workforce and continuously enhance the organizational capabilities of the Research Institute. At the same time, we will clarify career development pathways for our employees, guide and encourage them to strengthen their professional competencies, and further improve talent training and incentive mechanisms. This framework provides a solid foundation for talent assessment, recruitment and long-term development, thus ultimately fostering mutual growth between employees and the Company.

The Company has also optimized and deepened its core project management system by revising and upgrading the Project Management System of the Research Institute (Trial Version) and formulating the R&D Project Management System Document. The new document further strengthens closed-loop management across the entire project lifecycle, and clarifies review points, resource allocation mechanisms and risk control processes at each stage. This ensures that projects are more precisely aligned with our strategic objectives and customer needs, while improving the accumulation and reuse of organizational process assets.

Building upon its R&D business scenarios, the Company has systematically designed, approved and implemented 68 R&D domain processes, standardized project management workflows and formalized project documentation. Key input and output deliverables at critical project milestones are clearly defined to provide a robust procedural foundation for business process review and management.

The Company has established a technology strategy navigation system for the first time, marking a milestone transition from an "experience-driven" model to a "system-driven" approach. By integrating external intelligence on industry trends and cutting-edge technologies with internal capability assessments, the system enables gap benchmarking, strengthens competitive advantages, and supports informed decision-making. It also facilitates the visualization of capability assets and a clear understanding of our resources, thereby providing a scientific basis for precise and efficient resource allocation.

2 External Cooperation

The Company actively expands external collaborations, gathering wisdom and resources from various parties to inject strong momentum into R&D innovation. In the field of industry-academia-research collaboration, the Company has made significant progress. In 2025, the Company initiated one new key university–enterprise cooperation project, successfully concluded four key projects, and launched six new provincial-level scientific and technological projects.

- The collaborative project with Hebei University of Technology on the microstructural analysis and mechanism research of high-entropy layered oxide cathode materials for sodium-ion batteries has officially concluded.

  Through the in-depth dissection and analysis of materials with characterization equipment and techniques, the project identified critical factors for enhancing structural stability, which is conducive to the development of cathode material products.

- The joint basic research project with Guilin University of Technology on the corrosion behavior of metallic materials exposed to ammonium magnesium sulfate and sodium sulfate wastewater in nickel–cobalt hydrometallurgy has officially concluded.

  By examining the corrosion resistance of various materials, the project provides a reference for optimizing solution pH and ionic concentration, thereby reducing equipment corrosion risks and lowering production costs.

- The collaborative project with Guilin University of Technology on the mechanisms of hydrometallurgical solid waste resource utilization has officially concluded.

  By co-processing hydrometallurgical residues into geopolymers, the project aims to solidify the heavy metal elements in raw materials, thereby reducing environmental pollution.

- The collaborative project with Tianjin University of Technology on scandium resource development and utilization has officially concluded.

  Scandium (Sc) is a rare-earth metal found in MHP raw materials. This project focuses on developing a production process using scandium slag as raw material to produce high-purity scandium

oxide, thereby realizing the productization and high-value utilization of scandium slag.

By integrating the research capabilities of Central South University alongside upstream and downstream industry partners, the Company spearheaded the "Wide-Temperature-Range High-Performance Sodium-ion Battery Development" project, one of the "Top Ten Key Technological Breakthrough Projects of Hunan Province in 2025". The project achieved breakthroughs in several technologies, including structural design of high-compaction polyanionic cathode materials and biomass pre-carbonization heat recovery. Currently, the project has built a production line for 1.5 GWh sodium-ion batteries that can be applied in energy storage stations and low-speed electric vehicles. The project is collaborating with China Tower, China Mobile, and China Longyuan Power, while undergoing testing across several countries in Southeast Asia and South Asia.

3 Highlights of R&D Achievements

Nickel-Based Materials

The carbonate-based project represents the first successful synthesis of ternary precursor materials via a carbonate co-precipitation route in the ternary lithium industry. This pioneering carbonate ternary co-precipitation process was supported by the concurrent development of novel raw and auxiliary materials, process flows and equipment systems. Leveraging its advantages in both cost and performance, the project has attracted significant attention and strong adoption intent from leading end-users such as CATL, LGES, and Hyundai Motor. The project completed the engineering validation of process equipment in a short time, and achieved a cost reduction target of RMB2,000–3,000 per ton, marking the launch of the first carbonate-based ternary precursor production line in the industry.

The Company has developed the industry's first high-voltage, mid-nickel single-crystal material with high-concentration doping and coating technologies. This product features low cost, high capacity, low impedance, and excellent cycling performance. Through a three-dimensional elemental gradient structure design, it overcomes phase transition challenges during high-voltage cycling, effectively reduces material impedance, improves initial efficiency, enhances performance and extends service life, thereby establishing a new benchmark for high-voltage performance in the industry.

Cobalt-Based Materials

While enhancing product performance, the Company has undertaken comprehensive process innovation with a sustained focus on cost reduction. Following the successful implementation of the first-phase capacity expansion processes, new products have been incorporated into the second-phase process upgrades, resulting in a 60% increase in production capacity compared to the initial phase. Meanwhile, process optimization has reduced wastewater generation by 8%. In terms of nanomaterials, one high-performance nano-material has completed pilot-scale development for use in the iteration of similar products.

The Company has achieved significant breakthroughs in high-voltage platform technologies and successfully overcome several critical technical bottlenecks. The Company has successfully developed high-aluminum, uniform-aluminum, and high-alumina multi-doped products, marking the full validation and maturation of the high-aluminum process route.

Manganese-Based Materials

To enhance product competitiveness, the Company has advanced process development and optimization initiatives aimed at cost reduction. By controlling precursor structure/morphology and the stability of reaction systems, we have improved the alignment between equipment and process and increased equipment utilization. Output per reactor for certain samples has increased by 15%, and pilot-scale samples have successfully passed customer certification. At the same time, based on the characteristics of each process, auxiliary material consumption has been reduced, lowering processing costs by approximately RMB1,200 per ton.

Sodium-Ion Polyanionic Materials

Leveraging its established presence in laterite nickel ore and phosphate ore, the Company has achieved seamless integration across raw materials and precursor production. The feasibility of producing ferrous feedstock in-house from nickel-iron raw materials has been validated, significantly reducing industrial-scale raw material costs while ensuring long-term supply stability and controllability. Through optimized control of cathode sintering processes, the phase purity of NFPP cathode materials has been improved by 3–5%, while capacity has increased by 2 mAh/g compared to first-generation products. Furthermore, through optimized particle size distribution, second-generation products have achieved a compaction density of 2.3 g/cc.

Sodium-Ion Layered Oxide Materials

The Company continues to advance the adoption of low-cost iron sources. In 2025, it adopted a dual route of self-produced ferrous sulfate + industrial-grade ferrous sulfate to introduce cost-efficient industrial-grade raw materials such as ferrous sulfate and zinc sulfate. Through compositional optimization, the nickel content of products has been reduced without compromising performance. In addition, the adoption of a carbonate-based sintering oxide process route has further contributed to cost reduction.

Phosphorus-Based Lithium Iron Phosphate (LFP) Cathode Materials

Product performance breakthroughs: Through the application of a dry-process double-sintering technique and advanced pulverization technology, the Company successfully developed a "Generation 4.5" LFP product, with key indicators surpassing leading mainstream products in the market: PD ≥ 2.65g/cc, 1C capacity ≥ 140mAh/g.

Establishment of cost advantages & industrial chain integration: A novel iron-red process has been developed as a core cost-reduction pathway. By adopting the laterite nickel smelting process in Indonesia, iron is first extracted to produce iron red, while the remaining material is subsequently utilized for nickel smelting, thereby achieving dual cost efficiencies. It is expected to reduce LFP production costs by 10-15%.

Chief Expert Studio – Innovative Precursor Evaluation for Cathode Materials

Through ex-situ characterization techniques, the differences in lithium intercalation behavior between carbonate and hydroxide precursors were discovered. A targeted sintering process compatible with carbonate precursors was developed, enabling cathode materials produced from carbonate precursors to achieve performance parity (capacity, room temperature, high temperature cycling, etc.) with those derived from hydroxide precursors.

By investigating the structural evolution during lithium intercalation of iron phosphate precursors, the formation mechanism of iron phosphide and the detachment process of carbon coatings were discovered. Through targeted optimization of atmospheric conditioning and heating platforms, the formation of iron phosphide has been significantly reduced, while the uniformity of carbon coating has been markedly enhanced.

Metallurgy

To address the low value and high removal cost of zinc by-products in nickel and cobalt smelting systems, the Company developed an extraction-based process for producing high-purity zinc sulfate. This technology has been successfully industrialized and is expected to deliver a monthly cost reduction of RMB1.2619 million.

In response to the high cost of externally sourced high-purity ferrous sulfate for polyanionic products, the Company developed a low-cost process for producing high-purity ferrous sulfate, reducing the cost of ferrous sulfate to 15%. This process also ensures a stable internal supply of ferrous sulfate for iron phosphate production lines.

Process Development Research Institute

In order to cope with intensifying market competition and achieve the goal of increasing production capacity of several product lines, the Company resolved key bottlenecks in sintering and drying equipment for tetracobalt, ternary carbonate, and ternary hydroxide systems. Following several rounds of experimental validation, the production capacity of ternary hydroxide rotary kilns increased to 19.9 tons/day, ternary carbonate rotary kilns to 12.5 tons/day, and tetracobalt rotary kilns to 5.5 tons/day.

To address challenges such as high impurity levels in crude silver, significant losses in chemical precipitation methods, and high costs of electrolytic silver, the R&D team introduced acid-resistant nanofiltration technology for impurity removal in silver nitrate solutions. This technology has demonstrated remarkable purification efficiency, and achieved substantial cost reductions, with an estimated annual cost reduction of RMB8.7 million, while offering a high return on investment.



Innovation-Driven Awards and Honors in 2025

Guizhou CNGR Resource Recycling Industrial Development Co., Ltd. was awarded the First Prize (Technology Development Category) of the 2025 Science and Technology Award by the China Association of Circular Economy for its project "Key Technologies and Applications for Efficient Multi-component Recovery of Retired Lithium Batteries and the Development of a Digital Platform".

Guizhou CNGR Resource Recycling Industrial Development Co., Ltd. was awarded the Second Prize of the 2025 Science and Technology Award by the China Association of Circular Economy for its project "Key Technologies and Applications for Energy Metal Extraction and Battery Material Preparation".

Guizhou CNGR Resource Recycling Industrial Development Co., Ltd. was awarded the First Prize of the "2025 Outstanding Technical Standards Award" by the National Technical Committee on Nonferrous Metals of the Standardization Administration of China for its standard "GB Recycled Black Mass for Lithium-Ion Batteries".

CNGR Advanced Material Co., Ltd. was awarded the Third Prize of the "2025 Outstanding Technical Standards Award" by the National Technical Committee on Nonferrous Metals of the Standardization Administration of China for its standard "YS Cathode Materials for Solid-State Lithium-Ion Batteries".

Hunan CNGR New Energy Technology Co., Ltd. was recognized as a "Benchmark Enterprise" in the raw materials industry under Hunan Province's "Enhancing Product Variety, Improving Product Quality, and Building Strong Brands" Initiative".

CNGR Advanced Material Co., Ltd. was recognized as a High-Tech Company of Guizhou Province.

Guizhou CNGR Resource Recycling Industrial Development Co., Ltd. was recognized as a High-Tech Companies of Guizhou Province.

Guangxi CNGR New Energy Technology Co., Ltd. was awarded the First Prize of the Guangxi Science and Technology Progress Award for its research achievemene "Key Technologies and Applications for Low-Carbon Manufacturing and Resource Recycling of High-Energy-Density Ternary Lithium Battery Materials".

Guangxi CNGR New Energy Technology Co., Ltd. ranked 18th among the "Top 100 Private Companies in Guangxi Province (2025)".

Guangxi CNGR New Energy Technology Co., Ltd. ranked 14th among the "Top 100 Private Manufacturing Companies in Guangxi Province (2025)".

Guangxi Zhengyuan ranked 11th among the "Top 20 Private Service Companies in Guangxi Province (2025)".

Guangxi Zhengyuan ranked 73rd among the "Top 100 Private Companies in Guangxi Province (2025)".

Guangxi CNGR New Energy Technology Co., Ltd. was honored as "Single Champion Enterprise in Manufacturing in Guangxi Province (2025)".

CNGR Advanced Material Co., Ltd. ranked 384th among the "Top 500 Private Companies in R&D Investment (2025)".

CNGR Advanced Material Co., Ltd. ranked 54th among the "Top 500 Global New Energy Companies (2025)".

CNGR Advanced Material Co., Ltd. ranked 8th among the "Top 100 Companies in Guizhou Province (2025)".

CNGR Advanced Material Co., Ltd. ranked 5th among the "Top 100 Manufacturing Companies in Guizhou Province (2025)".

CNGR Advanced Material Co., Ltd. ranked 1st among the "Top 100 Private Companies in Guizhou Province (2025)".

CNGR Advanced Material Co., Ltd. ranked 1st among the "Top Private Manufacturing Companies in Guizhou Province (2025)".

6.2.1.2

Intellectual Property Management

Governance

The Company consistently regards intellectual property as a core strategic asset and a fundamental pillar for its sustainable development. To systematically and rigorously advance the creation, utilization, protection and management of intellectual property, the Company has established and continuously improved an intellectual property governance framework characterized by clearly defined responsibilities and highly efficient coordination. The highest-level management serves as the first responsible person for intellectual property management, who shall implement intellectual property management decisions, establish clear responsibility for each level of intellectual property management, facilitate effective communication, and perform relevant functions.

The Company adopts a centralized management model for intellectual property to ensure close alignment between our intellectual property strategy and overall corporate strategy, while enabling unified planning and optimal allocation of resources across the Group. This centralized approach not only enhances the coherence with our intellectual property strategy, but also protects the overall interests of the parent company and subsidies and ensures that our activities are not constrained by intellectual property issues.

A dedicated intellectual property management department has been established to oversee all intellectual property-related matters. Its principal responsibilities include: defining intellectual property assets for protection; formulating and supervising the implementation of intellectual property management policies; implementing intellectual property strategies to maximize value creation; conducting education and training programs to strengthen intellectual property awareness of employees; and establishing monitoring mechanisms to prevent infringement of third-party intellectual property rights. The Intellectual Property Engineer Team, with extensive experience, is responsible for patent mining, layout, application, analysis, early-warning and risk control. They perform duties under our intellectual property management system to standardize intellectual property management at every stage. The Research Management Department formulates intellectual property strategies and planning, and annual work plans and budgets in line with our overall strategy and R&D plan, and cascades patent application targets as part of the annual performance commitments of each research institute, thereby ensuring structured, goal-oriented and well-funded intellectual property management. The R&D Department promptly drafts patent technology disclosure documents for innovative achievements suitable for patent protection, and submits them to the Research Management Department. The Finance Department oversees budgeting and financial management related to intellectual property activities, and participates in the valuation of intangible assets during patent operation evaluation. The Strategic Development/Operations Headquarters participates in the evaluation of overseas patent applications, while the Legal Department manages intellectual property disputes with relevant departments.

Strategy

The Company regards the goal of "building a globally leading, resilient and aggressive intellectual property management system" as its core strategy, and promotes the upgrading of intellectual property management from "defensive protection" to a multidimensional model characterized by "innovation leadership, risk mitigation, and value realization". Guided by the principles of "continuous innovation, effective utilization, rights protection, and standardized governance", the Company deeply integrates intellectual property into every aspect of its global operations, including R&D innovation, product planning and market competition. Through systematic, professional and internationalized management capabilities, the Company supports the implementation of its "technology diversification" and "global expansion" strategies.



The principal objectives of our intellectual property management include

Global Patent Protection Layout	Focusing on core technologies and emerging sectors, the Company pursues a comprehensive and multi-layered patent layout, and strengthens its global layout based on business development needs. The number of our patents in core fields remains at the forefront of the industry, with both domestic and international patent portfolios expanding steadily and invention patents accounting for no less than 80%.
End-to-End Risk Control	The Company has established a robust intellectual property risk identification and response mechanism covering all aspects of R&D, procurement, production and sales. Routine Freedom-to-Operate (FTO) searches and analyses are conducted, ensuring 100% intellectual property risk screening coverage for critical products and key projects.
Operation and Value Realization of Intellectual Property	Through licensing, assignment, and other commercialization channels, the Company actively leverages its intellectual property to support its global development strategy. It is also exploring the establishment of patent pools and intellectual property asset management frameworks to gradually increase the contribution of intellectual property assets.
System and Capacity Development	The Company continuously refines its intellectual property management policies and processes, and promotes systematized management and digitalized toolsets, with the goal of obtaining intellectual property management system certification. Meanwhile, it strengthens professional talent development and international team building to cultivate a multidisciplinary intellectual property workforce with technical, legal, and market capabilities.

Risk and Opportunity Management

The Company strictly complies with the requirements of applicable laws and regulations, including the Patent Law of the PRC and the Implementing Regulations of the Patent Law of the PRC, and has established a series of internal systems related to intellectual property management. In 2025, the Company successfully completed the recertification of its intellectual property management system, marking its transition into a new phase of standardized and highly regulated intellectual property management. Through a systematic review of its existing intellectual property assets, the Company has formulated plans aligned with its broader corporate objectives to ensure close integration between intellectual property creation, utilization, and protection with overall business development. As part of the certification process, the Company finalized the development of management system documentation, optimized operational workflows, and strengthened cross-functional collaboration mechanisms, thus significantly enhancing the systematic and forward-looking nature of intellectual property management.

Meanwhile, the Company has implemented a series of initiatives to further reinforce its intellectual property management capabilities. It has established a patent business management information system to strengthen control over the patent application process and improve management efficiency. By integrating patent analysis with patent mining, the Company identifies hot spots and gaps, uncovers potential invention opportunities, and gains a more comprehensive understanding of the technological landscape, thereby sharpening its core competitiveness. In addition, the Company has developed and maintained an internal patent database to facilitate prior art searches and analytical activities, thus providing robust support for R&D innovation. A patent technical review mechanism has also been established, whereby technical experts and patent engineers jointly evaluate proposed patents to continuously improve patent quality.

CNGR Intellectual Property Training Program

In 2025, the Company systematically organized 12 specialized training sessions aimed at strengthening end-to-end intellectual property capabilities. These programs covers a wide range of topics, including basic patent knowledge training, intellectual property management system training, patent navigation seminars on advanced energy storage materials (lithium metal anodes and ternary lithium battery) recycling industries, enhancement of patent drafting quality, patent operation talent development, corporate trade secret protection and overseas intellectual property risk mitigation, centralized patent pre-examination and data intellectual property training, and "Safeguarding Confidentiality for Global Expansion" focusing on trade secret protection and overseas rights protection. These initiatives covered core areas such as patent layout, operation and protection, and risk prevention, and established a comprehensive three-dimensional training framework of "basic capabilities + specialized skills + strategic vision". As a result, the Company significantly enhanced our team's intellectual property management and application capabilities, and enhanced our high-value patent layout and patent operation capabilities. These training activities have also enhanced the intellectual property protection awareness and capabilities of all employees, and reinforced the principle that "protecting intellectual property is protecting innovation", thus providing robust support for our global strategy and international business expansion.

Targets & Metrics

The Company is committed to developing high-performance, green and safe new energy materials. Our R&D activities cover raw ore smelting, material refining, new energy material synthesis and battery recycling, and our product portfolio includes nickel-based, cobalt-based, manganese-based, phosphorus-based, and sodium-based cathode materials and precursors. Our intellectual property work is closely aligned with the R&D priorities of the Company. We continue to intensify efforts in global patent application, mining, layout, analytical monitoring, and risk control, and enhance both the quantity and quality of our patent assets while reinforcing our offensive and defensive intellectual property capabilities. In 2025, all patent-related targets were exceeded, including the following indicators:

The total number of patents increased by 15%	Objectives of patent analysis	Objectives of the intellectual property management mechanism	Objectives of database construction
15% the number of international patents increased by 20%	patent analyses ≥ 12	Recertification of the intellectual property management system	Complete the construction of no less than seven enterprise-themed databases

The Company has filed a cumulative total of 687 patent applications, including 488 invention patents (of which 48 are overseas invention patents) and 31 PCT patents. A total of 297 patents have been granted, including 156 invention patents and 141 utility model patents. During the Reporting Period, the Company filed 107 new patent applications, including 82 invention patents (of which 11 are overseas invention patents) and 8 PCT patents. A total of 43 patents have been granted, including 30 invention patents (of which 3 are overseas invention patents). During the Reporting Period, the Tongren, Ningxiang and Qinzhou Industrial Bases have all successfully completed the recertification of the intellectual property compliance management system and remain valid. The Company also revised the Intellectual Property Compliance Management Manual and formulated the Collection of Control Procedures and Institutional Documents for the Intellectual Property Compliance Management System, including eight procedural documents such as the Intellectual Property Compliance Obligation Control Procedure.

6.2.1.3 Chemical Management

GRI 416

Governance

The Work Safety Committee of the Company exercises comprehensive leadership and oversight over chemical management, while the EHS Center is responsible for overall coordination. The EHS departments at each industrial base undertake ordinary management responsibilities. For details of the governance structure and specific responsibilities of the Work Safety Committee, please refer to the section headed "Environmental Management System and Compliance".

Strategy

Guided by the core principles of "safety, green and sustainability", the Company has established a chemical management strategy that covers the entire lifecycle of chemicals and integrates refined management, digital empowerment and full employee participation.

The Company has developed a comprehensive mechanism for risk identification, assessment, classification and dynamic control across all stages including procurement, transportation, handling, storage, usage and disposal. High-risk chemicals are subject to stringent oversight, while general chemicals are managed in a standardized manner, thereby enhancing intrinsic safety across operations. A unified, integrated and intelligent digital platform for chemical management has been established to break down data silos across business systems. This platform enables real-time updates of chemical information, intelligent risk alerts, full traceability of operational processes, and rapid emergency response, thus facilitating a transition from "passive response" to "proactive prevention". The Company further strengthens its professional EHS teams through tiered and specialized training programs, competency assessments, and multi-scenario emergency drills. These initiatives cultivate a safety culture in which every employee understands risks and is equipped to mitigate them, thereby reinforcing the human foundation of safe operations. The Company strictly adheres to domestic and international laws, regulations and international standards (such as REACH and RoHS), conducts regular compliance reviews and third-party audits, proactively discloses our chemical management performance, and actively fulfills our corporate environmental and social responsibilities, so as to enhance stakeholder trust, and shape an image as a responsible global supply chain partner.

Looking ahead, the Company will continue to enhance the scientific, forward-looking and resilient chemical management, which not only protects employee health, community safety and ecological integrity, but also makes chemical management an important part of our core competitiveness.

Risk Management and Targets & Metrics

The Company attaches great importance to chemical safety management, and strictly abides by relevant domestic regulations including the Regulations on the Safety Management of Hazardous Chemicals and the Catalogue of Priority Control Chemicals, as well as relevant international regulations including the EU Restriction of Hazardous Substances Directive (RoHS) and the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) Regulation. The Company also actively fulfills its obligations under international environmental conventions, including the Minamata Convention, the Stockholm Convention, the Basel Convention, and the Rotterdam Convention. Furthermore, the Company has established a series of internal policies, including the Hazardous Chemicals Safety Management System and the Hazardous Substances Management System, to systematically advance compliant, safe and sustainable chemical management.

End-to-End Chemical Management

The Company has established a closed-loop safety management system covering the entire lifecycle of hazardous chemicals from procurement, transportation, handling, storage, transportation, usage to disposal, so as to ensure controlled risks, standardized operations, and clearly defined responsibilities at every stage.

Procurement:
The Company rigorously verifies supplier qualifications, signs formal procurement contracts, and requires suppliers to provide chemical safety data sheets and safety labels in accordance with regulatory requirements, so as to ensure that the purchased hazardous chemicals feature legal source, complete information and compliance.

Transportation:
The Company conducts comprehensive qualification reviews of carriers, transport vehicles and drivers. Within plant premises, strict speed limits are enforced for chemical transport vehicles, alongside entry and exit registration and permit systems to ensure safe and controlled transportation.

Loading and Unloading:
A safety condition checklist is implemented for hazardous chemical handling operations. Dedicated personnel are assigned to verify safety conditions before, during and after loading and unloading operations. Vehicles failing to meet safety requirements are subject to immediate corrective actions, rejection or return.

Storage:
Designated tank farms and specialized warehouses for hazardous chemicals are established, fully equipped with emergency response supplies and supported by 24-hour video surveillance. Routine hourly inspections are conducted by assigned personnel, while the equipment department performs regular wall-thickness testing of critical tank components to prevent leakage and corrosion risks.

Transfer:
Hazardous chemicals are precisely conveyed to usage units via dedicated transfer pumps, with anti-splash protection installed at critical nodes. On-duty personnel conduct hourly inspections of transfer systems, while the equipment department regularly monitors the wall thickness of key pipeline sections to ensure safe and stable transfer operations.

Usage:
All production workshops are equipped with emergency supplies, and safety job training is conducted on a regular basis. On-duty personnel perform inspections of relevant equipment and pipelines every two hours, enabling timely identification and resolution of abnormalities.

Disposal:
Each industrial base maintains an Environmental Protection Division under its EHS department, which is responsible for implementing environmental management systems and standardizing the classification, temporary storage, transfer and disposal of hazardous chemical waste. Dedicated wastewater treatment facilities are in place to effectively treat and purify wastewater containing hazardous components, so as to ensure compliant discharge and lawful disposal.

To further strengthen lifecycle oversight of hazardous chemicals, the Company has established a normalized and institutionalized framework for inspection and capability enhancement. The head of each industrial base leads a comprehensive safety and environmental inspection on a monthly basis, while EHS departments conduct quarterly specialized inspections on hazardous chemicals, targeting critical processes and high-risk areas. These efforts enable systematic identification of potential hazards and ensure closed-loop rectification, thereby reinforcing the effective implementation of management requirements. Meanwhile, the Company attaches great importance to the chemical safety capabilities of all employees, and regularly conducts role-specific training for employees. The training covers the physicochemical properties of hazardous chemicals, health and environmental risks, personal protective measures, emergency response to leaks, and accident response procedures. These initiatives significantly enhance the safety awareness, professional expertise, and emergency response capabilities of our employees. At the production management level, the Company maintains a unified and dynamically updated chemical inventory, and formulates the corresponding hazardous chemicals safety management manual. This manual clearly defines operating procedures, risk control measures and emergency guidelines across all stages, and is distributed to all departments and workshops as a core reference for ordinary operations, supervision, inspection, training and evaluation.

Hazardous Chemical Substance Management

To effectively prevent potential risks of toxic chemicals to the environment and human health, the Company consistently prioritizes hazardous substance management as an important component of our sustainable development strategy. The Company has systematically identified 21 key hazardous substances, including nickel–cobalt–manganese hydroxides, nickel–cobalt hydroxides, nickel–cobalt oxides, amorphous cobalt oxyhydroxides, and ammonium chloride, and formulated the Hazardous Substances Management Policy accordingly. Meanwhile, it has established a comprehensive management framework covering the Hazardous Chemical Content Exceedance Notice, the Product Hazardous Substance Testing Report Ledger, and the Annual Hazardous Substance Testing Checklist. Furthermore, the Company will further refine its hazardous substance risk management mechanism to ensure effective end-to-end supervision from source to final application.

The Company recognizes the potential environmental and human health impacts associated with its production processes and the raw materials utilized. Accordingly, it conducts hazardous substance testing and lifecycle assessments for precursor products, and evaluates their risk profiles through annual sampling and analysis to meet stakeholder expectations. In 2025, the Company employed the CML 2001 (August 2016) impact assessment model to carry out comprehensive lifecycle impact

assessments for all key precursor products in accordance with the international standard ISO 14044, with verification reports issued by independent third-party institutions. The assessment covered the full value chain from "product R&D and design" to "factory gate", and focused on ten critical environmental impact indicators, namely abiotic depletion, acidification, eutrophication, freshwater aquatic ecotoxicity, global warming potential, human toxicity, marine aquatic ecotoxicity, ozone depletion, photochemical ozone creation, and terrestrial ecotoxicity. In 2025, the Company conducted extensive testing for halogens, the ten substances restricted under the EU RoHS Directive, and REACH SVHC (255 substances) across all product categories. The scope included 47 product types, such as nickel–cobalt–aluminum oxides, nickel–cobalt–manganese oxides, nickel–cobalt hydroxides, nickel–cobalt oxides, cobaltous hydroxide, cobalt hydroxide, nickel–cobalt–manganese hydroxides, cobalt tetroxide, 100% recycled cobalt tetroxide, electrolytic nickel, and electrolytic cobalt. All test results demonstrated full compliance with applicable regulatory requirements and customer specifications, with no instances of exceedance identified.

To achieve refined, lifecycle-wide control, the Company has deeply embedded hazardous substance management across R&D, procurement, production, and delivery processes. During the R&D phase, requirements for hazardous substance reduction are incorporated into process design and product development standards, while prioritizing the avoidance of restricted substances and enforcing rigorous compositional risk assessments. Upon raw material intake, in addition to standard inspections, RoHS labeling and compliance documentation are verified. In the warehousing process, zoned storage and batch number traceability are implemented. During the production process, the flow of materials is strictly recorded, and potential sources of pollution such as equipment and auxiliary materials are dynamically identified and controlled. When switching production lines, procedures such as cleaning, material removal, labeling updates and personnel training are performed to mitigate cross-contamination risks. Prior to shipment, the quality department double-checks inspection reports and shipping documentation to resolutely prevent unqualified products from entering the market. When raw or auxiliary materials are found to be non-compliant with customer specifications or regulatory limits for hazardous substances, the quality department at the industrial base promptly completes a Hazardous Chemical Content Exceedance Notice, and instructs the procurement division under the business headquarters to initiate return procedures while isolating and clearly labeling the affected materials. If excessive hazardous substance levels are detected during production, the quality department likewise issues an Exceedance Notice. The workshop director is then responsible for isolating and labeling the abnormal batch, while concurrently completing a Production Process Abnormality Report. All material disposition and source investigation shall be completed within 24 hours. In the event of customer feedback indicating excessive hazardous substances, the quality department immediately notifies the sales department to initiate product recall procedures. Compensation is provided according to customer requirements or contractual terms. Following a recall, the responsible department is required to identify the root cause, implement corrective measures, and issue a formal response to the customer within 48 hours.

During the Reporting Period, a prudent assessment confirmed that the chemical hazard levels associated with our raw materials and finished products remain relatively low, with all hazardous substance content within the control standards. Therefore, there were currently no records or plans for elimination or replacement. In the future, the Company will continue to monitor potential alternatives for our phase-out research into high-risk chemicals.

In addition to robust internal chemical safety management, the Company actively advances collaborative governance across its supply chain. By entering into environmental substance management agreements with customers and suppliers, the Company clearly defines responsibilities and obligations of all parties in the control of hazardous substances, and ensures that its products remain free from prohibited substances and fully compliant with applicable domestic and international regulations and standards. In terms of supplier management, stringent entry controls are implemented from the outset of raw material sourcing. All suppliers are required to provide Safety Data Sheets (MSDS) and safety labeling. In particular, domestic suppliers of primary and auxiliary materials shall submit RoHS and REACH hazardous substance testing reports to ensure that all procured materials feature a legal source, transparent composition and controllable risks. To enhance compliance with customer needs, the Company signs relevant commitment letters, and has established a dedicated inquiry email (cngrCSR@cngrgf.com.cn) to provide end consumers with a channel for consulting on the chemical composition information of products, thereby improving communication transparency and service response efficiency.

6.2.1.4 Product Lifecycle Management

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Governance

The Company regards product lifecycle management as a pivotal lever for sustainable development, systematically advancing lifecycle management across all stages from R&D design, raw material procurement, manufacturing to end-of-life recycling, thereby continuously enhancing both the environmental profile and market competitiveness of its products. The Company has established the Sustainability Office and the Climate Change Task Force to coordinate key initiatives, including product carbon footprint accounting, clean energy alternatives, and the application of recycled materials, while regularly evaluating the achievement of environmental performance targets of our products.

On the supply chain side, a collaborative carbon reduction mechanism has been established to encourage upstream partners to actively participate in green and low-carbon practices.

On the R&D side, the Research Institute has formed the Technical Committee led by chief experts, supported by senior research teams and external specialists. Environmental assessment processes are embedded throughout project initiation, process design and equipment selection, so as to ensure that technological solutions not only fulfill functional requirements but also demonstrate strong environmental compliance and carbon reduction performance. (For details, please refer to the section headed "Innovation").

On the production side, each industrial base is staffed with dedicated technical personnel responsible for routine energy monitoring and management. At the corporate level, the Company has established a cross-functional energy conservation and consumption reduction task force comprising specialists in process technology, equipment and energy, water treatment, and production management. This task force institutionalizes energy-efficiency diagnostics and process optimization, thereby advancing green manufacturing through professional execution and continuous oversight.

Through coordinated horizontal integration across internal functions and vertical alignment throughout the supply chain, the Company has constructed a comprehensive environmental management system covering raw material procurement, product design, manufacturing, and end-of-life recycling, thereby providing a robust institutional foundation for the green upgrading of products (for details, please refer to the sections headed "Climate Change Response" and "Innovation").

Strategy

The Company regards energy conservation and carbon reduction as core objectives of its product lifecycle management strategy. Leveraging its integrated R&D system, it has systematically charted a low-carbon transition pathway that progresses from near-term execution to long-term guidance. Through phased and structured implementation, the Company ensures that carbon reduction objectives are deeply aligned with business development.

In the short term, the Company prioritizes precise carbon footprint accounting and data analytics for its products, and establishes a carbon emissions database for key product lines to identify critical emission sources and reduction opportunities. Meanwhile, it advances process optimization to reduce unit energy consumption and waste intensity, while piloting green supply chain initiatives that encourage key suppliers to conduct carbon inventories and adopt clean energy, thereby laying the groundwork for coordinated upstream and downstream emissions reduction.

In the medium term, the Company will deepen vertical integration across the industrial chain, accelerate the transition to clean energy, and expand the adoption of renewable power sources such as photovoltaic and wind power. We will also promote the large-scale application of recycled materials and establish a traceable management system for recycled raw materials. Through continuous process innovation and equipment upgrades, the Company aims to reduce energy consumption, material loss and waste generation during product processing, thereby forming a portfolio of low-carbon products and progressively establishing a comprehensive green product matrix.

In the long term, the Company will build a circular economy ecosystem by enhancing the recycling and reuse network for end-of-life products and improving the efficiency of valuable metal recovery. In collaboration with industry partners, we will contribute to the development of low-carbon standards and co-establish platforms for technology sharing and emissions reduction across the value chain, so as to enhance the overall emission reduction capacity of the industry chain. This integrated approach will enable the Company to achieve industry leadership through the synergistic advancement of "zero-carbon products, green manufacturing, and sustainable renewable resources".

The Company has set a clear carbon reduction target: by 2030, carbon emission intensity per unit of product will be reduced by 50% compared to the 2020 baseline year. (For details, please refer to the section headed "Climate Change Response").

Risk Management and Targets & Metrics

The Company rigorously applies international standards such as ISO 14044 and ISO 14067, utilizing authoritative databases such as GaBi software and the ecoinvent database to conduct annual lifecycle assessments and carbon footprint calculations for its key products. The scope of these assessments covers ten environmental impact dimensions, including abiotic depletion, acidification, eutrophication, freshwater ecotoxicity, global warming, human toxicity, marine ecotoxicity, ozone depletion, photochemical ozone formation, and terrestrial ecotoxicity, thereby providing robust data support for environmentally responsible product design.

At the product design stage, the Company rigorously embeds principles of green design, places particular emphasis on streamlined process flows, low-carbon production pathways, high proportions of recycled inputs, and strong product recyclability, while simultaneously optimizing packaging and transportation to minimize energy consumption, and integrating the concept of environmental friendliness into the entire product development process. (For details, please refer to the section headed "Innovation")

In the production and manufacturing process, the Company continues to advance energy-saving and carbon-reduction technological upgrades, enhances energy efficiency across production lines and steadily increases the utilization of clean energy sources such as solar, wind and biodiesel. These efforts contribute to a sustained reduction in carbon emission intensity per unit of product. Meanwhile, the Company promotes lean manufacturing practices, rigorously enforces green production standards, and achieves full-process control over material consumption and waste generation.

The carbon reduction performance of key suppliers has been incorporated into routine performance evaluation systems to encourage the establishment of emissions reduction targets and regular progress tracking. During the Reporting Period, the Company organized a special training program titled "Interpretation and Practice of Typical Global Green Electricity Consumption Rules", with participants from over 30 upstream and downstream supply chain companies, which significantly enhanced collaborative decarbonization capabilities across the industrial value chain.

In strict alignment with international standards, and with reference to ISO 14021 and UL 2809, the Company has established an integrated circular recycling management system covering supply, production and sales. This system ensures end-to-end lifecycle circularity from upstream raw material traceability, midstream process control to downstream dissemination of green principles, thereby enabling efficient resource utilization and closed-loop circulation of metal materials (see the section headed "Circular Utilization of Energy Metals" for further details).

The Company actively participates in the development of industry-wide green and low-carbon standards. Focusing on key areas such as zero-waste factory development, wastewater recycling and energy consumption limits, it has driven the implementation and refinement of standards related to green manufacturing and resource recycling in fields including cathode precursor materials and nickel–cobalt smelting during the Reporting Period. The Company has led or contributed to the formulation of several industry and association standards, including the Technical Specification for Wastewater Recycling in Nickel Smelting Companies, the Technical Specification for Wastewater Recycling in Cobalt Smelting Companies, the

Energy Consumption Limits per Unit Product for Lithium-Ion Battery Cathode Precursors, and the Evaluation Requirements for Zero-Waste Factories in the Cathode Precursor Materials Industry. Through these efforts, the Company continues to contribute technical practices and industry insights to support the standardized and low-carbon development of the new energy materials industry.

During the Reporting Period, the Company conducted lifecycle assessments for 100% of dozens of key products[1] in accordance with ISO 14044. Carbon emission intensity per ton of product decreased by 52.27% compared to the 2020 baseline year. In addition, our ten representative products obtained ISO 14021 environmental declaration certification, with recycled metal content reaching up to 100%, fully demonstrating their strong green attributes. In 2025, total packaging materials used for finished products amounted to 2,564.79 tons, with packaging consumption per unit of product at 0.0018 tons.

Furthermore, during the Reporting Period, the Company participated in the CDP Water Security questionnaire for the first time and achieved a B rating, surpassing both global and industry averages. Looking ahead, the Company will continue to increase investment in green technology R&D, and explore innovative low-carbon process applications, so as to contribute meaningfully to global climate governance and sustainable development.

6.2.1.5 Product Quality and Safety

Governance

The Company has established a unified quality management framework covering all centers, departments, research institutes, and domestic and international industrial bases. This structure clearly defines the roles and responsibilities of each function in quality governance to ensure that responsibilities are implemented effectively at every level. The Company has appointed management representatives, quality representatives, and customer representatives, thereby forming a quality governance mechanism characterized by horizontal coordination and vertical alignment. According to international standards including IATF 16949:2016 Quality Management System for Automotive Production and Relevant Service Parts Organizations and ISO 9001:2015 Quality Management Systems Requirements, as well as applicable national laws and regulations and industry policies, the Company has developed and continuously refined the Quality Management Manual. This manual defines the scope of quality operations and product categories, fully covering high-nickel and low-cobalt ternary precursors, high-voltage cobalt tetroxide, phosphorus-based products and cathode materials, sodium-based precursors, integrated recycling, and raw material smelting. These initiatives form a vertically integrated quality management model covering "ore smelting – raw material refining – new energy material manufacturing – end-of-life recycling".

Strategy

Guided by its mission of "Materials to Perfection" and its vision of "a global leading innovator for battery materials and solutions", the Company has established a quality strategy centered on "Achieving Ultimate Quality". The Company has also issued the Quality Culture Manual, which systematically refines its quality policies, vision and values.

Quality Policy:	Customer First, Quality Priority, Pursuit of Excellence, Full Participation
Quality Vision:	To become the industry's quality leader and earn customer trust and respect through excellence.
Quality Values:	Quality is Life, Quality is Responsibility, Quality is Efficiency, Quality is Competence

1. Key products refer to those with an annual output exceeding 1,000 tons.

In line with the overall strategy of "Technology Diversification, Globalization, Digitalization, Industry Ecologization", the Company employs SWOT analysis to comprehensively identify and assess internal and external risks and opportunities in quality management. On this basis, it defines coordinated priorities at all organizational levels: central departments are tasked with "Effective Planning, Empowerment, Service, and Standardization", and strengthening top-level design and resource support; two R&D institutes (the research institute and the engineering institute) focus on "Design and Process Optimization" to reinforce quality at the source of products and technologies; and industrial bases are responsible for "Product Excellence, Response Effectiveness, Cost Management, and Output Quality", thus enhancing manufacturing competitiveness and customer responsiveness. Faced with the severe cycle of intensified "internal competition" and "survival under extreme conditions", the Company leverages this integrated quality governance framework to drive high-quality, efficient and resilient growth. It aims to establish a globally recognized "CNGR Quality" brand by 2028-2030, setting a new benchmark for quality management in the new energy materials industry.

At the same time, the Company conducts comprehensive assessments of quality maturity across its domestic and international regions. Anchored in both localization and globalization, it formulates differentiated strategies tailored to the developmental stage of each region.

China Region: Focusing on customer engagement and full value chain integration, strengthening talent development, upholding the philosophy of "Begin with the End in Mind", and developing a "Fast, Efficient, High-Quality, Cost-Effective, Innovative, and Harmonious" quality model.

Indonesia Region: In a transition from incubation to growth, it focuses on engineering and R&D quality, promoting integration, focus, and closed-loop management.

Morocco Project: As a future growth engine, Morocco's quality management is in the incubation stage. The strategy is to rapidly replicate the experience of mature domestic bases and accelerate development toward maturity.

Risk Management

1 System Development and Internal & External Audit Certification

The Company strictly complies with applicable laws and regulations, including the Product Quality Law of the PRC and the Regulations on the Administration of Defective Product Recalls of the PRC. In line with the requirements of IATF 16949, ISO 9001 and ISO 45001, the Company adopts a process-oriented and risk-based approach to establish an integrated quality and safety management system spanning the entire value chain and covering the full product lifecycle. Within this framework, the Company identifies three principal process categories (i.e., Customer-Oriented Processes (COP), Management Processes (MP), and Support Processes (SP)) and 18 sub-processes, and formulates and implements a number of quality management systems. The Company has developed and continuously refined the Quality Manual, to enable the effective identification, assessment and mitigation of potential quality and safety risks. The Document and Record Control Procedure governs the management of documentation and records related to quality, environmental protection, occupational health and safety, social responsibility, intellectual property, information security, energy management, and business continuity management (BCM). It ensures that only a single, valid version of documents is in use across all workplaces, standardizes records generated during the operation of the management system, and provides robust evidence to support the effective functioning and compliance of all management systems. The Internal Audit Control Procedure requires systematic internal audits across our quality, environmental, occupational health and safety, and intellectual property management systems to verify compliance with IATF 16949, ISO 9001, ISO 14001, ISO 45001, and GB/T 29490 standards. It further assesses whether these management systems are operating in a sustained and effective manner, ensures their continual improvement, and provides a robust basis for management review. The Management Review Control Procedure conducts a comprehensive evaluation of the ongoing suitability, adequacy and effectiveness of the quality management system through regular review meetings led by senior management to ensure that the Company remains responsive to evolving external conditions, regulatory requirements and customer expectations, thereby driving continuous improvement and enhancement of the management framework.

In 2025, all industrial bases of the Company achieved full coverage of third-party certification for their quality management systems. The Tongren, Ningxiang and Qinzhou Industrial Bases have all obtained dual certification under IATF 16949 and ISO 9001, and have additionally secured ISO 17025 (CNAS) certification. Internationally, the Morowali, WedaBay and North Morowali Industrial Bases, as well as the Morocco project, have all passed ISO 9001 certification.

Meanwhile, the Company conducts regular internal audits and management reviews. In accordance with the Internal Audit Control Procedure, the Company systematically performs internal audits covering the quality management system (IATF 16949, ISO 9001), environmental management system (ISO 14001), occupational health and safety management system (ISO 45001), and intellectual property management system (GB/T 29490). These audits are designed to comprehensively verify compliance with applicable standards and internal system documentation, ensure sustained operational effectiveness, and provide a basis for management review. Audit priorities include quality control throughout production processes, identification and mitigation of environmental and safety risks, compliance with occupational health and safety requirements, and the practical effectiveness of intellectual property management. Guided by the Management Review Control Procedure, our senior leadership convenes regular management review meetings to conduct in-depth analyses of both internal and external findings, evaluate the effectiveness of implemented corrective and improvement measures, and dynamically adjust management strategies in response to shifting market conditions, regulatory developments and customer expectations, thereby promoting the continuous optimization of the management system.

Through these internal audits and management reviews, the Company has achieved sustained optimization across several dimensions, including the dynamic optimization of quality objectives, process refinement and technological advancement, proactive identification of quality risks and opportunities, and the construction of a company-wide quality culture. The Company closely aligns its quality objectives with evolving customer needs and market dynamics, and enhances the challenge, foresight and industry leadership of its indicators. It actively accelerates digital transformation by leveraging intelligent sensing technologies, integrated data platforms and industrial software to enable intelligent, visualized and precise

control across the entire production process. Routine quality risk assessments are conducted to ensure timely and effective formulation and implementation of corrective measures, while capturing improvement opportunities from customer feedback to transform external demands into internal driving forces. Moreover, the Company deeply embeds the philosophy that "Quality is Life, Quality is Responsibility, Quality is Efficiency, Quality is Competence", and is committed to fostering an organizational culture where everyone values quality and participates in improvement, while encouraging every employee to uphold quality commitments within their respective roles.

2 Lifecycle Quality Management

R&D and Design

The Company has established the APQP Product Quality Advanced Planning Control Procedure, and strictly follows its requirements across every stage from planning and project initiation, product design and development (sample validation), process design and development (process finalization) to product and process validation (pilot production). At the R&D and design phases, cross-functional collaboration among technology, quality, production, operations, business headquarters and finance ensures that product functionality, reliability, manufacturability and compliance requirements are comprehensively addressed at the earliest stages. All design outputs are subject to stringent verification and validation, accompanied by the formulation of complete technical documentation and quality standards, thereby laying a robust foundation for subsequent mass production.

Supply Chain

The Company has refined its supplier management framework and performance evaluation system, and established detailed criteria for supplier entry audits, annual assessments and process audits. The Company formulates an annual supplier evaluation plan and implements on-site audits of supplier quality systems in an orderly manner. Meanwhile, a comprehensive quality management mechanism covering the entire material lifecycle has been established. Leveraging digital systems, the Company achieves closed-loop control across the full process from supplier introduction and demand assessment, qualification approval, process monitoring to performance evaluation. Furthermore, the Company accelerates the establishment of a reliability laboratory and obtains CNAS certification to ensure ensures 100% inspection coverage of production materials. In accordance with the Raw Material Acceptance Standards and the Incoming Inspection Control Procedure, all materials undergo rigorous testing to ensure product quality and supply chain stability.

Production

To ensure the consistent quality and reliable performance of shipped products, the Company has implemented a stringent and standardized pre-shipment quality control (QC) system. All products designated for shipment shall undergo final quality inspection, covering several dimensions such as appearance, performance parameters, and packaging integrity. Sampling inspections are conducted in strict adherence to the Sampling Inspection Standards, while evaluations are performed according to the Product Quality Standards and specific customer requirements, covering critical indicators such as appearance, functionality, physical properties, and chemical composition. Only products that fully meet all criteria are authorized to proceed to shipment. Any non-conforming materials or batches are rigorously managed in accordance with the Non-Conforming Product Control Procedure, including isolation, identification, review and disposition. The responsible department shall formulate and implement effective corrective measures, resubmit for re-inspection after rectification, and confirm compliance prior to release, so as to resolutely prevent non-conforming products from reaching customers. All inspection data, results and evaluation criteria are fully documented and archived for long-term retention to ensure full traceability across the entire value chain and all production batches from raw materials to finished goods. Final approval is granted by the QC supervisor, who reviews inspection results and issues a certificate of conformity for shipment, so as to ensure that each shipment fully satisfies customer technical specifications and delivery requirements.

Customer

The Company efficiently addresses customer feedback in accordance with the Customer Complaint Management System, and ensures that every complaint receives a prompt response and closed-loop resolution. This system clearly defines the entire process from complaint acceptance to corrective action, while standardized operational mechanisms ensure the continuous enhancement of customer satisfaction. In practice, once a complaint is received, whether via email, fax or the "Integrity CNGR" WeChat mini-program, by the customer service function of the Operations Headquarters or the QE Management Department under the Quality Management Center, the response mechanism is immediately activated. The complaint is first systematically structured using the 5W2H methodology and accurately communicated to the relevant industrial base, while a formal customer complaint workflow is formally initiated within our OA system. The subsequent analysis and corrective process strictly adhere to the 8D methodology: completion of 3D (problem description, interim containment actions, and preliminary analysis) within 24 hours, and 5D (root cause identification and formulation of permanent corrective actions) within 72 hours. Where customers impose specific response timelines, such requirements take precedence to ensure timely and efficient resolution. For cases involving product returns or exchanges, the Company has established clearly defined handling protocols based on accountability. Where the issue is determined not to be attributable to the Company, any return or exchange is subject to prior approval from both the Operations Headquarters and the general manager of the Quality Management Center. Conversely, where responsibility lies with the Company, the responsible department initiates an internal approval process, upon which the Production and Operations Department is required to complete the return within 15 days. Overseas returns are processed in accordance with applicable customs procedures. Upon receipt of returned materials or products, joint verification is conducted by the logistics coordinator, warehouse custodian and final quality control (OQC) personnel, who collectively complete the return authorization documentation. OQC performs a comprehensive quality inspection, including visual examination and sample analysis, and records in detail the reasons for return and the product condition on the warehousing documentation. All returned materials or products are segregated and stored in the designated non-conforming finished goods area, and warehouse personnel concurrently update the corresponding inventory records. OQC subsequently processes returned products in accordance with the Non-Conforming Product Control Procedure, while maintaining a real-time, fully traceable ledger of returned materials, so as to ensure visibility, traceability and control throughout the entire process.

3 Quality Awareness and Capability Enhancement Training

To comprehensively enhance the quality awareness and professional competence of all employees, the Company has established a diversified training framework that integrates both online and offline modalities and balances instructor-led sessions with self-learning. This program systematically addresses core areas including quality standards, quality tools, and process management. In 2025, the Company conducted a total of 632 training sessions, covering frontline production personnel, quality management staff, and management at all levels. Training topics focused on quality system development, the application of advanced quality tools (such as 8D, FMEA and SPC), and critical process control points. A total of 21,700 participations were recorded throughout the year, with a cumulative training time of 24,474 hours. Through this high-frequency, high-quality and wide-reaching training approach, the Company has effectively embedded a culture of quality into ordinary operations, and significantly enhanced employees' quality awareness, process control capabilities, and problem-solving abilities, thereby laying a solid foundation for building a world-class quality management system and the continuous improvement of product excellence.

Targets & Metrics

Closely aligned with our overall strategic deployment, the "critical initiatives" issued by the President's Office, and its long-term quality development strategy, the Company systematically formulates annual quality control objectives and a comprehensive performance evaluation system. This framework adopts a hierarchical structure of "Level 1 Objectives – Level 2 Indicators – Level 3 Metrics", ensuring that quality targets are precisely cascaded across all functional departments and management levels, with clearly defined accountability and robust execution. To reinforce accountability and guide quality-driven behavior, the Company has established and implemented the Quality Incentive Management System. This system comprehensively defines both positive and negative quality incentives, defines clear "red" and "yellow" lines for quality management, and standardizes the complaint procedures applicable to negative incentives, thereby ensuring that the incentive mechanism remains equitable, transparent and enforceable.

Centered on the core principle of "product quality and safety", the Company continues to deepen the application of the "Performance Excellence" management model. Through systematic process mapping, as well as the identification of risks and opportunities, it establishes a series of quantifiable and traceable objectives and performance indicators to drive high-quality development. Leveraging the continuous refinement of its quality management system, the Company has set a clear target of achieving a maturity level exceeding 600 points, fully benchmarking against world-class standards and striving to become a global leader in quality management in the new energy materials industry. By continuously enhancing its processes and management mechanisms, the Company continues to promote the implementation of the performance excellence management model and integrate the quality management system into ordinary operations, so as to enhance overall management efficiency through scientific and standardized management methods. Meanwhile, the Company has set a goal for its products to fully achieve Six Sigma quality levels. By strengthening process control and advancing technological innovation, it seeks to reduce defect rates to industry-leading lows, and significantly enhance product consistency, reliability and customer confidence. In terms of collaborative management of safety and quality, the Company is committed to establishing a comprehensive, end-to-end product lifecycle safety traceability system. From raw material procurement, manufacturing, logistics, usage to ultimate disposal, every stage is governed by standardized controls to ensure absolute safety and the elimination of latent risks. With "zero accidents in safety and quality" as its core objective, the Company strictly implements accountability mechanisms, strengthens quality awareness of all employees, and continuously enhances professional competence and responsibility through ongoing training and performance evaluation. Supported by big data monitoring, intelligent analytics and refined management practices, the Company is able to identify potential risks at an early stage and take timely measures, thereby achieving proactive risk management and precise control.

During the Reporting Period, the Company recorded zero major incidents related to product quality or safety. As a manufacturer of new energy materials, our products do not directly interface with end consumers. Accordingly, we are not subject to any product recalls directly involving end consumers, or those involving downstream customers due to safety or health concerns.



6.2.1.6

Customer Management

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Governance

The Company has established a comprehensive customer management governance structure, supported by specialized product sales and customer service teams with clearly defined roles and responsibilities across functional departments. Regular customer service meetings and dedicated review sessions are convened to ensure a rapid response to customer needs, thereby enabling efficient and orderly customer services. The Operations Headquarters assumes responsibility for the overall maintenance of customer relationships, gaining deep insight into customer requirements, and coordinating the collection, transmission and response to both pre-sales support and post-sales feedback. Meanwhile, the Quality Management Center is responsible for receiving customer complaints and requests, coordinating cross-functional issue resolution, and monitoring and evaluating the effectiveness of implementation. Technical, quality and production operations departments across all industrial bases collaborate closely to conduct root cause analyses, formulate and implement effective solutions, and continuously refine product delivery and service processes, so as to promptly and appropriately address customer issues, efficiently fulfill customer needs, and consistently enhance overall customer satisfaction.

Strategy

The Company steadfastly upholds a "customer-centric" philosophy. In order to build long-term, stable and mutually beneficial relationships while continuously strengthening customer satisfaction and loyalty, the Company has formulated a clear customer management strategy. In the short term, the Company focuses on optimizing the customer experience and reinforcing service foundations. This includes integrating customer information resources to establish a unified data platform, enabling cross-departmental information sharing and efficient collaboration; instituting rapid response mechanisms to enhance service agility and problem-resolution efficiency for key projects and critical needs; and advancing the standardization and quality of service processes to ensure consistent delivery and enhance customer satisfaction. In the medium term, the Company seeks to build a systematic management framework and deepen customer loyalty. It implements customer segmentation strategies based on industry characteristics, depth of engagement and value potential, thereby delivering differentiated and tailored services. Meanwhile, it introduces data-driven customer behavior analysis models to map behavioral patterns, accurately identify churn risks, and proactively implement intervention measures. In the long term, the Company will build a dynamic customer ecosystem and achieve value co-creation. It promotes comprehensive lifecycle customer management spanning from customer acquisition, growth, maturity to extension stages, and designs aligned service and value-enablement pathways. Furthermore, it endeavors to establish a partner ecosystem centered on the Company, and integrates upstream and downstream resources to provide value-added services such as technological collaboration, green supply chain and joint innovation, thereby jointly advancing the synergistic development of economic, environmental and social value.

Risk and Opportunity Management

Centered on a lifecycle approach to customer relationship management, the Company has established systematic and standardized frameworks covering routine engagement, complaint resolution, product delivery and service upgrades. In accordance with the Customer Service Control Procedure, it clearly defines service workflows and execution standards, and continuously refines service mechanisms to drive the ongoing improvement of products and processes through high-quality services. Under the Customer Complaint Management System, the Company ensures rapid and effective responses to all customer feedback, and resolves each complaint within committed timelines while conducting in-depth internal root cause analyses and implementing corrective actions. The Product Recall Management System further protects product quality and customer interests, and ensures that any non-conforming products identified post-delivery can be promptly and comprehensively recalled, thereby minimizing customer risk and adverse impact. In addition, the Non-Conforming Product Control Procedure further standardizes the identification, control and disposition of non-conformities throughout the entire process, so as to effectively prevent the unintended use or delivery of non-compliant products.

1 Customer Communication and Satisfaction Management

The Company provides comprehensive support and services covering pre-sales, in-sales and after-sales services. During the pre-sales stage, the Company strengthens market insight and demand identification, refines communication mechanisms and product solution design processes, and provides customized solutions for customers. Through various channels including its official website, online customer service, email, complaint hotlines, face-to-face engagement, and contractual documentation, it systematically collects and conducts in-depth analyses of customer requirements. Potential issues identified through such analyses are proactively addressed through substantive consultations with customers to ensure consensus on key aspects. During the in-sales stage, standardized processes are employed to efficiently cascade customer requirements to all industrial bases, and enable coordinated cross-functional responses. Delivery progress is monitored in real time to ensure punctual fulfillment of commitments. Meanwhile, the Company actively advances the digitalization and intelligent transformation of customer management, and enhances responsiveness and collaborative efficiency. Customer feedback is managed through a structured framework of tiered response, successive escalation, and closed-loop review, thereby driving continuous improvement. In the after-sales stage, the Company continuously monitors service performance through multidimensional data, including customer satisfaction surveys and internal performance metrics. Sales teams conduct regular customer visits to comprehensively capture customer needs across commercial, quality, technical and sustainability dimensions. Customer complaints are addressed promptly by commercial and quality teams, who coordinate communication, consolidate issues, and relay them to relevant internal departments for efficient resolution. Enhanced collaboration among sales, quality, technical and production planning (PMC) functions ensures streamlined internal operations and improved service efficiency. Furthermore, the Company strengthens the intensity and effectiveness of horizontal expansion to ensure that the same issue does not recur across any industrial base.

2 Customer Privacy Protection

The Company is firmly committed to protecting customer privacy, and strictly abides by laws and regulations such as the Personal Information Protection Law of the PRC and the Data Security Law of the PRC. It systematically identifies and manages risks related to the potential leakage of customer information and implements stringent protections for all personal data. A comprehensive privacy protection framework has been established, covering the entire lifecycle of information collection, storage and utilization. In the information collection stage, information is gathered in a fair, transparent and secure manner strictly within the scope necessary for business activities, with clear disclosure of usage purposes and lawful acquisition of customer consent. In the information storage stage, encryption technologies are employed to ensure data security. In the information usage stage, data is handled strictly in accordance with defined purposes and authorized scopes, with access restricted to duly authorized personnel on a need-to-know basis. All access activities are comprehensively logged to ensure that any potential privacy incident can be promptly traced and addressed. Through these rigorous controls, the Company decisively prevents unauthorized practices and establishes a robust defense for data privacy and security.

Targets & Metrics

The Company consistently prioritizes the continuous enhancement of customer satisfaction as a central objective. It is committed to optimizing on-time delivery performance and return processes to ensure the efficient resolution of customer complaints, and resolutely preventing any incidents involving the infringement of customer privacy. During the Reporting Period, the number of complaints received relating to customer privacy breaches or loss of customer data was nil. In 2025, the Company conducted customer satisfaction surveys among 55 customers with annual shipment volumes exceeding 400 tons of nickel-cobalt-sodium-phosphorus products across our industrial bases. The overall satisfaction score reached 96.82. Customer feedback primarily centered on two areas: compliance with technical specifications and on-time delivery performance. In response, the Company undertook in-depth analyses and implemented targeted improvements, including enhancing the completeness and accuracy of sales forecasting and reconfirming technical specifications with customers.

Customer Management Data of CNGR

	2023	2024	2025
Customer complaint rate %	0.17	0.12	0.03
Total product quality complaints case(s)	68	41	13
Closed complaints relating to products and services case(s)	68	41	13
Unclosed complaints relating to products and services case(s)	0	0	0

	2023	2024	2025
Customer complaint closure rate %	100	100	100
Average complaint closure time hour(s)	48	151	72
Customer satisfaction score score	94.71	96.24	96.82
Number of proactively recalled products ton	169.25	124.72	80
Number of proactively recalled product models type(s)			8

6.3 Community and Partnerships

6.3.1 Sustainable Supply Chain Action

CNGR is committed to promoting sustainability across its supply chain. By working closely with partners in the industrial chain, the Company takes the lead in implementing responsible sourcing practices and advancing continuous decarbonization efforts.

2022	Publicly disclose supply chain ESG management systems; Initiate ESG audits for suppliers. Completed For details, please refer to the 2022 ESG Report of CNGR.
2023	Expand the coverage of ESG and RMAP audits for suppliers; Support suppliers in improving ESG awareness and performance. Completed
2024	Form a full-coverage supplier ESG audit mechanism at least once every 2 years; Promote supply chain enterprises to set carbon targets.
2025	Require core suppliers to participate in external ratings such as CDP; Hire external professional third parties to conduct regular ESG audits of critical suppliers. Partially completed
2030	Achieve a world-leading sustainable supply chain.

6.3.1.1 Equal Treatment for Small and Medium-Sized Enterprises (SMEs)

Small and medium-sized companies (SMEs) constitute a vital component of the global supply chain ecosystem, which play an indispensable role in job creation, market dynamism and technological innovation. As a core enterprise in the industrial chain, the Company recognizes that partnerships between large corporations and SMEs shall be grounded in equality, mutual trust and long-term sustainability. Accordingly, the Company is committed to fostering a fair, transparent and healthy business environment, and resolutely eliminating any inequitable transactions arising from disparities in scale.

To effectively protect the legitimate rights and interests of SME suppliers, the Company has established a clear payment period management framework, and strictly adheres to contractually agreed payment terms to prevent any adverse impact on SME's cash flow due to delayed payments. Regular reviews of payment processes are conducted to ensure standardization and compliance with payment terms, thereby protecting the financial security and operational stability of SME partners. In terms of payment methods, the Company takes into full consideration the actual operating needs of SMEs, and offers diversified settlement options, including bank acceptance bills, advance payments and wire transfers, to enhance the financial flexibility of our suppliers. Meanwhile, the Company continues to enhance its digital supplier management platform, and strengthen ordinary communication and information sharing with SME suppliers to ensure timely and effective responses to any issues arising during collaboration. Looking ahead, the Company will further refine its supply chain management system, and deepen its support for SMEs through optimized payment processes and

guarantee systems, thus jointly promoting a more equitable and resilient industrial ecosystem.

During the Reporting Period, internal reviews confirmed that the Company had no overdue payments to SME suppliers. For relevant financial data, please refer to the 2025 Annual Report of CNGR Advanced Material Co., Ltd.

6.3.2 Community Well-Being Action

6.3.2.1 Community Engagement

GRI 203, GRI 204, GRI 410, GRI 411, GRI 413

Governance

The Company has established a well-structured and clearly defined governance framework for community engagement. The Strategy and ESG Committee of the Board serves as the highest decision-making and oversight body, which is responsible for reviewing and approving overall community engagement strategies and policies, and ensuring alignment with our sustainable development goals. As the core coordinating body, the Sustainability Office formulates overall community engagement policies under the Strategy and ESG Committee's authorization, coordinates the development and implementation of specific initiatives, mobilizes internal and external resources, and oversees and evaluates the effectiveness of implementation across all industrial bases. As the frontline execution departments, the general offices of each industrial base are responsible for translating our community engagement policies into concrete action plans, including establishing regular communication channels, organizing localized engagement activities, and responding promptly to community concerns. Through this community engagement governance framework, the Company ensures that legitimate community expectations are effectively integrated into our operational decision-making, thereby fostering mutual trust and promoting shared prosperity between the Company and the communities in which it operates.

Strategy

In the mining and smelting industry, harmonious and trust-based relationships with local communities where the Company operates are fundamental to ensuring stable operations and achieving sustainable development. The Company consistently places win-win and coexistence with local communities at the core of its strategic priorities, and has accordingly developed a phased community engagement strategy. In the short term, the Company is committed to fully implementing the CNGR Community Relations Policy, and establishing a transparent and efficient framework for communication and engagement. We will continue to refine communication channels and complaint mechanisms for community stakeholders, and ensure that community concerns are heard promptly, addressed efficiently, and resolved appropriately. In the medium term, the Company will conduct regular social impact assessments across both domestic and international industrial bases. By using scientific assessment tools and methods, we will analyze potential adverse impacts of our operations on local communities and formulate targeted risk mitigation and compensation measures based on the assessment results, thereby protecting and enhancing our reputation in operating locations. In the long term, the Company will further deepen collaboration with local communities and governments by sustaining investments in education, healthcare and infrastructure, while expanding local procurement. Through these efforts, we seek to build a community of shared interests, and ultimately realize mutually beneficial outcomes for all stakeholders.

Risk Management and Targets & Metrics

The Company strictly adheres to the principles of Free, Prior and Informed Consent (FPIC), the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), and the AA1000 Stakeholder Engagement Standard, and has formulated and continuously refined our community relations governance policies, including the Community Relations Policy of the CNGR and the Stakeholder Engagement Policy of the CNGR, which comprehensively cover all domestic and overseas industrial bases as well as the entire value chain. These policies are designed to ensure that the Company fully considers and respects the needs of local communities in the course of our operations and fosters long-term mutual trust and harmonious relationships between the Company and local communities through effective communication and collaboration.

To accurately assess the potential environmental and social impacts of its operations on local communities, the Company conducts ongoing social impact assessments prior to the commencement of projects and throughout their operations at each industrial base. These assessments cover analyses of local livelihoods, socio-economic structures, and potential impacts on the ecological environment, cultural heritage and public health. The assessment results from domestic industrial bases indicate that site selection and construction planning are scientifically sound, do not involve any areas of high ecological or cultural significance, and are unlikely to generate material adverse effects on surrounding communities. During the assessment process, the Company strictly adheres to the principles of Free, Prior and Informed Consent (FPIC), and ensures that potentially affected communities and stakeholders are fully informed of the scale and scope of proposed activities through questionnaires, consultation forums and other mechanisms, while actively soliciting their views. Based on historical survey outcomes, local communities and stakeholder groups surrounding our domestic industrial base have expressed no objection to our planned activities.

The Company places strong emphasis on the accessibility and diversification of communication channels, and is committed to establishing an efficient and transparent platform for community dialogue. The general office and the sustainability office of each industrial base serve as the primary interface for coordinating daily communication and engagement with local communities. In addition to maintaining traditional offline engagement, the Company actively expands digital communication pathways, including tools such as the WeChat mini-program "Integrity CNGR" and a dedicated social responsibility email (cngrCSR@cngrgf.com.cn), to provide accessible and transparent channels for feedback and complaints. A comprehensive end-to-end complaint tracking and documentation mechanism has been established to ensure that all submissions are promptly addressed, appropriately resolved, and managed through a closed-loop process. Complaint data are also regularly analyzed to identify systemic issues and promote systemic improvements.

To ensure inclusive and barrier-free participation for communities surrounding our overseas industrial bases, the Company has implemented targeted community capacity-building initiatives. By providing local-language translation services, conducting communication skills training, and producing accessible informational materials, we enable community members to better understand our operational model and community engagement processes, and to more effectively express their concerns and participate in decision-making. For employees, the Company has independently developed a digital learning platform "CNGR E-Learning", which systematically integrates three core modules: multilingual learning, cross-cultural communication and local integration. The curriculum covers key working languages such as English and Indonesian, as well as practical knowledge relating to local customs, business etiquette, and policies and regulations across our operating regions. This initiative helps employees improve their affinity and professionalism when communicating with community stakeholders and grassroots organizations, thereby laying a strong humanistic foundation for building a responsible global corporate image and fostering long-term harmonious coexistence with local communities.

CNGR's 4th "New Energy Discovery Journey"

In August 2025, the 4th "New Energy Discovery Journey" summer public welfare study program concluded successfully across our three major industrial bases in Tongren, Ningxiang and Qinzhou. The event attracted more than 220 teenage participants from employee families and surrounding communities, who were invited to explore our science and technology museum and intelligent manufacturing workshops. Through engaging science outreach and interactive activities, they explored the mysteries of new energy and experienced the charm of green technology. This year's program introduced innovative features such as the "Junior Docent" and the "Study Tour Award", further strengthening collaboration between schools and enterprises in science education. As a public welfare brand cultivated over four consecutive years, the program has become an important bridge connecting the Company with local communities and fulfilling our social responsibilities.

In response to emerging concerns and potential conflicts arising from our continuous business expansion, the Company maintains dynamic and proactive engagement with local communities. Through regular site visits, thematic forums and other consultation mechanisms, the Company actively gathers community feedback and promptly identifies emerging social issues related to land use, environmental protection and public services. At the same time, the Company has established a regular review mechanism for community engagement. Each year, it conducts systematic evaluations of stakeholder engagement and feedback through questionnaires, focus group discussions and other methods, while identifying challenges encountered during engagement processes. The results of these reviews not only inform the optimization of subsequent annual community engagement plans, but also provide a critical foundation for refining our long-term community relations strategy.

Bunta Construction Assistance Initiative of North Morowali Industrial Base

Bunta Village is located on Sulawesi Island in Indonesia and is adjacent to our North Morowali Industrial Base (NNI). Through regular visits and community forums, our employees learned that the village has long faced traffic disruptions caused by road collapses during the rainy season. These conditions have hindered the daily travel of residents and constrained the transportation of agricultural products, thereby affecting local economic development. Following internal review and community consultations, the Company incorporated it into the annual community response agenda of the industrial base.

In March 2025, NNI's leadership delegation visited Bunta Village, and provided essential livelihood supplies, including food, oil, rice, and other necessities, to the village committee and assessed post-disaster conditions and reconstruction needs on-site. Subsequently, NNI advanced a series of post-disaster recovery and support initiatives, including the rehabilitation of approximately five kilometers of road infrastructure in the Bunta area. The Company also donated a 1,200-litre water tank, 18 traffic safety signs, and four 300W lighting systems to the local traffic authorities to strengthen public safety infrastructure. In addition, drainage systems at TransBunta School were cleared and access roads repaired, while land levelling services were provided for a local church. Collectively, these efforts have significantly enhanced the community's resilience to natural disasters and improved public services.

Our Commitments: The Company is firmly committed to refraining from conducting operations in areas of high cultural value, including World Heritage sites and regions of historical or cultural significance. We remain attentive to the needs of vulnerable groups in local communities, actively respond to their legitimate concerns and strive to foster a long-term relationship of mutual trust and win-win results. Through transparent and continuous dialogue mechanisms, the Company ensures the proactive identification and effective resolution of community concerns across all operational regions, thereby advancing coordinated development and harmonious prosperity between the Company and local communities.

During the Reporting Period, the Company recorded zero grievances or complaints from local communities across all domestic operating locations. This outcome attests to our consistent efforts and effectiveness in fulfilling our social responsibilities and in respecting and protecting community rights and interests. Looking ahead, the Company will continue to uphold an open and collaborative approach to further refine our community relationship management practices, and strive to generate not only economic value but also meaningful contributions to community well-being and social harmony.

6.3.2.2 Rural Revitalization and Social Contribution

Governance

The Company has deeply embedded rural revitalization and social contribution into our sustainable development strategy, and adheres to the corporate philosophy of "taking social responsibility as our mission, putting customers at the center, and valuing creators". Following the establishment of the CNGR Public Welfare Foundation in Hunan Province, our philanthropic initiatives cover poverty alleviation, social assistance, support for persons with disabilities, care for orphans, and rural revitalization. The Foundation Council serves as the decision-making body, responsible for reviewing and approving major program initiatives as well as the raising, management and utilization of funds. Meanwhile, the Company has developed a comprehensive public welfare and charity management system and assembled a professional team focused on key areas such as educational support, environmental protection and rural revitalization. This framework standardizes the entire process of projects from planning through evaluation, and ensures the efficient execution of the Foundation's initiatives. By benchmarking against industry best practices, continuously optimizing its governance system and strengthening collaboration with government bodies and social institutions, we are constantly expanding the reach and impact of our charitable efforts and are committed to becoming a leading force in corporate social responsibility.

Strategy

The Company recognizes that our rural revitalization and social contribution initiatives can generate broad and positive economic, environmental and social impacts in the regions where it operates, and are intrinsically linked to local economic prosperity, ecological health and social harmony. Through localized procurement, industrial collaboration, and innovative models such as "purchasing as donation", the Hunan CNGR Public Welfare Foundation has directly supported the sales of specialty agricultural products and the development of rural industries in regions such as Tongren and Qinzhou. These efforts have created stable income streams for farmers and local companies, thereby contributing to rural economic revitalization. At the same time, by engaging in rural environmental governance, promoting green principles, and organizing targeted initiatives such as coastal clean-up campaigns and biodiversity conservation programs, the Foundation has played a direct role in improving regional ecological conditions and enhancing environmental awareness among employees and the public, thereby fulfilling our commitment to green development with practical actions. In addition, through vocational training, educational support, science outreach programs and charitable donations, the Foundation has strengthened local human capital and enhanced scientific literacy among youth, advanced educational equity and nurtured the next generation of talent for society. Initiatives such as Party-building collaboration, ethnic unity initiatives and diverse community care programs have effectively strengthened grassroots cohesion, fostered social harmony and inclusiveness, conveyed corporate warmth, and amplified positive social values.

In line with industry characteristics, corporate social responsibility objectives and societal needs, the Company has formulated short-term, medium-term and long-term strategies, supported by robust organizational structures and governance mechanisms to ensure effective implementation:

Short-term Strategy:	We will focus on targeted initiatives to rapidly establish a strong public welfare image. Through partnerships with universities to develop talent development programs, the Company supports the advancement of talent in the new energy sector, laying an initial foundation for corporate social responsibility. Meanwhile, the Company enhances employee and community engagement through charitable initiatives, volunteer services, industrial site visits and outreach activities, thus shaping an image of a responsible and compassionate enterprise.
Medium-term Strategy:	We will establish a stable and long-term management framework for rural revitalization and social contribution by systematically consolidating and standardizing effective practices across our industrial bases, thereby creating scalable assistance models and community co-development mechanisms. The Company will further deepen strategic collaboration with local governments, community organizations and professional institutions, and promote professional and normal project operations, while enhancing the Foundation's influence and credibility.
Long-term Strategy:	We are committed to becoming a model enterprise that deeply integrates into local development and drives the sustainable development of the regional economy and society. By regularly organizing large-scale charitable initiatives aligned with the United Nations Sustainable Development Goals, the Company seeks to advance its global social responsibility agenda. Through the empowerment of technology, industry and resources, we aim to transcend one-way assistance and foster resilient, self-sustaining rural industrial ecosystems, and ultimately establish ourselves as a benchmark for social responsibility in the new energy industry.

Opportunity Management and Targets & Metrics

The Company incorporates rural revitalization and social contribution into a systematic management framework. By identifying risks, capturing opportunities and setting clear objectives and performance indicators, we ensure that these initiatives are compliant and effective while generating sustainable social value. The CNGR Public Welfare Foundation has established a series of governance documents, including the Foundation Management Policy, the Donation Process Management Measures of the CNGR Public Welfare Foundation, the Financial Management System, and the Information Disclosure Policy, to standardize its internal controls. Focusing on the core dimensions of rural revitalization and social contribution, our industrial bases have established the following strategic objectives and corresponding key performance indicators (KPIs) to guide and evaluate performance outcomes:

Industrial Revitalization	Livelihood Support	Educational Support	Capacity Building	Ecological Synergy
Each major industrial base conducts at least two targeted local procurement or industrial collaboration initiatives every year.	Each major industrial base organizes at least two community outreach or public welfare service activities every year.	Each major industrial base carries out at least one charitable education assistance activity every year.	The Company implements at least one skills training or educational support program (e.g., scholarships, science outreach) every year.	The Company initiates or participates in at least one environmental protection or rural environmental improvement initiative every year.

CNGR's Disaster Relief Program for Tai Po, Hong Kong

In November 2025, a Level 5 fire at Wang Fuk Court in Tai Po, Hong Kong, resulted in significant casualties and extensive property damage. In response to this sudden disaster, the Company acted swiftly and announced on November 29 a donation of HK$5 million to support disaster relief and subsequent reconstruction efforts in Tai Po. The funds were primarily allocated toward the procurement of emergency relief supplies, the resettlement of affected residents, and the restoration of damaged infrastructure, thereby addressing urgent needs in the aftermath of the disaster. This relief initiative exemplifies our long-standing commitment to public welfare, underscores our belief that an enterprise is not merely an economic entity, but also a responsible member of society—one that shall rise to the occasion in times of crisis and contribute to social harmony and stability.

Charitable Activities and Practices of Morowali Industrial Base

On 8 January 2025, the Morowali Industrial Base (Zhongtsing New Energy and CNGR Dingxing New Energy), in collaboration with the IMIP Industrial Park, donated essential living supplies to surrounding communities in Desa Kecamatan Bahodopi. On March 22, the Base organized a corporate social responsibility (CSR) initiative under the theme "Together in Sharing Love and Warmth", to provide daily necessities to 145 underprivileged households in Bahomakmur Village, Indonesia. This initiative conveyed our festive care and goodwill, and supported local communities in celebrating a peaceful and meaningful Ramadan.

Charitable Activities and Practices of North Morowali Industrial Base

In March 2025, during the Ramadan period, the North Morowali Industrial Base (NNI) introduced a series of thoughtful measures to create a safe and comfortable working environment for its Indonesian employees. Clean and well-maintained prayer rooms were established within the facility and tidied daily to accommodate religious observances. Energy support packages, including sweets, snacks and dates, were prepared to help fasting employees maintain their strength, while the cafeteria introduced special iftar meals, enabling employees of diverse nationalities to share in the festive spirit. In response to recurrent flooding in Central Sulawesi Province caused by sediment accumulation in the Saroso River, NNI also extended targeted support to two local educational institutions—Bunta State Primary School (SDN) and East Petasia State Junior High School (SMPN). The Company provided materials and technical personnel for land elevation works to mitigate flood risks during the rainy season. In addition, excavators were deployed to dredge and regulate the Saroso River to improve water flow, reduce flood hazards, and minimize disruptions to the daily lives of residents in Bunta Village. These initiatives reflect our enduring commitment to sustainable development.

During the Reporting Period, the Company contributed a total of RMB5,196,920.59[1] in charitable donations, with 339 employees participating in volunteer activities and delivering a cumulative 835 hours of volunteer service.

1. The charitable investment and activity data disclosed in the Report cover charitable projects carried out by our domestic industrial bases and the Hunan CNGR Public Welfare Foundation, and do not include charitable investments in overseas regions such as Indonesia.

Appendix

Sustainability Key Performance Table[1]

Indicators	Unit	2020	2021	2022	2023	2024	2025
Harmonious Ecology (E)							
Greenhouse Gas Emission							
Total Emissions (Market-Based)	tCO_2e	2,855,653.00	4,975,323.00	4,529,421.27	5,117,257.44	5,079,931.44	**21,483,287.56**
Scope 1 Total Emissions	tCO_2e	42,961.00	72,200.00	62,370.87	161,120.78	199,996.30	**12,391,004.11**
Scope 2 Total Emissions (Market-Based)	tCO_2e	317,911.00	592,700.00	529,292.07	402,811.58	250,892.70	**746,588.24**
Scope 3 Total Emissions	tCO_2e	2,494,781.00	4,310,423.00	3,937,758.32	4,553,325.08	4,629,042.44	**8,345,695.21**
Emission Intensity of Scope 1+2 (Market-Based)	tCO_2e/ton product[2]	3.77	3.50	2.54	1.96	1.39	**9.04**
Scope 3 Emission Intensity	tCO_2e/ton product	26.04	22.71	16.87	15.85	14.31	**5.74**
Carbon Dioxide (CO_2) Emissions	tCO_2e	-	-	4,528,755.25	5,115,268.23	5,077,489.93	**21,450,808.04**
Methane (CH_4) Emissions	tCO_2e	-	-	569.36	639.33	797.93	**4,862.45**
Nitrous Oxide (N_2O) Emissions	tCO_2e	-	-	96.66	488.49	642.05	**21,371.40**
Sulfur Hexafluoride (SF_6) Emissions	tCO_2e	-	-	0.00	0.00	0.00	**6,245.68**
Nitrogen Trifluoride (NF_3) Emissions	tCO_2e	-	-	0.00	0.00	0.00	**0.00**
Perfluorocarbon (PFC) Emissions	tCO_2e	-	-	0.00	0.31	0.00	**0.00**
Hydrofluorocarbons-(HFCs) Emissions	tCO_2e	-	-	0.00	861.07	1,001.53	**0.00**
Energy Management							
Anthracite Coal	kg	4,579,050.00	6,706,670.00	172,800.00	22,500.00	0.00	**0.00**
Lignite Coal	kg	-	-	-	0.00	5,908,130.00	**4,309,495,647.70**
Bituminous Coal	kg	-	-	-	9,740,910.00	11,613,828.00	**5,265,920.00**
Diesel[3]	kg	29,593.46	66,503.80	232,450.04	375,078.11	396,621.80	**31,123,212.65**
Gasoline	kg	-	-	27,884.55	39,294.81	25,545.30	**37,610.41**
Natural Gas	m^3	2,569,399.00	10,670,533.00	16,731,579.26	37,848,516.28	18,579,843.10	**25,107,489.91**
Electricity consumption[4]	kWh	273,348,600.00	556,479,868.00	638,399,919.67	451,416,367.74	175,471,826.00	**887,880,174.21**
Steam Consumption	ton	154,506.00	423,830.41	538,090.06	469,945.88	473,719.40	**434,901.59**
Total Energy Consumption	GJ	1,534,449.32	3,247,293.79	4,399,490.39	4,531,938.51	3,024,403.26	**76,512,229.45**
Energy Consumption Intensity	GJ/ton product	16.01	17.10	18.85	15.95	9.35	**52.64**
Proportion of Clean Energy Electricity	%	-	-	22.83	59.71	86.99	**55.45**
Environmental Management System and Compliance							
Number of penalties for environmental incidents	case(s)	-	-	0	0	0	**0**
Total amount of fines for environmental incidents	RMB'0,000	-	-	0	0	0	**0**
Pass rate of environmental monitoring	%	-	-	100	100	100	**100**
Environmental complaints from customers and related parties	case(s)	-	-	0	0	0	**1**
Expenditures on environmental protection	RMB'0,000	-	-	1,786.83	1,838.51	1,741.15	**2,288.37**
Waste and Pollutant Management							
COD Emission	ton	-	-	41.69	46.24	29.98	**51.26**
Nitrogen oxide (NOx) emissions	kg	-	-	15,845.71	69,798.74	61,920.92	**10,609,211.83**
Sulfur oxide (SOX) emissions	kg	-	-	841.21	33,246.20	135,540.38	**13,131,555.57**
Persistent organic pollutant (POP) emissions	kg	-	-	0.00	0.00	0.00	**0.00**
Volatile organic compounds (VOCs) emissions	kg	-	-	2,192.91	4,354.26	1,786.22	**5,735.54**
Hazardous air pollutant (HAP) emissions	kg	-	-	387.78	1,494.10	24.83	**54.07**
Particulate matter (PM) emissions	kg	-	-	13,732.58	61,376.72	25,987.56	**2,092,131.26**
Total waste generated (excluding domestic waste)	ton	5,859.25	14,550.31	32,924.76	74,117.62	78,291.80	**17,010,323.55**
Hazardous waste generated	噸	1,550.17	726.21	1,738.74	2,785.89	3,563.64	**4,508.06**
Non-hazardous waste generated	ton	4,309.08	13,824.10	31,186.02	71,331.74	74,728.16	**17,005,815.49**
Total waste to recycled/reused	ton	5,485.19	14,333.56	714.71	17,441.20	40,197.77	**17,021,879.83**
Hazardous waste to recycled/reused	ton	976.56	986.33	80.61	233.26	2,776.16	**1,699.10**
Non-hazardous waste to recycled/reused	ton	4,508.62	13,347.23	634.10	17,207.94	37,421.61	**17,020,180.72**
Total waste to disposed	ton	-	-	31,044.90	49,818.24	41,249.67	**41,551.29**
Hazardous waste to disposed	ton	-	-	1,640.25	2,529.27	707.69	**3,579.59**
Waste incinerated with energy recovery	ton	-	-	-	-	0.00	**303.70**
Waste incinerated without energy recovery	ton	-	-	-	-	111.46	**1,363.34**
Waste landfill	ton	-	-	-	-	0.00	**478.92**

1. Since 2025, the data scope has been expanded to include all global operating locations of the Company.
2. The product scope includes major products such as precursors, iron phosphate, nickel plates, low-grade nickel matte, and high-grade nickel matte, etc.
3. Diesel consumption does not include biodiesel.
4. Electricity consumption does not include clean energy electricity consumption.

Indicators	Unit	2020	2021	2022	2023	2024	2025
Other disposal operations	ton	-	-	-	-	596.23	**1,433.62**
Non-hazardous waste to disposed	ton	-	-	29,404.65	47,288.98	40,541.98	**37,971.70**
Waste incinerated with energy recovery	ton	-	-	-	-	0.00	**0.00**
Waste incinerated without energy recovery	ton	-	-	-	-	0.00	**0.00**
Waste landfill	ton	-	-	-	-	0.00	**0.00**
Other disposal operations	ton	-	-	-	-	40,541.98	**37,971.70**
Hazardous waste generated per ton of product	ton/ton product	-	-	-	-	-	**0.0031**
Non-hazardous waste generated per ton of product	ton/ton product	-	-	-	-	-	**11.70**
Hazardous waste to disposed per ton of product	ton/ton product	-	-	0.01	0.01	0.01	**0.0025**
Non-hazardous waste to disposed per ton of product	ton/ton product	-	-	0.13	0.17	0.13	**0.03**
Total waste recycled/ reused rate	%	-	-	2.17	23.53	51.34	**99.76**
Target achievement rate of total waste recycled/ reused rate	%	-	-	-	328.17	421.86	**581.01**
Water Stress							
Total water intake	ML	2,695.35	4,192.93	3,707.22	4,558.56	5,289.49	**7,066.82**
Surface water intake	ML	417.40	678.37	1,291.32	2,821.58	3,037.79	**2,716.88**
Groundwater intake	ML	0.00	0.00	0.00	0.00	0.00	**0.00**
Water intake from third-party facilities	ML	2,277.95	3,514.56	2,415.89	1,736.98	2,251.71	**2,354.83**
Total water reused	ML	-	-	4,460.58	6,997.25	7,809.78	**10,188.62**
Water Recycling Rate	%	-	-	54.61	60.55	59.62	**59.05**
Total water discharge	ML	1,377.74	2,710.04	2,307.27	2,779.48	3,323.93	**3,092.08**
Discharge to surface water	ML	0.00	0.00	469.43	1,302.81	1,246.85	**1,116.48**
Discharge to third-party facilities	ML	1,377.74	2,710.04	1,837.85	1,476.67	2,077.08	**1,975.60**
Total water consumed	ML	1,317.61	1,482.89	1,399.94	1,740.97	1,965.57	**3,974.75**
Water consumption per unit product	m^3/ton product	-	7.81	6.00	6.19	6.08	**9.13**
Economic intensity of total water consumption	m^3/RMB million	-	73.88	46.14	51.91	48.87	**82.57**
Reclaimed water reused	ML	-	-	-	-	8,228.46	**10,265.35**
Reclaimed water reuse rate	%	-	-	-	-	60.87	**59.23**

Indicators	Unit	2020	2021	2022	2023	2024	2025
Excellence and Win-Win (S)							
Legal Employment and Human Rights Protection							
Labor contract signing rate	%	-	100	100	100	100	**100**
Incidents of unlawful employment	case(s)	-	-	0	0	0	**0**
Human rights-related litigation	case(s)	-	-	0	0	0	**0**
Total number of employees	person(s)	-	-	10,386	13,791	16,597	**18,267**
∟ By Employment Type							
Total number of part-time employees	person(s)	-	-	246	263	156	**229**
Total number of full-time employees	person(s)	-	-	10,140	13,528	16,441	**18,038**
∟ By gender							
Number of male employees	person(s)	-	-	7,639	10,530	13,355	**14,887**
Number of female employees	person(s)	-	-	2,747	3,261	3,242	**3,380**
∟ By age							
Number of employees under 30 years old	person(s)	-	-	4,027	6,378	7,811	**8,167**
Number of employees aged 30 to 50	person(s)	-	-	6,029	7,005	8,329	**9,613**
Number of employees over 50 years old	person(s)	-	-	330	408	457	**487**
∟ By nationality							
Number of Chinese employees	person(s)	-	-	9,650	11,124	10,389	**11,063**
Number of foreign employees	person(s)			736	2,667	6,208	**7,204**
∟ Indonesian	person(s)	-	-	-	-	6,065	**6,937**
∟ Moroccan	person(s)	-	-	-	-	101	**203**
∟ Others	person(s)	-	-	-	-	42	**64**
∟ By region							
China	person(s)	-	-	-	-	-	**7,778**
Indonesia	person(s)	-	-	-	-	-	**10,002**
Morocco	person(s)	-	-	-	-	-	**375**
Other regions	person(s)	-	-	-	-	-	**112**
Total number of management personnel[1]	person(s)	-	-	490	646	660	**698**
∟ By gender							
Male of Management	person(s)	-	-	431	565	583	**622**

1. Total number of management personnel: employees at grade 16 and above, and management series employees at grade 9 and above.

Indicators	Unit	2020	2021	2022	2023	2024	2025
Female of Management	人	-	-	59	81	77	**76**
∟ By age							
Under 30 Years Old of Management	人	-	-	30	61	37	**33**
30-50 Years Old of Management	人	-	-	413	522	547	**594**
Over 50 Years Old of Management	人	-	-	47	63	76	**71**
∟ By nationality							
Number of Chinese Management	person(s)	-	-	480	631	643	**670**
Number of Foreign Management	person(s)	-	-	10	15	17	**28**
Indonesian	person(s)	-	-	-	-	4	**12**
Moroccan	person(s)	-	-	-	-	3	**3**
Others	person(s)	-	-	-	-	10	**13**
Proportion of Female Junior Management[1]	%	-	-	-	-	8.43	**8.16**
Proportion of Female Middle Management[2]	%	-	-	-	-	15.92	**16.52**
Proportion of Female Top Management[3]	%	-	-	-	-	10.24	**10.91**
Proportion of Female Management in Revenue-Generating Functional Departments[4]	%	-	-	-	-	30.00	**19.23**
Proportion of Female Management in STEM (Science, technology, engineering and mathematics)[5]	%	-	-	-	-	15.63	**16.67**
Number of new employees[6]	人	-	-	7,303	8,611	8,848	**6,931**
∟ By gender							
Male of New Employees Hiring	person(s)	-	-	5,693	7,011	7,775	**6,027**
Female of New Employees Hiring	person(s)	-	-	1,610	1,600	1,073	**904**
∟ By age							
Under 30 Years Old of New Employees Hiring	person(s)	-	-	3,312	5,206	5,612	**3,797**
30-50 Years Old of New Employees Hiring	person(s)	-	-	3,894	3,338	3,191	**3,113**
Over 50 Years Old of New Employees Hiring	person(s)	-	-	97	67	45	**21**

1. Junior management: employees at grade 9-11 of management series.
2. Middle management: employees at grade 12-15 of management series.
3. Top management: employees at grade 16 and above, among which those at grade 22 and above belong to Executive Level.
4. Revenue-Generating Functional Departments: Business Headquarters and Logistics Trading Center.
5. STEM (Science, technology, engineering and mathematics): CNGR R&D personnel.
6. Number of newly hired employees during the Reporting Period.

Indicators	Unit	2020	2021	2022	2023	2024	2025
Employee hiring rate[1]	%	-	-	-	62.44	53.31	**38.42**
Number of Employees Turnover	person(s)	-	-	3,470	5,126	2,871	**5,273**
∟ By gender							
Male of Employees Turnover	person(s)	-	-	2,746	4,063	2,353	**4,454**
Female of Employees Turnover	person(s)	-	-	724	1,063	518	**819**
∟ By age							
Under 30 Years Old of Employees Turnover	person(s)	-	-	1,608	2,841	1,601	**2,880**
30-50 Years Old of Employees Turnover	person(s)	-	-	1,820	2,203	1,189	**2,308**
Over 50 Years Old of Employees Turnover	person(s)	-	-	42	82	81	**85**
∟ By region							
China	person(s)	-	-	-	-	-	**2,504**
Indonesia	person(s)	-	-	-	-	-	**2,560**
Morocco	person(s)	-	-	-	-	-	**182**
Others	person(s)	-	-	-	-	-	**27**
∟ By Reason for Turnover							
Number of Voluntary Employees Turnover	person(s)	-	-	2,846	-	1,160	**3,079**
Number of Involuntary Employees Turnover	person(s)	-	-	624	-	1,711	**2,194**
Rate of Employees Turnover[2]	%	-	-	-	27.10	14.75	**22.62**
∟ By gender							
Male Rate of Employees Turnover	%	-	-	-	-	-	**23.19**
Female Rate of Employees Turnover	%	-	-	-	-	-	**19.95**
∟ By age							
Under 30 Years Old	%	-	-	-	-	-	**26.43**
30-50 Years Old	%	-	-	-	-	-	**19.43**
Over 50 Years Old	%	-	-	-	-	-	**15.80**
∟ By region							
China	%	-	-	-	-	-	**24.69**
Indonesia	%	-	-	-	-	-	**20.51**

1. Employee hiring rate: Employee hiring rate = Number of newly hired employees during the Reporting Period / Total number of employees at the end of the Reporting Period.
2. Employee turnover rate: Employee turnover rate = Number of departed employees / (Total number of employees at the end of the Reporting Period + Number of departed employees).

Indicators	Unit	2020	2021	2022	2023	2024	2025
Morocco	%	-	-	-	-	-	**33.03**
Others	%	-	-	-	-	-	**20.30**
Number of Job Provided [1]							
Tongren Industrial Base	person(s)	-	-	-	407	50	**210**
Ningxiang Industrial Base	person(s)	-	-	-	499	107	**255**
Qinzhou Industrial Base	person(s)	-	-	-	660	349	**576**
Kaiyang Industrial Base	person(s)	-	-	-	313	212	**148**
Indonesia Region	person(s)	-	-	-	1,849	4,134	**2,091**
Morocco Project	person(s)	-	-	-	-	59	**13**
Employee Satisfaction	score	-	87.20	81.79	83.89	83.70	**84.42**
Employee Training and Career Development							
Total Hours of Employee Training (Covering Safety, Human Resources, and Knowledge Skills, Among Others)	hour(s)	-	41,611	215,815	399,952	362,724	**945,011**
Number of training participants	person-time(s)	-	14,328	157,357	389,258	345,296	**505,764**
Average training hours per employee [2]	hour(s)	-	10.12	20.78	29.00	19.69	**51.73**
∟ By Industrial Base							
Tongren Industrial Base	hour(s)	-	10.80	41.15	49.97	28.51	**87.01**
Ningxiang Industrial Base	hour(s)	-	10.34	18.84	44.13	35.15	**99.27**
Qinzhou Industrial Base	hour(s)	-	-	25.49	52.26	55.31	**107.90**
Kaiyang Industrial Base	hour(s)	-	-	33.28	35.17	51.66	**84.62**
Indonesia Region	hour(s)	-	-	-	-	-	**24.95**
Morocco Project	hour(s)	-	-	-	-	-	**38.81**
∟ By gender [3]							
Male	hour(s)	-	-	-	-	-	**24.84**
Female	hour(s)	-	-	-	-	-	**36.13**
∟ By employee type							
Junior Management	hour(s)	-	-	-	-	-	**65.20**
Middle Management	hour(s)	-	-	-	-	-	**40.97**
Top Management	hour(s)	-	-	-	-	-	**13.11**

1. Number of job positions provided: Employees who joined during the Reporting Period and remained employed at the end of the Reporting Period, the number of frontline employees hired at each industrial base in 2024, the Indonesia region refers to the number of Indonesian frontline employees hired, and the Morocco project refers to the number of Moroccan frontline employees hired.
2. Average training hours per employee = total training hours / total number of employees.
3. The average training hours per employee by gender and employee type only includes data from CNGR E-Learning online training. Offline training data is not categorized by gender or employee type.

Indicators	Unit	2020	2021	2022	2023	2024	2025
Percentage of Male Employees Participating in Training	%	-	-	-	-	-	**100**
Percentage of Female Employees Participating in Training	%	-	-	-	-	-	**100**
Percentage of Junior Management Participating in Training	%	-	-	-	-	-	**100**
Percentage of Middle Management Participating in Training	%	-	-	-	-	-	**100**
Percentage of Top Management Participating in Training	%	-	-	-	-	-	**100**
Number of employees promoted	person(s)	-	543	1,562	1,780	1,196	**1,352**
Number of vacant positions filled by internal candidates (internal recruitment)	person(s)	-	-	1,536	3,455	4,032	**6,962**
Percentage of employees receiving regular performance and career development assessments	%	-	100	100	100	100	**100**
Ratio of the annual total compensation of the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual)	/	-	-	-	29.82	29.50	**55.69**
Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual)	/	-	-	-	16.73	10.56	**1.10**
Ratio of employees eligible for performance-based variable compensation	%	100	100	100	100	100	**100**
Number of employees participating in the stock incentive/purchase plan	person(s)	-	-	-	778	1,088	**1,096**
Ratio of employees participating in the stock incentive/ purchase plan	%	-	-	-	5.64	6.56	**6.00**
Employee Compensation	RMB	264,496,971.20	602,968,898.73	1,127,966,192.66	1,769,021,230.61	2,276,476,961.87	**2,813,307,300.88**
Average Men Salary (Base Salary Only) of Executive Level [1]	RMB	-	-	1,950,000	-	1,296,808	**1,510,535**
Average Women Salary (Base Salary Only) of Executive Level	RMB	-	-	2,010,000	-	938,237	**1,091,898**
Average Men Salary (Base Salary + Other Cash Incentives) of Executive Level	RMB	-	-	2,312,000	-	2,623,180	**3,003,936**
Average Women Salary (Base Salary + Other Cash Incentives) of Executive Level	RMB	-	-	2,372,000	-	2,156,178	**2,322,822**

1. Executive Level: management level at Grade 22 and above.

Indicators	Unit	2020	2021	2022	2023	2024	2025
Average Men Salary (Base Salary Only) of Management (Excluding Executive Level)	RMB	-	-	237,176	-	307,653	**384,146**
Average Women Salary (Base Salary Only) of Management (Excluding Executive Level)	RMB	-	-	238,588	-	268,481	**367,332**
Average Men Salary (Base Salary + Other Cash Incentives) of Management (Excluding Executive Level)	RMB	-	-	270,776	-	417,241	**560,001**
Average Women Salary (Base Salary + Other Cash Incentives) of Management (Excluding Executive Level)	RMB	-	-	272,388	-	371,994	**548,320**
Average Men Salary (Base Salary Only) of Non-Management	RMB	-	-	113,763	-	108,102	**157,128**
Average Women Salary (Base Salary Only) of Non-Management	RMB	-	-	93,440	-	99,403	**154,281**
Occupational Health and Safety							
Amount of work safety investment	RMB'0,000	-	-	4,326.03	5,326.96	5,219.95	**7,377.09**
Number of work safety accidents	case(s)	-	41	82	59	25	**46**
Number of work-related deaths (including employees and contractors)	person(s)	-	0	0	0	0	**0**
Number of work-related deaths of full-time employees	person(s)	-	0	0	0	0	**0**
Number of work-related deaths of dispatched workers	person(s)	-	0	0	0	0	**0**
Lost days due to work injury	day (s)	-	-	-	-	-	**1,082**
LTIR (Lost-Time Injury Rate, per 200,000 Hours)	-	-	0.72	0.89	0.53	0.26	**0.11**
LTIFR (lost-time injury frequency rate, per 1,000,000 Hours)	-	-	3.60	4.45	2.65	1.30	**0.55**
TRIR (total recordable injury rate, per 1,000,000 hours)	-	-	-	-	-	1.93	**1.31**
Number of Occupational Disease Events	case(s)	-	0	0	0	0	**0**
Average Hours of Occupational Health and Safety Training	hour(s)	-	-	-	20.54	15.61	**10.23**
Innovation							
R&D innovation investment (R&D expenses)	RMB	-	-	929,163,689.26	1,055,686,488.24	1,109,312,788.65	**1,170,260,671.73**
Ratio of R&D innovation investment amount to revenue	%	-	-	3.06	3.08	2.76	**2.43**
Intellectual Property Management							
Patent Application - Number of Inventions	case(s)	-	-	40	69	113	**82**
Patent Application - Number of Utility Models	case(s)	-	-	14	9	11	**17**

Indicators	Unit	2020	2021	2022	2023	2024	2025
Patent Application - Number of PCT Patents	case(s)	-	-	3	3	13	**8**
Patent Grant - Number of Inventions	case(s)	-	60	70	13	28	**30**
Patent Grant - Number of Utility Models	case(s)	-	62	75	18	9	**13**
Number of Registered Trademarks	case(s)	-	7	20	20	20	**21**
Number of Registered Trademark Applications	case(s)	-	5	1	0	1	**1**
Total Number of Participations in Standard Formulation	case(s)	-	-	18	23	22	**13**
L By Category							
Number of National Standards the Company Participated in Formulating	case(s)	-	-	4	5	5	**2**
Number of Industry Standards the Company Participated in Formulating	case(s)	-	-	5	3	7	**7**
Number of Association Standards the Company Participated in Formulating	case(s)	-	-	9	15	10	**4**
Chemicals Management							
Number of RoHS/REACH-Tested Products	case(s)	-	-	-	43	40	**47**
Customer Management							
Customer complaint rate	%	-	-	0.18	0.17	0.12	**0.03**
Total product quality complaints	case(s)	-	-	85	68	41	**13**
Handing of Products and Services Complaints - Closed	case(s)	-	-	85	68	41	**13**
Handing of Products and Services Complaints - Unclosed	case(s)	-	-	0	0	0	**0**
Customer complaint closure rate	%	-	-	100	100	100	**100**
Average complaint closure time	hour(s)	-	-	-	48	151	**72**
Customer Satisfaction	score	83.50	91.30	91.47	94.71	96.24	**96.82**
Number of proactively recalled products	ton	-	210.01	216.30	169.25	124.72	**80.00**
Number of Proactively Recalled Product Models	type(s)	-	-	-	-	-	**8**
Due Diligence and Responsible Sourcing							
Number of Tier 1 Suppliers	Entities	-	-	-	-	55	**109**
L By region							
Mainland China	Entities	-	-	-	-	-	**75**
Hong Kong, Macau, Taiwan and Overseas	Entities	-	-	-	-	-	**34**
Number of Suppliers Assessed (Domestic Only)	Entities	-	-	37	84	49	**31**

Indicators	Unit	2020	2021	2022	2023	2024	2025
Number of New Suppliers Screened by ESG Criteria (Social or Environmental Criteria)	Entities	-	7	9	12	9	**3**
Number of Suppliers that Passed ESG Audit Within the Year (Domestic Only)	Entities	-	-	9	61	49	**31**
Number of Suppliers With Actual and Potential High ESG Risks (Significant Negative Social or Environmental Impacts)	Entities	-	2	0	0	0	**0**
Number of Suppliers Audited/Certified by Responsible Minerals Initiative (RMI)	Entities	-	12	16	22	33	**36**
Number of Suppliers Receiving On-site Guidance and Training on Mineral Supply Chain Due Diligence	Entities	-	-	-	3	4	**7**
Rural Revitalization and Social Contribution							
Total Number of Volunteers	person(s)	-	-	1,314	1,346	424	**339**
Total Duration of Voluntary Activities	hour(s)	-	-	875	1,273	1,242	**835**
Total Investment in Public Benefit and Charity	RMB'0,000	-	-	178.00	286.46	175.77	**519.69**
Total Expenditure of Annual Cash Donation	RMB'0,000	-	-	110.00	129.50	68.26	**465.61**
Total Expenditure of Annual Goods Donation	RMB'0,000	-	-	68.00	153.00	107.51	**54.08**
Practicality and Self-Discipline (G)							
Risk and Compliance Management							
Confirmed Incidents of Corruption	case(s)	-	-	-	5	4	**4**
Total Confirmed Incidents Where Employees were Dismissed or Disciplined Due to Corruption	case(s)	-	-	-	2	4	**4**
Total Confirmed Incidents Where Contracts With Business Partners were Terminated or Not Renewed Due to Corruption-Related Violations	case(s)	-	-	-	2	2	**3**
Number of Concluded Legal Proceedings Relating to Corruption Brought Against the Company or its Employees	case(s)	-	-	-	-	-	**0**
Coverage Rate of Business Ethics and Anti-Corruption Training for Employees	%	-	-	100	100	100	**100**
Coverage Rate of Business Ethics and Anti-Corruption Training for Management	%	-	-	100	100	100	**100**
Coverage Rate of Business Ethics and Anti-Corruption Training for Business Partners	%	-	-	100	100	100	**100**
Operations Assessed for Corruption Risks	%	-	-	100	100	100	**100**
Compliance Training Sessions Provided to Directors	session(s)	-	-	4	0	1	**1**
Compliance Training Sessions Provided to Employees	session(s)	-	-	6	6	3	**3**
Major Violations	case(s)	-	-	-	0	0	**0**
Incidents of Unfair Competition or Monopoly	case(s)	-	-	-	0	0	**0**
Information Security Management							
Total Number of Information Security Vulnerabilities or Other Network Security Incidents	case(s)	-	-	1	0	0	**0**
Number of Data Leaks	case(s)	-	-	0	0	0	**0**
Total Number of Complaints Due to Customer Privacy Breach	case(s)	-	-	0	0	0	**0**

Independent Assurance Statement and Limited Assurance Report

Independent Assurance Statement of Sustainability Report

Introduction

BOVA Technology (Beijing) Co., Ltd. ("Assurance Provider") was entrusted by the management of CNGR Advanced Material Co., Ltd. ("Organization") to assure the 2025 Sustainability Report of CNGR Advanced Material Co., Ltd. ("Report"). The information selected in the Report is subject to independent and impartial external assurance.

The target users of this statement are stakeholders concerned with the reliability of the Reporting organization's sustainability information and performance from 1 January 2025 to 31 December 2025 ("2025 Reporting Period"), including employees, shareholders, investors, customers, suppliers and partners, government and regulatory authorities, news media and industry associations, NGOs and international organizations, communities and the general public.

BOVA Technology (Beijing) Co., Ltd. is a company that provides quantitative ESG solutions using data science. Assurance Provider has experts in various fields such as corporate sustainability auditing, environment, social responsibility and stakeholder engagement, and has been authorized by AA1000 to provide sustainability report assurance and auditing services for A-share and H-share listed companies.

Assurance Standards

This statement strictly followed AA1000 Assurance Standard v3 ("AA1000AS v3") and AA1000 Assurance Principle (2018) ("AA1000AP"), namely Inclusivity, Materiality, Responsiveness and Impact.

Assurance Type, Depth and Scope

This statement was carried out in line with Type 2 at a moderate level, covering the following content:

- Assure the compliance with the AA1000 sustainability principles (Inclusivity, Materiality, Responsiveness and Impact);
- Verify the quality and reliability of sustainability information in the Report;
- Assure qualitative information mentioned in the Report related to sustainable development, practices, management methods, etc.;
- Verify the consistency of the reporting framework with international reporting standards; and
- Evaluate the accuracy of statements and ESG performance indicators included in the Report and the suitability of data management methods.

Assurance Method

The Assurance Provider conducts audits with professional skepticism in accordance with the AA1000 Assurance Standard, including the following steps:

- Collect and evaluate evidence that can support the Reporting organization's compliance with AA1000 AP, including the Reporting organization's identification, assessment of material issues, identification of ESG risks and opportunities, etc.;
- Conduct interviews with the management of the Company responsible for sustainability performance and data collection, based on sampling;
- Verify the reliability of the processes and management systems used to collect and integrate environmental data, based on sampling; and
- Verify the sustainability-related statements and representations made by the assurance reporting organization in the Report, based on sampling.

Compliance with AA1000 Principles

Inclusivity: The Assurance Provider did not find any deviation between the Organization's sustainable development information and the inclusive principle of AA1000 Assurance Principles (2018). The Organization cooperates with a range of stakeholders in sustainable development. At the same time, it establishes a regular communication mechanism with stakeholders to share the current status of sustainable development, focus points and future requirements with stakeholders.

Materiality: In accordance with AA1000 Assurance Principles (2018), a materiality assessment has been conducted on all aspects of the Organization's internal and external content.

Responsiveness: In accordance with AA1000 Assurance Principles (2018), the Assurance Provider believes that the Organization's response to major events is reflected in the Report. The Organization can proactively communicate with stakeholders and continuously respond to stakeholders' concerns in a timely and appropriate manner through various channels such as shareholders' meetings, customer satisfaction surveys, and public welfare activities.

Impact: The Organization has clear procedures to monitor and measure its sustainable development impact, can systematically identify major risk factors, and has professionals to develop targeted management strategies and promote the sustainable development agenda. During the verification process, no situations or issues that have an impact on the ecosystem and surrounding infrastructure were found, and the Reporting organization meets the impact requirements of the AA1000 Assurance Principles.

Sustainability Information Related to this Assurance

The scope of this assurance includes the following material topics (and the assessment process of the material topics, and the sustainable development performance related to the material topics), which cover all the disclosures of the Reporting organization in the 2025 Sustainability Report of CNGR Advanced Material Co., Ltd.:

1) Sustainability Strategy;
2) Stakeholder Engagement;
3) Double Materiality Analysis;
4) Due Diligence and Responsible Sourcing;
5) Risk Management;
6) Digitization and Information Security;
7) Governance and System Optimization Action;
8) Financial Audit;
9) Climate Risk Management Action;
10) Climate Change Response;
11) Energy Management;
12) Environmental Management System and Compliance;
13) Waste and Pollutant Management;
14) Water Stress;
15) Circular Utilization of Energy Metals;
16) Biodiversity;
17) Legal Employment and Human Rights Protection;
18) Employee Training and Career Development;
19) Occupational Health and Safety;
20) Responsible Product Development Action;
21) Sustainable Supply Chain Action; and
22) Community Well-Being Action.

With respect to the sustainability performance information disclosed in the Report, this assurance conducted a focused sampling review of the following information:

1) Code of Business Conduct;
2) Scope of supplier screening plan;
3) Supplier screening criteria;
4) Coverage of supplier assessment and development plans;
5) Supplier assessment and development indicators;
6) IT security and cybersecurity processes and infrastructure;
7) Energy consumption (including total renewable and non-renewable energy consumption);
8) Waste management plan;
9) Waste treatment (including total waste generated, total waste recycled, total waste disposed, industrial non-hazardous waste disposed, hazardous waste disposed per ton of product, and non-hazardous industrial waste disposed per unit of product);
10) Nitrogen oxides (NOx) emissions;
11) Sulfur oxides (SOx) emissions;
12) Volatile organic compounds (VOC) emissions;
13) Water usage (including total water intake, total discharge, and total consumption);
14) Greenhouse gas emissions (including total Scope 1, Scope 2 and Scope 3 GHG emissions);
15) Employee remuneration indicators (including average remuneration of male and female senior management (base salary only), and average remuneration of male and female senior management (base salary + bonuses);
16) Occupational health and safety performance (including number of work-related deaths, number of work-related deaths of full-time employees, number of work-related deaths of dispatched workers, Lost Time Injury Rate (LTIR), Lost Time Injury Frequency Rate (LTIFR), and Total Recordable Injury Rate (TRIR), etc.).

Assurance Conclusion

Based on the above assurance scope, the Assurance Provider did not notice any indication that the Organization did not comply with the AA1000AP and other reference standards during the 2025 Reporting Period. Relevant sustainability performance data are all derived from written documentation and internal records, fully reflecting the achievements and challenges faced by the Organization. The Assurance Provider has provided further statements and recommendations in its report to the management.

Limitations of the Assurance and Mitigation Measures

- The accuracy of economic performance indicators contained in the financial statements that have not been audited by a third party has not been verified. The Assurance Provider adopts an unquestioning attitude in their work involving these indicators.
- No assurance opinion is expressed on the position statements and assertions in the Report, such as opinions, beliefs, objectives, and future intentions.

Independence of the Assurance Provider

Save as the assurance and verification of sustainability information and reports, no member of the assurance team has had any contact with internal personnel of the Organization, including its directors, officers and department managers. After an internal impartiality assessment, the Assurance Provider confirms that there are no conflicts of interest in this assurance process.

BOVA Technology (Beijing) Co., Ltd.
Issue date: 23 March 2026
Issue place: Beijing, China
Certified Sustainability Assurance Practitioner (CSAP): Yihang Wang



AA1000
Licensed Report
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bova ESG TECHNOLOGY LIMITED

选定可持续披露信息有限保证鉴证报告：ISSA5000

中伟新材料股份有限公司
选定可持续披露信息有限保证鉴证报告
天职业字[2026]17727 号

选定可持续披露信息有限保证鉴证报告

天职业字[2026]17745 号

中伟新材料股份有限公司全体股东：

一、有限保证鉴证意见

我们对中伟新材料股份有限公司（以下简称“中伟新材”）截至 2025 年 12 月 31 日止年度的可持续发展报告中所列的选定可持续披露信息（以下简称“选定披露信息”）执行了有限保证的鉴证业务。

本次有限保证鉴证业务所覆盖的选定披露信息包括：

（一）可持续发展报告“企业战略”章节中“中伟新材 2025 年可持续发展关键绩效”列示的以下关键绩效：

● 中国区域运营地清洁能源电力占比	● 全球员工总数
● 中国区域运营地能耗强度	● 合规管理体系认证（ISO37301:2021）（家）

（二）可持续发展报告标题为“附录”章节中的以下可持续发展绩效：

● 范围一总排放量	● 范围二总排放量（基于市场）
● 范围一、二排放强度（基于市场）	● 女性员工人数
● 大于 50 岁员工人数	● 外籍员工人数
● 高级管理层女性占比	● 员工雇佣率
● 员工流失率	● 年内通过 ESG 审计的供应商数量（仅国内）
● 公益慈善总投入	● 管理层商业道德及反贪腐培训覆盖率

（三）可持续发展报告标题为“生物多样性与土地使用（GRI 101）”章节中披露的以下内容：

● 中伟新材依据《昆明—蒙特利尔全球生物多样性框架》中的要求与目标，同时遵循《联合国生物多样性公约》《联合国防治荒漠化公约》以及《自然相关财务披露工作组框架》的相关原则，制定了《中伟新材生物多样性与土地使用政策》，并由董事会战略与 ESG 委员会审阅通过。	● 国内四大产业基地运营范围五公里内均未涉及受《中华人民共和国野生动物保护法》保护的Ⅰ级/Ⅱ级动物和国家保护的有益的或者有重要经济、科学研究价值的陆生野生动物，且未涉及依照《中华人民共和国环境保护法》生态红线规定而划定的重点生态功能区、生态环境敏感区和脆弱区、生物多样性保护区等严格管控区域。

我们的鉴证工作仅限于可持续发展报告中选定的 2025 年度披露信息，可持续发展报告中所披露的其他信息、2024 年及以前年度信息均不在我们的工作范围内。

基于已实施的程序及获取的证据，我们没有注意到任何事项使我们相信可持续发展报告的选定披露信息未能在所有重大方面按照列示于可持续发展报告“关于本报告”章节中“编制依据”（以下简称“适用标准”）的规定编制。

二、形成鉴证意见的依据

我们依据财政部发布的《可持续信息鉴证业务准则第 6101 号——基本准则（试行）》（以下简称“可持续信息鉴证业务准则”）执行了本次有限保证鉴证业务。

有限保证鉴证业务中鉴证程序的性质和时间安排与合理保证鉴证业务不同，并且实施程序的范围小于合理保证鉴证业务，因此，有限保证鉴证业务提供的保证程度显著低于合理保证鉴证业务。

本报告的“鉴证者的责任”部分进一步阐述了我们在该准则下的责任。

按照中国注册会计师职业道德守则，我们独立于中伟新材，并履行了职业道德方面的其他责任。

本事务所遵循《会计师事务所质量管理准则第 5101 号——业务质量管理》的规定，该准则要求本事务所设计、实施和运行质量管理体系，包括与遵守职业道德要求、职业准则及适用的法律和法规要求相关的政策与程序。

我们相信，我们获取的证据是充分、适当的，为发表鉴证意见提供了基础。

三、其他事项

截至 2024 年 12 月 31 日的比较信息未按照可持续信息鉴证业务准则执行鉴证工作。

四、其他信息

中伟新材管理层对其他信息负责。其他信息包括中伟新材年度报告中所载信息（含财务报表及附注）以及可持续发展报告中所载信息，但不包括经我们鉴证的选定披露信息和我们的鉴证报告。

我们对选定披露信息发表的鉴证意见不涵盖其他信息，我们也不对其他信息发表任何形式的鉴证结论。

结合我们对选定披露信息的鉴证，我们的责任是阅读其他信息，在此过程中，考虑其他信息是否与选定披露信息或我们在鉴证过程中了解到的情况存在重大不一致或者似乎存在重大错报。基于我们已执行的工作，如果我们确定其他信息存在重大错报，我们应当报告该事实。在这方面，我们无任何事项需要报告。

五、管理层和治理层对可持续信息的责任

中伟新材管理层负责：

- 按照适用标准的规定编制选定披露信息；
- 设计、执行和维护管理层认为必要的内部控制，以使按照适用标准编制的选定披露信息不存在由于舞弊或错误导致的重大错报。

治理层负责监督中伟新材的可持续发展报告过程。

六、编制可持续信息的固有限制

我们提请使用者注意，针对非财务数据，尚无公认的评估和计量标准体系。采用不同但可接受的计量方法，可能影响不同主体之间数据的可比性。

七、鉴证者的责任

我们的目标是计划和执行鉴证工作，以对选定披露信息是否不存在由于舞弊或错误导致的重大错报获取有限保证，并出具包含鉴证意见的有限保证鉴证报告。错报可能由于舞弊或错误导致，如果合理预期错报单独或汇总起来可能影响信息使用者依据选定披露信息作出的决策，则通常认为错报是重大的。

在按照可持续信息鉴证业务准则执行有限保证鉴证业务的过程中，我们运用职业判断，并保持职业怀疑。同时，我们也执行以下工作：

（1）执行风险评估程序，包括了解与鉴证业务相关的内部控制，以识别和评估披露层次由于舞弊或错误导致的重大错报风险，但目的并非对内部控制的有效性发表意见。

（2）针对评估的披露层次重大错报风险，设计和实施鉴证程序。由于舞弊可能涉及串通、伪造、故意遗漏、虚假陈述或凌驾于内部控制之上，未能发现由于舞弊导致的重大错报的风险高于未能发现由于错误导致的重大错报的风险。

八、已实施工作概述

有限保证鉴证业务涉及实施程序以获取关于选定披露信息的鉴证证据。所选程序的性质时间安排和范围取决于我们的职业判断及评估的披露层次由于舞弊或错误导致的重大错报风险。

在执行有限保证鉴证业务时，我们所执行的主要工作包括：

- 与可持续发展办公室等相关部门进行访谈，了解选定披露信息在收集、汇总、计算、复核等全流程的内部控制设计与执行情况。

• 对选定披露信息年度间变动情况进行分析复核，就波动情况询问相关人员、查阅相关资料。

• 了解范围一、范围二涉及的排放源、排放因子、计算模型；抽取部分生产基地，查阅范围一、范围二碳排放计算过程及结果；抽查数据明细账对应的业务原始单据，如绿证、采购发票、出库单等资料。

• 抽取部分生产基地产品产量报表，抽查相关车间生产入库记录；查阅产品产量数据，关注不合格产品是否未纳入统计范围。

• 查阅部分生产基地能耗强度计算过程底稿；将能耗强度与范围一、范围二碳排放计算过程中的关键数据进行交叉比对。

• 与人力资源部门人员访谈，了解人力资源系统的适用范围与核心功能；查阅人力资源系统导出全球员工名册。

• 与可持续发展办公室相关人员访谈，了解中伟新材每年度对供应商开展 ESG 审计的选样标准、合格标准；抽取年内通过 ESG 审计的供应商，查阅《供应商审核通知》、《供应商自评表》、供应商 ESG 审计现场审核结果等过程资料。

• 与风控法务中心监察部人员进行访谈，了解公司关于商业道德及反贪腐（廉洁）培训的主要类型、方式、覆盖范围；查阅 2025 年廉洁培训课件及签到表；获取 2025 年度廉洁月活动方案细化表、廉洁警示教育活动策划方案等资料。

• 获取公益性捐赠台账，抽查大额捐赠支出对应的原始单据。

• 查阅《中伟新材生物多样性与土地使用政策》及董事会战略与 ESG 委员会关于生物多样性相关议题的会议纪要；获取国内四大生产基地详细地址，查阅基地环评报告及中伟新材编制的生产基地运营范围五公里内生物排查报告。

• 我们认为有必要的其他程序。

天职国际会计师事务所（特殊普通合伙）

二〇二六年二月二十七日

选定可持续披露信息有限保证鉴证报告：财政部 6101 鉴证标准

中伟新材料股份有限公司
选定可持续披露信息有限保证鉴证报告
天职业字[2026]17745 号

选定可持续披露信息有限保证鉴证报告

天职业字[2026]17745 号

中伟新材料股份有限公司全体股东：

一、有限保证鉴证意见

我们对中伟新材料股份有限公司（以下简称“中伟新材”）截至 2025 年 12 月 31 日止年度的可持续发展报告中所列的选定可持续披露信息（以下简称“选定披露信息”）执行了有限保证的鉴证业务。

本次有限保证鉴证业务所覆盖的选定披露信息包括：

（一）可持续发展报告“企业战略”章节中“中伟新材 2025 年可持续发展关键绩效”列示的以下关键绩效：

● 中国区域运营地清洁能源电力占比	● 全球员工总数
● 中国区域运营地能耗强度	● 合规管理体系认证（ISO37301:2021）（家）

（二）可持续发展报告标题为“附录”章节中的以下可持续发展绩效：

● 范围一总排放量	● 范围二总排放量（基于市场）
● 范围一、二排放强度（基于市场）	● 女性员工人数
● 大于 50 岁员工人数	● 外籍员工人数
● 高级管理层女性占比	● 员工雇佣率
● 员工流失率	● 年内通过 ESG 审计的供应商数量（仅国内）
● 公益慈善总投入	● 管理层商业道德及反贪腐培训覆盖率

（三）可持续发展报告标题为“生物多样性与土地使用（GRI 101）”章节中披露的以下内容：

● 中伟新材依据《昆明—蒙特利尔全球生物多样性框架》中的要求与目标，同时遵循《联合国生物多样性公约》《联合国防治荒漠化公约》以及《自然相关财务披露工作组框架》的相关原则，制定了《中伟新材生物多样性与土地使用政策》，并由董事会战略与 ESG 委员会审阅通过。	● 国内四大产业基地运营范围五公里内均未涉及受《中华人民共和国野生动物保护法》保护的 I 级/II 级动物和国家保护的有益的或者有重要经济、科学研究价值的陆生野生动物，且未涉及依照《中华人民共和国环境保护法》生态红线规定而划定的重点生态功能区、生态环境敏感区和脆弱区、生物多样性保护区等严格管控区域。

我们的鉴证工作仅限于可持续发展报告中选定的 2025 年度披露信息，可持续发展报告中所披露的其他信息、2024 年及以前年度信息均不在我们的工作范围内。

基于已实施的程序及获取的证据，我们没有注意到任何事项使我们相信可持续发展报告的选定披露信息未能在所有重大方面按照列示于可持续发展报告“关于本报告”章节中“编制依据”（以下简称“适用标准”）的规定编制。

二、形成鉴证意见的依据

我们依据财政部发布的《可持续信息鉴证业务准则第 6101 号——基本准则（试行）》（以下简称“可持续信息鉴证业务准则”）执行了本次有限保证鉴证业务。

有限保证鉴证业务中鉴证程序的性质和时间安排与合理保证鉴证业务不同，并且实施程序的范围小于合理保证鉴证业务，因此，有限保证鉴证业务提供的保证程度显著低于合理保证鉴证业务。

本报告的“鉴证者的责任”部分进一步阐述了我们在该准则下的责任。

按照中国注册会计师职业道德守则，我们独立于中伟新材，并履行了职业道德方面的其他责任。

本事务所遵循《会计师事务所质量管理准则第 5101 号——业务质量管理》的规定，该准则要求本事务所设计、实施和运行质量管理体系，包括与遵守职业道德要求、职业准则及适用的法律和法规要求相关的政策与程序。

我们相信，我们获取的证据是充分、适当的，为发表鉴证意见提供了基础。

三、其他事项

截至 2024 年 12 月 31 日的比较信息未按照可持续信息鉴证业务准则执行鉴证工作。

四、其他信息

中伟新材管理层对其他信息负责。其他信息包括中伟新材年度报告中所载信息（含财务报表及附注）以及可持续发展报告中所载信息，但不包括经我们鉴证的选定披露信息和我们的鉴证报告。

我们对选定披露信息发表的鉴证意见不涵盖其他信息，我们也不对其他信息发表任何形式的鉴证结论。

结合我们对选定披露信息的鉴证，我们的责任是阅读其他信息，在此过程中，考虑其他信息是否与选定披露信息或我们在鉴证过程中了解到的情况存在重大不一致或者似乎存在重大错报。基于我们已执行的工作，如果我们确定其他信息存在重大错报，我们应当报告该事实。在这方面，我们无任何事项需要报告。

五、管理层和治理层对可持续信息的责任

中伟新材管理层负责：

• 按照适用标准的规定编制选定披露信息；

• 设计、执行和维护管理层认为必要的内部控制，以使按照适用标准编制的选定披露信息不存在由于舞弊或错误导致的重大错报。

治理层负责监督中伟新材的可持续发展报告过程。

六、编制可持续信息的固有限制

我们提请使用者注意，针对非财务数据，尚无公认的评估和计量标准体系。采用不同但可接受的计量方法，可能影响不同主体之间数据的可比性。

七、鉴证者的责任

我们的目标是计划和执行鉴证工作，以对选定披露信息是否不存在由于舞弊或错误导致的重大错报获取有限保证，并出具包含鉴证意见的有限保证鉴证报告。错报可能由于舞弊或错误导致，如果合理预期错报单独或汇总起来可能影响信息使用者依据选定披露信息作出的决策，则通常认为错报是重大的。

在按照可持续信息鉴证业务准则执行有限保证鉴证业务的过程中，我们运用职业判断，并保持职业怀疑。同时，我们也执行以下工作：

（1）执行风险评估程序，包括了解与鉴证业务相关的内部控制，以识别和评估披露层次由于舞弊或错误导致的重大错报风险，但目的并非对内部控制的有效性发表意见。

（2）针对评估的披露层次重大错报风险，设计和实施鉴证程序。由于舞弊可能涉及串通、伪造、故意遗漏、虚假陈述或凌驾于内部控制之上，未能发现由于舞弊导致的重大错报的风险高于未能发现由于错误导致的重大错报的风险。

八、已实施工作概述

有限保证鉴证业务涉及实施程序以获取关于选定披露信息的鉴证证据。所选程序的性质时间安排和范围取决于我们的职业判断及评估的披露层次由于舞弊或错误导致的重大错报风险。

在执行有限保证鉴证业务时，我们所执行的主要工作包括：

• 与可持续发展办公室等相关部门进行访谈，了解选定披露信息在收集、汇总、计算、复核等全流程的内部控制设计与执行情况。

• 对选定披露信息年度间变动情况进行分析复核，就波动情况询问相关人员、查阅相关资料。

• 了解范围一、范围二涉及的排放源、排放因子、计算模型；抽取部分生产基地，查阅范围一、范围二碳排放计算过程及结果；抽查数据明细账对应的业务原始单据，如绿证、采购发票、出库单等资料。

• 抽取部分生产基地产品产量报表，抽查相关车间生产入库记录；查阅产品产量数据，关注不合格产品是否未纳入统计范围。

• 查阅部分生产基地能耗强度计算过程底稿；将能耗强度与范围一、范围二碳排放计算过程中的关键数据进行交叉比对。

• 与人力资源部门人员访谈，了解人力资源系统的适用范围与核心功能；查阅人力资源系统导出全球员工名册。

• 与可持续发展办公室相关人员访谈，了解中伟新材每年度对供应商开展 ESG 审计的选样标准、合格标准；抽取年内通过 ESG 审计的供应商，查阅《供应商审核通知》、《供应商自评表》、供应商 ESG 审计现场审核结果等过程资料。

• 与风控法务中心监察部人员进行访谈，了解公司关于商业道德及反贪腐（廉洁）培训的主要类型、方式、覆盖范围；查阅 2025 年廉洁培训课件及签到表；获取 2025 年度廉洁月活动方案细化表、廉洁警示教育活动策划方案等资料。

• 获取公益性捐赠台账，抽查大额捐赠支出对应的原始单据。

• 查阅《中伟新材生物多样性与土地使用政策》及董事会战略与 ESG 委员会关于生物多样性相关议题的会议纪要；获取国内四大生产基地详细地址，查阅基地环评报告及中伟新材编制的生产基地运营范围五公里内生物排查报告。

• 我们认为有必要的其他程序。

中国·北京

二〇二六年三月二十七日

鉴证者：

鉴证者：

Limited Assurance Report on Selected Sustainability Disclosures: ISSA 5000

CNGR Advanced Material Co., Ltd.
Limited Assurance Report on Selected Sustainability Disclosures
Baker Tilly China [2026] No.17727

Limited Assurance Report on Selected Sustainability Disclosures

Baker Tilly China [2026] No.17727

To the shareholders of CNGR Advanced Material Co., Ltd.:

I. Limited Assurance Conclusion

We have conducted a limited assurance engagement on selected sustainability disclosures presented in the Sustainability Report of CNGR Advanced Material Co., Ltd. (the Company) for the year ended December 31, 2025 (hereinafter the "Selected Sustainability Disclosures").

The Selected Sustainability Disclosures subject to our limited assurance engagement are:

(I) The following key performance indicators presented in column "2025 Sustainability Key Performance Indicators of CNGR" of chapter "Corporate Strategy" of the Sustainability Report.

• Proportion of CleanEnergy Electricity in China	• Global Workforce
• Energy ConsumptionIntensity in China	• Compliance Management Certification System (SO37301:2021)

(II) The following sustainability performance presented in the chapter titled "Appendix" of the Sustainability Report:

• Scope 1 Total Emissions	• Scope 2 Total Emissions(Market-Based)
• Emission Intensity of Scope 1+2(Market-Based)	• Number of female employees
• Number of employees over 50 years old	• Number of foreign employees
• Proportion of Female Top Management	• Employee hiring rate
• Rate of Employees Turnover	• Number of Suppliers that Passed ESG Audit Within the Year(Domestic Only)
• Total Investment in Public Benefit and Charity	• Coverage Rate of Business Ethics and Anti-Corruption Training for Management

(III) The following contents disclosed in the chapter titled "Biodiversity and Land Use (GRI101)" of the Sustainability Report:

• CNGR developed its Biodiversity and Land Use Policy based on the requirements and goals of the Kunming-Montreal Global Biodiversity Framework,	• Within a 5-kilometer radius of CNGR's four domestic industrial bases, no species listed under Class I or ll of the Wildlife

while also adhering to the principles of the UN Convention on Biological Diversity, the UN Convention to Combat Desertification, and the Task Force on Nature-related Financial Disclosures(TNFD) framework. The policy was reviewed and approved by the Strategy and ESG Committee of the Board.	Protection Law of the PRC, or terrestrial wildlife under special state protection for their ecological, economic, or scientific research value, have been identified. These areas are also not located within key ecological function zones, ecologically sensitive or vulnerable areas, biodiversity conservation zones, or other strictly controlled zones designated under the Environmental Protection Law of the PRC and its associated ecological redline policies.

Our assurance work is limited solely to the selected sustainability disclosures for the year ended December 31, 2025, as presented in the Sustainability Report. Any other information disclosed in the Sustainability Report, as well as information for the year 2024 or prior years, falls outside the scope of our work.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the selected sustainability disclosures in the Sustainability Report are not prepared, in all material respects, in accordance with the standards set out in column “Basis of Preparation” of chapter “About this Report” of the Sustainability Report (hereinafter referred to as the “Applicable Standards”)

II. Basis for Conclusion

We conducted our limited assurance engagement in accordance with International Standard on Sustainability Assurance (ISSA) 5000, General Requirements for Sustainability Assurance Engagements (hereinafter referred to as "ISSA"), issued by the International Auditing and Assurance Standards Board.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under this standard are further described in the Practitioner’s Responsibilities section of our report.

We are independent of the Company in accordance with the International Code of

Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, as applicable to sustainability assurance engagements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our firm applies the standards of the Quality Management at Firm Level for Certified Public Accountants - CSQC 5101: Engagement Quality Management, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

III. Other Matter

The comparative information as of December 31, 2024, was not subject to an assurance engagement in accordance with the ISSA.

IV. Other Information

Management of the Company is responsible for the other information. The other information comprises the information included in the Company’s Annual Report, including the financial statements and notes thereto, and the sustainability information in the Sustainability Report, other than the Selected Sustainability Disclosures subject to assurance and our assurance report thereon.

Our conclusion on the Selected Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our assurance engagement on the Selected Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Selected Sustainability Disclosures or our knowledge obtained in the assurance engagement, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

V. Responsibilities of management and those charged with governance for the Selected Sustainability Disclosures

Management of the Company is responsible for:

• The preparation of the Selected Sustainability Disclosures in accordance with Applicable Standards.

• Designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the Selected Sustainability Disclosures, in accordance with Applicable Standards, that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing of the Company's sustainability reporting process.

VI. Inherent Limitations in Preparing the Sustainability Information

We would like to draw users' attention to the fact that there is no generally accepted system of evaluation and measurement standards for non-financial data. The use of different but acceptable measurement methods may affect the comparability of data across different entities.

VII. Practitioner's Responsibilities

Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the Selected Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Selected Sustainability Disclosures.

As part of a limited assurance engagement in accordance with the ISSA, we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

(I) Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control.

(II) Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

VIII. Summary of Work Performed

A limited assurance engagement involves performing procedures to obtain evidence about the Selected Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgment, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error.

In performing a limited assurance engagement, our main procedures include the following:

• Conduct interviews with relevant departments such as the sustainability office to understand the design and implementation of internal controls over the entire process of collecting, aggregating, calculating, and reviewing the selected disclosed information.

• Perform analytical review of year-on-year changes in the Selected Sustainability Disclosures, and make inquiries of relevant personnel and review relevant materials regarding the fluctuations.

• Understand the emission sources, emission factors, and calculation models for Scope 1 and Scope 2 emissions; select a number of production bases and review the calculation processes and results for Scope 1 and Scope 2 carbon emissions; test the original supporting documents for detailed transaction data, such as Green Electricity Certificate (GEC), purchase invoices, and outbound delivery notes.

• Select the production output reports of a number of production bases and test the relevant workshop production inbound records; review the production output data and confirm whether non-conforming products are excluded from the statistical scope.

• Review the working papers for the calculation of Energy Intensity Consumption at a number of production bases; cross-check key data from the Energy Intensity Consumption calculation with those used in the Scope 1 and Scope 2 carbon emission calculations.

• Interview personnel from the Human Resources department to understand the scope of application and core functions of the HR system; review the global employee roster exported from the HR system.

• Interview relevant personnel from the Sustainability Office to understand the Company's sample selection criteria and qualification criteria for its annual ESG audits

of suppliers; select suppliers that have passed the ESG audit during the year and review supporting documents such as the Supplier Audit Notification, Supplier Self-Assessment Form, and on-site ESG audit results for the suppliers.

- Interview personnel from the Supervision Department of the Risk Control and Legal Center to understand the Company's main types, methods, and coverage of Business Ethics and Anti-Corruption Training; review the 2025 integrity training course materials and sign-in sheets; obtain the detailed activity plan for the 2025 Integrity Month and the planning documents for integrity warning and education activities.

- Obtain the charitable donation register and test the original supporting documents for significant donation expenditures.

- Review the CNGR's Biodiversity and Land Use Policy and the meeting minutes of the Board's Strategy and ESG Committee regarding biodiversity-related topics; obtain the detailed addresses of the four domestic production bases and review the environmental impact assessment reports for the bases and the biodiversity survey reports for areas within five kilometers of the bases' operational perimeters prepared by the Company.

- Other procedures we consider necessary.

天职国际会计师事务所（特殊普通合伙）

二〇二六年三月二十七日

Baker Tilly China

March 27, 2026

Note: This report is a translation of the simplified Chinese version of the assurance report. In the event of any inconsistencies, the simplified Chinese version of the assurance report shall prevail.

CNGR Advanced Material Co., Ltd.
Limited Assurance Report on Selected Sustainability Disclosures
Baker Tilly China [2026] No.17745

Limited Assurance Report on Selected Sustainability Disclosures

Baker Tilly China [2026] No.17745

To the shareholders of CNGR Advanced Material Co., Ltd.:

I. Limited Assurance Conclusion

We have conducted a limited assurance engagement on selected sustainability disclosures presented in the Sustainability Report of CNGR Advanced Material Co., Ltd. (the Company) for the year ended December 31, 2025 (hereinafter the “Selected Sustainability Disclosures”).

The Selected Sustainability Disclosures subject to our limited assurance engagement are:

(I) The following key performance indicators presented in column “2025 Sustainability Key Performance Indicators of CNGR” of chapter “Corporate Strategy” of the Sustainability Report.

• Proportion of CleanEnergy Electricity in China	• Global Workforce
• Energy ConsumptionIntensity in China	• Compliance Management Certification System (SO37301:2021)

(II) The following sustainability performance presented in the chapter titled “Appendix” of the Sustainability Report:

• Scope 1 Total Emissions	• Scope 2 Total Emissions(Market-Based)
• Emission Intensity of Scope 1+2(Market-Based)	• Number of female employees
• Number of employees over 50 years old	• Number of foreign employees
• Proportion of Female Top Management	• Employee hiring rate
• Rate of Employees Turnover	• Number of Suppliers that Passed ESG Audit Within the Year(Domestic Only)
• Total Investment in Public Benefit and Charity	• Coverage Rate of Business Ethics and Anti-Corruption Training for Management

(III) The following contents disclosed in the chapter titled “Biodiversity and Land Use (GRI101)” of the Sustainability Report:

• CNGR developed its Biodiversity and Land Use Policy based on the requirements and goals of the Kunming-Montreal Global Biodiversity Framework, while also adhering to the principles of the UN Convention on Biological Diversity, the UN Convention to Combat Desertification, and the Task Force on Nature-related Financial Disclosures(TNFD) framework. The policy was reviewed and approved by the Strategy and ESG Committee of the Board.	• Within a 5-kilometer radius of CNGR's four domestic industrial bases, no species listed under Class I or ll of the Wildlife Protection Law of the PRC, or terrestrial wildlife under special state protection for their ecological, economic, or scientific research value, have been identified. These areas are also not located within key ecological function zones, ecologically sensitive or vulnerable areas, biodiversity conservation zones, or other strictly controlled zones designated under the Environmental Protection Law of the PRC and its associated ecological redline policies.

Our assurance work is limited solely to the selected sustainability disclosures for the year ended December 31, 2025, as presented in the Sustainability Report. Any other information disclosed in the Sustainability Report, as well as information for the year 2024 or prior years, falls outside the scope of our work.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the selected sustainability disclosures in the Sustainability Report are not prepared, in all material respects, in accordance with the standards set out in column “Basis of Preparation” of chapter “About this Report” of the Sustainability Report (hereinafter referred to as the “Applicable Standards”)

II. Basis for Conclusion

We conducted our limited assurance engagement in accordance with CSAS 6101, General Standard for Sustainability Assurance Engagements (Trial) (hereinafter referred to as the "CSAS"), issued by the Ministry of Finance of the People's Republic of China.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under this standard are further described in the Practitioner’s Responsibilities section of our report.

In accordance with the China Code of Ethics for Certified Public Accountants, we are independent of the Company and have fulfilled our other ethical responsibilities.

Our firm applies the standards of the Quality Management at Firm Level for Certified Public Accountants - CSQC 5101: Engagement Quality Management, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

III. Other Matter

The comparative information as of December 31, 2024, was not subject to an assurance engagement in accordance with the CSAS.

IV. Other Information

Management of the Company is responsible for the other information. The other information comprises the information included in the Company's Annual Report, including the financial statements and notes thereto, and the sustainability information in the Sustainability Report, other than the Selected Sustainability Disclosures subject to assurance and our assurance report thereon.

Our conclusion on the Selected Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our assurance engagement on the Selected Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Selected Sustainability Disclosures or our knowledge obtained in the assurance engagement, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

V. Responsibilities of management and those charged with governance for the Selected Sustainability Disclosures

Management of the Company is responsible for:

• The preparation of the Selected Sustainability Disclosures in accordance with Applicable Standards.

• Designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the Selected Sustainability Disclosures, in accordance with Applicable Standards, that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing of the Company's sustainability reporting process.

VI. Inherent Limitations in Preparing the Sustainability Information

We would like to draw users' attention to the fact that there is no generally accepted system of evaluation and measurement standards for non-financial data. The use of different but acceptable measurement methods may affect the comparability of data across different entities.

VII. Practitioner's Responsibilities

Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the Selected Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Selected Sustainability Disclosures.

As part of a limited assurance engagement in accordance with the CSAS, we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

(I) Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control.

(II) Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

VIII. Summary of Work Performed

A limited assurance engagement involves performing procedures to obtain evidence about the Selected Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgment, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error.

In performing a limited assurance engagement, our main procedures include the following:

- Conduct interviews with relevant departments such as the sustainability office to understand the design and implementation of internal controls over the entire process of collecting, aggregating, calculating, and reviewing the selected disclosed information.
- Perform analytical review of year-on-year changes in the Selected Sustainability Disclosures, and make inquiries of relevant personnel and review relevant materials regarding the fluctuations.
- Understand the emission sources, emission factors, and calculation models for Scope 1 and Scope 2 emissions; select a number of production bases and review the calculation processes and results for Scope 1 and Scope 2 carbon emissions; test the original supporting documents for detailed transaction data, such as Green Electricity Certificate (GEC), purchase invoices, and outbound delivery notes.
- Select the production output reports of a number of production bases and test the relevant workshop production inbound records; review the production output data and confirm whether non-conforming products are excluded from the statistical scope.
- Review the working papers for the calculation of Energy Intensity Consumption at a number of production bases; cross-check key data from the Energy Intensity Consumption calculation with those used in the Scope 1 and Scope 2 carbon emission calculations.
- Interview personnel from the Human Resources department to understand the scope of application and core functions of the HR system; review the global employee roster exported from the HR system.
- Interview relevant personnel from the Sustainability Office to understand the Company's sample selection criteria and qualification criteria for its annual ESG audits of suppliers; select suppliers that have passed the ESG audit during the year and review supporting documents such as the Supplier Audit Notification, Supplier Self-Assessment Form, and on-site ESG audit results for the suppliers.
- Interview personnel from the Supervision Department of the Risk Control and Legal Center to understand the Company's main types, methods, and coverage of Business Ethics and Anti-Corruption Training; review the 2025 integrity training course materials and sign-in sheets; obtain the detailed activity plan for the 2025 Integrity Month and the planning documents for integrity warning and education activities.
- Obtain the charitable donation register and test the original supporting documents for significant donation expenditures.
- Review the CNGR's Biodiversity and Land Use Policy and the meeting minutes of the Board's Strategy and ESG Committee regarding biodiversity-related topics; obtain the detailed addresses of the four domestic production bases and review the environmental impact assessment reports for the bases and the biodiversity survey reports for areas within five kilometers of the bases' operational perimeters prepared by the Company.
- Other procedures we consider necessary.

Assurance Practitioner: He Hang

Baker Tilly China
Beijing, China
March 27, 2026

Assurance Practitioner: Zhang Xiaoyun

Note: This report is a translation of the simplified Chinese version of the assurance report. In the event of any inconsistencies, the simplified Chinese version of the assurance report shall prevail.

GRI Content Index

Statement of Use: CNGR Advanced Material Co., Ltd. has prepared the Report in accordance with GRI Standards for the period from 1 January 2025 to 31 December 2025.

GRI 1 Used: GRI 1: Foundation 2021

Applicable GRI Sector Standard(s): None

GRI Standard	Disclosure	Location	Reason for Omission	Explanation
GRI 2: General Disclosures				
The Organization and its Reporting practices	GRI 2-1 Organizational details	About CNGR		
	GRI 2-2 Entities included in the organization's sustainability reporting	About the Report		
	GRI 2-3 Reporting Period, frequency and contact point	About the Report		
	GRI 2-4 Restatements of information	About the Report		
	GRI 2-5 External assurance	About the Report Appendix		
Activities and Workers	GRI 2-6 Activities, value chain and other business relationships	About CNGR		
	GRI 2-7 Employees	Legal Employment and Human Rights Protection		
	GRI 2-8 Workers who are not employees	Legal Employment and Human Rights Protection		
Governance	GRI 2-9 Governance structure and composition	Governance Structure		
	GRI 2-10 Nomination and selection of the highest governance body	Governance Structure		
	GRI 2-11 Chair of the highest governance body	Governance Structure		
	GRI 2-12 Role of the highest governance body in overseeing the management of impacts	Governance Structure		
	GRI 2-13 Delegation of responsibility for managing impacts	Governance Structure		
	GRI 2-14 Role of the highest governance body in sustainability reporting	Governance Structure		
	GRI 2-15 Conflicts of interest	Omitted	Not Applicable	Data and relevant information have been consolidated and presented in the annual report.
	GRI 2-16 Communication of critical concerns	Governance Structure		
	GRI 2-17 Collective knowledge of the highest governance body	Governance Structure		
	GRI 2-18 Evaluation of the performance of the highest governance body	Governance Structure		
	GRI 2-19 Remuneration policies	Governance Structure		
	GRI 2-20 Process to determine remuneration	Governance Structure		
	GRI 2-21 Annual total compensation ratio	Employee Training and Career Development		
Strategy, Policies, and Practices	GRI 2-22 Statement on sustainable development strategy	Sustainability Strategy		
Strategy, Policies, and Practices	GRI 2-23 Policy commitments	Sustainability Strategy		
	GRI 2-24 Embedding policy commitments	Sustainability Strategy		
	GRI 2-25 Processes to remediate negative impacts	Sustainability Strategy		
	GRI 2-26 Mechanisms for seeking advice and raising concerns	Stakeholder Engagement		
	GRI 2-27 Compliance with laws and regulations	Risk and Compliance Management		
	GRI 2-28 Membership associations	About CNGR		
Stakeholder Engagement	GRI 2-29 Approach to stakeholder engagement	Stakeholder Engagement		
	GRI 2-30 Collective bargaining agreements	Legal Employment and Human Rights Protection		
Material Topics				
GRI 3: Material Topics 2021	GRI 3-1 Process to determine material topics	Double Materiality Analysis		
	GRI 3-2 List of material topics	Double Materiality Analysis		
	GRI 3-3 Management of material topics	Double Materiality Analysis		
GRI 201: Economic Performance 2016	GRI 3-3 Management of material topics	Economic Performance		
	201-1 Direct economic value generated and distributed	Omitted	Not Applicable	Data and relevant information have been consolidated and presented in the annual report.
	201-2 Financial implications and other risks and opportunities due to climate change	Climate Change Response		
	201-3 Defined benefit plan obligations and other retirement plans	Omitted	Not Applicable	Data and relevant information have been consolidated and presented in the annual report.
	201-4 Financial assistance received from government	Omitted	Not Applicable	Data and relevant information have been consolidated and presented in the annual report.
GRI 202: Market Presence 2016	GRI 3-3 Management of material topics	Legal Employment and Human Rights Protection		
	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Legal Employment and Human Rights Protection		
	202-2 Proportion of senior management hired from the local community	Omitted	Lack of Information	Relevant Data not Collected
GRI 203: Indirect Economic Impacts 2016	GRI 3-3 Management of material topics	Community Engagement		
	203-1 Infrastructure investments and services supported	Community Engagement		
	203-2 Significant indirect economic impacts	Community Engagement		
GRI 204: Procurement Practices 2016	GRI 3-3 Management of material topics	Community Engagement		
	204-1 Proportion of spending on local suppliers	Omitted	Lack of Information	Relevant Data not Collected

GRI Standard	Disclosure	Location	Reason for Omission	Explanation
GRI 205: Anti-corruption 2016	GRI 3-3 Management of material topics	Risk and Compliance Management		
	205-1 Operations assessed for risks related to corruption	Risk and Compliance Management		
	205-2 Communication and training about anti-corruption policies and procedures	Risk and Compliance Management		
	205-3 Confirmed incidents of corruption and actions taken	Risk and Compliance Management		
GRI 206: Anti-competitive Behavior 2016	GRI 3-3 Management of material topics	Risk and Compliance Management		
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Risk and Compliance Management		
GRI 207: Tax 2019	GRI 3-3 Management of material topics	Taxation Strategy		
	207-1 Approach to tax	Taxation Strategy		
	207-2 Tax governance, control, and risk management	Taxation Strategy		
	207-3 Stakeholder engagement and management of concerns related to tax	Taxation Strategy		
	207-4 Country-by-Country reporting	Omitted	Not Applicable	National Conditions do not apply.
GRI 301: Materials 2016	GRI 3-3 Management of material topics	Circular Utilization of Energy Metals, and Product Lifecycle Management		
	301-1 Materials used by weight or volume	Circular Utilization of Energy Metals		
	301-2 Recycled input materials used	Circular Utilization of Energy Metals		
	301-3 Reclaimed products and their packaging materials	Circular Utilization of Energy Metals		
GRI 302: Energy 2016	GRI 3-3 Management of material topics	Energy Management		
	302-1 Energy consumption within the organization	Energy Management		
	302-2 Energy consumption outside of the organization	Omitted	Lack of Information	Relevant Data not Collected
	302-3 Energy intensity	Energy Management		
	302-4 Reduction of energy consumption	Energy Management		
	302-5 Reductions in energy requirements of products and services	Energy Management		
GRI 303: Water and Effluents 2018	GRI 3-3 Management of material topics	Water Stress		
	303-1 Interactions with water as a shared resource	Water Stress		
	303-2 Management of water discharge-related impacts	Water Stress		
	303-3 Water withdrawal	Water Stress		
	303-4 Water discharge	Water Stress		
	303-5 Water consumption	Water Stress		
GRI 101: Biodiversity 2024	GRI 3-3 Management of material topics	Biodiversity and Land Use		
	101-1 Policies to halt and reverse biodiversity loss	Biodiversity and Land Use		

GRI Standard	Disclosure	Location	Reason for Omission	Explanation
GRI 101: Biodiversity 2024	101-2 Management of biodiversity impacts	Biodiversity and Land Use		
	101-3 Access and benefit-sharing	Omitted	Lack of Information	Relevant Information not Collected
	101-4 Identification of biodiversity impacts	Biodiversity and Land Use		
	101-5 Locations with biodiversity impacts	Biodiversity and Land Use		
	101-6 Direct drivers of biodiversity loss	Biodiversity and Land Use		
	101-7 Changes to the state of biodiversity	Omitted	Lack of Information	Relevant Information not Collected
	101-8 Ecosystem services	Biodiversity and Land Use		
GRI 305: Emissions 2016	GRI 3-3 Management of material topics	Climate Change Response		
	305-1 Direct (Scope 1) GHG emissions	Climate Change Response		
	305-2 Energy indirect (Scope 2) GHG emissions	Climate Change Response		
	305-3 Other indirect (Scope 3) GHG emissions	Climate Change Response		
	305-4 GHG emissions intensity	Climate Change Response		
	305-5 Reduction of GHG emissions	Climate Change Response		
	305-6 Emissions of ozone-depleting substances (ODS)	Omitted	Lack of Information	Relevant Data not Collected
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Climate Change Response Waste and Pollutant Management		
GRI 306: Waste 2020	GRI 3-3 Management of material topics	Waste and Pollutant Management		
	306-1 Waste generation and significant waste-related impacts	Waste and Pollutant Management		
	306-2 Management of significant waste-related impacts	Waste and Pollutant Management		
	306-3 Waste generated	Waste and Pollutant Management		
	306-4 Waste diverted from disposal	Waste and Pollutant Management		
	306-5 Waste directed to disposal	Waste and Pollutant Management		
GRI 308: Supplier Environmental Assessment 2016	GRI 3-3 Management of material topics	Due Diligence and Responsible Sourcing		
	308-1 New suppliers that were screened using environmental criteria	Due Diligence and Responsible Sourcing		
	308-2 Negative environmental impacts in the supply chain and actions taken	Due Diligence and Responsible Sourcing		
GRI 401: Employment 2016	GRI 3-3 Management of material topics	Legal Employment and Human Rights Protection		
	401-1 New employee hires and employee turnover	Legal Employment and Human Rights Protection		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Legal Employment and Human Rights Protection		
	401-3 Parental leave	Omitted	Not Applicable	National Conditions do not apply.
GRI 402: Labor/ Management Relations 2016	GRI 3-3 Management of material topics	Omitted	Lack of Information	Relevant Information not Collected
	402-1 Minimum notice periods regarding operational changes	Omitted	Lack of Information	Relevant Information not Collected

GRI Standard	Disclosure	Location	Reason for Omission	Explanation
GRI 403: Occupational health and safety 2018	GRI 3-3 Management of material topics	Occupational Health and Safety		
	403-1 Occupational health and safety management system	Occupational Health and Safety		
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety		
	403-3 Occupational health services	Occupational Health and Safety		
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety		
	403-5 Worker training on occupational health and safety	Occupational Health and Safety		
	403-6 Promotion of worker health	Occupational Health and Safety		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety		
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety		
	403-9 Work-related injuries	Occupational Health and Safety		
	403-10 Work-related ill health	Occupational Health and Safety		
GRI 404: Training and Education 2016	GRI 3-3 Management of material topics	Employee Training and Career Development		
	404-1 Average hours of training per year per employee	Employee Training and Career Development		
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Training and Career Development		
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee Training and Career Development		
GRI 405: Diversity and Equal Opportunity 2016	GRI 3-3 Management of material topics	Legal Employment and Human Rights Protection		
	405-1 Diversity of governance bodies and employees	Legal Employment and Human Rights Protection		
	405-2 Ratio of basic salary and remuneration of women to men	Legal Employment and Human Rights Protection		
GRI 406: Non-discrimination 2016	GRI 3-3 Management of material topics	Legal Employment and Human Rights Protection		
	406-1 Incidents of discrimination and corrective actions taken	Legal Employment and Human Rights Protection		
GRI 407: Freedom of Association and Collective Bargaining 2016	GRI 3-3 Management of material topics	Legal Employment and Human Rights Protection		
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Legal Employment and Human Rights Protection		
GRI 408: Child Labor 2016	GRI 3-3 Management of material topics	Legal Employment and Human Rights Protection		
	408-1 Operations and suppliers at significant risk for incidents of child labor	Legal Employment and Human Rights Protection		
GRI 409: Forced or Compulsory Labor 2016	GRI 3-3 Management of material topics	Legal Employment and Human Rights Protection		
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Legal Employment and Human Rights Protection		

GRI Standard	Disclosure	Location	Reason for Omission	Explanation
GRI 410: Security Practices 2016	GRI 3-3 Management of material topics	Community Engagement		
	410-1 Security personnel trained in human rights policies or procedures	Community Engagement		
GRI 411: Rights of Indigenous Peoples 2016	GRI 3-3 Management of material topics	Community Engagement		
	411-1 Incidents of violations involving rights of indigenous peoples	Community Engagement		
GRI 413: Local Communities 2016	GRI 3-3 Management of material topics	Community Engagement		
	413-1 Operations with local community engagement, impact assessments, and development programs	Community Engagement		
	413-2 Operations with significant actual and potential negative impacts on local communities	Community Engagement		
GRI 414: Supplier Social Assessment 2016	GRI 3-3 Management of material topics	Due Diligence and Responsible Sourcing		
	414-1 New suppliers that were screened using social criteria	Due Diligence and Responsible Sourcing		
	414-2 Negative social impacts in the supply chain and actions taken	Due Diligence and Responsible Sourcing		
GRI 415: Public Policy 2016	GRI 3-3 Management of material topics	Omitted	Not Applicable	National Conditions do not apply.
	415-1 Political contributions	Omitted	Not Applicable	National Conditions do not apply.
GRI 416: Customer Health and Safety 2016	GRI 3-3 Management of material topics	Chemicals Management		
	416-1 Assessment of the health and safety impacts of product and service categories	Chemicals Management		
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Chemicals Management		
GRI 417: Marketing and Labeling 2016	GRI 3-3 Management of material topics	Omitted	Not Applicable	Relevant Information not Collected
	417-1 Requirements for product and service information and labeling	Omitted	Not Applicable	Relevant Information not Collected
	417-2 Incidents of non-compliance concerning product and service information and labeling	Omitted	Not Applicable	Relevant Information not Collected
	417-3 Incidents of non-compliance concerning marketing communications	Omitted	Not Applicable	Relevant Information not Collected
GRI 418: Customer Privacy 2016	GRI 3-3 Management of material topics	Customer Management		
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Management		

SASB Standards Index (Chemicals Industry)

Topic	SASB Code	Metric	Unit	Data/Location in the Report
– Greenhouse gas emissions	RT-CH-110a.1	Gross global Scope 1 emissions	tCO_2e	12,391,004.11
		Percentage covered under emissions-limiting regulations (total amount of gross global Scope 1 GHG emissions covered under the emissions-limiting regulations divided by the total amount of gross global Scope 1 GHG emissions)	%	Not collected
	RT-CH-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	-	Climate Change Response
Air Quality	RT-CH-120a.1	NOx (excluding N_2O)	kg	10,609,211.83
		SOx	kg	13,131,555.57
		Volatile organic compounds (VOCs)	kg	5,735.54
		Hazardous air pollutants (HAPs)	kg	54.07
Energy Management	RT-CH-130a.1	Total energy consumed	GJ	76,512,229.45
		Percentage grid electricity	%	8.76
		Percentage of renewable energy	%	5.96
		Total self-generated energy	GJ	135,818.46
Water Management	RT-CH-140a.1	Total water withdrawn	ML	7,066.82
		Total water consumed	ML	3,974.75
		Percentage of total water withdrawn in regions with High or Extremely High Baseline Water Stress	%	0.00
		Percentage of total water consumed in regions with High or Extremely High Baseline Water Stress	%	0.00
	RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	case(s)	0
	RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	-	水壓力
Hazardous Waste Management	RT-CH-150a.1	Amount of hazardous waste generated	ton	4,508.06
		Percentage of hazardous waste recycled	%	37.69
Community Relations	RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	-	Community Engagement
Workforce Health & Safety	RT-CH-320a.1	Total recordable incident rate (TRIR, per 1,000,000 hours)	-	1.31
		Fatality rate for direct employees	%	0.00
		Fatality rate for contract employees	%	0.00
	RT-CH-320a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	-	Occupational Health and Safety
Product Design for Use-phase Efficiency	RT-CH-410a.1	Revenue from products designed for use-phase resource efficiency	RMB	Not collected
Safety & Environmental Stewardship of Chemicals	RT-CH-410b.1	Percentage of products that contain Globally Harmonized System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances (by revenue)	%	Not collected
		Percentage of such products that have undergone a hazard assessment	%	Not collected
	RT-CH-410b.2	Discussion of strategy to manage chemicals of concern and develop alternatives with reduced human or environmental impact	-	Chemicals Management
Genetically Modified Organisms	RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms (GMOs)	%	Not collected
Management of the Legal & Regulatory Environment	RT-CH-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	-	Risk and Compliance Management
Operational Safety, Emergency Preparedness & Response	RT-CH-540a.1	Process Safety Incidents Count (PSIC)	case(s)	46
		Process Safety Total Incident Rate (PSTIR)	%	Not collected
		Process Safety Incident Severity Rate (PSISR)	%	Not collected
	RT-CH-540a.2	Number of transport incidents	case(s)	0
Production by Reportable Segment	RT-CH-000.A	Output[1]	ton	1,453,487.64

1. The product scope includes major products such as precursors, iron phosphate, and nickel plates, etc..

SASB Standards Index (Electrical & Electronic Equipment)

Topic	SASB Code	Metric	Unit	Data/Location in the Report
Energy Management	RT-EE-130a.1	Total energy consumed	GJ	76,512,229.45
		Percentage grid electricity	%	8.76
		Percentage of renewable energy	%	5.96
Hazardous Waste Management	RT-EE-150a.1	Amount of hazardous waste generated	ton	4,508.06
		Percentage of hazardous waste recycled	%	37.69
	RT-EE-150a.2	Number and aggregate quantity of reportable spills	case(s)	0
		Quantity of hazardous waste recovered	kg	1,699,100
Product Safety	RT-EE-250a.1	Number of recalls issued	case(s)	Not collected
		Total units recalled	type(s)	8
	RT-EE-250a.2	Total amount of monetary losses as a result of legal proceedings associated with product safety	RMB	0
Product Lifecycle Management	RT-EE-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	%	Not Applicable
	RT-EE-410a.2	Percentage of eligible products, by revenue, certified to an energy efficiency certification	%	Not Applicable
	RT-EE-410a.3	Revenue from renewable energy-related and energy efficiency-related products	RMB	Not Applicable
Materials Sourcing	RT-EE-440a.1	Description of the management of risks associated with the use of critical materials	-	Due Diligence and Responsible Sourcing
Business Ethics	RT-EE-510a.1	Description of policies and practices for prevention of corruption and bribery	-	Risk and Compliance Management
		Description of policies and practices for prevention of anti-competitive behaviour	-	
	RT-EE-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	RMB	0
	RT-EE-510a.3	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations	RMB	0

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Dimension	S.N.	Topic	Chapter of the Report
Environment	1	Climate Change Response	Climate Change Response
	2	Pollutant Emissions	Waste and Pollutant Management
	3	Waste Disposal	Waste and Pollutant Management
	4	Ecosystem and Biodiversity Conservation	Biodiversity and Land Use
	5	Environmental Compliance Management	Environmental Management System and Compliance
	6	Energy Utilization	Energy Management
	7	Water Resources Utilization	Water Stress
	8	Circular Economy	Circular Utilization of Energy Metals
Society	9	Rural Revitalization	Rural Revitalization and Social Contribution
	10	Social Contribution	Rural Revitalization and Social Contribution
	11	Innovation-Driven	Innovation-Driven
	12	Science and Technology Ethics	Not Applicable
	13	Supply Chain Security	Due Diligence and Responsible Sourcing
	14	Equal Treatment for Small and Medium-Sized Enterprises (SMEs)	Equal Treatment for Small and Medium-Sized Enterprises (SMEs)
	15	Product and Service Safety and Quality	Product Quality and Safety Customer Management
	16	Data Security and Customer Privacy Protection	Customer Management Information Security Management
	17	Employees	Legal Employment and Human Rights Protection Employee Training and Career Development Occupational Health and Safety
Governance Related to Sustainability	18	Due Diligence	Due Diligence and Responsible Sourcing
	19	Stakeholder Communication	Stakeholder Engagement
	20	Anti-Commercial Bribery and Anti-Corruption	Risk and Compliance Management
	21	Anti-Unfair Competition	Risk and Compliance Management

HKEx ESG Guide Content Index

Part B: Mandatory Disclosure Requirements

		Location
13 Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	About the Report Governance Structure Sustainability Strategy Double Materiality Analysis
14 Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. Quantitative: Information on the standards, methodologies, assumptions and/ or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	About the Report Double Materiality Analysis Climate Change Response Sustainability Key Performance Table
15 Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	About the Report Sustainability Key Performance Table

Part C: "Comply or explain" Provisions

A. Environmental			
Subject Areas, Aspects, General Disclosures and KPIs			Location
Aspect A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Waste and Pollutant Management
	A1.1	The types of emissions and respective emissions data.	Waste and Pollutant Management
	A1.2	[Repealed 1 January 2025]	
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Sustainability Key Performance Table
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
	A1.5	Description of emission target(s) set and steps taken to achieve them.	Waste and Pollutant Management
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	
Aspect A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Energy Management Water Stress
	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).	Energy Management
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Water Stress
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Energy Management
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Water Stress
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Product Lifecycle Management
Aspect A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Reducing Environmental Footprint
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Reducing Environmental Footprint
Aspect A4: Climate Change	/	[Repealed 1 January 2025]	

B. Social			
Subject Areas, Aspects, General Disclosures and KPIs			**Location**
Employment and Labour Practices			
Aspect B1: Employment	Disclosure	(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment and Human Rights Protection
	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Sustainability Key Performance Table
	B1.2	Employee turnover rate by gender, age group and geographical region.	
Aspect B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Occupational Health and Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Sustainability Key Performance Table
	B2.2	Lost days due to work injury.	
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health and Safety
Aspect B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Employee Training and Career Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Sustainability Key Performance Table
	B3.2	The average training hours completed per employee by gender and employee category.	
Aspect B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Legal Employment and Human Rights Protection
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	
	B4.2	Description of steps taken to eliminate child and forced labour when discovered.	
Operating Practices			
Aspect B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Due Diligence and Responsible Sourcing Community and Partnerships

B. Social			
Subject Areas, Aspects, General Disclosures and KPIs			**Location**
Aspect B5: Supply Chain Management	B5.1	Number of suppliers by geographical region.	Sustainability Key Performance Table
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Due Diligence and Responsible Sourcing
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Product Lifecycle Management Due Diligence and Responsible Sourcing
Aspect B6: Product Responsibility	General Disclosure	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Quality and Safety Chemicals Management Information Security Management
	B6.1	Number of products and service related complaints received and how they are dealt with.	Product Quality and Safety
	B6.2	Description of practices relating to observing and protecting intellectual property rights.	Customer Management
	B6.3	Description of quality assurance process and recall procedures.	Intellectual Property Management
	B6.4	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Quality and Safety Customer Management
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Information Security Management Customer Management
Aspect B7: Anti- corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Risk and Compliance Management
	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.	Sustainability Key Performance Table
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Risk and Compliance Management
	B7.3	Description of anti-corruption training provided to directors and staff.	
Communities			
Aspect B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Engagement
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Rural Revitalization and Social Contribution
	B8.2	Resources contributed (e.g. money or time) to the focus area.	

Part D: Climate-related Disclosures

Climate-related Disclosures		Location
(I) Governance		
19	(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate- related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about: (i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities; (ii) how and how often the body(s) or individual(s) is informed about climate- related risks and opportunities; (iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; (iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities , including whether and how related performance metrics are included in remuneration policies; and (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Climate Change Response–"Governance"
(II) Strategy		
Climate-related risks and opportunities		
20	An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall: (a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term; (b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk; (c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and (d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	Climate Change Response–"Climate-Related Risk Identification Checklist" "Climate-Related Opportunities Identification Checklist"
Business model and value chain		
21	An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose: (a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and (b) a description of where in the issuer's business model and value chain climate- related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Climate Change Response–"Climate-Related Risk Identification Checklist"

Climate-related Disclosures		Location
Strategy and decision-making		
22	(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about: (i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities; (ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect); (iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and (iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)); and (b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	Climate Change Response–"Strategy"
23	An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	Climate Change Response–"Greenhouse Gas Emissions Targets of CNGR"
Financial position, financial performance and cash flows		
24	An issuer shall disclose qualitative and quantitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	Climate Change Response–"Climate-Related Risk Identification Checklist"–"Potential Financial Impact"
25	An issuer shall disclose qualitative and quantitative information about: (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	Climate Change Response–"Climate-Related Risk Identification Checklist"–"Potential Financial Impact" "Response Strategy"
Climate resilience		
26	An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose: (a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:	Climate Change Response–"Climate Resilience Assessment"–"Potential Financial Impact" "Climate Scenario Analysis"

Climate resilience		Location
26	(1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting period in which the climate-related scenario analysis was carried out.	Climate Change Response–"Climate Resilience Assessment"–"Potential Financial Impact" "Climate Scenario Analysis"
(III) Risk Management		
27	An issuer shall disclose information about: (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about: (i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes); (ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the issuer prioritises climate-related risks relative to other types of risks; (v) how the issuer monitors climate-related risks; and (vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period; (b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and (c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	Climate Change Response–"Risk and Opportunity Management"

Climate resilience		Location
(IV) Metrics and Targets		
Greenhouse gas emissions		
28	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	
29	An issuer shall: (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions; (b) disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes; (c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and (d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	Climate Change Response–"Greenhouse Gas Emissions Management Data of CNGR"
Climate-related transition risks		
30	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Climate Change Response–"Climate-Related Risk Identification Checklist"
Climate-related physical risks		
31	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Climate Change Response–"Climate-Related Risk Identification Checklist"
Climate-Related Opportunities		
32	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	Climate Change Response–"Climate-Related Opportunities Identification Checklist"
Capital deployment		
33	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	/

Climate resilience		Location
Internal carbon prices		
34	An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision- making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	/
Remuneration		
35	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	Climate Change Response–"Governance"
Industry-based metrics		
36	An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry- based metrics associated with disclosure topics described in the IFRS S2 Industry- based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	SASB Standards Index (Chemicals Industry); SASB Standards Index (Electrical & Electronic Equipment)
Climate-related targets		
37	An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose: (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Climate Change Response–"Greenhouse Gas Emissions Targets of CNGR"
38	An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions.	
39	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	
40	For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose: (a) which greenhouse gases are covered by the target; (b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target; (c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target; (d) whether the target was derived using a sectoral decarbonisation approach; and (e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	Climate Change Response–"Greenhouse Gas Emissions Targets of CNGR"

Statement on Undisclosed Climate-Related Disclosures

CNGR Advanced Material Co., Ltd. (the "Company") has prepared the "Climate Change Response" section of the Report in accordance with the framework of Part D: Climate-Related Disclosures of Appendix C2 – Environmental, Social and Governance Reporting Code to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Company intends to publish separately the 2025 Climate-Related Financial Disclosure Report of CNGR Advanced Material Co., Ltd. in May 2026, which fully disclose all relevant provisions set out under Part D: Climate-Related Disclosures.

UNGC Content Index

The Ten Principles of the UN Global Compact	Chapter of the Report
Human Rights	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	Legal Employment and Human Rights Protection Employee Training and Career Development Occupational Health and Safety
Principle 2: Businesses should make sure that they are not complicit in human rights abuses	Legal Employment and Human Rights Protection Employee Training and Career Development Occupational Health and Safety
Labour	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Legal Employment and Human Rights Protection
Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour	Legal Employment and Human Rights Protection
Principle 5: Businesses should uphold the effective abolition of child labour	Legal Employment and Human Rights Protection
Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation	Legal Employment and Human Rights Protection
Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges	Environmental Management System and Compliance
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility	Environmental Management System and Compliance
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies	Environmental Management System and Compliance
Anti-Corruption	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Risk and Compliance Management