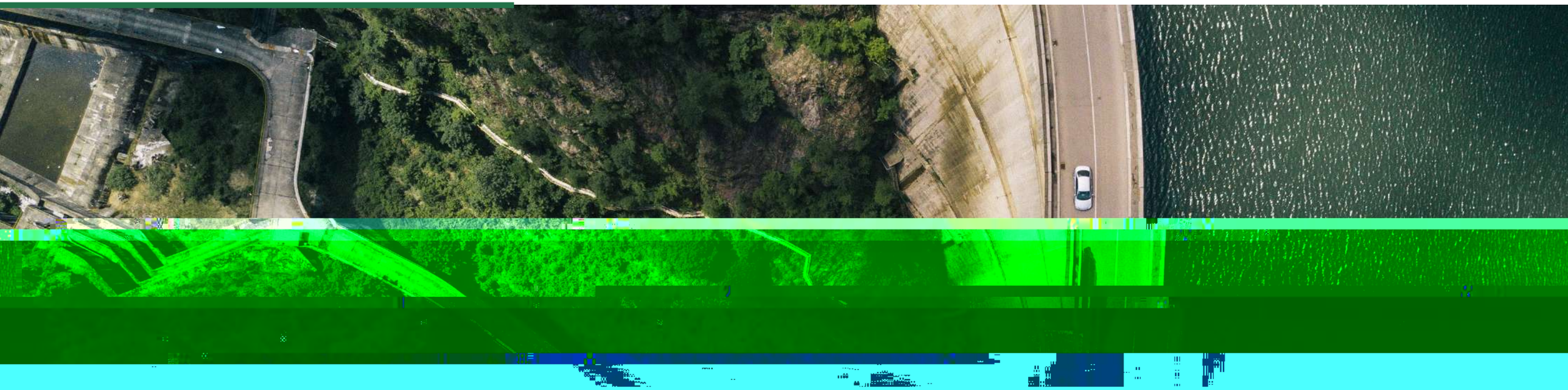
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GanfengLithium

A-share code: 002460 H-share code: 01772

Ganfeng Lithium Group Co., Ltd. 2023 Sustainability Report

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





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About This Report

Reporting Scope

The report incorporates the headquarters, branches and subsidiaries of Ganfeng Lithium

Reporting Specification

HKEx Reporting Principles

Access to This Report

Message from the Chairman

In 2023, as climate change receives increasing global attention and sustainability has become ever more pressing, our society is at the crossroads of transformation. In response to this, we are determined to adhere to our corporate philosophy of "Creating unlimited value by utilizing limited resources" as our core strategy, and we maintain our global presence and accelerate project construction and implementation, while ensuring sound corporate governance and improving environmental, social and governance (ESG) management. Our core strategy also drives improvement on innovation capabilities, and sets benchmarks for breakthroughs in technology and long-term sustainability in the field of new energy.

In 2023, we steadily progressed our business in full compliance with laws and regulations. We continuously improved on corporate governance, protected shareholder rights, adhered to anti-corruption and integrity principles, and solidified the foundation for development. Building upon this foundation, we innovated management practices, integrated sustainability into corporate management indicators, and further improved the sustainability management framework. We also actively practiced ESG international standards and initiatives, integrating ESG practices deeply into corporate operations, while creating environmental, social and economic benefits. During the reporting period, Ganfeng Lithium, in the 2023 ESG ratings released by the international authoritative ESG index publisher MSCI, was upgraded from grade BBB to A, thanks to innovative initiatives in key areas such as Carbon Emissions, Water Stress, and Opportunities in Clean Tech.

In 2023, we pursued independent innovation and seized on development opportunity. We sought high-quality development driven by technological innovation, implemented the strategy of "upstream and downstream integration," solidified our leading capabilities in green technology, participated in national cutting-edge low-carbon technology research, and contributed to the innovation progress across the entire industry chain. To this end, we promoted new energy innovative technologies around "lithium" products to benefit the market widely, met diverse low-carbon development scenario demands, and collaborated with strategic partners to explore revolutionary technologies such as solid-state batteries, providing more technical support to address climate change. Understanding the obstacles in persuit of sustainability in lithium extraction technologies research and development (R&D), and increased recycling. We have also made improvements in yield, reduced applications, enhanced total reserves and utilization efficiency and ensured stable raw material supply to the upstream and downstream of the industry chain. As such, we have supported the acceleration towards the global energy transition process. In 2023, Ganfeng Lithium completed the review of the national enterprise technology center, national intellectual property demonstration enterprise, national green factory, industry-education integration enterprise in Jiangxi province, and other national and provincial platform qualifications. We have also completed 146 R&D projects, applied for 59 projects at the provincial level or above, including 4 national key R&D projects, 17 provincial science and technology plan projects, and achieved multiple national and provincial honors in scientific research and technology. In terms of resource reserves, Ganfeng Lithium invested in a total of 17 resource sites in countries such as Argentina, Australia, Mexico, Ireland, Mali, and China, covering lithium spodumene, lithium brine, lithium clay, etc.

In 2023, we embraced green development and created harmony with our environment. We have always been committed to environmental protection, integrating the concept, goals, and measures of energy conservation and emissions reduction throughout the Company value chain and the entire product lifecycle. We continuously improved environmental management systems such as energy and resource management and emissions control, optimized the implementation of environmental regulations, strengthened responsibilities, and provided solid guarantees for the Company's green operational production. We increased the proportion of green electricity through clean energy generation and green certificate trading. We engaged deeply in research on standards dual carbon target, conducted a company Greenhouse Gas (GHG) Emissions Inventory, completed carbon footprint assessments for two products, identified the weak points in our GHG emissions during production and operations, and actively responded to international developments. In overseas projects, we formulated scientific and rigorous biodiversity conservation plans and closely collaborated with local stakeholders to maintain harmonious development with nature. In 2023, the GHG emissions from the Company's Lithium Chemical Business Unit, Lithium Battery Business Unit, and overseas projects totaled 400,800 tons of CO_2 equivalent in Scope I and 639,200 tons of CO_2 equivalent in Scope II, with GHG emission intensity reduction of 18.96% compared to the previous year.

In 2023, we strived for a people-oriented approach and built supportive communities. We have been committed to creating a work environment that values, respects, and embraces talents, focusing on aspects such as protecting employee rights, compensation and benefits, career development, health and safety, and employee welfare. By doing so, we aim to create a harmonious, healthy, and caring work environment, enabling the mutual growth of employees and the Company. Additionally, we consistently view social responsibility as a core component of our long-term development strategy, actively engaging in community building, supporting community public welfare projects, empowering community economic development, and deeply participating in social enterprise interactions. Our initiatives aim to improve the quality of life and happiness of the community, laying out a beautiful blueprint for harmony, stability, and sustainability. During the reporting period, the Lithium Chemical Business Unit, Lithium Battery Business Unit, and overseas projects of the Company contributed a total of RMB 3.65 million worth of donations and goods to various public welfare charity projects such as rural revitalization, disaster relief in affected areas, and educational support. We conducted a variety of volunteering activities including visiting and supporting firefighters, nursing homes, and blood donation drives. For our overseas projects, we invested in Argentina to create sustainable job opportunities for local residents and share the benefits brought by the shared resources.

The year 2024 will mark the 24th year of Ganfeng Lithium's commitment to the lithium industry. Looking ahead, we are embarking on a new journey of courage and vigor. We will continue to adhere to the core strategy of "Technology-driven Ganfeng", accelerate the construction of high-quality projects, enhance the competitiveness of our products, lock in more high-quality raw materials, utilize the synergistic advantages of our business segments, introduce more opportunities for industrial cooperation, and push forward the development of new energy technologies with lithium materials at its core, so as to work hand-in-hand with all parties to contribute the strength of Ganfeng to global sustainability.



Chairman

Li Liangbin

[1]The GHG emission intensity refers to the emission intensity per unit of product of the Lithium Chemical Segment in 2023 (unit: 10,000 tons of CO2 equivalent / 10,000 tons of LCE).

[2]Ganfeng Lithium's public donations for overseas projects are recorded in U.S. dollars, converted at the exchange rate of US $1 = RMB 7.20.

Statement of the Board



The Board of Ganfeng Lithium highly recognizes the importance of ESG to the Company's long-term and sound operation, and strictly follows the requirements of the ESG Reporting Guidelines of the listed exchanges and continuously improves the Company's ESG management structure and governance system. The Board attaches importance to the significant impacts that ESG risks may impose on the Company, and regularly conducts comprehensive ESG risk assessments based on the macroeconomic environment of the external society and the Company's development strategy. The Company improves management as a key ESG task according to the findings of the assessment, incorporates them into the overall company strategy and supervises the improvement of the situation and the performance of the Company.

As the highest decision-making body of Ganfeng Lithium's ESG work, the Board has set up the Sustainability Committee, which is responsible for reviewing the Company's ESG strategy and its effectiveness, ensuring the effective integration of ESG concepts with the Company's strategy, regularly reviewing the ESG objectives and the interim progresses, guiding the ESG work and listening to relevant reporting, thus realizing a more independent, efficient, fair and professional ESG governance of the Board and exploring a new development model combining the Company's ESG concepts with the entire lithium resources industry chain. There is a Sustainability Executive Committee under the Sustainability Committee, which continuously incorporates ESG-related risk management into the Company's daily code of conduct, coordinates and promotes ESG-related work with ESG leaders of subsidiaries and business units, and coordinates the identification and management of climate-related risks and opportunities.

In 2023, Ganfeng Lithium identified 22 material ESG issues through systematic stakeholder investigation, internal interviews and special meetings, and assessed and prioritized them to form a material issues analysis matrix (please refer to the chapter "Sustainability Management" in this report for details). Ganfeng Lithium actively responds to the demands of stakeholders and improves the performance of corporate ESG governance and management, improves ESG performance, drives the upstream and downstream of the value chain to strengthen ESG construction, comprehensively reduces ESG risks, and strives to build the world's first-class lithium eco-company with a green and excellent integration of upstream and downstream partners.

This report discloses in detail the progress and effectiveness of Ganfeng Lithium's ESG efforts in 2023, which was reviewed and approved by the Sustainability Committee and the Board on March 27, 2024.

Company Profile

About Us

Engaging in the lithium industry and working on lithium for 24 years

Established in March 2000, Ganfeng Lithium Group Co., Ltd. is the first A+H listed company in China's lithium industry (A-share code: 002460; H share code: 01772). We are the world's leading lithium eco-enterprise, the world's largest lithium metal producer and the largest domestic lithium hydroxide producer. In terms of resource distribution, we have rich lithium mine resource in Australia, Argentina, Mexico, Ireland, Mali in Africa, Jiangxi, Qinghai, Inner Mongolia, Hunan, etc., which makes us one of the companies with the largest lithium mine resource in the global lithium industry.

In terms of development strategy, we carry out the strategy of "upstream and downstream integration", and have formed five business units, which are "lithium resource development," "lithium salt deep processing," "lithium metal smelting," "lithium battery manufacturing," and "lithium battery recycling," with products covering lithium metal, lithium carbonate, lithium hydroxide, butyl lithium, lithium ion batteries and other five series of more than 40 kinds of products, also known as the "global lithium supermarket".

Meanwhile, with technology as the cornerstone, we are the only professional manufacturer in the world who owns the technologies of "lithium extraction from lithium pyroxene", "lithium extraction from lithium mica" "lithium extraction from lithium clay" and "lithium extraction from recycling lithium batteries"at the same time. We are also the professional manufacturer with the most complete variety, the longest product manufacturing chain and the most comprehensive technology among the global companies supplying lithium series products.

Lithium resource development | **Lithium salt products deep processing** | **Lithium metal smelting** | **Lithium battery manufacturing** | **Lithium battery recycling**

Five Business Units

A+H
dual-listed on Shenzhen and Hong Kong Stock Exchange

14,000+
No. of employees worldwide

24th
Anniversary

1,183
No. of applied national patents

600,000
tons of LCE of planned annual capacity in the future

With the mission of "Utilize limited lithium resources to create a green, clean, and healthy life for human development and progress", we adhere to the corporate vision of "Build an international first-class enterprise with upstream and downstream integration in the global lithium industry", and carry forward the core values of "integrity and transparency, responsibility, professionalism and efficiency, innovation-driven, and win-win cooperation", and rely on scientific and technological innovation to navigate the direction for domestic and international lithium industry development.

Company Culture

Corporate Mission

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

Enterprise Vision

Build an international first-class enterprise with upstream and downstream integration in the global lithium industry

Core Values

Integrity and transparency, responsibility, professionalism and efficiency, innovation-driven, and win-win cooperation.

Awards and Honors

In 2023, Ganfeng Lithium achieved outstanding performance in sustainability, receiving unanimous recognition from industry associations, industrial partners, and third-party ESG rating agencies. This fully demonstrates the Company's solid commitment to environmental and social responsibility and its dedication to sustainability.

Performance Highlights - ESG Rating Performance

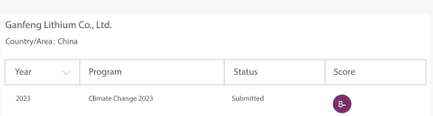
MSCI ESG Rating: In October 2023, the MSCI ESG Index rating was upgraded to A from BBB.

CDP: In 2023, Ganfeng Lithium responded to the Carbon Disclosure Project (CDP) questionnaire from third-party rating agencies and received a grade of B-.

MSCI ESG Index Rating Upgraded to A



CDP questionnaire received a B-score



Award Name	Award-winning Organization	Awarding Body
Fortune 500 Listed Companies in China	Ganfeng Lithium	Fortune Media Intellectual Property Co.
Fortune China ESG Influential Enterprises	Ganfeng Lithium	Fortune Media Intellectual Property Co.
Forbes Global 2000	Ganfeng Lithium	Forbes Media Hong Kong Limited
Forbes China ESG Innovation Enterprises	Ganfeng Lithium	Forbes Media Hong Kong Limited
China's Top 500 Private Enterprises	Ganfeng Lithium	All-China Federation of Industry and Commerce (ACFCIC)
Top 500 Private Enterprises in China's Manufacturing Industry	Ganfeng Lithium	All-China Federation of Industry and Commerce (ACFCIC)
First Prize in the 2023 China Nonferrous Metals Industry Science and Technology Award	Ganfeng Lithium	China Nonferrous Metals Industry Association (CNMIA)
Vice Chairman Unit of the Power Battery Application Branch of China Chemical and Physical Power Sources Industry Association	Ganfeng Lithium	Power Battery Application Branch of China Industrial Association of Power Sources (CIAPS)
First Prize for Outstanding Corporate Culture Achievements in 2023	Ganfeng Lithium	China Enterprise Confederation (CEC)
2023 Jiangxi Province Intelligent Manufacturing Benchmark Enterprise	Ganfeng Lithium	Jiangxi Provincial Department of Industry and Information Technology
2023 Jiangxi Province Science and Technology Leading Enterprise	Ganfeng Lithium	Jiangxi Provincial Office of Science and Technology
First Prize in the 2023 Jiangxi Provincial Science and Technology Award	Ganfeng Lithium	Jiangxi Provincial People's Government
Honorary Title of "Most Charitable Donation Enterprise" in Jiangxi Province:	Ganfeng Lithium	Jiangxi Provincial People's Government
Caixin Awards - 2023 Environmentally Friendly Pioneer Enterprise Award	Ganfeng Lithium	Shanghai Interface Caixian Social Science Co.
"Huxiu" - 2023 Sustainable Brand Model "Circular Economy List"	Ganfeng Lithium	Beijing Huwen Information Technology Co.
2023 Wangcai Lithium Battery Lithium Cup Golden Ball Award (Lithium Salt Group)	Ganfeng Lithium	Shanghai Chain Collection E-commerce Co.
2023 Annual Rising Star	Ganfeng LiEnergy	Sunny Power Co.
2023 Annual Best Strategic Partner	Ganfeng LiEnergy	Shenzhen Hailai New Energy Co.
2023 (9th) Starting Point Golden Tripod Award - Battery Industry Annual Segment Leadership Brand	Ganfeng LiEnergy	Shenzhen Starting Point Research and Consulting Company Limited (Starting Point Research Institute)
High Power Energy Storage 2023 Energy Storage Industry TOP50	Ganfeng LiEnergy	Shenzhen GaoGong Industry Research & Consulting Co.
2023 Energy Storage List - Top Ten Brands of the Year	Ganfeng LiEnergy	International Energy Network-National Energy Research Institute
2023 Energy Storage Enterprise Pioneer Award - Battery Core	Ganfeng LiEnergy	Shanghai XINFENG Network Technology Co.
2023 (9th) Starting Point Golden Tripod Award	Ganfeng LiEnergy	Shenzhen Starting Point Research and Consulting Company Limited (Starting Point Research Institute)



01

Sustainability Management

ESG Governance and Management

Materiality Assessment

Stakeholder Engagement

Ganfeng Lithium implements the principles of sustainability, establishing ESG work plans at the board level, reviewing ESG materiality issues, and managing potential ESG risks. During the reporting period, the Company has continued to implement the principles of green development in the areas of corporate operations and project management. The Company has outlined the requirements of various ESG issues in the production and operational processes, as well as the corresponding responsibilities of different departments. Building upon an enhanced ESG management system, the Company adheres to the sustainability policy of "people-oriented, safety and compliance, green development" to achieve symbiosis and harmonious development between the Company, environment, and society.

Contributing to the SDGs:

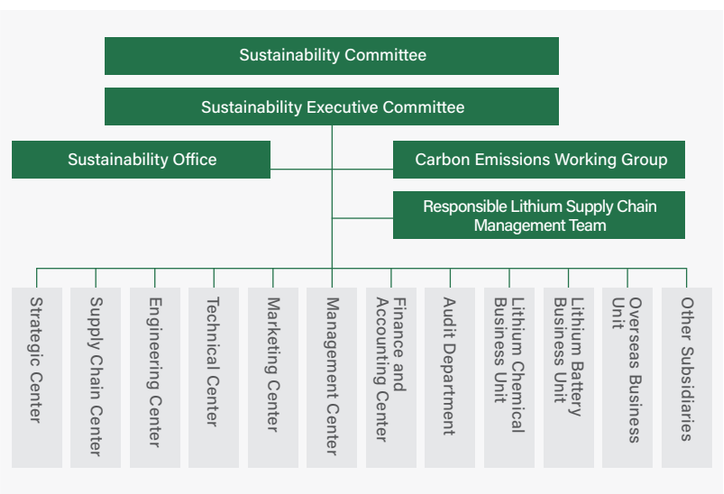


ESG Governance and Management

The Company attaches great importance to the governance and management of sustainability, elevating it to discussions and decisions at the board level. It has formulated the Work Rules of the Board Sustainability Committee and linked ESG indicators to executive performance, driving sustainability to permeate through all levels of the Company from top to bottom.

ESG Governance and Management Structure

As the highest authority and decision-making body for the Company's sustainability management and ESG-related issues, the Board of Ganfeng Lithium is responsible for deliberating, deciding, managing, and supervising the Company's sustainability management policies and ESG strategies. At the Board level, the Company has established a Sustainability Committee, led by the Company's president, which is responsible for setting sustainability goals, developing plans, and supervising the implementation of work. It oversees the operation of the Company's sustainability systems across various business sectors. Below this committee is the Sustainability Executive Committee, which coordinates specific tasks related to ESG issues among various functional departments and subsidiaries, including the Sustainability Office, the Carbon Emissions Working Group, and the Responsible Lithium Supply Chain Management Team.



Ganfeng Lithium Sustainability Management Structure

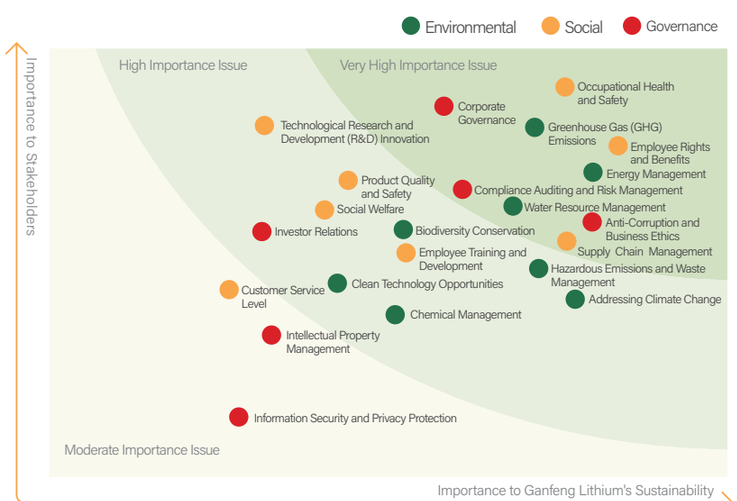
ESG Performance Evaluation

The Company's Sustainability Committee is responsible for drafting ESG goals and development plans, supervising the operation of sustainability systems in various business sectors, and having the Board periodically review the completion of goals. The Company implements an executive performance model linked to ESG goals, and based on internal management systems and processes, it has developed ESG goals such as energy-saving technological transformation, emission management, water resource consumption management, energy transformation, and community engagement. Performance evaluations related to these goals are conducted for all executive teams based on the achievement of targets. In addition to internal performance, executive compensation is also linked to third-party ESG ratings.

At the beginning of 2023, when each department formulated its annual plan and year-end assessment, the Sustainability Office and the Management Center reviewed the annual plan submitted by each department, incorporated ESG-related indicators, and focused on assessing the achievement of each department in terms of product quality, safe production, energy saving and emission reduction.

Materiality Assessment

Ganfeng Lithium 2023 ESG Materiality Matrix



The Company conducts a comprehensive and in-depth investigation and determination of ESG materiality issues once a year. In 2023, Ganfeng Lithium carried out an all-round survey among internal and external stakeholders by distributing ESG stakeholder questionnaires to understand their level of concern for various ESG issues. Based on the 22 ESG materiality issues identified by the Company, a materiality issue assessment matrix was formed.

Ganfeng Lithium 2023 ESG Materiality Issues List

Environmental Issues

1. Energy Management
2. Hazardous Emissions and Waste Management
3. GHG Emissions
4. Water Resource Management
5. Addressing Climate Change
6. Chemical Management
7. Clean Technology Opportunities
8. Biodiversity Conservation

Social Issues

1. Employee Rights and Benefits
2. Employee Training and Development
3. Occupational Health and Safety
4. Supply Chain Management
5. Product Quality and Safety
6. Customer Service Level
7. Social Welfare
8. Technological Research and Development (R&D) Innovation

Governance Issues

1. Corporate Governance
2. Compliance Auditing and Risk Management
3. Anti-corruption and Business Ethics
4. Investor Relations
5. Intellectual Property Management
6. Information Security and Privacy Protection

Materiality Assessment Process

Stakeholder communication is an important part of Ganfeng Lithium's implementation of the sustainability concept, demonstrating a commitment to understanding and responding to the needs and concerns of various stakeholders. Based on Ganfeng Lithium's governance structure, regulatory authorities, and industry ESG material issue assessment guidelines, The Company summarized an overall assessment process including the identification of materiality issues, stakeholder participation, the formulation and adjustment of matrices, and the review of material issue matrices.

Identification of Materiality Issues

- The issues were organized, summarized, and updated Based on industry topics in mainstream ESG ratings and indices in the capital market, in accordance with the requirements of *Appendix C2 Environmental, Social and Governance Reporting Guide* of the Hong Kong Stock Exchange Listing Rules. A total of 22 ESG material issues related to Ganfeng Lithium were sorted out and identified, forming the Ganfeng Lithium 2023 ESG Material Issues List.

Stakeholder Engagement

- Questionnaires were distributed to internal and external stakeholders through email, phone calls, and other means, covering directors, executives, customers, investors, regulatory authorities, media, and other stakeholders. They were consulted for their suggestions and opinions on the Company's ESG governance. In 2023, a total of 2,373 valid stakeholder questionnaires were collected.

Create and Adjust the Matrix

- Based on the survey results, an initial ESG materiality matrix is created.
- Taking into account industry development trends, benchmarking against peers, and issues of concern in the capital markets, and balancing domestic and international demands, the Sustainability Committee and the Sustainability Office adjust and confirm the material issues.

Review the Materiality Issues Matrix

- Submit the adjusted materiality issues matrix to the Company's board of directors for reporting and confirmation, forming the final version of the ESG materiality issues matrix.

Responding to the UN Sustainability Goals (UN SDGs)

The United Nations Sustainability Goals (SDGs) are a blueprint for achieving a better and more sustainable future for all, and they represent a direction for the collective effort of all humanity. The realization of the 2030 Agenda for Sustainability and its 17 goals requires cooperation and joint action from the public sector, businesses, and civil society. As a leading technology and service enterprise in the lithium industry, the Company leverages its platform and resource advantages to exert its business influence and actively promote the implementation of various sustainability objectives.

Sustainability Goals (SDGs) Highly Relevant to ESG Materiality Issues



The Company supports the development of strategic emerging industries, creating sustainable economic growth. It provides job opportunities in overseas project areas by hiring indigenous people; strictly prohibits forced labor and child labor, offers a competitive compensation and benefits system for its employees, ensures employee rights, occupational health and safety, and fosters a positive corporate culture and work environment, making employees proud to be part of Ganfeng.



The Company eliminates gender discrimination, implements an equal pay policy for men and women, ensures the legal rights and welfare of female employees, and actively leverages the advantages of female managers.



The Company respects and protects the human rights of every employee, ensuring no differential treatment based on age, gender, disability status, race, ethnicity, background, religious beliefs, or economic status, thus eliminating occurrences of inequality.



The Company continuously increases resource investment in the fields of technology development, research, and innovation, pays attention to the introduction and training of scientific research talents, maintains innovative vitality, and drives industrial upgrading.



The Company is actively driving the development of the energy storage industry, increasing the share of renewable energy in the total energy consumption of society as a whole, improving energy accessibility, and promoting access to affordable, reliable and sustainable energy for all.



The Company actively engages in energy-saving and consumption-reducing actions by setting energy-saving targets for factories and linking them to executive performance; it establishes a climate change risk management system and has third-party professional institutions conduct GHG accounting for the Company, enhancing its expertise in responding to climate change.



The production wastewater and domestic sewage generated by the Company's operations are properly treated to meet the emission standards, ensuring no pollution to the local rivers and lakes' water quality.



The Company continuously builds a responsible supply chain, avoiding conflict minerals, advocating for peaceful and inclusive mechanisms, and promoting sustainability across society.



The Company establishes a symbiotic and win-win relationship with its partners, working together with upstream and downstream partners in the industrial chain to advance sustainable management.



The Company offers a product portfolio that aligns with sustainability trends, widely used in fields such as new energy storage and urban clean transportation.

Sustainability Goals (SDGs) Relevant to ESG Materiality Issues



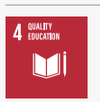
The Company improves resource utilization in all aspects of production and operations, strictly manages the use of hazardous chemicals, reduces waste emissions, and rationally develops the value of lithium mine resources and metal recycling to minimize environmental impact. Meanwhile, the Company prioritizes production safety as its primary responsibility, striving to create a safe and healthy work environment for employees.



The Company optimizes the extraction and construction processes of natural resources, actively engages in reclamation and greening actions, monitors the species and numbers of animals and plants, maintains the stability of local ecosystems, and protects biodiversity.



For many years, the Company has continuously helped families of impoverished employees escape poverty by hiring them, actively participating in social poverty alleviation work, improving the living conditions of impoverished residents, and delivering consolation gifts and blessings to residents during festivals.



For over a decade, the Company has been engaged in philanthropic educational support, funding impoverished college students, donating music classrooms, collaborating with universities and research institutes on scholarship programs, and jointly cultivating professionals in the lithium industry.

Stakeholder Engagement

The demands and expectations of stakeholders are of great significance for Ganfeng Lithium to enhance its sustainability management level. By establishing a regular communication mechanism with stakeholders, we gain a deep understanding of and timely respond to the concerns of all parties, continuously improving the Company's operations and decision-making processes. In 2023, the ESG issues of concern to various stakeholders and the channels of communication are as follows.

Stakeholders	Issues of Concern		Channels of Communication and Ways of Responding
Board and Senior Management	• Employee Rights and Benefits • Addressing Climate Change • Occupational Health and Safety • Corporate Governance	• GHG Emissions • Employee Training and Development • Anti-Corruption and Business Ethics • Product quality and safety	• Implement production and sustainability work, regularly report and follow up • Performance supervision
Employees	• Employee Rights and Benefits • Occupational Health and Safety • Energy Management • Employee Training and Development	• Corporate Governance • GHG Emissions • Water Management • Product Quality and Safety	• Provide good compensation and benefits • Improve career development channels • Implement employee training
Government and Regulatory Authorities	• Biodiversity Conservation • Community Welfare • Anti-Corruption and Business Ethics • Energy Management	• Addressing climate change • GHG Emissions • Product Quality and Safety • Occupational Health and Safety	• Operate in accordance with relevant regulations • Pay taxes according to the law
Shareholders and Investors	• Energy management • Technological R&D Innovation • GHG Emissions • Supply Chain Management	• Corporate Governance • Product Quality and Safety • Employee Rights and Benefits • Water Resource Management	• Timely disclosure of operational information • Shareholder meetings • Investment summits • Roadshows

Stakeholders	Issues of Concern		Channels of Communication and Ways of Responding
Customers	• Employee Training and Development • Employee Rights and Benefits • Addressing climate change • Energy Management	• GHG Emissions • Corporate Governance • Supply Chain Management • Compliance Auditing and Risk Management	• Signing long-term agreements • Ensuring service quality • Protecting customer information • Conducting customer satisfaction surveys
Suppliers	• Energy Management • Hazardous Emissions and Waste Management • Employee Rights and Benefits • Product Quality and Safety	• Supply Chain Management • Occupational Health and Safety • Corporate Governance • Employee Training and Development	• Fulfill contracts according to law • Conduct open bidding • Undertake project cooperation
Industry Associations, Peer Companies, Universities	• Energy Management • Technological R&D Innovation • Occupational Health and Safety • Hazardous Emissions and Waste Management	• Product Quality and Safety • Employee Rights and Benefits • Corporate Governance • Supply Chain Management	• Collaborate on industry-academia-research projects • Participate in setting industry standards • Hold seminars and share information
Communities, Public, Media	• Employee Rights and Benefits • Corporate Governance • Energy Management • Occupational Health and Safety	• GHG Emissions • Responding to Climate Change • Employee Training and Development • Hazardous Emissions and Waste Management	• Collaborate on industry-academia-research projects • Participate in setting industry standards • Hold seminars and share information



02

Strengthening Corporate Governance

Corporate Governance

Risk Management

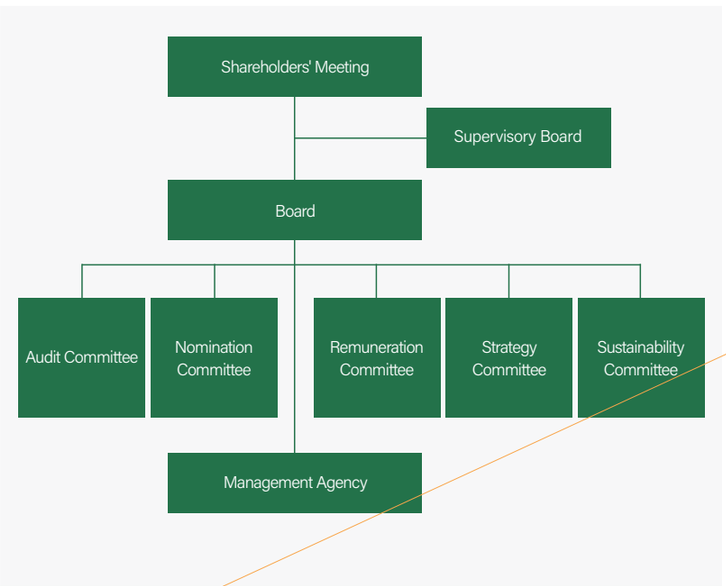
Business Ethics and Anti-Corruption

As an A+H share listed company and a leader in the lithium battery industry, Ganfeng Lithium conducts compliance management in accordance with the governance requirements of listed companies in both the Shenzhen Stock Exchange and the Hong Kong Stock Exchange (HKEx). We continuously improve and perfect our governance structure, create a standardized and scientific operating mechanism, continuously enhance management levels, prevent and control risks, and ensure the Company achieves honest and efficient operations.

Contributing to the SDGs:

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS



Ganfeng Lithium Corporate Governance Structure

Shareholders' Meeting

The Shareholders' Meeting is the highest authority in the Company, making decisions on the Company's business policies and investment plans, reviewing and approving the Board's reports, etc., in accordance with the Shareholder Meeting Rules and other regulations.

Board

The Board operates under regulations such as the *Shenzhen Stock Exchange Listed Companies' Self-regulatory Supervision Guidelines No.1 - Standard Operations for Main Board Listed Companies.* Its main responsibilities include convening the Shareholders' Meeting, implementing resolutions of the Shareholders' Meeting, managing company information disclosure, etc.

The Board has established a Strategy Committee, Audit Committee, Remuneration Committee, Nomination Committee, and Sustainability Committee. Each committee performs its duties strictly in accordance with relevant laws, regulations, and procedural rules, ensuring they exercise their powers independently of the management team and other interest groups, providing a strong supplement to the board's scientific decision-making.

Management

The Company's management operates according to the Company Articles and other regulatory provisions, strictly implementing the resolutions of the Board and the Shareholders' Meeting, actively promoting business development and internal management, and ensuring the Company's continuous and stable development.

Protection of Shareholders' Rights and Interests

Ganfeng Lithium places high importance on protecting shareholders' rights, actively maintains close communication with shareholders, and responds to their inquiries and demands. Each year, we convene and hold the Shareholders' Meeting in accordance with the Company Articles and Shareholder Meeting Rules, treating all shareholders equally. We use a combination of online and on-site voting for decisions, and when deliberating on major matters affecting the interests of small and medium investors, the votes of small and medium shareholders are counted separately. This approach ensures small and medium investors have the right to participate in company decision-making, safeguarding their interests.

Board Diversity

Ganfeng Lithium, in accordance with the Board Meeting Rules, nominates, elects, and appoints board members based on various dimensions including age, educational background, professional qualifications, industry experience, and others to meet the needs of various business sectors. By the end of December 2023, there are 4 internal directors and 6 external directors on the Company's board, with 4 of them being female. We actively leverage the strengths of female managers and are committed to maintaining at least one female board member in the long term. Gender factors are also fully considered when identifying and nurturing nominees.

Gender

Appointed Positions

Educational Background

Term of Service

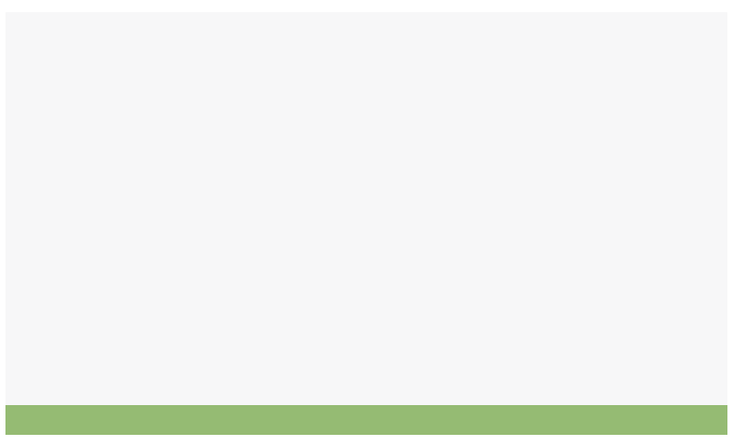
Disclosure of Information

Ganfeng Lithium strictly adheres to the requirements outlined in the *Environmental, Social and Governance Reporting Guide of the Hong Kong Stock Exchange (HKEx),* the *Stock Listing Rules of the Shenzhen Stock Exchange*, *Shenzhen Stock Exchange Listed Companies' Self-regulatory Supervision Guidelines No. 1 - Standard Operations for Main Board Listed Companies,* Information Disclosure Management System, and Investor Relations Management System, among others. We conduct information disclosure work truthfully, accurately, completely, and promptly, proactively disclosing all information that may substantially impact shareholders and other stakeholders' decision-making on platforms such as the Company's official website, the Shenzhen Stock Exchange, and the HKEx. During the reporting period, the Company rigorously ensures compliance in daily operations, with all matters involving internal related-party transactions being disclosed legally and in compliance with regulations.

Ganfeng Lithium adheres to establishing open, fair, and multi-dimensional relationships with investors, fostering diverse communication channels with institutional and individual investors. Throughout the reporting period, the Company proactively maintained communication with institutional investors such as securities firms, public funds, private equity institutions, foreign institutions, and insurance companies, as well as individual investors, ensuring that investors could timely and effectively access company information to enrich their investment decisions.

During the reporting period, the Company conducted numerous investor communication activities through various formats, including performance presentations, on-site investor surveys, brokerage

Enterprise Risk Management System



ESG Risk Assessment 2023

Based on the Company's overall risk assessment and management process, Ganfeng Lithium conducts annual identification, assessment, and management of ESG risks. In 2023, we identified several categories of ESG risk factors that may affect operations and business expansion, and developed targeted response plans and measures accordingly.

E Environment

Potential ESG Risk Factors:
- Environmental management policy

Response Plans and Measures:
- Further improve management systems in areas such as GHG emissions and energy management, and develop more detailed and clearer environmental management programs.

S Social

Potential ESG Risk Factors:
- Talent Development System Construction
- Supplier Sustainability Management

Response Plans and Measures:
- Enhance the training and development system for employees across different positions, job levels, and individual career paths to cultivate top talents.
- In the process of supplier auditing, supervision, and follow-up, increase regulatory efforts on ESG considerations. For example, assess whether raw materials involve conflict minerals, labor rights, company information disclosure, and governance transparency.

G Governance

Potential ESG Risk Factors:
- Risk Control Management
- Business Ethics and Anti-Corruption Mechanisms

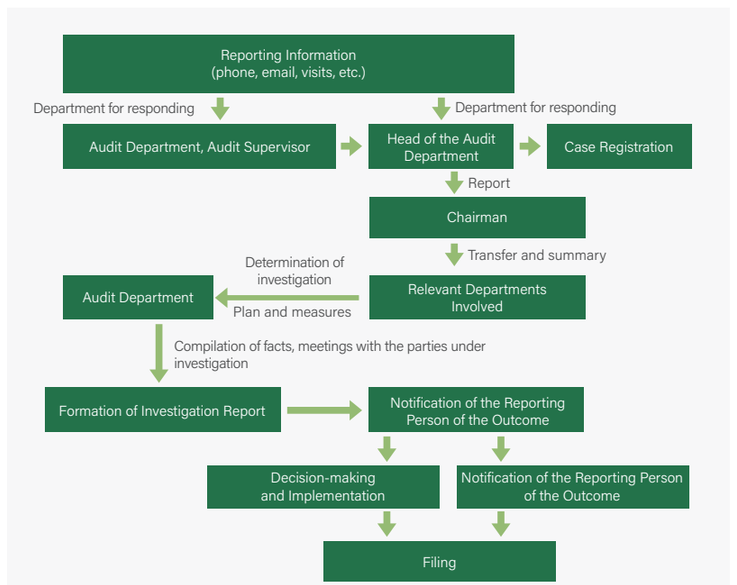
Response Plans and Measures:
- Enhance risk management system and implement internal control mechanisms.
- Strengthen supervision and management of business ethics and anti-corruption efforts by conducting regular training, assessments, and advocacy to enhance employees' awareness of integrity in their work.

Bus☒s Eto☒s and Anti-corrupt

Ganfeng Lithium adheres to the bottom line of compli☒ management, with the goal of creating a compliant d☒ean wi☒ing atmospheresWe strive to create a fair, transparent, d☒ustwi☒hy wi☒ing and business environment.

Anti-Corruptus☒s Eto☒s Governanc☒ Framework

Based on the internal Regulations on Anti-Bribery, Anti-Corruption, Anti-Fraud, and Whistleblowing Management, we have strengthened the construction of the anti-fraud and anti-bribery organizational system. The Audit Department of the Company is designated as the permanent institution responsible for anti-bribery, antiks.
"Three-anti" work within the Company, i independent supervisory authority.



The Anti-Corruption Reporting Acceptance Process and Main Responsibilities of Ganfeng Lithium

Anti-Corruption and Business Ethics Management

The Company complies with laws and regulations such as the *Anti-Unfair Competition Law of the People's Republic of China*, *the Company Law of the People's Republic of China*, and the *Interim Provisions on Prohibiting Commercial Bribery*, as well as internal regulations such as the Company Charter and the Regulations on Anti-Bribery, Anti-Corruption, Anti-Fraud, and Whistleblowing Management. It strictly deals with bribery and fraudulent behavior within the Company. Additionally, the Company has gradually introduced and improved systems and documents such as the Regulations on Anti-Money Laundering and Anti-Terrorist Financing Management, the Regulations on Anti-Trade Discrimination Management, and the Regulations on Employee Integrity and Self-Discipline Management. These are updated promptly according to government and regulatory requirements to ensure that specific anti-corruption and anti-fraud work is legally sound.

| Regulations on Anti-Bribery, Anti-Corruption, Anti-Fraud, and Reporting Management: Responsibilities at Various Organizational Levels |

Company Board	• Responsible for urging the management to establish an anti-bribery, anti-corruption, and anti-fraud culture, and to establish a sound internal control system, including fraud prevention.
Company Management	• Responsible for addressing bribery, corruption, and fraud incidents and taking accountability. • Responsible for establishing, improving, and effectively implementing internal controls to reduce opportunities for bribery, corruption, and fraud, and for taking appropriate and effective remedial measures against fraudulent activities, under the supervision of the audit committee and the board of directors.
Head of Subsidiaries and Branches, Heads of Departments	• To address occurrences of bribery, corruption, and fraud within this unit or department and to assume management responsibility is the primary duty of the unit or department in combating bribery, corruption, and fraud.
Company Board Audit Committee	• As the leading body responsible for the Company's anti-bribery, anti-corruption, and anti-fraud efforts, it provides guidance and supervision over these endeavors within the Company.
Company Audit Department	It is a standing institution responsible for implementing anti-fraud efforts within the Company, its subsidiaries and affiliates. Its specific responsibilities include: • Receiving and registering reports related to bribery, corruption, and fraud. • Organizing investigations into cases of bribery, corruption, and fraud. • Providing recommendations for the handling of bribery, corruption, and fraud cases and for holding individuals accountable. • Undertaking other activities related to anti-bribery, anti-corruption, and anti-fraud efforts.

Reporting Channels

The Company provides diverse and accessible channels for compliance reporting to oversee anti-corruption and business ethics compliance, including WeChat official accounts, reporting hotlines, reporting emails, reporting addresses, and reporting mailboxes. These reporting channels are published on the Company's official website and are also communicated to all employees through internal emails, training sessions, notice boards, and other means.

WeChat Official Account	Hi Ganfeng-Integrity and Self-discipline Section QR code for reporting
Reporting Hotline	15607900807 0790-6411129
Reporting Email	shenji@ganfenglithium.com
Reporting Address	No. 608, Nanyuan Road, High-tech Industrial Park, Xinyu City, Jiangxi Province Audit Department, R&D Building, Ganfeng Lithium Group Co., Ltd., Jiangxi Province
Reporting Mailbox	Factory-set reporting mailbox entity 
Receiving Clean Funds	Establishing a clean account, primarily used for collecting contributions for integrity and self-discipline and disbursing integrity rewards.

Business Ethics and Anti-Corruption Compliance Training

During the reporting period, the Company conducted anti-corruption training at least once every quarter, covering various aspects and providing focused explanations on high-risk departments prone to disciplinary violations. We continuously deepen our business ethics and anti-corruption compliance training, disseminate knowledge on anti-corruption and integrity, enhance employees' awareness and abilities to work with integrity through dynamic risk identification, and supervise employees of different ranks within the Company.

Specialized Training

The Lithium Chemical Business Unit provided specialized anti-corruption training to directors 3 times, totaling 12 attendees.

The Lithium Battery Business Unit provided specialized anti-corruption training to director once, with a total of 5 attendees.

The Company conducted specialized training for all employees a total of 38 times, covering a total of 107,253 attendees.

Lithium Chemical Business Unit had a total of 16 sessions with 17,168 attendees.

Lithium Battery Business Unit had a total of 19 sessions with 89,788 attendees.

The overseas projects had a total of 3 sessions with 297 attendees.

Annual Discipline Inspection

The city discipline inspection commission, district discipline inspection commission, municipal economic investigation department, and district public security bureau were invited to jointly organize a special annual discipline inspection activity titled "Building integrity never stops, with a clean breeze filling Ganfeng" to combat corruption and uphold integrity.

4	13	10
onsite inspections	offline trainings	institutions including the headquater, subsidiaries, and plants

15,386	100%
employees of the Company	overall training assessment rate

Anti-Corruption Awareness Month Event

In July 2023, during the "Large-scale Anti-Corruption Awareness Month" event at Ganfeng Lithium, the Company invited authoritative departments related to anti-corruption, anti-bribery, and combating of occupational crimes from the Xinyu City government to conduct offline training activities, receiving unanimous positive feedback from the Company.

Anti-Corruption and Integrity Education

Online anti-corruption and integrity education in the form of WeChat posts on the "Hi Ganfeng" WeChat official account

14	9,502
promotional articles published	views

Number of Corruption Litigation Cases

During the reporting period, the number of legal proceedings filed against the Lithium Chemical Business Unit due to corruption by the Company or employees, and the number of corruption cases that have been concluded, are both 1[1].

The related cases for the Lithium Battery Business Unit and overseas projects are 0.

Case **Ganfeng Lithium Launches Anti-Corruption and Integrity Campaign to Enhance Clean Practices Awareness**

To deepen the anti-corruption and integrity work and enhance employees' awareness of practicing integrity, Ganfeng Lithium conducted multiple anti-corruption and integrity activities in 2023. The Audit Department organized learning activities under the theme of "clean self-discipline," including offline training, Anti-Corruption Awareness Month, and online courses through Lithium Academy. These activities aimed to achieve full coverage of regulations and theoretical learning on clean self-discipline management, increase awareness and consciousness of anti-corruption and integrity across all levels of the Company, and lay a solid foundation for the development of clean self-discipline learning.





[1]Former general manager of the transportation company, Mr. Cai, accepted bribes from carriers. After an investigation by the Company, it was decided to transfer the case to the judicial authorities for filing. Due to Mr. Cai's voluntary confession and cooperation with the Company's anti-corruption investigation, in 2023, the Company submitted a letter of understanding to the court, and the local People's Procuratorate issued a non-prosecution decision, closing the case.

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GanfengLithium



03

Leading Green Development

Promoting Green Technological Innovation

Promoting the Development of Lithium Battery Market

Integrating Circular Economy

Ganfeng Lithium has always been a proactive responder to environmental protection. Through the production of green products, we help society reduce energy consumption while focusing on minimizing the direct impact of our business activities on the environment. Our business covers various stages of the value chain, including upstream lithium resource development, midstream lithium salt deep processing and lithium metal smelting, downstream lithium battery manufacturing, and comprehensive recycling of waste batteries. Our products have been used in green applications such as electric vehicles and energy storage. Through these businesses, we have established a path of sustainability supported by green technology, with a focus on serving the industry market for development and strengthening strategic resource for long-term goals.



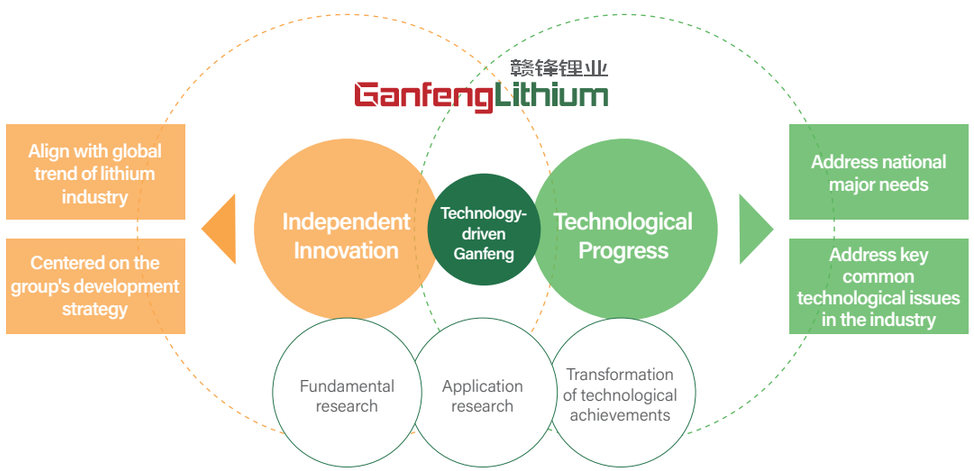
Contributing to the SDGs:



Promoting Green Technological Innovation

Climate change is a challenge faced by all humanity and a new opportunity for the international community to transform its development. Ganfeng Lithium adheres to the strategic goal of "Technology-driven Ganfeng", deeply cultivating independent innovation, solidifying the foundation of technological level, and actively responding to the national strategy of the development of the new energy industry. Furthermore, the Company leverages its scientific research influence, and forms an enterprise sustainable technological development pattern driven by technological upgrades in the industry, empowering its technology based on overall technological progress. Meanwhile, we contribute innovative strength to the green development and transformation of the international community by providing advanced products and solutions.

Innovation Direction, Path, and Focus of Ganfeng Lithium under the Theme of "Technology-driven Ganfeng" in 2023



Ganfeng Lithium's Sustainable Technological Innovation Development Mechanism

Exploration of cutting-edge technologies

Ganfeng Lithium is committed to engaging in cutting-edge technology development and commercialization, and building long-term market development capabilities.

Applying innovative technologies

Ganfeng Lithium continues to explore innovative technology, establish mechanisms for nurturing new scenarios, new technologies, and new products, and expand market boundaries.



Promotion of mature technologies

Ganfeng Lithium has established a mechanism to provide comprehensive solutions, enabling mature technologies of the enterprise to meet various scenarios and ensure the foundation of the market.

Case Ganfeng Lithium Organized an Advanced Awards Ceremony and Launched the "Technology-driven Ganfeng" Initiative

Ganfeng Lithium organized the "2022 Advanced Awards Ceremony and Ganfeng Technology Launch Conference" in Xinyu City, Jiangxi Province on March 5, 2023. Over 300 people attended the ceremony, including senior management of Ganfeng Lithium and Ganfeng LiEnergy, the general manager of the center, subsidiary leaders, and award recipients.

During the recognition session, the Company presented a total of 10 individual awards, including the Luban Award and Outstanding Newcomer, 4 group awards such as Safety Excellence, as well as two major awards for technical innovation and project management. In the technology launch segment, Chairman Li Liangbin emphasized the importance of upholding the concept of "Creating Technology-driven Ganfeng" and implementing the strategy of Ganfeng technology. He looked forward to the Company's continuous expansion of business and deepening cooperation in industry-university-research, to bring more new technologies and products to the new energy industry and demonstrate Ganfeng's value.



Ganfeng Lithium's president Ge Zhimin awards the First Prize for technological innovation



The launch ceremony of "Technology-driven Ganfeng"

Independent Technological Innovation

As a leading player in the international lithium industry, the Company has been committed to implementing a high-quality development path driven by technological innovation. Leveraging the strategic advantage of "integration of upstream and downstream industries," the Company continuously enriches its scientific theory accumulation and production capabilities in the field of new energy, especially in the lithium battery sector. This provides solid technological support for the steady development of the lithium battery industry and China's new energy industry.

| Ganfeng Lithium's Independent Innovation Practice Mechanism in 2023 |

Accumulation of Scientific Theories

Enhance the knowledge accumulation and production transformation of the enterprise in the fields of materials science and resource science.

01



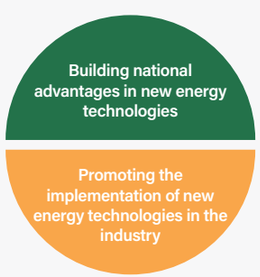
02

Optimization of Production Capacity

Optimize the process, technology, and workflow of production manufacturing based on the scientific theoretical capabilities of the Company.

Ganfeng Lithium focuses on the development of lithium battery products. Leveraging its continuously strengthened technological capabilities, the Company empowers the industry's technological development and actively influences the industry's advancement. We participate in national and provincial projects to assist in R&D of advanced technologies, building a leading global advantage. Meanwhile, we promote the commercialization of lithium battery technology for wider application through in-depth cooperation with industry partners.

| Ganfeng Lithium Exerts Dual Influence at the National and Industry Levels, Driving the Comprehensive Development of the New Energy Industry |



Promoting national technological progress

At the national level, Ganfeng Lithium anchors on national strategic needs, utilizes its technological advantages, participates in promoting national technological progress, and forms a top-level competitive advantage.

Participating in industry technical cooperation

At the industry level, Ganfeng Lithium improves the industry's development level, leverages its leadership advantage in the industry, tackles technical challenges within the industry, and cultivates high-quality talents to strengthen the foundation of China's new energy development.

Strengthen Research and Development Investment

Ganfeng Lithium is rooted in an innovation strategy, with a focus on the high-quality development of new energy. The Company actively invests in organizational development and related resources required for R&D. We are committed to long-term technological investments, aiming to help businesses achieve sustainable value while supporting talent growth and industry progress, ultimately accumulating and contributing higher-quality value to society.

In improving the R&D management system, the Company coordinates market-based innovation efforts, actively aligning with the operational needs of the business to establish a management mechanism that drives advanced technological progress, achieving an organic integration of technological advancement and business development. We actively respond to the strategic demands of national lithium battery new energy development, driving rapid industry development through technology and resource exploration, sharing, and collaborative innovation.

In terms of R&D system construction, the Company established an enterprise R&D work system that includes scientific research systems, innovation mechanisms, talent development, and advanced incentives. This system aligns company institutional norms with individual growth and development, while continuously accumulating innovation experience to drive and ensure the development of enterprise innovation.

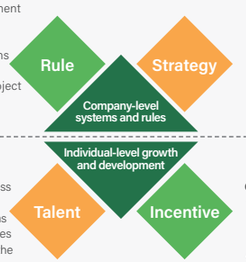
| Ganfeng Lithium's Innovative research and Development Promotion Mechanism |

Scientific Research System

The Company has formulated a series of regulations to standardize the management of technological innovation of the Company, including the Regulations on Management of R&D Projects, Regulations on Management of Technological Reform Projects, Regulations on Management of Scientific Research Funds, Regulations on Management of Intellectual Property Rights, Regulations on Management of Talent Incentives and Cultivation, Regulations on Design and Development Control Procedure Documents, Regulations on Project Management System for New Product Development, Regulations on Project Management for Laboratory R&D, etc.

Innovation Mechanism

The Company has established a three-tiered structure of technological innovation system focusing on production, market, and cutting-edge areas, aiming to achieve the cycle of "One Generation for R&D, One Generation for Reserving, and One Generation for Going Public" to ensure the industry-leading position of the Company's technology.



Talent Cultivation

Improvement of platform: Ganfeng Business School was established to encourage "mentorship" and "apprenticeship", as well as to open up the three channels of titles, grades and management to provide a platform for the growth and development of various talents.

Mechanism optimization: Establish and improve the operation mechanism of training and use of talents in the technology center, strengthen the continuing education and knowledge training of scientific and technological personnel, and fully mobilize the enthusiasm and potential of all employees in scientific research.

Key points focused: Strengthen the training of young and middle-aged talents, key positions and urgently needed professionals.

Advanced Incentive

Growth Incentive: Encourage technical staff to self-study various professional knowledge while on the job, and reward those who achieve outstanding performance.

Achievement Reward: Technical Innovation Award and Rationalization Suggestion Award are set up, and generous prizes are awarded according to the levels of the Grand Prize, First Prize and Second Prize to reward the technological achievements, technical transformation projects and other innovations that are independently researched and developed and applied in the Company's production.

Appraisal linkage: The achievements of recipients of the Technology Innovation Award will serve as important criteria for promotions, assessments, and professional title evaluations.

1,636	11.30%
No. of R&D staff	percentage of R&D staff
RMB 1.251 billion	3.79%
R&D investment	R&D investment as a percentage of revenue

In terms of the direction for R&D, the Company adheres to the combination of R&D with market expansion. It formulates annual R&D goals and investment directions based on market trends and business needs. The Company provides full support in terms of personnel and financial resources for key areas focusing on technological leadership, results transformation, and market application to leverage R&D to drive business development. Additionally, the Company utilizes R&D incentives and educational content to improve the R&D innovation vitality of employees, injecting technological drive into business development. During the reporting period, Ganfeng LiEnergy organized a Technology Innovation Award evaluation activity, which included application, defense, and scoring processes. Rewards were given to outstanding participants and projects, which boosted the enthusiasm of the Company's R&D personnel for innovation.

Reward Type	Reward Condition
Patent Application Incentive	**After completing the annual evaluation set by the Company:** • RMB 1,000 for each utility model/design patent application. • RMB 2,000 for each invention patent application.
Patent Licensing Incentive	**During employment:** • RMB 1,000 for each utility model/design patent granted. • RMB 3,000 for each granted invention patent.

Ganfeng Lithium's Research and Development Investment Priorities for 2023

Main Fields

Key technologies, innovative development of products in the lithium industry chain, and the transformation of achievements.

Core Content and Investment Direction

Tackle the full industry chain technology from raw material extraction to end product recycling, including lithium smelting and deep processing, lithium battery material development and application, as well as the recycling and reuse of lithium battery materials.

Realization Path

Capital Investment: In 2023, the Company invested RMB 1.251 billion in innovation and R&D, accounting for 3.79% of revenue.

Talent Advantage: Giving full play to the resource advantages of partner units in science and technology, talent and achievement transformation.

Technology research: Further clarify the mechanisms of key processes, tackle key common technical challenges, and generate a batch of scientific and technological achievements.

Case Ganfeng LiEnergy Organized a Technical Innovation Selection Activity to Improve the Innovation Drive of the Company

In 2023, the R&D department of Ganfeng LiEnergy conducted a technical innovation evaluation in areas such as R&D of battery material, design and manufacturing of power and energy storage batteries, design and manufacturing of 3C consumer electronic products, and PACK system design and manufacturing capabilities. Regular technical exchanges were held to extend the research and application of technology across various product lines, greatly inspiring the innovation enthusiasm of the technical R&D personnel.



Ganfeng LiEnergy organized Technology Innovation Selection Activities

In terms of industry-university-research collaboration, we actively engage in industry technical cooperation, fully leveraging our advanced technological advantages. We collaborate with industry partners, research institutions, and universities to conduct technical exchanges, provide guidance, engage in cooperative R&D, and participate in talent development projects. These initiatives drive comprehensive industry upgrades and help propel China's new energy industry to the forefront globally.

Ganfeng Lithium's Action Mechanism for Industry-University-Research Collaboration

Communication

Organize technical and market communication, give full play to the platform effect, and promote industry transparency.

- Organized "2023 China (Xinyu) Lithium New Energy Materials Technology Conference".
- Co-organized "Jiangxi Xinyu Battery Industry Frontier Technology Innovation Conference".

Guidance

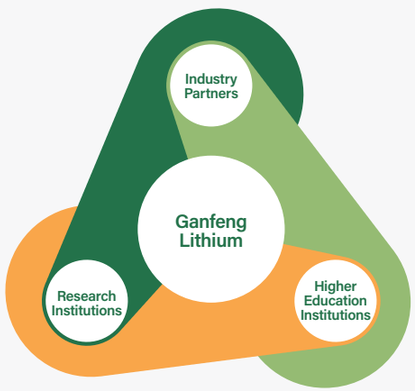
Utilize the superior capabilities and resources, the Company has become a benchmark in the industry, guiding the industry to develop in an orderly and efficient manner.

- Top 100 Jiangxi Companies (11th)
- Vice president partner of Jiangxi New Energy Industry Association
- Top 500 Private Companies in China (289th)

Cultivation

Boost talent cultivation, share market opportunities, and provide talent protection for the industry.

- Established the College of New Energy Materials and Energy Storage Industry, co-constructed in cooperation with Jiangxi Normal University of Science and Technology.
- Carried out all-round cooperation with Dongguan Institute of Technology in practical teaching, joint application projects, graduation internships, production internships, graduate training, employment, etc.



Collaboration

Carry out R&D project cooperation, share advanced experience and technology, and promote the progress of the industry.

- Jointly developed the glove box lithium ingot automatic casting system with the Jiangxi Provincial Institute of Intelligent Industry Technology Innovation.
- Collaborated with 10 partners including universities, research institutes, and enterprises to undertake the project "Integrated Technology and Demonstration of Recycling and Upgrading in the Lithium Industry Agglomeration Zone," and to undertake topics such as "Synergetic Transformation of Multi-source Lithium-containing Waste Materials and Comprehensive Lithium Recovery Technology and Equipment" and "Pollution Control and Digital Smart Management and Integration Demonstration along the Entire Chain."
- Cooperated with Southern University of Science and Technology to carry out the production-academia-research cooperation on the development of long-cycle high-energy lithium metal battery technology.
- Collaborated with Jiujiang Tinci Materials to propose the “Ultra-low temperature long-cycle lithium power battery technology research and industrialization” project, which was approved as a key R&D plan project in Jiangxi Province.

Case Ganfeng LiEnergy Conducted Industry-University-Research Communication and Collaborations to Overcome Technological Challenges

In 2023, Ganfeng LiEnergy and Central South University jointly established the Lithium Battery Technology Research Institute, dedicated to tackling technological challenges in the industry. The two parties engaged in comprehensive cooperation and exchanges in the development of high-energy-density ternary materials, development of solid-state lithium metal anode, addition and application of lithium battery functional additives, development of wide-temperature range lithium iron phosphate battery, development and application of fast-charging composite materials, as well as high-performance lithium-rich manganese oxide materials development. This collaboration further elevated the industry's technological level and enhanced the potential for new energy development.



Ganfeng LiEnergy collaborated with Central South University and Xinyu High-tech Zone to improve the development potential of new energy

Persist in Leading Through Innovation

Ganfeng Lithium leverages its technological advantages within the industry, actively participates in research projects led by national and regional authorities, shaping a development strategy that sets industry benchmarks. It has established a demonstrative effect in areas such as the development of the lithium materials industry, production capacity equipment, technological applications, recycling, and industry expert networks, contributing to the technological advancement of China's lithium battery industry, and strengthening the regional competitiveness of new energy.

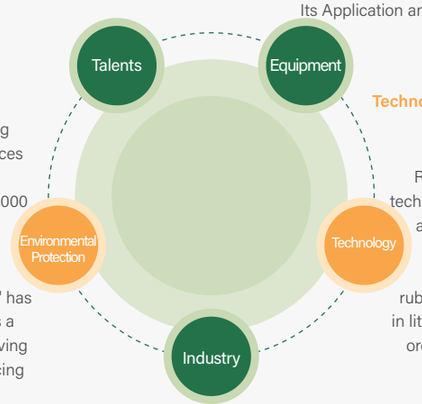
Ganfeng Lithium Sets Industry Benchmark in National Research Efforts

Industry Expert

Mr. Cui Liao was approved as an academic and technical leader in major disciplines in the 2023 Ganpo Outstanding Talent Support Program.

Production Equipment

Participated in the national key R&D program "Retired Lithium Battery Integrated Pyrolysis Equipment and Deep Lithium Extraction Technology and Its Application and Demonstration".



Recycling

"Ganzhou Ganfeng Recycling Resources Co., Ltd.'s annual processing of 100,000 tons of retired lithium batteries comprehensive utilization project" has been approved as a central energy-saving and carbon-reducing project

Technology Application

Participated in the national key R&D program "Key technology integration and demonstration of low-grade co-enrichment of rubidium and cesium in lithium-bearing clay ore and high-quality utilization ".

Industrial Development

Led the national key R&D program project "Lithium Industry Cluster Area Circulation Upgrading Integrated Technology and Demonstration Project","Ganfeng Lithium Whole Process Platform of Digital Intelligence Twin Control of Lithium Materials", "Jiangxi Province New Energy Automobile Power Battery Comprehensive Recycling Engineering Research Center Construction Project", which were approved as special projects for the construction of infrastructure investment innovation capabilities and industrial upgrading platforms within the Jiangxi Province budget in 2023 (digital economy direction).

146

R&D projects conducted by the Company in 2023

59

provincial and above-level applied projects

4

national key R&D projects

17

projects included in provincial science and technology plan

National Research and Development Projects (Partial)

- Special Project on Key Technologies and Equipment for Circular Economy "Integrated Technology and Demonstration of Circular Upgrading in Lithium Industry Cluster Areas" (2023YFC3905900)
- Special Project on Key Technologies and Equipment for Circular Economy "Integrated Pyrolysis Equipment for Retired Lithium Batteries and Deep Lithium Extraction Technology and Application Demonstration" (2023YFC3904800)
- Key Special Project for the Development and Utilization of Strategic Mineral Resources "Integration and Demonstration of Key Technologies for Abnormal Enrichment and High-Value Utilization of Rubidium-Cesium Co-associated with Lithium-Ceramics Ore in Low Grade" (2023YFC2908200)

Aligned with the strategic needs of the country's new energy lithium battery development, we have been continuously supporting the development of key technologies such as "lithium resource development, lithium battery material preparation, lithium functional material development, and organic lithium material development", as well as low-carbon green manufacturing and high-value utilization of resources to support the country's technological progress. During the reporting period, we successfully underwent the review of qualifications for national enterprise technology centers,

Highlights and Achievements	

We continue to conduct research and application transformation of chemical materials, utilizing the theory and transformation mode of material development and process technology synergy, innovating material processes and advancing industrial development, helping enterprises and the lithium battery industry as a whole to upgrade and iterate on new energy products. During the reporting period, the Company developed and optimized technologies such as lithium sulfide materials and lithium-zinc alloy preparation processes, achieving a win-win situation for the Company's operations and market development while continuously expanding its business boundaries.

Project Classification	Project Name	Highlights of Innovation
Product Innovation	Development of High-Performance Solid-State Lithium Sulfide Electrolyte	• Lithium sulfide with uniform particle size distribution, high consistency, small particle size, and good crystallinity is prepared by using crushing, ball milling, and other grinding processes with precise control of the ball milling time. • Coarse lithium sulfide is obtained through low-temperature vacuum one-time calcination, followed by sulfur supplementation, resulting in white lithium sulfide with a main concentration of ≥ 99%.
	Development of Pre-Lithiated Soft Pack Lithium Battery	• A lithium supplementation process has been developed, opening up multiple graphite anode and silicon-carbon anode lithium supplementation technology routes for Ganfeng. • The first pre-lithiated soft pack battery preparation platform for Ganfeng has been established, capable of simultaneously verifying the feasibility of the anode pre-lithiation route.
Process Upgrade	Upgrade of Iron Lithium Battery Powder Treatment Process	• After treatment with upgraded processes, the lithium yield of iron lithium battery powder reaches above 94%, and the copper yield exceeds 90%.
	Upgrade of Lithium Fluoride Slag Improvement and Treatment Process	• The whiteness of lithium fluoride can be increased to around 85%, and the settled lithium fluoride can be processed into secondary fluorine products. • Fluorinated carbon residue containing lithium fluoride is transformed into lithium chloride solution, maximizing the value of lithium.

We actively participate in the formulation of standards in the field of lithium salt technology, establishing a leading technological position in the Chinese lithium materials industry:

Photos of the Awards Received



2023 Jiangxi Province Intelligent Manufacturing Benchmark Enterprise



2023 Jiangxi Province Science and Technology Leading Enterprise



2023 Jiangxi Provincial Science and Technology Award





Ganfeng LiEnergy won the First Prize in the enterprise group of the China Lithium Battery New Energy Special Competition and the Second Prize in the enterprise group of the Maker in China National Finals



2023 Jiangxi Province Registration Certificate for Science and Technology Achievement



Ganfeng LiEnergy's "Development and Industrialization of Key Technologies and Core Equipment for High Specific Capacity and Low Temperature Resistant Lithium Iron Phosphate Power Batteries" won the second prize of 2023 Jiangxi Province Science and Technology Progress Award



First Prize of China Nonferrous Metal Industry Science and Technology Award

Promoting the Development of Lithium Battery Market

Building upon advanced technological capabilities, Ganfeng Lithium continues to drive the commercialization of technology. In its exploration of green technology and inclusiveness, the Company promotes a faster entry of mature innovative technologies and advanced technologies into the market. By linking diverse market demands with more sustainable business models, Ganfeng Lithium aims to serve a wider range of green transformation needs while facilitating the rapid development of industry enterprises.

Downstream Market

The Company provides a total of approximately **550,000** tons of lithium salt products for the new energy industry chain.

New energy vehicles equipped with our products have traveled more than **173** billion kilometers worldwide.

Since 2015, the Company has reduced carbon dioxide emissions for the society by more than **43.31** million tons.

Contribute Ganfeng Lithium's efforts to promote green, low-carbon development and address climate change.

Making Advanced Technology Accessible

Solid-state batteries have advantages in terms of safety, durability, and higher power, but they also face challenges such as lack of experience in technical and commercial transformation and lack of market accessibility. Since 2019, the Company has started tackling and exploring the issue of coupling scientific research and the market of solid-state batteries, gradually promoting the fulfillment of various demands for new energy development by solid-state batteries, and continuously reducing the cost of high-quality green transformation in society and industry.

Ganfeng Solid-state Battery Development Progress

- **2019** — The first-generation solid-state battery production line with an annual output of 300MWh was completed and put into operation.
- **2021** — Ganfeng LiEnergy cooperated with Dongfeng Motor to develop the E70, which is equipped with a first-generation solid-state battery. The vehicle has a driving range of up to 426 kilometers.
- **2022** — Launched construction of Chongqing 20GWh new lithium battery technology industrial park project.
- **August 2023** — Completed Chongqing 20GWh new lithium battery technology industrial park project.
- **September 2023** — Ganfeng LiEnergy released super semi-solid "New Frontier" battery, achieving performance improvements such as no degradation for 100,000 kilometers and a cycle life of 3,000+ times.
- **December 2023** — Ganfeng Lithium and Changan Automobile signed a "Memorandum of Cooperation", and both parties will accelerate the advancement of (semi-) solid-state battery R&D projects.

Case **Ganfeng LiEnergy Took the Lead in Achieving the Commercial Application of Solid-state Technology, Achieving the Iteration of Energy**

To overcome technical challenges, Ganfeng LiEnergy actively researches solid-state battery technology and has successfully overcome a series of key technical challenges such as solid-state electrolyte materials, solid-state flexible films, and solid-state battery manufacturing through unremitting efforts. Since 2022, Ganfeng's solid-liquid hybrid battery has become the first globally to be implemented in vehicle installation and operation, currently being applied in 3C product, power, and energy storage batteries, and continuously sold domestically and overseas.



Consumer terminal products equipped with solid-state lithium batteries exhibit excellent low-temperature performance

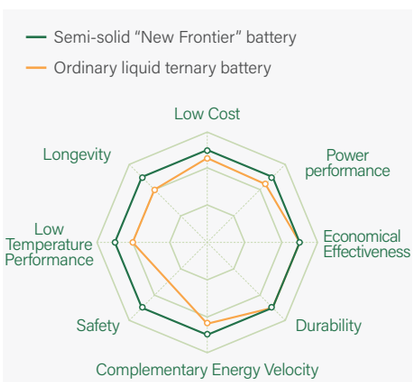
Case **Build a Production Base for Solid-state Batteries and Improve the Infrastructure Construction for Technological Development**

To support the technological development of solid-state batteries in China, Ganfeng Lithium is actively investing in infrastructure construction. In 2023, the first phase of the 20GWh new lithium battery technology industrial park of Chongqing Ganfeng was successfully completed. The new lithium battery technology industrial park of Chongqing Ganfeng has applied intelligent production lines, which not only reduces environmental pollution but also enhances production efficiency. This guarantees the stable development of the industry chain centered around solid-state batteries.



Intelligent production line of Chongqing Ganfeng in the New Lithium Battery Technology Industrial Park

Case **Launch the Super Semi-solid "New Frontier" Battery to Achieve Lower Costs and Higher Efficiency**



Performance comparison of Ganfeng LiEnergy super semi-solid "New Frontier" battery

The commercialization experience of semi-solid batteries is conducive to the further development of solid-state batteries. Ganfeng LiEnergy has actively explored the commercial application of semi-solid batteries and launched the super semi-solid "New Frontier" battery, achieving sustainable transformation of scientific research results. This effort aims to accumulate market-based application experience for more advanced technologies, thereby assisting in achieving a more resilient green transformation.

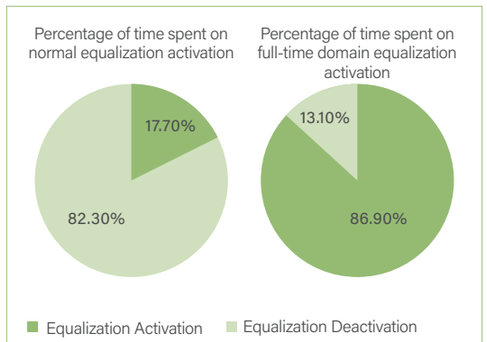
Energy storage technology is currently a key development area for promoting the green transformation of energy across society. Ganfeng LiEnergy actively leverages its leading technological advantages in the new energy industry to develop energy storage technology, drive cost reduction and efficiency improvement of relevant technologies, and improve the application capabilities of technology in more scenarios. Ganfeng LiEnergy adopts a 'case-by-case investment and construction' mechanism for projects with different sustainability demands, promoting the widespread application of energy storage technology domestically and internationally, and supporting the green transformation of global industries.

Highlight Performance

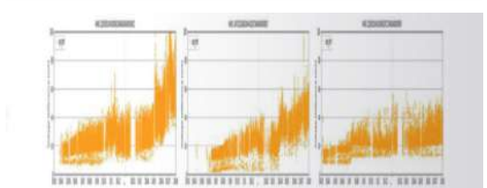
By the end of December 2023, Ganfeng LiEnergy has successfully delivered more than a hundred large-scale energy storage projects in domestic and overseas markets, with an application scale of more than 11,000 MWh, mainly including:

- Inner Mongolia Source Grid Load Storage Integrated Tongliao 395mwh Project: Achieving the integration, peak shaving, and frequency regulation of new energy sources.
- OKAYA POWER PVT.LTD 80MWh Energy Storage Project: Residential solar energy storage solutions, which aims to help alleviate electricity access challenges in certain impoverished areas.
- Communication Base Station Backup Power 358MWh Energy Storage Project: The communication base station can provide reorganized backup power, guarantee power supply, and achieve cost reduction and efficiency improvement.
- Guazhou 130mwh Photovoltaic Energy Storage Project: Achieving "photovoltaic + energy storage" integration, system frequency regulation, and peak shifting.

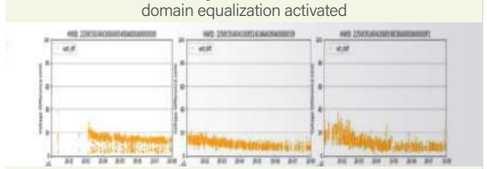
Case **Ganfeng LiEnergy Independently Developed High-efficiency, All-weather Balanced Batteries, Significantly Improving Both the Battery Capacity and Stability**



Battery achieves a 5x increase in duration of full-time domain equalization

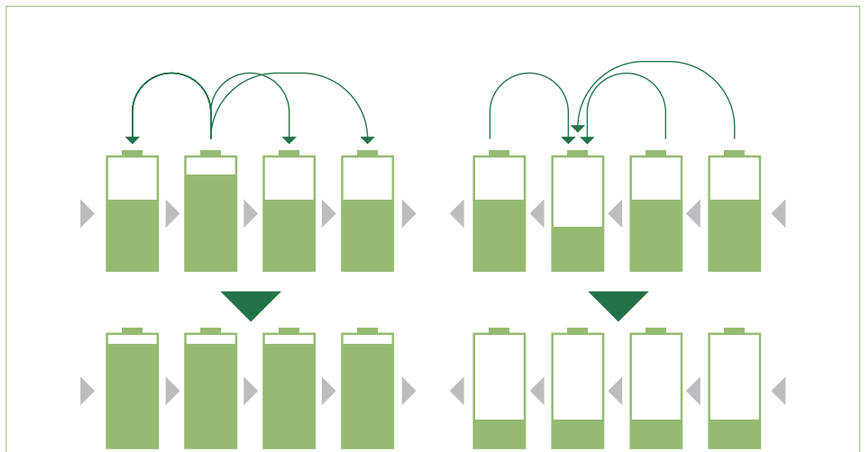


Pressure difference of single cell without cloud-based full-time domain equalization activated



Pressure difference of single cell with cloud-based full-time domain equalization activated

System pressure difference reduced by 26.7%

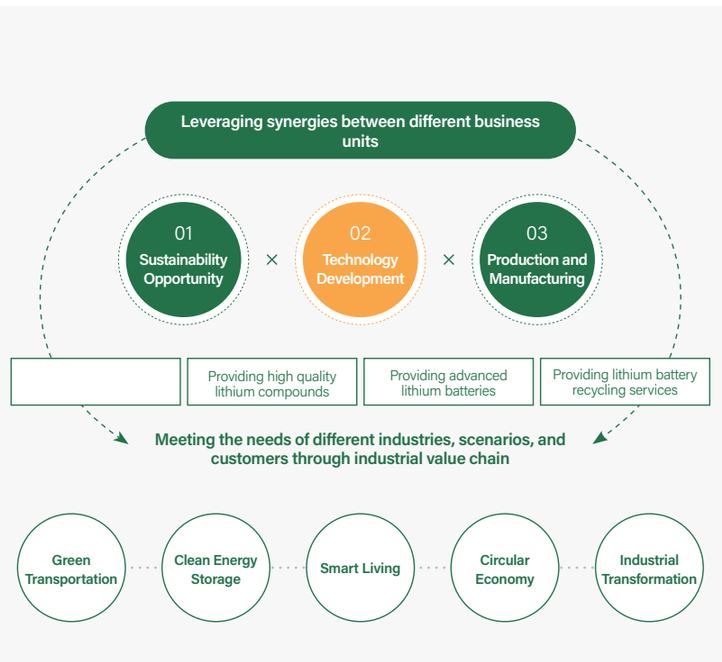


Available capacity of the battery increased by 7%

Ganfeng LiEnergy has introduced its self-developed all-time-domain equalization technology in a 5MWh energy storage system, which can improve balancing time, single-cell consistency, and reduce system pressure difference based on voltage difference, SOC difference, and balancing current, increasing the available capacity of batteries. Additionally, Ganfeng LiEnergy's battery energy storage system is equipped with a cloud-based intelligent control system, which can effectively prevent safety risks of batteries and systems through refined management and operation, help extend the battery's lifespan, enhance the stability and balance of battery use, improve the maintenance efficiency of the system, and ensure efficient and safe operation of the equipment.

Promote the Widespread Application of Mature Technologies

The Company has established a mechanism for overall solutions, applying mature technologies to various scenarios, meeting customer needs, and promoting the application and education of new energy technologies in different markets to promote the comprehensive popularization of green technologies. In this field, Ganfeng LiEnergy actively promotes the practical application of technology. During the reporting period, Ganfeng LiEnergy has successfully obtained three utility model patents in the field of second-round battery exchange and has applied them successfully to the mass production stage.



In the area of inclusive product solutions, Ganfeng LiEnergy continues to focus on customer needs in the sustainable transportation field and has launched an innovative project for battery exchange in electric bicycles. By providing a convenient battery replacement system, Ganfeng LiEnergy aims to enhance the convenience and customer experience of electric bicycles, addressing issues related to range and charging inconvenience, and enabling more end customers to participate in the overall societal green transformation process through convenient tools.

Case

In order to address the inconvenience of range and charging for electric bicycles, Ganfeng LiEnergy continues to improve the innovative solution of battery exchange for electric bicycles. This project focuses on efficient cabinet construction, R&D of smart battery technology,and a convenient battery exchange service experience. In urban areas, the project emphasizes improving the accessibility of battery cabinets, the completeness of battery performance, and the efficiency of battery exchange with personalized services. This project effectively solves the range and charging issues for electric bicycles in urban areas, helping users to use electric bicycles more quickly and conveniently while ensuring safety,making a greater contribution to green transportation and sustainability in urban areas.

Integrating Circular Economy

Ganfeng Lithium is actively engaged in the lithium circular economy, constructing a full value chain system that includes industrial clusters, business capacity, production technology, and recycled materials. The Company continuously improves external conditions, strengthens internal capabilities, and expands the reserve pathways of resources, contributing the strength of Ganfeng to the industry's sustainability.

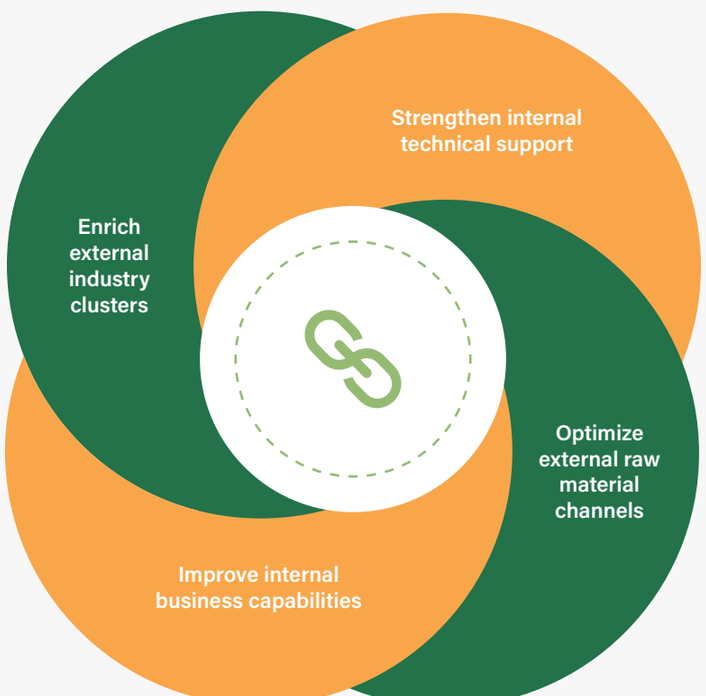
Ganfeng Lithium's Operation Mechanism of the Full Value Chain Circular Economy System

Building Circular Industry Clusters

- Based on the national-level lithium industry base in the National Ecological Civilization Experimental Zone, five engineering demonstration projects have been consecutively built.
- Forming a comprehensive solution and integrated demonstration base for high-end recycling of lithium resources
- Creating a model for green, high-quality and low-carbon recycling development in the middle reaches of the Yangtze River.

Capacity Building for Recycling Business

- Development of comprehensive recycling technology, process and production capacity for decommissioned batteries.
- The Company has been selected into the second batch list of the Ministry of Industry and Information Technology's *Industry Specification Conditions for Comprehensive Utilization of Waste Power Batteries for New Energy Vehicles.*



NEW

Circular Production Technology Innovation

- Achieving innovative breakthroughs in 5 sets of circular technologies in the lithium battery field.

Increase the Supply of Waste Raw Materials

- Collaborating with partners in the industry chain to expand the scale of battery recycling, improve the level of battery recycling technology, and expand the capacity for recycling and reuse.
- Addressing the issue of the retirement cycle of lithium batteries in society, and improve the technology and capacity for recycling.

The Company has strategically positioned itself in the lithium battery recycling business sector, achieving an organic combination of resource recycling and business growth. We have established multiple bases for lithium battery recycling with the capacity to process 200,000 tons of battery waste per year, making us a leading enterprise in the domestic lithium battery comprehensive recycling industry. Additionally, we extract valuable metals and lithium compounds from recycled materials to produce new battery materials or lithium salt products. This forms a sustainable closed-loop system, enhancing resource recycling capacity, reducing waste, and mitigating environmental pollution within the industry chain.

Disposal of battery waste

63,615 tons

Recycled production of lithium salt

over 9,000 tons of LCE

In 2023, the Company led a consortium including the Institute of Engineering Thermophysics of the Chinese Academy of Sciences, Central South University, Recycling Technology, Nanchang University of Aeronautics, and other universities and institutions, as well as leading enterprises, to undertake a key special project in the national key R&D program on "Key Technologies and Equipment for Circular Economy," titled "Integrated Technology and Demonstration of Recycling Upgrade in Lithium Industry Cluster Areas (2023YFC3905900)." The Company has become one of the top enterprises in the lithium battery recycling industry in China, with the largest capacity for recycling lithium iron phosphate batteries and waste and ranking in the top three in comprehensive battery processing capabilities.

Comprehensive recovery rate of lithium	over 90%
Nickel and cobalt metal recovery rate	over 95%

Case **Mahong Plant Used Lithium Slag as an Adsorbent to Help Turn Lithium Slag into a Valuable Resource, Implementing the Principle of "Waste to Treasure"**

In order to increase the utilization rate of lithium slag in the production process and reduce waste treatment and emissions, Mahong Plant preprocesses the waste residue of lithium feldspar. By further extracting lithium metal through halide adsorption, the plant converts the lithium waste residue back into β-lithium feldspar, transforming it into higher-grade lithium feldspar to help turn lithium slag into a valuable resource. This process involves multiple stages of adsorption to improve the quality of the adsorption residue. Additionally, it can be combined with the acidification and roasting stages for the recycling of lithium slag. After the adoption and implementation of this process in production, it significantly increases product output, reduces the pressure of waste treatment, and achieves efficient recycling of resources.

Case **Recycling Technology Innovated Recycling Equipments to Enhance the Efficiency of its Recycling Business through Precision Improvements**

In 2023, Recycling Technology collaborated with Jiangxi Intelligent Research Institute to innovate recycling equipments, addressing the precision recycling of waste batteries. This collaboration improved the efficiency and accuracy of battery recycling, promoting cost-effectiveness and efficiency optimization in the recycling industry. This initiative achieved low-consumption recycling of strategic resources, facilitating the efficient circular utilization of resources.



04

Focusing on Responsible Product

Product Quality and Safety

Intellectual Property Protection

Customer Service and Support

Sustainable Supply Chain

High-quality products and services are the foundation of a company's success. Ganfeng Lithium focuses on its core products, enhances product and service quality, strengthens its R&D mechanisms, and builds a more sustainable supply chain system. This approach enables the orderly supply of products, providing customers with green, safe, and stable products. It also drives the sustainability of the lithium ecosystem.

Contributing to the SDGs:



Ganfeng Lithium's Quality Objective Matrix

Bottom line goals
No major quality accidents, etc.

Capacity building goals
Quality awareness training for all employees, etc.

Marketing goals
Product qualification rate, return rate, customer complaints, customer satisfaction, etc.

Production management goals
Procurement qualification rate, equipment related indicators (mean time between failures, mean repair time, overall equipment efficiency), delivery PPM, etc.

We attach great importance to the implementation of quality management by establishing a sound Internal Audit Process Document. This strengthens the channels to identify quality issues and improves the supervision mechanism for improvement. We have formed an internal audit mechanism led by the headquarter and involving internal auditors, emphasizing the supervision of the implementation of quality policies at all levels of the Company. Through a self-renewal approach, we ensure the detection and rectification of various types of issues within the Company, thereby improving the Company's quality level and operational capabilities.

System Document

- Internal Audit Process Document

Audit Content

- The internal audit covers aspects such as quality, environment, occupational health, information security, supply chain responsibility management system, etc.
- Through audits, the effectiveness, compliance, and suitability of the management systems of each subsidiary are understood and evaluated.

Learning Exchange

- Communication between the headquater and subsidiaries
- Subsidiaries communicate and learn from each other, promote best practices and address issues, and drive implementation across all units.

Organizational Mechanism

- The internal audit team is composed of auditors from various departments of the headquarter and units of subsidiary companies.
- It is led by the headquarter with participation from internal auditors of each subsidiary company to facilitate cross-checks among subsidiary companies.

Transparent Supervision

- Inspections and internal audits are conducted quarterly.
- The middle-level quality thematic meeting of the group reports and promotes the inspection results.
- The headquater supervises the implementation of policy objectives in subsidiary companies.

Quality Capability

- Real-world training is provided to internal auditors to improve their awareness of process quality management.
- This promotes the operation and maintenance of systems in each subsidiary company and drives improvement.
- The chief of the internal audit team organizes follow-up and closed-loop tracking of identified issues.

Operational Work and Specific Conditions

Organizational internal review

In the three quarters of 2023, internal reviews were conducted on 7 subsidiaries and factories in each quarter.

21 reviews

134 internal reviewers participated

100% participation rate reaching

Internal review results

758 management system problems identified

453 improvement items recommended

100% rectification completion rate reaching

In terms of lifecycle management, the Company actively implements the *IATF 16949:2016 Automotive Quality Management System Standard* and *ISO 9001:2015 Quality Management System Certification* to continuously maintain the effective operation of the quality system. We utilize the PDCA (Plan, Do, Check, Action) cycle management and risk-based assessment methods to systematically manage process flows and systems, enhancing the Company's control over details. Meanwhile, we employ a process-based management approach and establish process performance indicators at every stage of production operations. Internally, we have established the Process Goal Index Requirement Monitoring Control Table, which covers a total of 26 processes including project management, product manufacturing, customer feedback and communication, supplier management, corrective and preventive actions, etc. For each process, corresponding process performance indicators are output, totaling nearly 60 process performance indicators, which are implemented in Ganfeng Lithium and other subsidiaries and factories.

Raw material warehousing acceptance	Process control	Testing and analysis	Product preparation for delivery
Supplier management Regular evaluations of suppliers are conducted based on the Supplier Management Process Document and Procurement Management Process Document.	**Process Monitoring** A DCS system is used to monitor the production situation in real time during the production process to ensure that the parameters are within the control limits.	**Professional equipment** We have product quality testing equipment covering all aspects from raw materials, production process to product delivery.	**Packaging inspection** After packaging, the products are stored in the WMS warehouse system, and each batch of products is sent to the laboratory for testing.
Incoming material standard management Establish "Product Service and Release Process Documents" and formulate "Raw Materials Acceptance Management Regulations" and "Raw Materials, Semi-finished Products and Finished Products Inspection Standards".	**On-site sampling** According to the on-site instructions (CP, SWI, EOI, EMI) for operation control, sampling of important intermediate products to be sent to the laboratory to monitor the process results, and the formation of unqualified ledger.	**Specialized talents** Inspectors are trained and passed the skills test before they are employed, and are managed and monitored based on staff competency matrix.	**Classification** Quality delivery specialists select products according to different customer product index requirements for stocking and delivery to ensure that product quality meets customers' requirements.
Acceptance traceability mechanism Specialist system: Raw material acceptance specialists check and accept the quality of incoming materials. Traceability: Batch management is implemented in accordance with the requirements of the Product Traceability Management Regulations. Digitization: Use NCC system to carry raw material quality inspection information; use sampling APP for batch printing for each batch of incoming materials.	**Classified improvement** Occasional defects: Analyze the cause and propose improvement measures to prevent recurrence. Frequent defects: Conduct thematic meetings in the form of 8D, verify corrective measures, carry out SPC statistical control, and make continuous improvement on abnormal trends to ensure the stability of the production process. Persistent defects: Set up quality improvement items, propose assessment plans, improvement measures and completion, and organize regular meetings to determine the completion and the need to supplement and improve the completion of the content.	**Special standards** Every year, the laboratory ensures the stability of the measurement system through MSA analysis to ensure the reliability of test results.	**Information control** After the product preparation is completed, the quality delivery specialist will inspect the product packaging and labels to ensure that the product packaging is intact and the labels are accurate. **Outbound inspection** Warehouse managers are responsible for supervising the integrity of product packaging during the product delivery process, and ensuring that there are no problems when products leave the warehouse through multiple procedures of delivery inspection, and that product quality meets customer requirements. **Customer supervision** Establish an effective customer feedback mechanism to continuously improve product quality.

Quality Culture Construction

Ganfeng Lithium actively promotes the nurturing of a quality culture, establishing a regular quality training mechanism and conducting diverse quality activities. We aim to enhance quality awareness and capabilities by consistently providing categorized training, ensuring professional coverage, and refining the quality training path, along with organizing knowledge competitions and labor skills competitions. This will help establish a quality culture with Ganfeng Lithium's characteristics.



| Highlights of Performance |

Ganfeng Lithium developed an intelligent fully automated three-dimensional warehousing system, which was awarded as one of the "Top Ten" quality innovation cases by the Chief Quality Officer Quality Transformation Innovation in Jiangxi Province.



Ganfeng Lithium - Top Ten Honor Certificate for Quality Transformation and Innovation by the Chief Quality Officer of Enterprises in Jiangxi Province

Ganfeng Lithium continuously improves its measurement system, clarifies measurement testing requirements, solidifies measurement foundations, and improves measurement service capabilities and levels. In the Jiangxi Province Small and Medium-sized Enterprise Measurement Partner Program organized by the Jiangxi Market Supervision Administration Measurement Department, Ganfeng Lithium was honored with the title of "Jiangxi Province Small and Medium-sized Enterprise Measurement Partner."



Xinyu Ganfeng was awarded the honorary title of "Jiangxi Province Small and Medium-sized Enterprise Measurement Partner."

Case Ganfeng Lithium Conducted Quality Month Activities to Enhance Employee Quality Awareness through Knowledge Competitions

In China, September is designated as "Quality Month," making it a prime time for prioritizing activities aimed at enhancing quality awareness through quality improvement and promotional initiatives.Ganfeng Lithium thoroughly implement the State Council's *"Outline of Quality Development"* requirements, organized the "5th Quality Knowledge Online Competition in 2023" to strengthen quality culture promotion, optimize the quality development environment, and build a quality powerhouse.



The scene of the 5th Quality Knowledge Competition of Ganfeng Lithium

The activity was conducted online, with a more transparent evaluation mechanism set up to encourage the participation of all employees. The activity was fairly assessed based on accuracy, efficiency, and participation rate, and included collective and individual first, second, and third prizes as well as encouragement awards to motivate employees to actively and widely participate in quality work, enhancing their knowledge of quality-related topics.

Case Ganfeng Lithium Conducted Quality Labor Skills Competitions to Promote the Development of Employees' Quality Capabilities

In 2023, Ganfeng Lithium organized a labor skills competition that lasted for 3 months, consisting of 2 stages: factory-level competitions and group-level competitions. The competition covered dozens of themes such as electrical, instrumentation, CAD, etc., with nearly a thousand colleagues from all fourteen subsidiary companies (factories) participating.

The competition involved both theoretical learning and practical operations, enabling employees to actively engage in quality activities, enhance their quality awareness and enthusiasm for work. It further promoted the in-depth implementation of quality management work, ensuring the improvement of product and service quality. Additionally, the competition helped to identify outstanding talents within the Company, providing them with a larger platform to pass on Ganfeng's technology and uphold the spirit of diligence for future generations.



Ganfeng Lithium conducted quality testing competitions in the labor skills competition



The award ceremony of the Ganfeng Lithium Labor Skills Competition

Case **Ganfeng Lithium Launched the "Reduce the Eight Wastes, Practice Lean Production" Campaign**

To further implement the Company's requirements for refined management, create a safe and comfortable working environment, and foster a culture of full participation and continuous improvement, Ganfeng Lithium implemented the "Quality Premium" policy. From June to October 2023, the Company conducted a themed activity focusing on "Reducing the Eight Wastes, Practicing Lean Production," with a total of 3,219 participants.

During the activity, a total of 4,436 suggestions were received, out of which 316 were rationalized suggestions. Among these, 3 suggestions were selected for the First Prize and 16 suggestions for the Second Prize. The aim of the activity was to achieve higher product quality, shorten product manufacturing cycles, and advance lean production projects by using minimal materials, equipment, manpower, space, and time. It was also aimed at enhancing the awareness of all employees in eliminating "waste".



Ganfeng Lithium's promotional poster for "Reduce the Eight Wastes, Practice Lean Production"



Ganfeng Lithium conducted training on the "Eight Wastes" in the production system

Intellectual Property Protection

Ganfeng Lithium attaches great importance to the protection of intellectual property rights. The Company implements institutional regulations to protect its research and development (R&D) achievements and advanced patents. It encourages employees to participate in the process of intellectual property protection. In response to infringement incidents and potential patent risks, the Company conducts investigations and takes proactive measures to safeguard its intellectual property and mitigate patent risks.

Ganfeng Lithium's Intellectual Property Protection Operation Mechanism

Leading by Standardization

Establish the Intellectual Property Protection Management System and Regulations on Project Funding Application and Intellectual Property Incentive Management, etc.

All Staff Participation

Encourage R&D personnel to transform innovative technologies, processes, designs, formulas, etc., into patents by rewarding inventors who apply for and are granted patents.

Dealing with Infringements

In 2023, the Company conducted 31 patent infringement analyses and produced 4 patent investigation reports for hot patent technologies in the industry.

Risk Mitigation

Conducted patent invalidity searches and analyses to avoid risks, completed over 10 optimizations of risk technologies through design changes in 2023.

Ganfeng Lithium's 2023 Intellectual Property Protection Performance:

Number of patents applied for in 2023	437	Number of trademarks applied for in 2023	15
Number of patents approved in 2023	220	Number of trademarks approved in 2023	1
Total number of patents obtained to date	728	Total number of trademarks obtained to date	113

Customer Service and Support

Ganfeng Lithium always prioritizes its customers and is committed to providing comprehensive and multi-level customer service. The Company aims to build a solid firewall for customer information security and privacy rights, ensuring a safe, reliable, and high-quality service experience for its customers.

Customer Service

The Company established a comprehensive customer service management system. Based on the standard of *IATF 16949:2016 Automotive Quality Management System*, under the unified management system of the Company, tailored customer management methods have been developed according to different business scopes and customer groups to meet the needs of the service targets through various channels. Additionally, regular customer satisfaction surveys are conducted to identify improvement potential and steps for products and services based on feedback, continuously improving service quality and customer satisfaction.

Receiving and addressing abnormal feedback
The Quality Department receives abnormal feedback from customers and conducts initial communication with the customers.

Confirm abnormal feedback
The Quality Department confirms the abnormalities in customer feedback.

Notify the Production Technology Department
Once the issue is confirmed, the Quality Department immediately notifies the Production Technology Department via email.

Internal quality analysis meeting
After confirming the feedback, the Quality Department leads the organization of internal quality analysis meetings to analyze customer feedback and provide initial processing results.

Provide initial processing results
Timely provide the initial processing results to the customers.

Establish an 8D improvement team
Based on the results of the quality meeting, the Company establishes an 8D improvement team.

Submit 8D report
After the 8D improvement activity is completed, the 8D report is sent to the customer.

Customer confirmation and closure of feedback
After the customer confirms satisfaction, close the quality feedback.

Company-wide notification and training
Inform all employees of the root cause of the feedback and preventive measures, organize relevant training to prevent similar issues from recurring.

Regular follow-up
Sales personnel from the Marketing Center regularly follow up with customers through phone calls, emails, satisfaction surveys, etc., to confirm the Company's response, processing, and closure of complaints.

Record and feedback
Sales personnel record the results of follow-up visits and provide feedback to management for confirmation.

Compile complaint list
The Quality Department compiles monthly customer complaints to form a Customer Complaint List.

Ganfeng Lithium's customer service system and process

Ganfeng Lithium's Information Security Protection Measures

01 Internal Firewall and External Firewall

The internal firewall isolates the production network, while the external firewall can prevent malicious traffic from entering the network. Monitoring of traffic data is in place, with actions such as activating anti-virus, IPS detection, and SSL inspection.

02 Encryption System

Data encryption protects against unauthorized data leakage, ensuring the security of enterprise data.

03 Access Control

Implement strict access control policies to only allow authorized personnel access to sensitive data and systems.

04 Security Audit and Monitoring

Regular security audits are conducted to monitor network traffic and user behavior, promptly identifying any abnormal activities.

05 Backup and Recovery Plan

Regularly back up important data and establish an emergency response plan to quickly recover in the event of an attack or data loss.

06 Personnel Security Awareness Training

Enhance employees' security awareness, educate them on common network attack methods and protective measures, and prevent internal information leakage.

To improve employees' awareness of information security and compliance, the Company continuously enriches the information security training system, conducts various forms of training and publicity for employees at all levels, improves the scientificity and reliability of network operations, and ensures proper management of production and operation data. During the reporting period, we conducted a series of information security training activities, involving codes of conduct, information asset identification, risk assessment, digital transformation, application scenarios, and development practices, among others, to ensure that employees have a full awareness of information security protection and prevention, comprehensively protecting the Company's information assets. In 2023, we conducted a total of 15 information security training sessions, with a total training duration of 32 hours, and 1,324 employees participated in the training.

Data Security Training System

Ganfeng Lithium **New employees**	Cybersecurity Knowledge Popularization
Ganfeng Lithium **Technical and business personnel**	Cybersecurity Emergency Drills
Ganfeng Lithium **All staff**	*Cybersecurity Law of the People's Republic of China* *Data Security Law of the People's Republic of China* *Personal Information Protection Law of the People's Republic of China* Internal Security Management System

Case **Ganfeng Lithium Conducted a Systematic Emergency Drill to Enhance Operational Capabilities and Coordination**

On May 12, 2023, Ganfeng Lithium Co., Ltd. held a production daily report system emergency switch drill. The on-site simulation involved a database service simulator failure in the production daily report system, resulting in a complete interruption of the production daily report business. In order to quickly resume operations, employees promptly initiated the emergency plan for the production daily report system, from monitoring platform alerts, database situation detection, activation and operation of emergency backup plans, to the final recovery of business. Different department heads issued instructions and carried out operations, coordinating seamlessly with each other, and successfully restored the production daily report business in the shortest time possible.



The site of Ganfeng Lithium's production daily report system emergency drill

We initiated a Sustainable Supply Chain Management Audit Program to classify and evaluate the importance of the impact of supplier products on the Company's finished produce

Key topics in social responsibility, occupational health and safety, environmental protection, and business ethics

Social Responsibility:

International standards for social responsibility, international human rights standards, prohibition of the use of child labor, forced or compulsory labor, and labor protection.

Occupational Health and Safety

Occupational health and safety system, safe and healthy working environment, adequate health and safety training, compliant labor protection equipment, regular health checks, etc.

Environmental Protection

Environmental management system, environmental compliance, hazardous substance management, energy conservation, emission reduction, environmentally friendly products, etc.

Business Ethics

Business integrity, no unfair benefits, intellectual property rights, information protection, etc.

Commitment to Non-Use of Hazardous Substances

949	807	85.04%
total number of suppliers required to sign	No. of suppliers already signed	signing rate

Conflict Minerals

542	472	87.08%
total number of suppliers required to sign	No. of suppliers already signed	signing rate

Social Responsibility Agreement

1,175	998	84.94%
total number of suppliers required to sign	No. of suppliers already signed	signing rate

Newly introduced suppliers

340	298	87.65%
participation	No. of suppliers resolved and incorporated into the database through audit	pass rate
1,456	1,390	95.47%
No. of identified issues	No. of suppliers already rectified issues	rectification rate

Supplier audit

251	224	89.24%
participation	No. of suppliers approved	pass rate
1,369	1,360	99.34%
No. of identified issues	No. of suppliers already rectified issues	rectification rate

Conflict Minerals

In terms of the use of lithium metal minerals that may be involved in the production process, the Company adheres to ethical procurement and commits to not using minerals from conflict-affected areas. The Company also explicitly requires suppliers not to use minerals from conflict areas or those that violate company policies. To address the risks and hazards of responsible mineral supply chains, the Company regularly manages conflict minerals and continuously improves its practices based on domestic and international business dynamics.

The Company's management personnel have invested in and held shares in lithium mining rights projects in Australia, Argentina, Mexico, Ireland, etc., and serve as directors. Through equity and off-take agreements, the Company ensures the clear sources and transportation routes of mineral raw materials, achieving risk control and traceability objectives. In 2023, the Company issued the Procedure for Identifying Conflict-Affected and High-Risk Areas (CAHRAs) and CAHRAs Risk Alert Identification Form, clearly defining the responsibilities of the responsible mineral supply chain management team and ESG managers in identifying and managing CAHRAs, streamlining work procedures to help on-site staff comprehensively grasp CAHRAs information and achieve full compliance management.

The Company follows guidelines such as the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (Third Edition)*, *China's Social Responsibility Guidelines for Overseas Mining Industry Investment*, and *China Responsible Mineral Supply Chain Management Guidelines (Second Edition)*. Internally, the Company has established documents like the Responsible Mineral Resource Supply Chain Management Policy and, based on policy requirements, requires suppliers to sign the Supplier Code of Conduct and No-Conflict Mineral Commitment. Suppliers are invited to fill out mineral reports, KYS surveys, etc., guiding and regulating the behavior of upstream lithium mineral suppliers to improve lithium supply chain responsibility management and encourage them to take on more environmental and social responsibilities.

Ganfeng Lithium References Guidelines and Framework for Conflict Minerals Management

The guidelines documents

OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas

China Responsible Mineral Management Guidelines

China's Outward Mining Industry Social Responsibility Guidelines

Dodd-Frank Wall Street Reform and Consumer Protection Act

The "Six Steps" responsible mineral supply chain due diligence management framework includes:



The Company commits to identifying and managing the following risks in responsible mineral supply chain operations:

Serious human rights violations	Directly or indirectly supporting illegal armed groups and public or private security forces
Child labor	Corruption, money laundering, and payments to governments
Occupational health and safety	Land rights, environmental emissions, and small-scale mining operations



05

Co-creating Ecological Civilization

Addressing Climate Change

Environmental Management

Energy Management

Water Resource Management

Emissions Management

Ecological Conservation

Amidst global attention, addressing climate change, promoting low-carbon emissions, and implementing green operations have become the trend in the industry. Ganfeng Lithium upholds the concept that "green mountains and clear waters are as good as mountains of gold and silver," integrating green development throughout its production activities and daily operations. The Company is making efforts from multiple dimensions to establish a sound and standardized environmental and energy management system, ensuring compliance with emissions-related regulations, promoting energy conservation and consumption reduction, accelerating the development of the circular economy, protecting biodiversity, and collaborating with value chain partners to create an ecological civilization and share the benefits of ecology.

Contributing to the SDGs:

Addressing Climate Change

Climate change is a critical driving factor for the rise of the new energy industry. Ganfeng Lithium has identified potential climate change risks in various business areas and promptly formulated response measures based on its own business development situation to explore new opportunities for growth.

Climate Governance

The Company views climate change governance from the perspective of sustainability strategy. It has established a Sustainability Committee under the Board to comprehensively lead the Company's climate governance efforts. The Sustainability Committee, guided by the Board, formulates and improves climate-related strategies, reviews climate risk management policies and measures, supervises and follows up on the implementation of actions to address climate change, and reports to the Board on risk response measures and project progress. The Company's various departments and factories integrate climate change risk management into their daily operations by promoting energy conservation and emission reduction projects.

Climate Risk Management Measures

Ganfeng Lithium takes a series of measures to address the risks posed by climate change. On one hand, we conduct carbon footprint assessments at the organizational and product levels to clarify our own carbon footprint, and identify weak points in carbon emissions as the basis for emission reduction. On the other hand, we install rooftop distributed photovoltaics, optimize production processes in various factory areas, and participate in the formulation of industry standards to reduce greenhouse gas emissions generated in our own operations, driving all value chain partners to achieve green and low-carbon operations together. By the end of 2023, the Company had achieved a rooftop distributed photovoltaic installed capacity of 15.57MWp, which can reduce CO_2 emissions by approximately 25,928.35 tons.

In addition to implementing low-carbon emission reduction measures and promoting our own green transformation, we also seek to turn climate change risks into opportunities by conducting in-depth research, expanding our business direction, and enhancing the Company's green competitiveness.

Case **Ganfeng Lithium Develops Green Transportation to Help Achieve Energy Conservation and Emission Reduction**

In 2023, Ganfeng Lithium signed a long-term agreement with Jiangxi Wanling New Energy Technology Co., Ltd. for the transportation of lithium spodumene. They gradually introduced electric heavy-duty trucks on the route from Nanchang port to the Company's subsidiary factories. By the end of December 2023, 50 electric heavy-duty trucks had been put into operation. With the continuous increase in transportation volume, it is expected that the number of electric heavy-duty trucks put into operation will exceed 100 in the future.



Electric Heavy-duty Truck

In the same year, Ganfeng Lithium introduced electric forklifts and electric heavy trucks that use power batteries produced by Ganfeng LiEnergy in the transportation of materials and products on various production lines within the factory. These materials and products will enter the lithium battery production line, truly achieving a "green closed-loop" within the value chain. By the end of December 2023, the proportion of electric forklifts in Ganfeng Lithium's subsidiary factories was close to 60%, electric loaders accounted for nearly 11%, and electric vehicles in commercial vehicles accounted for approximately 40%. In the future, the Company will further promote the electrification of transportation vehicles to further develop green operations.





Case **Ganfeng Lithium Constructs Distributed Photovoltaic Systems to Promote Energy Conservation and Consumption Reduction**

In order to increase the utilization of renewable energy and minimize the impact on the environment, Ganfeng Lithium continues to build rooftop distributed photovoltaic systems in several of its subsidiary factories. Among them, the Mahong Plant completed the construction of 4.32MWp and 4.08MWp photovoltaic systems in 2021 and 2023 respectively; Recycling Technology successfully connected a 2.45MWp photovoltaic system to the grid in 2023; and the Power Plant, after initially connecting a 1.32MWp photovoltaic system to the grid in 2017, added and successfully connected a 3.4MWp photovoltaic system to its facility in 2023.


Rooftop distributed photovoltaic systems in factories

In 2023, Ganfeng Lithium's subsidiaries and factories[1] located in Jiangxi and other regions have all engaged in green electricity trading. The Company purchases green electricity from power generation companies through the Jiangxi Electric Power Trading Center on a monthly basis. By obtaining Green Electricity Consumption Certificates (GECC) issued by the Beijing Electric Power Trading Center, Ganfeng Lithium offsets the non-

Climate Target Setting

The Company has established sustainability goals based on its own business characteristics and future development plans, combined with international sustainability initiatives and relevant guidelines. Using 2019 as the base year, the Company aims to achieve sustainability goals by 2025, promote greenhouse gas emission reduction actions, and achieve green operations.

Based on the year 2019, the sustainability goals for the year 2025 are as follows:

- **5%** emissions reduction per ton of product produced
- **10%** emissions reduction per ton of product produced
- **20%** water consumption reduction per ton of product produced
- **6%** coal consumption reduction per ton of product produced
- **20%** water recycling increase per ton of product produced
- **25%** increase in the proportion of sustainable electricity

GHG Emissions Monitoring

Under the established sustainability goals, the Company has been conducting carbon accounting work at both the group and product levels based on the *Guidelines for Accounting and Reporting GHG Emissions for Chemical Production Enterprises in China (For Trial Implementation)* and the Greenhouse Gas Emission Data Quality Control Plan of Jiangxi Ganfeng Lithium Co., Ltd., as well as the requirements of the ISO 14064 standard, to continuously improve data transparency.

In 2023, Ganfeng Lithium responded to the carbon questionnaire from the third-party ESG rating agency CDP and achieved a grade of B-.

	GHG Emissions in 2023 (tons of carbon dioxide equivalent)		GHG Emissions Intensity in 2023 (10,000 tons of carbon dioxide equivalent per hundred million RMB)
	Scope 1	Scope 2	Revenue Intensity
Lithium Chemical Business Unit and Overseas Business Unit	392,814.26	403,765.76	0.003
Lithium Battery Business Unit	7,977.31	235,456.03	0.003
Group	400,791.57	639,221.79	0.003

| Key Performance Indicators |

In 2023, the Lithium Battery Business Unit completed carbon footprint verification for two products and obtained a carbon footprint assessment certificate, setting a positive example for value chain partners.

In 2023, the Lithium Chemical Business Unit conducted a Life Cycle Assessment (LCA) and obtained a product life cycle assessment report.


① ② ③

1. The Lithium Chemical Business Unit has completed a Life Cycle Assessment (LCA) report for the product.
2. The Lithium Battery Business Unit's product, the 48173125-100Ah lithium iron phosphate battery cell, has obtained a carbon footprint assessment certificate.
3. The Lithium Battery Business Unit's product, the 51.2V100Ah lithium iron phosphate battery pack, has obtained a carbon footprint assessment certificate.

Environmental Management

In terms of environmental management, Ganfeng Lithium actively takes on the responsibility of environmental protection, establishing a sound and effective management mechanism to carry out environmental management work in an organized, planned, and responsible manner. The Company strictly complies with the *Environmental Protection Law of the People's Republic of China, the Environmental Impact Assessment Law of the People's Republic of China,* and other applicable environmental protection laws and regulations in the locations where it operates. Internally, the Company has developed supporting environmental management documents such as the Environmental Protection Responsibility Management Regulations and the Environmental Protection Equipment Management Regulations, and conducts environmental impact assessments in accordance with legal requirements to ensure environmental management compliance.

The Company set up an Environmental Protection Management Committee at its headquarters, with an office under the committee to oversee the implementation of environmental regulations, identification of environmental risks, approval of environmental work plans, and objectives at each subsidiary.

| Highlights of Performance |

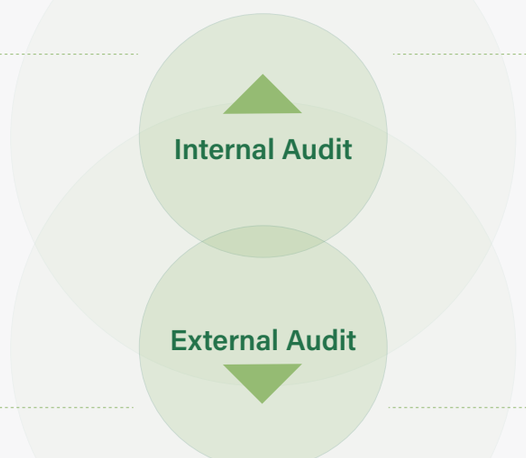
In 2023, Ganfeng Lithium achieved the environmental goals set:

- **Compliant Emissions**: The wastewater, exhaust gas, and noise emissions from each factory met the standards required by local environmental authorities, ensuring compliant emissions.
- **Decreased Energy Consumption**: The total energy consumption decreased by 4.56% compared to 2022, and the energy consumption density (per unit of product) in the Lithium Chemical Business Unit decreased by 11.02%[1] compared to 2022.
- **Segregated Waste Storage**: Solid waste was treated harmlessly, with 100% being segregated for storage.
- **Zero Complaints**: The Company had no major environmental complaints or incidents throughout the year.

[1]Energy consumption density is measured in MWh per ton of Lithium Carbonate Equivalent (LCE).

Ganfeng Lithium's 2023 Environmental Management Audit Progress

In 2023, Ganfeng Lithium's Quality Management Department took the lead in organizing quarterly environmental internal audits for seven factories including Mahong Plant, Fengxin Ganfeng, Ningdu Ganfeng, Xinyu Ganfeng, Recycling Technology, Yichun Ganfeng, and Organic Lithium Plant. The audits were conducted in multiple dimensions such as waste emissions, operation of environmental protection facilities, self-monitoring, on-site environmental management, etc., totaling 21 internal audits organized.



In August 2023, after being audited by a third-party professional organization, 7 factories including Mahong Plant, Fengxin Ganfeng, Ningdu Ganfeng, Xinyu Ganfeng, Recycling Technology, Yichun Feng, and Organic Lithium Plant successfully passed the ISO 14001 Environmental Management System audit and obtained certification."

In addition to environmental audits and implementing environmental protection projects, the Company places importance on building an internal environmental culture by developing various training programs and environmental education activities to enhance employees' environmental awareness. This approach ensures that the Company's environmental principles are closely integrated with business practices and that the concepts are effectively implemented throughout the organization.

Ganfeng Lithium's Environmental Culture Development Work in 2023

The Company's Environmental Protection Department and its subordinate Safety and Environmental Department have developed an annual training plan, with a total of more than 40 training sessions scheduled.

The Company's subsidiary factories, Mahong Plant, Recycling Technology, and Xinyu Ganfeng, as well as Jiangxi Ganfeng Lithium Battery Co., Ltd., participated in the World Environment Day event organized by the Ecological Environment Bureau of Xinyu High-tech Zone on June 5th. The subsidiaries outside Xinyu also participated in the local World Environment Day events on June 5th.

The Company participated in the "Senior Training Course on Carbon Peak and Carbon Neutrality Standardization Capacity Enhancement" organized by the Jiangxi Quality and Standardization Research Institute. The training covered seven aspects, including the dual-carbon policy system, interpretation of policy documents, and standard formulation, to understand the work in various areas of dual-carbon. Participants also visited the Jiangxi Quality and Standardization Research Institute to learn through on-site inspections.

Energy Management

Energy management is one of the core elements of the Company's commitment to green and low-carbon manufacturing and a key driver for achieving low-carbon development. Ganfeng Lithium's direct energy consumption sources mainly include coal, gasoline, diesel, and natural gas, while indirect energy sources mainly consist of purchased electricity and steam. We continuously improve our energy management system, including the internal formulation of Energy Management Regulations and Energy Metering Management Regulations, clearly defining different types of energy, corresponding department responsibilities, work procedures, and precautions. We implement energy-saving technological renovation projects, strengthen energy management certification and audits, clarify the responsibilities of subsidiary departments and factories to enhance the Company's level of energy management.

Performance Indicators	Unit	Lithium Chemical Business Unit	Lithium Battery Business Unit
Coal	tons	122,533.31	0
Gasoline	liters	44,329.11	0
Diesel	tons	547.58	2.30
Natural gas	cubic meters	1,553.04	368.61
Purchased electricity	MWh	576,725.28	389,737.55
Purchased steam	ten thousand tons	79.74	29.47

Case **Mahong Plant Implemented the Switch From Coal Gas to Natural Gas to Accelerate the Energy Transition**



Mahong Plant promoting gas renovation project

During the production process, the Phase II Acidification Kiln at Mahong Plant was using coal gas for an extended period. In order to reduce the generation of hazardous waste from the source and replace coal with clean energy natural gas, the Mahong Plant actively implemented energy transition measures to switch from coal to gas in 2023. This has effectively reduced health and safety risks, improved the surrounding environmental conditions, achieved energy savings and efficiency improvements, adhered to green operational requirements, and promoted comprehensive green transformation.

Power Plant reviewed the energy systems in various production processes, seeking opportunities for energy savings and efficiency improvements. Several initiatives have been implemented including targeted energy-saving renovation projects, the recycling of internal resources, the reduction of energy consumption, and the optimization of energy structure.

M1 Plant Waste Heat Heating Energy Saving Transformation Project

Project Measures

The recovering of M2's discarded steam condensate heat, and its exchange with M1's heating panels, for winter heating of rooms and testing centers at a constant temperature of 45℃.

Environmental Performance

Annual savings in electricity consumption: 220,000 kWh, reducing carbon emissions by approximately 125.47 tons.

Dormitory Hot Water Energy Saving Transformation Project

Project Measures

The recovering of heat from 60℃ steam condensate water, which is then exchanged through panels to produce hot water at around 50℃ for dormitories and staff daily use, with the remaining heat recycled, contributing to energy savings and consumption reduction

Environmental Performance

Annual savings in electricity consumption: 160,000 kWh, reducing carbon emissions by approximately 91.26 tons.

Steam Regeneration and Recycling Energy Saving Transformation Project

Project Measures

The recovery of heat from the flash steam vented externally by Workshop 4 and M2 Workshop, utilized for the regeneration heating of ordinary humidity dehumidifiers. The renovation project has a total investment of 1.62 million yuan.

Environmental Performance

Savings in steam usage: 14,644 tons, reducing carbon emissions by approximately 4,043.21 tons.

Water Resource Management

Water resource management is one of the most important topics in Ganfeng Lithium's ESG management and is also an important responsibility of the Company's Environmental Protection Management Committee. This topic is comprehensively managed by the Executive Vice President of the Company. Based on the identification of water resource usage in various processes, necessary management measures were taken to strengthen water recycling and improve water resource efficiency. During the reporting period, the Company sourced water from municipal water supply, with no significant impacts on water resources resulting from changes in water intake, consumption, discharge, or storage.

Performance Indicators	Unit	Lithium Chemical Business Unit	Lithium Battery Business Unit
Municipal Water Use	tons	2,225,692	4,930
Water Consumption	tons	2,225,692	4,930

In the production process, Ganfeng Lithium adjusts the water usage structure, improves water-consuming equipment and process flow to avoid waste of water resources from the source. The Company reduces water consumption according to the water conservation development plan, maintains and manages water supply and usage facilities, equipment, and appliances regularly to reduce permeability. At the same time, the Company recycles and reuses equipment cooling water and condensate water, effectively improving water resource utilization.

Case Mahong Plant Carried Out Diverse Processes to Recycle Wastewater, Tapping Into the Potential of Wastewater Reuse



Mahong Plant improved wastewater recycling treatment equipment

The Mahong Plant collects wastewater from 5 rainwater ponds, secondary sewage treatment plants, and drainage from the secondary pyrometallurgical cooling tower to replenish the cooling water tower for the secondary slurry in the factory. The factory's operations consist of wet processes, and during the hot season, some of the condensate water generated by the wet process system was cooled and used to replenish water in 5 circulating water towers in the factory. Over a 5-month period, approximately 94,607 cubic meters of water resources were collected, greatly reducing wastewater discharge and achieving effective wastewater reuse. It is estimated that in the future, around 240,000 cubic meters of water resources will be recycled annually.

Case Recycling Technology Optimized Production Lines, Comprehensively and Efficiently Utilizing Water Resources



Recycling Technology's water storage equipment

Daily water recycling capacity

1,000 tons

In Recycling Technology, the iron lithium acid leaching workshop consumed an average of 500 tons of water resources per day in the production process. It mainly used concentrated water produced from purified water supplemented with tap water. The plant had 9 sets of Mechanical Vapor Recompression (MVR) equipment, which generated a large amount of secondary steam condensate during normal production. To improve the utilization of water resources, the plant expanded and upgraded the lithium iron phosphate production line to produce lithium sulfate. By recycling the existing production load, the factory directly used the secondary steam condensate and recovered the remaining secondary steam condensate through cooling. This process enables the recovery of 1,000 tons of water per day, greatly improving the efficiency of water resource utilization and avoiding excessive consumption of water resources at the source.



06

Ensuring Production Safety

Safety and Occupational Health

Chemical Management

Ganfeng Lithium upholds the concept of safe production, prioritizing safety in production and occupational health management. We continuously optimize our safety management system, implement safety measures, provide employees with a safe and healthy working environment, and ensure the Company's sustainable operation.



Contributing to the SDGs:



The Safety Management Structure and Responsibilities of Ganfeng Lithium



The "Red-Yellow-Green Card" Safety Production Target Management Mechanism

To ensure that contractors have clear safety guidelines, the Company has established management systems such as the Stakeholder Management System, Assessment Measures for Safety and Civilized Construction Management of External Units, Construction Management Agreement for External Construction Units, and Supplementary Management Regulations for Strengthening the Safety of High-altitude and Lifting Projects. These management systems are aimed at the Company's headquarters, subsidiaries, and all subordinate factories, and they set clear requirements for contractors in terms of qualification review, safety agreements, safety training, safety approval, on-site management, and follow-up matters. Contractors who engage in violations, unauthorized commands, or breach labor discipline, known as the "three violations", are punished accordingly. This helps to enhance the safety management and practices of suppliers.

Ganfeng Lithium Contractor Safety Management Process

Qualification Review
Review of company qualifications and special operation personnel qualifications

Safety Agreement
Signing of safety agreements with contractors

Safety Training
Contractor personnel must undergo training and be qualified before operation

Safety Approval
Special operations require safety approval before commencement

Site Management
Management personnel need to regularly inspect the site during operation to ensure compliance

Follow-up Measures
After the operation is completed, the site needs to be reset before leaving

In the aspect of safety risk identification and control during the production process, the Company has established and implemented risk management systems such as the Safety Risk Rating Management Regulations to strengthen daily management, improve the capability to identify and evaluate safety risks. Timely rectification of safety hazards is conducted to provide solid guarantees for safety production and employee health.

Key Performance Indicators

Safety Culture Building

We continuously improve the safety skills of all employees through activities such as conducting the Safety Production Month, safety knowledge competitions, and safety open day visits. Simultaneously, we create a culture where everyone understands and values safety by disseminating safety information, broadcasting safety accident warning videos, and self-examination of safety behavior habits. This helps to strengthen safety awareness.



Case **Ganfeng Lithium Conducted Safety Skills Training, Solidifying the Foundation of Safe Production**

In order to continuously enhance employees' safety awareness and improve their work efficiency, Ganfeng Lithium conducted safety skills trainings regularly in 2023. The trainings emphasized on accident case warning education to help employees comprehensively enhance their safety literacy, thus solidifying the foundation of safety production.



Conducting safety skills training and solidifying the foundation of safety production

In terms of emergency management, Ganfeng Lithium and its subsidiary factories have compiled the Production Safety Accident Emergency Response Plan in accordance with relevant requirements and obtained certificates from local regulatory authorities. Each factory conducts emergency drills based on the emergency plan, covering various scenarios such as fires, leaks, food poisoning, and heatstroke. Emergency drill plans and summary reports were also formulated to enhance the Company's emergency response capabilities. **During the reporting period, the Company conducted a total of 60 emergency drills of various kinds.**



Ganfeng Lithium's full-time firefighters carrying out safety fire drills



Ganfeng Lithium's fire engine

Case **Ganfeng Lithium Promotes Cooperation between Government and Enterprises, Enriching the Experience of Emergency Rescue**

On December 12, 2023, the Jiangxi Province Special Equipment Accident Emergency Rescue Comprehensive Drill was held at Ganfeng Lithium's organic lithium plant, simulating a spillage of n-Butyl lithium at the plant. The enterprise's emergency rescue team and the government's emergency rescue team cooperated in the rescue operation with tacit understanding and proper handling, successfully rescuing two maintenance personnel and effectively controlling the fire. The entire drill process was compact and smooth, achieving a complete success.



2023 site of special equipment safety accident emergency comprehensive drill activities in Jiangxi

Through the conduct of the special equipment safety accident emergency comprehensive drill activities, the Company not only trained the emergency rescue team but also enriched the practical experience of emergency rescue operations.

Case **Mahong Plant Conducted Emergency Drills for Sudden Environmental Incidents**

On June 30, 2023, the Mahong Plant, in conjunction with the Xinyu High-tech Zone Emergency Management Bureau and the Ecological Environment Bureau, jointly conducted a comprehensive emergency drill for chemical leakage poisoning accidents in the concentrated chemical area of the Xinyu High-tech Zone. The drill simulated a major hazardous chemical leakage event in the hydrogen fluoride tank area of the plant. Following the event, under the guidance of professionals, there was a high level of cooperation among various departments, and the on-site incident was properly handled. This drill provided a reliable practical foundation for future handling of similar emergencies and also accumulated experience for safety production work.



The site of comprehensive emergency drill for chemical leakage poisoning accidents in the concentrated chemical area of the Xinyu High-tech Zone

Chemical Management

In chemical management, the Company strictly adheres to the laws and regulations of the *People's Republic of China on Work Safety, Regulations on the Safety Management of Hazardous Chemicals, and the List of Hazardous Chemicals*, as well as relevant laws and regulations of the countries and regions where projects are located. The Company defines the responsibilities of each department and personnel based on the internally formulated Hazardous Chemical Management System, ensuring standardized handling in the processes of chemical procurement, transportation, production, storage, and use. Additionally, the Company establishes and regularly updates files for internal hazardous chemicals based on the *Classification and Labeling of Common Hazardous Chemicals (BG 13690-92)*, covering information such as item types, CAS numbers, maximum storage quantities (T), and hazard classifications.

Excerpts from the Hazardous Chemical Management System requirements

1. Storage of chemicals that are easily used for drug manufacturing, explosives production, or highly toxic chemicals must have dedicated counters and personnel for management. They must be strictly handled in accordance with the "Five Doubles" provision (double doors, double locks, double custody, double issuance, double receipt).
2. Employ specialized warehouse keepers for hazardous chemicals, responsible for the technical maintenance and management of hazardous chemicals. After the daily work in the warehouse is completed, a safety and fire inspection should be conducted, and the power should be cut off.
3. All open flames are strictly prohibited in the warehouse, smoking is prohibited, and all sources of fire are prohibited. Motor vehicles carrying fire, emitting fire, or externally igniting fires are not allowed to enter. Testing, packaging, welding, gas cutting, and other operations that may cause fires are not allowed in the warehouse storing hazardous chemicals or near outdoor stacked materials.
4. Hazardous substances that are unstable in nature, prone to decomposition and deterioration, or mixed with impurities that may cause combustion or explosion should be regularly inspected, tested, and analyzed to prevent spontaneous combustion or explosion.
5. Hazardous chemicals should be stored in designated locations, not mixed with other substances. The warehouse should be dry, free of water accumulation, with a leak-proof roof. Moisture-proof items should be placed on wooden boards, neatly arranged. Hazardous chemicals of all types should be stored at appropriate temperature and humidity levels according to their nature.
6. Hazardous chemicals in storage should be divided, classified, and stored in separate areas according to their chemical properties. The specific storage arrangements depend on the classification, sub-items, container types, storage methods, and fire safety requirements of the chemicals.

Strictly standardize the identification and management of chemicals

Chemical Identification

- Read MSDS to determine the composition and properties of chemicals
- Identify the CAS number of the chemical
- Classify and grade chemicals
- Understand the toxicity, corrosiveness, flammability, and other physical and chemical properties of chemicals
- Understand the hazard categories to which chemicals belong, such as hazardous chemicals, corrosives, flammable substances
- Handle chemicals that are prone to spontaneous combustion when wet, compressed gases, etc.

Chemical Management

- Confirm the requirements for Personal Protective Equipment (PPE), including protection for eyes, respiratory system, and skin
- Understand the appropriate handling, storage, and disposal methods. Take proper protective measures and equipment according to the recommendations on the MSDS, such as ventilation systems, emergency eye wash stations, storage requirements, etc.
- Follow the emergency response procedures on the MSDS, including cleanup methods for spills, emergency response procedures, and appropriate accident response plans.

In order to improve employees' awareness of chemical safety and build their emergency response capabilities, the Company conducted multiple chemical training and emergency drills in 2023. These activities helped employees identify hazardous chemicals, handle emergency incidents correctly, and improve their ability to respond to chemical risks, ensuring the stability of operation of the Company and the safety of its employees.

Case **Mahong Plant Conducted Training on Prohibited Chemical Substances to Enhance the Level of Chemical Management**



Mahong Plant conducting training on prohibited chemical substances

To improve employees' safety awareness and implement primary responsibilities, Mahong Plant conducted trainings on prohibited chemical substances in May 2023. During the training sessions, professional instructors explained concepts related to prohibited substances, common chemicals in the plant, requirements for prohibited substances, potential consequences, covering the hazardous categories, physicochemical properties, emergency substances, and corresponding risk control measures for different materials. The training also emphasized the importance of daily material checks and enhancing professional risk management capabilities.

These trainings helped employees understand the requirements for different categories of chemicals in terms of classification, sub-items, container types, storage methods, and fire safety, as well as corresponding precautions for prohibited material storage, further enhancing their understanding and management capabilities regarding hazardous chemicals at the Mahong Plant.

Case **Power Plant Conducted a Chemical Leak Drill to Enhance Emergency Response Capabilities**



Mahong Plant conducting chemical leak drill

In order to improve employees' chemical management skills and master on-site emergency response capabilities, during the reporting period, Power Plant conducted its annual chemical leak drill. The drill simulated the emergency response situation following a chemical leak that resulted in employee injuries and environmental contamination. Under the guidance of professional instructors, employees quickly understood the situation on-site, relevant departments cooperated closely, and correctly and promptly handled the contaminated chemicals, providing emergency treatment to injured employees.

This emergency drill helped employees understand the steps of chemical management from a practical perspective, enhancing their awareness of safety precautions and emergency response capabilities.

Case **Xinyu Ganfeng Conducted a Low-Temperature Liquid Storage Tank Leak Fault Drill to Enhance On-site Emergency Management Capabilities**

On August 17, 2023, Xinyu Ganfeng conducted an emergency drill with the theme of "Carbon Dioxide Low-Temperature Liquid Storage Tank Leak Fault" in the plant area. The drill simulated a leak fault in a low-temperature liquid storage tank. After the incident was identified, each department conducted on-site inspections, emergency repairs of faulty components, and adjustments to production plans to minimize the impact on production. During the drill, employees fully understood their roles and responsibilities, and the overall process progressed rapidly. Each department efficiently completed problem identification, fault repairs, and restoration work. Employees from participating departments received practical training throughout the drill, enhancing their ability to make emergency judgments, coordinate problem-solving, and respond to sudden risks.



Xinyu Ganfeng conducting a low-temperature liquid storage tank leak fault drill



07

Growing with Employee

Employee Rights Protection

Employee Training and Development

Employee Benefits and Care

Ganfeng Lithium has a comprehensive human resource management system. It ensures employee rights, offers training and development opportunities, and provides welfare support. These measures foster a safe, harmonious, and dynamic workplace, elevating employees' sense of belonging and happiness.

Contributing to the SDGs:



Employee Rights Protection

Ganfeng Lithium strictly adheres to the *Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China,* and other local laws and regulations. The Company upholds two core principles: "Diversified Talent Recruitment" and "Respecting and Protecting Human Rights" In recruitment and employment, salary and benefits, career development, and rewards and penalties, it follows the principles of fairness and consistency to ensure that employees' legal rights and interests are not infringed upon.

Diversified Talent Recruitment

The Company implements the concept of diversified talent recruitment, attracting and selecting talents from various backgrounds, professions, and fields. We have formulated Recruitment Management Regulations to ensure fair and compliant recruitment processes and provide equal employment opportunities to applicants. Additionally, we actively broaden our recruitment channels through a combination of online and offline methods, internal referrals, and other means to reach a more diverse pool of talents.

Employee Rights

The Company has established the Non-Discrimination, Non-Harassment, Non-Abuse Management Regulations, clearly defining the responsibilities of various departments and disposal methods. This ensures that the Company does not engage in discriminatory practices in matters such as hiring, compensation, training, promotion, and dismissal. We respect employee diversity, care for female employees, reject all forms of forced labor, respect the lifestyle and religious beliefs of employees of different nationalities and ethnicities, and strive to create an inclusive and equitable work environment.

We prohibit the employment of child labor and minors under the age of 18. To address potential issues of child labor during the recruitment process, the Company has developed detailed response mechanisms, refined management procedures, and clarified accountability. If any instances of child labor or employment of minors are discovered, the responsible individuals will be dealt with according to the Company's disciplinary regulations. We have established a system for reporting improper labor practices, organized relevant training, set up internal reporting hotlines and email addresses, and strengthened the review process mechanism to effectively enhance the protection of employees' legal rights and interests.



Mechanism for rejecting the use of child labor

Quantitative Data on Employee Numbers for Ganfeng Lithium and Ganfeng LiEnergy in 2023

Type	Indicator	Unit	Lithium Chemical Business Unit	Lithium Battery Business Unit
Number of employees	Total number of employees	person	4,280	8,871
	Male employees	person	3,288	5,602
	Female employees	person	992	3,269
	Full-time employees	person	4,280	8,871
	Part-time employees	person	0	0
	34 years old and below	person	1,414	4,270
	35-44 years old	person	1,072	3,012
	45-54 years old	person	1,577	1,463
	55 years old and above	person	217	126
	General workers	person	2,344	6,615
	Special workers	person	645	203
	Management staff	person	1,291	2,053

Employee Training and Development

Ganfeng Lithium attaches great importance to the personal growth and development of its employees, providing them with abundant training, learning resources, and broad development platforms. By establishing clear career development paths, we help employees improve their professional skills and comprehensive qualities, empowering them to achieve their career aspirations and create professional value.

Employee Training

The Company has established the Regulations on the Management of Staff Development and Training and developed a multi-level training system. We have autonomously developed a series of courses including New Employee Orientation, Professional/Technical Skills, Management, Quality System Management, Occupational Health, Safety, and Environmental Protection. These courses are taught by middle and senior management executives, technical experts, and skilled technicians, striving to consistently improve the skills and attributes of our employees.

Ganfeng Lithium Employee Training System

College Student Training Program

Establishment of Regulations on the Cultivation of College Students, with a training period of 3 years, consisting of three stages: "Ganfeng Lithium Sailing Plan, Ganfeng Lithium Leading Plan, Ganfeng Lithium Long Voyage Plan," tailored to provide college students with customized promotion and training directions.

Establishment of a Mentorship System to Guide Skill Development

To ensure the development of new employees and skilled talents, the Company implements a "mentorship system and apprenticeship system."

The "Mentorship System" involves mentors guiding mentees, with mentees in positions such as marketing, service, research and development, finance, quality, IT, manufacturing management, and human resources. In principle, this system applies to personnel within the professional title system.

The "Apprenticeship System" emphasizes hands-on skill training, with senior technicians and above serving as mentors to teach skills such as electrical work, machining, and instrumentation to apprentices. The primary targets of this system are frontline operational staff.

Professional Skills Training

Conduct employee skill enhancement training, organize vocational skill level certification, and provide corresponding salary benefits to those who obtain the relevant level certificates, in order to stimulate employees' self-improvement motivation.

Leadership Training

Conduct employee leadership training to enhance the leadership abilities of management personnel, strengthen team cohesion, and optimize organizational performance.

Quantitative Data on Trained Employee for Ganfeng Lithium 2023[1]

Lithium Chemical Business Unit

Male trained employees	3,288 people	Percentage 100%	Training Hours 13.67 hrs
Female trained employees	992 people	Percentage 100%	Training Hours 12.20 hrs
Trained general workers	2,344 people	Percentage 100%	Training Hours 13.12 hrs
Trained special workers	645 people	Percentage 100%	Training Hours 13.43 hrs
Trained management staff	1,291 people	Percentage 100%	Training Hours 12.79 hrs

Lithium Battery Business Unit

Male trained employees	7,202 people	Percentage 100%	Training Hours 26.69 hrs
Female trained employees	4,168 people	Percentage 100%	Training Hours 17.40 hrs
Trained general workers	7,655 people	Percentage 100%	Training Hours 7.17 hrs
Trained special workers	200 people	Percentage 98.52%	Training Hours 30.09 hrs
Trained management staff	3,515 people	Percentage 100%	Training Hours 17.53 hrs

[1]In the training data for the Lithium Battery Business Unit in 2023, it includes employees who have left their positions, hence the number of trained employees exceeds the total number of employees. "Training Hours" refers to the "average number of training hours received per employee per year."

Case Ganfeng Lithium Conducts Professional Skills

In 2023, Ganfeng Lithium organized employees for chemical inspection skills training, totaling 180 hours, covering both theoretical and practical content. We collaborated with Jiangxi Metallurgical Vocational and Technical College, adopting an interactive teaching model combining "workshop + classroom," to conduct apprenticeship training for 119 employees. During the reporting period, a total of 319 individuals participated in vocational skills assessment exams, with 199 ultimately obtaining corresponding level certificates, meeting the comprehensive skill enhancement needs of employees and aiding them in broadening their professional skills.



Ganfeng Lithium conducted a training program to improve the skills of chemical inspectors.

Case Ganfeng Lithium Launches Entry and Empowerment Training for College Graduates to Accelerate Growth of New Employee

In July 2023, Ganfeng successfully held the seventh phase of the "Lithium Journey" program and the 2023 college graduates' entry training, with nearly a thousand new colleagues from across the group participating. The training comprised a series of activities such as visits, team building exercises, workshops, mentorship, and dinners. This training helped new colleagues understand and adapt to the corporate culture, work environment, and personal responsibilities, facilitating their transition from students to professionals.

In May of the same year, Ganfeng Lithium conducted the "Dream at Ganfeng, Moving Towards the Future Together - Empowerment Training for 2022 College Graduates (Second Phase)" activity at the Mahong Plant in Xinyu and the High-tech Forest Park·Emerald Dream City Camp. Focusing on the 2022 college graduates who had been with the Company for nearly a year, the training included activities such as corporate culture lectures, skills training, discussions, and team building exercises, aimed at defining the career development plans for new employees and equipping them with proficient work skills and a positive mindset.



Empowerment training for the graduating class of 2022



Comprehensive onboarding training for the incoming class of 2023 college students

Case **Ganfeng LiEnergy Conducts Leadership Training to Enhance Management Team's Overall Quality**

In November and December 2023, Ganfeng LiEnergy's Human Resources Center organized the "MTP Manager Team Leadership Enhancement Training" course, combining theory with business practice to help all participants "learn, think, practice, and persevere," enhancing managers' practical business operation, team communication, and management abilities, providing them with a broad platform for upward development.



Ganfeng LiEnergy organized the MTP Manager Team Leadership Enhancement Training and the MTP Training Achievement Sharing Session



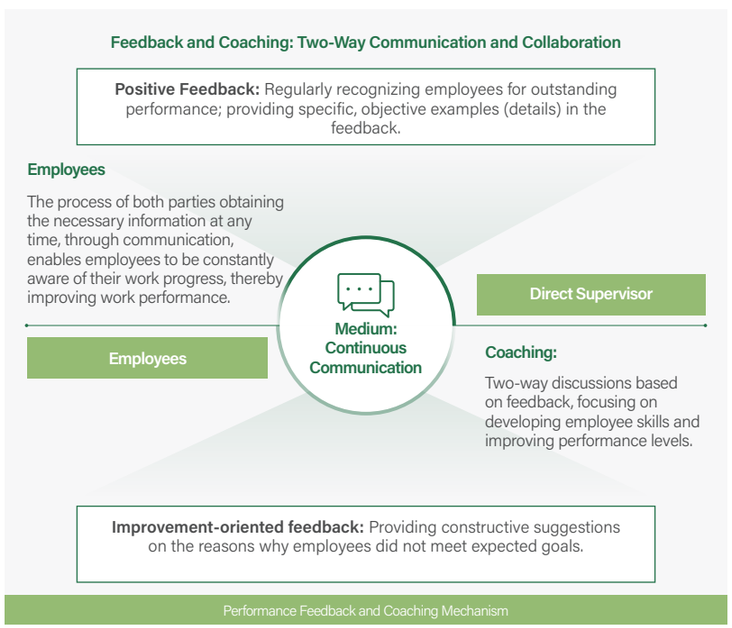
Ganfeng LiEnergy organized the MTP Training Achievement Sharing Session

Employee Development

Ganfeng Lithium values the personal development of its employees. Based on the internal system requirements of Employee Performance Management Regulations, the Company standardizes the procedures for staff promotion and performance assessment, reinforcing employees' competitiveness, sense of responsibility, and enterprising spirit. We provide employees with a dual-channel promotion path for both job positions and professional titles, helping each employee find a suitable career path and advancement opportunities.

In our employee assessment system, we focus on two main dimensions: "Performance Management Mode and Evaluation Cycle" and "Performance Feedback and Coaching," establishing a comprehensive and scientific evaluation mechanism. We have tailored performance management modes and evaluation cycles based on the work characteristics of employees at different levels. Additionally, we have established a robust mechanism for employee growth and coaching, ensuring that performance feedback and employee development coaching form a closed loop.





Performance Feedback and Coaching Mechanism

Since 2009, Ganfeng Lithium has established the "Mentorship and Apprenticeship Management Regulations," outlining clear requirements for talent development through a "Passing on" system. In 2011, Ganfeng Lithium founded the "Ganfeng Lithium Business School," aiming to become the internal driving force for the Company's continuous evolution and to cultivate talents with both technical and managerial skills. Continuing to this day, the "Mentorship and Apprenticeship" system and the "Ganfeng Lithium Business School" work in tandem, continuously nurturing excellent internal trainers and mentors for the Company and laying a solid foundation for training new personnel.

Case **Ganfeng Lithium Deepens Mentorship Training Mechanism to Aid Talent Development**

Since its establishment, Ganfeng Lithium has attached great importance to mentorship management and the development of internal trainers. With the Company's continuous growth, more standardized and systematic management has been applied to mentorship and internal trainers, providing solid talent support for the rapid development of Ganfeng Lithium.



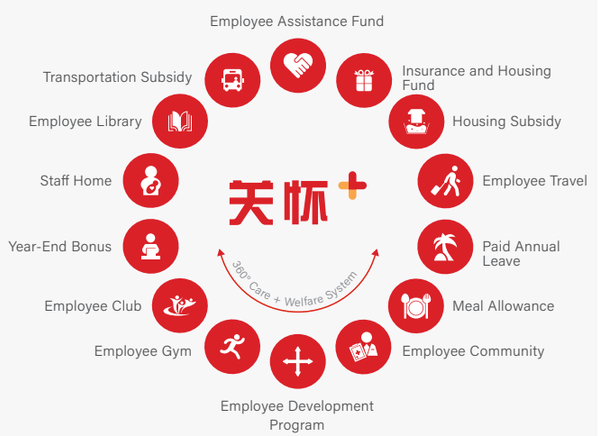
Mentor oath and pledge

Employee Benefits and Care

Ganfeng Lithium enhances its employee compensation and benefits system, implementing initiatives to care for employees. Through multidimensional communication channels, the Company understands the genuine needs of its employees, assisting them in addressing practical issues. Diverse employee activities are organized to enhance their sense of belonging and happiness, thereby strengthening employee cohesion and sense of belonging.

Employee Welfare

The Company has established the Regulations on the Management of Compensation and Benefits internally, providing employees with industry-competitive salaries based on a reasonable distribution system. In addition to basic wages and job allowances, employees also receive performance bonuses, annual leave pay, transportation subsidies, and annual bonuses. Furthermore, the Company has formulated the Employee Welfare Expenditure Standards, providing employees and their families, including children, with 19 kinds of benefits such as health insurance, life gifts, and holiday benefits, ensuring that employees' efforts receive appropriate rewards.



Ganfeng Lithium provides comprehensive 360-degree care and support

Top Ten Benefits

- Birthday Welfare
- Wedding Gift
- Maternity Gift
- Children's Enlightenment Education Fund
- Children's University Bonus
- Children's Military Service Incentive
- Parental Longevity Gift
- Health Checkup
- Hospital Visits and Condolences for Employees and Their Relatives
- Funeral Condolences for Employees and Their Relatives

Top ten employee benefits at Ganfeng Lithium

Case **Ganfeng Lithium Optimize Word and Living Environment, Empowering the Creation of a Happy Workplace**

A conducive work and living environment is crucial for the physical and mental well-being of employees, and it has always been a focal point of attention for Ganfeng Lithium. The Company consistently optimizes the working and living areas of its headquarters, subsidiaries, and factories. This includes refurbishing and repairing the factory entrances, renovating and improving workspace areas, enhancing amenities such as washrooms, activity centers, and cafeteria offerings in residential areas. These efforts aim to create a harmonious, clean, safe, and stable environment for both work and life, contributing to the creation of a joyful workplace.



Ganfeng Lithium strives to create a clean, safe, and comfortable work and living environment for its employees

Case **"Devote Yourself to Work and Enthusiastically Embark on Team Building" — Team Building Activities at Mahong Plant**

On August 12, 2023, Mahong Plant organized an outdoor team building activity at the Huamuli Ecological Farmhouse. The activities included "Balloon Relay," "Pass the Water in Paper Cups," "Three-Legged Race," and more. During the event, employees showcased their talents and personalities, allowing them to relax and unwind both physically and mentally. This created a relaxed and enjoyable atmosphere for Mahong Plant employees amidst their busy work lives.

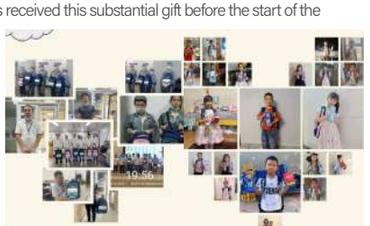




Mahong Plant organized a team-building event titled "Working with Full Effort, Passionately Engaged in Team Building"

Case **Helping the "Back to School" Season, Little Ganfeng Kids are in Luck!**

Since the beginning of the back-to-school season in August 2023, carrying the heartfelt concerns of Ganfeng employees, new school bags and stationery have been gradually sent to Jiangxi, Hebei, Sichuan, Inner Mongolia, Qinghai, Chongqing, Shanghai, Zhejiang, Jiangsu, Guangdong, and other places. More than 400 children of employees received this substantial gift before the start of the school year. Over the years, Ganfeng Lithium has delivered care to every Ganfeng individual and extended love to the children of employees, caring for the growth of every "Ganfeng's Second Generation." This gift has brought a warm surprise to the "Little Ganfeng Kids" and provided parents with more "Workplace Happiness."



"Back-to-School Season" Activity Photos

Employee Communication and Care

The Company strives to create a corporate atmosphere rich in sentiment and passion. Through various channels of employee communication, assistance for employees in need, and diverse employee activities, it enhances communication and interaction among employees, strengthens company cohesion, and enhances employees' sense of belonging and happiness. This effort promotes mutual growth and prosperity between employees and the Company.

To better meet the needs of different employees, the Company conducts regular Employee Satisfaction Surveys every October. These surveys cover seven dimensions including job content, work environment, job rewards, and career development. They aim to gather authentic feedback from employees of different positions and ranks to understand the real working environment on-site.

During the reporting period,

the employee satisfaction rate of the Company reached	Compared to the results of 2022 Survey, the employee satisfaction rate increased by



Seven Dimensions of the Satisfaction Survey

Case Ganfeng Lithium Held a Worker's Congress to Listen to the Genuine Needs of Employees

On May 5, 2023, Ganfeng Lithium held the The third session of the Fourth Ganfeng Lithium Group Staff Representative Conference.
The meeting collected 90 proposals from 12 subsidiaries, covering dimensions such as core business, human resources administration, safety and environmental protection, compensation and benefits, accommodation management, work environment, and employee activities, totaling 85 valid proposals. The meeting summarized past achievements and set goals for 2023, and deliberated on and implemented regulations such as the Regulations on the Management of Compensation and Benefits, enabling grassroots employees to participate in corporate decision-making and better express their demands.





The third session of the Fourth Ganfeng Lithium Group Staff Representative Conference

Case Ganfeng Lithium Organized the "May Fourth Youth Debate Competition" to Listen to the Voices of the New Generation

In the spirit of youth, Ganfeng Lithium aimed to uphold the "May Fourth Spirit" In order to demonstrate reflection and responsibility towards social issues, and to awaken and inspire the industry to advance better, Ganfeng Lithium organized the "May Fourth Youth Debate Competition" around the theme of "Having Aspirations, Abiding by Ruiles, Being grateful, and Having Skills" from April to May 2023. This competition covered the headquarters, subsidiaries, and factories of Ganfeng Lithium. Debate topics included "Personal career development," "Principles of conduct," "Technological innovation and leadership," among others, allowing the entire company to fully listen to the voices of the youth and better harness the influence of the new generation.



The May Fourth Youth Debate Competition

We actively organize diverse employee activities covering various aspects such as sports, culture, and entertainment, creating a positive and uplifting work atmosphere for our employees. In 2023, we hosted several celebration events during traditional festivals, including making rice dumplings for the Dragon Boat Festival, making dumplings for the Winter Solstice, solving lantern riddles for the Lantern Festival, and organizing region-specific team-building activities such as roasting whole lamb in Mongolian yurts on the grasslands of Inner Mongolia and hiking on the plateau of Qinghai.

Case Ganfeng Lithium Ganfeng Lithium Conducts a Variety of Employee Activities to Improve Employee's Happiness

Ganfeng Lithium actively creates a happy and harmonious work atmosphere for its employees by organizing a variety of cultural and sports activities, facilitating a balance between work and life. During the reporting period, the Company conducted various activities, including hosting employee birthday celebrations, establishing and awarding university scholarships, providing educational benefits for employees' children, celebrating together on specific holidays, and organizing team-building events across different factories.

Additionally, the Company continues to focus on the work and life rights of women, such as organizing activities and outings on Women's Day, encouraging the career development and quality of life of female employees.



Ganfeng Lithium organizes a diverse range of employee welfare activities

Case Ganfeng Lithium Organizes Employee Sports Events to Promote the Physical and Mental Health Development of Employees

During the golden autumn season, Ganfeng Lithium held the 9th Employee Sports Games from September to October 2023. The event featured dozens of activities including brisk walking, tug-of-war, group skipping, basketball, badminton, table tennis, 4x100m relay, e-sports, and fun competitions. A total of nearly a thousand employees from fourteen subsidiary companies (factories) participated.

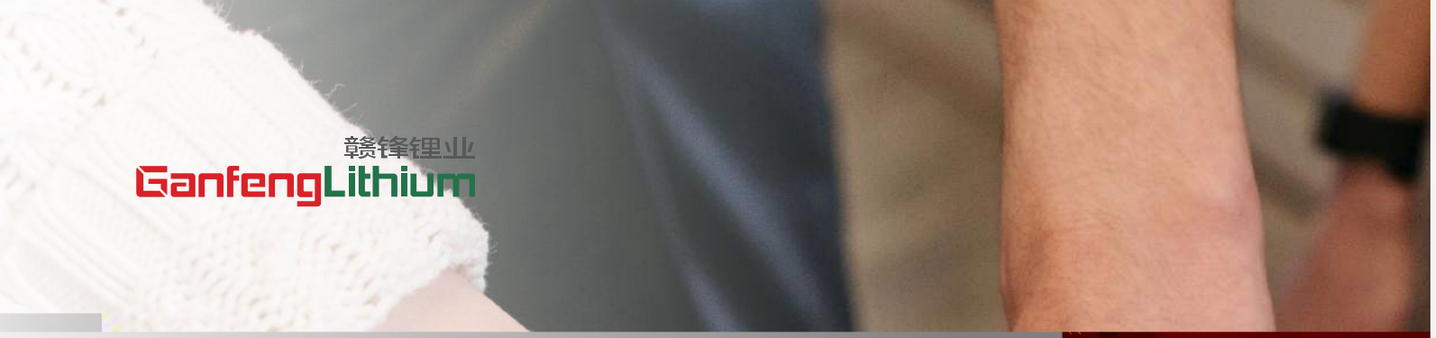
Following the principle of "Coming From the Employees and Returning to the Employees," this sports event greatly enriched the spiritual life of employees and promoted their physical and mental health. Additionally, the event encouraged everyone to carry the enthusiasm and vitality from the competition into their work, thereby integrating the concept of green and low-carbon living into their daily lives.



Employee Sports Games 4×100m Relay



Award ceremony after the employee sports games



08

Promoting Social Responsibility

Community Welfare

Ganfeng Lithium has always adhered to the concept of "Treating People Well" and has been engaged in public welfare and charity for a long time. It actively fulfils its corporate social responsibility (CSR) in the communities where its production and operation are located, It activates and transmits the power of public welfare through three aspects: community public welfare, community empowerment, and community participation. This benefits more groups, improves the quality of life and sense of well-being of the residents in these communities, ultimately achieve "Common Prosperity".

Contributing to the SDGs:



Community Welfare

The Company has formulated and issued the Management System for External Donation and Sponsorship in accordance with the *Law of the People's Republic of China on Donation for Public Welfare* the *Company Law of the People's Republic of China*, the *Shenzhen Stock Exchange Social Responsibility Instructions to Listed Companies*, and other laws and regulations as well as the relevant provisions of the Articles of Association of Jiangxi Ganfeng Lithium Group Co. We continue to focus on societal pain points, carrying out public welfare charity projects in various fields such as rural revitalization, disaster relief in affected areas, and assisting disadvantaged groups, actively fulfilling corporate social responsibility.

During the reporting period,

Ganfeng Lithium donated a total amount of RMB 3,655,300 to various public welfare projects

RMB **3,655,300**

Helping numerous public welfare organizations, enterprises, institutions, socially vulnerable groups, and individuals, we have received unanimous praise.

Channels, Forms, and Focus Directions of Public Welfare Activities

Channels

Direct donations, public welfare cooperation, organizing employee volunteer activities, establishing public welfare funds, etc.

Forms

Physical and monetary donations, community services, disaster relief, etc.

3 Main Directions

- Public welfare undertaking such as education, science, culture, healthcare, sports, environmental protection, and the construction of social public facilities.
- Providing relief and assistance to areas affected by natural disasters or recognized by the state as economically disadvantaged regions, as well as socially vulnerable groups and individuals such as the elderly, children, border areas, and the poor, for their production and living needs.
- Other social public welfare undertakings and welfare causes aimed at promoting humanitarianism or fostering social development and progress.

Channels, Forms, and Focus Directions of Public Welfare Activities

Rural Revitalization

Main Content

Social public welfare organizations receive donation funds

Main Recipients of Donations

Residents of Xianghuang Banner, Xilin Gol League, Inner Mongolia Autonomous Region; Rural basketball competition in Linwu County, Chenzhou City, Hunan Province; Rural Revitalization Foundation of Shandong Province.

Donation amount (RMB): **1,060,000**

Assistance to Socially Disadvantaged Groups

Main Content

Used for nursing homes for the elderly, assistance to socially disadvantaged groups, and social public welfare organizations receiving donation funds.

Main Recipients of Donations

Socially disadvantaged groups, nursing home residents, left-behind children, disabled individuals, etc., in Xinyu and Yichun, as well as their respective counties and villages in Jiangxi Province.

Donation amount (RMB): **1,804,620**

Donations for Disaster Relief

Main Content

Social public welfare organizations receive donation funds

Main Recipients of Donations

Earthquake disasters in Gansu Province and Qinghai Province

Donation amount (RMB): **500,000**

Case Huizhou Ganfeng Presents Heat-Relief Drinks to Firefighters, Fulfilling Corporate Social Responsibility

On June 27, 2023, Huizhou Ganfeng sent heat-relief drinks and heartfelt condolences to the Zhongkai Fire Brigade and Chenjiang Professional Fire Brigade in Huizhou City. During their visit to the fire brigade, they learned about the usage and structure of fire trucks, as well as essential first aid knowledge. The firefighters shared their daily work routines and interesting anecdotes with them. As a socially responsible company, Huizhou Ganfeng extends coolness and care to the firefighters, expressing gratitude for their dedication in safeguarding the community's safety under high temperatures. They hope to contribute more to local community safety.



Huizhou Ganfeng sent hear-relief drinks to Zhongkai Fire Brigade and Chenjiang Full-time Fire Brigade in Huizhou City

Case Ganfeng Lithium Visited and Extended Condolences to Nursing Homes, Continuing its Commitment to Public Welfare Endeavors

On June 21, 2023, on the occasion of the Dragon Boat Festival, Ganfeng Lithium visited nursing homes located throughout Xinyu City, Jiangxi Province, to extend condolences to the elderly. They brought gifts such as rice, cooking oil, and Dragon Boat Festival gift boxes, along with holiday greetings. During the visit, company leaders had warm conversations with the elderly, inquired about their health and living conditions, and advised them to take care of themselves and maintain an optimistic attitude. This nursing home visit reflects Ganfeng Lithium's care and love for elderly people in rural areas, promotes the traditional Chinese virtues of respecting, honoring, loving, and assisting the elderly, and demonstrates the Company social responsibility and commitment.



Ganfeng Lithium visited and extended condolences to Jianjia Village Nursing Home



09

Overseas ESG Performance

Environmental Management

Occupational Health and Safety

Employment Equality

Community Empowerment

Community Engagement

In addition to its operations within China, Ganfeng Lithium has multiple mineral resource sites and projects overseas. With regard to ESG management in overseas regions, this report will highlight specific project cases to demonstrate the comprehensive ESG governance and management of our overseas projects, as well as the progress made in implementing ESG practices.

Environmental Management









Overseas projects maintain local balance to protect biodiversity

Our overseas projects are committed to the application and promotion of clean energy. Ganfeng Lithium has constructed a 120MW photovoltaic power station surrounding the Mariana Salt Lake Project site in Argentina, which utilizes 100% renewable energy sources and reduces GHG emissions by 199,800 tons annually. Prior to the construction of the photovoltaic power station, engagement sessions were conducted with the community residents and other stakeholders to explain the project company's development and construction principles, pledging to actively minimize environmental impacts, ensuring informed consent from the community residents.

In relation to our water resource management, project companies in the Argentine project area conduct water body testing at least four times a year and invite local community representatives to participate in the supervision of the testing to ensure that the project factories are operating responsibly. The water used in the project companies' production were sourced 100% from non-human drinking water sources, realizing the recycling of water and minimizing water resource wastage. Therefore, the project companies hold engagement sessions to convey our water resource utilization and protection policies to community residents and relevant institutions, actively updating information on water intake and usage.

In terms of biodiversity conservation, our overseas projects pay attention to the protection of natural ecosystems at every stage of our operations, from site selection to production operation. Rare and protected animals were discovered around the project vicinity, prompting our project companies to actively communicate with relevant institutions, discussing the boundaries between the mining area and the animal protection area, and establishing a natural ecological protection zone. Regular environmental monitoring in the surrounding areas were conducted to sample and surrounding plants, animal populations, and microorganisms were analyzed, ensuring that the local ecological environment is not affected by the project activities.

2023 Ganfeng Lithium's Overseas Project Environmental Data[1]

Indicator	Unit	2023 Data
Wastewater Discharge		
COD	tons	35.96
Ammonia Nitrogen Compounds	tons	2.25
Wastewater	tons	232,546.30
Total Waste		
Total Hazardous Waste	tons	723.50
Total Non-Hazardous Waste	tons	1,480.08
Energy Consumption		
Diesel	tons	17,657.31
Gasoline	tons	7.17
Natural Gas	ten thousand cubic meters	1.15
Self-owned Photovoltaic Power Generation	MWh	19.59
Purchased Electricity	MWh	46.97
Water Withdrawal		
Freshwater Withdrawal	cubic meters	62,520.81
Other Water Withdrawal	cubic meters	7,067,304.00
Total Water Withdrawal	cubic meters	7,129,824.81

[1] Only environmental data for Ganfeng Lithium's overseas subsidiaries Exar and LMA are currently disclosed.

Case **Mariana Project: Embodying Green Philosophy through Ecological Conservation**



Andean Flamingo Habitat

The Mariana project is located near the Salar de Llullaillaco salt flat in the western part of Salta Province, Argentina. During the project design phase, the on-site team took full account of principles of sustainability and set aside a natural ecological protection area for the nearby Andean flamingos and provided a buffer zone. Since December 2017, the project regularly invites local botanists and zoologists to monitor the surrounding environment, continuously assessing the natural fluctuations. According to the latest monitoring reports, the Company production activities have not had a negative impact on the surrounding biodiversity.

In addition, the project has implemented a series of environmental protection measures in construction and operation, including selecting water sources unfit for drinking by living animals, and using renewable energy from self-built photovoltaic power stations, ensuring environmental impact is minimized and achieving harmonious coexistence between humanity and nature.

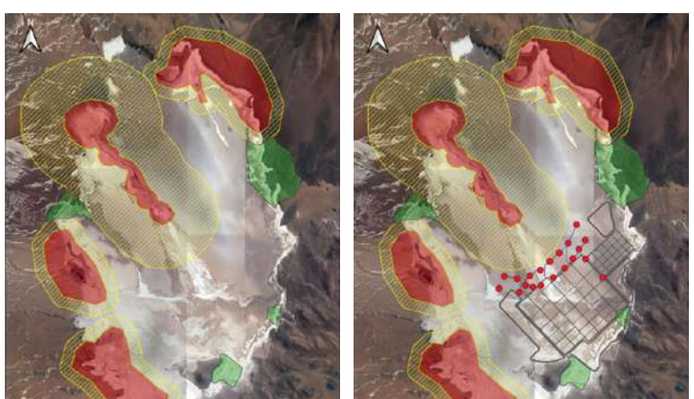


Diagram of the Andean Flamingo Conservation Area and Buffer Zone in the Mariana Project

Occupational Health and Safety

At overseas project companies, Ganfeng Lithium implements occupational health and safety management and focuses on employee training to minimize occupational risks.

Case **Ganfeng Lithium Conducted Quality Month Activities to Improve Quality Awareness of Employees throuth Knowledge Competitions**

4 projects set a record of zero lost-time accidents

3,166,568

working hours

At the four production bases of the Argentina project (including the Incahuasi project, Pozuelos Pastos Grandes project, Mariana factory, and Guemes factory), the project companies implemented management measures based on the internally developed "2023 Occupational Health and Safety Management Plan." Regular safety inspections were conducted in all operational and construction areas, updating and improving risk assessments. Safety training is provided to employees, and emergency drills and evacuation plans were implemented as required to help employees and contractors maintain a stable and safe working environment.





Argentina Production Base Safety Management

Monthly Occupational Health and Safety-themed Activities

January	Promotion of safety, health, and environmental policies
February	Training for environmental staff, learning about sewage sample collection
March	Influenza vaccination
April	Organizing "Safety Week" activities to raise awareness of basic elements of a safe and healthy working environment
May	Safety cross-audit; standardization of procedures to adopt the same working standards across all Ganfeng Argentina projects
June	Hosting multi-project HSE seminars, standardizing norms and working methods; conducting safety and health workshops for department heads; organizing publicity activities on World Environment Day
July	Standardization of key risk procedures
September	Acute Gastroenteritis (AGE) care and prevention activities
October	HSE training and improvement seminars for contractors
November	"Designated Driver" activities to enhance traffic safety awareness
December	Completion of annual training plan



Ganfeng Lithium's Argentina Project conducted Health and Safety Awareness Campaigns

2023 Occupational Health and Safety Data for Ganfeng Lithium's Overseas Division

Indicator	Unit	2023 Data
Number of employees fatally injured on the job	person	0
Number of contractors fatally injured on the job	person	0

Training Courses for Argentina Project 2023 (Partial Excerpts)

Safety

- Legal Framework / Accident Investigation
- Identification of Hazards
- Use and Maintenance of Personal Protective Equipment
- Emergency and Contingency Plans
- Work at Heights / Work in High Temperatures

Health

- Health First Aid and Transfer Plan
- Immobilization (Spinal Board, Neck Collar, Lateral Immobilizers, Splints)
- Bleeding / Fractures / Hypothermia
- Use of Cardiopulmonary Resuscitation (CPR)
- Burns / Wound Treatment
- Influenza and Respiratory Tract Infections / Other Respiratory Diseases
- Prevention of Cardiovascular Diseases / Altitude Sickness
- Gastrointestinal Diseases
- Healthy Lifestyle (Smoking, Cardiovascular Diseases, Physical Exercise, Nutrition)
- Heatstroke / Dehydration

Employment Equality

Maintaining women's rights and creating a fair and orderly working environment has always been a key focus area for Ganfeng Lithium. The Company has persistently conducted various types of exchanges, training, and activities to care for women in the workplace, helping local female employees improve their professional skills and access better career development opportunities. During the reporting period, the proportion of female employees working in Argentina was approximately 18.5%, which is higher than the average in the mining industry in Argentina. We have established trade union organizations in overseas subsidiaries and various project locations, strictly adhering to labor laws such as the *Labor Contract Law, Collective Labor Agreement,* and other local, national, and international labor regulations regarding working conditions and benefits. Meanwhile, we have taken various measures to support the exercise of freedom of association and collective bargaining rights, including participation in meetings organized by mining worker associations, labor-management negotiation, and public disclosure of information on our official website, to maintain fairness and justice and to uphold the legitimate rights and interests of employees.



Ganfeng Lithium partners with WiM Argentina to advance employment equality for women in mining areas

During the reporting period, the percentage of female employees working in Argentina was approximately

18.5%

2023 Ganfeng Lithium Overseas Division Employee Data

Total number of employees	1,330	Full-time employees	1,327	Part-time employees	3
Employees in Mainland China and Hong Kong, Macau, Taiwan regions	114	Employees in overseas countries and regions	1,216		
Male	1,052 employees	Female	278 employees		



Case Initiation of Talent Development Program for the Mariana Salt Lake Project in Argentina

In 2023, the Mariana Salt Lake Project in Argentina signed a formal agreement with the Technical School No. 3173 from San Antonio de los Cobres. Fourth-year chemistry students from the school will be offered internship positions in the project company's professional and safe working environment to gain valuable experience. The project company provided them with the tools necessary for tasks and offered relevant trainings and continuous guidance from experienced professionals in the field. Ganfeng Lithium believes in the potential of the new generation and is committed to continuously cultivating the skills of local professionals.

Case Deepening Exchanges of Experience among Female Employees to Narrow the Gender Gap in the Industry

In 2023, Ganfeng Lithium's overseas subsidiary, Exar, participated in the "Shadowing Day" program jointly organized by the British Embassy in Buenos Aires and WiM Argentina. The program aims to promote women's participation in the mining industry and demonstrate their commitment to women's rights and gender equality. Selected female participants visited a mine site located in Jujuy Province, accompanied by professional counterparts, to understand the production process of the mine, team dynamics, and exchange experiences with female miners, helping them shine further in their future careers.



Exar participates in and supports "Shadowing Day" women empowerment project

As the representative body of the International Women in Mining Association (IWiM) in Argentina, WiM Argentina has been one of the main forces promoting women's participation in the mining industry's development over the past decade. It is also an important channel for the government to formulate policies on women's protection and carry out actions to support women. In terms of industry exchanges and cooperation, Exar has collaborated with WiM Argentina multiple times, jointly focusing on equal opportunities for women in the mining industry, and striving to establish comprehensive policies and implement initiatives to support women, creating broader growth and development opportunities for more female employees.

Case **Supporting Female Entrepreneurship Project to Foster Women's Professional Skills**

Ganfeng Lithium's overseas subsidiary, Exar, collaborated with the National Institute of Industrial Technology (INTI) in Argentina to launch the "Female Entrepreneurship Project," providing skills training and support for residents of Susques, Pastos Chicos, Huancar, Olaroz Chico, Catua, and Puesto Sey in Jujuy Province. With the assistance of mentors, participants engaged in a series of workshops to understand the entrepreneurial process, from initial ideas to successful implementation, acquiring the skills and knowledge necessary for personal growth and career development. By the end of December 2023, over 30 women have joined the journey of women's empowerment, helping them enhance their entrepreneurial awareness and expand possibilities for personal and professional development.

As of the end of December 2023, the journey of women's empowerment has included

30+ women



Exar participates in and supports the "Female Entrepreneurship Project"

Community Empowerment

The Company recognizes the close relationship between community development and sustainable corporate development. Therefore, it actively engages in community empowerment efforts, expanding its business and creating job opportunities for local residents. It provides management and skills training for employees and local business managers, achieving the goal of "Teaching them to Fish." By supporting community development, improving residents' quality of life, and promoting community economic development, it aims to achieve win-win outcomes for both the Company and the community.

Case **Ganfeng Lithium Invests in Argentina Salt Lake Project, Empowering Local Economic Development**



Cauchari Salt Lake Project



PPG Salt Lake Project



Participation in the "Working my Future" event organized by the Ampe Foundation for the communities of Tolar Grande and San Antonio de los Cobres



Ganfeng Lithium conducted lectures at the Juana Azurduy and Nikola Tesla Technical Education Schools in Salta Province, Argentina



Ganfeng Lithium conducted "Drilling Assistant Training" for the local community in Santa Rosa of Pastos Grandes, Salta Province, Argentina

As of the end of December 2023, Ganfeng Lithium has invested nearly $2 billion in Argentina, progressively developing Salt Lake projects such as Cauchari-Olaroz, Mariana, and PPG. These investments have brought about more employment opportunities and contributed to local medical and educational institutions through donations and aid. Additionally, the Company has provided employment trainings for the local residents, aiming to enhance the living standards of the community residents.

Invested in Argentina

nearly 2 billion

Developing Salt-Lake Projects

Cauchari-Olaroz
Mariana
PPG

Community Engagement

Communities are an essential cornerstone for corporate development. Our overseas projects actively engage with community stakeholders, develop comprehensive communication plans, and focus on enhancing interaction and understanding between the Company and the community, thus fostering a positive corporate image.

The project companies adhere to the *Guidelines of Free, Prior, and Informed Consent (FPIC),* which respect the rights of governments, companies, non-governmental organizations, local residents, and communities regarding land acquisition issues. It also follows the principles outlined *in the International Labour Organization (ILO) Convention No. 169* and the *United Nations Declaration on the Rights of Indigenous Peoples.* The Company developed and implements community relations plans, including promoting communication, local employment, education and training, cultural promotion, and healthcare.

Indicator	Unit	2023 Data[1]
External donation	RMB	230,400[2]
Hours of volunteer service contributed by employees	hours	1,299
Number of employee volunteers	person	441

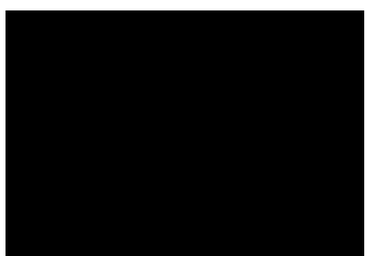
Case Community Engagement System for the Mariana Salt Lake Project in Argentina, Enhancing Communication between the Company and the Community

In 2023, the Mariana Salt Lake Project identified the scope of its business impact and key stakeholders, establishing a dedicated community communication plan. The project company, together with the local government and communities, organized meetings to share environmental and social impact studies, as well as to report on the current progress and forecasted schedules of the project. Internally, the project company appointed dedicated personnel to handle community complaints and suggestions, maintaining close communication with the local government. In the event of any complaints and claims for damages, the Company will prioritize the resolution of such incidents and identify the responsible parties internally. Through these efforts, the project company established stable and effective communication channels with all stakeholders, ensuring timely communication on issues of mutual concern.



The Mariana project provided the local community with the latest information on water resource exploration and utilization

Case Mali Lithium Promotes Community Development Plans, Supporting Community Prosperity and Growth



Mali Lithium supported the development of local infrastructure



Mali Lithium provided teaching material to local students

Mali Lithium is dedicated to driving the prosperity of surrounding communities. The project company collaborates with the local government to implement community development plans, focusing on socio-economic indicators and providing support and assistance tailored to its business characteristics. This includes distributing mosquito nets, improving infrastructure, providing learning materials to students in nearby villages, and conducting socio-economic research and assessments locally. Based on the outcomes of the project, regular communication with the local government and community residents is maintained to facilitate continuous improvement and expansion of support initiatives.

Case Supporting the Second Federal Young Artists Contest





Exar collaborated with the Fundacion Creer para Crear to organize the Second Federal Young Artists Contest. 24 children from School No. 195 in Pastos Chicos were invited to create art works, which were then completed by local and nationally renowned artists. These artworks were exhibited in schools and art centers, with the final display showcased at Exar's offices.



At the Second Federal Young Artists Contest, children created and showcased their artwork

[1] Only the data of Ganfeng Lithium's overseas holding subsidiaries Exar and LMA are currently disclosed in the community engagement information.

[2] The total donation amount for overseas project companies in 2023 is $32,000, which is approximately RMB 230,400 when converted at a rate of 1 USD = RMB 7.20.

Appendix 1:Key ESG Performance Indicators[1]

Environmental Data					
Indicator	**Unit**	**Lithium Chemical Business Unit**	**Lithium Battery Business Unit**	**Group[2]**	
		2023	**2023**	**2022**	**2021**
Emission Types					
Exhaust Gas Emissions					
Particulate Matters (PM)	kg	39,689	1.87	57,500	42,620
Volatile Organic Compounds (VOC)	kg	3,018	5.17	54.97	82.92
Sulfur Dioxide Emissions (SOx)	kg	138,487.69	0.05	175,430	56,700
Nitrogen Oxides Emissions (NOx)	kg	227,214.57	0.003	172,830	171,520
Wastewater					
Chemical Oxygen Demand (COD)	tons	35.30	0.16	42.96	73.53
Ammonia Nitrogen Compounds	tons	3.72	0.06	2.12	2.54
Wastewater	tons	1,095,060.16	35,871.90	980,866.51	1,233,782.00
Total GHG Emissions and Intensity[3]					
Scope 1 GHG Emissions[4]	10k tons CO2e	34.51	0.8	38.93	30.98
Scope 2 GHG Emissions[5]	10k tons CO2e	40.37	23.55	47.20	34.05
GHG Emission Intensity	10k tons CO2e / million RMB	0.003	0.003	0.002[6]	0.006[6]

[1] Due to differences in statistical standards, the table does not include ESG data from Ganfeng Lithium's overseas business units. For relevant data, please refer to Chapter 9 of the report - Overseas ESG Performance.

[2] The group's employee data for 2021 and 2022 includes both the Lithium Chemical and Lithium Battery Business Units; the remaining data accounts only for the Lithium Chemical Business Unit.

[3] Note: In this report, GHG Emissions refer only to carbon dioxide emissions and do not include other types of emissions such as methane and nitrous oxide emitted from other sources. GHG Emissions are calculated in accordance with the standard and emission factors of the Guidelines for *Accounting and Reporting GHG Emissions for Chemical Production Enterprises in China (For Trial Implementation).* For operations located in mainland China, Hong Kong, Macao, and Taiwan, the emission factors for purchased power are based on the 2023 China National Grid emission factor of 0.5703 tCO2/MWh; for operations in overseas countries and regions, the outsourced power emission factor adopts the average grid emission factor of the U.S. Environmental *Protection Agency (EPA) of 823.1 lb CO2/MWh.*

[4] Scope 1 GHG Emissions (direct emissions) include emissions generated by businesses directly controlled or managed by the company, calculated from coal, diesel, gasoline, natural gas, and photovoltaic power generation in accordance with the Guidelines for Accounting and Reporting GHG Emissions for Chemical Production Enterprises in China (For Trial Implementation).

[5] Scope 2 GHG Emissions (indirect emissions) include indirect emissions generated by the Group's purchased electricity and purchased steam, converted from purchased electricity and purchased steam based on the 2023 China Regional Grid Baseline Emission Factors and HKEx Appendix 2: Reporting Guidance on Environmental KPIs.

[6] GHG Emission Intensity is calculated using the operating income of the Lithium Chemical Business Unit in 2022 and 2021.

Indicator	Unit	Lithium Chemical Business Unit	Lithium Battery Business Unit	Group[1]	
		2023	2023	2022	2021
Total Quantity and Intensity of Hazardous Waste					
Waste Catalysts	tons	17.44	-	-	-
Waste White Oil	tons	12.36	-	12.4	22.8
Waste Mineral Oil	tons	44.78	-	18.84	22.67
Laboratory Waste Liquid	tons	5.42	-	1.48	1.49
Thallium-Containing Waste	tons	2.43	-		-
Coal Tar	tons	409.94	-	391.55	583.92
Waste Activated Carbon	tons	15.88	0.90	6.27	2.01
Waste Extractant	tons	8.64	-	-	-
Filter Residue	tons	0	-	-	-
Sludge	tons	0	9.39	-	-
Waste Electrolyte	tons	-	65.09	-	-
Waste Oil	tons	-	1.77	-	-
Other Hazardous Waste	tons	-	5.42	-	-
Total Quantity of Hazardous Waste	tons	516.90	82.58	391.55	583.92
Intensity of Hazardous Waste	tons / million RMB	0.02	0.01	0.01	0.05
Total Quantity and Intensity of Non-Hazardous Waste					
Slag	tons	10,073.45	0	0	9,468.98
Coal Slag	tons	7,027.92	0	0	6,630.18
Office Waste	tons	8.20	19.92	9	8
Household Garbage	tons	3,626.80	958.40	1,319	950
Other Non-hazardous Waste (Calcium Slag, Fluoride Slag)	tons	929.52	1,083.16	421	590.93
Total Quantity of Non-hazardous Waste	tons	4,556.32	2,061.48	1,749	17,640.09
Intensity of Non-Hazardous Waste	tons / million RMB	0.20	0.27	0.04	1.58
Total Direct and Indirect Energy Consumption[2] and Intensity					
Direct Energy Consumption					
PV Power Generation	MWh	4,135.20	2,770	4,191.70	-
Coal	tons	122,533.31	0	107,688.99	144,973.54

[1] The group's employee data for 2021 and 2022 includes both the Lithium Chemical and Lithium Battery Business Units; the remaining data accounts only for the Lithium Chemical Business Unit.

[2] The energy consumption is calculated based on General Principles of Comprehensive Energy Consumption Calculation GBT2589-2020, using the coal equivalent coefficient for various types of energy.

Indicator	Unit	Lithium Chemical Business Unit	Lithium Battery Business Unit	Group[1]	
		2023	2023	2022	2021
Diesel	tons	547.58	2.30	761.47	586.75
Gasoline	liters	44,329.11	0	1,848.27	96.55
Natural Gas	10k cubic meters	1,553.04	368.61	1,615.87	875.87
Total Direct Energy Consumption	MWh	1,413,039.15	42,659.78	938,107.32	1,089,880.86
Indirect Energy Consumption					
Purchased Electricity	MWh	576,725.28	389,737.55	530,004.60	443,783.04

Social Data					
Indicator	**Unit**	**Lithium Chemical Business Unit**	**Lithium Battery Business Unit**	**Group**[1]	
		2023	**2023**	**2022**	**2021**
Total Number of Employees by Did not reflect Job Level					
Total Number of Employees	person	4,280	8,871	10,201	7,870
Total Number of Employees by Gender					
Male	person	3,288	5,602	6,732	4,930
Female	person	992	3,269	3,469	2,940
Total Number of Employees by Employment Type					
Full-time	person	4,280	8,871	10,201	7,870
Part-time	person	0	0	444	0
Total Number of Employees by Age Group					
34 years old and below	person	1,414	4,270	4,099	3,228
35-44 years old	person	1,072	3,012	3,409	2,721
45-54 years old	person	1,577	1,463	2,485	1,771
55 years old and above	person	217	126	208	150
Total Number of Employees by Job Level					
General Workers	person	2,344	6,615	6,323	5,458
Special Workers	person	645	203	619	444
Management	person	1,291	2,053	3,259	1,968
Total Number of Employees by Region					
Mainland China, Hong Kong, Macao, and Taiwan regions	person	4,280	8,871	1,752	3,512
Overseas	person	0	0	8	9

[1] The group's employee data for 2021 and 2022 includes both the Lithium Chemical and Lithium Battery Business Units; the remaining data accounts only for the Lithium Chemical Business Unit.

Indicators	Unit	Lithium Chemical Business Unit	Lithium Battery Business Unit	Group[1]	
		2023	2023	2022	2021
Employee Turnover Rate by Gender, Age Group, and Region					
Total Turnover Rate	%	13.16	67.00	50.30	30.36
Employee Turnover Rate by Gender					
Male	%	12.73	73.00	33.53	35.98
Female	%	14.52	55.00	16.77	20.94
Employee Turnover Rate by Age					
34 years old and below	%	16.85	73.00	30.93	32.30
35-44 years old	%	12.40	40.00	12.79	16.75
45-54 years old	%	8.89	28.00	6.08	7.16
55 years old and above	%	19.49	15.00	0.50	0.70
Employee Turnover Rate by Educational Background					
Postgraduate degree	%	10.48	24.00	0.56	16.46
Undergraduate degree and associate degree	%	13.46	41.00	13.77	26.28
Below associate degree	%	13.09	85.00	35.97	32.13
Employee Turnover Rate by Job Level					
General Workers	%	15.27	56.00	41.54	48.82
Special Workers	%	11.31	8.00	0.69	0.55
Management	%	10.07	22.00	8.07	6.96
Employee Turnover Rate by Region					
Mainland China, Hong Kong, Macao, and Taiwan regions	%	13.16	67	-	-
Overseas	%	0	0	-	-
Number and Rate of Deaths due to Work-Related Reasons					
Number of Work-Related Fatalities (Employees)	person	0	0	0	0
Number of Work-Related Fatalities (Contractors)	person	0	0	0	0
Work-Related Fatality Rate (per thousand employees)	%	0	0	0	0
Severe Injury Rate per thousand Employees	%	0	0	0	0
Number of Working Days Lost due to Work-Related Injuries					
Lost Days due to Work-related Injuries	day	2,283	1,919	-	-
Number and Percentage of Trained Employees Divided by Gender and Job Level					
Number of Trained Employees Divided by Gender					
Number of male employees who participated in training	person	3,288	7,202	6,732	4,930
Number of female employees who participated in training	person	992	4,168	3,469	2,940

[1]The group's employee data for 2021 and 2022 includes both the Lithium Chemical and Lithium Battery Business Units; the remaining data accounts only for the Lithium Chemical Business Unit.

Indicators	Unit	Lithium Chemical Business Unit	Lithium Battery Business Unit	Group[1]	
		2023	2023	2022	2021
Percentage of Trained Employees by Gender					
Percentage of Male Trained Employees	%	76.82	100	65.99	62.64
Percentage of Female Trained Employees	%	23.18	100	34.00	37.36
Number of Trained Employees by Job Level					
Number of Trained General Workers	person	2,344	7,655	6,323	5,458
Number of Trained Special Workers	person	645	200	619	444
Number of Trained Management Staff	person	1,291	3,515	3,259	1,968
Percentage of Trained Employees by Job Level					
Percentage of Trained General Workers	%	54.77	100	61.98	69.35
Percentage of Trained Special Workers	%	15.07	98.52	6.07	5.64
Percentage of Trained Management Staff	%	30.16	100	31.95	25.01
Average Training Hours by Gender and Job Level					
Average Training Hours Divided by Gender					
Average Training Hours for Male Employees	hour	13.67	26.69	-	-
Average Training Hours for Female Employees	hour	12.20	17.40	-	-
Average Training Hours Divided by Job Level					
Average Training Hours for General Workers	hour	13.12	7.17	-	-
Average Training Hours for Special Workers	hour	13.43	30.09	-	-
Average Training Hours for Management Staff	hour	12.79	17.53	-	-

[1]The group's employee data for 2021 and 2022 includes both the Lithium Chemical and Lithium Battery Business Units; the remaining data accounts only for the Lithium Chemical Business Unit.

Indicators	Unit	Lithium Chemical Business Unit	Lithium Battery Business Unit	Group[1]	
		2023	2023	2022	2021
Number of Suppliers by Region					
Number of Suppliers by Region					
Mainland China, Hong Kong, Macao, and Taiwan regions	Number of suppliers	2,236	1,174	1,752	3,512
Overseas	Number of suppliers	15	1	8	9
Practices Related to Describing, Maintaining, and Safeguarding Intellectual Property Rights					
Trademarks					
Applied for during the reporting period	Number of trademarks	15	0	0	2
Granted during the reporting period	Number of trademarks	1	0	1	6
Total Obtained to Date	Number of trademarks	112	1	111	110
Patents					
Applied for during the reporting period	Number of patents	48	389	44	52
Granted during the reporting period	Number of patents	19	201	15	23
Total Obtained to Date	Number of patents	165	563	146	131
Percentage of Products Sold or Shipped that need to be Recalled for Health and Safety Reasons					
Requiring Recall for Health and Safety Reasons	Number of products	0	0	0	0
Total Number of Products Sold	Actual Unit[2]	101,816.17	27,942.76	97,362.73	90,718.41
Percentage of Products Recalled or Returned Compared to the Total Number of Products Sold for Health and Safety Reasons	%	0	0	0	0
Number of Complaints Received Regarding Products and Services					
Total Complaints	Number of complaints	51	323	41	78
Complaints Due to Service Issues	Number of complaints	0	0	0	0

[1] The group's employee data for 2021 and 2022 includes both the Lithium Chemical and Lithium Battery Business Units; the remaining data accounts only for the Lithium Chemical Business Unit.

[2] Ganfeng Lithium's total number of products sold is measured in "tons of LCE" (Lithium Carbonate Equivalent); Ganfeng LiEnergy's total number of products sold is measured in "ten thousand units."

Indicators	Unit	Lithium Chemical Business Unit	Lithium Battery Business Unit	Group[1]	
		2023	2023	2022	2021
Complaints Due to Product Quality Issues	Number of complaints	43	310	37	44
Complaints Due to Other Issues	Number of complaints	8	13	4	34
Customer Satisfaction	%	98.40	100	98.51	98.39
Number and Outcome of Corruption Lawsuits Filed Against the Issuer or Its Employees During the reporting period					
Legal Lawsuits Filed Due to Company or Its Employees' Corruption	case	1	0	3	0
Corruption Lawsuits Concluded	case	1	0	3	0
Description of Anti-Corruption Training Provided to Directors and Employees					
Anti-Corruption Training Sessions Provided to Directors	Number of training sessions	3	1	8	2
Director Attendances in Anti-Corruption Training	person	12	5	8	8
Anti-Corruption Training Sessions Provided to Employees	Number of training sessions	16	19	13	12
Employee Attendances in Anti-Corruption Training	person	17,168	89,788	15,386	9,120
Community Investment: Resources Utilized in the Focused Area (Such as Money or Time)					
External Donation Funds	RMB	3,364,620	60,280	3,720,000	5,766,700
Employee Contributed Volunteer Service Hours	hour	92	125	-	-
Number of Employee Volunteers	person	92	125	-	-

[1] The group's employee data for 2021 and 2022 includes both the Lithium Chemical and Lithium Battery Business Units; the remaining data accounts only for the Lithium Chemical Business Unit.

Appendix 2: Index of Indicators

GRI Content Index

GRI Standard	Disclosure Title	Corresponding Chapter	Page Number
GRI 2: General Disclosures	2-1 Organisational details	Company Profile - About Us	P04-06
	2-2 Entities included in the organization's sustainability reporting	About This Report - Reporting Scope	P01
	2-3 Reporting period, frequency and contact point	About This Report - Reporting Period, Access to This Report	P01
	2-4 Restatements of information	No Information Restated	-
	2-5 External assurance	05 Co-creating Ecological Civilization - Addressing Climate Change	P39
	2-6 Activities, value chain, and other business relationships	Company Profile - Our Global Layout	P05
	2-7 Employees	07 Growing with Employee - Employee Rights Protection	P50-55
	2-8 Workers who are not employees	09 Overseas ESG Performance - Community Empowerment	P62
	2-9 Governance structure and composition	01 Sustainability Management - ESG Governance and Management	P08
	2-10 Nomination and selection of the highest governance body	01 Sustainability Management - ESG Governance and Management	P08
	2-11 Chair of the highest governance body	01 Sustainability Management - ESG Governance and Management	P08
	2-12 Role of the highest governance body in overseeing the management of impacts	01 Sustainability Management - ESG Governance and Management	P08
	2-13 Delegation of responsibility for managing impact	01 Sustainability Management - ESG Governance and Management	P08
	2-14 Role of the highest governance body in sustainability reporting	01 Sustainability Management - ESG Governance and Management	P08
	2-15 Conflicts of interest	No Conflict of Interest	-
	2-16 Communication of critical concerns	09 Overseas ESG Performance - Community Empowerment	P63
	2-17 Collective knowledge of the highest governance body	01 Sustainability Management - ESG Governance and Management	P08
	2-18 Evaluation of the performance of the highest governance body	01 Sustainability Management - ESG Governance and Management	P08
	2-19 Remuneration policies	07 Growing with Employee - Employee Benefits and Care	P53
GRI 2: General Disclosure	2-20 Process to determine remuneration	07 Growing with Employee - Employee Benefits and Care	P53
	2-21 Annual total compensation ratio	Please refer to the annual report	-
	2-22 Statement on sustainable development strategy	Company Profile	P03-04
	2-23 Policy commitments	Please refer to the annual report	-
	2-24 Embedding policy commitments	Please refer to the annual report	-
	2-25 The management approach and its components (Grievance mechanism)	02 Strengthening Corporate Governance - Risk Management	P13
	2-26 Mechanisms for seeking advice and raising concerns	01 Sustainability Management - Stakeholder Engagement	P10
	2-27 Compliance with laws and regulations	02 Strengthening Corporate Governance - Business Ethics and Anti-Corruption	P14-17
	2-28 Membership associations	03 Leading Green Development - Promoting Green Technological Innovation	P19-24
	2-29 Approach to stakeholder engagement	01 Sustainability Management - Stakeholder Engagement	P10
	2-30 Collective bargaining agreements	N/A	-
GRI 3: Material Topics	3-1 Process to determine material topics	01 Sustainability Management - Materiality Assessment	P08-09
	3-2 List of material topics	01 Sustainability Management - Materiality Assessment	P08-09
	3-3 Management of material topics	01 Sustainability Management - Materiality Assessment	P08-09
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	Please refer to the annual report	-
	201-2 Financial implications and other risks and opportunities due to climate change	05 Co-creating Ecological Civilization - Addressing Climate Change	P39
	201-3 Defined benefit plan obligations and other retirement plans	07 Growing with Employee - Employee Benefits and Care	P53
	201-4 Financial assistance received from government	03 Leading Green Development - Promoting Green Technological Innovation	P19
GRI 202: Market Presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage, by gender	N/A	-
	202-2 Proportion of senior management hired from the local community	N/A	-
GRI 203: Indirect Economic Impacts	203-1 Infrastructure investments and service supported	09 Overseas ESG Performance - Community Engagement	P63
	203-2 Significant indirect economic impacts	09 Overseas ESG Performance - Community Empowerment	P62
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	04 Focusing on Responsible Product - Sustainable Supply Chain	P36-37

GRI Standard	Disclosure Title	Corresponding Chapter	Page Number
GRI 205: Anti-corruption	205-1: Operations assessed for risks related to corruption	02 Strengthening Corporate Governance - Business Ethics and Anti-Corruption	P14-17
	205-2: Communication and training about anti-corruption policies and procedures	02 Strengthening Corporate Governance - Business Ethics and Anti-Corruption	P14-17
	205-3: Confirmed incidents of corruption and actions taken	02 Strengthening Corporate Governance - Business Ethics and Anti-Corruption	P14-17
GRI 206: Anti-Competitive Behavior 2016	206-1: Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	02 Strengthening Corporate Governance - Business Ethics and Anti-Corruption	P14-17
GRI 207: Taxation 2016	207-1: Approach to tax	Please refer to the annual report	-
	207-2: Tax governance, control, and risk management	Please refer to the annual report	-
	207-3: Stakeholder engagement and management of concerns related to tax	Please refer to the annual report	-
	207-4: Country-by-country reporting	Please refer to the annual report	-
GRI 301: Materials 2016	301-1: Materials used by weight or volume	N/A	-
	301-2: Recycled input materials used	03 Leading Green Development - Integrating Circular Economy	P28
	301-3: Reclaimed products and their packaging materials	03 Leading Green Development - Integrating Circular Economy	P28
GRI 302: Energy 2016	302-1: Energy consumption within the organization	05 Co-creating Ecological Civilization - Energy Management	P41
	302-2: Energy consumption outside of the organization	05 Co-creating Ecological Civilization - Energy Management	P41
	302-3: Energy intensity	05 Co-creating Ecological Civilization - Energy Management	P42
	302-4: Reduction of energy consumption	05 Co-creating Ecological Civilization - Energy Management	P42
	302-5: Reductions in energy requirements of products and services	05 Co-creating Ecological Civilization - Energy Management	P42
GRI 303: Water	303-1: Interactions with water as a shared resource	05 Co-creating Ecological Civilization - Water Resource Management	P42
	303-2: Management of water discharged-related impacts	05 Co-creating Ecological Civilization - Water Resource Management	P42
	303-3: Water withdrawal	05 Co-creating Ecological Civilization - Water Resource Management	P42
	303-4: Water discharge	05 Co-creating Ecological Civilization - Water Resource Management	P42
	303-5: Water consumption	05 Co-creating Ecological Civilization - Water Resource Management	P42
GRI 304: Biodiversity	304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	09 Overseas ESG Performance - Environmental Management	P59
	304-2: Significant impacts of activities, products, and services on biodiversity	09 Overseas ESG Performance - Environmental Management	P59
GRI 304: Biodiversity	304-3: Habitats protected or restored	09 Overseas ESG Performance - Environmental Management	P59
	304-4: IUCN Red List species and national conservation list species with habitats in areas affected by operations	09 Overseas ESG Performance - Environmental Management	P59
GRI 305: Emissions	305-1: Direct (Scope 1) GHG emissions	05 Co-creating Ecological Civilization - Addressing Climate Change	P39
	305-2: Energy indirect (Scope 2) GHG Emissions	05 Co-creating Ecological Civilization - Addressing Climate Change	P39
	305-3: Other indirect (Scope 3) GHG Emissions	N/A	-
	305-4: GHG emissions intensity	05 Co-creating Ecological Civilization - Addressing Climate Change	P39
	305-5: Reduction of GHG emissions	05 Co-creating Ecological Civilization - Addressing Climate Change	P39
	305-6: Emissions of ozone-depleting substances (ODS)	N/A	-
	305-7: Nitrogen oxides (NO_x), sulphur oxides (SO_x), and other significant air emissions	N/A	-
GRI 306: Waste	306-1: Waste generation and significant waste-related impacts	05 Co-creating Ecological Civilization - Emissions Management	P43
	306-2: Management of significant waste-related impacts	05 Co-creating Ecological Civilization - Emissions Management	P43
	306-3: Waste generated	05 Co-creating Ecological Civilization - Emissions Management	P43
	306-4: Waste diverted from disposal	03 Leading Green Development - Integrating Circular Economy	P27-28
	306-5: Waste directed to disposal	05 Co-creating Ecological Civilization - Emissions Management	P43
GRI 308: Supplier Environmental Assessment	308-1: New suppliers that were screened using environmental criteria	04 Focusing on Responsible Product - Sustainable Supply Chain	P36-37
	308-2: Negative environmental impacts in the supply chain and actions taken	04Focusing on Responsible Product - Sustainable Supply Chain	P36-37
GRI 401: Employment	401-1: New employee hires and employee turnover	10 Appendix 1: Key ESG Performance Indicators	P64-71
	401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	07 Supporting Employee Growth - Employee Benefits and Care	P53
	401-3: Parental leave	N/A	-
GRI 402: Labor/Management Relations	402-1: Minimum notice periods regarding operational changes	N/A	-
GRI 403: Occupational Health and Safety			
		Ensuring Production Safety	
			P45-46
	403-2: Hazard identification, risk assessment, and incident investigation		P46

GRI Standard	Disclosure Title	Corresponding Chapter	Page Number
GRI 403: Occupational Health and Safety	403-4: Worker participation, consultation, and communication on occupational health and safety	06 Ensuring Production Safety - Safety and Occupational Health	P45
	403-5: Worker training on occupational health and safety	06 Ensuring Production Safety - Safety and Occupational Health	P46-47
	403-6: Promotion of worker health	06 Ensuring Production Safety - Safety and Occupational Health	P46
	403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	06 Ensuring Production Safety - Safety and Occupational Health	P46
	403-8: Workers covered by an occupational health and safety management system	06 Ensuring Production Safety - Safety and Occupational Health	P45-46
	403-9: Work-related injuries	06 Ensuring Production Safety - Safety and Occupational Health	P46
	403-10: Work-related ill health	06 Ensuring Production Safety - Safety and Occupational Health	P46
GRI 404: Training and Education	404-1: Average hours of training per year per employee	07 Growing with Employee - Employee Training and Development	P51
	404-2: Programs for upgrading employee skills and transition assistance programs	07 Growing with Employee - Employee Training and Development	P51,52
	404-3: Percentage of employees receiving regular performance and career development reviews	07 Growing with Employee - Employee Training and Development	P51
GRI 405: Diversity and Equal Opportunity	405-1: Diversity of governance bodies and employees	02 Strengthening Corporate Governance - Corporate Governance	P12
	405-2: Ratio of basic salary and remuneration of women to men	10 Appendix 1: Key ESG Performance Indicators	P64-71
GRI 406: Non-discrimination	406-1: Incidents of discrimination and corrective actions taken	07 Growing with Employee - Employee Rights Protection	P50
GRI 407: Freedom of Association and Collective Bargaining	407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	09 Overseas ESG Performance - Employment Equality	P61

GRI Standard	Disclosure Title	Corresponding Chapter	Page Number
GRI 408: Child Labor	408-1: Operations and suppliers at significant risk for incidents of child labour	07 Growing with Employee - Employee Benefits and Care	P50
GRI 409: Forced or Compulsory Labour	409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labour	N/A	-
GRI 410: Security Practices	410-1: Security personnel trained in human rights policies or procedures	N/A	-
GRI 411: Rights of Indigenous Peoples	411-1 Incidents of violations involving rights of indigenous peoples	Not occurred	-
GRI 413: Local Communities	413-1: Operations with local community engagement, impact assessments, and development programs	09 Overseas ESG Performance – Community Empowerment	P62
	413-2: Operations with significant actual and potential negative impacts on local communities	N/A	-
GRI 414: Supplier Social Assessment	414-1: New suppliers that were screened using social criteria	N/A	-
	414-2: Negative social impacts in the supply chain and actions taken	04 Focusing on Responsible Product - Sustainable Supply Chain	P36-37
GRI 415: Public Policy	415-1: Political contributions	N/A	-
GRI 416: Customer Health and Safety	416-1: Assessment of health and safety impacts of product and service categories	04 Focusing on Responsible Product - Product Quality and Safety	P30-31
	416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	Not occurred	-
GRI 417: Marketing and labelling	417-1: Requirements for product and service information and labelling	04 Focusing on Responsible Product - Customer Service and Support	P33-34
	417-2: Incidents of non-compliance concerning product and service information and labelling	Not occurred	-
	417-3: Incidents of non-compliance concerning marketing communications	Not occurred	-
GRI 418: Customer Privacy	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not occurred	-

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The report has complied with "comply or explain" provisions in HKEx Environmental, Social, and Governance Reporting Guide.

Environmental				
Aspect	**KPI Number**	**KPI Content**	**Corresponding Chapter**	**Page Number**
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 and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	05 Co-creating Ecological Civilization - Addressing Climate Change	P39-40
	A1.1	The types of emissions and respective emissions data.	05 Co-creating Ecological Civilization - Emissions Management	P43
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	05 Co-creating Ecological Civilization - Emissions Management	P43
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	05 Co-creating Ecological Civilization - Emissions Management	P43
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	05 Co-creating Ecological Civilization - Addressing Climate Change	P39
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	05 Co-creating Ecological Civilization - Emissions Management	P43
A1: Emissions	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.	05 Co-creating Ecological Civilization - Emissions Management	P43
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	03 Leading Green Development - Integrating Circular Economy 05 Co-creating Ecological Civilization - Energy Management 05 Co-creating Ecological Civilization - Water Resource Management	P27-28,P41-42
	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).	05 Co-creating Ecological Civilization - Emissions Management	P43
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	05 Co-creating Ecological Civilization - Energy Management	P41

Environmental				
Aspect	**KPI Number**	**KPI Content**	**Corresponding Chapter**	**Page Number**
A2: Use of Resources	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	05 Co-creating Ecological Civilization - Energy Management	P41-42
	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.	05 Co-creating Ecological Civilization - Water Resource Management	P42
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	10 Appendix 1: Key ESG Performance Indicators	P64-71
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	05 Co-creating Ecological Civilization - Environmental Management 03 Leading Green Development – Integrating Circular Economy	P27-28,P40-41
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	05 Co-creating Ecological Civilization - Environmental Management 03 Leading Green Development – Integrating Circular Economy	P27-28,P41
A4: Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	05 Co-creating Ecological Civilization - Environmental Management 03 Leading Green Development – Integrating Circular Economy	P27-28,P39-40
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	05 Co-creating Ecological Civilization - Environmental Management 03 Leading Green Development – Integrating Circular Economy	P27-28,P39-40
B1: Employment	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 compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	07 Growing with Employee - Employee Rights Protection	P50
	B1.1	Total workforce by gender, employment type (for example, full- or part- time), age group and geographical region.	07 Growing with Employee - Employee Rights Protection	P50
	B1.2	Employee turnover rate by gender, age group and geographical region.	10 Appendix 1: Key ESG Performance Indicators	P64-71

Social				
Aspect	**KPI Number**	**KPI Content**	**Corresponding Chapter**	**Page Number**
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.	06 Ensuring Production Safety - Safety and Occupational Health 09 Overseas ESG Performance – Occupational Health and Safety	P45-46, P60
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	06 Ensuring Production Safety - Safety and Occupational Health	P45
	B2.2	Lost days due to work injury.	10 Appendix 1: Key ESG Performance Indicators	P64-71
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	06 Ensuring Production Safety - Safety and Occupational Health	P45-46
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	07 Growing with Employee – Employee Training and Development	P51-52
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	07 Growing with Employee - Employee Training and Development	P51
	B3.2	The average training hours completed per employee by gender and employee category.	07 Growing with Employee - Employee Training and Development	P51
B4: Labour Standards	General Disclosure	(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.	07 Growing with Employee - Employee Training and Development	P51
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	07 Growing with Employee - Employee Rights Protection	P50
	B4.2	Description of steps taken to eliminate such practices when discovered.	07 Growing with Employee - Employee Rights Protection	P50
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	04 Focusing on Responsible Product - Sustainable Supply Chain	P36-37
	B5.1	Number of suppliers by geographical region.	04 Focusing on Responsible Product - Sustainable Supply Chain	P36-37
	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.	04 Focusing on Responsible Product - Sustainable Supply Chain	P36-37
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	04 Focusing on Responsible Product - Sustainable Supply Chain	P36-37
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	04 Focusing on Responsible Product - Sustainable Supply Chain	P36-37

Social				
Aspect	**KPI Number**	**KPI Content**	**Corresponding Chapter**	**Page Number**
B6: Product Ronsibility	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 health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	04 Focusing on Responsible Product - Sustainable Supply Chain	P36-37
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	04 Focusing on Responsible Product - Sustainable Supply Chain	P36
	B6.2	Number of products and service related complaints received and how they are dealt with.	04 Focusing on Responsible Product - Sustainable Supply Chain	P36
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	04 Focusing on Responsible Product - Sustainable Supply Chain	P36
	B6.4	Description of quality assurance process and recall procedures.	04 Focusing on Responsible Product - Sustainable Supply Chain	P36-37
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	04 Focusing on Responsible Product - Sustainable Supply Chain	P36
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.	02 Strengthening Corporate Governance - Business Ethics and Anti-corruption	P14-17
	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.	02 Strengthening Corporate Governance - Business Ethics and Anti-corruption	P14-17
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	02 Strengthening Corporate Governance - Business Ethics and Anti-corruption	P14-17
	B7.3	Description of anti-corruption training provided to directors and staff.	02 Strengthening Corporate Governance - Business Ethics and Anti-corruption	P14-17
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.	08 Promoting Social Responsibility - Community Welfare	P57
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	08 Promoting Social Responsibility - Community Welfare	P57
	B8.2	Resources contributed (e.g. money or time) to the focus area.	08 Promoting Social Responsibility - Community Welfare	P57

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

赣锋锂业
GanfengLithium
A-share code: 002460 H-share code: 01772

Address: Longteng Road, Economic Development Zone, Xinyu City, Jiangxi Province
Post code: 338000
www.ganfenglithium.com