

A stylized city skyline is depicted in the center of the cover. It features several buildings of varying heights and shapes, rendered in a light green color. The buildings are set against a dark green background. A large, detailed green leaf is on the right side of the cover, and a curved green band with a dashed white line runs across the bottom. The BTR logo is also visible on one of the buildings in the skyline.

BTR

BTR
Sustainability & Environmental,
Social and Governance (ESG) Report

2024

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Environmental

Social

Governance

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About the Report

Reporting Period

This is an annual report covering the period from January 1, 2024, to December 31, 2024. To ensure the completeness of the report, some data may extend beyond the aforementioned period (refer to specific dates for accuracy).

Report Boundary

The Report encompasses BTR New Material Group Co., Ltd. and its subsidiaries (branch offices), which is consistent with the scope of the disclosure in BTR’s 2024 Annual Report.

For ease of expression, both “BTR” and “Company” refer to BTR New Material Group Co., Ltd. and its following major affiliates in the Report.

Short Name	Full Name
BTR Headquarters	BTR New Material Group Co., Ltd.
BTR Nano	Shenzhen BTR Nano Technology Co., Ltd.
BTR JS Cathode	BTR (Jiangsu) New Material Technology Co., Ltd.
BTR JS Anode	BTR (Jiangsu) New Energy Materials Co., Ltd.
Tianjin Materials	Tianjin BTR New Energy Materials Co., Ltd.
BTR Tianjin	Tianjin BTR New Energy Technology Co., Ltd.
BTR Jixi	Jixi BTR New Energy Technology Co., Ltd.
Jixi Changyuan	Jixi Changyuan Mining Co., Ltd.
Jixi Supercarbon	Jixi Super Carbon Technology Co., Ltd.
Shenzhen Sodium	Shenzhen BTR Sodium Battery New Material Technology Co., Ltd.
BTR Huizhou	Huizhou BTR New Material Technology Co., Ltd.
Huizhou Dingyuan	Huizhou Dingyuan New Energy Technology Co., Ltd.
Jixi Mineral	Jixi BTR Mineral Resources Co., Ltd.
Shenzhen Shenrui	Shenzhen Shenrui Graphene Technology Co., Ltd.
Fujian Shenrui	Shenrui Graphene Technology (Fujian) Co., Ltd.
Kaifeng Ruifeng	Kaifeng Ruifeng New Material Co., Ltd.
BTR Sichuan	BTR (Sichuan) New Material Technology Co., Ltd.
BTR R&D Institute	Shenzhen BTR New Energy Technology Research Institute Co., Ltd.
BTR Changzhou	Changzhou BTR New Material Technology Co., Ltd.
Shandong Ruiyang	Shandong Ruiyang New Energy Technology Co., Ltd.
Hubei Beineng	Hubei Beineng New Energy Technology Co., Ltd.

Short Name	Full Name
Sichuan Ruian	Sichuan Ruian New Material Technology Co., Ltd.
Shanxi Ruijun	Shanxi Ruijun New Material Technology Co., Ltd.
BTR Yunnan	Yunnan BTR New Energy Materials Co., Ltd.
BTR Sales	BTR New Material Group Sales Co., Ltd.
BTR Incubator	Shenzhen BTR New Material Incubator Co., Ltd.
BTR Supply Chain	Shenzhen BTR Supply Chain Management Co., Ltd.
BTR European	BTR New Material Europe GMBH
Shenzhen Dingyuan	Shenzhen Dingyuan New Material Technology Co., Ltd.
BTR Indonesia	Indonesia BTR New Energy Materials Co., Ltd.
BTR Hong Kong	BTR (Hong Kong) New Materials Co., Ltd.
Shenzhen Ruiqing	Shenzhen Ruiqing New Energy Technology Co., Ltd.
BNUO International Holding	BNUO International Holding Pte. Ltd.
BTR MED	BTR Mediterranean New Material Technology Co., Ltd.
Rian International Holding	RIAN International Holding Pte. Ltd.
BTR Japan	BTR New Material Japan Godo Kaisha
BTR Morocco Anode	BTR Mediterranean Anode New Material Technology Co., Ltd.
Changzhou Jinrui	Changzhou Jinrui New Energy Material Technology Co., Ltd.
Guangdong Zhaorui	Guangdong Zhaorui New Energy Technology Co., Ltd.
Hubei Zhaorui	Hubei Zhaorui New Energy Technology Co., Ltd.

Release Cycle

This Report is an annual publication, released concurrently with the annual report of BTR New Material Group Co., Ltd. This report marks the second sustainability and ESG report issued by BTR New Material Group Co., Ltd. and its subsidiaries. Its purpose is to effectively engage with stakeholders, comprehensively address their expectations and requirements, and showcase the Company’s ESG practices and performance.

References

This Report is prepared in accordance with the *Continuous Supervisory Guidelines No. 11 for Companies Listed on Beijing Stock Exchange–Sustainability Report (For Trial Implementation)* published by the Beijing Stock Exchange. Additionally, the report references authoritative standards and guidelines such as the Global Reporting Initiative (GRI) *Standards for Sustainability Reporting (GRI Standards 2021)*, the United Nations Sustainable Development Goals (SDGs), the United Nations Global Compact (UNGC) “Ten Principles”, and the International Sustainability Standards Board (ISSB) *International Financial Reporting Sustainability Disclosure Standard*, as well as key issue indicators for mainstream ESG ratings both domestically and internationally.

Report Assurance

The Company ensures that the information of this Report contains no false records or misleading statements. The data presented in the Report primarily originates from the Company’s original operational records and the compilation and analysis of official documents, such as quarterly and annual reports, publicly disclosed. Unless stated otherwise, all amounts disclosed in the Report are measured in Chinese Yuan (CNY).

Report Statement

The financial data included in this Report conforms to the *National Accounting Standards for Business Enterprises* and relevant accounting regulations. It has been audited in accordance with the *China Internal Auditing Standards*, providing a true reflection of the Company’s financial indicators and operating status. The Report has undergone internal review to ensure its authenticity, accuracy, and completeness. BTR aims to strengthen communication with stakeholders through the publication of this Report.

Access to the Report

The Report is available for online viewing and is available in both Chinese and English languages. In cases of ambiguity between the Chinese and English texts, the Chinese version shall prevail.

You can download the Report and access more sustainability information on the Company’s official website (www.btrchina.com) and the Beijing Stock Exchange’s information disclosure platform (www.bse.cn).

Message from the Chairman

In 2024, as the global energy revolution progressed in depth, BTR, driven by its innovative genes, achieved high-quality development and presented a report card that showcases its ESG value: we secured the top spot globally with a shipment of 430,000 tons of anode materials, equivalent to one “green heart” from BTR powering every four new energy vehicles on the road worldwide. The commissioning of our Indonesian plant marks a new era in our globalization strategy and underscores our strategic commitment to the dual-drive approach of “Technology + Green” . We have also proposed to make ESG a new core competency of the Company, establish an ESG culture integrated into business operations, set strict ESG standards, integrate green and low-carbon concepts into the full lifecycle management of products, and deliver green products that satisfy our customers.

Innovation lays the foundation, defining new standards for materials

This year, we have broken through the technological barriers of fuel cell bipolar materials, achieved the reduction of precious metal usage and extension of lifespan in fuel cells, and promoted the industrialization process of hydrogen energy. At the China International Supply Chain Expo, we premiered the 6C fast-charging T-graphite anode, which improves charging efficiency by 50% compared to industry standards. We also made new breakthrough in the R&D of silicon-based anode materials, significantly enhancing the energy density of power batteries and winning the first prize of the Beijing Science and Technology Progress Award. These innovative achievements have propelled China’s new energy material technology to lead globally.

Green transformation, reshaping a new paradigm for industries

This year, we have deeply embedded the ESG gene into our industrial chain: we have established a cluster of “green factories” , including 4 national-level green factories and 2 provincial-level green factories; we have generated 16.88 million kWh of photovoltaic power, with a self-generation and self-consumption rate of 100%; our Moroccan base is designed as a “zero-carbon factory” , creating a new generation of green and intelligent factories; we have established a green management system for the entire life cycle, driving multiple core suppliers to undergo low-carbon transformation, and have thus been awarded the honor of National Green Supply Chain Management Enterprise.

Global progress, fulfilling sustainable commitments

This year, under the Belt and Road Initiative, BTR’s Indonesian plant officially commenced production, filling the gap in the lithium-ion battery anode material sector in the ASEAN region. The localization rate of employment in BTR Indonesia has reached 85%, and over 500 professional and technical talents have been trained. The Company has continued to carry out mangrove restoration plans, planting more than 1,000 saplings to protect biodiversity. Through donations, the establishment of mutual aid funds, and other means, BTR has improved the living conditions of local disaster-stricken people and the educational conditions for women and children in impoverished areas. The ESG practices of these overseas projects have made BTR’s internationalization more stable and robust.

Standing at the turning point of the new energy revolution, BTR will continue to deepen its dual-engine strategy of “technological innovation + green intelligent manufacturing” : persistently investing in the research and development of new energy materials, preparing to build a zero-carbon demonstration factory, and promoting the integration of ESG indicators into global supply chain management standards. In this era full of uncertainties, we believe more than ever that only by integrating ESG into the corporate DNA can technological innovation unleash lasting value. This is not only the evolutionary path of the enterprise, but also a solemn commitment to our planet Earth. BTR is willing to work with global partners, guided by the vision of “Innovation leads the progress of the new energy industry, build a better green world” , to reconstruct the industrial ecology through material innovation and illuminate the sustainable future of humanity with green technology!

Mr. He Xueqin

Chairman, BTR New Material Group Co., Ltd.



About BTR

Company Profile

BTR New Material Group Co., Ltd. (hereinafter referred to as "BTR") was founded in August 2000 and is a subsidiary of the publicly listed company China Baoan Group Co., Ltd. BTR is primarily engaged in manufacturing anode, cathode, and advanced materials for lithium-ion batteries in the fields of power batteries, 3C consumer batteries, and energy storage batteries. BTR is committed to providing world-class battery material solutions for the global new energy industry. In 2015, BTR was listed on the National Equities Exchange and Quotations (NEEQ), and in November 2021, it went public on the Beijing Stock Exchange with the stock code 835185.

Established for

24 years

R&D team

961 members

Operating revenue (RMB)

14.2 billion

Number of granted patents

692 items






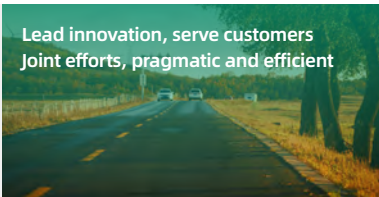

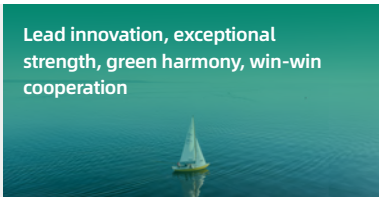

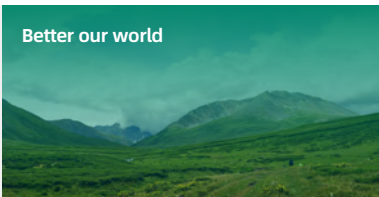

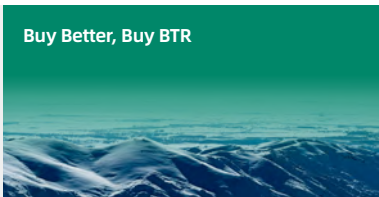

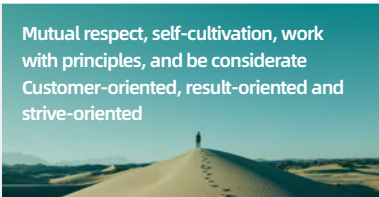

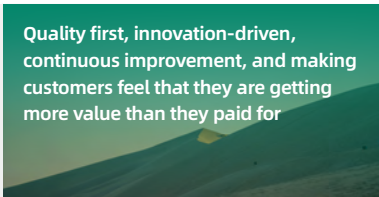
Business Scope

BTR is distinguished by its technological leadership, comprehensive product and industry chain layout, and coverage of both international and domestic mainstream customers. With anode, cathode, and advanced new materials for lithium-ion batteries as its core products, BTR stands out as a prominent developer and manufacturer of new energy materials in the industry. The Company's main products include natural graphite anode materials, artificial graphite anode materials, silicon-based anode materials, nickel-rich ternary cathode materials, and other lithium-ion battery anode and cathode materials.

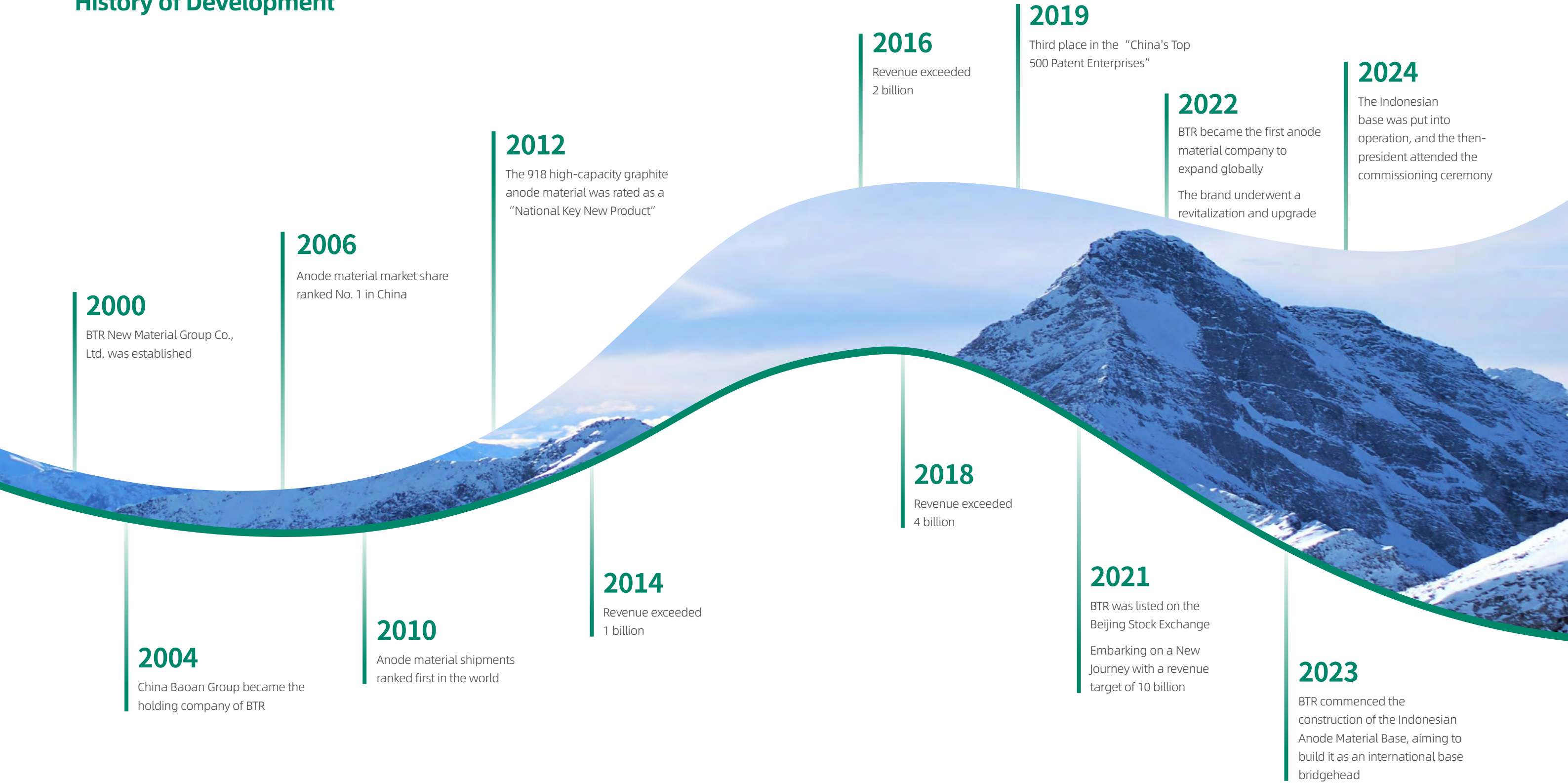
BTR has a competitive advantage in its full industry chain layout. In the field of natural graphite, it has been focusing on the layout of the entire industry chain from mines to finished products. In the field of artificial graphite, it emphasizes a stable supply mechanism for core key materials such as needle coke, and ensures the production capacity of key processes such as graphitization by building an integrated production base. Silicon-based materials adhere to a dual technology route to meet the needs of different market segments. Cathode materials focus on the ternary technology route, combining efficient supply chains and profound technical accumulation to form advantages in technology, quality systems, and high-quality customer advantages.

BTR has established a global strategic presence with its headquarters in Shenzhen, supported by over 20 production bases in southern China, eastern China, northern China, and central and western China. Additionally, it has overseas bases in Indonesia and Morocco, as well as branch offices in Japan, South Korea, and Europe. Its business spans across more than 100 countries and regions worldwide. BTR has emerged as a leading lithium-ion battery anode company with the largest capacity, shipments, and a diverse product range in the global anode industry.

Corporate Culture

<p>Vision and Mission</p> 	<p>Innovation leads the progress of the new energy industry, Build a better green world</p> 	<p>Strategic Goal</p> 	<p>Become a global leader in the field of new energy materials</p> 
<p>Core Values</p> 	<p>Lead innovation, serve customers Joint efforts, pragmatic and efficient</p> 	<p>Business Philosophy</p> 	<p>Lead innovation, exceptional strength, green harmony, win-win cooperation</p> 
<p>Value Advocacy</p> 	<p>Better our world</p> 	<p>Product Theme</p> 	<p>Buy Better, Buy BTR</p> 
<p>Team Culture</p> 	<p>Mutual respect, self-cultivation, work with principles, and be considerate Customer-oriented, result-oriented and strive-oriented</p> 	<p>Quality Policy</p> 	<p>Quality first, innovation-driven, continuous improvement, and making customers feel that they are getting more value than they paid for</p> 

History of Development



Honors and Awards in 2024

Outstanding Organizational Enterprise Operator of 2023

He Xueqin, Chairman of BTR New Materials Group Co., Ltd., was awarded the title of “Outstanding Organizational Enterprise Operator of 2023” by the Shenzhen Performance Excellence Management Foundation

Outstanding Business Organization of 2023

BTR New Materials Group Co., Ltd. was awarded the Shenzhen Performance Excellence Management Promotion Association

2024 ABMC Tsingsun Awards - Benchmark Technology Award (Solid-state Battery)

BTR New Materials Group Co., Ltd. was honored by the Advanced Battery Materials Industry Cluster

High-quality anode materials for enterprises in China’s new energy industry in 2024

BTR New Materials Group Co., Ltd. was honored by Xinluo Lithium Battery

China's Top 500 Chief Brand Officers

He Xueqin, Chairman of BTR New Materials Group Co., Ltd., was awarded by the Topbrand Union

Ranked 97th among the 2024 Global Top 500 New Energy Enterprises

BTR New Materials Group Co., Ltd. was awarded by China Energy News

National Green Supply Chain Management Enterprise in 2024

BTR New Materials Group Co., Ltd. was awarded by the Ministry of Industry and Information Technology

2024 ESG Exemplar Award

BTR New Materials Group Co., Ltd. won the 14th Philanthropy Festival

Ranked 229th among the 2024 Top 500 Chinese Brands

BTR New Materials Group Co., Ltd. ranked 229th among the Asiabrand Top 500 Chinese Brands in 2024 jointly sponsored by the China-Asia Economic Development Association, the Global Times, and the China Economic News Network

2024 CFS (Industry) Influential Brand

BTR New Materials Group Co., Ltd. was honored at the 13th China Finance Summit / syobserve.com

2024 GZCF Green Sustainable Development Contribution Award

BTR New Material Group Co., Ltd. has been recognized by syobserve.com

2024 High-quality Development Leading Enterprise

BTR New Materials Group Co., Ltd. was awarded by Shenzhen High-quality Enterprise Development Promotion Association and the Institute of High-quality Development and New Structures of Harbin Institute of Technology, Shenzhen

2024 Top 100 Chinese Brands Going Global

BTR New Materials Group Co., Ltd. was honored at the 13th Five Continents Industrial Development Forum

Outstanding Contribution Award for Advanced Battery Materials Industry Cluster

BTR New Materials Group Co., Ltd. was honored by the Advanced Battery Materials Industry Cluster

First Prize of Beijing Science and Technology Progress Award

BTR New Materials Group Co., Ltd. was awarded by the People’s Government of Beijing Municipality

Healthy Enterprise

BTR New Materials Group Co., Ltd. has been awarded by the Shenzhen Patriotic Health Campaign Committee, Shenzhen Municipal Health Commission, and other institutions

Topic 1

Contributing Wisdom and Strength to Promote the Sustainable Development of Global New Energy

On September 27, 2024, BTR Group was awarded the “Top 100 Chinese Brands Going Global” and the “Industry Influential Brand of the Year” at CFS2024, recognizing its outstanding performance in overseas industrial layout and domestic and international markets. The accolade underscores its leading position in the global new energy materials sector. Amidst the transformation of the global economic landscape, BTR Group, with its excellent international vision and solid market foundation, has become a shining pearl in the wave of Chinese enterprises “going global”.

Green energy goes global, boosting the development of new energy worldwide

The current development of new energy has attracted worldwide attention, and it holds epoch-making significance in improving traditional energy mix, economic growth, environmental protection, and energy security. BTR’s shipments of anode materials and nickel-rich cathode materials rank among the top in China. In the field of silicon-based anode materials, BTR leads industry innovation and demonstrates its excellent strength in technology and product research and development. To make more contributions to promoting the low-carbon development of global energy, BTR keeps pace with the times, actively pursues a globalization strategy, and continues to make positive contributions to building a green, harmonious, and sustainable world.

BTR’s first overseas project has officially commenced production

case

On August 7, 2024, on the occasion of the 24th anniversary of the establishment of the BTR Group, the Phase I of the BTR Indonesia project, with an annual production capacity of 160,000 tons of anode materials, was officially put into operation. Mr. Joko Widodo, the then President of the Republic of Indonesia, Mr. Luhut Binsar Panjaitan, the Coordinating Minister for Maritime Affairs and Investment, Mr. Airlangga Hartarto, the Coordinating Minister for Economic Affairs, Ms. Ida Fauziyah, the Minister of Manpower, Mr. Bahlil Lahadalia, the Minister of Investment, and Mr. Arifin Tasrif, the Minister of Energy and Mineral Resources, along with Mr. He Xueqin, the Chairman of BTR, and Mr. Huang Youyuan, the Executive Vice Chairman and General Manager of BTR, attended the commissioning ceremony. The completion and commissioning of the BTR Indonesia project have filled the gap in the field of lithium-ion battery anode materials in Indonesia and even the entire ASEAN region, effectively promoting the improvement of Indonesia’s new energy and lithium-ion battery industry chain.



In addition to the project in Indonesia, in April 2024, BTR’s Mediterranean project with an annual production capacity of 50,000 tons of lithium-ion battery cathode materials officially commenced. Upon completion, the project will have an annual production capacity of 50,000 tons of lithium-ion battery cathode materials to meet the global demand for high-performance battery materials. Morocco is the first country in North Africa to sign a cooperation plan with China to jointly build the Belt and Road Initiative. It boasts abundant raw material resources, favorable geographical advantages, a stable political and economic environment, and friendly foreign trade policies. In August 2024, the BTR Board of Directors approved the investment and construction of an integrated project with an annual production capacity of 60,000 tons of lithium-ion battery anode materials in Morocco. BTR will leverage its innovation capabilities and manufacturing experience to build North Africa’s first ternary cathode project, transforming the Mediterranean project into a green, intelligent, and high-level production base. It aims to establish a benchmark base for battery materials for Chinese enterprises in North Africa, further strengthen the construction of the global supply chain, and contribute wisdom and strength to promoting the low-carbon development of global energy.

Adhering to long-termism, ESG accelerates the construction of core capabilities for sustainable development

“Think globally, operate locally” has become the theme for Chinese enterprises venturing overseas. By combining the sustainable development requirements from a global perspective with a long-term commitment to deepening local market penetration, BTR has continuously strengthened its ESG system construction and improved its ESG performance. While meeting external compliance requirements, it takes reshaping corporate values and fostering a sustainable development culture as its inherent driving force, leading the industry towards a new future of sustainable development and allowing the world to see China’s ESG strength.

Environmentally friendliness, carrying out localized green and low-carbon production

Green development at BTR is not just a compliance response, but also an active strategic choice. Under the supervision and guidance of the Group’s Sustainable Development Management Committee, BTR Indonesia actively engages in localized green and low-carbon production, reducing its impact on the local environment and ecology. In accordance with the requirements of a green factory, BTR Indonesia designs its factory buildings and production lines based on energy conservation and consumption reduction. It adopts mature domestic environmental protection technologies and equipment for pollutant treatment to ensure minimal pollutant emissions. At the same time, during the initial stage of factory operation, the company established the ISO 14001 environmental management system and ISO 50001 energy management system, and carried out annual carbon emission inventory, verification, and management to meet the standardization of environmental and energy management.

Self-built photovoltaic power station in Qingshan Industrial Park, Indonesia

8.6 MW

In addition, BTR Indonesia continues to promote the transition to clean energy and plans to build an 8.6 MW photovoltaic power station in the Qingshan Industrial Park in BTR Indonesia by 2025. Once the photovoltaic power station is put into operation, the annual average photovoltaic power generation will reach 10.77 million kWh, accounting for approximately 1.2% of the total electricity consumption. Since October 2024, the Kendal Park in BTR Indonesia has achieved 100% conversion to green electricity. At the same time, BTR Indonesia reduces greenhouse gas emissions during transportation by using pure electric forklifts, fostering harmonious coexistence with nature.

Equality and inclusiveness, building a global industry talent ecosystem

In terms of global talent cultivation, BTR has taken a multi-pronged approach, specifically launching a English Learning Program For International Talents, and leveraging international projects such as the “Launch Forth” to help employees enhance their cross-cultural communication skills and global vision, providing a solid talent foundation for the expansion of global business.

In its globalization process, BTR adheres to principles such as equality, respect, cultural integration, and common development. It helps Indonesian community residents solve employment problems, significantly increases the number of Indonesian employees, and strengthens cross-cultural integration and management. Furthermore, through various training programs including health and safety, vocational skills, and language training, as well as providing Indonesian cuisine and equipping prayer rooms, BTR maximizes the protection of local employees’ rights and interests and enhances their professional qualities.

Take root in the community and achieve a win-win situation for both commercial value and social value

BTR has actively fulfilled its social responsibility globally, continuously paying attention to community development and welfare in the locations of its overseas companies. The Company supports local disaster victims through measures such as organizing donations and establishing employee mutual aid funds. At the same time, the Company is committed to improving educational conditions in local impoverished areas, providing educational materials for local impoverished women and children, and donating to local foundations. In addition, BTR Indonesia has carried out mangrove planting activities in BeteBete village to reduce the erosion of the coast by wind and waves, thus addressing the impact of climate change. BTR has practiced social responsibility through practical actions, contributed to the sustainable development of overseas communities, and further consolidated close ties with local communities.

Topic 2

Building a Global Battery Circular Economy System

Against the backdrop of accelerating progress towards the global Carbon Neutrality goal, the sustainable development capability of the battery materials industry has become an important component of corporate core competitiveness. BTR, with “resource efficiency throughout the entire life cycle” as its main theme and based on the concept of entire life cycle management, has established a complete ESG practice system covering product design, manufacturing, supply chain collaboration, recycling and regeneration, green packaging, and logistics, to promote the low-carbon transformation of the industrial chain.

Preliminary Stage

Green Design and Technological Innovation Drive Carbon Reduction at the Source

BTR has deeply integrated the concept of green design into its R&D system, achieving a transformation from “single product value extraction” to “entire life cycle management”. Through material structure innovation and process optimization, the Company considers product carbon emission intensity and recycling feasibility during the R&D stage, and formulates a low-carbon technology roadmap for its core products. BTR has been awarded the National Industrial Product Green Design Demonstration Enterprise, marking the recognition of its design concept by the national system. The Company’s energy consumption per unit of product has decreased by 63.6% over the past seven years, breaking through the industry’s energy efficiency bottleneck.

Medium Term

Collaborative Upgrade of Green Production System and Supply Chain

On the production side, BTR has established an industry-leading green factory matrix, with four of its production bases being awarded the national-level green factory certification, and the BTRJS Cathode and Shandong Ruiyang factories passing the provincial-level green factory certification. At the same time, the Company actively promotes the transformation of its energy mix, formulates a plan for the use of green electricity, and incorporates indicators such as carbon emissions per unit of product and the proportion of green electricity into the assessment system for senior management, functional departments, and production base leaders. In 2024, the Company used approximately 440 million kWh of renewable energy electricity, accounting for 27.29% of the total electricity consumption. In the same year, BTR’s self-built photovoltaic power station saw a significant increase in installed capacity, reaching a cumulative installed capacity of 21.14 MW.

Meanwhile, the Company adheres to the transparent management of product carbon footprint, and has completed independent carbon footprint assessments for over 60 products through a digital management platform. Among them, the artificial graphite anode material has passed third-party LCA certification, and its carbon footprint data has become the basis for customers’ low-carbon procurement decisions.

In addition, BTR is committed to integrating green requirements into its supply chain, incorporating the green electricity utilization rate and carbon reduction targets of suppliers into its audit system, and incorporating the carbon reduction compliance rate of the supply chain into the KPI assessment of the procurement department. In 2024, the Company was awarded the national title of “Green Supply Chain Management Enterprise”.

Later Stage

Closed-Loop Recycling System and Packaging Logistics Optimization

BTR has actively promoted resource recycling and comprehensive utilization, and actively implemented the green and low-carbon concept in packaging, logistics, and recycling. The Company has actively deployed battery material recycling technology to promote the standardized development of the battery recycling field. On the other hand, the Company has actively promoted sustainable packaging material management and promoted low-carbon transportation of products, which, while achieving economic benefits for the enterprise, has also helped the industry’s sustainable development reach new heights.

Addressing the resource recovery challenges during the decommissioning phase of battery materials, BTR has established recovery plans and phased objectives for both anode and cathode materials. Technologically, the Company has set up differentiated recovery processes for artificial and natural graphite, distinguishing between the two types of materials to ensure controllable raw materials. Furthermore, the Company is committed to advancing traceability construction, relying on QR code information technology for battery traceability to precisely track material sources and achieve full-process visualization of historical data for recovered materials. In 2024, the Company utilized 140 tons of recovered cathode precursor materials.

In addition, BTR has comprehensively promoted the use of recyclable packaging materials and lightweight utilization, shortened the transportation radius of raw materials through localized factory construction, reduced related carbon emissions, and continuously promoted resource recycling and comprehensive utilization. In 2024, the Company recycled 3,547.45 tons of packaging materials and achieved the recycling and reuse of 11,237.2 tons of general industrial solid waste, accounting for 78.76%.



Sustainability Governance

Integrating sustainability into the Company’s strategy is a crucial step in ensuring long-term prosperity. With the vision and mission of “Innovation leads the progress of the new energy industry, build a better green world” , BTR considers sustainability governance as the core of its development strategy and deeply integrates it into daily operations.

Sustainability Philosophy

<div>Lead Innovation</div> <div>Innovation-Driven Industry Leader</div>	<div>Adhering to technological innovation, continuously enhancing R&D innovation capabilities, and constantly optimizing production processes, leading green manufacturing through innovative green R&D.</div> <div>With the goal of becoming a leader in the field of new energy materials, BTR takes the initiative or participates in the formulation of international, national, and industry standards, actively driving forward industry progress.</div>
<div>Compliant Operation</div> <div>Compliant and Stable Operation</div>	<div>Operating compliantly, adhering to business ethics, establishing dedicated Audit and Risk Control Committees, and continually improving internal risk control.</div> <div>Focusing on compliance with occupational health and safety management, paying attention to workplace safety and occupational hazards, continually providing a healthy, safe, and comfortable working environment for its employees.</div>
<div>Green Harmony</div> <div>Harmonious Environment and Employees</div>	<div>BTR continuously improves environmental management and energy management systems. The Company prioritizes actions to address climate change, including increasing the utilization of renewable energy, and actively promoting carbon emission reduction efforts.</div> <div>Providing employment opportunities and safeguarding employee rights, BTR formulates equal employment policies, ensures humane labor treatment, protects the rights of female employees, and prevents issues such as discrimination, harassment, child labor, and forced labor.</div> <div>Emphasizing employee development and care, BTR actively strengthens talent team development, and improves long-term incentive and restraint mechanisms.</div>
<div>Win-win Cooperation</div> <div>Cooperation for Joint Creation and Win-win Cooperation</div>	<div>Establishing a responsible procurement management system, integrating sustainability into the entire procurement process. BTR pays attention to and promotes the development of sustainability management systems for suppliers, and collaborates to create a carbon-neutral value chain.</div> <div>BTR always adheres to the concept of combining corporate benefits with social public welfare in social responsibility, actively participates in social welfare activities, responds to the national call for poverty alleviation, engages in rural revitalization, and strives to build harmonious and friendly social public relations.</div>

Sustainability Governance Capability

In order to comprehensively enhance the systematization, professionalization, and standardization of sustainable development management work, BTR adheres to the principle of parallel development of theory and practice. It sorts out and improves various dimensions such as governance structure, workflow, and information disclosure, effectively integrating the concept of sustainable development into corporate governance and various business processes. It is committed to continuously improving the capability and performance of sustainable development governance, striving to achieve coordinated development in terms of company growth, industry transformation, and social value co-creation.

Sustainability Governance Architecture



BTR has actively adapted to the Company’s strategy and sustainable development needs, strengthened the Company’s sustainable development governance capabilities, and established a three-tier sustainable development governance framework covering the Decision-making level, Management level, and Executive level. Furthermore, the Company continues to optimize its team structure and enhance professional capacity building. In 2024, the Company officially established the Sustainability Office (ESG Management Department) as the department responsible for the Company’s sustainable development business, to facilitate coordination, communication, and implementation of the Company’s work in climate change, environmental protection, and sustainable supply chains.

<div>Board of Directors</div> <div>As the top level of corporate governance, the Board of Directors formulates the Company’s overall strategic direction and policies, ensuring alignment between ESG topics, and the Company’s long-term goals and strategies. The Board of Directors reviews and approves key ESG goals and plans, oversees the Company’s overall performance in sustainability, and is responsible for communicating with shareholders and other major stakeholders on ESG matters.</div>
<div>Sustainability Management Committee</div> <div>Coordinate the ESG strategies and policies formulated by the Board of Directors, oversee the Company’s performance in environmental, social, and governance aspects, and provide regular progress reports to the Board of Directors. Additionally, the committee formulates ESG-related action plans and guides and coordinates sustainability efforts within the Company.</div> <div>Responsible for formulating company-level sustainability strategies, goals, policies, and systems, coordinating the establishment, implementation, and continuous improvement of the sustainability management system.</div>
<div>Sustainability Office (ESG Management Department)</div> <div>Formulate ESG systems, decompose objectives, track the implementation of target plans, conduct follow-up assessments, and maintain records; implement the directives of the Sustainable Development Committee, organize at least one ESG performance meeting per year, and report ESG performance to the committee; organize ESG training and activities to enhance ESG awareness among all employees across the Group; promote the improvement of ESG management among suppliers.</div> <div>Functional Departments, Branches, And Subsidiaries</div> <div>Functional departments and subsidiaries translate ESG strategies and goals into specific actions and projects, including environmental management, social responsibility activities, and the implementation of governance practices in daily operations.</div>

Sustainability Goals and Performance

In 2024, based on its corporate sustainable development policy, BTR formulated a series of specific action plans and strictly deployed and implemented each measure according to the plan. In the same year, the Company promulgated the *ESG Management Measures* aimed at regulating the management process and related responsibilities of corporate sustainable development. On this basis, the Company clearly set sustainable development goals that span the entire value chain, covering multiple dimensions such as addressing climate change, emissions and waste management, energy efficient utilization, circular economy, responsible supply chain, employees, community contributions, anti-commercial bribery, and anti-corruption, aiming to comprehensively achieve effective risk control.






At the same time, the Company actively promotes the deep integration of sustainable development management with daily business operations, continuously strengthening the in-depth participation and comprehensive understanding of Board of Directors members and senior management on ESG issues. BTR has incorporated indicators such as green electricity usage and carbon reduction targets into the key performance indicator (KPI) assessment system for senior executives, headquarters functional departments, and heads of various bases, closely linking them with their compensation structure and incentive plans, providing strong guarantees for ensuring the practical implementation of sustainable development concepts and strategies.

Communication with Stakeholders

BTR has established effective communication channels to maintain close contact with key stakeholders and understand the demands and expectations of both internal and external parties. The Company has established multiple open and transparent channels to proactively address stakeholders’ expectations and demands, continuously refining its communication mechanisms, and enhancing the efficiency of information exchange.

To gain deeper insights into stakeholders’ views on the Company’s ESG topics, BTR conducted stakeholder questionnaire surveys covering various important groups such as investors, senior management, other employees, customers, government and regulatory authorities, suppliers, partners, the public, and the community.

Stakeholders

 Customers	<ul style="list-style-type: none">• Cutting-edge technologies and high-quality products• High-quality services experience• Information security and privacy protection	<ul style="list-style-type: none">• Persisting in innovation-driven development, we develop high-quality products of multiple categories• Protecting customer privacy and information security• Promoting eco-friendly products
 Shareholders and Investors	<ul style="list-style-type: none">• Corporate Governance• Information disclosure• Shareholders’ equity• Economic performance• Information transparency	<ul style="list-style-type: none">• Expanding information disclosure and communication channels• Regularly releasing financial reports, sustainability reports, etc.
 Employees	<ul style="list-style-type: none">• The legitimate rights and interests of employees• Employee remuneration and benefits• Diversity and equality• Health and safety of employees• Employee development	<ul style="list-style-type: none">• Guaranteeing basic rights and interests of employees• Improving benefits and remunerations of employees• Establishing a talent training• Smoothening career development and communication channels strategy• Ensuring the occupational health and safety of employees
 Suppliers and Partners	<ul style="list-style-type: none">• Fair procurement• Mutual benefit and win-win cooperation• Integrity cooperation• Industry development• R&D innovation	<ul style="list-style-type: none">• Strengthening supplier admission review and management and building a green supply chain• Actively participating in industry exchanges and contributing to the formulation of industry standards• Enhancing R&D innovation to promote industry development
 Government and Regulatory Authorities	<ul style="list-style-type: none">• Legal compliance• Tax payment according to law• Anti-corruption• Employment guarantee• Green development	<ul style="list-style-type: none">• Paying taxes according to the law and adhering to lawful and compliant operations• Adhering to green production and protecting the ecological environment
 Community and NGOs	<ul style="list-style-type: none">• Charity and voluntary services• Community communication and development	<ul style="list-style-type: none">• Participating in community public welfare activities• Promoting local economic development

Double Materiality Assessment

BTR regularly conducts comprehensive assessments of the materiality of sustainability issues, based on the judgment criteria for impact materiality and financial materiality outlined in the Guidelines of the Beijing Stock Exchange. It also updates its assessment methods by referring to the latest international disclosure standards such as *GRI 3: Material Topics*, *European Sustainability Reporting Standards* (ESRS), and the *International Financial Reporting Sustainability Disclosure Standard No. 1 - General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1)* to carry out double materiality assessment. In 2024, the Company conducted identification and analysis of substantive sustainability issues through policy analysis, extensive research among internal and external stakeholders, and incorporated a financial perspective based on previous impact materiality assessments, providing a reference base for the Company to orderly promote sustainability work and disclose relevant information.

Assessment Process

<div>Understand the background of the company’s activities and business relationships</div> <div>Step One</div> <div>01</div>	By interpreting domestic and international sustainable development standards, company business operations, product services, value chains, and industry conditions, we can understand the sustainable development context in which the company operates.
<div>Establish a list of issues</div> <div>Step Two</div> <div>02</div>	Based on the actual situation of the company and communication with internal and external stakeholders, the relevant sustainable development issues are initially identified and screened, and the actual and potential impacts, risks, and opportunities related to sustainable development issues are analyzed.
<div>Assessment and confirmation of issue materiality</div> <div>Step Three</div> <div>03</div>	Based on the company’s own situation, industry development trends, authoritative domestic and international research, etc., assess and rank the impact materiality and financial materiality of the issues, form a double materiality matrix, and define the boundaries of important issues.
<div>Issue review and report</div> <div>Step Four</div> <div>04</div>	After review and confirmation by the Board of Directors and the Management, key disclosures are made in the report regarding issues of high materiality during the reporting period.

Assessment Method

During the reporting period, BTR conducted a double materiality assessment through various methods such as questionnaire survey, in-depth interviews, and expert evaluations, actively communicating with stakeholders including government and regulatory authorities, investors, company management, employees, customers, suppliers, industry associations, and experts worldwide. Nearly 300 questionnaires were collected from this survey, providing a solid foundation for the comprehensive judgment of the Company’s issue assessment.

Impact Materiality	Comprehensively assess the positive and negative impacts, actual occurrences and potential impacts, and conduct a comprehensive evaluation from multiple dimensions such as impact scale, impact scope, occurrence probability, and irreparability, to assess whether the performance of the Company’s sustainable development-related issues will have a significant impact on the environment, economy, and society.
Financial Materiality	The Company comprehensively evaluates the likelihood of impact occurrence and the degree of financial impact from three time horizons: short term, medium term, and long term. It assesses the impact of relevant issues on the Company’s business model, business operations, financial status, and other financial indicators across different periods, considering multiple aspects such as resource availability and relationship dependence. Note: The Company defines time ranges as short term (within 1 year [inclusive]), medium term (1 to 5 years [inclusive]), and long term (over 5 years).

Assessment Results

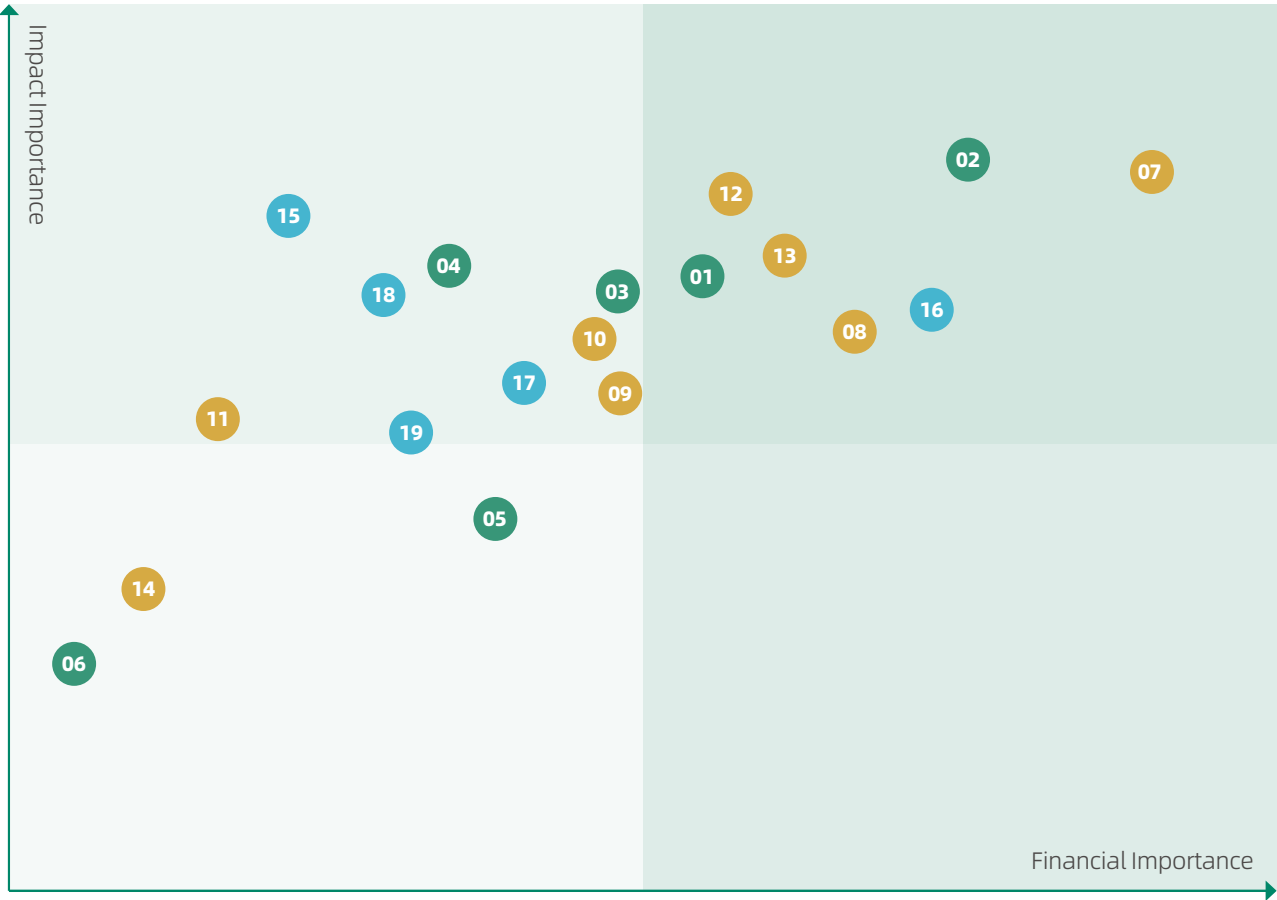
The identification results of the double materiality issues for the Company in 2024 are presented in the matrix below, where 7 issues have both financial and impact materiality for the Company. The following results were comprehensively evaluated by the Company’s internal finance department, ESG management department, and other relevant departments, as well as external industry experts, based on insights from the Company, industry, and domestic and international perspectives. They were ultimately reviewed and approved by BTR’s financial experts, Sustainable Development Management Committee, and Board of Directors. The issues identified as having financial materiality for the Company are presented in the relevant sections of this report based on the four elements of “Governance - Strategy - Impact, Risk, and Opportunity Management - Metrics and Targets” .

ENVIRONMENTAL

SOCIAL

GOVERNANCE

01 Environmental Compliance Management	04 Resource Management and Recycling
02 Response to Climate Change	05 Pollutant Emission and Waste Disposal
03 Energy Management	06 Biodiversity Protection
07 R&D Innovation	11 Promotion of Industry Development
08 Product Quality and Safety	12 Employee Hiring and Development
09 Customer Service	13 Occupational Health and Safety
10 Responsible Supply Chain Management	14 Rural Revitalization and Social Contribution
15 Sustainability Governance	18 Business Ethics
16 Stable Operation	19 Data Security and Privacy Protection
17 Anti-Commercial Bribery and Anti-Corruption	



List of Issues and Analysis of Impacts, Risks, and Opportunities

Based on BTR's sustainable development background and business reality, in accordance with authoritative standards and assessment methods at home and abroad, and incorporating the results of stakeholder communication, BTR consolidated and updated sustainable development related issues in 2024. Based on the issues set out in the Guidelines of the Beijing Stock Exchange, specific issues were added in consideration of the actual situation, resulting in a total of 19 identified important issues applicable to the company's situation, including 6 environmental issues, 8 social issues, and 5 governance issues. At the same time, we initially identified and analyzed the actual and potential impacts, risks, and opportunities related to sustainable development issues.

Topics	Impact Scope	Impact Cycle	Positive Impact	Negative Impact	Risk	Opportunity	Impact Materiality	Financial Materiality	Corresponding Chapter	SDGs
Environmental Compliance Management	Self-operation and upstream and downstream value chains	Short, medium, and long term	√	√	√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	Circular Symbiosis, Exploring Low-Carbon Operation Mode	<div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div>
Response to Climate Change	Self-operation and upstream and downstream value chains	Medium and long term	√	√	√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	Circular Symbiosis, Exploring Low-Carbon Operation Mode	<div><div>13 CLIMATE ACTION</div><div></div></div>
Energy Management	Self-operation	Medium and long term	√	√	√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	Circular Symbiosis, Exploring Low-Carbon Operation Mode	<div><div>7 AFFORDABLE AND CLEAN ENERGY</div><div></div></div>
Resource Management and Recycling	Self-operation and upstream value chain	Medium and long term	√	√	√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	Circular Symbiosis, Exploring Low-Carbon Operation Mode	<div><div>6 CLEAN WATER AND SANITATION</div><div></div></div> <div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div>
Pollutant Emission and Waste Disposal	Self-operations and upstream and downstream value chains	Short term	√	√	√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	Circular Symbiosis, Exploring Low-Carbon Operation Mode	<div><div>13 CLIMATE ACTION</div><div></div></div>
Biodiversity Protection	Self-operation and community	Long term	√		√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	Circular Symbiosis, Exploring Low-Carbon Operation Mode	<div><div>15 LIFE ON LAND</div><div></div></div>
R&D Innovation	Self-operation and upstream and downstream value chains	Long term	√	√	√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	Quality Excellence, Pioneering Market Value Elevation	<div><div>9 INDUSTRY INNOVATION AND INFRASTRUCTURE</div><div></div></div> <div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div>
Product Quality and Safety	Self-operation and downstream value chain	Long term	√	√	√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	Quality Excellence, Pioneering Market Value Elevation	<div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div>
Customer	Self-operation and downstream value chain	Long term	√	√	√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	Quality Excellence, Pioneering Market Value Elevation	<div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div>
Responsible Supply Chain Management	Self-operation and upstream and downstream value chains	Medium and long term	√	√	√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	Open Integration, Driving Collaborative Development of Industries	<div><div>17 PARTNERSHIPS FOR THE GOALS</div><div></div></div>
Promotion of Industry Development	Self-operation	Medium and long term	√		√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	Open Integration, Driving Collaborative Development of Industries	<div><div>9 INDUSTRY INNOVATION AND INFRASTRUCTURE</div><div></div></div>

Topics	Impact Scope	Impact Cycle	Positive Impact	Negative Impact	Risk	Opportunity	Impact Materiality	Financial Materiality	Corresponding Chapter	SDGs
Employee Hiring and Development	Self-operation	Medium and long term	√	√	√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div><div></div></div>	Talent as the Cornerstone, Unleashing Organizational Innovation Momentum	<div><div>4 QUALITY EDUCATION</div><div>5 GENDER EQUALITY</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>10 REDUCED INEQUALITIES</div></div>
Occupational Health and Safety	Self-operation	Medium and long term	√	√	√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div><div></div></div>	Talent as the Cornerstone, Unleashing Organizational Innovation Momentum	<div><div>3 GOOD HEALTH AND WELL-BEING</div></div>
Rural Revitalization and Social Contribution	Community	Long term	√			√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	People-Centereded Approach, Empowering the Pursuit of a Better Life	<div><div>1 NO POVERTY</div><div>4 QUALITY EDUCATION</div><div>10 REDUCED INEQUALITIES</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div></div>
Sustainability Governance	Self-operation	Long term	√			√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	Steady Strides Toward Enduring Success, Fortifying Corporate Governance Foundations	<div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div></div>
Stable Operation	Self-operation	Long term	√	√	√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	Steady Strides Toward Enduring Success, Fortifying Corporate Governance Foundations	<div><div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div></div>
Anti-Commercial Bribery and Anti-Corruption	Self-operation	Medium and long term	√	√	√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div><div></div></div>	Steady Strides Toward Enduring Success, Fortifying Corporate Governance Foundations	<div><div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div></div>
Business Ethics	Self-operation and upstream and downstream value chains	Medium and long term	√	√	√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	Steady Strides Toward Enduring Success, Fortifying Corporate Governance Foundations	<div><div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div></div>
Data Security and Privacy Protection	Self-operation and upstream and downstream value chains	Medium and long term	√	√	√	√	<div><div></div><div></div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div><div></div><div></div></div>	Steady Strides Toward Enduring Success, Fortifying Corporate Governance Foundations	<div><div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div></div>

Part 1

Environmental

- Environmental Compliance Management
- Response to Climate Change
- Energy Management
- Resource Management and Recycling
- Pollutant Emission and Waste Disposal
- Biodiversity Protection

BTR has actively responded to global climate governance, promoting low-carbon transformation across the entire industry chain through multi-dimensional management, and leading the industry towards sustainable iteration and upgrading. The Company continues to adhere to the path of green production, committed to integrating green concepts into the entire production and operation process, and building a beautiful vision of harmonious development between humans and ecological nature.

Environment



Circular Symbiosis, Exploring Low-Carbon Operation Mode

Circular Symbiosis

BTR has always firmly supported the United Nations Sustainable Development Goals (SDGs), with the vision and mission of “Innovation leads the progress of the new energy industry and build a better green world” . Through continuous green technological innovation and environmental management practices, BTR promotes its own development towards a more environmentally friendly and sustainable direction, making positive contributions to building a clean and green world.

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Response to Climate Change

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Green Production

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Green Culture

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Biodiversity Protection

Response to Climate Change

1.1

As a globally leading supplier of lithium-ion battery materials, BTR has been continuously promoting low-carbon transformation and climate adaptation, supporting the *Paris Agreement* with its own actions, and contributing to the achievement of the goals of “carbon peaking and carbon neutrality”. The Company has invested in multiple dimensions such as climate work strategic planning, risk identification, and carbon emission management, responding to the call of the international community and the country, and contributing to a sustainable future.

To fully disclose the Company’s climate-related risks, BTR proactively responds to the concerns of investors and the public, further advancing the Company’s transition to a more sustainable low-carbon economy. The Company identifies its management policy and strategies for mitigating and addressing climate change risks across four dimensions: governance, strategy, risk management, indicators, and goals.

1.1.1

Governance

BTR has enhanced the governance structure related to sustainability and climate action by establishing a Sustainability Management Committee within the Company. This Committee reports directly to the Company’s legal representative, overseeing all aspects of the Company’s sustainability efforts and driving its response to climate change. Additionally, BTR has set up a GHG management team in its subsidiaries, which is responsible for the management of carbon emission verification.

1.1.2

Strategy

BTR actively responds to the national green development strategy and adheres to the development policy of “Green Harmony and Win-Win Cooperation”. In 2023, BTR publicly released the Strategic Plan of Carbon Neutrality, aiming to achieve operational carbon peaking by 2030, operational carbon neutrality by 2050, and carbon neutrality across the value chain by 2060.

Short-term goal	2030	Mid-term goal	2050	Long-term goal	2060
Achieve operational carbon peaking, with 2021 as the base year, and reduce the carbon emissions per unit product by 5% annually. (Scope 1, Scope 2)					
Achieve operational carbon neutrality. (Scope 1, Scope 2)					
Achieve carbon neutrality in the value chain. (Scope 1, Scope 2, Scope 3)					

In order to fully disclose the Company’s climate-related risks, BTR has proactively responded to the concerns of investors and the public. The Company regularly conducts comprehensive assessments of environmental risks in the production process, identifies potential environmental hazards, and formulates targeted risk assessment reports. These reports provide a scientific basis for subsequent risk management and emergency response plans, further promoting the Company’s transition to a more sustainable low-carbon economy.



Risk Category	Subcategory	Potential Impact	Countermeasures
Physical Risk	Acute Risk	<p>Climate change-induced floods, typhoons, blizzards, and other extreme weather may cause damage to equipment, factories, and other facilities at BTR production bases, leading to production stoppages, serious personal injuries, and direct or indirect economic losses.</p> <p>Additionally, extreme weather can affect the efficiency of transportation and personnel mobility, leading to disruptions or delays in the delivery of raw materials and construction, as well as inconvenience for the Company’s employees’ commuting and business travel.</p>	<p>Selection and planning for operation sites:</p> <p>When selecting sites, refer to historical natural disaster data and prioritize areas with lower climate risk. When planning operation sites, consider local climatic characteristics and implement green and energy-efficient building and infrastructure design to ensure adaptability and tolerance to the environment.</p> <p>Disaster preparedness and emergency management:</p> <p>Establish an early warning system for extreme weather, notify employees promptly, and execute appropriate safety measures. Develop emergency response plans for natural disasters such as floods, typhoons, and high temperatures, including measures for employee safety, facility protection, and business continuity.</p> <p>Operational efficiency and energy-saving technologies:</p> <p>Optimize production processes and energy efficiency by adopting energy-saving technologies to reduce energy consumption and costs. Regularly assess and monitor energy efficiency to ensure continuous improvement and efficient resource utilization.</p> <p>Renewable energy applications:</p> <p>Strengthen the utilization of renewable energy sources such as wind and solar energy to reduce dependence on fossil fuels. Actively participate in the green energy market by purchasing or directly producing green electricity to improve the energy structure.</p>
	Chronic Risk	<p>Chronic risks from climate change include persistent regional droughts, high temperatures, sea level rise, and changes in magnetic fields. As a supplier of lithium-ion battery materials, BTR production and operational equipment are sensitive to the environment and temperature. Climate change will likely increase the Company’s depletion and costs for temperature control and equipment maintenance, and increase the use of water resources in production and operations, resulting in sustained economic losses.</p>	<p>Water resource management and water conservation measures:</p> <p>Improve water conservancy facilities to increase water use efficiency and reduce water waste. Implement water recycling programs to reduce demand for water resources and environmental impacts.</p> <p>Comprehensive climate risk assessment and management:</p> <p>Conduct regular climate risk assessments to identify and quantify potential risks. Purchase appropriate property and business interruption insurance based on the assessment to mitigate potential financial impacts. Strengthen the construction and maintenance of environmental protection facilities, conduct regular monitoring of important environmental factors (such as waste gas, waste water, waste, radiation, etc.), ensure 100% achievement of the Company’s environmental management objectives, achieve 100% up-to-standard waste discharge, and eliminate environmental hazards. Establish close cooperative relationships with relevant departments and institutions, promptly obtain information on environmental protection policies and regulations, and ensure the Company operates in compliance.</p>

Risk Category	Subcategory	Potential Impact	Countermeasures
Transformation Risk	Policy and Regulation Risk	<p>With the introduction of relevant policies such as the <i>Action Plan for Energy Conservation and Carbon Reduction in 2024-2025</i> and the <i>Opinions on Accelerating the Comprehensive Green Transformation of Economic and Social Development</i>, as well as the establishment and improvement of China's carbon market, the development of the carbon trading market, carbon tax, and environmental protection tax are gradually being implemented. International and domestic regulatory agencies, capital market rating indices, and others are continuously strengthening their requirements for the disclosure of corporate environmental-related data.</p> <p>BTR is facing more pressure in terms of green production, reduction of product carbon footprints, and disclosing environmental protection information. The Company's negotiations with overseas cooperation projects and compliance management costs are rising.</p>	<p>Pay close attention to changes in carbon trading and related policies and regulations, conduct GHG inventories, and formulate and improve emission inventories.</p> <p>Monitor and optimize emission hotspots to enhance GHG emissions management.</p> <p>Integrate environmental protection principles into all aspects of R&D, production, packaging, logistics, and battery recycling to reduce energy and resource consumption.</p> <p>Comply with the regulations of the location and product sales country, and establish a sound system and protection mechanism.</p>
	Technical Risk	<p>In the context of global climate change, the transformation towards green and low-carbon technologies has become an inevitable trend for social development. BTR faces pressure regarding the transformation to low- carbon technologies. For example, the investment and utilization of green technology are at risk of failure, which could result in financial losses and increased compliance and operational costs.</p> <p>As future market continue to focus on products carbon footprints, BTR faces increased pressure to manage the carbon footprint throughout the entire life cycle of its products.</p>	<p>In the development, input and use of green technologies, ensure their rationality and feasibility, and carry out full justification, analysis, experimentation and testing before trial implementation and full-scale promotion and use.</p> <p>Encourage and strengthen the use of green technologies within the enterprise and value chain partners, such as promoting green offices and exploring the possibilities of energy conservation and carbon emission reduction.</p> <p>Establish a systematic technical talent cultivation system, strengthen R&D investment, actively participate in industry exchanges, and maintain technological leadership.</p> <p>Cooperate with the entire value chain, promote product dismantling and recycling, participate in the formulation of relevant standards, and reduce the carbon footprint throughout the entire life cycle of products.</p>
	Market Risk	<p>With the growing public recognition of environmental protection and green development concepts, consumers, upstream and downstream suppliers are paying more attention to environmental protection initiatives when choosing companies. If BTR fails to meet the expectations of its partners and the public, it may face the risk of losing market share. In the context of globalization of the supply chain, the environmental pressure of other partners may be transferred to BTR, further increasing production costs.</p> <p>With the reduction of new energy subsidies, the market popularity is gradually decreasing, which may also increase the Company's production and marketing costs.</p>	<p>Actively pay attention to the market, comply with the trend of green carbon emission reduction, and grasp the R&D of low-carbon products.</p> <p>Strictly manage and control the environmental impact of the Company, adhere to the green development path and low-carbon development mode, and enhance the Company's market reputation.</p> <p>Strengthen the transparency and accuracy of environment-related information disclosure, respond to stakeholders' concerns and gain market trust.</p> <p>Accelerate research on low-carbon technologies and upgrade corporate green and long-term production mechanisms to cope with the risk of potential cost increases. Enhance product accessibility and affordability to ensure an effective response to market demand.</p>
	Reputation Risk	<p>Countries' strategic protection of local companies may make it difficult for BTR to expand overseas.</p> <p>China's "carbon peaking and carbon neutrality" goal has been put forward, and policy regulation has been intensified. Stakeholders' concern for green development, consumption reduction and carbon emission reduction has increased, which puts higher requirements on the fulfillment of BTR's corporate social responsibility and the level of information disclosure.</p>	<p>Strictly refer to regulatory requirements, improve the comprehensiveness and accuracy of environment-related data disclosure, and increase the transparency of the information disclosure framework and process.</p> <p>Clarify corporate goals regarding environmental impacts, respond positively to stakeholders' concerns, and enhance trust.</p> <p>Comprehensively implement measures to reduce consumption and carbon emissions within the Company and along the value chain, effectively promoting the goals of "carbon peaking and carbon neutrality".</p>

1.1.3

Impact, Risk, and Opportunity Management

BTR has been continuously paying attention to issues related to addressing climate change, strengthening the identification, assessment, and management of climate-related risks, evaluating the potential impact of climate change on the Company and its customers' businesses, incorporating climate-related risk management into the Company's strategies and decisions, and actively taking relevant actions and countermeasures.


Considering both the likelihood of risk occurrence and its potential impact, the Company conducts assessments of climate-related physical risk and transformation risk. The Company also engages with government and regulatory agencies, cooperative suppliers, research institutions, and other stakeholders to identify key climate issues.

1.1.4


Metrics and Targets

BTR activity responds to the national green development strategy and adheres to the development policy of "Green Harmony and Win-Win Cooperation". In 2023, BTR publicly released the Strategic Plan of Carbon Neutrality, aiming to achieve operational carbon peaking by 2030, operational carbon neutrality by 2050, and carbon neutrality across the value chain by 2060. During the reporting period, in order to further clarify the carbon neutrality development goals of the enterprise from multiple perspectives such as products and suppliers, BTR continued to release multiple green development strategic goals and prospects.


Renewable Energy Power



Green Products



Green Supply Chain



2030 (Short-term Goal)

With 2024 as the base year, the proportion of renewable energy electricity will increase by **5%** annually, and by 2030, it will reach at least **50%**.

2050 (Long-term Goal)

The proportion of renewable energy electricity usage will reach **100%** by 2050.

Carbon Emission Per Unit Product

With 2021 as the base year, the carbon emissions per unit product decrease by **5%** annually.

Product Carbon Footprint

With 2024 as the base year, the weighted average carbon footprint of all products will decrease by **5%** annually.

Low-Carbon Products

Develop a low-carbon anode product by 2026, with a carbon footprint reduction of **50%** compared to 2024.

Carbon Neutrality Product

Develop a carbon neutrality product by 2030.

Long-term Goal

With 2024 as the base year, the carbon footprint of products from major raw material suppliers will decrease by **5%** annually.

Total annual emission reduction achieved

70,629.81 tCO₂e

In 2024, BTR's 16 production bases had a total greenhouse gas emission of¹ 935,776.75 tons of CO₂e, with a greenhouse gas emission intensity of² 0.66 tons of CO₂e/CNY 10,000 of revenue. The Company achieved a total carbon reduction of 70,629.81 tons of CO₂e through measures such as market-oriented green electricity trading and energy-saving technological transformation management.

Scope 1:	Scope 2:	Scope 3:	Greenhouse gas emission intensity:
3.72 tCO ₂ e	89.86 tCO ₂ e	138.69 tCO ₂ e	0.66 tCO ₂ e/ten thousand yuan of revenue

¹The statistical coverage of total greenhouse gas emissions includes Scope 1 and Scope 2. The Company's greenhouse gas emissions data statistics do not exclude the deduction of green certificates. During the reporting period, the Company's deduction of green certificates amounted to 8,857.20 tons of CO₂e. The total greenhouse gas emissions (Scope 1 and Scope 2) after deduction were 926,919.55 tons of CO₂e; the greenhouse gas emissions (Scope 2) were 889,763.94 tons of CO₂e.

Green Production

BTR consistently upholds the environmental management policy of “Law Abiding, Green Harmony, Enhanced Management, and Continuous Improvement,” aiming to establish a comprehensive and efficient environmental management system.

1.2.1 Environmental Management

Governance

Up to now, Number of BTR headquarters and subsidiaries that have garnered ISO 14001 certifications

13

Number of major environmental pollution incidents

0

Strategy

To promote the implementation of sustainable development management in the enterprise, coordinate the control and implementation of key sustainable development tasks, and ensure that the Company meets the prescribed standards for environmental protection and safety management in all dimensions, BTR has established an EHS Committee, chaired by a senior member of the Company and directly responsible to the legal representative of the Company; the general managers of each subsidiary (or the deputy general managers in charge of the work) all participate as committee members. The EHS Committee is fully responsible for driving improvements and management of safety and environmental protection within the Company, oversees the establishment of EHS Sub-committees in each subsidiary, sets environmental objectives, identifies environmental factors, conducts compliance assessments, and manages internal reviews and evaluations.

BTR complies with the *Environmental Protection Law of the People’s Republic of China*, the *Law of the People’s Republic of China on Environmental Impact Assessment*, the *Cleaner Production Promotion Law of the People’s Republic of China*, the *Measures for the Administration of the Law-based Disclosure of Environmental Information by Enterprises*, as well as the relevant requirements of ISO 14001. The Company has developed internal systems such as the *EHS Management Manual* and the *Carbon Emission Verification Management Procedure*, using them as programmatic documents to guide the construction and improvement of the Company’s environmental management system.

BTR has always adhered to the sustainable development vision of “building a better green world”, deeply integrating environmental compliance management into all aspects of its business operations. It has achieved a transformation in environmental management from “passive compliance” to “active value-adding”, comprehensively promoting the transition of production and operation towards green and low-carbon practices, and contributing corporate efforts to achieving the “dual carbon” goals.

Impact, Risk, and Opportunity Management

Green Factory Throughout its Entire Life Cycle

Number of national-level green factories

4

Environmental protection investment of BTR headquarters and its subsidiaries

13,987.31 ten thousand CNY

BTR has integrated the concept of green and low-carbon development throughout the entire process of enterprise product design, raw material procurement, production, transportation, storage, sales, use, and disposal, aiming to systematically promote resource conservation and environmental protection, and achieve collaborative improvement across the entire supply chain.

BTR has placed a high emphasis on the construction of green factories, comprehensively promoting green manufacturing through methods such as system management, energy conservation and consumption reduction, energy transformation, and waste recycling. As of the end of the reporting period, BTR Tianjin, BTR Shenzhen, BTR Huizhou, and BTR Sichuan have obtained national-level green factory certifications, while BTRJS Cathode and Shandong Ruiyang have obtained provincial-level green factory certifications.

In 2024, BTR established a sustainable development performance assessment, incorporating key indicators such as carbon emissions per unit of product and the proportion of green electricity usage into the assessment system for heads of production bases. This aims to motivate the reduction of carbon footprint, promote the use of green energy, and drive the Company’s production and operations towards a greener and more environmentally friendly direction.

BTR has been continuously paying attention to the prevention and response of sudden environmental incidents, and is committed to enhancing the environmental emergency management capabilities of the entire Company. In response to sudden environmental incidents such as wastewater leakage accidents, excessive emissions of waste gas, leakage of hazardous waste, and excessive production wastewater, the Company has formulated systems such as the *Emergency Plan for Sudden Environmental Incidents*, organized special training as needed, and conducted regular emergency drills to ensure the effective implementation of the plan and the continuous improvement of emergency response capabilities. In 2024, the Company conducted 55 emergency drills, with 1,350 participants.

Digital System Construction

With the rapid development of BTR New Materials Group, there is an urgent need to introduce a manufacturing operation management platform that can meet and support the Group’s collectivization, multi-format, and multi-factory operations, and promote digital energy resource management.

During the reporting period, BTR used MESA (Manufacturing Enterprise Solution Association International) as the planning standard, closely integrating BTR’s production practices, characteristics of the new energy material industry, and industry knowledge and experience. It continued to promote the construction of a digital management platform (MOM management system), achieving the establishment of a comprehensive digital information management system in the fields of energy control and resource management. After the system goes online, it will greatly enhance the intelligence level of the Company’s energy and resource management, providing strong support for the Company’s sustainable development, energy conservation, and emission reduction.

Metrics and Targets

Management Targets	Annual Progress
Establish a full-process environmental management system, deepen the institutionalization of environmental management, and ensure 100% compliance in environmental operations.	<div><div>✔</div><div>Nearly 140 million yuan has been invested in environmental protection, with a total number of 13 ISO 14001 certifications obtained, and zero occurrence of major environmental pollution incidents.</div></div> <div><div>✔</div><div>Incorporate environmental performance as a key indicator into the assessment system for heads of production bases.</div></div>

1.2.2 Energy Management

Energy Management System

Number of BTR headquarters and its subsidiaries that have obtained ISO 50001 certifications

9

Total annual energy savings achieved

3,794.56 tons of standard coal

BTR adheres to the requirements of laws and regulations such as the *Energy Conservation Law of the People’s Republic of China*, *Industrial Energy Conservation Management Measures*, *Energy Conservation Management Measures for Key Energy-consuming Units*, and *Energy Conservation Regulations of Guangdong Province*, as well as management practices. Referring to standards such as ISO 50001, the Company continuously improves its energy management system. With the energy management policy of “complying with regulations, improving energy efficiency, green production, and continuous improvement”, BTR has established an Energy Management Center to manage energy affairs. It has also developed documents such as the *Energy Management Manual*, which covers various aspects from energy consumption monitoring, implementation of energy-saving measures, to energy efficiency optimization. By doing so, BTR continuously enhances energy usage efficiency and promotes the achievement of energy conservation and emission reduction goals. Additionally, BTR has introduced an energy consumption management system, enabling real-time monitoring of electricity usage across various equipment, effectively improving energy management efficiency. Furthermore, the Company conducts energy audits as needed and obtains *Energy Audit Report* to reduce energy risks.

Shandong Ruiyang Energy-saving Technological Renovation

case

In 2024, Shandong Ruiyang implemented energy-saving technological transformation and adopted multiple measures to reduce electricity consumption per ton of product. By continuously optimizing production processes, increasing the amount of horizontal mixing, and effectively enhancing the production capacity of the granulation section, it achieved a dual improvement in production efficiency and energy utilization.

BTR Huizhou Energy-saving Technological Renovation

case

In 2024, BTR Huizhou carried out multiple energy-saving technological transformation projects, including increasing gas powder production, reducing natural gas usage, and enhancing carbonization capacity. Among these projects, the roller kiln exhaust gas incinerator renovation project achieved annual energy savings of approximately 470.8 tons of standard coal, reduced natural gas usage by 40%, and simultaneously decreased nitrogen oxide emissions. The energy-saving renovation of the A6 crusher achieved annual energy savings of approximately 14.9 tons of standard coal.

Clean Energy Transition

BTR has been continuously promoting the transition to clean energy. Through methods such as green electricity trading and self-construction of distributed photovoltaic power stations, it utilizes renewable energy to further achieve the strategic goal of “carbon neutrality” for low-carbon production, energy conservation, and emission reduction.

By the end of 2024, the Company had completed the construction of a 21.14 MW photovoltaic power plant. The BTR Group consumed 440,420,055.6 kWh of green electricity, with 16,884,296.3 kWh generated by photovoltaic power, representing a green electricity consumption ratio of 27.29%.

BTR actively participates in green electricity trading and strives to accelerate the transition to clean energy. In 2024, BTR purchased a total of 625,305,223,300 kWh of green electricity, achieving a reduction of 36,617.87 tons of greenhouse gas emissions equivalent to carbon dioxide, demonstrating its commitment to green development through practical actions.



BTR green electricity trading certificate, green electricity consumption certificate (partial)

Carbon Emission Management

To strengthen the Company's carbon emission management and clarify the scope of greenhouse gas quantification and reporting, BTR has developed several procedural documents and work instructions, including the *Carbon Emission Verification Management System*, based on the *Greenhouse Gas Protocol* (GHG Protocol), ISO 14064 standards, the *Measures for the Administration of the Law-based Disclosure of Environmental Information by Enterprises*, and other requirements, as well as the Company's actual situation. The principles of relevance, consistency, integrity, transparency, and accuracy are adhered to, striving to achieve standardized and procedural carbon emission management.

BTR established a corporate carbon emission database, conducted self-audits of carbon emissions at its subsidiaries every six months, and commissioned third-party independent verification annually. In 2024, carbon emission verification and certification were carried out for all 16 production bases of BTR. Meanwhile, BTR has continuously improved the verification coverage of Scope 3 emissions sources. In the 2024 report boundary, a fourth category was added: indirect greenhouse gas emissions generated by products used by the organization, including 4.1 emissions from purchased goods and 4.3 disposal of solid and liquid waste (refer to the emission classification in ISO14064-1:2018 *Specification and Guidelines for Quantification and Reporting of Greenhouse Gas Emissions and Removals at the Organizational Level*).

During the reporting period, BTR adopted a product carbon footprint management platform to conduct independent carbon footprint assessments for over 60 internal products. By leveraging digital means, the Company strengthened carbon emission management, accurately grasped the carbon emissions at various stages of products, and provided strong support for achieving green and sustainable development goals. At the same time, the Company commissioned a third party to conduct product carbon footprint evaluations, completed the carbon footprint evaluation of artificial graphite battery anode materials, and obtained an LCA report.

In addition, in order to enhance the Company's carbon management capabilities, in 2024, BTR organized a special science popularization event on "carbon peaking and carbon neutrality" to raise the awareness of relevant personnel on addressing climate change and strengthen the Company's carbon management foundation.

From June to July 2024, in order to further enhance the understanding of various companies on the “dual carbon” strategy and facilitate the promotion of green and low-carbon transformation and development, Nie Junjun, the head of the ESG Management Department of BTR, conducted two special training sessions on “Implementing the Dual Carbon Concept and Promoting Green Development”. The participants included senior executives from the Group and ESG leaders from various companies, with over 100 people attending the training.

Special Science Popularization on “Carbon Peaking and Carbon Neutrality”

case

<p>Top Leadership</p> <p>Responsibilities:</p> <p>Appoint the Carbon Verification System Leader of the CO₂ Emissions Verification Team as required by the City Government and provide the support required by the carbon.</p>	<p>Carbon Verification System Leader</p> <p>Responsibilities: Staff the Verification Team, implement the teams' work plans and follow up on the progress, and report the status of verification to the supreme leader.</p>	<p>ESG Management Department</p> <p>Responsibilities: Revise the GHG quantification and reporting system and regularly verify CO₂ emissions.</p> <hr/> <p>Administration Department</p> <p>Responsibilities: Provide administrative related information such as refrigerant charging in the Company.</p> <hr/> <p>Production Department</p> <p>Responsibilities: Provide basic information related to the Company's production.</p> <hr/> <p>Engineering Department</p> <p>Responsibilities: Provide power metering network diagrams.</p> <hr/> <p>Material Department</p> <p>Responsibilities: Provide information on corporate energy purchases, consumption and inventory.</p> <hr/> <p>Finance Department</p> <p>Responsibilities: Provide invoices for gasoline, diesel, electricity, liquefied petroleum gas, asphalt, etc., and provide basic information on the Company's annual output value, annual tax revenue, and annual industrial added value.</p>
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1.2.3

Resource Management

BTR places great emphasis on issues related to resource management, focusing on the recycling and utilization of water resources and packaging materials. Through technological innovation and process optimization, it continuously reduces water consumption in the production process. In terms of packaging material management, it emphasizes the selection of recyclable and degradable packaging materials, while reducing the usage of various types of packaging materials, thus implementing the concept of sustainable development through practical actions.

Water Resource Management

Total water intake

197.12 ten thousand m³

Water intake intensity

1.38 m³/ten thousand yuan of revenue

Total reclaimed water volume

60.51 ten thousand m³

BTR continuously promotes water resource management. In strict compliance with the *Water Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Action Plan for Prevention and Control of Water Pollution* and other relevant laws and regulations, it has formulated the *Energy Resource Management Procedure* and the *Cost Savings Management Procedure* to monitor and manage key water usage points in the production process.

The Company has established a rainwater and sewage diversion program and conducts regular inspections and maintenance to ensure the stable and effective treatment of both the sewage and rainwater systems. To further optimize the efficiency of water resources utilization, BTR actively increases investment in technological upgrading. Through regular statistical analysis of water usage data, the Company compiles instructions for water conservation and reclaimed water reuse. Those instructions are intended to specify the management over the whole process of water usage, drainage, water treatment and reclaimed water reuse, thereby comprehensively improving water usage efficiency.

Based on this, BTR established a water conservation working group and appointed water conservation administrators to oversee the Company's water conservation management and implement water conservation policies in daily operations. At the same time, the Company requires quarterly water conservation meetings to review water conservation efforts, deepen employees' awareness of water conservation, and establish a relevant reward and punishment incentive system to encourage employees to actively participate in water conservation activities.

Condensate Water Reuse in Coking Workshop of Shandong Ruiyang

case

Shandong Ruiyang is committed to technological innovation in resource conservation and has launched a condensate water reuse project in its coking workshop. By optimizing the process flow, it has achieved efficient recovery and reuse of condensate water, significantly improving water resource utilization efficiency and adding new impetus to the Company's green development.

Packing Material Management

BTR actively explores lightweight management and recycling of packing materials, prioritizing designs that are easy to disassemble and recyclable. The Company selects recyclable and degradable packing materials to reduce overall usage.

Packaging Material Management Practice of BTR JS Cathode

case

BTR JS Cathode implements recycling and cleaning procedures for used pallets to effectively extend their service life. At the same time, the Company actively establishes a cooperation mechanism with suppliers to uniformly collect and recycle pallets used for shipping materials. In 2024, 5,461 pallets from suppliers were successfully recycled, and a total of 587 pallets for shipped products were recycled.

The company has established recycling stations for recyclable materials to further strengthen collaboration with supply chain partners and jointly promote the recycling process of packaging materials. In addition, the Company regularly conducts training and publicity and education activities related to packaging recycling, aiming to enhance the environmental awareness of employees and consumers and strengthen their practical ability in recycling.

Packaging Material Recycling of BTR Sichuan

case

BTR Sichuan has promoted the recycling and utilization of pallets, cartons, and dustproof PE bags, and reduced the consumption of consumables by optimizing packaging methods and shipping with bare packaging. In 2024, the Company recycled 79,365 pallets, 13,864 cartons, 134,568 PE bags, and over 50,000 tons of bags were recycled and utilized.

1.2.4

Emission and Waste Management

Ensure pollutant emissions meet standards

100%

Achievement of company’s environmental management targets

100%

BTR actively assumes environmental responsibility throughout the entire production cycle, emphasizing the management of emissions and waste. It strictly adheres to laws and regulations such as the *Environmental Protection Law of the People’s Republic of China*, the *Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, the *Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Water Pollution Prevention and Control Law of the People’s Republic of China*, the *Law of the People’s Republic of China on the Prevention and Control of Noise Pollution*, and the *Law of the People’s Republic of China on the Prevention and Control of Soil Pollution*. It rigorously controls the generation and emission of wastewater, waste gas, solid waste, and noise during production and operation, reduces its own environmental footprint, and promotes clean production.

BTR has established an internal management system covering the entire company for major pollutants and emissions such as waste gas, waste water, and solid waste generated during production and operation. At the same time, effective management has been implemented for noise pollution caused during production, with clear treatment methods for different pollutants to ensure compliance with emission limits and disposal requirements.

In addition, the Company continues to strengthen the construction and maintenance of environmental protection facilities, conducts regular monitoring of important environmental factors (such as waste gas, waste water, waste, radiation, etc.), ensures 100% compliance with pollutant emission standards and 100% achievement of the Company’s environmental management targets, and eliminates environmental hazards.

Air Pollutant Management

In compliance with the *Atmospheric Pollution Prevention and Control Law of the People’s Republic of China* and other laws and regulations, BTR has formulated the *Off-Gas and Noise Emission Control Procedures* to strictly manage the off-gas. Regarding industrial exhaust emissions, BTR strictly monitors substances such as particulate matter, soot, asphalt fumes, nitrogen oxides, volatile organic compounds (VOCs), and sulfur dioxide (SO₂). By combining processes like TO, SCR, and RTO, and utilizing exhaust gas treatment facilities like high-temperature combustion furnaces, cloth bag dust collectors, spraying towers, and activated carbon adsorption devices, the emissions are treated to meet standards before being discharged.

Renovation of BTR Huizhou Waste Gas Combustion Furnace

case

In 2024, BTR Huizhou conducted a comprehensive upgrade and renovation of its waste gas combustion furnace, optimizing the incineration process and significantly improving incineration efficiency. After the renovation, natural gas consumption was effectively reduced, while emissions of nitrogen oxides and volatile organic compounds were also reduced.

Wastewater Management

Total drainage volume

50.61 ten thousand m³

Drainage intensity

0.43 m³/ten thousand yuan of revenue

Zero Discharge of Production Wastewater at BTR Sichuan

case

BTR has implemented management systems such as the *Wastewater Discharge Control Procedures* and the *Operation Guidelines for Wastewater Treatment Station*, which clearly define the responsible management departments, disposal procedures, and emergency measures for wastewater disposal and testing.

The types of sewage discharged by the Company mainly include industrial wastewater and domestic sewage. The Company controls the compliance rate of wastewater quality through self-built wastewater treatment facilities and regular monitoring. Industrial wastewater is treated using a combination process such as “pH adjustment - coagulation sedimentation - hydrolytic acidification - oxidation”, with a daily treatment capacity of up to 60 tons, ensuring that it meets emission standards. Some wastewater is discharged into downstream wastewater treatment plants, while some is recycled for reuse. Meanwhile, domestic sewage is discharged to urban wastewater treatment plants after preliminary treatment. In addition, the Company conducts regular self-inspection and entrusts qualified third-party testing companies to monitor suspended solids, Biochemical Oxygen Demand (BOD), Chemical Oxygen Demand (COD), ammonia nitrogen, phosphate, and pH.

BTR Sichuan is committed to achieving the goal of recycling and zero discharge of production wastewater, with 100% reuse of treated production wastewater. In 2024, the Company reused 31,931 m³ of wastewater.

Waste Management

BTR strictly follows the *Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, the *Transfer of Hazardous Wastes Management Procedure*, and other laws and regulations. The Company issues the *Waste Management Procedures*, which intends to carry out strict categorization and management of waste. It clearly defines the responsible departments for waste collection, storage, management, and transfer, and continuously promotes waste reduction and disposal efforts, advocating for the use of advanced processes and production equipment to practice the concept of green development.

The Company’s solid waste is primarily categorized into three types: industrial solid waste, hazardous waste, and household garbage. Industrial solid waste is recycled and sorted within the factory premises, and then handed over to qualified companies for recycling or disposal, ensuring minimal negative environmental impact. Household garbage is disposed of by local environmental sanitation departments. For hazardous waste, BTR complies with legal requirements by implementing comprehensive management throughout the waste disposal process. It establishes dedicated hazardous waste storage facilities and entrusts qualified third-party entities for disposal.

Performance Highlights

In 2024, Jixi Changyuan and BTR Tianjin achieved provincial-level waste-free factory certification

Total amount of general industrial solid waste	The recycling and reuse amount of general industrial solid waste	The recycling and reuse rate of general industrial solid waste
14,267.01 tons	11.23712 tons	78.76%
Total amount of hazardous waste	Compliant disposal volume of hazardous waste ¹	
8,050.47 tons	8,037.41 tons	

Noise Management

BTR actively carries out noise management and control, formulates the *Off-Gas and Noise Emission Control Procedures*, and effectively reduces noise pollution in the production process by adopting advanced technology and equipment. At the same time, the Company strictly adheres to national and local noise emission standards, regularly conducts noise monitoring and assessment, ensuring that noise pollution is effectively controlled.

Noise Control at BTR Huizhou

case

BTR Huizhou has actively strengthened noise control measures. During the reporting period, a soundproof room for nitrogen compression equipment was added in Workshop A5, and a soundproof room for Roots blower equipment was also established in Workshop A4, effectively reducing the noise generated during equipment operation.

¹The 13.06 tons of hazardous waste that remains untreated in 2024 will be disposed of in compliance in 2025.

Green Culture1.3

BTR adheres to a multi-pronged approach, vigorously promotes the concept of green office, implements national energy conservation and carbon reduction policies, and integrates the concept of sustainable development into the Company’s daily operations.

During the reporting period, BTR implemented a series of energy-saving measures. Each branch office continued to promote new green office initiatives, centralized management of power-consuming equipment such as air conditioners and ever-burning lamps, and insisted on advocating green travel and office practices. By introducing initiatives such as using energy-efficient lamps instead of conventional lighting, OA online process management instead of paper file approval, and turning off the lights when people leave, green office action is further promoted.

In addition, BTR has been committed to environmental protection advocacy and education, strengthening awareness education on environmental protection and resource conservation, and creating a positive atmosphere where the entire Company actively participates in and contributes to environmental protection. In 2024, BTR and its various branches actively responded to important festivals such as the National Low-Carbon Day and World Environment Day, organizing multiple activities such as green culture promotion and environmental knowledge contests for all employees, enhancing their awareness of environmental protection, and allowing employees to understand the significance of the “dual carbon” work while forming a green lifestyle.



BTR Environmental Month Theme Activity



Biodiversity Protection1.4

The Company continuously monitors the impact of its activities on biodiversity, and conducts risk factor identification, hidden danger investigation, and other related work in accordance with relevant laws, regulations, and policies such as the *Law of the People's Republic of China on the Prevention and Control of Soil Pollution* and the *Law of the People's Republic of China on the Protection of Wildlife*, committed to reducing the negative impact of company activities on the natural environment. The Company utilizes biodiversity impact assessment tools to analyze the species and protected areas in the vicinity of its location, and implements relevant measures to minimize the negative impact of operational activities, product production, and transportation on biodiversity.

Sichuan Ruian Biodiversity Conservation Practice

case

Sichuan Ruian New Material Technology Co., Ltd. conducted a preliminary investigation into the ecological environment surrounding the project and implemented a biodiversity impact assessment using biodiversity impact assessment tools. It was discovered that the surrounding area of the operation site is home to Chinese Merganser, Red-billed Leiothrix, and other three protected animals. Based on this, the Company has taken a series of strict measures to optimize the layout of the factory area, strictly control the scope of production activities, minimize the impact on the surrounding ecosystem, and effectively protect regional biodiversity.



Assessment Scope

Jixi Mineral Implementing Mine Ecological Restoration Project

case

To promote the construction of ecological civilization, Jixi BTR Mineral Resources Co., Ltd. has actively carried out ecological restoration of abandoned dump sites and ore storage sites. The excavation and backfilling of high and steep areas of the site exceeded 57,000 m3, with a vegetation restoration area of approximately 210,000 m². Over 50,000 camphor pines were planted, effectively addressing ecological issues such as ground collapse and soil erosion. After the implementation of this project, the mining area’s landscape will be effectively restored, improving the regional ecological environment and achieving multiple ecological benefits such as water conservation, air purification, and climate regulation. This will help enhance the quality of residents’ living environment, create new employment opportunities, and generate income growth points.



Restore the Landform in the Project Area

ESG Management Department of BTR Headquarters Organizes Activities to Protect Biodiversity

case

To promote the concept of ecological civilization and the idea of biodiversity conservation, the ESG Management Department at the headquarters has organized a green and environmentally friendly ESG promotional event themed “Joining Hands to Protect Biodiversity and Building a Green Home Together”, contributing to the protection of biodiversity.



Part 2

Social

- R&D and Innovation
- Product Quality and Safety
- Customer Service
- Responsible Supply Chain Management
- Promotion of Industry Development
- Employee Hiring and Development
- Occupational Health and Safety
- Rural Revitalization and Social Contribution

BTR focuses on technological innovation, continuously increases R&D investment, builds a comprehensive quality management and service system, collaborates with value chain partners for joint development, and facilitates breakthroughs and value creation in cutting-edge technologies in the new energy industry. At the same time, the Company pays attention to talent development and is committed to providing a fair and harmonious development platform for its employees. Furthermore, BTR firmly fulfills its social responsibilities, pays attention to local community development and rural revitalization, and continuously creates social value.

Social



Quality Excellence, Pioneering Market Value Elevation

Quality-driven Success

BTR places quality as the foundation driving long-term value creation, adhering to the principle of using technological innovation as the engine, excellent quality as the criterion, and customer value as the orientation. The Company uses quality as a link to build a core competitive advantage for sustainable development, injecting lasting momentum into the high-quality development of society.

/43
R&D and Innovation

/47
Product Quality and Safety

/51
Customer Service

R&D and Innovation2.1

In an increasingly competitive global economic environment, R&D and innovation, along with intellectual property protection, have become pivotal factors driving high-quality development for enterprises. BTR has continuously enhanced its R&D capabilities, provided green innovative products, strengthened intellectual property protection, and is leading the way towards a new era of green and low-carbon future energy.

2.1.1

A Comprehensive R&D System

Governance

BTR has established a comprehensive R&D system, driven by high-level R&D investment to fuel innovative development. The Company evaluates R&D projects from multiple dimensions, including strategic value, market demand, technological breakthroughs, and technological maturity. By continuously drawing on the principles of Integrated Product Development (IPD), it promotes the optimization of R&D processes, shortens R&D cycles, and enhances R&D efficiency.

Strategy

The R&D investment amounted to

772,060,000 CNY

Total R&D investment as a percentage of operating revenue

5.42%

Impact, Risk, and Opportunity Management

BTR adheres to the vision and mission of “Innovation Leads the Progress of the New Energy Industry, Build a Better Green World”, always adhering to “innovation-driven” as its core corporate culture and business philosophy. The Company is committed to achieving the updating and iteration of anode, cathode, and advanced new materials for lithium-ion batteries through continuous research and development, covering the fields of power batteries, 3C consumer batteries, and energy storage batteries, providing world-class battery material solutions for the global new energy industry.

Meanwhile, the Company continues to optimize and enrich its product matrix, developing new mesophase (microcrystalline) graphite materials and tackling 6C fast-charging artificial graphite technology. It has also reserved lithium-carbon composite material technology solutions based on porous carbon materials, which will be widely applied in battery systems for the low-altitude economy in the future. BTR has made layouts in key material fields such as new lithium-ion batteries, solid-state batteries, sodium-ion batteries, fuel cells, and solar photovoltaic devices.


After more than 20 years of accumulation and development, BTR has acquired outstanding scientific research capabilities. As a national-level technology center, the BTR R&D Institute is one of the largest research institutes globally in the field of new energy materials.

The Company has long prioritized the development of its R&D team, aiming to cultivate a professional talent pool. Currently, the Company has 961 R&D employees, including 91 with doctorates and 516 with master’s degrees, accounting for 11.51% of the total number of employees.

The Company has established academican and postdoctoral workstations, obtained certifications from the National Center for Enterprise Technology and Cooperative Laboratory of Guangzhou Customs Laboratory Center, as well as multiple CNAS laboratory certifications. It has also been recognized as a provincial or municipal engineering technology center or laboratory to undertake relevant scientific research tasks.

2.1.2

R&D Strength

External Recognition

BTR’s green energy material R&D platform has been recognized by Guangdong Provincial Engineering Technology Research Center

BTR has established five major innovation platforms: computing and simulation, material synthesis and engineering, analysis and testing, application development, and industry-academic-research institute cooperation. In 2024, the computing and simulation platform enhanced material development efficiency through computational simulations, the analysis and testing platform optimized evaluation methods through technological innovations in testing, and the application development platform promoted the commercialization of battery technology and international cooperation through application development. Meanwhile, the industry-academic-research institute cooperation platform facilitated deep integration between the Company and external innovation forces by introducing new technologies and resources.

BTR boasts formidable R&D testing capabilities in new energy materials. The Company has established a technical support center and transformed it into a benchmark laboratory and an industry public service platform in the new energy materials sector. The Company possesses over 300 sets of material performance testing equipment, enabling comprehensive and accurate testing of the physicochemical and electrochemical properties of battery materials.

In 2024, BTR began a collaboration with the Peking University Yangtze River Delta Institute of Optoelectronics to jointly develop key materials for perovskite solar cells, promoting industrial development. Additionally, they partnered with the Tianmu Lake Energy Storage Research Institute to advance the development of solid-state batteries, achieving breakthroughs in organic solid-state electrolytes and enabling the rapid transformation and application of scientific research outcomes.

Benchmark Technology Award for Solid-state Electrolyte Materials

Advanced Battery Material Industry Cluster



Third Prize of the 8th “Maker Guangdong” New Materials SME Innovation and Entrepreneurship Competition (Enterprise Group)

Organizing Committee of the 8th “Maker Guangdong” New Materials SME Innovation and Entrepreneurship Competition



Excellence Award in the Final of the 9th “Maker China” Shenzhen SME Innovation and Entrepreneurship Competition & Specialized, Sophisticated, Unique, and Innovative Enterprise Innovation and Entrepreneurship Competition (Enterprise Category)

Organizing Committee of the 9th “Maker Guangdong” New Materials SME Innovation and Entrepreneurship Competition



Top 30 of Hydrogen Entrepreneurship Competition 2023

China Hydrogen Alliance, China Energy Group



Third Prize in the 19th Shenzhen Innovation and Entrepreneurship Competition, Pingshan District

Pingshan District Science and Technology Innovation Bureau



2024 Guangdong Quality Improvement Competition - Third Prize

Guangdong Quality Development Association



Metrics and Targets

Management Targets

- Continuously increase R&D investment and make breakthroughs in cutting-edge innovation
- Strengthen the Company’s R&D capabilities and the development of R&D talent echelons

Annual Progress

- ✓ R&D investment amounted to CNY 770 million, accounting for 5.42% of operating revenue; there were a total of 961 R&D personnel, representing 11.51% of the total number of employees
- ✓ Continuously drawing on the concept of Integrated Product Development (IPD), we strive to optimize the R&D process, shorten the R&D cycle, and enhance R&D efficiency
- ✓ Collaborate with Peking University Yangtze Delta Institute of Optoeleetrionics and Tianmu Lake Energy Storage Research Institute to develop cutting-edge products

2.1.3

A Strong Atmosphere of Innovation

To foster an innovative culture, BTR has organized various activities such as literature sharing sessions, knowledge sharing sessions on technological frontiers by external experts, and innovation award selection, to enhance employees’ awareness of innovation, create a favorable innovation atmosphere, fully stimulate employees’ creativity, and enhance the Company’s R&D and innovation capabilities.

Literature Sharing Session

case

In 2024, the BTR R&D Institute will regularly organize monthly literature sharing sessions, covering the Company’s main business and new product directions, including 52 topics such as fast-charging graphite, cobalt-free cathode material preparation, sodium battery development trends and patterns, fuel cell catalysts, sulfide-based all-solid-state batteries, and co-deposition of SAM molecules and perovskite. By reading and sharing cutting-edge literature, R&D personnel can closely integrate academic theory with corporate practice, stay informed of the latest industry developments, and help generate new R&D ideas and find new directions for innovation.

2.1.4

Intellectual Property Management

As of the end of the reporting period, total number of domestic and international patents that have been granted

692

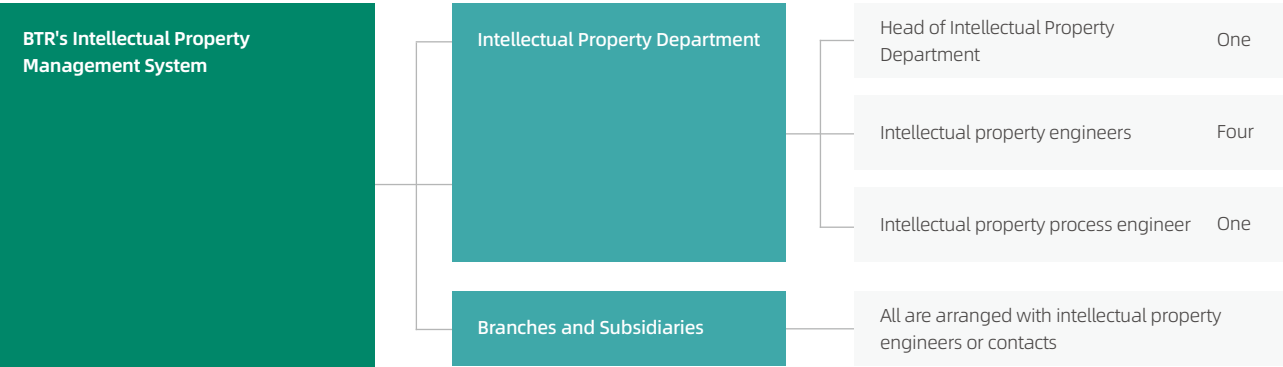
Among them, number of invention patents

442

BTR deeply recognizes the crucial role of intellectual property in driving technological innovation in enterprises. It always adheres to the core concept of quality priority and technological innovation, and regards intellectual property strategy as a key measure to consolidate its product competitive advantage. The Company carries out intellectual property management work from three aspects: institutional process construction, organizational guarantee, and employee awareness and ability cultivation.

At the institutional construction level, the Company adheres to the intellectual property law system of the People's Republic of China, the *Patent Law of the People's Republic of China*, and other relevant laws, continuously improving its intellectual property management system. BTR R&D Institute has formulated the *Intellectual Property Management Procedure for R&D Projects of the Central Research Institute*, clarifying the ownership, application, protection, and management processes of intellectual property. To protect and incentivize employee inventions and creations, the Company has established an intellectual property talent cultivation and enterprise employee inventor rights protection and incentive mechanism, issued the *Management Procedure for Special Bonuses for Patents and Papers*, and strengthened incentives for internal employees applying for PCT patents and overseas patents. In 2024, the Institute updated the *Management Procedure for Special Bonuses for Standards, Patents, Government Projects*, and simultaneously released a new version of the R&D Institute Patent Incentive System, continuously stimulating enthusiasm for scientific research innovation and enhancing the Company's scientific research management level.

At the departmental functional level, BTR has established an Intellectual Property Department as the functional management department. This department is responsible for developing, implementing, and managing the Company's intellectual property regulations. It also formulates plans, drives implementation, and assesses intellectual property efforts, while enhancing the intellectual property management system.



In 2024, to enhance employees' awareness of intellectual property protection, the Company conducted multiple key special training, covering modules such as intellectual property research and development training, internal training sharing, and external training implementation. Meanwhile, during the World Intellectual Property Day activities, the BTR R&D Institute organized intellectual property quiz competitions, intellectual property theme board sign-in photo sessions, intellectual property lectures, and other activities.

Intellectual Property Salon

case

To strengthen the internal culture of intellectual property, BTR has organized multiple intellectual property salon activities. Through innovative methods such as special intellectual property debate competitions, expert sharing sessions, and specialized content training, these activities cover topics such as patent creativity analysis in the new energy field, high-value patent training and sharing, and analysis of litigation risks in overseas markets. In 2024, a total of seven intellectual property salons were held.



2.1.5

Cutting-edge Product Innovation

Backed by a comprehensive and advanced R&D system, the Company engages in product innovation to cater to the needs of diverse customers and drive global sustainable transformation.

The Company specializes in the R&D, production, and sales of anode materials, cathode materials, and advanced new materials for lithium-ion batteries. Its core products include natural graphite anode materials, artificial graphite anode materials, silicon-based anode materials, and nickel-rich ternary cathode materials. These materials are key components of power batteries for new energy vehicles, consumer electronics batteries, and energy storage batteries. They have a significant impact on improving key indicators such as battery capacity and cycle performance, providing core support for the development of the new energy field.

Anode Materials

In the field of natural graphite anode materials, BTR has established a complete industrial chain from graphite mining to finished products, ensuring stable supply and high product quality. In terms of artificial graphite anode materials, the Company has created a full industrial chain covering raw materials, graphitization, carbonization, and finished product processing, and effectively reduced production costs through process innovation. In the field of advanced anode materials, BTR is one of the first enterprises in China to achieve mass production of silicon-based anode materials, with shipments ranking among the top in the industry. The Company's silicon-carbon anode materials have been upgraded to the fifth generation; silicon-oxygen anode materials have also completed technological development and mass production of multiple products.

Cathode Materials

In the field of cathode materials, the Company focuses on the R&D and production of nickel-rich ternary cathode materials with low cobalt content, high energy density, and high cost-effectiveness. The ternary cathode materials produced by the Company are primarily nickel-rich ternary cathode materials represented by nickel cobalt aluminum lithium (NCA) and nickel cobalt manganese lithium (NCM), which are mainly used in power batteries, 3C consumer batteries, and electric tool batteries.

Advanced Materials

BTR actively diversifies its technological routes by assembling multiple R&D teams in various cutting-edge fields. These teams focus on key materials for new energy devices and work on R&D directions such as solid-state electrolytes, sodium-ion battery cathode and anode materials, carbon-based materials for fuel cells, and perovskite solar cell materials. These efforts are aimed at supporting the Group's new business ventures in the next 5 to 10 years.

In 2024, the Company adopted its independently developed processes and technologies to achieve the green batch preparation of nanocarbon materials in different dimensions. These materials, as conductive agents, are widely used in both cathode and anode materials of lithium-ion batteries, effectively enhancing the battery system's service life, charge-discharge rate, and energy capacity. Furthermore, the Company has successfully applied graphene slurry to form a film in one go and processed it at high temperatures to create a dense layered structure, enabling rapid heat conduction and dissipation from point to area. This technology has been successfully applied to multiple smartphone models.

During the reporting period, the Institute launched solid-state electrolyte materials and their application solutions suitable for high-energy density and high-safety lithium-ion batteries, and promoted the industrialization and market application of key materials. Meanwhile, in 2024, the Company achieved ton-scale shipments of high-capacity hard carbon BSHC-350 product, breaking through the technical bottleneck of low energy density in the industrialization of sodium-ion batteries. It also launched the BMC series of mesoporous carbon carrier materials for fuel cell catalysts, which is the first domestically industrialized mesoporous carbon carrier product in China. Utilizing an innovative multi-level pore coupling technology, it fills the domestic gap in the fuel cell industry in related areas.

Highlight product
Fast-charging T-graphite Anode

In 2024, the Company released a fast-charging T-graphite anode. Through precise structural design, it achieves "instant charging and immediate use" fast-charging performance, maintains stable performance under extreme temperature differences, and boasts a stable cycle life and endurance. This product is customized for electric vehicles, drones, and commercial vehicles, accelerating the development of solid-state batteries and empowering future green travel modes.

Product Quality and Safety2.2

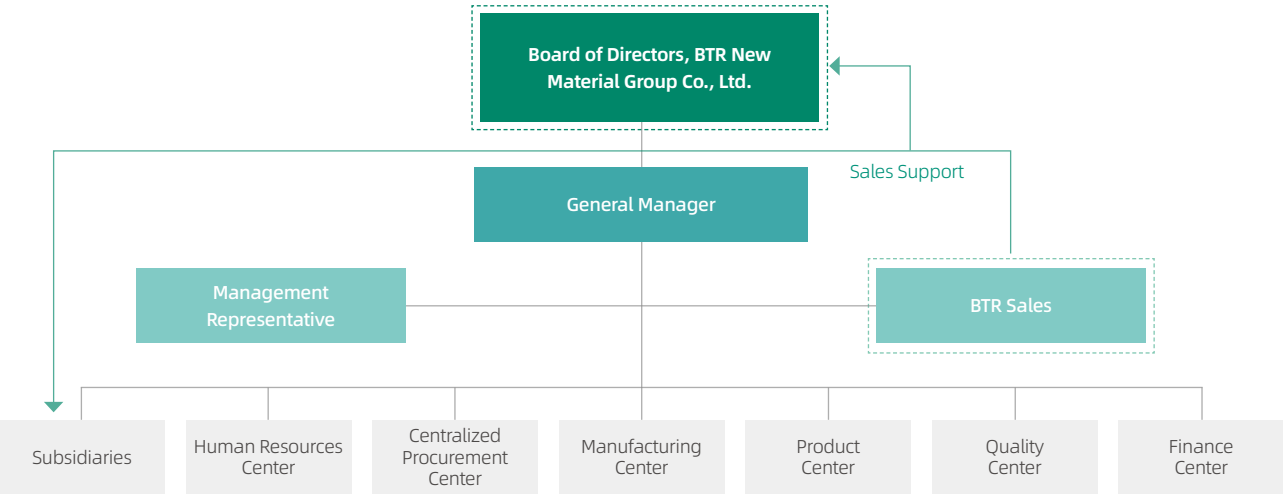
BTR places great emphasis on product quality and safety. By establishing a quality management system and processes, advancing comprehensive quality management, fostering a quality culture, enhancing product quality and competitiveness, the Company can achieve sustainable development.

2.2.1Product Quality System

Governance

To optimize product quality management, BTR has established a top-down hierarchical quality management framework, placing quality management at the core of the Company’s development.

BTR adheres to the ISO 9001:2015 quality management system and the IATF 16949:2016 automotive quality management system standards to establish the foundation of its company management. In 2024, the Company’s Indonesian base completed IATF 16949 compliance certification. Currently, BTR Headquarters and 12 subsidiaries have obtained ISO 9001 certification, while its headquarters and 11 subsidiaries have obtained IATF 16949 certification.



Quality Management System Architecture Diagram

Strategy

BTR is committed to providing customers with top-quality products and experiences. In 2024, the Company updated its quality objectives and policies to “Quality first, innovation-driven, continuous improvement, and making customers feel that they are getting more value than they paid for”, continuously strengthening the Company’s product quality management.

Impact, Risk, and Opportunity Management

BTR has established quality management systems, standards, and procedures such as the *Quality Management Manual* to strengthen quality management throughout all stages from product development and design to production and manufacturing. At the same time, based on the requirements of the quality management system, the Company regularly updates relevant systems to meet actual management needs. In 2024, the Company optimized the Group’s quality management system standards and refined 31 secondary documents.

To control product quality and safety risks, BTR has established the *Product Design and Development Control Procedure* during the product design phase to ensure the rationality of product design and the controllability of quality. In terms of product testing, the Company has formulated the *Inspection and Measurement Control Procedure*, which sets strict requirements for the final inspection of raw materials, semi-finished products, and finished goods. Additionally, BTR has released the Product Technical Standards, which clarifies specific inspection methods, stipulates inspection frequencies, and defines various technical specifications. This provides comprehensive and detailed guidelines for product quality inspection, ensuring the uniformity and stability of product quality.

Process	Responsible Departments	Homework Content
Raw Materials	Material, Quality	Warehouse management and inspection personnel shall conduct inspection and control of incoming materials in accordance with relevant requirements
Manufacturing Process	Production, Quality, and Materials	Personnel related to quality and production shall conduct inspection and control of semi-finished products during the manufacturing process in accordance with procedural requirements
External Processing and Production	Production, Quality, Materials	Inspectors, production personnel, and material-related personnel conduct inspection and control of finished products according to procedural requirements
Shipment	Quality, Materials	The outsourced processed products returned to the Company shall be inspected according to the procedure for processing with supplied materials
Finished Product	Material, Quality	Personnel responsible for quality and materials shall conduct inspection and control on the shipped products according to procedural requirements

Product Inspection and Measurement Control Flowchart

Management Category	Management Measures	External Recognition
Lean Management	BTR established the “1 Vision, 3 Leaderships, 9 Pillars” BPS BTR Lean Management Model, and adopted this model as the backbone of business management, the engine for cost reduction and efficiency improvement, the lever for horizontal collaboration, and the foundation for talent cultivation. In 2024, the Company completed 90 lean projects, yielding an annualized revenue of approximately CNY 500 million, with 400 participants and 70 certified lean talents.	Won 1 first prize and 2 second prizes for Key Lean Projects from China Baoan Group Won 2 first prizes in the Lean Project Category of the Quality Improvement Competition organized by the Guangdong Association for Quality “The Construction and Application of BTR’s Lean Operation System” won the third prize in the 7th “Baoan Innovation Award” as the sole management innovation project
Quality Control Circle (QCC) activity	To promote the continuous and effective implementation of Total Quality Management (TQM) in the Company, the Company initiated Quality Control Circle (QCC) activities since 2011. Up to now, a total of 762 QCC projects have been completed, with 116 QCC projects completed in 2024.	In the 3rd Quality Enhancement Activity (EQA) Competition organized by the Guangdong Quality Development Association, the QCC project “Reducing the Content of Na and K Elements in LATP Products” from the R&D Institute won the “Third Prize of the 3rd Quality Enhancement Activity (EQA) Competition”
Six Sigma Management Method	BTR has continuously promoted the Six Sigma management method. In 2024, the Company conducted a total of 10 training sessions and 26 project coaching sessions, with 42 projects successfully completed. Among them, 31 individuals obtained Six Sigma Green Belt Certification, and 8 obtained Black Belt certification. As of the end of the reporting period, the cumulative number of participants exceeded 240, with a total of 90 Six Sigma Green Belt projects and 19 Black Belt projects submitted.	The Six Sigma project “Reducing Residual Alkali Content in Product A” from BTR Changzhou won the “First-Class Achievement” award in the Fourth Guangdong Quality Innovation and Quality Improvement Achievement Presentation Competition organized by the Guangdong Association for Quality The Six Sigma project “Improving the Yield of Equipment A in the Grinding Process” by BTR Sichuan won the “Second Prize of the Third Quality Enhancement Activity (EQA) Competition” organized by the Guangdong Quality Development Association

2.2.2

Product Safety Management

During the reporting period, the company's product compliance rate

100%

During the reporting period, the number the company had product recall incidents

0

BTR places product safety management in an important position within its quality management system. The Company has developed the *Product Environmental Compliance Control Procedures* to ensure compliance with relevant environmental regulations and safety standards in all aspects of raw material procurement, production and processing, finished product inspection, and shipment. The Company has prepared Material Safety Data Sheets (MSDS) for all products to ensure their stable and reliable physicochemical properties. In addition, the Company sends its products to external professional institutions for testing every year to ensure compliance with EU RoHS and REACH certification standards. The test results show that no substances exceeding regulatory limits are found in the products. BTR has also developed the *Non-Conforming Product Control Procedures* to ensure timely handling of problematic products and prompt responses to customer demands.

BTR has adhered to strict control over product quality and safety, and established standardized product recall management processes and systems. As per the *Customer Service and Management Control Procedures*, should any customers feedback or internal quality assurance findings indicate non- compliance with product specifications or customer requirements, the Company will promptly initiate the product recall process. Following the successful resolution of any issues, the Sales Department will notify the customer and conduct a satisfaction survey to ensure timely resolution of reported concerns. During the reporting period, the Company did not issue any product recalls.

2.2.3

Digitalization of Quality Construction

LIMS system
Laboratory Information Management System

BTR has comprehensively established an advanced digital management system in core areas such as research and development innovation, production processes, quality control, supply chain management, and customer relationship management. Leveraging technology, it has comprehensively driven a leapfrog improvement in product quality.

It is widely applied in the daily management of laboratories, helping to enhance overall work efficiency by optimizing business processes, improving data reliability, and achieving management automation and networking.

MOM system
Manufacturing Operations Management System

Realize the group-based operation of manufacturing and quality management, enhance the enterprise's quality control efficiency, deeply explore the value of data, and assist the enterprise in improving production efficiency and quality by focusing on problems and early warnings.

SRM system
Supplier Relationship Management System

By adopting standardized and intelligent approaches, we aim to enhance the collaboration efficiency and management quality between enterprises and suppliers, improve the transparency and efficiency of the supply chain, strengthen its stability and reliability, and ensure the supply and quality of product raw materials.

CRM system
Customer Relationship Management system

Utilizing a customer-oriented information management system can assist businesses in better managing customer information, optimizing customer relationships, enhancing customer satisfaction and loyalty, and simultaneously boosting sales and marketing efficiency.

Digital management system for quality and traceability

Provide customers with product life cycle information to help quickly respond to their needs and enhance customer experience and trust.

2.2.4

Promotion of Quality Culture

BTR’s “Quality Upgrade, Rebuilding Competitiveness” Quality Month Event

case

BTR has been striving to create a cultural atmosphere that values quality, promoting quality culture construction and quality training to enhance product quality, strengthen customer trust, and drive sustainable development of the enterprise.

In October 2024, BTR, with the theme of “Quality Upgrade, Rebuilding Competitiveness”, carried out a series of colorful quality month activities, aiming to further improve product quality and enhance the Company’s core competitiveness. During the activities, BTR effectively improved employees’ professional skills and overall quality through various measures such as the “Quality Star” selection, lectures given by senior leaders at the base, quality knowledge contests, courseware package development, opinion collection, professional skill competitions, slogan collection, and promotional video shooting, continuously spreading the Company’s quality philosophy and creating a strong quality culture atmosphere.

During the Quality Month activities, 10 individuals were selected as “Quality Stars”, over a hundred quality suggestions were collected, 1,663 quality slogans were solicited, 12 quality promotional videos were released, and 500 people participated in professional skill competitions. In terms of knowledge transfer, 18 quality knowledge courseware packages were developed, senior leaders from various bases gave lectures to over 3,300 participants, and 6,468 people participated in quality knowledge competitions.

During the reporting period, number of quality lecture sessions employees participated in

40

BTR established the Company’s quality communication platform, “Voice of BTR Quality”, and launched the “Weekly Question” activity to systematically enhance employees’ quality awareness. Through systematic quality training, BTR has improved the quality awareness and skill levels of all employees, optimized the quality management process, and enhanced product quality and customer satisfaction.

During the reporting period, BTR held a quality lecture series, where employees participated in learning through a combination of online and offline methods, completing 40 lectures with a total of 9,673 participants. In 2024, the Company organized various bases to study 31 quality procedure management documents, with 1,746 participants. In addition, the Company conducted a “Quality Management Training Camp”, offering six major training camps including “IATF 16949:2016 Quality Management System Training”, “German Association of the Automotive Industry (VDA) Audit Training”, and “FMEA Offline Practical Coaching”, with a total of 377 participants from 13 units.

Indicator Name	2023	2024
Product inspection pass rate	100%	100%
Total number of incidents of penalties/warnings/voluntary code violations for product safety	0	0
Number of product recalls due to quality issues	0	0
The amount involved in significant liability accidents related to product and service safety and quality	0 CNY	0 CNY

Metrics and Targets

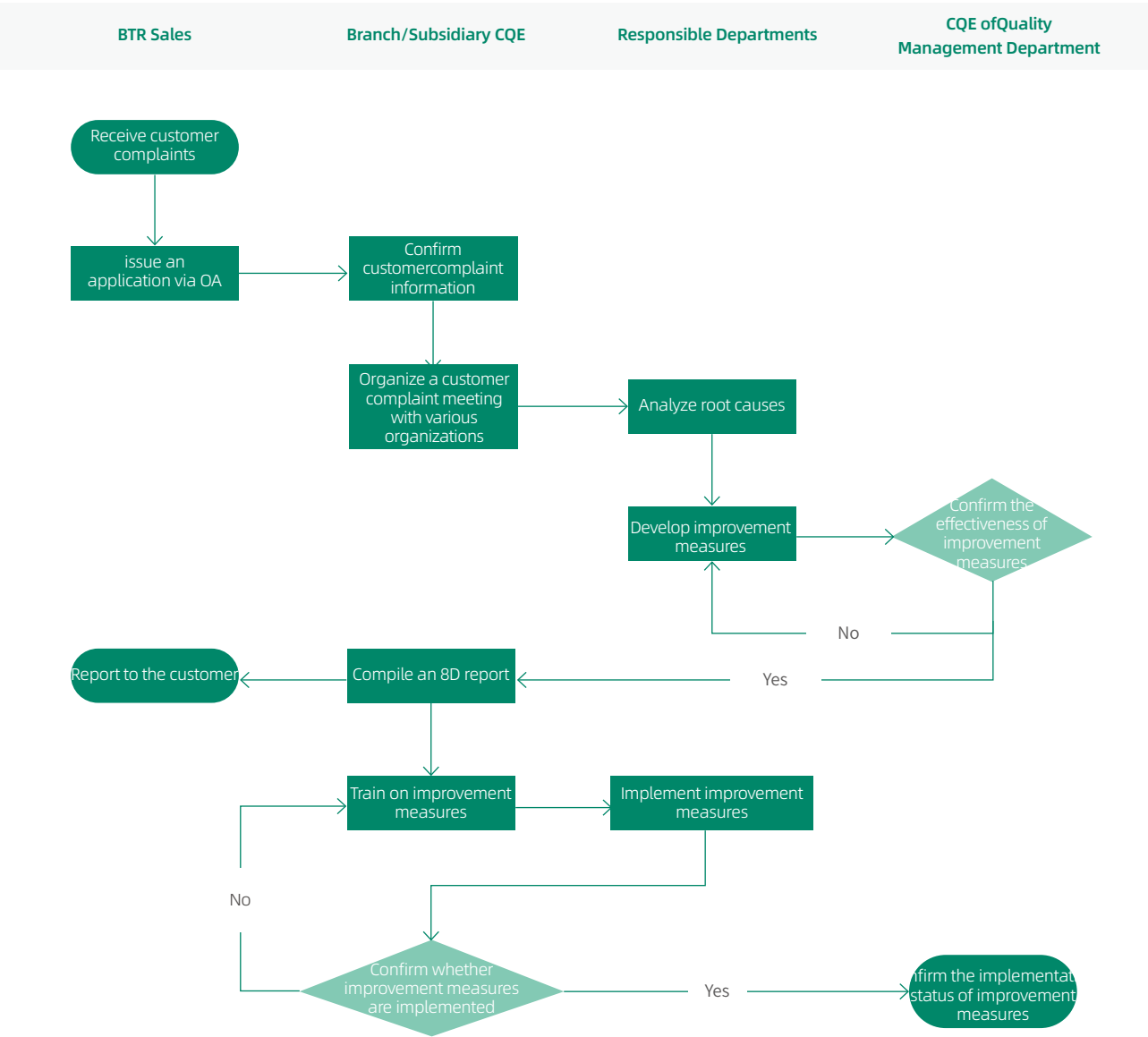
Management Targets	Annual Progress
Improve the product quality monitoring mechanism throughout the entire process and build a solid quality and safety defense line No defective products enter the market, and the product yield rate is 100%	<div><div>✔</div>BTR Headquarters and 12 subsidiaries have obtained ISO 9001 certification, while its headquarters and 11 subsidiaries have obtained IATF 16949 certification</div> <div><div>✔</div>Zero occurrence of major product quality and safety incidents</div> <div><div>✔</div>The product compliance rate is 100%, and there has been no product recall incident</div>

Customer Service

2.3

BTR is customer-oriented and dedicated to serving every customer. The Company continuously strengthens the construction of its after-sales service management system, formulates the *Customer Service and Management Control Procedures*, and enhances pre-sale, in-sale, and after-sale service management. The procedure clearly stipulates the content and response time of after-sales service. The BTR Sales is uniformly responsible for receiving customer inquiries, demands, feedback, and complaints, and ensures timely and efficient handling. For urgent after-sales information, the BTR Sales must provide a preliminary response within 24 hours; for non-urgent after-sales information, the BTR Sales needs to give a preliminary response to customers within 48 hours.

The Company has established and implemented an Issue-to-Resolution (ITR) process, and will set up subsidiaries or offices in the locations of major customers, in order to obtain customer feedback more promptly and accurately, and respond quickly to customer needs.



Pre-sale stage

01

Before signing a Product Sales Contract with a customer, the BTR Sales provides full technical support to facilitate the customer' understand the products and services. When a customer requires samples, sales personnel submit applications, and relevant department personnel handle the production, providing technical support if necessary.

In-sale stage

02

The production departments of each production base will scientifically coordinate the production process based on the production plan, ensuring the timely, quality, and quantity-wise completion of the production tasks for the products required by customers. After production is completed, the material department will negotiate with the customer to determine the delivery time and be responsible for organizing the loading work.

After-sale stage

03

The Strategy and Marketing Department will take the lead in formulating the Customer Satisfaction Survey Plan and collaborate with relevant departments to evaluate and confirm it. The sales company will distribute the *Customer Satisfaction Survey Form* to domestic and foreign customers every six months, and comprehensively collect customer feedback through various methods such as customer forums, on-site visits, telephone interviews, and Internet surveys.

Customer satisfaction rate

90%

In 2024, the Company set a customer satisfaction target and exceeded it, achieving remarkable results in improving customer service quality.

To further enhance the professionalism and service capabilities of the customer service team, BTR Sales Company conducted over 20 sessions of internal training in 2024, including series of training such as "Big Name Lectures". These sessions of training, grounded in practical business scenarios, shared classic cases to empower employees.

Indicator Name	2023	2024
Number of customer service training sessions (time(s))	26	29
Number of participants in customer service training (Person)	6,734	6,791
Number of bases covered by customer service training (piece)	13	13



Customer service training



Open Integration, Driving Collaborative Development of Industries

Openness and Integration

Adhering to the philosophy of “Innovation leads the progress of the new energy industry and builds a better green world” , BTR is committed to radiating this vision across the entire value chain. By establishing a supply chain management system, comprehensively strengthening responsible management of suppliers, actively promoting industry exchanges and development, and taking a series of multi-dimensional measures, the Company collaborates with value chain partners to build a harmonious and stable ecosystem.

/55
Responsible Supply Chain

/60
Industry Development

Responsible Supply Chain

3.1

BTR is committed to deeply embedding ESG principles into the entire cycle of supplier access, evaluation, and empowerment. At the same time, it promotes collaborative evolution of the value chain through technology sharing and capacity building, aiming to create an industrial ecosystem community where responsibilities are shared and values are co-created.

3.1.1

Supply Chain Management System

BTR has continuously improved its supply chain management system throughout the entire process, and has formulated internal systems such as the *Supplier Management Measures* and *Supplier Performance Evaluation Management Measures* to standardize the management of supplier access and contract fulfillment. In 2024, the Company updated the *Procurement Management System* and the *Customized Equipment Procurement Management Measures (Trial)*, refining the management framework down to details and processes, and comprehensively and systematically controlling procurement activities.

To optimize supply chain management, BTR has established a Supplier Management Decision-making Committee and a Supplier Management Expert Group. Through a top-down hierarchical management structure, it comprehensively standardizes the supplier development, assessment, and management processes, clarifies the responsible persons for each link, and ensures the scientificity, efficiency, and traceability of supply chain management.

General Manager	As the top decision-maker for supplier management in the Company, it approves the supplier management systems and policies. For major bidding projects, the Company will conduct on-site audits of suppliers. The authorized Supplier Management Decision-making Committee is responsible for overseeing the normal operation of supplier management.
Supplier Management Decision-making Committee	Responsible for formulating supplier management systems, approving supplier development introductions and supplier assessment results, determining procurement strategy and policy, and overseeing the implementation of procurement objectives.
Supplier Management Expert Group	Responsible for supplier development, on-site inspection, system audit, qualification review, regular assessment and coaching; supplier introduction review and approval, and database entry of supplier information.
Performance Highlights	<p>BTR adheres to the principles of “fairness, justice, and openness”, treats small and medium-sized enterprises equally, and actively promotes honest procurement-related work. The Company has formulated internal system documents such as <i>Integrity Procurement Management Provisions</i> and <i>Procurement Supervision and Audit Management Procedure</i>, which standardize reward and punishment measures and supervision mechanisms in the procurement process, and fundamentally eliminate procurement fraud. These regulations have been incorporated into the training for new employees in the procurement department, and regular retraining for procurement personnel is conducted.</p> <p>In addition, BTR has actively established a green supply chain, setting requirements for suppliers through a series of institutional documents in terms of carbon reduction, green energy use, recycled material use, and responsible management of key materials such as minerals and their compounds.</p>



3.1.2

Supplier Management

Supplier Access

After the release of the Supplier Code of Conduct, the signing rate of newly admitted suppliers reached

100%

The completion rate of ESG impact assessment for newly admitted important material suppliers is

100%

Labor and human rights	Suppliers are required to prohibit the employment of children and underage workers, and strictly prohibit involuntary labor, discrimination, and inhumane treatment.
Health and safety	Suppliers are required to pay attention to the safety and health of employees, stakeholders, and the entire community.
Environmental protection	Suppliers are required to be responsible for the environment and ecology. BTR considers the environmental impact of suppliers’ products throughout their entire life cycle in its business decisions.
Business ethics	Suppliers and their stakeholders are required to comply with all applicable laws, regulations, and ethical standards at the community, national, and global levels.
Responsible procurement	Suppliers and their stakeholders are required not to use raw materials obtained through illegal or unethical methods.
Management system	Suppliers are required to establish a management system that includes, but is not limited to, the content of this Code of Conduct, and continuously improve and enhance it.

Supplier Performance Management

Number of suppliers audited

230

Audit rate of important material suppliers

100%

Number of suppliers identified with significant actual and potential negative ESG impacts

0

BTR implements graded and categorized management for suppliers. According to the category of suppliers and product types, BTR divides suppliers into three categories with seven product types and four levels. The Company clarifies the boundaries of various categories and levels of suppliers and carries out differentiated performance appraisal and evaluation management. To ensure the quality of the supply chain, the Company clearly requires all suppliers to undergo quarterly performance appraisal. Among them, suppliers of raw and auxiliary materials, outsourcing processing services, and packaging materials required for production and shipment must undergo at least one production site system audit and process audit each year. For suppliers with unqualified performance levels, BTR will suspend cooperation with them, place them in a pending rectification pool, and have the procurement department organize rectification guidance and conduct another on-site audit. BTR will suspend cooperation with non-compliant suppliers with ineffective rectification to ensure supply chain compliance.

In addition, BTR has actively implemented supplier ESG performance audits, set relevant goals for supply chain ESG management, and regarded the degree of implementation of the *Sustainable Development Agreement* as one of the important performance indicators for supplier assessment. Based on the Supplier ESG Audit Form, relevant audits are conducted. At the same time, the Company pays attention to the carbon emission reduction performance of the supply chain, requires suppliers to meet the carbon neutrality requirements for the value chain by 2060, stipulates the use of green electricity, conducts regular and irregular online surveys, collects greenhouse gas emission data from suppliers, and provides data support for building a green industrial chain.

Number of suppliers that have obtained environmental management system certification	Number of suppliers certified by the occupational health and safety management system	Number of suppliers certified by quality management system
149	103 Suppliers	321 Suppliers



Responsible Mineral Due Diligence Management

BTR has actively undertaken the implementation of responsible mineral management-related work, established a comprehensive responsible mineral supply chain management system, formulated internal systems such as the *Responsible Mineral Supply Chain Grievance Mechanism*, *Responsible Mineral Supply Chain Due Diligence Management Policy*, and *Conflict Mineral Control Procedure*, continuously strengthening the management of the mineral resource supply chain and promoting responsible mineral practices.

BTR Policy on Conflict Minerals

BTR does not support or use mineral resources sourced from armed conflicts, illegal mining, or poor working environments (so-called “conflict minerals”). Suppliers shall investigate the presence of metals such as aurum (Au), tantalum (Ta), stannum (Sn), and wolfram (W) in their products and identify the sources of these metals.

BTR Supply Chain Risk Assessment

BTR has established a risk assessment team to conduct annual risk assessments on conflict minerals in the supply chain. The Company identifies the countries where the supply chain (origin (mine) - transportation route - supplier location) is located, recognizes the list of “Conflict-Affected and High-Risk Areas” (CAHRAs), and records it in the “List of CAHRAs in the Supply Chain of Lithium, Cobalt, Nickel, Natural Graphite, Tin, Tantalum, Tungsten, Gold, and Mica” . Once any part of a supplier’s supply chain is identified as belonging to the CAHRAs list, the supplier is considered a high-risk supplier. The Company requires them to mitigate the high risks, and if there is no effective mitigation or if the mitigation is not implemented, cooperation will be terminated.

Supplier Due Diligence

To enhance the stability and sustainability of the supply chain, BTR strengthens the standardized management of supplier due diligence. In 2024, the Company referenced documents such as the *Directive on Corporate Sustainability Due Diligence - EU (2024/1760)*, the *United Nations Guiding Principles on Business and Human Rights (UNGPs)*, and the *EU Battery and Waste Battery Regulation (EU2023/1542)*, and compiled the *Supplier ESG Due Diligence Operational Guidelines* to standardize the organization and responsibilities of supplier due diligence, supplier participation, supply chain risk assessment and risk management, as well as the management review methods of the due diligence management system.

The Company conducts due diligence reviews on graphite mine suppliers and other key suppliers annually. It has established the *Mine Supplier ESG Review List* and the *Supplier ESG Review Form* applicable to other suppliers. For graphite mine suppliers, the Company evaluates and assesses them based on 125 indicators across 7 modules, including labor and human rights, occupational health and safety, environmental protection, business ethics, responsible mineral management, licensing and public reporting, and other requirements. For other key suppliers, the Company has established an evaluation system covering 116 indicators across 5 modules, including labor and human rights, occupational health and safety, environmental protection, business ethics, and responsible procurement. After completing the due diligence, the Company will provide detailed explanations of the issues identified during the review to the suppliers, and require them to develop specific rectification plans based on the list of issues and implement the rectification work according to the plan. The Company will continue to track the progress of rectification to ensure that the issues are effectively resolved.

During the reporting period, the Company conducted due diligence on 8 suppliers and found no significant issues involving child labor, inhumane treatment, forced labor, armed conflict, or ecological damage.

Graphite mine suppliers	Due diligence assessment indicators	Number of ESG assessment modules
	125 items	7
Other key suppliers	Due diligence assessment indicators	Number of ESG assessment modules
	116 items	5

3.1.3 Digitalization

BTR has continuously improved its supplier archive management, established a supplier information database, and formulated the *Comprehensive Management Platform Supplier Management Regulations* to ensure the accuracy of supplier data and enhance management efficiency. The Company has launched a digital management system to empower supplier compliance management. The Company has established an SAP order and supplier relationship management (SRM) system to achieve traceability management of orders, order delivery tracking, supplier information management, procurement sourcing management (bidding, inquiry, bidding), contract management, etc., optimizing the supply chain management process and efficiency.

3.1.4 Supplier Empowerment

BTR organized a series of supplier training activities to enhance supplier resilience and improve their ability to resist risks. The quality department conducted quality training for suppliers during on-site audits, while the EHS department provided factory safety training for suppliers entering the site for construction.

In 2024, the Company carried out a total of			
Supplier training	Number of suppliers participating in supplier training	Number of suppliers participating in supplier safety training	The total number of participants
6 times	341	240	5,057

Honest Procurement Integrity Training

case

In September 2024, BTR initiated a Honest Procurement campaign, pushing Honest Procurement requirements to all suppliers in the inventory through the SRM system, and publishing a promotional video of the General Manager of the Centralized Procurement Center on the SRM system, continuously strengthening suppliers’ awareness of law compliance and preventing supplier corruption.

Training on Supplier ESG Due Diligence and the EU Battery Regulation

case

In addition, BTR provides full support to its overseas suppliers. On the one hand, through in-depth analysis of the policies and regulations, tax incentives, and environmental protection requirements of the target countries, the Company provides precise policy guidance to suppliers. On the other hand, by combining local resource conditions and market demands, the Company helps suppliers develop detailed technical and production capacity plans and optimize production layouts. During the factory construction process, the Company provides full-process implementation guidance from site selection, infrastructure construction to equipment installation and commissioning, ensuring the rapid advancement of the project. At the same time, by establishing a strict quality management system, the Company ensures that the products produced by suppliers fully meet BTR’s overseas factory standards, thereby enhancing the stability and competitiveness of the supply chain.

Industry Development

3.2

With a proactive and open mindset, BTR collaborates with its partners to jointly build a high-quality industry chain system. To promote exchanges and cooperation within the industry, the Company actively participates in various industry events and shares cutting-edge technologies and industry development trends with industry partners.

BTR has been continuously promoting the establishment of industry standards, facilitating standardized and normalized development in the industry, and driving innovation and progress in the sector. To date, the Company has led or participated in the formulation of 5 international standards, 17 national standards, 4 industry standards, and 23 group standards.

Additionally, BTR actively participates in industry associations, discussing diversified business cooperation models with partners to jointly promote high-quality industry development. Currently, BTR holds positions in numerous industry associations and alliances, providing a valuable platform for in-depth exchanges and collaborative development with peers.

The Company has led or participated in the formulation of international standards	National standards	Industry standards	Group standards
5 items	17 items	4 items	23 items

<div>China Automotive Battery Innovation Alliance</div> <div>President Member of Battery Materials Branch</div>	<div>China Industrial Association of Power Sources</div> <div>Executive Director Member</div>	<div>China Battery Industry Association</div> <div>Member</div>
<div>China Automotive Battery Innovation Alliance</div> <div>Council Member</div>	<div>Battery and Battery Materials Branch of China Electronics Materials Industry Association</div> <div>Vice Council Member</div>	<div>Industry-University-Institute Cooperation Alliance for Advanced Battery and Materials</div> <div>Vice President Member</div>
<div>Shenzhen Battery Industry Association</div> <div>Honorary President Member</div>		

The 14th Advanced Automotive Battery Conference Europe (AABC Europe)

case

From May 14 to 16, 2024, the 14th Advanced Automotive Battery Conference Europe (AABC Europe) was held in Strasbourg, France. The conference gathered global battery technology experts and suppliers to explore new advancements in automotive battery technology, market trends, and innovative applications. BTR brought lithium-ion battery cathode and anode materials as well as new materials to the exhibition. At the EV Mobility 2030, Dr. Yang Chenglin, the project leader of the solid-state battery project at the R&D Institute, delivered a speech sharing the Company’s three-step strategy for solid-state batteries, which includes modifying cathode and anode materials, developing semi-solid batteries, and ultimately aiming for all-solid-state batteries. He also looked forward to the future of high energy density.

China International Supply Chain Expo

case

From November 26 to 30, 2024, the second China International Supply Chain Expo (CISCE) was held in Beijing, attracting over 600 Chinese and foreign enterprises to participate. As a leader in battery material solutions, BTR showcased its “Smart Automotive Supply Chain” and launched its T-graphite anode product, which integrates 6C fast charging and high and low temperature performance, demonstrating its innovative strength in the field of new energy materials. The Company’s products received widespread attention from upstream and downstream partners and visitors, and were extensively reported by mainstream media such as CCTV and CGTN.

Talent as the Cornerstone, Unleashing Organizational Innovation Momentum

Talent-driven Foundation

BTR views its employees as the core driving force for sustainable development. By establishing a comprehensive employee rights protection system, creating a tiered talent development pathway, implementing employee care plans, and strengthening occupational health and safety management mechanisms, the Company continuously stimulates organizational vitality, builds a safe, inclusive, and sustainable working environment for its employees, and promotes the efficient transformation of talent value into innovative momentum.

/63
Protection of Employees' Rights and Interests

/65
Talent Development

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Care for Employees

/72
Occupational Health and Safety

Protection of Employees’ Rights and Interests4.1

BTR has established a comprehensive employee rights and interests protection system, eliminating any form of employment discrimination. It provides competitive salaries and welfare mechanisms, fostering a team that respects diversity and grows together, laying a solid talent foundation for the Company's long-term development.

Governance

BTR strictly adheres to the *Labor Law of the People’s Republic of China*, *Labor Contract Law of the People’s Republic of China*, and other relevant laws and regulations, implements directives from the Sustainability Management Committee, and has established a comprehensive human resource management system. Through the formulation and implementation of internal management systems such as the Employee Manual, the Company comprehensively standardizes employee relations management processes, ensuring the legal compliance of various tasks such as labor contract signing and personnel file management, and effectively preventing and mitigating potential legal risks.

Strategy

In an effort to achieve the sustainable development strategy of “building a better green world” , BTR, guided by supporting corporate strategy and centered on empowering business development, attaches great importance to employee employment. It has established recruitment processes, compensation systems, and performance evaluation plans that safeguard employee rights and interests. Furthermore, based on enhancing employee competency, BTR has constructed a scientific and sound talent training system, set up leadership empowerment, professional learning roadmaps, and industry-training integration empowerment modules, and provided high-quality resources and platform support.

BTR is committed to building a full-cycle employee rights and interests protection system, creating an inclusive workplace, and strengthening the foundation for rights and interests protection. The Company has established a customized training system, cleared career development paths, stimulated employee potential and organizational vitality, formed a virtuous cycle of talent attraction and retention, driven the continuous release of innovation capabilities, and injected human-centered momentum into sustainable development.

4.1.1Employee Rights and Interests and Protection

BTR firmly prohibits any form of forced labor and child labor employment. During the recruitment process, the Company adopts a strict identity verification mechanism to ensure that all new employees are at least 18 years old, thereby eliminating child labor from the source. At the same time, the Company has established a systematic induction training system to provide comprehensive training for new employees, including labor rights and interests protection, non-discrimination policies, diversity and inclusivity, etc., to help employees gain a deeper understanding of their rights and obligations, and effectively safeguard the legitimate rights and interests of workers.

The total number of employees is 8,352	Divided by gender person(s)	Male 6,989	Female 1,363	
	Divided by age person(s)	Under 30 years old 2,909	30-50 years old 5,103	Over 50 years old 340

4.1.2

Diversity and Equal Opportunities

BTR has always adhered to the recruitment principles of “fairness, openness, and impartiality” and strictly prohibits any form of discrimination. The Company promises that in the recruitment, hiring, promotion, and other aspects, there will be no discrimination based on personal characteristics such as race, skin color, religious belief, gender, age, nationality, disability status, sexual orientation, family status, etc. At the same time, the Company fully implements the policy of equal pay for equal work for men and women, and is committed to creating an equal and inclusive workplace environment.

To ensure the effective implementation of the aforementioned principles, the Company has established a comprehensive complaint handling mechanism. Employees who encounter any form of harassment or discrimination can lodge complaints through multiple channels, including their immediate supervisors, the human resources department, or the special complaint hotline established by the Company. All complaints will be rigorously reviewed in accordance with established investigation procedures, and the privacy of the complainant will be strictly protected throughout the investigation process. For verified violations, the Company will take serious action in accordance with relevant policies to effectively safeguard the legitimate rights and interests of employees. During the reporting period, the Company did not experience or receive any incidents of harassment or discrimination.

To prevent potential conflicts of interest and maintain the objectivity and fairness of corporate decision-making, BTR has established a strict conflict of interest avoidance system, explicitly stipulating that immediate family members (including spouses, parents, children, siblings, etc.) of senior management, human resources department, and finance department employees of the Company shall not hold positions in any department of the Company. The Company regularly reviews employment relationships to ensure that relevant personnel maintain independence in their work and prevent the occurrence of favoritism and fraud.

The number of disabled employees is

14

The number of ethnic minority employees is

492

4.1.3

Employee Salary and Benefits

BTR has established a comprehensive salary and benefits system. By implementing regulations such as the *Salary Management System*, *Attendance Management System*, and *Benefits Policy Management Regulations*, it ensures employees’ salary and benefits from multiple dimensions, including salary and benefits, working environment, working hours, and accommodation conditions. The Company strictly adheres to the standard working hours system stipulated by the state, contributes to the “Five Social Insurances and One Housing Fund” for employees in accordance with the law, and provides benefits such as annual physical examinations and performance bonuses. In terms of the leave system, the Company not only strictly follows relevant national and local regulations, providing employees with statutory holidays, but also sets up a reward mechanism for outstanding employees, granting an additional 5 days of paid leave to those who perform exceptionally, as an incentive for continuous improvement in work performance.

BTR has attached great importance to the construction of a talent incentive system, formulated and improved internal systems such as the *Performance Management Procedure*, and established a scientific and standardized performance management system through performance incentives, equity incentive plans, and other methods. The Company adheres to deeply linking employee performance with salary incentives, implements equity incentive plans, closely integrates employee personal development with the Company’s long-term goals, and fully stimulates employee enthusiasm and creativity.


Work Environment	Humanized and comfortable management, equipped with entertainment facilities such as dance and yoga classrooms, basketball courts, and gyms.
Working Hours	5 days and 8 hours per week, with a two-day weekend for functional departments, and statutory holidays.
Accommodation and Food Conditions	We provide free accommodation and meals, shuttle bus for commuting, and four meals a day in the cafeteria. The accommodation is fully equipped.
Salary and Benefits	Performance bonuses, annual salary adjustments, year-end bonuses, sales bonuses, R&D project bonuses, product line bonuses, various special bonuses, and equity incentives. Full coverage of the Five Social Insurances and One Housing Fund, with annual physical examinations provided.
Other Benefits	Holiday benefits, wedding gifts, birthday parties, team-building activities, and housing and car benefits for employees with doctoral degrees.

4.1.4

Employee Communication

BTR is committed to building an efficient and transparent communication mechanism, promoting “zero-distance” communication between employees and the Company by establishing a diversified communication platform. BTR and its subsidiaries have established Labor Unions and regularly organize communication meetings such as staff meetings and departmental symposiums, effectively eliminating communication barriers between management and employees. At the same time, the Human Resources Center has established a regular communication mechanism, including conducting regular employee interviews and implementing quarterly satisfaction surveys, to timely grasp the working status and true thoughts of employees, ensuring that their voices are fully heard and effectively fed back.


BTR places great emphasis on employee needs and has established a comprehensive complaint handling and whistleblower protection mechanism. The Company has set up diversified complaint channels to ensure that employee demands can be communicated in a timely and accurate manner. The Company requires all complaint handling personnel to strictly fulfill their confidentiality obligations and explicitly prohibits any form of retaliation against employees who report or reflect issues in good faith. Any retaliatory behavior will be subject to corresponding penalties, including dismissal.

Employee Complaint Channels 
<ul style="list-style-type: none">Human Resources Center Email: hr@btrchina.comDirect supervisor or the first person in charge of the departmentChairman’s Email: Located at the staircase on the first floor of Building 8

Talent Development

Talent is the primary productive force. By establishing a diversified and multi-level incentive mechanism for production and reform, BTR fully stimulates the enthusiasm and creativity of its employees. It provides rich and practical training courses, builds a broad development platform for employees, and achieves common progress for both the Company and its employees, moving towards a more brilliant future hand in hand.

In 2024, BTR



Selected as a benchmark project case in the 2024 Blue Book of Corporate Learning in China by the Chinese Society for Talent Development

Awarded the “Talent-driven Enterprise Project” brand learning initiative by Training Magazine

Organize and carry out the “Smart Guangming Roundtable” chief lecture activity hosted by the Human Resources Bureau of Guangming District

BTR has always regarded talent as the core driving force for its development, deeply implementing the strategy of strengthening the enterprise through talent, and continuously improving the construction of the talent development system. The Company has achieved remarkable results in talent cultivation, digital transformation, industry exchanges, and other fields, forming practical experience with wide industry influence, and has been highly recognized by authoritative institutions in succession.



4.2.1 Employee Promotion Channels

BTR has continuously improved its career advancement system and incentive measures to stimulate employee learning and development. Meanwhile, it utilizes scientific evaluation mechanisms to ensure the efficient operation of training programs, working together with employees to grow together.

Employee Development Path

To accelerate the construction of the workforce and facilitate the Company’s growth, BTR established and improved systems such as the *Qualification Management Procedure* and *Job Rotation Management Procedure*, set up a clear qualification system, and committed to cultivating a professional and diversified talent team. With performance, ability, and potential as the core, the Company has planned a “dual channel” for management development series and professional development series, established a fair and transparent promotion evaluation mechanism, and regularly carried out job qualification and promotion certification plans every year. At the same time, the Company encourages grassroots employees and management to participate in job rotations, enhancing the flexibility of career development and reserving more versatile talents for the Company. During the reporting period, the Company eliminated any form of discrimination, ensuring that every employee enjoys equal promotion opportunities and expanding their career development space.

Employee Evaluation Mechanism

During the reporting period, Employees who underwent performance evaluations in the Company

8,352 persons

The proportion of employees who underwent evaluation

100%

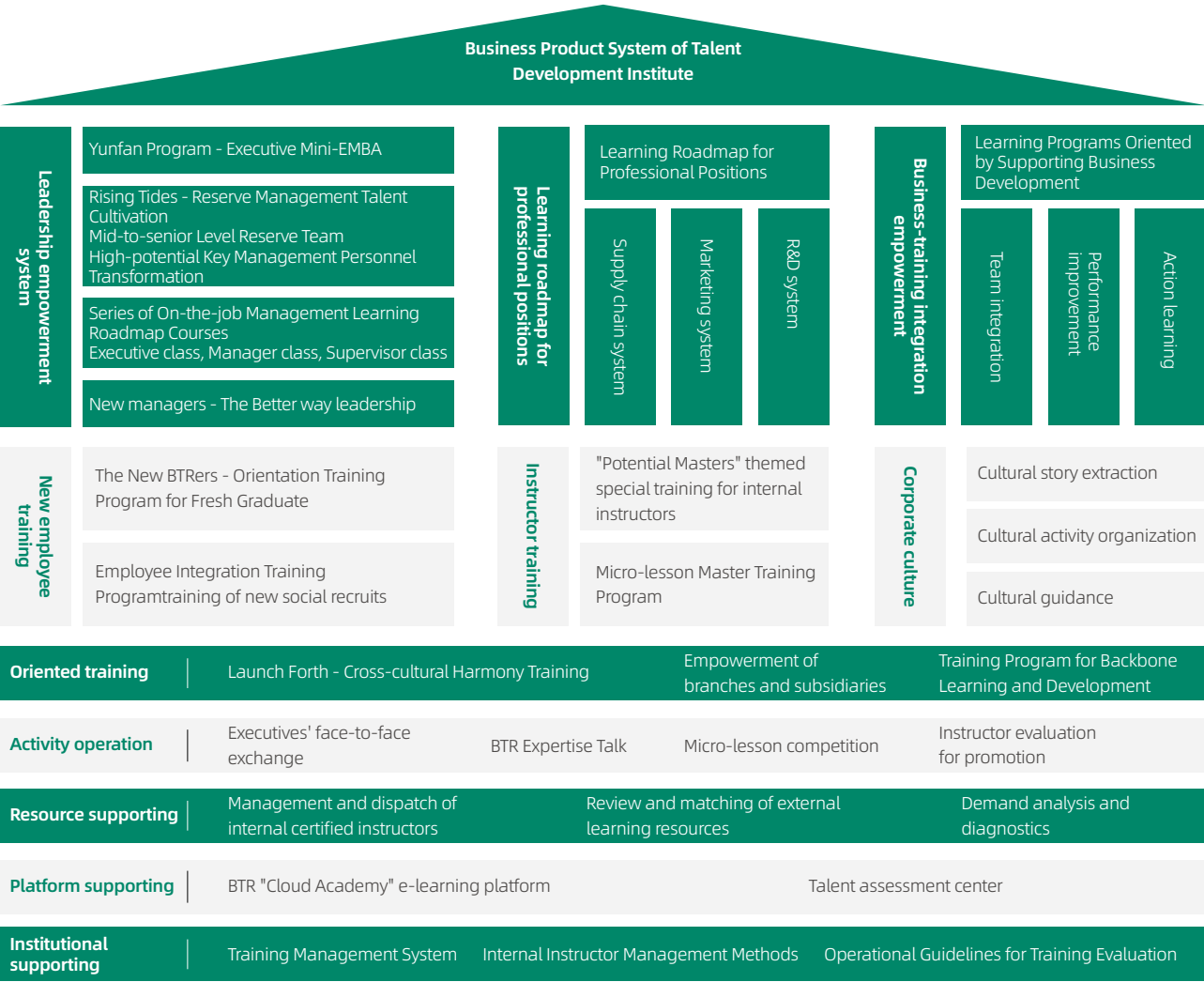
4.2.2 Employee Training

Talent cultivation and development serve as crucial drivers for the Company’s sustained growth. BTR has always prioritized the enhancement of employee capabilities, establishing a systematic, multi-dimensional, and comprehensive training system. This system continuously empowers employee growth, injecting a steady stream of vitality into the Company’s development.

Talent Training System

Talent cultivation plays a role in disseminating corporate culture. BTR has updated relevant systems such as the *Training Management Procedure* and *Internal Lecturer Management Procedure*, continuously optimizing the talent cultivation system and the construction of a learning-oriented organization. Guided by supporting corporate strategy, centered on empowering business development, and based on enhancing employee competency, the Company has established leadership empowerment, professional learning roadmaps, and industry-training integration empowerment modules, and provides high-quality resources and platform support to ensure the efficient operation of the talent cultivation system.

During the reporting period, BTR actively promoted the construction of its curriculum system, developing a total of 55 learning roadmap courses, 149 offline courses, and 312 online courses. At the same time, it collected and organized 255 management cases, further enriching its internal curriculum resources and case library, providing more diversified support for employee learning and development.

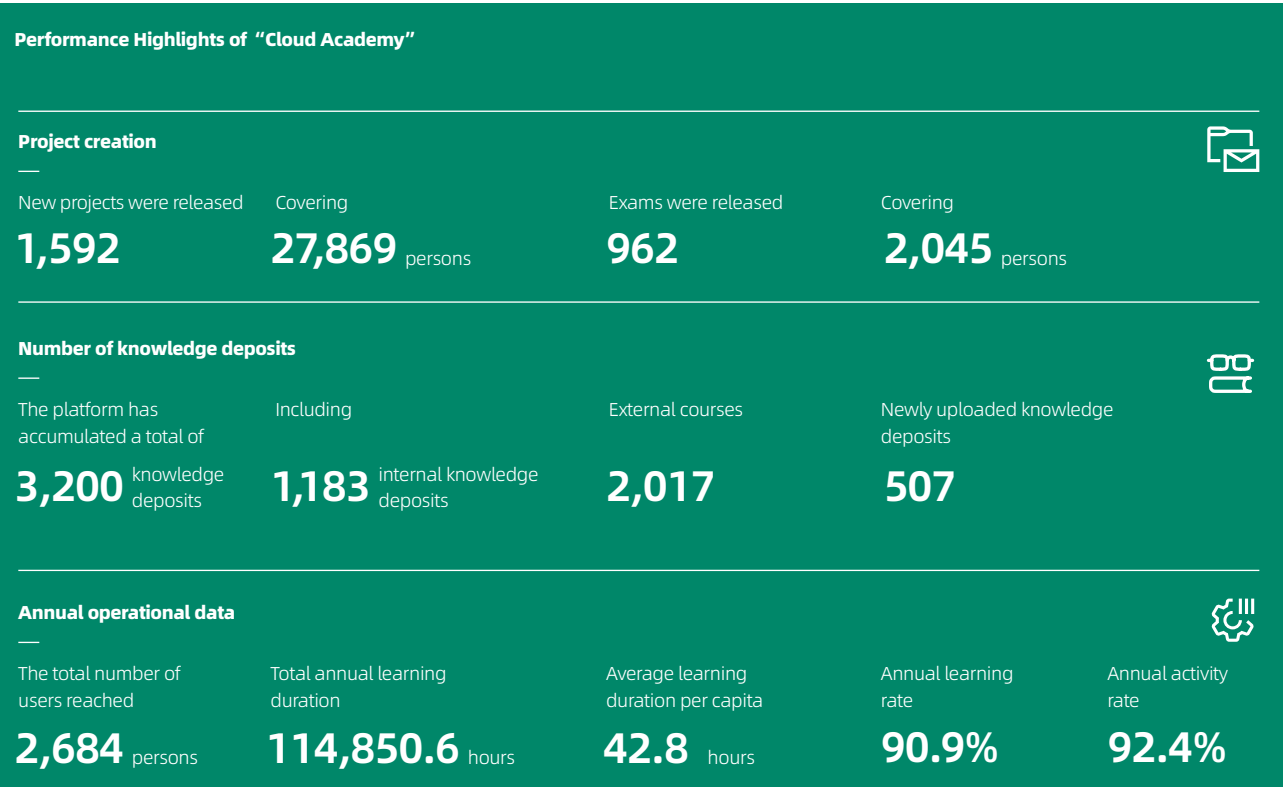


In terms of management cadre team training, BTR has designed targeted management training programs for managers ranging from the grassroots to the top level, such as the executive Mini-EMBA program, The Better Way mandatory courses for middle and grassroots management cadres, and the series of management-learning roadmap courses for on-the-job management cadres.

In terms of business empowerment and support, BTR closely aligns with the development needs of key businesses and has launched a special talent training program, covering training areas such as overseas business in Indonesia, sales business, quality center business, and product center business. The Company provides an integrated training solution based on the specific needs of each business segment, ensuring that business development and talent growth advance simultaneously.

In terms of global talent cultivation, BTR has specially launched an English training program for international talents at its headquarters to assist employees in enhancing their English proficiency and global perspective. Additionally, a “Launch Forth” has been implemented for Chinese employees who are to be dispatched abroad, aiming to improve their preparation for overseas assignments and cross-cultural communication skills, thereby helping them better adapt to work and life overseas.

In terms of online learning platforms, BTR’s “Cloud Academy” has amassed a vast collection of internal knowledge micro-course resources covering multiple positions such as production, sales, and research and development. It has not only cultivated a group of high-quality and high-output internal professional lecturers but also facilitated the rapid integration of new employees into the Company. The Company adopts a digital learning model combining online and offline approaches to carry out the “New BTRers - Orientation Training Program” for fresh graduate and the “Employee Integration Training Program” for social recruiters. Throughout the process, it continuously enhances the learning experience and integration efficiency of students, enriches the knowledge and skill reserves of employees, effectively strengthens their sense of identification and belonging to the Company, and lays a solid foundation for talent growth and corporate development.



Employee Training Practice

BTR has continuously promoted talent development efforts, conducting specialized training for management, technical personnel, overseas employees, etc., and complementing internal training through external course learning, corporate visits, and professional qualification certification.



Organize External Training on “Skills Learning and Certification”



Organize External Training on “Four Determinations in Organizational Change”



The total duration of training is 152,707.7 hours	Average hours of training by gender	Male 15.5	Female 32.4		
	Average training hours by job level	Management sequence training 45.2	Professional technical sequence training 51.2	Skill training 6.5	Transaction training 3.1

Yunfan Plan - Executive Mini-EMBA Training

case

To meet the new requirements for executive capabilities under the new circumstances and to unify management concepts, language, and tools, BTR launched the Executive Mini-EMBA training program in 2024 to comprehensively enhance the management capabilities of executives. The program is targeted at company executives and is divided into two intensive training sessions: “Understanding Business” and “Strategic Communication”, covering courses such as supply chain management and high-quality business operations.



Executive Mini-EMBA Training Course



The New BTRers - Orientation Training Program for 2024 Fresh Graduate

case

BTR has launched the “New Journey with BTR, Striving for Excellence” New BTRers Program, which aims to help new employees quickly integrate into the corporate culture, complete role transitions, empower professional growth, and meet the Company’s internal talent reserve and employment needs through systematic and personalized training programs. During the reporting period, the project provided project empowerment and support to multiple subsidiaries in Shenzhen, Sichuan, Yunnan, and other regions, with more than 100 fresh graduates participating.



New BTRers Program Training Activity

Launch Forth - Chinese Training for Key Indonesian Employees

case

To promote the international operation of the production line and ensure smooth mass production, in 2024, BTR initiated a training program for key Indonesian employees in China. Dozens of front-line team leaders from the Indonesian company were invited to China for intensive training. The training content encompassed cultural learning and on-the-job practical training, effectively enhancing Indonesian employees’ understanding of Chinese and corporate culture, improving their practical skills, and assisting them in quickly adapting to their roles upon returning to Indonesia, thereby facilitating smooth mass production on the Indonesian production line.



Chinese Training for Key Indonesian Employees

“Potential Masters” Themed Special Training for Internal Instructors

case

In 2024, BTR initiated the “Potential Masters” themed special training for internal instructors, aiming to integrate excellent lecturer resources within the Group and promote the sharing and inheritance of organizational knowledge and experience. The program adopts a “online + offline” combination model, assisting students in enhancing their course development and teaching skills, opening up the lecturer resource circulation mechanism, unifying training standards, tapping into the potential of internal lecturers, and achieving efficient circulation and application of knowledge and resources within the Group.



BTR “Potential Masters” Themed Special Training for Internal Instructors

Metrics and Targets

Management Targets	Annual Progress
We care about the protection of employee rights and interests, and are committed to providing a fair, equal, and diverse working environment for our employees. There have been zero incidents of forced labor, zero incidents of discrimination, and zero incidents of employment violations. We attach importance to employee development, provide employees with fair promotion channels and diversified professional training.	<ul style="list-style-type: none">✔ We adhere to the recruitment principles of “fairness, openness, and impartiality”, and strictly prohibit any form of discriminatory behavior.✔ The Company has not experienced or received any reports of harassment or discrimination incidents.✔ We establish a fair and transparent promotion evaluation mechanism, with 100% of employees undergoing evaluation.✔ We update relevant systems such as the <i>Training Management Measures</i> and the <i>Internal Lecturer Management Measures</i>, establish a systematic, multi-dimensional, and comprehensive training system, with a total training duration exceeding 150,000 hours.

Care for Employees

4.3

BTR always insists on improving and optimizing employee welfare and is committed to creating a harmonious and healthy working environment for employees, ensuring that employees receive adequate support and care at work. The Company organizes monthly dinners for employees who celebrate their birthdays and sends birthday gifts to convey birthday wishes. At the same time, BTR also regularly holds various festival celebrations and cultural and sports activities, aiming to provide opportunities for employees to relax and interact, and enhance team cohesion. In addition, the Company pays attention to the care of overseas employees, providing comprehensive care and support for employees and their families.

Furthermore, BTR remains committed to supporting and caring for employees in need, offering assistance through various means. In 2024, BTR provided over CNY 150,000 in various subsidies, donations, and relief funds to employees facing difficulties.

Overseas Spring Festival Condolence Action

case

During the Spring Festival in 2024, BTR organized the “Overseas Spring Festival Heartwarming Action” to specially visit frontline employees who, due to work requirements, had to stay overseas and were unable to return home for the reunion during the Spring Festival, conveying the organization’s care and the warmth of the festival. The total amount of condolences reached more than CNY 50,000.



In addition, BTR places a high emphasis on employee mental health and has established a comprehensive care mechanism. In 2024, the Company launched a painting art therapy workshop to facilitate emotional release through non-verbal expression. It organized self-awareness psychological lectures for employees and invited professional psychological consultants to teach stress management tools, aiming to enhance their psychological resilience. Additionally, the Company innovatively designed a music chain interactive activity to stimulate creativity through team collaboration and simultaneously strengthen cross-departmental communication effectiveness.



Occupational Health and Safety

5.4

BTR views safety as an insurmountable red line, continuously strengthening safety production and occupational health management, and is committed to building a multi-dimensional protective network for employees, ranging from physical environment to psychological care.

4.4.1 Safety Management System

Governance

BTR strictly adheres to laws and regulations such as the *Work Safety Law of the People’s Republic of China* and the *Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases*, and has established multiple internal systems including the EHS Management Manual and the EHS New Construction, Renovation, and Expansion Management System. BTR has set up safety production committees in each subsidiary to be fully responsible for safety production-related work. The Company holds safety production meetings every quarter, focusing on discussing accident prevention measures and the implementation of rectification for major accident hazards; it also assesses the implementation of the safety production responsibility system every quarter to ensure that responsibilities are assigned to individuals and implemented in place. In addition, the Company conducts comprehensive reviews and updates of the EHS management system every year to enhance the level of safety management and create a safe and healthy working environment for employees.

Top Management	↓	Responsible for formulating and approving occupational health and safety policies and targets, reviewing management plans, appointing management representatives, and presiding over management reviews.
Management Representative	↓	Responsible for ensuring the establishment, implementation, and maintenance of the management system, reporting operational status to the top management, and providing evidence for system improvement.
Department Heads	↓	Responsible for the specific implementation of occupational health and safety management work in the department, including hazard identification, risk assessment, and implementation of control measures.
Employees		Every employee should understand their responsibilities, adhere to safety operating procedures, participate in safety training and emergency drills, and collectively maintain occupational health and safety.

Strategy

BTR has always prioritized the safety of its employees. Adhering to the safety production policy of “safety first, prevention foremost, and comprehensive management”, it has established a systematic safety production responsibility system, standardized safety production responsibilities at all levels, strengthened the implementation of employee safety production responsibilities, and ensured the safety of employees’ life and property. The Company regularly conducts hidden danger investigation and treatment, improves emergency plans, and organizes drills on a regular basis, while also strengthening the prevention and control of occupational diseases. In addition, through various forms such as safety knowledge contests and special training, it continuously enhances employees’ safety awareness and protective capabilities, effectively ensuring the safety of employees’ life and property.

Impact, Risk, and Opportunity Management

Safe Production

In order to continuously optimize safety production management, BTR has continuously improved systems such as the *Safety Production Responsibility System Management Procedure*, *Behavior Safety Observation and Communication Management Procedure*, and *Construction Safety Management Procedure*. It has established a systematic safety production responsibility system and a comprehensive behavior safety observation mechanism, providing comprehensive constraints on employee and contractor work safety. In addition, the Company ensures that each member complies with Company rules and regulations by signing the *Safety Production Responsibility Statement* with employees and Management, and implements safety production responsibilities level by level, tracking the completion of various indicators. During the reporting period, the signing rate of the *Safety Production Responsibility Statement* reached 100%.

Performance Highlights in 2024			
The investment in safety production amounts to CNY	Major production safety accidents	Coverage rate of employee work-related injury insurance	Coverage rate of employee safety production liability insurance ¹
53,275,000	0	100%	100%

¹100% coverage of work safety liability insurance for employees in chemical and mining factories in BTR.

Achieve the goal of hidden danger rectification rate

100%

Accumulated emergency drills of various types

348 sessions

Emergency Drill for High-Temperature Burns Caused by Graphitization at BTR Sichuan

case

Jixi Changyuan Intelligent EHS Management System

case

Safety Culture Promotion

BTR has vigorously promoted risk management and hidden danger control work, formulating and strictly implementing systems such as the *Safety Risk Classification Management Procedure*, *Hazard Source Identification and Evaluation Control Procedure*, and *Accident Investigation and Handling Management Procedure*. The Company has established safety management mechanisms including risk identification, scientific evaluation, hierarchical control, and emergency response. By adopting a combination of quantitative and qualitative methods and comprehensively considering factors such as the probability of risk occurrence and the degree of harm, the identified risks are classified into four levels: mild, general, relatively high, and major. In 2024, the Company actively investigated and identified hazard sources, precisely formulated relevant control measures, ensured effective control, prevented the occurrence of various accidents, and achieved the goal of 100% hidden danger rectification rate.

Based on its internal systems, including the Emergency Preparedness and Response Control Procedure and the Emergency Plan for Production Safety Accidents, BTR has established a comprehensive emergency management system. It has formulated and implemented various specialized emergency plans and emergency response schemes to ensure the scientific and effective handling of emergencies. The Company regularly organizes multi-scenario and multi-type practical emergency drills, including specialized drills for sudden furnace blowout accidents, pressure vessel accidents, granulation flue gas explosions, sudden power outages during graphitization, mechanical injuries, natural gas leaks, etc. By simulating real accident scenarios, the Company can test the feasibility of its emergency plans, enhance the handling capabilities of its emergency response team, improve the emergency response capabilities and collaborative combat level of all employees, and provide strong guarantees for safe production. During the reporting period, the Company conducted a total of 348 emergency drills of various types.

In order to enhance emergency response capabilities for high-temperature burn accidents and effectively prevent and reduce the occurrence of safety incidents, in May 2024, the Company developed and implemented an emergency drill for graphitization high-temperature burns. The aim was to test and refine the Company's emergency response procedures for high-temperature burn accidents, and to improve employees' ability to respond and collaborate efficiency in the face of unexpected accidents.

In addition, BTR has actively promoted digital transformation, established a digital EHS management system, and strengthened the Company's production efficiency and safety management capabilities.

Jixi Changyuan has achieved intelligent, unmanned, and automated monitoring of key aspects of mine development by deploying a video intelligent monitoring subsystem and a slope online monitoring and early warning subsystem. Leveraging system integration, intelligent analysis, and visual display, Jixi Changyuan has successfully aggregated information on mine production, safety, energy efficiency, and quality, achieving comprehensive data integration. This has enhanced its ability to predict and respond to potential risks, promoting the standardization of safety management systems and the normalization of closed-loop management.

In order to resolutely prevent and contain various safety accidents, BTR Headquarters firmly establishes the awareness of the red line for safe production, strictly adheres to the requirements of the *Safety Education and Training Management Procedure*, clarifies the training subjects and objects, and develops diversified training forms and curriculum systems. The aim is to comprehensively enhance the safety awareness of all employees, ensure that they are proficient in safety knowledge and skills, and effectively prevent the occurrence of safety accidents. Meanwhile, the Company systematically planned and carried out a special activity for the Safety Production Month with the theme of "Performing Safety Responsibilities and Controlling Production Accidents". By organizing five series of activities such as "Safety First Responsible Person", "Safety Whistleblower", "Safety Consultation Day", and "Safety Knowledge Competition", the Company effectively fulfills its main responsibility for safe production, enhances the safety awareness of all employees, conducts in-depth investigations of potential safety hazards around them, actively creates a good safety culture atmosphere, and builds a solid safety guarantee for the Company's high-quality development.

Performance Highlights in 2024

Number of safety production training

806 sessions

Number of employees participating in safety production training

45,610 persons

BTR Sichuan Organizes Safety Lecture

case

Establishment of the BTR New Energy Intelligrnt Safety Training & Experience Center

case

Talent as the Cornerstone, Unleashing Organizational Innovation Momentum

In April 2024, BTR Sichuan organized six safety lecture activities. The Company's Management and heads of various departments thoroughly disseminated safety concepts, communicated clear requirements for safe production to all employees, and emphasized safety awareness, responsibility, and accountability. At the same time, the heads of various departments also shared their own safety responsibilities and safety management experiences, providing strong support for the Company's safe production work.



The BTR New Energy Intelligrnt Safety Training & Experience Center is the first smart safety training experience center in Changzhou's new energy sector that integrates safety education, practical training, and risk experience. It will provide a replicable safety training template for the new energy sector and even more industries. Guided by the concept of "smart safety" and led by "digitalization", the Center utilizes cutting-edge technologies such as VR accident reconstruction and MR equipment training. Participants can experience 67 high-risk scenarios such as electric shock, explosion, and falling from heights. Under the multi-dimensional impact of vision, hearing, and touch, they can personally experience various typical safety production accident scenarios, truly achieving "immersive" situational teaching.



4.4.2

Occupational Health Management

The incidence rate of occupational diseases is

0%

Employees participated in the occupational health examination

6,228

Metrics and Targets

Management Targets

Strengthen the safety production responsibility system and fully implement occupational health protection standards
Zero incidence rate of occupational diseases and zero major safety accidents

Annual Progress

- ✓ The headquarters and its 13 subsidiaries have obtained ISO 45001 occupational health and safety management system certification
- ✓ The investment in safety production amounted to CNY 53,275,000 with no occurrence of major safety accidents and a zero incidence rate of occupational diseases

People-Centered Approach, Empowering the Pursuit of a Better Life

People-Centric Development

BTR has always regarded corporate social responsibility as its core development philosophy, actively engaging in social welfare undertakings and promoting sustainable social development through diversified measures. Domestically, the Company actively responds to the rural revitalization strategy, assisting rural areas in achieving revitalization and development through various means such as material donations, condolences and care, and supporting local economies. Overseas, the Company also upholds social responsibility and humanistic care, enhancing the well-being of overseas employees and promoting the development of local communities through diverse forms such as donations and funding.

/77
Social Public Welfare

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Employees' Voluntary Activities

Social Public Welfare

5.1

BTR focuses on the pain points of rural revitalization, building a sustainable assistance model through education empowerment, consumption revitalization, and other means. It also pays attention to the development of overseas operations, supports local communities through precise donations, promotes responsible practices that transcend geographical boundaries, and continuously interprets the deep value of business benevolence.

5.1.1

Rural Revitalization and Social Responsibility

BTR has actively responded to the national rural revitalization strategy, thoroughly implemented its social responsibilities, and actively participated in multiple educational assistance projects, contributing to the improvement of education quality and living conditions in rural areas. The Company has supported the infrastructure construction of rural schools by donating books, equipment, and materials, aiding the studies and growth of students in underdeveloped areas, and fully demonstrating its commitment to fulfilling social responsibilities.

Improving Educational Resources in Rural Schools - Building Love Libraries

case

In order to alleviate the current situation of inadequate educational resources in rural schools, BTR Headquarters has actively participated in educational public welfare undertakings, aiming to enhance teaching conditions in these schools. In May 2024, the Company donated books and bookshelves to the Guangdong Provincial Education Foundation for the construction of “Love Libraries” in five rural schools in Yunfu City. Specifically, over ten thousand books and nine sets of bookshelves were donated to three schools in Dongba Town, Yunan County.

By donating relevant facilities, the Company not only enriches the educational resources of rural schools but also creates conditions for the popularization of information-based teaching. This aids rural students in broadening their horizons and enhancing their learning abilities, thereby promoting the sustainable development of rural education.



Children’s Day Charity Sponsorship - Supporting the Art Performance of Huangdong Primary School

case

In order to support the cultural development of rural primary schools and enrich students’ extracurricular activities, BTR actively responded to the Children’s Day activity needs of Huangdong Primary School. In May 2024, BTR Huizhou sponsored CNY 15,000 to Huangdong Primary School for the purchase of gifts for the International Children’s Day art performance and garden activities, bringing festive blessings to the children. Through this sponsorship activity, the Company created a joyful festive atmosphere for the students, further enhanced the interaction between the school and the enterprise, and injected more care and warmth into the healthy growth of rural children.

Assisting Rural Students in the College Entrance Examination - Donating Teaching Materials

case

Against the backdrop of relatively scarce educational resources in rural areas, BTR noticed the shortage of teaching materials for the senior three students at Xiangyun No.1 Middle School and decided to lend a helping hand. On April 8, 2024, Yunnan BTR New Energy Materials Co., Ltd. donated materials worth CNY 9,878 to Xiangyun No.1 Middle School through the County Political Consultative Conference’s Industrial and Commercial Economic Committee Group, to support the preparation work for the 2024 college entrance examination. This donation effectively alleviated the shortage of teaching equipment at the school, provided better learning conditions for senior three students, and helped them achieve excellent results in the college entrance examination. It demonstrated the Company’s social responsibility and commitment through practical actions.



Caring for the Nutritional Health of Rural Children - Pingshan County’s “Free Lunch” Public Welfare Project

case

To address the lunch issue for preschool students in rural schools, BTR initiated the “Free Lunch” public welfare project, focusing on the nutritional health of rural children. The Company donated free lunches to four schools in Pingshan County, Sichuan Province, with a total donation of over CNY 180,000, covering schools such as Jinguan Hongyuan Hope Primary School, Diaoyan Basic School, Pingning Basic School, and Yifu Primary School in Xinshi Town. The “Free Lunch” public welfare project has effectively improved the nutritional status of students, reduced the economic burden on families, and provided a solid guarantee for the healthy growth of rural children.



Educational Assistance for Rural Students - Supporting Impoverished Students in Mashan District

case

To assist impoverished students in rural areas in successfully completing their education, BTR has been continuously paying attention to and supporting their educational needs. BTR Jixi provided a financial assistance of CNY 6,000 to impoverished students from Yinglin School in Mashan District, alleviating their financial burden. Through this assistance, the beneficiary students are able to pursue their education and contribute to society in their future careers, thereby promoting the sustainable development and harmonious progress of society.



BTR has always kept the original intention of helping rural revitalization and has supported the growth and development of local industries through continuous practical actions. In 2024, the Company had continued to increase support for rural industries, which had provided solid support for the prosperity of the countryside and common prosperity.

Consumption to Support Agriculture - Sichuan Ruian Consumption Revitalization

case

In response to the key tasks of poverty alleviation and rural revitalization in Lushan County, Sichuan Ruian New Material Technology Co., Ltd. has proactively taken on social responsibility to boost local economic development. The Company signed an agricultural and sideline products distribution agreement with Datong Village (a poverty-stricken village) in Lushan County, purchasing approximately CNY 490,000 worth of high-quality agricultural and sideline products from January 1, 2024, to December 31, 2024, to support the sales of local agricultural and sideline products. By assisting Datong Village in expanding its sales channels for agricultural and sideline products through consumer-driven agriculture, the Company has significantly improved the income levels of villagers and contributed to the rural revitalization of Lushan County.



Supporting the Military and Giving Preferential Treatment to the Families of Servicemen - Condolence Activities on Army Day

case

To uphold the fine tradition of supporting the military and giving preferential treatment to military families, BTR Jixi conducted a condolence activity on the occasion of Army Day on August 1, 2024. The Company donated funds to support the care of retired soldiers and their families. This condolence activity not only created a social atmosphere of respecting soldiers and caring for military families, but also enhanced the sense of honor and gain of retired soldiers, contributing to the promotion of positive interaction between enterprises and society.



5.1.2 Overseas Donations

BTR has been actively fulfilling its social responsibilities globally, paying continuous attention to the community development and welfare in the locations of its overseas companies. The Company supports local disaster victims through measures such as organizing donations and establishing employee mutual aid funds. At the same time, the Company is committed to improving educational conditions in local impoverished areas, providing educational materials for local impoverished women and children, and donating to local foundations. BTR fulfills its social responsibilities through practical actions, contributes to the sustainable development of overseas communities, and further consolidates its close ties with local communities.

Loving Support, BTR Indonesia Assists Disaster-Stricken Areas

case

On January 30, 2025, a sudden flood disaster struck the Kaliwungu region where BTR Indonesia is located, severely affecting four villages and leaving the local residents in urgent need of food assistance. Upon learning of the disaster, the Company promptly took action by donating emergency food and other supplies to the affected areas, providing immediate food support to the affected people.



Donating to Support Flood-Affected Employees and Establishing a Mutual Aid Fund

case

On January 21, 2025, the Bodri River in Kendal Regency burst its banks due to a rainstorm, causing severe flood damage to the families of five employees at BTR Indonesia. The Company promptly organized Chinese management personnel to make donations, with nearly 80% of the donations directly given to the five affected employees. The remaining funds were used to establish an “employee mutual aid fund” for future assistance in similar disasters. Through this donation, the Company helped the affected employees overcome their difficulties, established a long-term mutual aid mechanism, enhanced the sense of belonging and cohesion among employees, and demonstrated the Company’s deep care for its overseas employees.



Supporting Education in Impoverished Areas in Indonesia by Donating to Indonesian Charitable Foundations

case

In order to support the educational development in impoverished areas of Indonesia, BTR has been paying close attention to the educational needs of impoverished women and children in Papua Province. On August 27, 2024, BTR Indonesia donated funds to the Hanida Foundation to provide support to the local community. The foundation, led by the wife of Bahlil Lahadalia, the Minister of Investment, is committed to providing learning and daily necessities to impoverished areas in Papua Province. Through this donation, the Company has provided tangible educational support to women and children in impoverished areas, helped improve learning conditions, and contributed to the sustainable development of the local community.



Employees’ Voluntary Activities

5.2

BTR has always advocated for its employees to actively participate in public welfare undertakings, encouraging them to give back to society and spread positive energy through various volunteer activities and social services. The Company is committed to providing a platform for volunteer activities for its employees, promoting their participation in public welfare projects, and further enhancing their sense of social responsibility and team cohesion through organizing collective public welfare activities.

Voluntary Blood Donation Activity

case

In December 2024, BTR JS Cathode and BTR JS Anode successfully held a voluntary blood donation event to support the Jintan Branch of Changzhou Central Blood Station with practical actions, conveying love and warmth. The event received a positive response, with employees actively participating in public welfare undertakings and contributing to the promotion of voluntary blood donation.



Garbage Collection Activity Organized by the Party Member Green and Beautiful Volunteer Team

case

On November 23, 2024, the BTR Party Committee established a green and beautiful volunteer team, organizing volunteers to carry out garbage collection activities along the plank road of the Shenzhen Workers’ Sanatorium, cleaning up plastic bottles, cigarette butts, paper scraps, and other waste along the way, in order to maintain a beautiful and clean coastline environment.



Part 3

Governance

- Sustainability Governance
- Stable Operation
- Anti-Commercial Bribery and Anti-Corruption
- Business Ethics
- Data Security and Privacy Protection

BTR adheres to the governance philosophy of standardized, efficient, and steady development, continuously improving its corporate governance structure and establishing a modern enterprise management system featuring checks and balances among decision-making, execution, and supervision. At the same time, the Company pays attention to compliance governance, risk management, business ethics, and information security construction, continuously building corporate resilience.

Governance





Steady Strides Toward Enduring Success, Fortifying Corporate Governance Foundations

Make steady progress

BTR ensures a high degree of alignment between the Company’s strategic direction and core values, while establishing a comprehensive compliance and risk management system to enhance operational stability and transparency. The Company actively promotes the construction of a culture of integrity, strengthens business ethics standards, maintains corporate reputation and market trust, and ensures the full life cycle security of data assets through digitalization and advanced technology, providing a solid foundation for the Company’s innovation and sustainable development.

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Corporate Governance System

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Compliance and Risk Management

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Integrity Management and Business Ethics

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Information Security

Corporate Governance System6.1

Scientific decision-making and transparent operations are the core principles of modern corporate governance. Based on the systematic upgrade of the governance structure, the Company has established a scientific decision-making control system, continuously enhancing the strategic adaptability of the governance system to business development, and providing comprehensive governance support for the sustainable value creation of the enterprise.

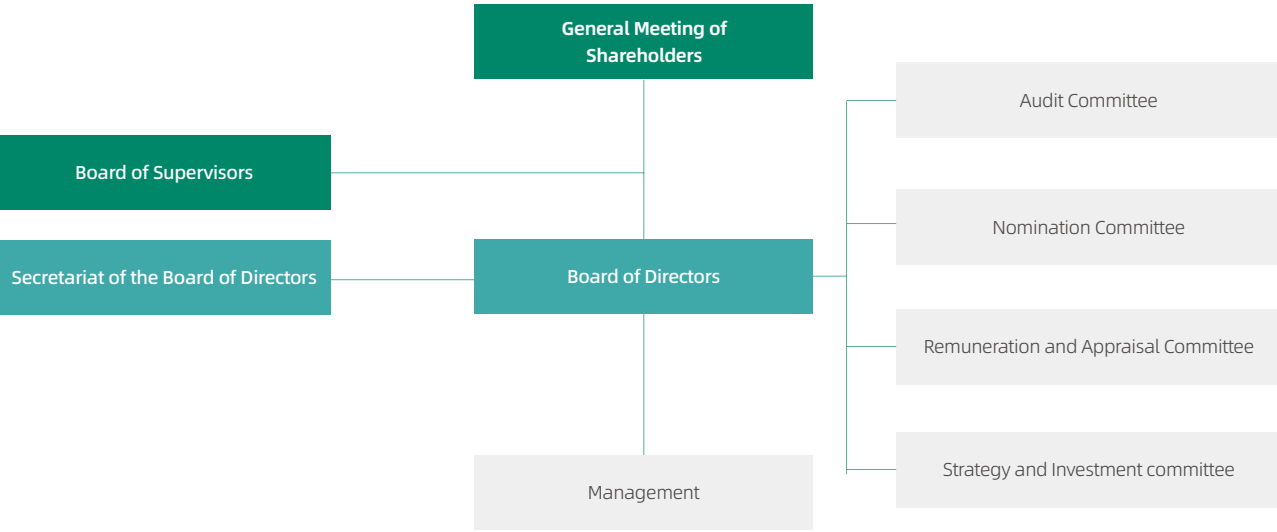
6.1.1Governance Structure

Governance

BTR is committed to building a transparent and efficient corporate governance system to ensure clear responsibilities and coordinated operations among all governance entities. The Company strictly complies with relevant laws and regulations such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, and the *Listing Rules for Stocks on the Beijing Stock Exchange (Trial)*, continuously optimizing its governance structure and laying a solid foundation for the long-term development of the enterprise.

The Company has established a governance system consisting of the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the Management, forming an operational mechanism with clearly defined responsibilities and mutual coordination. The General Meeting of Shareholders, as the highest authority of the Company, is primarily responsible for deliberating and deciding on core matters such as the Company's development strategy, major investment projects, and profit distribution plans. The Board of Directors is accountable to the General Meeting of Shareholders and comprises four specialized committees, including the Strategy and Investment Committee, the Remuneration and Appraisal Committee, the Audit Committee, and the Nomination Committee, which provide support for the scientific decision-making of the Board of Directors through professional analysis. The Board of Supervisors performs supervisory functions to ensure that the performance of the Company's directors and management complies with laws, regulations, and internal company policies. The Company's Management focuses on implementing the resolutions of the Board of Directors, advancing the achievement of the Company's operational goals, and ensuring the steady progress of the enterprise.

BTR Organizational Structure



Strategy

Stable operation is the foundation for enterprises to maintain stability and achieve long-term success. BTR adheres to the sustainable development policy of “compliance and integrity, stable operation”, strives to build an efficient and compliant management system, and through effective risk management mechanisms, builds resilience for development and achieves long-term prosperity.

Impact, Risk, and Opportunity Management

The Company continuously promotes the optimization of its governance mechanism, continuously improves management efficiency and decision-making quality, and enhances the internal control capability and transparency of the enterprise. The Company strictly convenes and holds the General Meeting of Shareholders, Board of Directors meetings, and Board of Supervisors meetings in accordance with regulations, ensuring that each decision complies with procedural requirements and fully reflects the interests of shareholders. At the same time, various specialized committees provide professional advice for key decisions through holding special meetings, providing strong support for the standardized management and strategic execution of the Company. In 2024, the Company held a total of 4 General Meetings of Shareholders, 10 meetings of Board of Directors, and 7 meetings of Board of Supervisors. The Audit Committee was convened for 5 times, the Strategy and Investment Committee for 7 times, the Remuneration and Appraisal Committee for 6 times, and the Nomination Committee for 1 time.

Metrics and Targets

Metrics and Targets	Annual Progress
Ensure that the Company achieves scientific decision-making, effective supervision, and sustainable development, and enhance the scientificity of decision-making and operational transparency. Improve the long-term mechanism for compliant operations and strictly adhere to the bottom line of compliance order.	<div><div>✔</div>Regularly convene the General Meeting of Shareholders, Board of Directors meetings, Board of Supervisors meetings, and various specialized committees meetings.</div> <div><div>✔</div>Establish a standardized decision-making mechanism, leverage the expertise of specialized committees, deliberate on major issues, and formulate strategic and operational decisions.</div> <div><div>✔</div>Establish a compliance management committee and set up a three-tiered compliance management framework, while implementing a regular compliance training mechanism.</div>

6.1.2Protection of Investors’ Rights and Interests

BTR has always regarded investor’ rights and interests protection as an important aspect of corporate governance, strictly abiding by relevant laws and regulations such as the *Securities Law of the People's Republic of China*, the *Listing Rules for Stocks on the Beijing Stock Exchange (Trial)*, and the *Measures for the Administration of Information Disclosure of Listed Companies*. It has established systems such as the Investor Relations Management System and the Investor Protection System to regulate communication between the Company and investors and safeguard the legitimate rights and interests of investors. In terms of information disclosure, the Company has established a sound internal process to ensure the authenticity, accuracy, completeness, timeliness, and fairness of information disclosure. During the reporting period, the Company completed the disclosure of regular reports and temporary announcements on time, and all announcements involving major issues were strictly reviewed. Meanwhile, the Company regularly organizes training for relevant personnel to further improve the quality of information disclosure.

BTR attaches great importance to the notification and material disclosure of various mechanisms such as the General Meeting of Shareholders, enhancing shareholder participation and transparency. At the same time, it strengthens interactive communication with investors through various channels and builds an efficient and transparent communication platform. During the reporting period, the Company made full use of the interactive platform of the Stock Exchange, and set up a dedicated investor consultation hotline and email service to promptly respond to questions raised by investors and answer their questions. In terms of protecting the rights and interests of minority shareholders, the Company strictly implements the voting rules of the General Meeting of Shareholders, fully guaranteeing the decision-making participation and voting rights of minority shareholders. In addition, the Company has optimized the investor relations section of its official website, providing a more convenient information acquisition channel for minority shareholders to ensure that they can timely grasp important information such as company announcements and financial data.

Dividend Return to Shareholders

Upholding the business philosophy of “creating value for investors,” the Company places great emphasis on shareholder returns while effectively managing its operations. It strictly adheres to the dividend return plan and profit distribution policy, actively rewarding investors with practical actions. Since 2015, the Company has implemented equity distributions multiple times through cash dividends, bonus shares, and capital increases via conversion, with a cumulative cash dividend of CNY 1.062 billion (excluding those in the 2024 dividend plan), sharing the Company’s development achievements with all shareholders.

In 2024, the Company proposed to distribute a cash dividend of CNY 4.00 (including tax) per 10 shares to all shareholders, based on the total share capital minus the shares held in the repurchase account. While maintaining a stable dividend distribution, based on confidence in the Company’s development prospects and to safeguard the stability of the Company’s market value and the interests of all shareholders, the Company issued a share repurchase plan in March 2024, which was completed in August 2024 with a repurchase amount of CNY 173 million (excluding transaction costs). This action implements the “improving quality, keeping promises, and emphasizing returns” initiative, taking multiple measures to enhance shareholder returns.

Compliance and Risk Management6.2

Compliance operation and risk management are indispensable aspects of enterprise operations, directly impacting the legal operation, risk prevention and control capabilities, and market trust of the enterprise. BTR has established a compliance management system that covers all business scenarios, and through effective risk management mechanisms, it strengthens corporate governance resilience, ensuring steady and sustainable global development.

6.2.1Compliant Operation

BTR has always placed compliance and risk management at a strategic level, ensuring that business activities comply with laws, regulations, and industry norms by establishing a comprehensive compliance management system. The Company attaches great importance to cultivating a compliance culture, regularly conducts risk control training, enhances the risk awareness of all employees, and deeply integrates compliance concepts into daily operations, providing strong support for the Company to cope with complex market environments and achieve sustainable development.

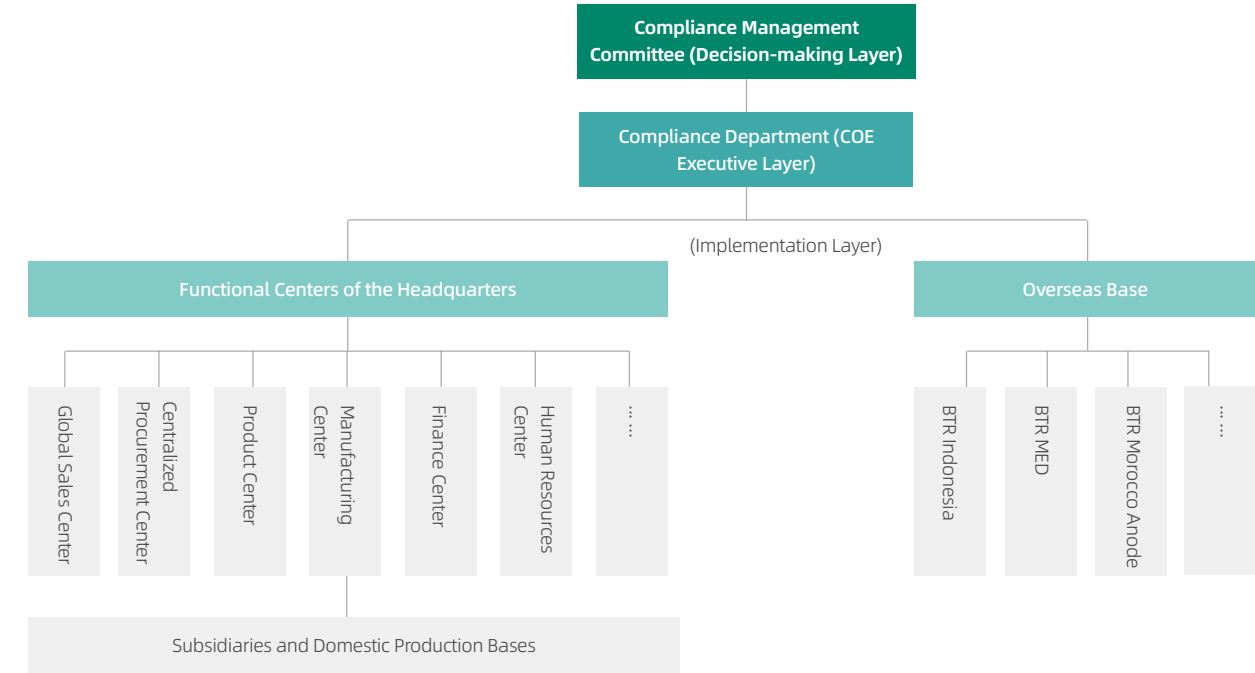
Compliance Management System

BTR strictly adheres to the *Audit Law of the People's Republic of China*, the *Basic Norms for Enterprise Internal Control*, as well as relevant regulatory requirements set by the China Securities Regulatory Commission and stock exchanges. Taking into account its actual situation and industry characteristics, the Company continuously promotes the construction of its internal control system to ensure the compliance and steady development of its business operations. To fully cover the compliance needs of various business areas, the Company has formulated and implemented multiple internal compliance management systems, such as the *Compliance Management Regulations* and the *Compliance Management Measures for Export Control of Dual-use Items*. At the same time, the Company requires the Management and all employees to sign the *BTR Management Compliance Commitment Letter* and the *BTR Employee Compliance Commitment Letter*, respectively. The Management commits to fulfilling their duties as the primary responsible person in their respective business areas, adhering to the principle of “whoever is in charge of the business is responsible for compliance”. Employees promise to strictly comply with the Company's compliance management requirements and actively accept the supervision of relevant management departments. In 2024, the Company continued to optimize the compliance management process for dual-use items, updated important institutional documents such as the *Compliance Management Measures for Export Control of Dual-use Items* and the *Risk Assessment Management Procedure for Dual-use Items*, and further improved the compliance management system.



Compliance Management System

BTR has actively promoted comprehensive compliance management and cultivated a positive compliance culture. In 2024, to enhance the level of legal compliance in business management, the Company established a Compliance Management Committee and established a three-tier compliance management framework. As the Decision-making Layer, the Compliance Management Committee is fully responsible for leading and coordinating the Company's compliance management efforts. The Compliance Department, serving as the headquarters COE Executive Layer for the Company's compliance management, undertakes the responsibility of building and optimizing the Company's compliance management system. Additionally, it is responsible for organizing, coordinating, guiding, and supervising the compliance management efforts of various functional centers and subsidiaries. As the implementation layer, each functional center (including domestic subsidiaries and overseas bases) must strictly adhere to the Company's requirements in implementing the compliance management system and provide necessary resources and support for the implementation of compliance work.



Compliance Training

BTR has established a regular compliance training mechanism, formulated an annual training plan, and listed compliance management as a key training content for management cadres, key position personnel, and newly recruited employees, ensuring that all employees possess the ability and awareness to operate in accordance with the law and regulations. The Company actively organizes senior executives to participate in special topic learning to strengthen the attention and execution of senior management towards compliance management, and takes the lead in practicing the concept of compliance. The Company strengthens publicity and education through various forms such as publishing compliance manuals and signing compliance commitment letters, encouraging all employees to consciously abide by the Company's compliance requirements and take responsibility for the compliance of their own behavior, gradually cultivating a compliance culture with corporate characteristics.

Training and Exchange Meeting on Regulations of the People's Republic of China on Export Control of Dual-use Items

case

With the deepening of globalization and the increasingly stringent international trade regulations, the Company faces the dual pressure of balancing business development while safeguarding national security. In October 2024, the Company held an interpretation and exchange meeting on the *Regulations of the People's Republic of China on the Export Control of Dual-Use Items* as a key project in its annual compliance training plan. This event, tailored to the Company's actual business situation, invited experts from related fields to systematically interpret the key provisions, control requirements of the Regulations, and their impact on business operations.

Compliance Governance Research of BTR Tianjin

case

In September 2024, in order to enhance the major risk prevention and control capabilities of the Group and its subsidiaries, the Compliance Department of the Legal Compliance Center at the headquarters conducted an on-site research on the compliance governance of Tianjin BTR New Energy Technology Co., Ltd. The aim was to identify the current management status and deficiencies, propose optimization suggestions, assist BTR Tianjin in improving its compliance governance system, and ensure the safe operation of the enterprise. The research focused on core areas such as labor employment, information security, and business entertainment through kick-off meetings, on-site interviews, and data verification, conducting a comprehensive assessment, deeply analyzing the current status and gaps in its compliance management, and proposing specific rectification suggestions for optimizing management. This research further enhanced the overall risk prevention and control capabilities of the Group, assisted BTR Tianjin in building a more comprehensive compliance system by identifying and solving management issues, and effectively improved the compliance and safety of its business operations.

6.2.2 Risk Management

Risk Management System

BTR views risk management as the core foundation for the steady development of the enterprise, continuously optimizing the systematic risk management mechanism. The Company provides clear institutional guidance to each department by compiling the *Risk Management Manual*, and establishes a Risk Control Committee to build a risk management framework centered on the “Three Lines of Defense”. This framework comprehensively covers risk identification, assessment, response, and supervision, achieving full-cycle management and control of potential risks. In 2024, the Company formulated and released the *Customer Risk Management Standards*, aiming to focus on identifying potential customer risks and preventing legal and regulatory risks, further improving the Company's risk management system, and providing strong guarantees for the stable operation of the business.

First Line of Defense

Business Department

- Implement risk management systems and procedures
- Identify issues in risk management work
- Implement risk control and prevention measures
- Regularly conduct risk management self-inspection
- Report the risk monitoring results to the Risk Control Committee

Second Line of Defense

Risk Control Committee

- Promote the construction of risk management system
- Monitors the operation of the risk management system and formulates relevant policies and procedures
- Clarify the mechanism for addressing bottom-line issues
- Provide resources for risk prevention and control
- Promote closed-loop management of risk issues

Third Line of Defense

Audit Committee

- Provide risk management tools
- Supervises and evaluates the execution of internal control and risk management for the first and second lines of defense
- Output risk management supervision and evaluation audit report

Practice of Export Risk Assessment for Dual-use Items of BTR

case

The global trade environment is becoming increasingly complex. With the successive introduction of regulations such as the *Regulations of the People's Republic of China on the Export Control of Dual-use Items*, enterprises are facing more severe compliance challenges in their export operations. To effectively address the potential risks brought about by policy changes, BTR has formulated the *Compliance Management Measures for Export Control of Dual-use Items* based on relevant regulations and established a systematic risk assessment management procedure for the export of dual-use items. By clarifying the division of responsibilities and standardizing the risk assessment process, it has comprehensively strengthened the control of export risks. At the same time, the Company regularly organizes risk management training for dual-use items to enhance employees' risk awareness and professional abilities. The Compliance Department also regularly supervises the implementation of measures and provides timely feedback on optimization issues. These measures have significantly improved the Company's ability in export compliance management, further enhancing its international competitiveness and standardized operation level.

Risk Management Training

To further advance risk identification and assessment efforts, BTR established a systematic risk management training system to comprehensively enhance employees' awareness and capabilities in risk management. In 2024, the Company focused on potential risk points in key areas such as overseas infrastructure operations, information security, and core subsidiaries, while closely tracking the latest developments in domestic and international regulations and policies, proactively identifying emerging risks that may impact the business, and ensuring that the Company's risk management system is upgraded in sync with changes in the external environment. During the reporting period, the Company organized special risk prevention and control projects focusing on key risk areas, such as investment risks under intensified industry competition, information technology confidentiality risks, procurement risks and accounts receivable risks, import and export risks, information security, major procurement, and other critical areas, strengthening the implementation of key risk prevention and control measures through quarterly supervision. Through special activities and targeted training, the Company comprehensively improved employees' awareness and response capabilities to key risks, further consolidating the foundation for the implementation of risk management in the Company.

6.2.3 Internal Control

The Board of Directors of the Company is responsible for establishing, improving, and effectively implementing the internal control mechanism. The management team is responsible for organizing and leading the daily operation of the Company's internal control. The Board of Supervisors supervises the establishment and implementation of internal control by the Board of Directors. The Board of Directors has an Audit Committee, which is responsible for communication, supervision, verification, and evaluation of the effectiveness of internal control in both internal and external audits. The Audit Committee is convened and chaired by the Chairman of the Audit Committee on a quarterly basis to receive work reports on audits and supervise the implementation of audit plans.

The Company conducts risk-oriented internal control audits, formulating annual audit work plans centered around the Company's development strategy, annual business management objectives, and regulatory requirements for listed companies. Audits are conducted for the Company's headquarters, wholly-owned subsidiaries, and controlling subsidiaries, covering the Company's core businesses, matters, and high-risk areas. During the reporting period, the Company conducted special audits such as investment-specific audits and audits focused on key subsidiaries. It implemented a comprehensive monitoring process in major risk areas such as procurement and engineering, including pre-audit prevention, in-process supervision, and post-audit rectification. Additionally, the Company established an Audit Rectification Closed-loop Management System. The Company engages in in-depth communication regarding internal control deficiencies identified during audits, formulates effective audit rectification plans, fosters a virtuous cycle of management improvement through rectification, and follows up quarterly.



Integrity Management and Business Ethics6.3

Integrity management and business ethics are core elements of BTR corporate governance, profoundly influencing the Company’s reputation, operational efficiency, and market competitiveness. BTR has always placed anti-corruption and business ethics construction at a strategic level, ensuring transparency and compliance in business activities by establishing a systematic integrity and compliance management system. The Company actively promotes the popularization of a culture of integrity, regularly conducts special training and advocacy, and strengthens employees’ ethical awareness and compliance literacy. Meanwhile, the Company improves the reporting mechanism, encourages internal supervision, and ensures fair transactions with partners and customers, providing a solid ethical foundation for the Company’s sustainable development.

6.3.1

Integrity and Compliance Management System

BTR adopts a “zero tolerance” principle towards corruption and fraud, and is always committed to strengthening the integrity management system to promote the deep integration of the culture of integrity into corporate operations. In accordance with laws and regulations such as the *Interim Provisions on Banning Commercial Bribery*, the Company has formulated the *Anti-Fraud Management Measures (Trial)*, *Supplier Management Measures*, and *Honest Procurement Management Provisions* to improve the internal control mechanism and provide a solid institutional guarantee for integrity and compliance. The Company has established an integrity management framework covering the Audit Committee of the Board of Directors, the Risk Control and Audit Center, as well as the heads of functional departments and subsidiaries, to build a clear-responsibility and efficient anti-fraud system, ensuring that key business processes are fully controlled.

The Company regularly conducts internal reviews and assessments, and performs due diligence on key stakeholders, effectively integrating integrity construction into the entire process management. In 2024, the Company seriously investigated and dealt with fraud and violations of integrity agreements, terminated cooperation with 10 external suppliers, and recovered nearly one million yuan. The Company requires employees in key positions to sign the *Integrity and Self-discipline Commitment*, further strengthening their sense of responsibility and integrity bottom line. In 2024, a total of 740 management cadres and all employees in the procurement system signed the commitment letter, effectively consolidating the foundation of integrity management. In the future, the Company will further improve the integrity and compliance system, strengthen training and supervision, enhance the integrity awareness of all employees, and create a clean and upright culture of integrity with the “three noes” (no tolerance, no opportunity, no desire for corruption).

Audit Committee of the Board of Directors

Develop corporate fraud risk assessment and prevention mechanisms, and oversee overall anti-fraud efforts.

Anti-fraud Office of Risk Control and Audit Center

Assist in establishment of a robust anti-fraud mechanism, conduct annual risk assessments for anti-fraud efforts, and provide reasonable oversight of potential fraud during internal audit processes.

Heads of Functional Departments and Subsidiaries

Primarily responsible for the daily management of anti-fraud work within the scope of the department, including publicity, education, and supervision of implementation.

Integrity Culture Promotion

Organize integrity talks for promoted cadres

2 sessions

BTR has always paid close attention to the cultivation and promotion of integrity culture, committed to enhancing the awareness of integrity and self-discipline among all employees, and actively advocating and implementing the core principles and requirements of anti-fraud work. The Company regularly organizes various anti-fraud training and integrity promotion activities, utilizing warning education and case sharing to enhance employees’ understanding of fraud risks and comprehensively strengthen the ideological foundation of integrity and self-discipline. In December 2024, the Company held a week-long anti-corruption and integrity event, organized two integrity talks for promoted cadres, with a total of 92 participants; conducted eight sessions of internal integrity training covering the headquarters and various subsidiaries, published nine integrity-related articles on the official account, and held two offline integrity quiz activities. In addition, the Company conducted two supplier integrity surveys and produced more than 20 versions of integrity promotion posters, comprehensively promoting the popularization and implementation of the integrity culture.

Integrity and Compliance Training for Shenzhen Factory

case

In September 2024, the Company conducted an integrity and compliance training session at its Shenzhen factory. Employees actively participated and engaged in interactive discussions with the training instructor on relevant business issues. The training explained the Company’s anti-fraud targets, laws and regulations, and internal systems, analyzed the harm of fraudulent behavior through typical cases, emphasized the importance of maintaining the bottom line and not crossing the red line, and called on employees to proactively report issues and cooperate with rectification efforts. The training activity was summarized and supported by the Company’s management, further reinforcing the importance of integrity management. This training enhanced employees’ awareness of integrity and risk prevention capabilities, laid the foundation for promoting the Company’s integrity culture and improving the management system, and demonstrated the Company’s determination and action in integrity and compliance management.



Scene of Integrity and Compliance Training Activity at Shenzhen Factory

BTR Anti-Corruption Week

case

On December 9, 2024, BTR Headquarters in Shenzhen held a “Anti-Corruption Week” integrity management training activity. The event aimed to comprehensively enhance employees’ awareness of integrity, promote the concept of “no tolerance, no opportunity, no desire for corruption” to deeply embed in the corporate culture, and lay a solid foundation for the Company’s integrity construction. During the training, the speaker, with the theme of “fighting corruption and advocating integrity, strict self-discipline”, systematically explained the forms and classification of fraudulent behavior, detailed the Company’s rules and regulations on fraud prevention, and deeply analyzed the risks and hazards of fraud with real cases. The training content closely combined theory with practice, and through the method of interpreting laws through cases, it made employees further recognize the importance of integrity in professional conduct. During the event, the response from each venue was enthusiastic, and employees actively participated in the learning, expressing their willingness to fulfill their integrity commitments through practical actions, strengthen self-supervision and risk prevention, integrate the concept of integrity into their daily work, and jointly contribute to the Company’s integrity culture construction.




Launch Ceremony of Anti-Corruption Week

Whistleblowing Management Mechanism

BTR has actively improved its anti-corruption supervision mechanism to safeguard the legitimate rights and interests of stakeholders such as the Company and shareholders. The Company has formulated the *Implementation Rules for Complaints and Whistleblowing*, clarifying the scope of whistleblowing and establishing diversified whistleblowing channels, including telephone, email, mailbox, “Integrity BTR” WeChat official account, letters, visits, etc., to ensure that whistleblowers can report issues conveniently and safely. All complaints are handled and reviewed by the Risk Control and Audit Center, and the whistleblowing clues are processed in accordance with relevant institutional norms. To enhance the enthusiasm for whistleblowing, the Company has established a reward mechanism, providing corresponding rewards based on the value of the whistleblowing clues and the results of case handling. In addition, the Company strictly implements the principle of confidentiality, fully protects the privacy and rights of whistleblowers, ensures that they are protected from any form of attack or retaliation, and creates an open, transparent, clean, and law-abiding business environment.

BTR Whistleblowing Channel

Whistleblowing Tel	0755-81390262
Whistleblowing Email	jubao@btrchina.com
Mailing Address	Risk Control and Audit Center, 30th Floor, BTR New Energy Technology Building, Guangming District, Shenzhen
Scan code to report	Scan the QR code to report or long press to identify and report 

Integrity Official Account



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6.3.2 Business Ethics

BTR is committed to building a business ethics management system centered on fair trade and honest business practices, strictly adhering to relevant laws and regulations such as the *Anti-Unfair Competition Law of the People's Republic of China* and the *Anti-Monopoly Law of the People's Republic of China*. In terms of management system construction, the Company has formulated a comprehensive set of rules and regulations covering trade secret protection and code of conduct, including the *Measures for the Administration of Trade Secret Protection*, the *Trade Secret Protection System*, the *Trade Secret Management Assessment Measures*, and the *Supplier Business Conduct Guidelines*. The Company strengthens compliance safeguards in external cooperation by requiring suppliers to sign the *Confidentiality Agreement* and implementing annual reviews, while also requiring procurement personnel to sign the *Business Cooperation Confidentiality Agreement* to ensure the security of the Company's business activities.

BTR has been continuously investing in business ethics management, focusing on two core areas: trade secret protection and anti-unfair competition, and strengthening management practices through multi-dimensional measures. In 2024, the Company continuously optimized the dynamic management mechanism of the trade secret inventory, and piloted innovative protection measures in the R&D Institute, injecting new vitality into confidentiality management in key business areas. To ensure that business ethics concepts are deeply ingrained in people's minds, the Company systematically disseminated knowledge related to trade secret protection through the publication of six internal publications, and conducted thematic training combined with practical cases to help employees deeply understand the importance of legal compliance. During the reporting period, a total of 3,309 employees participated in the examination on trade secret protection and case analysis, with a passing rate of 96.3%, demonstrating the Company's significant achievements in promoting the construction of business ethics culture.

Information Security and Privacy Protection

6.4

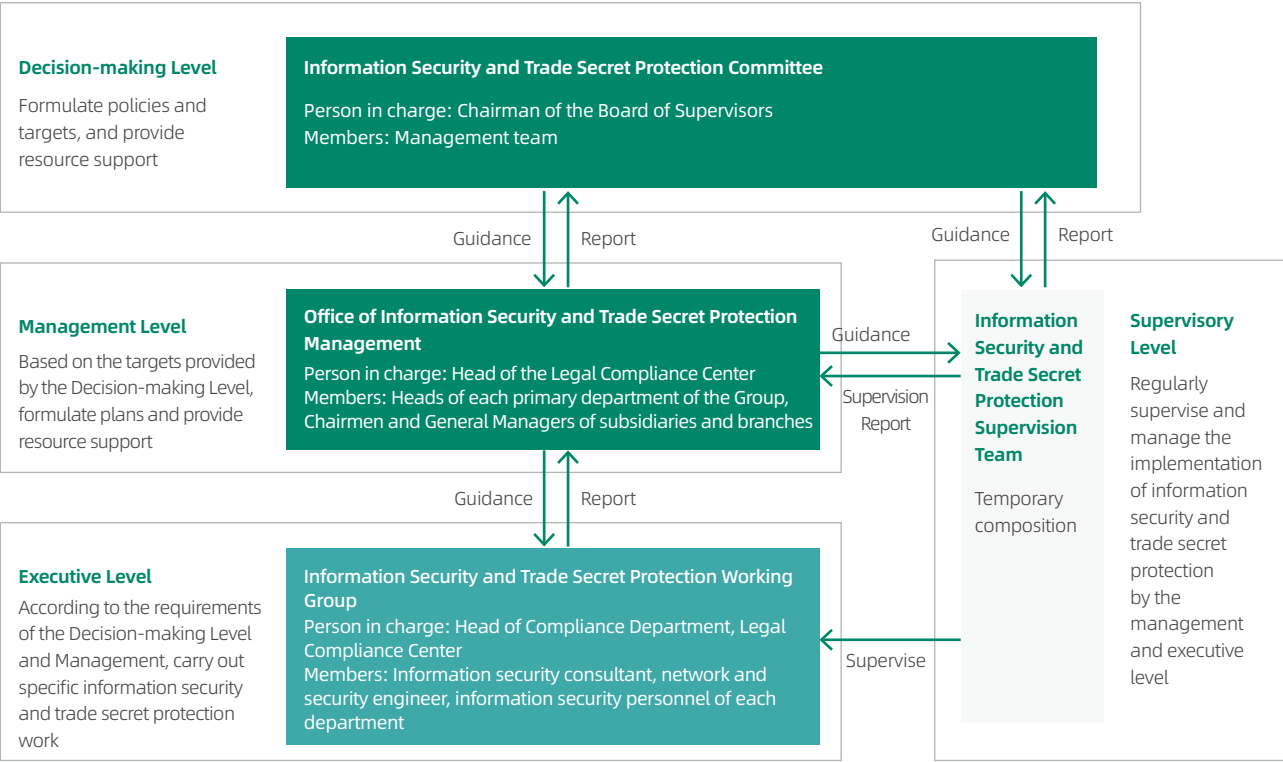
Information security and privacy protection are the core pillars of BTR's digital transformation and sustainable development. They are not only related to the security of the Company's core data assets, but also key factors in maintaining customer trust and market competitiveness. The Company attaches great importance to information security management, ensuring the security and compliance of data throughout its entire life cycle by establishing a comprehensive management system. In addition, the Company actively promotes digitalization, leveraging advanced technology to enhance network security protection capabilities, providing a solid foundation for the Company's innovative development and long-term competitiveness.

6.4.1 Information Security

Information Security Management System

BTR strictly adheres to laws and regulations such as the *Cybersecurity Law of the People's Republic of China*, *Data Security Law of the People's Republic of China*, and *Personal Information Protection Law of the People's Republic of China*, ensuring compliance with information security and privacy protection. The Company has developed internal systems such as the *Information Security Management Manual*, *Risk Assessment Management Procedure*, *Information Security Internal Audit Management Procedure*, and *Information Security Management Review Procedure* based on the ISO 27001 standard, establishing a comprehensive information security management system.

To comprehensively coordinate information security, data security, and trade secret protection efforts, BTR has established an Information Security and Trade Secret Protection Committee, responsible for strategy formulation and major decision-making. At the same time, the Company has set up a Management Office, responsible for planning and execution supervision, and has also formed a dedicated working group to implement specific tasks. The supervision team is responsible for system supervision, internal audit organization, and follow-up on rectifications for non-conformities, ensuring the effective operation and continuous improvement of the information security management system. In 2024, 13 companies including BTR Headquarters obtained ISO 27001: 2022 certification.



BTR Information Security and Trade Secret Management Framework and Division of Responsibilities

Information Security Management Practice

BTR has implemented multiple measures in information security management to ensure the security and stability of its information systems. The Company has established a detailed information security emergency management system, categorizing information security incidents into four levels from P1 to P4, and following three steps for emergency response: initial incident response and assessment, incident handling and tracking, and incident summary. Additionally, the Company conducts an annual information security audit based on the *Information Security Internal Audit Management Procedure*, focusing on network security, data security, application security, and the operation of the information security management system, and increasing the frequency of audits when necessary. At the technical level, BTR employs security technologies such as network access control, firewalls, intrusion detection and prevention, situational awareness, and document encryption to continuously monitor, optimize, and enhance security protection capabilities. To ensure the stability of information system operations, the Company implements measures such as backbone dual-line, cloud-edge-terminal architecture, server clusters, network/application load balancing, vulnerability and patch management, and antivirus protection to ensure high availability and security of the system.

Information Security Training

BTR places great emphasis on information security training, viewing it as a crucial measure to enhance the information security awareness and data protection capabilities of all employees. The Company regularly conducts diversified training courses to ensure that employees fully understand and implement information security policies, effectively addressing potential risks. The training content covers basic information security knowledge, data protection regulations, identification and prevention of cybersecurity threats, emergency response procedures, etc., aiming to comprehensively improve employees' information security literacy. In June 2024, the Company conducted a training session for all employees on the theme of "Information Security Awareness Training", achieving 100% coverage of all employees.



The Scene of the Information Security Awareness Training

6.4.2

Data Security and Privacy Protection

Data Security Management System

BTR is committed to building a comprehensive data security management system, enhancing the Company's data security management level, and providing solid protection for data assets. By formulating the *Information Asset Security Management Procedure* and the *Data Security Management Specification*, the Company clarifies management requirements such as data classification and grading, access control, and transmission encryption to ensure data security. The Company strengthens the security of data storage and transmission by deploying technical means such as document encryption systems. For cross-border data transmission, the Company strictly adheres to the *Data Security Management Specification* to improve the network security architecture, strengthen the identity authentication mechanism, and strictly implement internal and external management measures to ensure the compliance and security of cross-border data transmission.

Data Protection Throughout the Entire Lifecycle

Through data lifecycle management, the Company has implemented rigorous protective measures at all stages, from data collection, transmission, usage, sharing to recycling/destruction. In the collection stage, the Company follows the principle of minimal collection and clarifies the security responsibilities of the data collector and the collected party. In the transmission stage, the Company ensures the security of data transmission by dividing network security zones, deploying firewalls, encrypting transmissions, and logging, especially ensuring that cross-border data transmission complies with national laws and regulations. In the usage stage, the Company implements data classification management, desensitization display, permission minimization, and security configuration reinforcement to ensure the security of data during usage. In the sharing stage, the external disclosure or sharing of confidential data requires approval from the data owner. In the recycling/destruction stage, the Company adopts technical means to completely erase data from storage media, ensuring that the data cannot be recovered and safeguarding the security of data at the end of its lifecycle. In 2024, the Company focused on promoting digital construction projects such as the MOM system, LIMS system, and procurement system, further enhancing the intelligence and efficiency of data management and providing a solid foundation for business innovation and sustainable development.

Appendix

Key Performance TableAppendix 1

Primary Indicators	Secondary Indicators	Unit	2023	2024
Economic Performance	Operating Income	RMB	25,119,438,190.34	14,236,816,425.87
	Total Assets	RMB	29,384,541,710.52	33,347,260,439.89
	Net Profit Attributable to Shareholders of Listed Company	RMB	1,653,905,198.27	930,224,441.05
	Earnings Per Share (EPS)	RMB	1.50	0.83
Environmental				
Environmental Management	Environmental Protection Investment	10 ⁴ RMB		13,987.31
	Number of Major Environmental Pollution Incidents	Case	0	0
	Number of Environmental Emergency Drills	Session	31	55
	Participants in Environmental Drills	Person	672	1,350
	Number of Environmental Training Sessions	Session	72	101
	Environmental Training Participants	Person	3008	6,797
Energy Management	Integrated Energy Consumption ¹	tce	193,655.78	217,787.72
	Integrated Energy Intensity ¹	tce/10 ⁴ RMB	0.08	0.15
	Direct Energy Consumption ¹	tce	20,591.52	19,433.82
	Indirect Energy Consumption ¹	tce	173,064.26	198,353.90
	Natural Gas Consumption	m ³		8,436,610.16
	LPG Consumption	Ton		3,150.7534
	Diesel Consumption (burning of stationary source)	Ton		7.29
	Diesel Consumption (burning of movable source)	Ton		679.14
	Fuel Oil Consumption	Ton		557.91
	Methanol (Alcohol-Based Fuel Oil) Consumption	Ton		15.19
	Coal Gas Consumption	m ³		1,612,509.00
	Gasoline Consumption	Ton		96.37
	Electricity Consumption	kWh		1,613,945,457.72
	Purchased Electricity (include hydropower)	kWh		1,534,530,639.09

¹During the reporting period, the Company systematically optimized the statistical scope for integrated energy consumption. The disclosed data is subject to this updated version.

Primary Indicators	Secondary Indicators	Unit	2023	2024
Energy Management	Market-based Purchase of Green Electricity (exclude hydropower)	kWh	-	62,530,522.33
	Regional Hydropower Consumption	kWh	-	345,880,237.00
	Green Power Certificate Purchases	kWh	-	15,125,000
	Installed Capacity of Distributed Clean Energy	MW	-	21.14
	Self-consumption of Distributed Clean Energy	kWh	-	16,884,296.30
	Green Electricity Consumption	kWh	-	440,420,055.63
	Proportion of Green Electricity Use	%	-	27.29
	Total Energy Savings	tce	-	3,794.46
GHG Emissions ¹	GHG Emissions (Scope 1, 2 and 3)	tCO ₂ e	863,248.20	2,322,628.47
	GHG Emissions (Scope 1 and 2)	tCO ₂ e	762,689.91	935,776.75
	Scope 1	tCO ₂ e	42,030.75	37,155.61
	Scope 2	tCO ₂ e	720,659.16	898,621.14
	Scope 3	tCO ₂ e	100,558.29	1,386,851.71
	Direct Emissions from Biomass Combustion	tCO ₂ e	1,842.53	1,159.74
	GHG Emissions Intensity ²	tCO ₂ e/10 ⁴ RMB	0.34	0.66
	Annual GHG emissions Reduction	tCO ₂ e	-	70,629.81
Water Resources Use	Water Withdraw	m ³	5,333,028.12	1,971,224.29
	Water Withdrawal Intensity	m ³ /10 ⁴ RMB	2.12	1.38
	Reclaimed Water	m ³	538,420	605,107.00
	Water Discharge	m ³	4,303,389.2	605,168.43
	Water Discharge Intensity	m ³ /10 ⁴ RMB	1.71	0.43
	Industrial Wastewater Discharge	m ³		142,697.00
	Domestic Wastewater Discharge	m ³		462,471.43
Wastewater Discharge	COD	Ton	10.33	9.34
	BOD	Ton	1.24	2.25
	NH ₃ -N	Ton	2.3	1.08
	TSS ³	Ton	5.41	4.48
	Phosphorus	Ton	0.02	0.08

¹The Company's greenhouse gas emissions data do not exclude deductions from green certificates. During the reporting period: Green certificate deduction amount: 8,857.20 tCO₂e. Total greenhouse gas emissions (Scopes 1, 2, 3) after deduction: 2,313,771.27 tCO₂e. Total greenhouse gas emissions (Scopes 1, 2) after deduction: 926,919.55 tCO₂e. Greenhouse gas emissions (Scope 2) after deduction: 889,763.94 tCO₂e.

²GHG Emission Intensity = GHG Emissions (Scopes 1 and 2) / CNY 10,000 Operating Income

³During the reporting period, the Company systematically optimized the statistical scope for suspended solids data. The disclosed data is subject to this updated version.

Primary Indicators	Secondary Indicators	Unit	2023	2024
Air Pollutant Emissions	SO ₂	Ton	24.22	44.95
	NO _x	Ton	69.97	56.49
	VOCs	Ton	12.77	24.99
	Particulate Matter	Ton	140.16	90.95
	Asphalt Fume	Ton	6.22	8.16
	Benzo[a]pyrene	Ton	0.05	0.00
Waste Emissions	General Industrial Solid Waste	Ton	6,810.56	14,267.01
	Quantity of Recycling and Reuse of General Industrial Solid Waste	Ton	2,262.09	11,237.12
	Non-hazardous Waste Intensity	Ton/10 ⁴ RMB	0.0271	0.0100
	Hazardous Waste	Ton	3,283.70	8,050.47
	Disposal Quantity of Hazardous Waste	Ton	3,283.70	8,037.41
	Hazardous Waste Intensity	Ton/10 ⁴ RMB	0.0131	0.0057
Resource Utilization	Usage of Packaging Materials for Finished Product	Ton	9,683.57	13,246.30
	Usage Intensity of Packaging Materials for Finished Product	Ton/10 ⁴ RMB	0.004	0.009
	Weight of Packaging Materials Reused	Ton	1,043.04	3,547.45
	Renewable Resources Consumption	Ton		160,281.30
Social				
Total Number of Employees ¹	Total Number of Employees	Person	7,908	8,352
Number of Employees by Education Level	Doctoral Degree	Person	84	91
	Master's Degree	Person	423	516
	Bachelor's Degree	Person	1,628	1,920
	Below Bachelor's Degree	Person	5,773	5,825
Number of Employees by Employment Type	Labor Contract Employees	Person		8,352
	Labor Dispatch Employees	Person		781
	Others ²	Person		53
Number of Employees by Gender	Male	Person	6,609	6,989
	Female	Person	1,299	1,363
Number of Employees by Age	Under 30 Years Old	Person	2,544	2,909
	30-50 Years Old	Person	5,047	5,103
	Over 50 Years Old	Person	317	340
Employees Newly Hired	Employees Newly Hired	Person	1,838	2,156

¹The data on the total number of employees excludes labor dispatch workers and other types of employed staff.
²Including interns, retired re-employed staff, etc.

Primary Indicators	Secondary Indicators	Unit	2023	2024
Newly Hired Employees by Gender	Male	Person	1,592	1,858
	Female	Person	246	298
Newly Hired Employees by Age	Under 30 Years Old	Person	872	1,344
	30-50 Years Old	Person	959	799
	Over 50 Years Old	Person	7	13
Management Staff by Gender	Male	Person	539	562
	Female	Person	129	142
Management Staff by Age	Under 30 Years Old	Person	56	40
	30-50 Years Old	Person	567	613
	Over 50 Years Old	Person	45	51
Employee Diversity	Number of Employees with Disabilities	Person		14
	Number of Employees from Ethnic Minority Groups	Person		492
Employee Employment and Rights	Labor Contract Coverage Rate	%	100	100
	Social Insurance Participation Rate for Permanent Employees	%	100	100
	Average Employee Satisfaction Score	Score		4.36
	Highest Employee Satisfaction Score	Score		5.00
Career Development	Employees Receiving Regular Performance and Career Development Reviews	Person	7,908	8,352
	Percentage of Employees Undergoing Performance Evaluation	%	100	100
	Number of Male Employees Undergoing Performance Evaluation	Person	6,609	6,989
	Number of Female Employees Undergoing Performance Evaluation	Person	1,299	1,363
Employee Training	Total Expenditure on Employee Training	10 ⁴ RMB		253.75
	Total Hours of Employee Training	Hour	180,857.7	152,707.66
	Average Hours of Training Received per Employee	Hour	22.9	18.28
	Average Hours of Training Received by Males	Hour	20.7	15.53
	Average Hours of Training Received by Females	Hour	34.1	32.41
Occupational Safety and Health	Safety Production Investment	10 ⁴ RMB		5,327.50
	Number of Employees Covered by Work-related Injury Insurance	Person		7,353
	Coverage Rate of Employee Work-related Injury Insurance	%		100
	Amount Invested in Work-related Injury Insurance for Employees	10 ⁴ RMB		492.96
	Number of Employees Covered by Employee Safety Production Liability Insurance	Person		1,447
	Coverage Rate of Employee Safety Production Liability Insurance ¹	%		100
	Amount Invested in Employee Safety Production Liability Insurance	10 ⁴ RMB		15.97

¹BTR's occupational safety liability insurance is purchased for chemical and mining factories, covering 100% of relevant employees.

Primary Indicators	Secondary Indicators	Unit	2023	2024
Occupational Safety and Health	Proportion of Employees Covered by Occupational Health and Safety Management System	%		100
	Number of Employees Participating in Occupational Disease Medical Examinations	Person		6,228
	Number of Employees Diagnosed with Occupational Diseases	Person		0
	Number of Major Safety Accidents	Case	0	0
	Number of Workers Killed in Work-related Incidents	Person		0
	Lost working hours due to work-related injuries and illnesses	Hour		7,568
	Number of Safety Training Sessions	Session	470	806
	Participants of Safety Training	Person-Times	38,329	45,610
	Drills for Occupational Health and Safety Emergency	Session	200	348
	Participants of Drills for Occupational Health and Safety Emergency	Person-Times	5,775	9,101
R&D Innovation	R&D Investment	10 ⁴ RMB	95,837.09	77,206.17
	Proportion of R&D Investment to Operating Income	%	3.82	5.42
	Number of R&D Personnel	Person	909	961
Intellectual Property Protection	Authorized Patents	Case	568	692
	Authorized Inventive Patents	Case	333	442
	Patent Applications in Progress	Case	494	727
Product Quality and Safety	Product Inspection Pass Rate	%	100	100
	Total Number of Incidents of Penalties/Warnings/Voluntary Code Violations for Product Safety	Case	0	0
	Number of Product Recall Incidents Due to Quality Reasons	Case	0	0
	Monetary Damages from Major Product and Service Safety and Quality Liability Incidents	10 ⁴ RMB		0
Customer Service	Number of Customer Service Training Sessions	Session	26	29
	Number of Participants in Customer Service Training	Person-Times	6,734	6,791
	Number of Bases Covered by Customer Service Training	Base	13	13
	Customer Satisfaction	>%	80	90
Supply Chain Management	Number of Suppliers	Supplier		8,067
	Mainland China Suppliers	Supplier		7,735
	Hong Kong, Macao, Taiwan and Overseas Suppliers	Supplier		346
	Number of Suppliers Identified with Significant Actual and Potential Negative ESG Impacts	Supplier	0	0
	Number of Suppliers Terminated Due to Significant ESG Impacts	Supplier	0	0

Primary Indicators	Secondary Indicators	Unit	2023	2024
Supply Chain Management	Percentage of Suppliers Signing the Supplier Code of Conduct	%		100
	Number of Supplier Training Sessions	Session	62	6
	Number of Suppliers Participating in Supplier Training	Supplier	62	341
Rural Revitalization and Social Contributions	Investment in Rural Revitalization	10 ⁴ RMB		50.35
	Charitable Donations Amount	10 ⁴ RMB		103.27
	Duration of Volunteer Activities	Hour		30
	Number of Employee Volunteer Service Participants	Person-Times		133
Governance				
Anti-Corruption and Business Ethics	Percentage of Operational Sites Covered with Corruption Risk Assessment	%	100	100
	Number of Operational Sites Identified with Significant Corruption Risks through Risk Assessment	Site	0	0
	Number of Anti-Corruption Training Sessions	Session	4	8
	Employee Coverage Rate	%	100	100
	Total Duration of Anti-Corruption Training	Hour	40	16
	Participants of Trade Secret Training	Person-Times	1,939	3,309
	Anti-Unfair Competition Litigation	Case	0	0
Information Security and Privacy Protection	Major Information Security Incidents	Case	0	0
	Information Security Incidents from External Complaints	Case	0	0
	Monetary Amount Involved in Data	10 ⁴ RMB		0
	Number of Customer Privacy Breach Incidents	Case		0
	Monetary Amount Involved in Customer Privacy Breach Incidents	10 ⁴ RMB		0

Appendix

GRI Index

Appendix 2

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	2-3 Reporting period, frequency and contact point	About the Report
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	2-5 External assurance	Appendix
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	2-7 Employees	4.Talent as the Cornerstone, Unleashing Organizational Innovation Momentum
	2-9 Governance structure and composition	Sustainability Governance Architecture、6.1.1 Corporate Governance System、1.1.1. Governance
	2-10 Nomination and selection of the highest governance body	6.1.1 Corporate Governance System
	2-11 Chair of the highest governance body	6.1.1 Corporate Governance System
	2-12 Role of the highest governance body in overseeing the management of impacts	6.1.1 Corporate Governance System、6.2.3. Internal Control
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	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance Architecture
	2-15 Conflicts of interest	6.1. Corporate Governance System、6.2.3. Internal Control、6.4. Integrity Management and Business Ethics
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	2-23 Policy commitments	About the Report、6.1.2. Protection of Investors’ Rights and Interests、6.4.1. Integrity and Compliance Management System、3.1.2. Supplier Management
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	2-27 Compliance with laws and regulations	6. Steady Strides Toward Enduring Success, Fortifying Corporate Governance Foundations、1.2. Green Production、3.1.1. Supply Chain Management System、4.1.1. Employee Rights and Interests and Protection、4.4.1. Safety Management System
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GRI Standard	Disclosure	Chapter
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GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Company Profile、Key Performance Table
	201-2 Financial implications and other risks and opportunities due to climate change	1.1. Response to Climate Change
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GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Company Profile、Responsibility Topic、2.1. R&D and Innovation
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GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	6.4.1. Integrity and Compliance Management System
	205-2 Communication and training about anti-corruption policies and procedures	6.4.1. Integrity and Compliance Management System
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	302-4 Reduction of energy consumption	1.2.2. Energy Management、Key Performance Table
	302-5 Reductions in energy requirements of products and services	Responsibility Topic、1.1. Response to Climate Change、1.2.2. Energy Management
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	1.2.3. Resource Management
	303-2 Management of water discharge-related impacts	1.2.4. Emission and Waste Management
	303-3 Water withdrawal	1.2.3. Resource Management、Key Performance Table
	303-4 Water discharge	1.2.3. Resource Management、Key Performance Table
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GRI Standard	Disclosure	Chapter
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	304-2 Significant impacts of activities, products and services on biodiversity	1.4.Biodiversity Protection
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GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	1.2.4. Emission and Waste Management
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	306-3 Waste generated	1.2.4. Emission and Waste Management
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GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	3.1.2.Supplier Management
	308-2 Negative environmental impacts in the supply chain and actions taken	3.1.2.Supplier Management
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Key Performance Table
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.1.3.Employee Salary and Benefits
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	4.4.Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	4.4.Occupational Health and Safety
	403-3 Occupational health services	4.4.Occupational Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	4.4.Occupational Health and Safety
	403-5 Worker training on occupational health and safety	4.4.Occupational Health and Safety
	403-6 Promotion of worker health	4.4.Occupational Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.4.Occupational Health and Safety

GRI Standard	Disclosure	Chapter
GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system	4.4.Occupational Health and Safety
	403-9 Work-related injuries	4.4.Occupational Health and Safety
	403-10 Work-related ill health	4.4.Occupational Health and Safety
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	4.2.2. Employee Training、Key Performance Table
	404-2 Programs for upgrading employee skills and transition assistance programs	4.2.Talent Development
	404-3 Percentage of employees receiving regular performance and career development reviews	4.2.Talent Development
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	4.1.1.Employee Rights and Interests and Protection
	405-1 Ratio of basic salary and remuneration of women to men	4.1.1.Employee Rights and Interests and Protection、Key Performance Table
GRI 406: Non-discrimination 2016	406-1 "Incidents of discrimination and corrective actions taken"	4.1.2.Diversity and Equal Opportunities
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	3.1.2.Supplier Management
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	3.1.2.Supplier Management
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	5.1. Social Public Welfare
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	3.1.2.Supplier Management
	414-2 Negative social impacts in the supply chain and actions taken	3.1.2.Supplier Management
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	2.2.Product Quality and Safety
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	2.2.Product Quality and Safety
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	2.2. Product Quality and Safety、2.3. Customer Service、Key Performance Table
	417-2 Incidents of non-compliance concerning product and service information and labeling	2.2.2.Product Safety Management
	417-3 Incidents of non-compliance concerning marketing communications	2.3. Customer Service
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.3. Customer Service、Key Performance Table

Index of Continuous Supervisory Guidelines
No.11 for Companies Listed on Beijing Stock
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Appendix 3

Chapter	Guideline	Topic	Disclosure	Page
Chapter I General Provisions			Articles 1 - 10	About the Report
Chapter II Disclosure of Sustainability Framework			Articles 11 - 19	Sustainability Governance
Chapter III Disclosure of Environmental Information	Section 1 Addressing Climate Change	Addressing climate change	Articles 20 - 28	1.1 Response to Climate Change
	Section 2 Pollution Prevention and Ecosystem Protection	Pollutant Emissions	Article 30	1.2.4 Emission and Waste Management
		Waste Disposal	Article 31	1.2.4 Emission and Waste Management
		Ecosystem and Biodiversity Conservation	Article 32	1.4 Biodiversity Protection
		Environmental compliance management	Article 33	1.2.1 Environmental Management
	Section 3 Resource Utilization and Circular Economy	Energy Utilization	Articles 34 - 35	1.2.2 Energy Management
		Water Resource Utilization	Article 36	1.2.3 Resource Management
		Circular Economy	Article 37	1.2.3 Resource Management
Chapter IV Disclosure of Social Information	Section 1 Rural Revitalization and Social Contribution	Rural Revitalization	Articles 38 - 39	5.1.1 Rural Revitalization and Social Responsibility
		Social Contribution	Article 40	5.1.1 Rural Revitalization and Social Responsibility
	Section 2 Innovation- Driven and Technological Ethics	Innovation-Driven	Article 42	2.1 R&D and Innovation
		Technology Ethics	Article 43	Not applicable (the subject is not engaged in scientific research in areas of sensitive science and technology ethics such as life sciences and artificial intelligence, but has optimized management in terms of data security. For details, see 6.5. Information Security and Privacy Protection)
	Section 3 Suppliers and Customers	Supply Chain Risk Management	Articles 44 - 45	3.1 Responsible Supply Chain
		Equal Treatment of Small and Medium-Sized Enterprises	Article 46	Not applicable (the proportion of accounts payable balance to total assets at the end of the reporting period does not exceed 50%, please refer to the annual report for details)
		Product and Service Safety and Quality	Article 47	Responsibility Topic, 2.2 Product Quality and Safety, 2.3 Customer Service
		Data Security and Customer Privacy Protection	Article 48	6.5.2 Information Security and Privacy Protection
	Section 4 Employees	Employees	Articles 49 - 50	4 Talent as the Cornerstone, Unleashing Organizational Innovation Momentum
	Chapter V Disclosure of Sustainability Governance Information	Section 1 Sustainability Governance Mechanism	Corporate Governance	Article 51
Due Diligence			Article 52	6.4.1 Integrity and Compliance Management System, 3.1 Responsible Supply Chain
Communication with Stakeholders			Article 53	Communication with Stakeholders
Section 2 Business Conducts		Anti-Commercial Bribery and Anti-Corruption	Article 54	6.4 Information Security and Privacy Protection
		Anti-Unfair Competition	Article 56	6.4 Information Security and Privacy Protection
Chapter VI Supplementary Provisions and Interpretation			Article 57	Index Table
			Article 58	Appendix

Topic Index

Appendix 4

Topics	Topics content	Respond to the guidelines
Environmental Compliance Management	Ensure that business activities comply with environmental regulations and encourage continuous environmental improvement by establishing and improving environmental management structures and procedures.	Environmental Compliance Management Article 33
Response to Climate Change	Take proactive measures to address climate change by improving energy efficiency, reducing carbon emissions, and participating in global climate governance to tackle the climate change crisis.	Addressing climate change Articles 20-28
Energy Management	Plan, implement, inspect, and improve the energy use of organizations or systems to achieve effective energy utilization and conservation.	Energy Utilization Articles 35
Resource Management and Recycling	Focus on the use of water and other resources in the production and operation process, as well as resource conservation and recycling management. Focus on reusable or recyclable materials to reduce resource consumption and waste generation.	Water Resource Utilization、Circular Economy Article 36、Article 37
Pollutant Emission and Waste Disposal	Control and manage various emissions and waste generated by the organization during production and operations to reduce negative impacts on the environment.	Pollutant Emissions、Waste Disposal Article 30、Article 31
Biodiversity Protection	Emphasize biodiversity conservation, take measures to protect the ecological environment, slow down species extinction, promote ecological balance, and promote the sustainable use of natural resources.	Ecosystem and Biodiversity Conservation Article 32
R&D Innovation	Increase investment in research and development, promote scientific and technological innovation, develop new products, technologies, and services with social value, and enhance core competitiveness. Pay attention to ethical issues in cutting-edge scientific research and adhere to ethical standards in scientific activities such as scientific research and technology development. Attach importance to intellectual property protection, continuously improve the intellectual property management system, strengthen the application, protection, and utilization of intellectual property rights, and promote technological innovation and the transformation of scientific and technological achievements.	Innovation-Driven、Technology Ethics Article 42、Article 43
Product Quality and Safety	Strictly control product quality and safety, ensure that products comply with relevant standards and regulations, strengthen the construction of quality management systems, and provide responsible and safe products to society.	Product and Service Safety and Quality Article 47
Customer Service	Provide excellent customer service, pay attention to customer needs and feedback, actively resolve customer issues, and improve customer satisfaction.	Product and Service Safety and Quality Article 47
Responsible Supply Chain Management	Optimize supply chain management by organically integrating ESG factors into the entire process of supplier admission, evaluation, and management to continuously reduce operational risks, ensure the stability and sustainability of the supply chain, and build a responsible supply chain. Promote responsible mineral management and supply chain due diligence, commit to not using minerals mined in conflict-affected and high-risk areas, and improve the company's due diligence process and scope.	Supply Chain Risk Management、Equal Treatment of Small and Medium-Sized Enterprises、Due Diligence、Anti-Commercial Bribery and Anti-Corruption Article 45、Article 46、Article 52、Article 54
Promotion of Industry Development	Actively participate in industry exchanges and cooperation, treat small and medium-sized enterprises equally, promote industry development and technological progress, and promote industry partner collaboration and sustainable development.	Social Contribution Article 40

Topics	Topics content	Respond to the guidelines
Employee Hiring and Development	Comply with domestic and international labor laws and regulations, protect the legitimate rights and interests of employees, and create a good working environment. Promote employee diversity and equality, respect individual differences and cultural backgrounds, eliminate discrimination and prejudice, and establish an inclusive and open working atmosphere. Emphasize employee training and development, provide diverse training courses and career development opportunities, help employees improve their skills and abilities, and achieve mutual development of personal value and corporate value.	Employees Article 50
Occupational Health and Safety	Focusing on employee health and safety, we continuously improve our occupational safety and health system, provide safety training and protective measures, prevent work-related accidents and occupational diseases, and ensure the physical and mental well-being of our employees.	Employees Article 50
Rural Revitalization and Social Contribution	Actively participate in rural revitalization, public welfare, and charitable causes, pay attention to disadvantaged groups and social issues, establish good communication and cooperative relationships with the community, provide donations and support for various public welfare activities, and give back to society.	Rural Revitalization、Social Contribution Article 39、Article 40
Sustainability Governance	Improve the company's sustainable development/ESG governance structure and standardize management processes related to sustainable development and ESG matters.	Communication with Stakeholders Article 53
Stable Operation	"Strengthen the leading role of Party building, deeply integrate Party building work into the corporate governance system, and continuously enhance the leading role of Party building through measures such as optimizing the structure of Party organizations and enhancing the vitality of the Party member team, to ensure that the direction of corporate governance is correct and decisions are scientific. Improve the corporate governance structure (including but not limited to increasing the number of independent directors and the number of supervisory board members) and enhance the diversity of the board of directors to continuously reduce potential governance risks. Adhere to lawful and compliant operations, strengthen compliance management and risk management systems, actively monitor, assess, and address various potential risks within the company, and effectively implement internal controls."	/
Anti-commercial Bribery and Anti-corruption	Adhere to the right values and principles, comply with standards and regulations, prevent corruption risks, formulate anti-corruption policies, take action against corruption incidents, and report unethical, illegal, and dishonest behavior.	"Anti-Commercial Bribery and Anti-Corruption Article 55"
Business Ethics	Strengthen the protection of trade secrets, prevent unfair commercial competition and monopolies, and promote and create a fair market competition environment.	Anti-Unfair Competition Article 56
Data Security and Privacy Protection	Ensure the security of various types of information, such as that of the company, customers, and employees; protect customer privacy; and use relevant data responsibly.	Data Security and Customer Privacy Protection Article 48

Topics Analysis of Impact, Risks, and Opportunities

Appendix 5

Topics	Positive Impact	Negative Impact	Risk	Opportunity
Environmental Compliance Management	Enterprise strictly adheres to environmental laws and regulations, establish and improve their environmental management system and related procedures, effectively reducing environmental risks. At the same time, enterprises also encourage continuous environmental improvement, striving to minimize the potential negative impact of their operational activities on the environment.	Failure in corporate environmental management may lead to poor overall environmental performance, causing pollution accidents and exerting negative impacts on the ecological environment.	1. Legal risks: Failure to comply with environmental regulations or standards may lead to severe legal consequences, including fines, sanctions, and even the risk of legal litigation and punishment. 2. Operational risk: Non-compliance may lead to production stagnation, delays, or supply chain disruptions, thereby affecting overall operational efficiency and business outcomes. 3. Reputation risk: If exposed as an enterprise that fails to meet environmental compliance standards, it may damage the brand reputation, affect relationships with customers, investors, and partners, and lead to a decline in market share.	1. Expanding into international markets: In international trade, some countries and regions are imposing increasingly stringent environmental standards on imported products. By strengthening environmental compliance management to ensure that products meet international environmental standards, enterprises can smoothly enter the international market and expand their international business. 2. Promoting technological innovation: To meet environmental compliance requirements, enterprises continuously engage in technological innovation and transformation and upgrading.
Response to Climate Change	Enterprises make positive contributions to global climate governance and promote the realization of global ecological balance. By continuously improving energy efficiency, transitioning to clean energy, and implementing carbon reduction measures, they drive the supervision of greenhouse gas emissions across upstream and downstream value chains, thereby assisting in achieving the national “dual carbon” goals.	The operation of enterprises leads to greenhouse gas emissions, which contribute to an increase in average temperature and may exacerbate the impact of climate change on ecology, society, and economy.	1. Physical risk: Extreme weather leads to work stoppages and production halts, resulting in decreased production capacity and thus reduced revenue. 2. Cost risk: Long-term climate change leads to rising energy prices and increased operating costs. 3. Policy and legal risk: Enterprises facing overseas markets are subject to increasingly stringent environmental, carbon emissions, carbon footprint, and other related laws and regulations. Enterprises need to increase investment to cope with compliance risks, otherwise they will face relevant penalties in case of violation.	1. Business continuity: Implementing preventive measures against extreme weather conditions can enhance the resilience of enterprises to resist risks, ensuring the continuity of production and operations. 2. Efficiency improvement and cost savings: The application of clean technologies and digital transformation can help improve production and operational efficiency. 3. Policy incentives: Governments provide subsidies or tax incentives related to “dual carbon” goals, which companies can leverage to promote low-carbon transformation and business growth. 4. Market competitiveness: Developing low-carbon products and green solutions to meet domestic and international market demands, breaking through “green barriers” and opening up new markets.
Energy Management	Enterprises establish a scientific energy management system, continuously improve energy management levels, and effectively reduce their dependence on fossil fuels through measures such as enhancing energy resource utilization efficiency and promoting the substitution of clean energy, providing strong support for achieving sustainable development.	The absence of systematic energy and equipment management in enterprises may lead to inefficient operations.	1. Cost risk: The establishment and implementation of an energy management system require significant investment of funds and technical resources, increasing the operational costs of the enterprise. 2. Implementation risk: Energy management measures may fail to achieve the expected energy-saving effects due to inadequate implementation or technical limitations. 3. External dependency risk: Fluctuations in energy supply and prices may affect the stability and effectiveness of energy management plans.	1. Cost reduction and efficiency improvement: By optimizing energy management, enterprises can enhance energy utilization efficiency, reduce energy consumption and costs. Simultaneously, it can further improve the operational efficiency and reliability of the energy system, thereby enhancing the competitiveness of enterprises. 2. Cooperation and investment: Energy management and utilization involve multiple fields and links, necessitating extensive cooperation between enterprises, governments, scientific research institutions, upstream and downstream enterprises, etc. Enterprises can leverage this opportunity to integrate resources, jointly undertake energy project development, technological R&D, market expansion, etc., achieving mutual benefit and win-win results.

Topics	Positive Impact	Negative Impact	Risk	Opportunity
Resource Management and Recycling	Enterprises focus on resource management and recycling, promoting the management of resources such as water and packaging materials throughout the entire production and operation process. This aims to reduce resource consumption and waste generation, enhance resource utilization efficiency, ensure that resources are properly disposed of or reused, and minimize the damage and impact of resource extraction on the environment.	Improper management of resources by enterprises may lead to insufficient resource utilization, poor availability of recycled materials, and exacerbate resource depletion.	1. Cost risk: The energy efficiency renovation of production facilities and the upgrade of resource management may incur higher costs in the short term, such as the procurement and operation of high-efficiency equipment.	1. Resource optimization and conservation: By implementing advanced resource and environmental management systems, companies can optimize resource utilization, enhance production efficiency, reduce operating costs, and simultaneously minimize negative environmental impacts. 2. Brand enhancement opportunities: As a pioneer in the circular economy, showcasing the company's commitment to environmental protection and resource management can elevate its corporate image, attract more environmentally conscious investors, customers, and partners, and secure a favorable position in the transition to a green economy.
Pollutant Emission and Waste Disposal	Enterprises continuously optimize pollutant emissions and waste management, strictly control sewage and waste gas emissions, legally and compliantly dispose of waste, reduces the pollution of harmful substances to the environment, maintain ecological balance, and create a healthy living environment for local residents.	Enterprises fail to effectively control pollutants and waste generated during production and operation, leading to environmental pollution.	1. Regulatory risk: The government has strict regulations and standards for pollutant emissions. Failure to comply with these requirements may result in significant fines or penalties, which could even lead to supply chain disruptions, affecting the company's operations and business expansion. 2. Reputation risk: Exceeding pollutant emission limits or mishandling emissions can attract media and public attention, damaging the company's brand image and affecting the confidence of potential partners and investors. 3. Financial risk: Investments in governance and emission reduction technologies may increase operating costs, especially under increasingly stringent environmental protection requirements. Furthermore, the long-term impact of pollutant emissions may lead to rising costs for environmental remediation.	1. Cost savings and efficiency improvement: By optimizing the management process of "three wastes" (waste gas, waste water, and waste solids), enterprises can achieve the recycling of resources, thereby reducing the cost of raw material procurement and waste disposal. 2. Market competitiveness opportunities: Enterprises that excel in emission and waste management can attract more consumers and investors, thus broadening financing channels and reducing financing costs.
Biodiversity Protection	Enterprises pay attention to biodiversity conservation, assessing and mitigating the negative impacts of production and operation on ecosystems through various means, and maintaining the diversity of ecosystems and species.	N/A	1. Operational risk: Due to the tightening of biodiversity conservation regulations, the company may face more complex approval processes and higher compliance costs, potentially affecting production and operational progress as well as profitability.	1. Policy support and subsidy opportunities: Governments often introduce a series of supportive policies and subsidy measures, which enterprises can utilize to reduce costs and obtain financial support for biodiversity conservation projects and the development of related businesses. 2. Market demand and brand value enhancement opportunities: Consumers' increasing attention to environmental protection and sustainable development provides differentiated competitive opportunities for enterprises with a good record of biodiversity conservation, helping to enhance brand value and market share.
R&D Innovation	Enterprises adhere to innovation leadership, continuously increase R&D investment, strengthen R&D capabilities, focus on the development of new products and technologies that lead industry transformation, facilitate technological innovation in new energy battery materials, and promote energy transformation and technological change.	Enterprises have failed to effectively control the technical risks, ethical disputes, and resource consumption arising from the process of R&D and innovation, leading to intensified social disputes, increased environmental pressure, and imbalances in market competition.	1. Cost risk: Infringement of intellectual property rights may affect the economic interests of the enterprise. 2. Market and reputation risk: Infringement of intellectual property rights may affect the reputation of the enterprise.	1. Core competitiveness enhancement: By developing new products, technologies, and services with social value, enhance the market competitiveness of enterprises. 2. Brand image opportunity: Adhere to technological ethics norms and attach importance to intellectual property protection, establishing a responsible innovation image for the enterprise. 3. Achievement transformation benefits: Improve the intellectual property management system, promote technological innovation and achievement transformation, and create long-term economic benefits for the enterprise.

Topics	Positive Impact	Negative Impact	Risk	Opportunity
Product Quality and Safety	Enterprises strictly control product quality and safety, establish a comprehensive quality management system and regulations, adopt relevant measures to ensure product safety, continuously improve product quality, and are committed to providing safe and high-quality products for society.	The enterprise's control over product quality and safety has not achieved comprehensive coverage, resulting in potential safety hazards in some products, which may have a negative impact on consumer health and social security, and even trigger a trust crisis.	1. Cost risk: The strict implementation of high-quality standards and production processes may lead to increased costs, affecting the profit margin of the enterprise. At the same time, high-standard quality requirements may prolong the product launch cycle, affecting the market response speed. 2. Reputation risk: The continuous updating of regulations related to product quality may increase the compliance pressure on enterprises and expose them to higher risks of regulatory violations and penalties. Non-compliance with product or service quality standards may lead to customer complaints, product returns, and even legal litigation, damaging the reputation of the enterprise.	1. Brand enhancement opportunities: Continuously providing high-quality and safe products and services can help enhance the brand image and attract more customers. 2. Market expansion opportunities: High-quality products and services can open new markets, meet the needs of different customers, expand the business scope, and high-quality products help win more customers and market share, creating long-term benefits for the enterprise.
Customer Service	Enterprises provide excellent customer service, pay attention to customer needs and feedback, establish a comprehensive customer service management system and standard system, and continuously enhance customer experience and satisfaction through measures such as strengthening professional training, optimizing service channels, and providing timely feedback.	The enterprise's resource allocation and management of customer service have not been fully optimized, resulting in some customer needs not being responded to in a timely manner or issues not being effectively resolved. This may lead to customer dissatisfaction and damage to the enterprise's reputation.	1. Cost pressure: High-quality customer service requires more investment in manpower, material resources, and technical support, increasing the operational costs of the enterprise. 2. Employee pressure: High-intensity customer service demands may increase employee work pressure, affecting team stability and service quality.	1. Customer retention opportunity: By providing excellent service and responding quickly to customer needs, the company can enhance customer satisfaction and loyalty, fostering long-term cooperation. 2. Brand reputation opportunity: Actively addressing customer issues and paying attention to feedback can establish a good corporate reputation, attracting more potential customers. 3. Market competitiveness opportunity: High-level customer service capabilities can become a competitive advantage for differentiation, increasing market share.
Responsible Supply Chain Management	Enterprises strictly regulate the supply chain management mechanism, promote supply chain traceability and due diligence, effectively manage supply chain risks, and ensure equal treatment of various small and medium-sized suppliers; formulate environmental assessment and social responsibility policies, initiatives, and requirements for suppliers; and provide training to suppliers to enhance their ability to fulfill their responsibilities.	The enterprise's ESG management of the supply chain has not achieved comprehensive coverage, resulting in some suppliers failing to meet environmental, social, and governance standards. This may lead to supply chain disruptions, reputational damage, and even exacerbate social conflicts and environmental damage in resource extraction regions.	1. Cost risk: Responsible supply chain management requires more resources and capital investment, which may lead to increased procurement costs and affect corporate profits. 2. Supply chain disruption risk: Strict screening of suppliers and mineral sources may limit the flexibility of the supply chain and increase the likelihood of supply chain disruptions.	1. Enhanced risk prevention and control capabilities: By integrating ESG factors into supply chain management, operational risks are reduced, ensuring the stability and sustainability of the supply chain. 2. Brand reputation opportunities: Establish a responsible supply chain, foster a corporate image of sustainable development, and enhance the trust of customers and investors. 3. Market competitiveness opportunities: Advance responsible mineral management and due diligence, meet the needs of customers and regulatory agencies for sustainable supply chains, and gain market advantages.
Promotion of Industry Development	Enterprises focus on cultivating a healthy ecosystem, leading industry development, actively participating in industry exchanges and cooperation, promoting industry development, standard setting, and technological progress, facilitating collaborative and sustainable development among industry partners, and jointly addressing industry challenges.	N/A	1. Resource dispersion risk: Industry exchanges and cooperation may disperse corporate resources, affecting the focus and efficiency of core businesses.	1. Opportunities for industry influence: By actively participating in industry exchanges and cooperation, establish a leading position for the enterprise and enhance its voice in the industry. 2. Opportunities for technological innovation: Promote technological progress and collaborative development in the industry, bringing more innovation opportunities and technological breakthroughs to the enterprise. 3. Opportunities for sustainable development ecosystem: Promote collaborative development among industry partners, create a healthy industry ecosystem, and provide a long-term stable development environment for the enterprise.


Topics	Positive Impact	Negative Impact	Risk	Opportunity
Employee Hiring and Development	Enterprises provide legal and reasonable rights and benefits protection and a good working environment, enhancing employees’ sense of happiness and belonging, and promoting social employment and labor stability. Through a fair promotion mechanism and professional training, they effectively improve employees’ vocational skills, contributing to the overall improvement of social talent quality.	If enterprises fail to fully protect employees’ rights and interests and provide fair development opportunities, it may lead to a deterioration of the social employment environment, exacerbate inequality, and even trigger labor disputes, affecting social stability and economic development.	1. Cost risk: Protecting employee rights and interests, providing training and development opportunities may increase labor costs, affecting the short-term profits of the enterprise. 2. Management complexity: Diversity and inclusivity policies may increase management difficulty, requiring a balance between the needs and expectations of different employee groups.	1. Opportunity for efficiency improvement: By safeguarding employee rights and interests and providing development opportunities, the company can enhance employee satisfaction and loyalty, reduce turnover rates, lower the cost of hiring and training new employees, and simultaneously help ensure work efficiency. 2. Opportunity for corporate innovation: A diverse and composite talent team helps enhance corporate productivity and creativity, contributes to business growth, and establishes a good employer brand image. 3. Opportunity for talent reserve: Continuous employee development programs help cultivate internal talent, meet the needs of the company’s future development, and reduce dependence on external recruitment.
Occupational Health and Safety	Enterprises continuously improve their safety production management systems, establish corresponding governance structures and safety regulations, actively prevent work-related accidents and occupational diseases, safeguard the physical and mental health of employees, and protect labor resources.	If the enterprise fails to fully safeguard the health and safety of its employees, it may lead to frequent work-related accidents or occupational diseases, increase the social medical burden, harm the well-being of workers, and even trigger public questioning of the enterprise’s social responsibility.	1. Cost pressure: Improving the safety production system and providing protective measures require significant resource investment, which may increase the operational costs of enterprises. 2. Risk of accidents: Injury accidents can lead to operational disruptions, which in turn can result in decreased sales, reimbursements for compensation to affected workers, and litigation costs if the company is held liable.	1. Employee satisfaction enhancement: By focusing on employee health and safety, the company can enhance employees’ sense of belonging and satisfaction, thereby reducing turnover rates. 2. Production efficiency opportunities: Ensuring the physical and mental well-being of employees helps to improve work efficiency and productivity, creating more value for the enterprise. 3. Brand image opportunities: Improving the safety production system and preventing work-related accidents can establish a responsible image for the enterprise, enhancing social recognition.
Rural Revitalization and Social Contribution	Enterprises fulfill their corporate responsibilities, actively engage in rural revitalization and public welfare undertakings; they also actively carry out volunteer service activities to enhance employees’ awareness of giving back to the community and promote social development.	N/A	N/A	1. Brand image opportunities: By actively participating in rural revitalization and public welfare undertakings, establish a corporate social responsibility image and enhance social recognition. 2. Community relationship opportunities: Establish good communication and cooperation with the community to create a stable external development environment for the enterprise.
Sustainability Governance	Improve the company’s sustainable development/ESG governance framework and standardize the management processes for sustainable development and ESG-related matters.	N/A	N/A	1. Improvement in governance level: By refining the ESG governance framework, the company aims to enhance its sustainable development capabilities and bolster the trust of investors and customers. 2. Brand image opportunities: By standardizing ESG management processes, the company aims to establish a responsible corporate image, elevate social recognition, and bolster market competitiveness. 3. Risk prevention and control opportunities: A robust ESG governance system facilitates the early identification and response to potential risks, thereby ensuring the long-term stable development of the company.

Topics	Positive Impact	Negative Impact	Risk	Opportunity
Stable Operation	By establishing an efficient, diversified, and professional corporate governance system, enterprises can enhance the transparency and credibility of their operations, which is conducive to promoting the improvement of governance standards within the industry and creating a favorable business environment. Regular compliance reviews and internal audits are conducted to establish the three lines of defense for risk management, thereby	If an enterprise fails to fully implement party building leadership and governance optimization, it may lead to decision-making errors or governance risk spillover, negatively impacting the socio-economic order and even triggering a market trust crisis, thereby damaging the business environment.	1. Execution risk: Failure to achieve the expected results due to inadequate execution or insufficient resources, affecting the overall operational efficiency of the enterprise. At the same time, complex compliance review processes may lead to an extended decision-making chain, affecting the enterprise’s ability to respond quickly to market changes. 2. Increased compliance burden: Frequent compliance reviews and internal audits may increase the management burden and divert the enterprise’s focus from its core business.	1. Governance level opportunities: Long-term enhancement of corporate operational transparency and credibility, boosting investor confidence and market competitiveness. 2. Risk prevention and control opportunities: Establishing the three lines of defense for risk management, improving the company’s ability to identify and respond to risks, reducing operational risks, and ensuring the long-term stable development of the enterprise.
Anti-commercial Bribery and Anti-corruption	The implementation of anti-corruption policies promoted by enterprises helps maintain market fairness, reduce the damage of corrupt practices to the allocation of social resources, advocate honest cooperation, and promote the development of a healthier business ecosystem.	If a company fails to fully implement anti-corruption policies, it may lead to the spillover of corrupt practices, undermine the fair competition environment in the market, damage social trust, and even trigger legal risks and disrupt economic order.	1. Legal risk: Corrupt or bribery practices can lead to legal actions, fines, and even disrupt the normal operations of the enterprise. 2. Reputation risk: Damaging the reputation of the enterprise can undermine the trust of customers and partners, thereby affecting business development. 3. Financial risk: It can result in resource wastage and financial losses, impacting the financial health of the enterprise.	1. Enhanced corporate reputation: Establishing a positive image and elevating brand value and market competitiveness can simultaneously bolster user loyalty, forge long-term stable relationships, and foster sustained business growth. 2. Strengthened risk prevention and control capabilities: Comprehensive anti-corruption policies and reporting mechanisms aid in mitigating internal corruption risks within the enterprise, thereby ensuring its long-term stable development.
Business Ethics	Enterprises continuously strengthen the protection of trade secrets, prevent incidents such as unfair commercial competition and monopolies, and advocate for and foster a fair market competition environment.	If enterprises fail to fully protect trade secrets and prevent unfair competition, it may lead to disorderly market order, harm the interests of small and medium-sized enterprises, undermine the level playing field, and even raise doubts about business integrity in society.	1. Cost risk: The protection of trade secrets requires continuous investment of resources; otherwise, information leakage may occur due to technical or management loopholes. 2. Reputation risk: Violations of business ethics and compliance requirements may lead to legal issues, sanctions, and damage to the company’s reputation, resulting in long-term loss of customers and investors.	1. Reputation enhancement opportunities: By protecting trade secrets and advocating fair competition, enterprises can establish a trustworthy image and enhance the trust of customers and partners. 2. Long-term competitiveness opportunities: Creating a fair competition environment helps enterprises gain market advantages through innovation and efficiency improvement.
Data Security and Privacy Protection	By establishing a comprehensive privacy and data security system, enterprises can fully safeguard the privacy and data security of customers and other relevant parties.	If enterprises fail to fully safeguard data security and privacy, it may lead to the leakage of customer and employee information, trigger social trust crises, and even cause economic losses and legal risks, damaging the digital ecosystem.	1. Technical vulnerability risk: Data security measures may lead to information leakage due to technical defects or external attacks, damaging the reputation of the enterprise. 2. Compliance risk: Failure to comply with data protection regulations may result in penalties from regulatory authorities, affecting the normal operation of the enterprise.	1. Long-term competitiveness opportunities: High-standard data security and privacy protection capabilities can become a differentiated competitive advantage for enterprises, enhancing the trust of customers and employees, improving the corporate brand image, and thus driving enterprises to gain market advantages through innovation and efficiency improvement.

Greenhouse Gas Verification Statement

Appendix 6

ISO14064-1



萬泰認證

Greenhouse Gases Emissions Verification Statement

The GHG inventory report of the following organizations have been verified by WIT in accordance with the requirements of ISO14064-3:2019 to confirm that they meet the requirements of the verification guidelines, achieve the reasonable assurance level and meet the materiality requirements.

BTR New Material Group Co.,Ltd.

Address: (Please refer to the attached page for all branch addresses mentioned in the verification statement)

1. GHG statement released date: Mar.21th, 2025 (Rev. V2.0)
2. GHG statement based on a specific period: from Jan.1st 2024 to Dec.31st 2024 ,
3. Verification criteria: ISO 14064-1:2018
4. Organizational boundary: All GHG emission and removal facilities of BTR New Material Group Co.,Ltd. located in (Please refer to the attached page for all branch addresses mentioned in the verification statement) . The organization boundary is determined by the organization in accordance with the principle of operational control.
5. Business and activities: the Production and sales of Anode Business, Cathode Business and New Business
6. Types of greenhouse gases included: ☒CO₂ ☒CH₄ ☒N₂O ☒HFCs ☐PFCs ☐SF₆ ☐NF₃
7. GHG emissions 2322628.47 tCO₂e, GHG deductions 8857.20 tCO₂e, GHG removals 0.00 tCO₂e, GHG offsets 0.00 tCO₂e, The details are as follows:

Category 1	Category 2	Category 3	Category 4	Category 5	Category 6	Total GHG emissions (tCO ₂ e)
Direct GHG emissions (tCO ₂ e)	Indirect GHG emissions from imported energy (tCO ₂ e)	Indirect GHG emissions from transportation (tCO ₂ e)	Indirect GHG emissions from products used by organization (tCO ₂ e)	Indirect GHG emissions associated with the use of products from the organization (tCO ₂ e)	Indirect GHG emissions from other sources (tCO ₂ e)	
37155.61	898621.14, of which the green certificate deducted emissions are: 8857.20, After the deduction, the total greenhouse gas emissions are: 889763.94	133276.10	1253575.62	/	/	2322628.47, of which 8857.20 were deducted from green certificates, After the deduction, the total greenhouse gas emissions were 2313771.27


8. The verification purpose, assurance level, materiality, and target users of theGHG Verification Statement are detailed in the Appendix, which is an integral part of this Verification Statement.

Original Certification Date: Apr.11,2025


Certificate No. : 15/WITGHG2025058

Latest issuance date: Apr.11,2025

Valid Until: Apr.10,2028



ISO14064-1




General Manager, Wang Xiaodong

Hangzhou WIT Assessment Co.,Ltd.

14 F, Building A, International Sunyard, No.1750 Jianghong Avenue, Binjiang District, Hangzhou

ISO14064-1



萬泰認證

Greenhouse Gases Emissions Verification Statement Appendix

1. Roles and responsibilities
The management of BTR New Material Group Co.,Ltd. (hereinafter referred to as the "Responsible Party") is responsible for the GHG information system of the organization, the recording and reporting procedures are established and maintained according to the system, including the calculation and determination of GHG emission information and reported emissions.
WIT provides an independent GHG verification opinion on GHG statement provided by the Responsible Party during the reporting period.
According to the ISO14064-3:2019, WIT conducted a third party verification on whether the GHG statement provided by the Responsible Party were in compliance with ISO14064-1:2018 on Feb.11th-14th, 2025 (verification date).
The verification is conducted based on the verification scope, objectives and criteria agreed between the Principal and WIT on Jan.6th, 2025 (contract date).

2. Purpose of verification
Verify the authenticity of the GHG declaration by the responsible party through an objective evidence review, and confirm that the data stated in the GHG declaration conforms to the principles of relevance, accuracy, completeness, consistency and transparency, and is free from material errors or omissions.

3. Relevant industry and category
6.4 Production of other non-metallic mineral products,2.1 Manufacture of electrical and electronic equipment,6.1 Mining, beneficiation and processing of ferrous metals, non-ferrous metals, non-metallic minerals and other minerals

4. Assurance level
The agreed assurance level is reasonable assurance

5. Materiality limit
Based on the demand of the expected users of the GHG statement, the materiality limit for this verification is 5%.


6. Target users of the GHG statement
Relevant stakeholders involved in the operations and activities of the Responsible Party.

Original Certification Date: Apr.11,2025


Certificate No. : 15/WITGHG2025058

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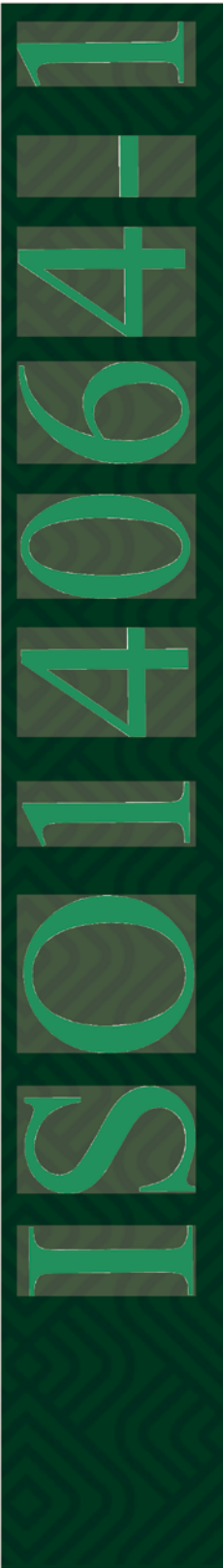
ISO14064-1



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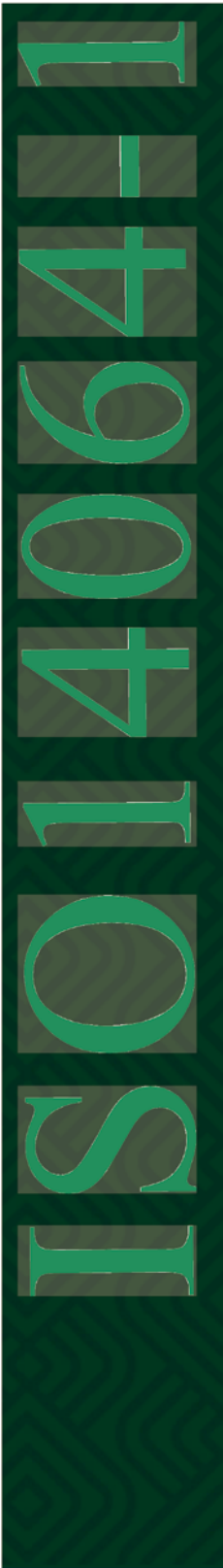
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Greenhouse Gases Emissions Verification Statement

Appendix to Certificate
BTR New Material Group Co.,Ltd.
Locations included in the certification are as follows:

Site Name	Site Address	Site Scope
BTR New Material Group Co.,Ltd.	Building 1, 2, 3, 4, 5, 6, 7A, 7B and 8, High tech Industrial Park, Xitian Community, Gongming Town, Guangming New District, Shenzhen.& Fenghuang street Dongkeng community Guangyuan 4 road No. 8 BTR HQ, Guangming district,Shenzhen	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the design, production and sales activities of Cathode and Anode materials for Lithium-Ion Battery
Tianjin BTR New Energy Technology Co.,Ltd.	Jiuyuan Industrial Park, Baodi District, Tianjin City, PR. China	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the design, production and sales activities of Anode materials for Lithium-Ion Battery.
BTR(Jiangsu) New Material Technology Co.,Ltd.	No.519,Jiangdong Avenue, Jintan District, Changzhou City, Jiangsu Province, China	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the design, production and sales activities of Cathode materials for Lithium-Ion Battery.
BTR (Jiangsu) New Energy Materials Co.,Ltd.	No.519,Fuxing South Road, Jintan District, Changzhou City, Jiangsu Province, China	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the design, production and sales activities of Anode materials for Lithium-Ion Battery.
Changzhou BTR New Material Technology Co.,Ltd.	No. 9 Changrui Road,Rulin Town, Jintan District, Changzhou City, Jiangsu Province, China	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the design, production and sales activities of High Nickel Cathode materials for Lithium-Ion Battery.
BTR (Sichuan) New Material Technology Co.,Ltd.	No.012,Songshi Road, Songjiaba Industrial Park, Pingshan Town, Pingshan County, Yibin City, Sichuan Province, China	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the design, production and sales activities of Anode materials for Lithium-Ion Battery.
Huizhou BTR New Material Technology Co.,Ltd.	BTR Industrial Park, Huangdong Village, Zhenlong Town,Huiyang District, Huizhou City,Guangdong Province,China	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the design, production and sales activities of Anode materials for Lithium-Ion Battery.
Dingyuan New Energy Technology Co.,Ltd.	BTR Industrial Park, Huangdong Village, Zhenlong Town,Huiyang District, Huizhou City,Guangdong Province,China	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the design, production and sales activities of Anode materials for Lithium-Ion Battery.
Shandong Ruiyang New Energy Technology Co., Ltd.	No.328, Gongye 9th Road, Yangxin County Economic Development Zone, Binzhou City,Shandong, P.R.China	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the design, production and sales activities of Anode materials for Lithium-Ion Battery.

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Greenhouse Gases Emissions Verification Statement


Appendix to Certificate
BTR New Material Group Co.,Ltd.
Locations included in the certification are as follows:

Site Name	Site Address	Site Scope
Sichuan Ruian New Material Technology Co.,Ltd	No.11 Chuangye Avenue, Lushan County Economic Development zone,Ya'an City, Sichuan Province	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the design, production and sales activities of Anode materials for Lithium-Ion Battery.
Jixi Changyuan Mining Co., Ltd.	Industrial Development Zone, Liumao Town, Hengshan District, Jixi City, Heilongjiang Province, China	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the production and sales activities of flake graphite.
Jixi BTR New Energy Technology Co.,Ltd.	Central Community yuejin committee, Mashan District,Jixi City, Heilongjiang Province, China	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the design, production and sales activities of Anode materials for Lithium-Ion Battery.
Shanxi Ruijun New Material Technology Co.,Ltd.	Lucheng Economic and Technological Development Zone, Grottoes Village, Dianshang Town, Lucheng District, Changzhi City, Shanxi Province, China	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the design, production and sales activities of Anode materials for Lithium-Ion Battery.
Yun Nan BTR New Energy Materials Co., Ltd.	North side of Chu Da Compound Line, east side of Industrial Avenue, Fortune Industrial Park, Xiangcheng Town, Xiangyun County, Dali Bai Autonomous Prefecture, Yunnan Province	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the design, production and sales activities of Anode materials for Lithium-Ion Battery.
PT INDONESIA BTR NEW ENERGY MATERIAL	Jalan indraprasta nomor 8,Kawasan Industri kendal, Desa/kelurahan Wonorejo,Kec.Kaliwungu, Kab. Kendal, Provinsi Jawa Tengah, Kode Pos: 51372	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the design, production and sales activities of Anode materials for Lithium-Ion Battery.
PT INDONESIA BTR NEW ENERGY MATERIAL	PT IMIP,Jl. Trans Sulawesi, Fatufia Village, Bahodopi Subdistrict, Morowali Regency, Central Sulawesi, Kode Pos : 94974	The direct greenhouse gas emissions (Scope 1), energy indirect greenhouse gas emissions (Scope 2), and other indirect greenhouse gas emissions (Scope 3) involved in the design, production and sales activities of Anode materials for Lithium-Ion Battery.

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Independent Assurance Report

Appendix 7



BUREAU
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Bureau Veritas Certification

INDEPENDENT VERIFICATION STATEMENT

Objectives of Work

Bureau Veritas Certification (Beijing) Co., LTD ("BUREAU VERITAS") has been engaged by BTR New Material Group Co.,Ltd. (hereafter referred to as "BTR") to conduct an independent verification of its 2024 Environmental, Social and Governance (ESG) Report (the "Report"). This Verification Statement applies to the related information included within the scope of work described below.

This information and its presentation in the report are the sole responsibility of the management of BTR. Our sole responsibility was to provide independent verification on the accuracy of information included.

Scope of Work

BTR requested Bureau Veritas to verify the accuracy of the following:

- Data and information included in the Report for the 2024.1.1-2024.12.31.

Excluded from the scope of our Verification is any verification of information relating to:

- Activities outside the defined verification period;
- Positional statements (expressions of opinion, belief, aim or future intention by BTR) and statements of future commitment;
- Financial data and information that has been audited by a third party.

Level of assurance: limited assurance level

Verification standard

1. International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 (Revised)"), developed by the International Auditing and Assurance Standards Board;

Methodology


As part of its independent verification, Bureau Veritas undertook the following activities:

- Interviews with relevant personnel of BTR;
- Review of documentary evidence produced by BTR;
- Audit of performance data, tracing and checking the sample data according to the sampling principle;
- Review of BTR systems for quantitative data aggregation and analysis.

Our work was conducted against Bureau Veritas' standards for external Verification of Non-financial Reports, based on current best practice in independent assurance. The validation work was planned, carried out and concluded based on the limited, rather than absolute assurance, as determined by Bureau Veritas.

Verification Conclusion

On the basis of our methodology and the activities described above, it is our opinion that::




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Bureau Veritas Certification

- Nothing has come to our attention to indicate that the reviewed statements within the scope of our verification are inaccurate and the information included therein is not fairly stated;
- It is our opinion that BTR has established appropriate systems for the collection, aggregation and analysis of quantitative data.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Environmental and Occupational Health and Safety, Social Responsibility with more than 190 years history in providing independent assurance services. Members of the assurance team have no interests or conflicts of relationship with BTR. We have conducted this verification independently and impartially. Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities.



Fanny Zou
Director of Greater China Region
Bureau Veritas Certification (Beijing) Co., LTD
2025-03-31

Wendy Zhao
Assurance Team Leader
Bureau Veritas Certification (Beijing) Co., LTD
2025-03-31

BUREAU VERITAS

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