

2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



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About This Report

This report is the first Environmental, Social and Governance Report (hereinafter referred to as the "ESG Report" or "this Report") published by Hunan Corun New Energy Co., Ltd. We aim to demonstrate CORUN's proactive practice of sustainable development concepts and disclose CORUN's environmental, social, and governance practices and performance for the 2025 fiscal year, based on the principles of materiality, quantification, balance, and consistency.

Reporting Scope

This Report takes Hunan Corun New Energy Co., Ltd. as the main entity, alongside all relevant branches and subsidiaries. Unless otherwise specified, the scope of this Report is consistent with the scope of CORUN's annual report.

Reporting Period

The time frame of this Report is from January 1, 2025 to December 31, 2025 (hereinafter referred to as the "reporting period"). To enhance comparability and foresight, some content appropriately traces back to previous years or includes forward-looking descriptions. This Report is published annually, consistent with the fiscal year.

Basis of Preparation

This Report is prepared in accordance with the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)* (hereinafter referred to as the "Guidelines") and the *Guide No.4 for Self-Regulatory Supervision on Listed Companies of the Shanghai Stock Exchange—Compilation of Sustainable Development Reports* (hereinafter referred to as the "Guide"), and with reference to the *GRI Sustainability Reporting Standards(2021)* issued by the Global Sustainability Standards Board (GSSB).

Data Description

Data and information sources in this Report include but are not limited to CORUN's actual operational raw data, annual financial data, internal relevant statistical reports, third-party questionnaires, and third-party evaluation interviews. Financial data in this Report are in RMB.

Terminology Description

For ease of presentation and reading, Hunan Corun New Energy Co., Ltd. is referred to as "CORUN" or "we" depending on the context.

Report Access

The electronic version of this Report can be viewed and downloaded on the Shanghai Stock Exchange (SSE) official website [www.sse.com.cn]. If you have any comments or suggestions regarding this Report, please email us at: <corun@corun.com>

Term	Description
the Company, We, CORUN	Hunan Corun New Energy Co., Ltd.
Hunan Copower	Hunan Copower EV Battery Co.,Ltd.
Foshan Keba	Foshan Keba New Energy Vehicle Power Battery Co., Ltd.
Yiyang Corun	Yiyang Corun Battery Co., Ltd.
Hebei Corun	Hebei Corun Hybrid Energy Storage Technology Co., Ltd.
Changde Liyuan	Changde Lyrun Material Co.,Ltd.
Corun Peve	Corun Peve Automotive Battery Co.,Ltd.
Toyota	Toyota Motor Corporation
Jinfeng Lithium	Yifeng County Jinfeng Lithium Industry Co., Ltd.
Donglian Mining	Yifeng County Donglian Mining Product Development Co., Ltd.
Consortium	Large-scale Energy Storage Ecological Innovation Consortium
Tong'an Mine	Tong'an Porcelain Mine (lithium-bearing) in Tong'an Township, Yifeng County
Dangtian Mine	Dangtian Porcelain Mine (lithium-bearing) in Tong'an Township, Yifeng County

Chairman's Message

The year 2025 marks a critical period for the accelerated restructuring of the global energy structure and the deepening of low-carbon transition. It is also a milestone year for CORUN to rely on an ecological model to become a holistic green energy solutions service provider. During this year, CORUN closely aligned with the national "dual carbon" goals, using technological innovation as the core engine and green development as the corporate mission, delivering outstanding results in key technology iteration, full industry chain synergy, and global market layout.

Since our establishment, we have actively committed ourselves to energy conservation and emission reduction. By providing HEV power batteries and core components to world-class automotive OEMs and deploying energy storage businesses, CORUN has achieved remarkable results in energy saving, emission reduction, and carbon reduction. At the same time, we deeply understand that the long-term development of an enterprise is never a solitary struggle of single-point breakthroughs but a collective journey of full-chain synergy and ecological symbiosis. To this end, we took the lead in establishing the Large-scale Energy Storage Ecological Innovation Consortium and gathered high-quality enterprises across the energy storage industrial chain, top-tier universities, research institutes as well as financial and talent-related institutions. We aimed to build an ecosystem that deeply integrates industry, academia, research, finance, service and application, and carry out explorations and practices to advance high-quality industrial development. Together with our consortium partners, leveraging technology, scenarios, and ecological synergy, we have created several "first-of-its-kind" projects, helping the new energy and energy storage industry reach new heights.

We adhered to scenario and technological innovation, building one-stop holistic solutions around end-user needs, forming an operational service system covering the entire project lifecycle, and achieving the integration of multiple technologies such as LFP, solid/semi-solid, Ni-MH, and vanadium flow batteries. At the same time, through AI and digital empowerment by the consortium, we aimed to improve quality and efficiency, enhancing core capabilities and comprehensive value.

As of the end of 2025, the cumulative construction scale of CORUN's national energy storage projects exceeded 4 GWh, with 1.8 GWh connected and operational, and the total scale of reserved energy storage projects of various types exceeded 15 GWh. Among them, the Ordos Gushanliang 300 MW/1200 MWh independent energy storage power station was officially put into operation in December. Our grid-forming technology and efficient coupling of hybrid energy storage provide active support and full-timescale energy optimization solutions for the power grid. It is expected to reduce carbon dioxide emissions by nearly 400,000 tons annually, becoming an industry benchmark.

As one of the "2025 China Top 500 Energy Enterprises" and "2025 Global Top 500 New Energy Enterprises", CORUN integrates green concepts into energy storage planning, power station operation, and full-chain management. Based on CORUN's years of accumulated intelligent manufacturing and green production capabilities, we improve production efficiency, reduce resource waste, lower carbon emission levels, and promote the grid integration (absorption) of renewable energy. At the same time, we deeply participate in regional zero-carbon construction, helping Baoding High-tech Industrial Development Zone be selected as one of the first batch of national zero-carbon pilot parks. Through national think tank "one park, one policy" support, energy structure optimization via energy storage systems, and AI-enabled energy and carbon management platforms, we serve regional zero-carbon transformation.

Looking ahead, CORUN will center on the national "15th Five-Year Plan" for green and low-carbon development, closely follow the development space and market demand in areas such as new energy storage, zero-carbon parks, energy-saving and new energy vehicles, and continue to deepen the large-scale energy storage ecological model. We will anchor our ecological strategy, optimize battery and battery materials, strengthen energy storage system products, innovate holistic solutions, accelerate integrated global expansion, and promote the sustained and positive development of the clean energy industry.

In 2026, let us move forward hand in hand, using technology to write a new chapter of low carbon and ecology to empower a zero-carbon future!

Zhang Judong

Chairman of the Board, Hunan Corun New Energy Co., Ltd.

About CORUN

Company Profile

Hunan Corun New Energy Co., Ltd. was founded in 1998 and listed on the Shanghai Stock Exchange in 2003 (stock code: 600478). Guided by the founder's aspiration of "prospering the nation through technology and industry", CORUN persists in deepening energy conservation and emission reduction, and is long-term commitment to the development and industrialization of advanced batteries and materials, and advanced energy storage systems. It is a national high-tech enterprise integrating upstream mineral resources, battery materials, advanced batteries and management systems, energy storage systems, and battery recycling products and services. Our products are widely used in energy-saving and new energy vehicles, lithium battery materials, consumer batteries, energy storage, and other fields.

Approved by the National Development and Reform Commission, CORUN established the National Engineering Research Center for Advanced Energy Storage Materials to carry out innovative R&D of energy storage technologies and materials, releasing China's first distributed microgrid new energy storage system. CORUN also established the National Light Industry Quality Supervision and Testing Center for Batteries and Energy Storage Materials to conduct testing, evaluation, and standard formulation for energy storage batteries. The hybrid energy storage model launched can improve energy storage safety and operational efficiency, and is a technology route encouraged by the *14th Five-Year Plan for the Implementation of the Development of New Energy Storage*. CORUN has won two second-class National Science and Technology Progress Awards and five First-Class Provincial/Ministerial Science and Technology Progress Awards. We have been rated as a national specialized and sophisticated "Little Giant" enterprise, a smart manufacturing demonstration project, green factory, quality benchmark, and selected into the national list of manufacturing single champion enterprises (products). In addition, CORUN is a leading enterprise in the Hunan Advanced Energy Materials Industry Cluster,

the initiating unit of the Large-scale Energy Storage Ecological Innovation Consortium, and an initiating unit of the Guangdong-Hong Kong-Macao Greater Bay Area Electrochemical Energy Storage Industry Alliance. As a leading enterprise in the Ni-MH battery segment, CORUN provides power batteries and key materials to Toyota and other international automakers through subsidiaries and joint ventures. We own four high-grade lithium mining resources, have built a battery-grade lithium carbonate production line, and formed deep strategic cooperation with several leading companies in the consumer electronics field. Our energy storage business is accelerating expansion both domestically and internationally, with revenue from energy storage system products and power station operations continuing to grow rapidly.

Facing diverse scenarios under energy structure transformation and new demands from the AI computing power boom, CORUN deeply collaborates with research institutes such as the Chinese Academy of Sciences, Central South University, Shenzhen University, and Wuhan University. Together, they conduct joint research on new batteries and key materials such as solid and semi-solid batteries, nickel-hydrogen batteries, hydrogen production equipments and materials, solid oxide fuel cell key materials, advanced energy storage technologies, and mining, beneficiation, and smelting technologies. CORUN consolidates technological driving forces, cultivates digital intelligence capabilities, and contributes to the implementation of the national "dual carbon" strategy and the global low-carbon energy transition.



Product System

Nickel-based electrical Product System

CORUN has the world's largest production base for foam nickel. Our nickel-based electrical products mainly serve the hybrid electric vehicle (HEV) market and energy storage scenarios.

Nickel-based electrical materials

Battery electrode plates and components, Ni-MH battery materials, bipolar catalyst materials, foam nickel (anode) + foam copper-manganese alloy (cathode)



Ni-MH Batteries

Ni-MH power battery, energy storage frequency regulation Batteries



Lithium-based electrical Product System

Leveraging our upstream lithium resource advantages, we provide raw material guarantees for downstream lithium battery and energy storage markets, offering products such as lithium carbonate and consumer lithium batteries to partners, and building a closed-loop industry chain.

Lithium Battery Materials

Lithium ore resources, battery-grade lithium carbonate



Consumer Batteries

Suitable for shared e-bikes, shared charging cabinets, smart furniture, etc.



Energy Storage Product System

Energy storage is currently CORUN's most strategically valuable segment. The product form has shifted from single products to "holistic solutions".

Core Systems

Smart independent energy storage power station, hybrid energy storage system

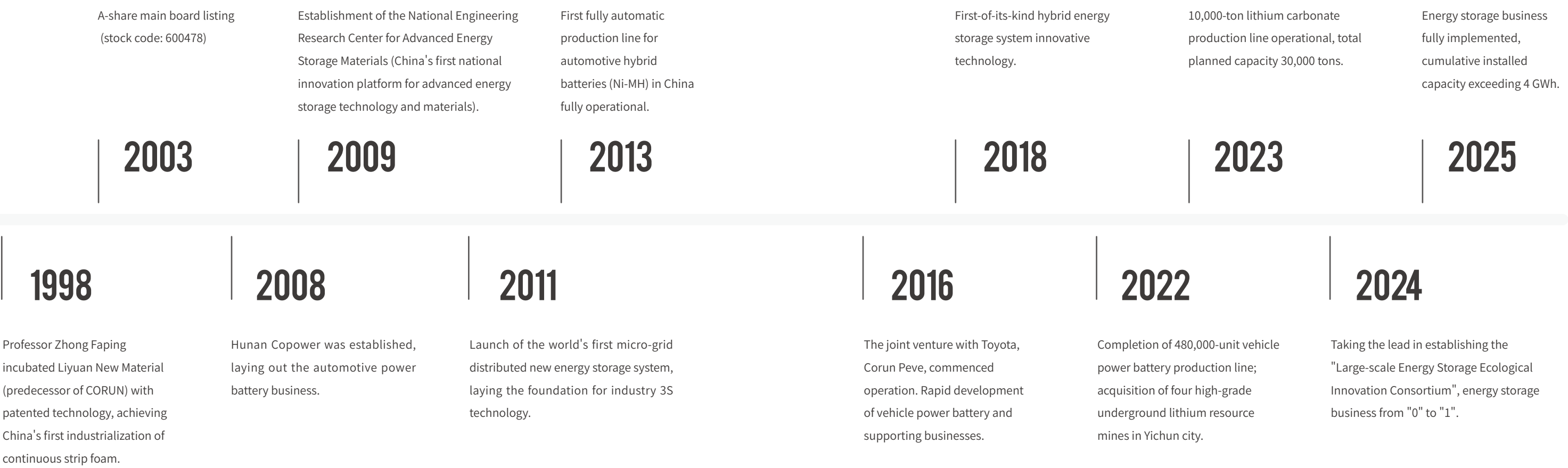


Supporting Services and Technologies

Full lifecycle operation: Provides a full set of services from power station design, EPC general contracting to later operation and maintenance monitoring



Development History



Corporate Vision

Strive to become the most trusted new energy system service provider.

Honors and Qualifications

CORUN

First Prize of Provincial/Ministerial Science and Technology Progress Award (five items)

Leading Enterprise of Hunan Advanced Energy Materials Industry Cluster



Subsidiary Changde Liyuan

National Green Factory

National Specialized and Sophisticated "Little Giant" Enterprise

Subsidiary Hunan Copower

National Specialized and Sophisticated "Little Giant" Enterprise

Hunan Provincial Manufacturing Single Champion Enterprise

National Manufacturing Single Champion Enterprise (Product) List

National Quality Benchmark

National Smart Manufacturing Demonstration Project

Subsidiary Yiyang Corun

Hunan Provincial Specialized and Sophisticated SME

Technology Collaboration Outstanding Supplier

2025 "China Carbon Valley" Yiyang Vocational Skills Competition Excellent Organization Award

Advanced Certification Enterprise Certificate

Sustainability Management

Sustainability Development Strategy

Sustainable development is the core of CORUN's long-term competitiveness. We deeply integrate Environmental, Social, and Governance (ESG) concepts into CORUN's long-term vision and business decisions. Leveraging the synergistic advantages of the "Large-scale Energy Storage Ecological Innovation Consortium," we have established a sustainable development strategic framework centered on "Value Creation, Green Operations, and Responsible Governance," aiming to promote low-carbon transformation of the global energy structure through full-lifecycle value management of energy storage.

In 2025, we continued to deepen our sustainable development strategy. From the operation of the world's largest single grid-forming energy storage power station to the construction of an "oil-to-electricity" battery swap ecosystem in Southeast Asia, we are committed to the inclusive application of green energy technology, pursuing steady economic returns while creating long-term economic, social, and ecological shared value for global stakeholders.

ESG Governance Structure

To ensure effective achievement of strategic goals, we have built a clear, top-down three-tier ESG governance structure. We have established a division of responsibilities consisting of the Board decision-making level, management level, and execution level of various business departments. The Board regularly receives special reports on important sustainability-related topics, dynamically evaluating and correcting strategic paths. By integrating key sustainability indicators into the daily work of R&D, production, operations, and other functional departments, CORUN ensures that the ESG strategy accurately sinks from top-level design to grassroots operations. In the future, we will continue to benchmark against international energy industry leaders, optimize the ESG management system, and continuously enhance CORUN's risk resilience and brand leadership in addressing global climate risks.

ESG Culture Building

We are gradually integrating ESG concepts into our corporate culture, strengthening ESG awareness among all employees through internal advocacy, employee training, etc., and promoting the formation of a systematic ESG culture system covering the entire value chain.

Case

CORUN held the 2025 ESG Kick-off Meeting and ESG Special Training

On October 20, 2025, we held our annual ESG Kick-off Meeting and a special training session. Company executives, department heads, and subsidiary leaders attended on-site, while employees from various departments and subsidiaries participated via live broadcast. The training invited external ESG experts to share insights on the connotations of ESG, domestic and international ESG development trends, and corporate ESG practice paths, aiming to further promote the implementation of ESG strategy, enhance employee responsibility awareness, and gather new momentum for building CORUN's sustainable development ecosystem.



Stakeholder Communication

CORUN is committed to building transparent, open, and mutually beneficial stakeholder communication mechanisms. We have identified six key stakeholder groups: shareholders and investors, customers, employees, suppliers, government and regulatory agencies, and communities. We maintain close dialogue and communication with them through various forms. CORUN ensures that stakeholders can raise concerns about environmental impact, social responsibility, and governance performance through dedicated contact channels, forming a closed-loop feedback mechanism.

Stakeholders	Concerns	Communication and Response Mechanisms
Shareholders and Investors	Climate change response Product & service safety & quality Innovation-driven Supply chain security Anti-bribery & anti-corruption	Information disclosure Shareholder meetings Institutional roadshows Phone & email Earnings briefings SSE e-interaction platform
Customers	Product & service safety & quality Data security & customer privacy protection Supply chain security	Visits & exchanges Customer satisfaction surveys
Employees	Employee rights & development Occupational health & safety	Employee representative congress Employee training Employee activities

We insist on turning stakeholder demands into opportunities to improve management. By systematically reviewing collected opinions, CORUN integrates relevant key concerns into daily operations and long-term planning. We promise to continuously optimize communication efficiency and work hand in hand with all stakeholders to explore collaborative models for sustainable development.

Stakeholders	Concerns	Communication and Response Mechanisms
Suppliers	Supply chain security Equal treatment of SMEs	Supplier evaluation Supplier communication & training
Government & Regulators	Pollutant emissions Waste disposal Ecosystem & biodiversity protection Environmental compliance management Rural revitalization Social contribution Anti-bribery & anti-corruption	Inspections & exchanges Information disclosure
Communities	Pollutant emissions Waste disposal Rural revitalization Social contribution	Volunteer services Community activities

Materiality Assessment

Based on the requirements of the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)* and combining CORUN's business attributes and industry characteristics in "new energy storage, battery materials, green manufacturing," CORUN formulated a "five-step" double materiality (financial materiality + impact materiality) identification process, as detailed below:

Step 1: Business Background and Stakeholder Demand Research

Internal business analysis	Analyze CORUN's strategic plan, financial statements, and business layout, sort out the full value chain process of lithium mining, battery material R&D, energy storage equipment manufacturing, independent energy storage power station operation, and zero-carbon park construction, clarifying operational characteristics and resource allocation logic of core service areas such as energy storage, energy-saving & new energy vehicles, and consumer electronics.
External environment analysis	Track ESG regulatory policies in the new energy industry, industry standards (such as ISO series certification requirements), refer to peers' sustainability practices, and identify industry common ESG risks and differentiated opportunities.
Stakeholder research	Collect demands of core stakeholders such as investors, customers, regulatory agencies, suppliers, and employees through interviews, questionnaires, and symposiums, focusing on key concerns such as technological innovation, green transformation, safe production, and supply chain synergy.

Step 2: Initial List of Topics

Inclusion of basic topics	Directly include core basic topics under the three dimensions of environment, society, and governance as required by the SSE, screening topics highly relevant to the new energy industry such as pollution prevention, resource management, employee rights, customer service, and corporate governance.
Addition of characteristic topics	Add characteristic topics with industry attributes such as hybrid energy storage technology R&D, energy storage material innovation, zero-carbon scenario construction, battery recycling and reuse, and energy storage safety management, based on business characteristics.
Preliminary list compilation	Clearly define the connotations of each topic, sort out their relevance to CORUN's business, exclude topics with no substantial connection, and form the initial topic list.

Step 3: Two-Dimensional Materiality Assessment

For the initial topic list, conduct quantitative and qualitative assessments from the two dimensions of financial materiality and impact materiality, combined with short-term (within 1 year), medium-term (1-5 years), and long-term (over 5 years) time scales:

Financial materiality assessment	Core judgment of whether the issue affects CORUN's business model, operational efficiency, financial condition, cash flow, and brand value, focusing on the substantial impact on revenue growth, cost control, financing costs, and order acquisition.
Impact materiality assessment	Core judgment of whether CORUN's performance on this topic has actual or potential significant impact on the economy, society, and environment, focusing on the transmission impact on industry chain synergy, community development, industry ecology, and environmental sustainability.



Step 4: Topic Classification and Confirmation

Classification criteria	Topics with both significant financial materiality and impact materiality are classified as core materiality topics (marked with * in the table below). Topics with only one significant materiality are classified as general materiality topics. Topics lacking both are excluded.
Internal review	Submit the classification results to the Board and relevant ESG departments for review and optimization based on feedback.
Application	Core materiality topics are disclosed according to the full framework of "materiality identification - governance - strategy - risks and opportunities management - indicators and targets" and included in the annual ESG management focus. General materiality topics are disclosed in a simplified manner as routine management content.

Step 5: Dynamic Update and Document Retention

Dynamic update	If CORUN's business model, market layout, regulatory policies, or stakeholder demands undergo significant changes, promptly initiate the topic update process; if no major changes, full re-identification is not required.
Document retention	Retain background research materials, stakeholder research records, two-dimensional assessment worksheets, internal review documents, and other complete materials to ensure traceability and verifiability.

ESG Dimension	Topic Theme	Specific Topic	Financial Materiality	Impact Materiality	Impact Period and Degree
Environment	Green Production & Resource Management	Environmental compliance management, Green operations, Ecosystem protection	Medium; Focus on efficient resource utilization, reducing operating costs through process optimization and energy-saving control, obtaining relevant environmental management system certifications to ensure market access, avoiding environmental compliance risks, improving ESG rating to optimize financing environment	High; Pollutant emissions better than national standards, water resource recycling contributes to "dual carbon" goals, green production reduces product carbon footprint, obtaining green factory certification	Short-term: Medium (energy saving, cost reduction, compliance); Medium-term: High (green technology scale reduces costs); Long-term: High (green brand accumulation)
	Battery Recycling & Circular Use	Circular economy	Medium; Value-added recovery of recyclable battery materials, standardized disposal avoids environmental penalty risks	High; Full lifecycle battery recycling reduces resource waste, compliant disposal of hazardous waste aligns with environmental policies, improves industry ecological environment	Short-term: Medium (compliance assurance); Medium-term: Medium (disposal efficiency improvement); Long-term: High (ecological benefits)
	*Assisting Customers in Carbon Reduction	Providing carbon reduction solutions to customers through Ni-MH batteries (HEV), lithium battery swapping, independent energy storage, zero-carbon parks, etc., quantifying customer carbon reduction achievements	High; Carbon reduction solutions support core customer retention and order acquisition, reduce compliance costs such as carbon tariffs, product carbon labels can increase brand premium, carbon asset operations open new revenue sources	High; Covering key emission sectors such as automotive, two-wheel mobility, power systems, industrial parks; full lifecycle services ensure customer carbon neutrality goals; participation in industry low-carbon standard setting; high customer satisfaction	Short-term: High (securing orders, reducing compliance costs); Medium-term: High (word-of-mouth attracting new customers, carbon asset monetization); Long-term: High (low-carbon brand value amplification, standard output)

ESG Dimension	Topic Theme	Specific Topic	Financial Materiality	Impact Materiality	Impact Period and Degree
Social	*Green Technology Innovation	R&D investment, IP protection, industry collaboration	High; R&D investment supports core product competitiveness, patent conversion drives revenue growth, IP protection reduces infringement losses	High; Leading industry technology upgrades, participating in industry standard setting, building industry innovation ecosystem	Short-term: Medium (R&D results, patent revenue increase); Medium-term: High (technology transfer scaling); Long-term: High (industry standard output)
	*Industry Chain Synergy	Industry chain ecological synergy, supply chain management	High; Stable supply chain avoids disruption risks, integrity management prevents cost waste	High; Driving upstream and downstream collaborative development, implementing supplier ESG and integrity audits	Short-term: High (supply chain stability, risk avoidance); Medium-term: High (digital synergy cost reduction); Long-term: High (ecological layout enhances competitiveness)
	*Product Quality & Customer Service	Product quality and customer service	High; Stable product quality ensures core customer retention and repurchase, reduces quality complaints and after-sales costs, quality customer service supports product premium, increases market share and revenue scale	High; Strict quality control and comprehensive customer service protect consumer rights, promote industry quality standard improvement, enhance customer satisfaction and brand credibility, foster healthy industrial development	Short-term: High (securing orders, reducing after-sales costs); Medium-term: High (word-of-mouth driving new customer growth); Long-term: High (brand value accumulation, creating competitive barriers)
	Employee Rights & Welfare	Talent development, Employee care & communication, Occupational health & safety	Medium; Improved welfare and training enhance employee retention, reduce recruitment and turnover costs	High; Protecting employees' legitimate rights and interests, improving training and career development systems, enhancing employee happiness, raising industry labor rights protection levels	Short-term: Medium (welfare optimization effects); Medium-term: High (career development system established); Long-term: High (corporate culture accumulation)
	Social Responsibility	Rural revitalization, Community co-building	Low; Public welfare investment accounts for a small percentage of revenue, limited impact on financial condition	Low; Driving regional development through green projects, fulfilling corporate citizenship responsibilities, enhancing brand reputation	Short-term: Medium (implementation of public welfare activities); Medium-term: Medium (social influence expansion); Long-term: High (brand value accumulation)

ESG Dimension	Topic Theme	Specific Topic	Financial Materiality	Impact Materiality	Impact Period and Degree
Governance	Corporate Governance	Corporate governance, Investor rights protection	Medium; Sound governance structure ensures scientific decision-making, reduces resource waste from poor decisions; Board diversity and competency improve strategic execution, optimize resource allocation efficiency; investor rights protection enhances investor confidence, stabilizes financing channels, reduces financing cost fluctuations	High; Standardized governance structure sets a governance benchmark for the industry, Board diversity enhances decision-making comprehensiveness and resilience, investor rights protection maintains capital market order, promotes positive interaction between CORUN and capital market, ensures stable synergy of the industry chain and supply chain	Short-term: Medium (compliance assurance, reducing decision error losses); Medium-term: Medium (governance system optimization improves operational efficiency); Long-term: High (governance brand accumulation, enhancing long-term competitiveness)
	Compliance & Risk Management	Compliance & risk management, Business Ethics	Medium; Compliance operations avoid administrative penalties, risk management reduces potential losses	High; Establishing full-process compliance and risk control mechanisms, providing a governance model for the industry	Short-term: High (risk avoidance); Medium-term: High (system improvement); Long-term: High (governance experience output)
	ESG Governance	Due diligence, Stakeholder communication	Medium; Early identification of sustainability-related risks (e.g., environmental compliance, supply chain ESG risks) through due diligence avoids potential administrative penalties, brand reputation damage, and business interruption costs; sound stakeholder communication mechanisms reduce misunderstandings and conflicts, stabilize customer, investor, and community relationships, ensure business continuity, reduce cooperation risks and financing cost fluctuations	High; Systematic ESG due diligence sets a risk control benchmark for the industry, helping collaborative ESG risk management across the industry chain; efficient stakeholder communication builds consensus, consolidates development synergy, enhances corporate sustainable operation resilience and social recognition, and promotes healthy interaction of the industrial ecosystem	Short-term: Medium (risk avoidance, communication cost reduction); Medium-term: Medium (governance process optimization, cooperation efficiency improvement); Long-term: High (ESG governance brand accumulation, enhancing long-term competitiveness and social value)

CORUN 2025 Materiality Topic Matrix



Special Topic: Zero-carbon landing scenario, assisting customers in carbon reduction



We deeply embed emission reduction capabilities into three major business segments: nickel-based batteries, lithium-based batteries, and energy storage. Ni-MH batteries secure orders from international clients like Toyota through low-carbon manufacturing and closed-loop recycling, safeguarding core revenue. The lithium business relies on the "mine - material - battery swap" closed loop to reduce upstream carbon footprint and compliance costs, enhancing product premium. Energy storage power stations and zero-carbon parks, through full-process low-carbon management, reduce environmental protection and carbon management expenditures, directly supporting large order acquisition and customer retention. The synergy of multiple emission reduction businesses is continuously translating into positive financial feedback of green order growth, operating cost reduction, and enhanced profit resilience.

We drive social emission reduction through the synergy of our three major businesses: nickel-based, lithium-based, and energy storage. Ni-MH batteries deeply bind with customers like Toyota, helping hybrid vehicles reduce carbon by approximately 2 tons per vehicle per year on average. The lithium business builds a "mine - material - battery swap" closed loop, reducing the carbon footprint of the entire chain through green beneficiation and smelting, and promoting overseas fuel substitution through projects like the "oil-to-electricity" initiative in Indonesia. Energy storage power stations and zero-carbon parks deliver hundreds of millions of kWh of clean electricity annually, optimizing regional energy structures. Through green practices across the entire industry chain, CORUN continuously contributes the CORUN solution to the global energy transition.

Indicator Type	Specific Indicator	Target
Financial	Revenue share of zero-carbon projects	Increase year by year
	Share of carbon management related costs	Decrease year by year
Impact	Total annual carbon reduction of operational projects	Increase year by year
	Customer satisfaction for zero-carbon projects	≥ 95 points (out of 100)
	Green power consumption increase rate	Increase year by year

Governance

CORUN has established a three-tier carbon reduction service structure: "The Board coordination - Management execution - Multi-department collaboration." The Board approves the carbon reduction strategy and customer carbon reduction targets. Senior management leads the decomposition and assessment of carbon reduction targets for each business segment (nickel, lithium, energy storage). CORUN has set up a Green Development Department and Project Delivery Center to coordinate R&D, production, delivery, and operations. Each business unit includes "customer carbon reduction achievement rate" as a key performance indicator, implementing a "low-carbon performance veto system."



Strategy

CORUN identifies risks and opportunities through customer research, industry benchmarking, and carbon data monitoring. Core risks include: rapid iteration of customer carbon reduction needs, inconsistent carbon footprint accounting standards, and the impact of international carbon tariffs. Core opportunities lie in: increased willingness of high-end customers to pay a premium for low-carbon products, new revenue streams from carbon asset operations, and replicability of carbon reduction solutions across industries.

Response measures	Short-term, ensure that carbon reduction data for core products (Ni-MH batteries, consumer lithium batteries, energy storage systems) is measurable, traceable, and credible. Medium-term, build a digital carbon management platform covering the entire business chain, enabling dynamic monitoring from "single-vehicle carbon reduction" to "full-scenario carbon flow." Long-term, build a closed-loop ecosystem of "product carbon label - customer carbon credit - carbon asset trading," becoming a benchmark for carbon reduction services in the new energy industry.
Financial impact	Short-term, low-carbon technology upgrades increase R&D and certification investment, but net benefits are achieved through reduced compliance risks. Medium-term, due to increased customer stickiness and product premiums, the annual compound growth rate of carbon reduction-related business revenue is expected to exceed 25%. Long-term, carbon asset operations and standard output will become stable profit growth poles.

Impacts, Risks and Opportunities Management

Based on the ternary business pattern of "Ni-MH stabilizing the base, lithium accelerating growth, energy storage strategic breakthrough," CORUN builds a carbon reduction and risk management system covering the entire industry chain. In the Ni-MH segment, leveraging the supply chain advantages deeply tied to Toyota, low-carbon manufacturing is coordinated with customer carbon neutrality strategies, and closed-loop recycling systems guard against environmental and compliance risks. In the lithium segment, from upstream mining, beneficiation, and smelting to downstream battery swap operations, green processes and recycling closed loops are embedded to achieve resource circulation and risk control. In the energy storage segment, with hybrid energy storage technology and smart operation platforms, grid regulation capability is enhanced, and participation in zero-carbon standard setting translates internal practices into industry norms, reducing policy uncertainty and continuously consolidating the strategic moat of a new energy system service provider.

Stable Ni-MH Leadership, Core Growth Engine under the Dual-Carbon Era

As a leading enterprise in the domestic Ni-MH battery segment, We have the world's largest foam nickel production base, having built a complete industry chain from foam nickel, positive/negative electrode plates, battery cells to battery systems. We deeply cooperate with international first-tier automakers such as Toyota, serving as a supplier of HEV Ni-MH power batteries and key materials, with a supporting industry chain capacity of 480,000 units/year. Our foam nickel material holds a domestic market share of up to 65% and a global market share of approximately 35%. Against the backdrop of the expanding hybrid vehicle market in the dual-carbon era, relying on our full industry chain layout, Toyota QMS certification, and continuous technology iteration, we achieved steady growth in our Ni-MH battery business in 2025.

More critically, CORUN's Ni-MH battery business not only serves customers' commercial needs but is also deeply embedded in their carbon neutrality strategies. CORUN helps core customers achieve carbon reduction goals through low-carbon battery technology and green supply chain capabilities.

480,000 units

We deeply cooperate with international first-tier automakers such as Toyota, serving as a supplier of HEV Ni-MH power batteries and key materials, with a supporting industry chain capacity of 480,000 units/year.

65%

a domestic market share of up to

35%

a global market share of approximately

Our foam nickel material

Deep Coupling of CORUN's Ni-MH Batteries with Toyota's Carbon Neutrality Strategy

The core emission reduction value of CORUN's Ni-MH batteries lies in serving customers such as Toyota, with their "hybrid as a cornerstone" carbon neutrality path. Based on an annual mileage of 20,000 km, each hybrid vehicle can save about 900 liters of gasoline compared to a same-class fuel vehicle, reducing carbon emissions by about 2 tons per vehicle per year on average.

about 900 liters of gasoline

Based on an annual mileage of 20,000 km, each hybrid vehicle can save about

about 2 tons carbon emissions

per vehicle per year on average

Full Industry Chain Layout Builds Emission Reduction Barriers, Ni-MH Technology Expands to New Low-Carbon Scenarios

Our technological advantage in the Ni-MH battery field comes from our full-chain control from upstream materials to finished batteries. In core materials, our foam nickel technology has iterated to the fifth generation, with thickness adjustable from 0.3 to 1.2mm, porosity $\geq 95\%$, and tensile strength increased by 30%. The full industry chain from foam nickel, electrode plates, battery cells to PACK is all self-manufactured, having passed Toyota's QMS certification, with a yield rate $\geq 99.5\%$ and costs 15% lower than outsourcing.

CORUN's Ni-MH batteries maintain efficient and stable emission reduction performance even in extreme environments. The low-temperature Ni-MH batteries developed can achieve 1C normal charge and discharge at -40°C , breaking through the technical bottleneck of the northern new energy market. They have been applied in auxiliary power systems of subways in Shenyang, Harbin, and other cities, contributing to low-carbon operation of public transportation.

Ni-MH batteries can achieve a maximum charge/discharge rate of 20C and operate stably at 10C, widely used in rail transit, energy storage, hydrogen production from water electrolysis, shielding materials, and other fields, extending the emission reduction value of Ni-MH batteries from automotive power to diverse low-carbon scenarios.

2

academicians of the Chinese Academy of Sciences

3

academicians of the Chinese Academy of Engineering

In battery recycling, relying on our National Engineering Research Center for Advanced Energy Storage Materials, we have laid out recycling capabilities covering multiple technology routes such as Ni-MH and lithium batteries. The Center is the first national engineering research center in the field of advanced energy storage technology and key energy storage materials in China, with a top expert team including two academicians of the Chinese Academy of Sciences and three academicians of the Chinese Academy of Engineering. The Center has accumulated technical expertise in energy storage technology, materials, and battery recycling, helping CORUN build a full lifecycle closed-loop management system from production to recycling, further expanding green circular value.

Lithium Business Strategy Accelerates, Building a Complete Emission Reduction Closed Loop from Resources to End-Use

We implement a dual-wheel drive strategy in our lithium business: "upstream resources + downstream applications." On the upstream resource side, CORUN owns four high-grade underground lithium mines, building an integrated low-carbon model of "mining, beneficiation, and smelting" from self-owned lithium resource development to lithium carbonate production. On the downstream application side, consumer battery business directly drives fuel substitution and energy efficiency improvement through scenarios such as two-wheeler battery swapping and shared power banks, while accelerating the R&D of frontier technologies such as solid-state batteries and dry electrode processes. The emission reduction value of CORUN's lithium business is not only reflected in the products themselves but also in empowering downstream customers to achieve electrification transformation across a wide range of scenarios.



Accelerated Development of Lithium Resources, Reducing Whole-Chain Carbon Footprint with Low-Carbon Beneficiation and Smelting Technologies

no less than	12	million tons	about	400,000	tons	meeting development needs for over ten years at an annual capacity of 30,000 tons of lithium carbonate.
The total estimated ore resources of CORUN's lithium mines			lithium carbonate equivalent			

The total estimated ore resources of CORUN's lithium mines are no less than 12 million tons, equivalent to about 400,000 tons of lithium carbonate equivalent, meeting development needs for over ten years at an annual capacity of 30,000 tons of lithium carbonate. Currently, the Tong'an Mine is steadily producing ore, with production scale increased from 50,000 tons/year to 400,000 tons/year (new mining license approved), expected to produce at least 10,000 tons of lithium carbonate annually. The Dangtian Mine is advancing expansion work, and the other two mines are in the detailed exploration stage.

In green beneficiation and smelting, relying on the National Engineering Research Center for Advanced Materials in collaboration with Central South University, CORUN is accelerating technological improvements in the beneficiation and smelting technology of underground mining ores. After industrialization, it is expected to increase the lithium leaching rate by over 8% during the lithium mica concentrate smelting process and reduce the slag amount after lithium carbonate production by over 50%. Subsidiary Jinfeng Lithium adopts a full-process green production model of "process optimization + end-of-pipe deep treatment + emergency control" by controlling water usage at the source, using water-free cleaning methods to reduce wastewater generation, strengthening wastewater collection management during the process, and installing online monitoring equipment at the end to monitor wastewater treatment effectiveness in real time. The comprehensive energy consumption per unit product of Jinfeng Lithium's lithium porcelain stone extraction method is controlled at 7.46 tce/t, and the brine extraction method is only 1.30 tce/t, far below the industry average, reducing the carbon footprint of the entire lithium battery industry chain from the upstream source.

Subsidiary Jinfeng Lithium has a planned capacity of 30,000 tons/year of lithium carbonate. The first 10,000-ton production line reached full capacity in 2023. The first-phase project construction has covered workshops, equipment foundations, and public auxiliary facilities for the second phase, providing a strong guarantee for rapid subsequent construction. In 2025, in terms of lithium battery materials, CORUN continuously strengthens business economics by increasing the self-sufficiency rate of lithium resources, enhancing resilience against industry cycles, and demonstrating strong risk response capabilities.

Consumer Batteries Drive Urban Low-Carbon Mobility Network

CORUN's lithium battery packs are mainly used in electric two-wheeled vehicles, shared power banks, and smart home appliances, solving range anxiety and recharging efficiency problems, and reducing carbon footprint.



In the shared power bank business, Yiyang Corun's production and sales scale in the shared power bank sector ranks among the top in China. Shared power banks achieve efficient sharing and utilization of battery resources through circular use, reducing resource waste and carbon emissions from manufacturing personal power banks, representing a typical circular economy practice. CORUN's consumer batteries cover scenarios such as electric scooters, electric two-wheeled vehicles, robot vacuums, and civilian power banks, all playing an active role in fuel substitution, resource conservation, and carbon emission reduction in their respective fields.

In the two-wheeled vehicles battery swap terminal scenario, CORUN innovatively integrates recycling services into the battery swap network. Smart battery cabinets can display battery recycling valuation in real time, allowing users to conveniently complete lithium battery replacement just like the traditional lead-acid battery trade-in model, effectively improving the recovery efficiency of retired batteries. Relying on the closed-loop model of "Battery production - Battery swap operation - Battery recycling," CORUN has simultaneously implemented this model in multiple domestic cities and overseas markets such as Indonesia, incorporating full lifecycle battery management into the green circular chain.

In terms of overseas two-wheeled vehicles "oil-to-electricity" emission reduction, CORUN signed a strategic cooperation agreement with Indonesian local enterprise PT BATTERY BANK INDONESIA (BBK) to build a complete small-power battery industry chain in Southeast Asia covering "battery production - battery swap operation - battery recycling." In Indonesia, the environmental problems caused by over 130 million fuel motorcycles are becoming increasingly severe. The government has clearly set a target to convert 20% of fuel two-wheelers to electric two-wheelers by 2025, a total of 1.8 million vehicles, and plans to completely stop selling fuel two-wheelers from 2040, with the number of electric motorcycles expected to reach approximately 55 million by 2030, accounting for 45% of the total. Through battery product and service exports, CORUN directly promotes the electric substitution of fuel motorcycles in the Southeast Asian market, reducing riders' daily energy costs by about 40% compared to fuel vehicles, lowering carbon emissions in the local transportation sector, while building a closed-loop system of "battery production - battery swap operation - battery recycling," integrating full lifecycle battery management into the green chain.

build a complete small-power battery industry chain in Southeast Asia covering

"Battery production - Battery swap operation - Battery recycling"

by about 40% reducing riders' daily energy costs compared to fuel vehicles

Full Implementation of Large-scale Energy Storage Ecological Strategy, Building Core Competencies of a New Energy System Service Provider

With the "Large-scale Energy Storage Ecological Innovation Consortium" as our core carrier, we position our energy storage business as the most strategically valuable growth pole. Leveraging the synergistic advantages of over 30 consortium members in technology R&D, project construction, capital allocation, and scenario development, CORUN has built a closed-loop operational capability integrating "industry, finance, investment, construction, and operation," forming a three-dimensional business matrix covering zero-carbon park planning and construction, large-scale implementation of independent energy storage power stations, and expansion of overseas solar-storage scenarios. As of the end of 2025, the cumulative construction scale of CORUN's national energy storage projects exceeded 4 GWh, with 1.8 GWh connected and operational, and the total scale of reserved energy storage projects of various types exceeded 15 GWh, making us a benchmark enterprise in the domestic energy storage sector with our ecological model.

4

GWh

the cumulative construction
scale of CORUN's national energy
storage projects exceeded

1.8

GWh

connected and
operational

15

GWh

the total scale of reserved energy storage
projects of various types exceeded

Large-scale Implementation of Independent Energy Storage Power Stations, Multi-technology Leadership

CORUN focuses on energy storage technology innovation, forming technology directions such as hybrid energy storage and grid-forming energy storage, while simultaneously advancing the upgrading of safe operation and maintenance technology, achieving dense implementation of energy storage power stations in key energy strategic regions across the country.

North China: The Hebei Jingxing 200MW/400MWh power station took only 87 days from construction start to grid connection, becoming a benchmark key project in Hebei Province. The Wangdu 100 MW/200 MWh power station has an annual discharge of over 100 million kWh, reducing the curtailment rate by over 10%, reducing carbon by 70,000 tons annually. Projects such as Zhuozhou 200 MW/800 MWh and Boye 100 MW/200 MWh are advancing in an orderly manner, forming a large-scale cluster effect. Among them, multiple pilot projects in Boye, Dingxing, etc., will introduce solid-state and semi-solid-state battery technology routes, creating the first batch of multi-technology route application demonstration projects in Hebei Province.



Northwest China: The Ordos Gushanliang 300 MW/1200 MWh independent energy storage power station was officially put into operation in December 2025. As the world's largest single-capacity grid-forming hybrid energy storage project, it adopts a coupling of LFP and all-vanadium redox flow batteries, with millisecond-level response and long-duration stable operation capability, delivering 400 million kWh of clean electricity annually, expected to reduce CO₂ emissions by nearly 400,000 tons per year.



East China: The Zhucheng Binhe 100 MW/200 MWh hybrid energy storage station in Shandong is the first "LFP + vanadium flow" project, complementing the dual needs of short-duration frequency regulation and long-duration peak shaving through the complementary advantages of the two technologies. The Linyi Luozhuang (Phase I) 100 MW/200 MWh intelligent power station features AI smart operation and maintenance, achieving industry-leading operational efficiency.



Baoding National Zero-Carbon Park Benchmark Development

As a core vehicle for implementing the "dual carbon" strategy, zero-carbon parks are a key scenario for us to practice our ESG strategy and promote energy transition. Leveraging the industrial chain advantages of wind power, photovoltaics, hydrogen energy, new energy storage, and power transmission and transformation (wind, solar, hydrogen, storage, transmission) already formed in Baoding High-tech Industrial Development Zone, the consortium led by CORUN deeply participated in the entire process of the park's application and planning, successfully helping it be selected as one of the first batch of national zero-carbon park construction lists, with a construction period covering 2025-2028.

In terms of construction path, the consortium systematically sorted out the regional industrial base, energy endowment, and carbon emission status, accurately calculated the indicator attainment path, and built a development model of "green power leading, multi-energy complementarity, digital intelligence enabling." Specific measures include: promoting direct green power connection of centralized wind and solar power and distributed photovoltaic development, deploying an electricity-carbon smart system to enhance digital management, and implementing advanced technologies such as hybrid energy storage and waste heat recovery. To ensure project implementation, the consortium, together with local governments, is preparing to establish a 2 billion RMB carbon neutrality industry fund, focusing on cutting-edge technologies and innovation projects in the zero-carbon field. After completion, the park will achieve direct green power connection covering core production processes, with demonstration projects such as industrial and commercial energy storage and green transportation charging and swapping fully operational, becoming a dual engine for regional industrial upgrading and low-carbon transformation.



2 billion RMB

To ensure project implementation, the consortium, together with local governments, is preparing to establish a 2 billion RMB carbon neutrality industry fund, focusing on cutting-edge technologies and innovation projects in the zero-carbon field.

At the same time, CORUN actively replicates the Baoding experience across the country. Relying on the consortium model, CORUN has connected with zero-carbon park planning needs in multiple regions such as Hebei, Hunan, Inner Mongolia, Gansu, Sichuan, Jiangxi, and Guangdong, tailoring systematic solutions to local resource endowments, and promoting zero-carbon parks to move from "single park benchmark" to "national matrix" through technology output and resource/energy mutual support.

Deepening Overseas Solar-Storage Scenarios, Accelerating Integrated Globalization

Keeping pace with the global energy transition trend, we use Hong Kong as a bridgehead to rapidly promote our mature energy storage products and solutions to the global market, opening up an integrated globalization model from single equipment export to full-scenario, full-industry chain.



CORUN, together with consortium partners, established "China Large-scale Energy Storage Ecological Innovation Consortium Group Co., Ltd."

CORUN actively develops overseas energy storage projects in coordination with major downstream customers, providing key battery materials and components for long-duration energy storage systems and data centers. Relying on the consortium, CORUN will provide overseas customers with holistic solar-storage-charging-swapping solutions, effectively addressing local energy shortages. Currently, the consortium's business scope has expanded to the Middle East, Africa, Southeast Asia, and multiple domestic provinces and cities, achieving diverse scenario implementations and creating several benchmark demonstration projects.

Governance and Ethics

Corporate Governance

Investor Rights Protection

Compliance and Risk Management

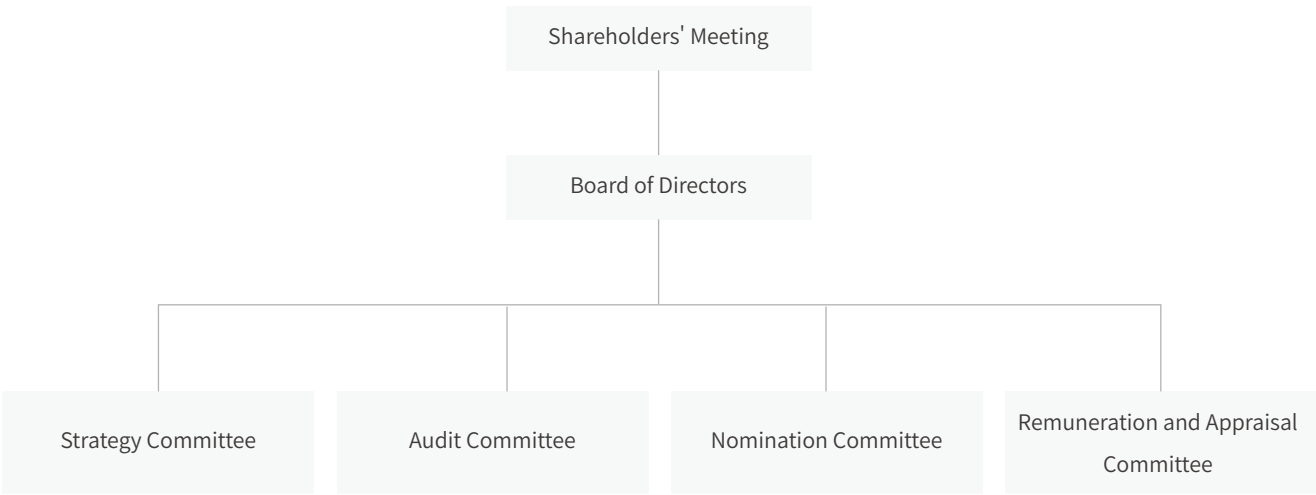
Business Ethics

Corporate Governance

Governance Structure

CORUN strictly complies with the legal and regulatory requirements of the *Company Law*, the *Securities Law*, and relevant regulatory authorities such as the China Securities Regulatory Commission, establishing a governance structure consisting of the Shareholders' Meeting, the Board of Directors, and Senior Management. By implementing CORUN's Articles of Association, we have established a decision-making and execution mechanism with clear rights and responsibilities, separate functions, and effective checks and balances, continuously improving the corporate governance structure.

On December 10, 2025, CORUN held the fifth extraordinary Shareholders' Meeting of 2025 and resolved to pass the "Proposal on Canceling the Supervisory Board and Amending the Company's Articles of Association," merging the functions of the original Supervisory Board into the Audit Committee of the Board in accordance with the revised *Company Law*.



Shareholders' Meeting

CORUN strictly convenes and holds Shareholders' Meetings in accordance with the procedures and relevant requirements of the *Company Law*, *Stock Listing Rules of Shanghai Stock Exchange*, and CORUN's Rules of Procedure for Shareholders' Meetings. All Shareholders' Meetings have lawyers present for witnessing. CORUN fully respects and protects the interests of shareholders, ensuring that all shareholders enjoy equal status and can fully exercise their rights. We have established effective communication channels with shareholders, guaranteeing shareholders' rights to know, participate, and vote on major matters.

Board of Directors

CORUN has established the Rules of Procedure for the Board of Directors. During the reporting period, the Board consisted of 7 members, including 4 non-independent directors (including 1 Chairman) and 3 independent directors. The Board has four special committees: the Strategy Committee, the Audit Committee, the Nomination Committee, and the Remuneration and Appraisal Committee, which play an important role in the scientific decision-making of the Board. The composition of the Board and the special committees complies with the requirements of the *Administrative Measures for Independent Directors of Listed Companies*. The Board strictly follows relevant regulations to perform corresponding approval procedures for major matters within the authority, earnestly implementing the resolutions of the Shareholders' Meeting. All directors attend Board and Shareholders' meetings with a serious and responsible attitude. The directors perform their duties loyally and diligently, make cautious decisions, fully express opinions on matters discussed, ensuring the scientificity and effectiveness of the Board's decisions.

Board Diversity and Competency

CORUN attaches great importance to the diversification of the Board of Directors, believing that complementarity in professional background, industry experience, and gender structure helps enhance the comprehensiveness and resilience of decision-making. When nominating candidates, we fully consider their professional background and age.

At the same time, we continuously strengthen the competency of directors, regularly organizing directors and senior management to participate in special training on corporate governance, information disclosure, etc. By ensuring the independent judgment rights of independent directors in major decisions such as related party transactions, major investments, and executive compensation, CORUN effectively protects the legitimate rights and interests of all shareholders, especially small and medium-sized shareholders.

Board Remuneration Policy

CORUN has established a standardized and transparent remuneration assessment system for directors and senior management, closely linking the incentive mechanism with operating quality. Director remuneration is determined according to their category and performance of duties. Independent directors receive a fixed allowance to ensure the independence of their supervisory function. Non-independent directors receive corresponding remuneration based on their job responsibilities and performance assessment. The remuneration plan for senior management is deeply tied to individual performance and job responsibilities. Through a strict assessment management system, the management's decision-making behavior is aligned with CORUN's long-term development strategy and shareholder interests.

Investor Rights Protection

Transparent Information Disclosure

We perform our information disclosure obligations in accordance with the *Rules Governing the Listing of Stocks on Shanghai Stock Exchange*, the *Company's Articles of Association*, the *Company Information Disclosure Management System*, and other relevant regulations, ensuring the authenticity, timeliness, accuracy, and completeness of disclosed information. CORUN is always committed to improving the readability and effectiveness of information disclosure, facilitating investors' understanding of CORUN's operations, enhancing the transparency of Company information, and ensuring that all shareholders have fair access to the information that should be disclosed. In addition to statutory information disclosure, we actively carry out voluntary information disclosure, fully safeguarding investors' right to know.

At the same time, CORUN strictly implements the *Management System for Insider Information Informants*, actively establishes insider information files, urges relevant personnel to sign insider information confidentiality agreements, and timely registers for the record.

Key Performance

During the reporting period,

CORUN held **3** earnings briefings.

Efficient Investor Communication

CORUN attaches great importance to investor relations management, actively establishing effective communication mechanisms with the capital market, building diversified communication platforms, sincerely listening to investors' voices, and promptly responding to their concerns.

CORUN maintains timely and efficient communication with investors through various channels such as Shareholders' Meetings, earnings briefings, analyst exchange meetings, on-site roadshows, conference calls, the SSE e-interaction platform, investor hotline, and company email, fully understanding investor demands, answering questions, listening to opinions and suggestions, promptly conveying information about CORUN's business development, financial status, product progress, etc., fully protecting the legitimate rights and interests of investors. CORUN regularly holds investor results briefings after the disclosure of periodic reports, at least twice a year. In addition, CORUN engages in face-to-face communication with investors through receptions for investor research, proactive visits to analysts and fund managers, participation in roadshows or reverse roadshows, promptly and deeply understanding investor demands and making targeted responses, actively enhancing investors' recognition of CORUN's value.

In the future, CORUN will continue to be guided by investor needs, continuously strengthen investor relationship management, deepen investors' understanding of CORUN's production and operation, enhance investors' recognition of CORUN's strategy and long-term investment value, and boost investor confidence.

Enhancing Investor Returns

CORUN always puts shareholder interests in an important position, committed to creating long-term, stable, and sustainable investment returns for all shareholders and sharing development results with them through sustained and steady business development. Since our listing in 2003, we have strictly adhered to relevant regulatory requirements and CORUN's Articles of Association, adhering to a stable and sustainable profit distribution policy. In the future, CORUN will increase the proportion of cash dividends when cash flow permits, effectively rewarding investors' trust and support with practical actions. CORUN will continue to uphold a high-quality and sustainable development concept, further improve the investor return mechanism. When formulating profit distribution plans, we will comprehensively consider various factors such as our development stage, profitability, capital needs, and future development investment plans, implementing scientific and reasonable profit distribution policies while ensuring CORUN's healthy and sustainable development, actively sharing CORUN's business development results with all shareholders.



Compliance and Risk Management

Risk Management System

CORUN regards risk management as a "moat" to ensure stable business operations, establishing a comprehensive risk management system covering strategic risk, market risk, financial risk, and operational risk. Based on internal systems such as the Internal Audit System, Authority Management System, CORUN Related Party Transaction Rules, and CORUN Foreign Investment Management System, we have built "three lines of defense": business department self-control, compliance risk management department monitoring, and audit and inspection department auditing, ensuring that risk management functions penetrate to the grassroots of production and operation.

Through regular risk identification, assessment, and response processes, CORUN can keenly capture potential impacts from changes in the internal and external environment. For identified major risks, such as raw material price fluctuation risk, overseas political and exchange rate risk, and energy storage project construction compliance risk, we develop special plans and conduct dynamic tracking to ensure that all risks remain within a controllable and tolerable range, safeguarding CORUN.

Compliance Operation and Internal Control Audit

Compliance operation is the red line for CORUN's long-term development. We strictly abide by national laws and regulations and the regulatory standards of our business locations, establishing a systematic compliance management mechanism to ensure compliance penetrates all processes and links of business operations.

CORUN's internal audit department regularly conducts targeted internal audits and compliance inspections, focusing on high-risk areas such as bidding management, large fund transactions, related party transactions, and contract performance. At the same time, we continuously optimize internal control processes, improve supervisory efficiency through information technology, achieving "process traceability and result traceability." CORUN adheres to the core values of "integrity-based, compliance operation," establishing a sound accountability mechanism for violations, aiming to eliminate illegal and non-compliant behaviors at the source, laying a solid legal foundation for high-quality development of the enterprise in global competition.

Business Ethics

Integrity Operation

Integrity operation is the foundation of CORUN's existence. CORUN adopts a "zero tolerance" stance towards any form of corruption, bribery, unfair competition, and conflicts of interest. We strictly abide by the *Anti-Unfair Competition Law*, the *Anti-Money Laundering Law*, and relevant anti-commercial bribery laws in our operating locations, establishing a moral compliance system centered on the Interim Measures for Reporting Rewards.

This system clearly defines the behavioral boundaries for all employees and management in business dealings, bidding and procurement, government communication, and project construction, ensuring that CORUN's business decisions are always based on the principles of fairness, justice, and transparency. To ensure the integrity attribute of the entire value chain, CORUN requires suppliers to sign the Letter of Commitment to Integrity and Self-Discipline, extending integrity compliance requirements to every link of the Large-scale Energy Storage Ecological Innovation Consortium.

Integrity Culture Building

To build a strong defense against corruption, CORUN has established a closed-loop mechanism for reporting, investigation, and protection. Through the implementation of the Interim Measures for Reporting Rewards and the Employee Reward and Punishment Management System, we have opened diversified channels including letters, phone calls, visits, and emails. CORUN promises to strictly protect the legitimate rights and interests and personal privacy of reporters, ensuring that any clues of violations or irregularities are independently and objectively investigated by the internal audit or disciplinary inspection department, and ensuring the authority of investigation conclusions and the seriousness of accountability.

Reporting Channels:

Reporting Email: jshjb@corun.com

Low-carbon Transition

Environmental Compliance Management

Green Operations

Ecosystem Protection

Environmental Compliance Management

Environmental Management System

CORUN deeply understands that environmental protection is the core dimension of corporate social responsibility, always adheres to the bottom-line thinking of compliance operation, consistently upholds emission management commitments, continuously improves and strengthens the environmental management system, and ensures the safety and stability of the operating sites and surrounding ecosystems through comprehensive and refined management measures.

We strictly abide by a series of national laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Air Pollution Prevention and Control Law of the People's Republic of China*, and the *Solid Waste Pollution Prevention and Control Law of the People's Republic of China*, and actively respond to relevant industry technical guidelines and environmental standards. On the premise of strictly ensuring that wastewater, exhaust gas, and waste emissions comply with legal standards, CORUN takes the initiative to implement a series of emission reduction measures to minimize environmental impact, fulfilling environmental responsibilities with practical actions.

Each subsidiary has clearly established a specialized environmental management department as the responsible department, coordinating core tasks such as environmental system formulation, hazard identification, and monitoring implementation. Production, technology, administration and other departments collaboratively implement environmental responsibilities, forming a pattern of "specialized department coordination + multi-department collaboration." Senior management, as the first person responsible for environmental protection, is fully responsible for environmental protection work, approving environmental management systems, emergency plans, and major rectification plans.

At the same time, each subsidiary has built a systematic environmental management policy system covering the disposal of "three wastes," risk prevention and control, and compliance management. Based on national environmental protection laws and regulations, they have formulated comprehensive documents such as the Environmental Protection Management System and the Hazardous Waste Management System, clarifying the management principle of "legal compliance, prevention first." They implement the "three simultaneities" requirement, promoting the simultaneous design, construction, and commissioning of environmental protection facilities in new construction and renovation projects. They establish a tiered responsibility mechanism, defining environmental responsibilities from top management to front-line employees, incorporating environmental work into assessments to ensure system implementation. During the reporting period, subsidiaries Changde Liyuan, Hunan Copower, and Hebei Corun passed ISO 14001 environmental management system certification.

Key Performance

During the reporting period,

CORUN's environmental protection investment was **6.4864** million RMB, with no penalties for environmental incidents.

Environmental Impact Assessment

To ensure the substantive implementation of environmental management systems, we strictly implement environmental impact assessments for new construction, renovation, and expansion projects, ensuring that environmental protection facilities are designed, constructed, and commissioned simultaneously with the main project. During operation, each subsidiary has formulated the Environmental Factor Identification and Evaluation Control Procedure, clarifying the methods for identifying environmental factors and the criteria for evaluating significant environmental factors. This ensures continuous identification and determination of environmental factors, evaluation of environmental factors, determination of significant environmental factors, and control planning, and provides a basis for establishing targets, indicators and operational controls, as well as timely updates of information on these environmental factors.

Hunan Copower

Fixed annual company-wide environmental factor identification every September, with timely supplementary updates for new processes, equipment, etc.; for soil pollution risk, a special inspection system is formulated, with a comprehensive soil pollution hazard inspection and "look back" every 3 years.

Foshan Keba

Focus on environmental safety hazard identification, establish a "cross-inspection, horizontal to edge, vertical to bottom" network cycle management model, clarifying that comprehensive inspections are conducted at least once a year and daily inspections at least once a month.

Environmental Emergency Management

Each subsidiary has prepared and filed emergency response plans for environmental incidents as required, clarifying the emergency organization structure, response procedures, and material guarantee, and regularly conducts emergency drills. They have established pollution hazard inspection and remediation mechanisms, implementing normalized control over issues such as "running, leaking, dripping, and emitting." They attach importance to the construction of pollution prevention facilities, equipped with environmental protection facilities such as wastewater treatment, exhaust gas purification, and hazardous waste storage to ensure pollutants meet discharge standards.

Jinfeng Lithium: Formulated special emergency plans for thallium and fluorides, establishing precise prevention and control measures for industry-specific pollutants; constructed an accident buffer tank and independent switching pipeline to achieve effective separation of "clean water" from contaminated water under accident conditions; defined graded disposal procedures for exhaust gas abnormalities, triggering early warning when emission indicators approach 60% of standards, initiating investigation at 80%, and taking measures such as adjusting feed or stopping production for rectification when exceeding standards, while reporting to environmental authorities.

Hunan Copower: Developed special emergency prevention measures for soil pollution tailored to Ni-MH battery production characteristics, setting up anti-corrosion and anti-seepage floors and diversion trenches in key areas such as production workshops and hazardous waste temporary storage, constructing three groundwater monitoring wells for real-time water quality monitoring; prepared the Soil Pollution Hazard Investigation ("Look Back") Report, implementing special rectification measures such as replacing Teflon gaskets and adding protective covers for issues like pipeline leakage and equipment water leakage identified during inspections; established a wastewater abnormality disposal mechanism, immediately initiating multi-departmental joint investigation and rectification when test values exceed standards.

Foshan Keba: Integrated environmental emergency management with hazard identification, clarifying that hazard identification should cover emergency training, emergency material reserves, emergency plan drills, etc.; implemented special management for emergency facilities such as emergency water storage ponds and rainwater discharge valves to ensure effective collection of contaminated rainwater and leakage under emergency conditions; established a "five determinations" mechanism for hazard rectification (determining items, time, responsible personnel, funding sources, safety measures), ensuring closed-loop rectification of emergency-related hazards.

Environmental Training and Awareness Enhancement

Each subsidiary regards environmental protection training as foundational work, covering new employee induction training and regular training for existing employees. The training content includes core modules such as environmental laws and regulations, company systems, and emergency response. They have established a training record retention mechanism to ensure traceability of training. Through system advocacy, practical teaching, etc., they strengthen employees' awareness of environmental compliance and risk prevention capabilities.

Hunan Copower

During the reporting period, conducted special training on ISO 14001 system knowledge, environmental factor identification methods, etc., for cadres and key personnel; organized special environmental protection training for the equipment department, with 50 participants all passing the assessment.

Foshan Keba

Integrated environmental protection training into the environmental safety hazard inspection and remediation system, clarifying that training should cover practical content such as hazard identification and emergency response; developed differentiated training focuses for different positions, ensuring frontline employees master skills such as leakage emergency treatment and environmental protection facility operation; improved training relevance and practicality through case studies and on-site demonstrations.



Green Operations

In daily operations, we are committed to reducing our operational carbon footprint through technological transformation, process optimization, and energy structure transformation. We advocate for full employee participation in energy saving and consumption reduction, with a focus on monitoring greenhouse gas emissions throughout the manufacturing process.

In terms of internal operations, CORUN actively evaluates and plans to introduce low-carbon technologies in the future, striving to minimize greenhouse gas emissions while ensuring stable business growth. We are not only beneficiaries of low-carbon technologies but also contributors to green energy solutions, helping to achieve global temperature control goals by building a green and low-carbon production and operation model.

Resource Management

Each subsidiary has built a responsibility structure of "specialized department coordination + multi-department collaboration + top management responsibility," clarifying a specialized department to coordinate core resource management tasks. Production, equipment, and other departments collaboratively implement water and energy use control and facility maintenance. Senior management bears ultimate responsibility for resource management, approving relevant systems, energy-saving targets, and major water-saving measures, ensuring resource allocation.

Each subsidiary bases the policies on national laws and regulations related to energy management, water resource management, energy conservation and emission reduction, and water conservation, formulating management policies covering the entire process of water and energy use control, wastewater treatment, recycling, water and energy-saving measures, etc. Each subsidiary incorporates water and energy-saving targets into production and operation assessments to ensure management implementation.

Energy Management

Each subsidiary regards resource conservation as an intrinsic requirement for sustainable corporate operation, establishing a comprehensive resource consumption monitoring and evaluation system. We conduct classified statistics and benchmarking analysis of energy types such as electricity, natural gas, and fuel. For energy-intensive links in production operations, subsidiaries have implemented a series of special technical transformations: through equipment frequency conversion transformation, production process optimization, and lighting system optimization, effectively reducing the comprehensive energy consumption intensity per unit of product.

Jinfeng Lithium's Multi-pronged Energy Saving and Consumption Reduction

Quantitative Energy Saving Targets

- Comprehensive energy consumption per unit product for lithium carbonate production using lithium porcelain stone extraction method is controlled at 7.46 tce/t, electricity consumption per unit product 6,594.72 kWh/t;
- Comprehensive energy consumption per unit product for brine extraction method 1.30 tce/t, electricity consumption per unit product 2,729.69 kWh/t;
- Comprehensive energy consumption per unit industrial added value of the project 0.8373 tce/10,000 RMB.

Process Energy Saving

- Using sulfate roasting process, utilizing waste heat from tunnel roasting kiln flue gas to dry billets, reducing heat loss; equipped with MVR evaporative crystallizer to improve energy utilization efficiency in the evaporation concentration stage; using counter-current washing process for leaching and washing, reducing energy consumption while minimizing water waste.

Equipment Energy Saving

- Selecting SCB18 energy-saving transformers, grade 1 energy efficiency motors, fans, pumps, and other equipment; adopting variable frequency speed control for leaching tanks, impurity removal tanks, lithium precipitation tanks, and other equipment with large load fluctuations, saving 1,191,300 kWh annually; optimizing operating parameters of screw air compressors and other equipment to reduce power loss.

Building and Lighting Energy Saving

- Production workshop exterior walls use 240mm thick porous bricks or aerated concrete blocks, roofs are equipped with extruded polystyrene boards or rock wool boards insulation layers; civil buildings such as office buildings and R&D buildings use energy-saving structures like external wall insulation and Low-E insulating glass windows; lighting systems use LED high-efficiency light sources and matching ballasts to reduce building energy consumption.

Energy Recovery and Utilization

- Planning to install photovoltaic power generation facilities on steel structure factory roofs, expected to save 12,621,400 kWh annually; realizing recycling of thermal (steam) condensate and cooling water, improving energy reuse rate.

General Layout and Transport Energy Saving

- General layout compactly arranged by functional zones, production workshops and energy centers (high and low voltage power distribution rooms, boiler rooms) placed near energy load centers, shortening material and energy transport distances, reducing transmission losses; optimizing material pipeline design to avoid energy waste from round-trip transport.

In addition, CORUN actively explores the substitution of green energy, planning distributed photovoltaic power generation in suitable factory areas, gradually increasing the proportion of renewable energy in the overall energy structure, aiming to build a low-carbon and efficient energy use model. During the reporting period, Changde Liyuan purchased 10,000 MWh of green electricity, offsetting 989,689.12 tons of CO₂ equivalent, and obtained 3,964.39 MWh of clean electricity through photovoltaic power generation, with green electricity accounting for 23.94% of the total electricity consumption. Hunan Copower obtained 573.37 MWh of clean electricity from photovoltaic power generation, with green electricity accounting for 50.80% of the total electricity consumption.

Energy Type		Consumption		Comprehensive Energy Consumption (tce)	GHG Emissions (tCO ₂ e)
		Unit	2025		
Direct Energy	Gasoline for vehicles	Litre	23,797.57	35.02	69.61
	Diesel for vehicles	Litre	3,343.33	4.87	10.35
	Liquefied petroleum gas	Ton	1.12	1.92	3.55
	Fixed-source diesel	Ton	113.72	165.7	358.22
	Fuel oil	Ton	7.42	10.6	23.08
	Natural gas	m ³	12,306,403	16,367.52	26,606.44
	Methanol	MWh	93.4	54.36	140.1
	Total Direct Energy			16,639.99	27,211.35

*Note: CORUN's Scope 1 direct GHG emissions mainly come from direct emissions from diesel, natural gas, etc. Carbon emission factors for fossil fuels refer to IPCC guidelines and calculation factors published by local governments or authoritative institutions where operations are located.

CORUN's Scope 2 GHG emissions mainly come from indirect emissions from purchased electricity, etc. Carbon emission factors for electricity refer to IPCC guidelines and calculation factors published by local governments or authoritative institutions where operations are located.

Energy Type		Consumption		Comprehensive Energy Consumption (tce)	GHG Emissions (tCO ₂ e)
		Unit	2025		
Direct Energy Intensity Per Million Revenue				2.90	4.74
Indirect Energy	Purchased electricity from external sources	MWh	87,749.417	10.78	51,082.41
	PV power generation	MWh	4,537.76	0.56	0
Total Indirect Energy				11.34	51,082.41
Indirect Energy Intensity Per Million Revenue				0.002	8.89
Total				16,651.33	78,293.76
Intensity Per Million Revenue				2.90	13.63

Water Resource Utilization

CORUN attaches great importance to the scarcity of water resources and is committed to building a "water-saving" enterprise. Each subsidiary sets clear water-saving targets, covering key indicators such as fresh water consumption, water recycling rate, and water consumption per unit of product. They establish regular tracking mechanisms to monitor target progress through water usage data statistics and facility operation monitoring, ensuring effective implementation of water-saving measures.

We vigorously promote process water-saving technologies, significantly improving water reuse rate through wastewater recycling and pure water preparation processes. We are committed to continuously investing in water-saving technology R&D to protect the water resource balance of surrounding ecosystems. During the reporting period, CORUN's total water withdrawal was 398,438 cubic meters.



Jinfeng Lithium Water Conservation Practices

▶ Graded Utilization & Multiple Use

Implement graded utilization of water resources according to the different water quantity and quality requirements of each process link, directing drainage from high-quality water use links to low-quality water demand links, reducing fresh water consumption.

▶ Process Water Saving

Using counter-current washing process for leaching and washing, all washing effluent is reused in the leaching process, avoiding water waste; prioritizing the use of recycled water and secondary thermal (steam) condensate during production, replacing fresh water use.

▶ Recycling System

Building a cooling water circulation system to achieve reuse of cooling water; treated wastewater that meets standards is partially reused in production links, forming a closed-loop model of "water intake - use - treatment - reuse", improving water resource utilization efficiency.

▶ Water-saving Facility Configuration

Selecting water-saving production equipment, appliances, and water treatment facilities to reduce leakage; regularly inspecting and maintaining water pipes and valves in production workshops and office areas to prevent leakage losses.

Pollutant and Waste Management

Adhering to the principle of "Source Reduction, Process Control, End-of-pipe Treatment," CORUN strictly complies with environmental regulations and emission standards at the operating locations, establishing a rigorous pollutant control system for the full industry chain layout.

Each subsidiary has built a three-tier responsibility structure of "specialized department coordination + multi-department collaboration + top management responsibility," clarifying a specialized environmental management department as the responsible unit for pollutant and waste management, coordinating core tasks such as system formulation, monitoring plan implementation, and abnormality disposal. Departments such as equipment and production are collaboratively responsible for the operation and maintenance of pollutant treatment facilities and the control of the three wastes in production links. Senior management, as the first person responsible for environmental protection, approves waste-related systems and major rectification plans, ensuring the allocation of treatment resources.

Each subsidiary, based on national environmental laws and regulations and industry standards, has formulated special management systems covering the entire process of waste gas and wastewater generation, collection, treatment, and discharge, clarifying the management principle of "compliant discharge, prevention first, and discharge up to standard." The system content includes core terms such as discharge limits, treatment process requirements, monitoring frequency, and abnormality disposal procedures. The requirements for the management of the three wastes are integrated into pollutant discharge permit compliance management and quality management systems, ensuring control implementation through standardized systems. In terms of waste management, special management systems covering the entire process of waste classification, collection, storage, transfer, disposal, and emergency response have been formulated, clarifying the management principle of "classified control, compliant disposal, source reduction." The system content includes core terms such as waste classification standards, storage protection requirements, transfer manifest management, disposal unit qualification review, and emergency drills. A full-process ledger recording system is established to ensure traceability of the management process. Through measures such as QR code labels, dedicated storage facilities, and qualification reviews, each subsidiary ensures the compliance of waste management.

Key Performance

As of the end of the reporting period,

all pollution control facilities of existing projects were operating normally, with pollutants such as exhaust gas and wastewater discharged up to standard.

● Jinfeng Lithium

Formulated the Environmental Protection Management System, Management Measures for Emergency Response to Abnormal Exhaust, the Management System for Abnormal Online Monitoring Data Reporting and Disposal of Water and Gas, the Management System for Hazardous Waste and General Industrial Solid Waste;

Formulated special control requirements for industry-specific pollutants, clarified graded disposal procedures for exhaust gas abnormalities, and established an online monitoring data abnormality reporting mechanism, covering four levels of regulatory platforms (national, provincial, municipal, county);

Formulated special control requirements for characteristic pollutants such as thallium and fluorides, clarifying the principle of "test before discharge, discharge one qualified pool at a time" for wastewater discharge; established a rainwater pollution prevention management system, strictly dividing the collection systems for production wastewater, domestic sewage, groundwater, and rainwater into "four waters," prohibiting mixing;

Formulated special disposal requirements for characteristic hazardous wastes such as thallium-containing sludge for lithium salt production characteristics; established inter-provincial transfer approval and filing systems, clarifying that procedures for approval or filing must be followed when transferring waste out of the province according to law, standardizing the completion and approval process of hazardous waste transfer manifests.

● Hunan Copower

Formulated core documents such as the Environmental Protection Management System, the Environmental Operation Control Procedure, the Solid Waste Management Standard, the Hazardous Waste Management Plan;

Focus on characteristic pollutants such as nickel and its compounds, particulate matter, clarifying rigid requirements such as "zero discharge" of industrial wastewater, separate rainwater and sewage systems for domestic sewage;

Formulated differentiated collection and treatment requirements for different pollution-generating links such as alloy treatment, slurry coating, and slitting;

Domestic sewage is treated in a four-compartment septic tank before entering the municipal sewage treatment plant; industrial wastewater is treated by the plant's comprehensive sewage treatment facilities and not discharged externally;

Clarified special control measures for hazardous wastes such as nickel-containing waste and waste alkali liquor; established a hazardous waste QR code traceability system, achieving automatic weight calculation and real-time information upload to the environmental department's designated platform, ensuring consistency of transfer manifests, contracts, and weighing tickets; stipulated that the retention period for hazardous waste disposal-related files (contracts, manifests, etc.) shall not be less than 5 years, and a compliance review of disposal units is conducted every 2 years.

● Foshan Keba

Formulate the Emission Waste Management Standards, Wastewater Management Standards, Foshan Keba Wastewater Station Management System, and Solid Waste Management Standards;

Implemented a strict reporting and evaluation system for changes to waste gas treatment facilities, requiring that the number and location of discharge outlets must be consistent with the pollutant discharge permit registration, and no unauthorized changes are allowed;

Clarified the process indicators, equipment operating parameters, and job operation requirements for pure water preparation and wastewater treatment; detailed regulations on 5S management, shift handover procedures, and abnormality contact mechanisms for the wastewater treatment station;

Clarified the classification methods and management requirements for industrial solid waste, construction waste, and domestic waste, detailed the qualification standards and labeling specifications for hazardous waste storage containers and facilities; established special processes such as "Solid Waste Platform Declaration Process" and "Hazardous Waste Management and Disposal Process," standardizing operations such as annual management plan declaration and transfer manifest completion.

Waste Gas Treatment

Each subsidiary has established core goals of "waste gas discharge up to standard" and "reducing characteristic pollutant emissions," focusing on the control of major pollutants such as particulate matter, sulfur dioxide, and nitrogen oxides. Through self-monitoring, third-party testing, online monitoring, etc., they track emission status and establish monitoring data archives to ensure traceability of emission status.

At the same time, each subsidiary adopts a full-process treatment model of "source control + process collection + end-of-pipe treatment," equipped with specialized treatment facilities (such as wet dust collectors, activated carbon adsorption devices, low-nitrogen combustion devices, etc.) for different pollution-generating links. They implement strict emission standards. After monitoring and verification, emission concentrations of pollutants such as particulate matter, sulfur dioxide, and nitrogen oxides comply with national and local standards, achieving stable discharge up to standard. Emission reduction measures cover three dimensions: source optimization, process control, and end-of-pipe treatment, forming a systematic emission reduction system.

Company Waste Gas Emissions	
Pollutant	2025
Particulate Matter (PM)	4,023.62
Sulfur Oxides (SO _x)	9,683.58
Nitrogen Oxides (NO _x)	46,177.43

Unit: kg

Jinfeng Lithium

Tailored to lithium industry characteristics, adopts a "process optimization + end-of-pipe deep treatment + emergency control" model. Production workshop exhaust gas is treated by desulfurization, denitrification, and dust removal facilities before discharge. Source: adjusting feed parameters, selecting low-pollution fuels to reduce waste gas generation; Process: strengthening equipment sealing maintenance to reduce fugitive emissions; End-of-pipe: installing dedicated exhaust gas treatment facilities; established a graded early warning mechanism for abnormal exhaust gas emissions, triggering early warning when indicators approach 60% of standards, initiating investigation at 80%, and taking measures such as stopping production for rectification when exceeding standards.

Hunan Copower

Adopts a "classified collection + targeted treatment" model. Exhaust gas from alloy treatment, slurry coating, and other links is treated by wet dust collectors; boiler exhaust gas is treated by low-nitrogen transformation. Source: optimizing raw material crushing and mixing processes to reduce fugitive emissions; Process: strengthening equipment sealing maintenance; End-of-pipe: equipped with multiple sets of wet dust removal systems; established a soil pollution co-control mechanism, setting up anti-corrosion and anti-seepage measures around waste gas treatment facilities to prevent secondary pollution.

Foshan Keba

Implements a differentiated treatment plan. Organic waste gas from the filling-drying section of the positive electrode workshop is treated by "wet dust collection + secondary activated carbon adsorption"; particulate matter and nickel and its compounds are treated by series wet dust removal; natural gas combustion waste gas from the boiler room is treated by low-nitrogen transformation. Source: prioritizing low-pollution raw and auxiliary materials, implementing closed transformation of VOCs generation links; Process: regularly conducting operation training for waste gas treatment facilities; End-of-pipe: configuring dedicated treatment devices for different pollutants.

Wastewater Treatment

Each subsidiary has established core goals of "wastewater discharge up to standard" and "reducing pollutant emissions," focusing on the control of chemical oxygen demand, ammonia nitrogen, suspended solids, and characteristic pollutants (such as fluorides, nickel, etc.). Through self-monitoring, third-party testing, online monitoring, etc., they track discharge status and establish monitoring data archives to ensure traceability of discharge status.

At the same time, each subsidiary adopts a full-process treatment model of "source control + process collection + end-of-pipe treatment," equipped with specialized treatment facilities (such as septic tanks, chemical coagulation sedimentation devices, MVR evaporation systems, etc.) for different types of wastewater. They implement strict emission standards. After monitoring and verification, the discharge concentrations of various pollutants comply with national and local standards, achieving stable discharge up to standard. Emission reduction measures cover three dimensions: source optimization, process control, and end-of-pipe treatment, reducing wastewater generation and pollutant discharge through process optimization, equipment maintenance, standardized operations, etc.

Company Wastewater Discharge

Unit: ton

Wastewater Type and Pollutant	2025
Industrial wastewater	37,551
Domestic wastewater	13,082
Chemical Oxygen Demand (COD)	227.65
Ammonia Nitrogen (NH ₃ -N)	15.94
Total Phosphorus (TP)	1.8
Total Nitrogen (TN)	19.87

Jinfeng
Lithium

For production wastewater containing thallium and fluorides, adopts a "process optimization + end-of-pipe deep treatment + emergency control" model. After treatment by sedimentation, filtration, adsorption, and other facilities, it is discharged up to standard. Constructed an accident buffer tank and independent switching pipeline to achieve effective separation of "clean water" from contaminated water under accident conditions. Source: controlling rated water usage, using water-free cleaning or wiping to reduce wastewater generation; Process: strengthening management of wastewater collection tanks and intercepting wells; End-of-pipe: installing online monitoring equipment to monitor treatment effectiveness in real time, establishing a graded disposal mechanism for abnormal discharges.

Hunan
Copower

Adopts a classified treatment model. Domestic sewage is pre-treated in a four-compartment septic tank before being connected to the municipal network and uniformly treated by the Yuelu District Sewage Treatment Plant. Industrial wastewater is deeply treated through a "chemical coagulation sedimentation + MVR multi-effect evaporation" process, achieving 100% recycling of production water. In addition, by establishing an alkali liquor reuse system and introducing concentration equipment, the alkali liquor recycling rate has been increased to 3 times, reducing the amount of alkali liquor outsourced for disposal by 758 tons annually.

Foshan
Keba

Implements a closed-loop model of "pure water preparation - wastewater treatment - reuse." Wastewater is treated by the plant's comprehensive sewage treatment facilities to produce pure water, waste residue, and crystalline salts, with no external wastewater discharge. Equipped with chemicals such as high-efficiency polyaluminum chloride, polyacrylamide, and heavy metal capture agents to assist treatment, improving pollutant removal efficiency. Source: prioritizing water-saving processes; Process: patrolling acid and alkali tanks and associated pipelines at least twice per shift, promptly addressing leaks; End-of-pipe: realizing resource utilization of wastewater through an MVR evaporation system.

Waste Management

Each subsidiary has established core goals of "source reduction, classified control, compliant disposal," focusing on the reduction and risk control of hazardous wastes (such as nickel-containing waste, waste alkali liquor, thallium-containing sludge, etc.). Through full-process ledger establishment, regular supervision and inspection, and disposal data statistics, they track waste generation and disposal status to ensure implementation of reduction measures.

At the same time, each subsidiary adopts a model of "classified treatment + compliant disposal," implementing differentiated treatment for hazardous waste and general industrial solid waste. Hazardous waste is all entrusted to qualified third-party units for disposal, with strict implementation of the transfer manifest system. General industrial solid waste is prioritized for recycling and reuse; non-recyclable parts are entrusted to legal units for disposal. Through qualification review, ledger inspection, regular testing, etc., they ensure that waste disposal meets standards, with no non-compliant disposal incidents. Reduction measures cover three dimensions: source optimization, process control, and end-of-pipe standardization, forming a systematic reduction system.

Company Waste Discharge		
Unit: ton		
Waste Type		2025
Hazardous Waste	Nickel-containing waste	1,323.83
	Waste batteries	3.72
	Nickel-adherent waste	20.64
	Multi-effect evaporation liquid	12.14
	Waste alkali liquor	457.49
	Impurity residue, purification residue, desulfurization gypsum	1,682.62
	Others	30.14
	Total hazardous waste	3,530.58
	Hazardous waste intensity per million revenue	0.61
	Compliance disposal rate (%)	100
Non-hazardous Waste	Total non-hazardous waste	127,357.46
	Non-hazardous waste intensity per million revenue	22.2

Subsidiary	General Solid Waste	Hazardous Waste	Reduction Measures
Jinfeng Lithium	Recyclable metal parts, waste plastic, etc., are regularly recycled; non-recyclable construction waste, domestic waste are collected and transported by logistics department.	Adopts "special storage + compliant transfer" model. Hazardous waste such as thallium-containing sludge is stored in dedicated warehouses with anti-seepage, rainproof, and anti-scattering functions, using dedicated containers such as lined ton bags and plastic drums, strictly implementing the manifest system during transfer.	Technology department optimizes production processes and formulations to reduce waste generation at the source; waste-producing departments use non-toxic, harmless, low-pollution raw materials; strengthen equipment maintenance to reduce material leakage, etc.
Hunan Copower	Recyclable waste packaging bags, iron filings, etc., are sold to material recycling departments; non-recyclable construction waste, domestic waste are collected and transported by professional units.	Introduced alkali liquor concentration treatment equipment, achieving 3 cycles of alkali liquor reuse, reducing alkali liquor outsourced disposal by 758 tons.	Optimize production processes to reduce waste slurry generation; improve efficiency of wastewater evaporation system to reduce concentrate volume; classify and test waste batteries before reuse, etc.
Foshan Keba	Paper is used on both sides, packaging drums are cleaned and reused; non-recyclable parts are temporarily stored by category before unified disposal.	After classified collection, sealed packaging, and QR code labeling, transported by qualified transport units to disposal units; cross-check transfer manifest, contract, and weighing ticket data to ensure zero errors.	Promote paperless office, standardize packaging material recycling processes, optimize production processes to reduce defective product generation, etc.; cooperate with suppliers to establish packaging material recycling mechanisms, achieving resource recycling.

Other Pollution Prevention

Noise Management

CORUN has formulated internal system procedures such as the Waste and Noise Pollution Prevention Management Procedure. Noise sources are treated with measures such as sound insulation, vibration damping, and wall greening attenuation. According to third-party monitoring, noise emissions at all monitoring points in the plant area comply with the requirements of the *Emission Standard for Industrial Enterprises Noise at Boundary* (GB 12348-2008), with both daytime and nighttime values stably meeting the Class 3 standard limits, and some areas meeting the Class 2 standard, effectively reducing the impact of production on the surrounding environment.



Ecosystem Protection

Responsible Mining and Mine Ecological Restoration

CORUN deeply understands the importance of symbiosis between mineral resource development and ecological environmental protection. We always run the "Green Mine" concept throughout the exploration, mining, and beneficiation of lithium resources. We strictly abide by the *Mineral Resources Law* and the ecological red line regulations of our operating locations, formulating and implementing policies such as the Green Mine Construction Management Specification and the Mine Ecological Environment Restoration and Treatment Plan.

In mining and beneficiation operations, CORUN adheres to the principle of "mining, treatment, and restoration simultaneously":

Topography restoration	Vegetation reclamation	Waste rock and tailings management
For slopes and open-pit mines formed by mining, implement cut-off drainage projects and bio-slope stabilization techniques to prevent soil erosion and water loss.	Select native plant species suitable for the local climate for ecological replanting, committed to restoring the habitat function of the mining area, minimizing interference with the original ecosystem.	Standardize the construction of tailings ponds with anti-seepage and dust control measures, ensure the safety of surface water and groundwater around the mining area through real-time displacement monitoring and environmental protection inspections, maintaining regional ecological balance.

Green Engineering Construction and Habitat Protection

During the construction of energy storage power stations and supporting facilities, CORUN strictly controls the impact of construction activities on surrounding biodiversity. By implementing policies such as the *Management Guidelines for Ecological Protection of Construction Projects*, CORUN conducts detailed environmental impact assessments in the early stage of projects, proactively identifying and avoiding ecologically sensitive areas.

CORUN is committed to continuously exploring a harmonious path between mineral development and biodiversity protection, conducting regular ecological monitoring to ensure that CORUN's development footprint is aligned with the sustainability of the natural environment, preserving green mountains and clear waters for the operating locations.

Key Performance

During the reporting period,

CORUN's subsidiary Donglian Mining restored

9,160 square meters of vegetation

planted

4,500 trees

Innovation and Quality

Green Technology Innovation
Industry Chain Synergy
Product Quality and Customer Service

Green Technology Innovation

Technological innovation is the key support for core product competitiveness. Breakthroughs in green technology enable core products to achieve market premium, directly driving stable revenue growth. Technology protection can prevent the loss of core resources and reduce the risk of infringement losses. At the same time, technology transformation can bring direct benefits to CORUN.

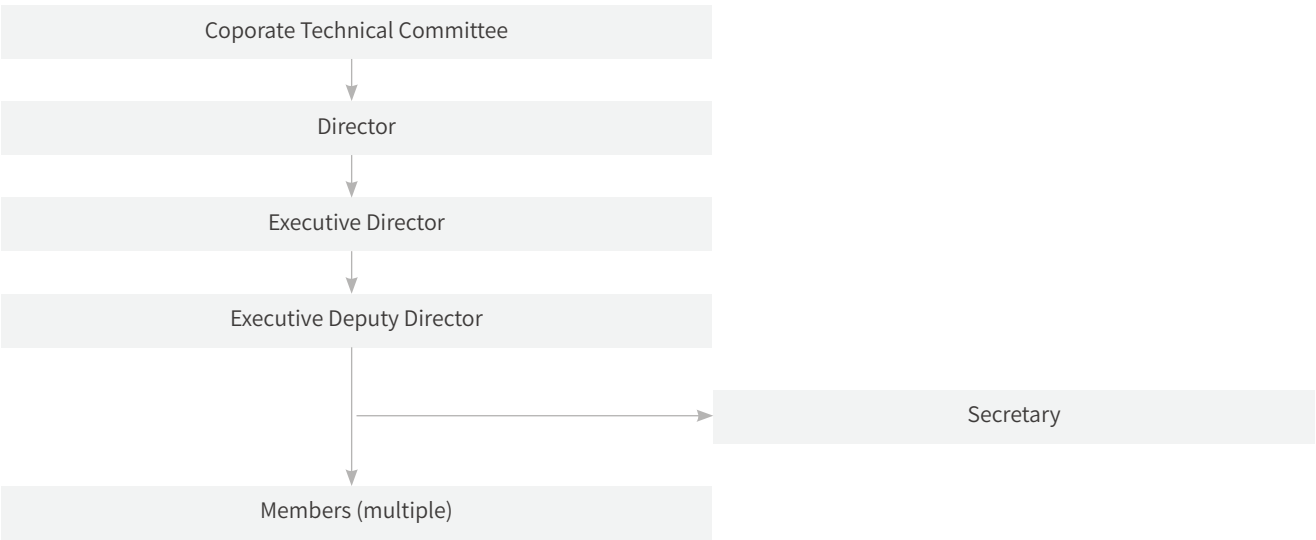
As a benchmark enterprise in the new energy field, our green technology innovation can promote overall industry upgrading. By leading or participating in the formulation of industry standards, outputting core technology solutions, driving technological iteration in the industry chain, our technology management system sets a benchmark for the industry. Technology cooperation and talent training efforts help build an industry innovation ecosystem, aligning with the national "dual carbon" strategy.

Indicator Type	Specific Indicator	Target	Progress in Reporting Period
Financial	Green technology R&D investment as % of revenue.	Adhere to innovation-driven approach, actively carry out R&D of new green technology products and materials, increase R&D investment, provide power source for company business layout.	During the reporting period, green technology R&D investment as a percentage of operating revenue was 1.57%.
Impact	Number of new green technology invention patents.	Annual applications ≥ 20, cumulative authorized volume increasing year by year.	As of the end of reporting period, held 691 valid patents, including 359 invention patents, 270 utility model patents, and 62 design patents; among them, 646 domestic patents and 45 foreign patents.
	Number of cooperative universities/research institutes	Focus on green technology innovation, aggregate multi-party forces of government, industry, academia, research, finance, service, innovate cooperation models with universities/research institutes, set a benchmark for the large-scale energy storage ecology.	Cooperate with renowned universities such as Central South University and Wuhan University.

Governance

Responsibility structure: CORUN has established a three-tier model of "The Board strategic coordination, senior management implementation leadership, specialized department execution." The Board incorporates green technology R&D and innovation into the core of CORUN's strategy, reviewing R&D strategic plans and major resource investments. Senior management leads the decomposition and implementation of R&D targets, coordinating cross-departmental resource linkage. A Technology Development Department is established as a specialized functional department, fully responsible for R&D project control, innovation process optimization, and R&D resource allocation.

Organizational Structure of the Technical Committee



System and system construction: CORUN has formulated a series of management systems related to R&D activities, such as the R&D Project Management Process, the Project Incentive Policy Design Guide, and the Work Task Process Incentive Measures, covering the entire process from basic research to applied development, from product concept design to actual implementation.

Target management: CORUN has formulated specific and quantifiable green R&D and innovation targets based on strategic development needs, covering core indicators such as R&D investment proportion, number of new product R&D, technology patent applications, and achievement transformation rate. We have established a regular mechanism of monthly tracking, quarterly evaluation, and annual review to dynamically monitor target progress and timely optimize and adjust strategies.

Strategy

CORUN identifies core risks and opportunities through technology trend tracking, industry peer research, and customer demand feedback. Risks mainly include loss of core technology talent, unsatisfactory returns on R&D investment, intellectual property infringement risks, and lagging technological iteration. Opportunities are reflected in policy support for the new energy industry, industry technology upgrade demands, and cross-scenario technology application expansion.

Response measures: Short-term, focus on stable R&D investment and continuous output of invention patents. Medium-term, promote the expansion and application of core technologies to more new scenarios, striving to reach industry-leading levels in key technology areas such as hybrid energy storage and long-duration energy storage. Long-term, committed to building a full-industry-chain green technology innovation ecosystem, becoming a leader in new energy industry technology standards.

Financial impact: Short-term, increased R&D investment will generate revenue through patent conversion and technology services. Medium-term, large-scale application of technologies can reduce production costs and improve gross margin. Long-term, technology standard output and technology services will open up stable revenue channels, further increasing their share of revenue.

Impacts, Risks and Opportunities Management

CORUN has established a green technology talent incentive mechanism, implementing equity and option incentives to retain core teams. We have formulated a feasibility analysis process for R&D projects, dynamically tracking project progress to ensure the effectiveness of investment. We have built an intellectual property risk early warning system, regularly conducting infringement checks. We have established a special fund for green technology innovation to ensure continuous iteration of core technologies.

Technology Leadership

CORUN has built a system of full-level coordination and full-process control, using green technology R&D and innovation as the core driving force for development. We have established multiple R&D bases, providing a solid carrier and support for R&D innovation. The National Engineering Research Center for Advanced Energy Storage Materials, initiated by CORUN, collaborates with Central South University, Wuhan University, Shenzhen University, etc., to jointly build an interdisciplinary industry-university-research innovation consortium in the fields of new energy, new materials, and new technologies. Focusing on business needs, CORUN accelerates the R&D of key core technologies in new battery and material development, new lithium carbonate smelting technologies, battery recycling, and energy storage, providing solid support for the engineering and industrialization of scientific and technological achievements.



National Engineering Research Center for Advanced Energy Storage Materials

As of the end of the reporting period, CORUN had 246 R&D personnel, accounting for 7.43% of total employees. During the reporting period, CORUN's R&D investment was 90,041,700 RMB, accounting for 1.57% of operating revenue.

As of the end of the reporting period, CORUN has achieved breakthroughs in a number of cutting-edge technologies, including but not limited to innovative lithium extraction technology, hybrid energy storage technology, energy storage system integration technology, intrinsically safe aqueous nickel-hydrogen battery material technology, high-performance hydrogen production from water electrolysis material technology, and solid oxide fuel cell key material technology.

Case Large-scale implementation of hybrid energy storage technology, solving the adaptation problem of single technology

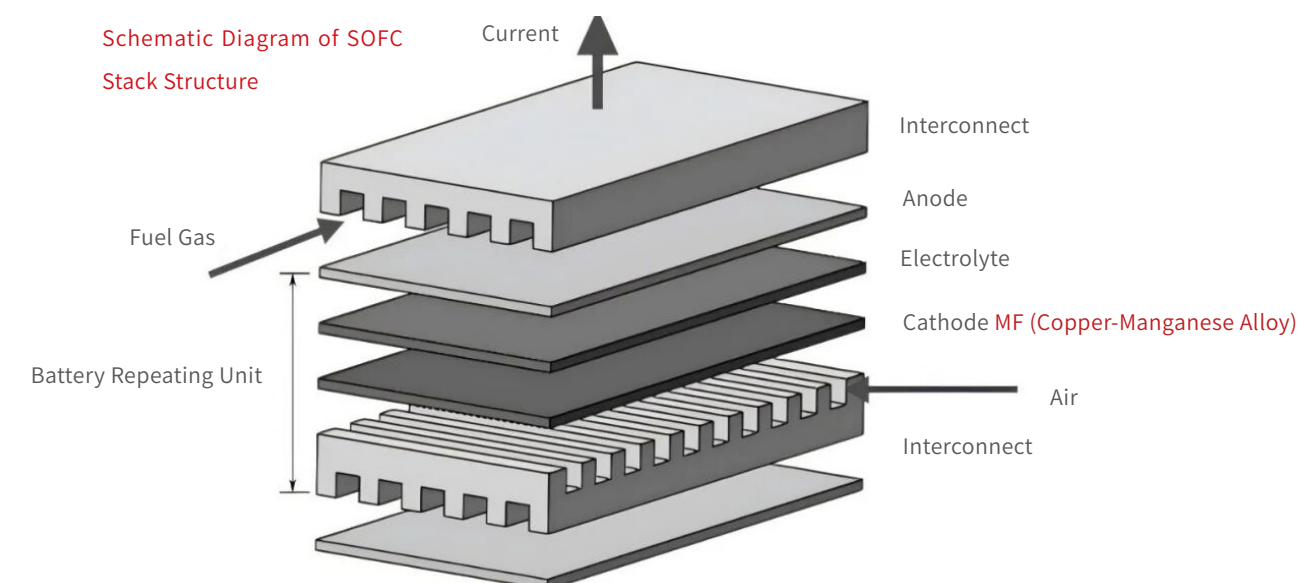
CORUN promotes the large-scale application of hybrid energy storage technology, implementing two benchmark projects. The Shandong Zhucheng Binhe independent energy storage power station is the first LFP + vanadium flow battery hybrid energy storage project, balancing energy and power density through technology matching, adapting to short-duration frequency regulation and long-duration peak shaving needs. The Ordos Gushanliang 300 MW/1200 MWh power station adopts grid-forming hybrid energy storage technology, coupling LFP and all-vanadium redox flow batteries, with millisecond-level response and long-duration stable operation capability, delivering 400 million kWh of clean electricity annually. These two technological breakthroughs effectively solve the industry pain point of insufficient power/duration adaptation of single energy storage technology, providing dual guarantees for grid stability.



CORUN promotes the large-scale application of hybrid energy storage technology

Case Core material technology breakthrough, filling domestic gap in SOFC field

Subsidiary Changde Liyuan, deeply engaged in material R&D, successfully broke through the 3D porous foam copper-manganese alloy technology, filling the domestic gap in cathode current collector materials for solid oxide fuel cells (SOFC). This material is tailored for the 600-1000° C working environment of SOFC, optimizing thermal expansion coefficient and electrical conductivity, solving the problems of poor compatibility and performance degradation of traditional ceramic materials. Relying on this breakthrough, SOFC power generation efficiency is increased to over 60%, and combined heat and power efficiency exceeds 85%. Samples have been sent to 7 downstream key customers, with one achieving small batch supply, strongly promoting the large-scale and commercial process of China's SOFC industry.



CORUN's subsidiary, Changde Liyuan, achieved a breakthrough in 3D foam metal, boosting the industrialization of solid oxide fuel cells (SOFC)

Case Conquering solvent-free dry electrode process, establishing mass production path for all-solid-state batteries

Through the consortium's "R&D + capital increase + scenario" approach, we have achieved phased breakthroughs in solid-state batteries. We strategically invested in Zhonggu Times, laying out R&D and pilot lines in Baoding. In terms of core processes, we conquered solvent-free dry electrode technology, significantly reducing interface impedance and removing barriers to mass production. During the reporting period, the Boye and Dingxing solid-state battery demonstration projects (10 MW/40 MWh each) have been launched, verifying the large-scale application prospects of solid-state batteries in the energy storage field through multi-energy complementary solutions.

Intellectual Property Protection

Against the backdrop of global economic and trade competition, a development strategy based on intellectual property is becoming increasingly critical. In line with our operational development and R&D blueprint, we use patents and trade secrets as the two major types of IP to dual-track protect our technological innovations and trade secret information.

Patent Management System

CORUN has established a three-tier responsibility control system: the Board coordinates IP strategic planning, senior management leads implementation, and the Technology Center's Technology and Information Department serves as the specialized functional department, fully responsible for the application, maintenance, utilization, and enforcement of IP rights.

CORUN has formulated a comprehensive patent management strategy and patent management system. Through documents such as the Intellectual Property Management Process and the External Technology Cooperation Management Process, CORUN ensures the comprehensive, efficient, healthy, and sustainable development of CORUN's IP. By adopting innovative patent strategies and multi-faceted risk controls, we plan a forward-looking mid-to-long-term technology patent blueprint. We expand patent families around key technical indicators. CORUN implements graded management of patent application, maintenance, and whole process, strengthens the scope of protection through patent application quality management, and continuously builds a large-scale and quality-focused patent strategic landscape.

To stimulate the innovative vitality of all employees, CORUN has adopted multiple measures to encourage R&D and innovation, including establishing an IP reward system, implementing whole-process IP management for R&D projects, and incorporating R&D and innovation effectiveness into the core performance evaluation system, forming an innovative development ecology of "policy guidance, incentive guarantee, and assessment drive."

Secret Protection

CORUN implements strict control over technical secrets, signing the IP Ownership, Confidentiality and Non-Compete Agreements with core technical personnel, strictly stipulating matters during and after their employment regarding confidentiality and infringement. CORUN prevents illegal transfer of source code through physical isolation, restricts the dissemination of information assets through encryption software and permission management, and conducts code reviews during R&D to ensure legal and compliant citation of external code.

Industry Collaboration

CORUN attaches great importance to industry-university-research cooperation. We actively build diverse cooperative ties with universities, research institutes and ecosystem partners, and boost exchanges and collaboration with domestic and international peers. We effectively organize and leverage social resources to support corporate innovation and drive the development and innovation of industrial technologies.



Standard Setting

CORUN is committed to promoting industrial development, actively participating in or leading the formulation of relevant international standards, national standards, industry standards, and group standards, implementing national standardization reform measures, promoting the formation of a new standard system with coordinated development and coordination between standards led by the government and standards autonomously developed by the market, and improving the standardization promotion mechanism involving multiple parties such as government, social organizations, enterprises, and research institutions, with upstream and downstream industry chain collaboration.

CORUN's National Engineering Research Center for Advanced Energy Storage Materials, as the main drafting unit, participated in the formulation of two important standards: the *Paste Coated Paper for Primary Batteries (QB/T 2303-2024)* and the *Primary Batteries - Part 6: Guidance on Environmental Aspects (GB/T 8897.6)*, which not only has filled the gaps in product quality and environmental friendliness requirements in related fields but also demonstrated CORUN's leadership in green battery technology.

In the Indonesian market, CORUN, together with partners, has participated in setting local market standards for batteries and battery-swapping cabinets, empowering the global upstream and downstream industry chain through the dual-wheel drive of "technology output + standard setting."



The National Engineering Research Center for Advanced Energy Storage Materials participated in the formulation of two important standards



Key Performance

As of the end of the reporting period,
the Center has cumulatively formulated more than **30** national, industry, and various standards.

Industry Exchange

Ecosystem building, promoting industry development: CORUN actively participates in industry high-level decision-making consulting. Chief Scientist Professor Zhong Faping has been appointed as the Director of the Expert Steering Committee for the Creation of National Zero-Carbon Parks and the Director of the Industrial Ecological Innovation Consortium Committee of the China Sustainable Development Research Society. Based on the model of "precise problem setting, precise answering, precise evaluation," CORUN provides suggestions to the government and industry, advocating the creation of a national-level large-scale energy storage ecological innovation model. Through the output of "intangible assets" such as technology standards and model innovation, CORUN helps solve industry involution and promotes high-quality development of the energy storage industry.

Industry-university-research co-creation, activating new-quality productive forces: CORUN entered into in-depth strategic cooperation with Tianjin University, which ranks first in the country in the discipline of Energy Storage Science and Engineering. Relying on the innovation consortium, both parties focus on key areas such as solid-state batteries, smart operation and maintenance, and power station integration to carry out "organized research." By jointly building pilot platforms and achievement transformation bases, CORUN deeply links the cutting-edge research achievements of universities with practical application scenarios, achieving efficient transformation and implementation of high-value IP.

Strategic synergy, accelerating cutting-edge technology implementation: CORUN signed strategic cooperation agreements with Zhonggu Times and Taihang Advanced Energy Storage Technology Research Institute to conduct joint R&D in areas such as solid-state batteries, DC-DC hybrid interconnection, and dry electrode processes. By increasing our investment in Zhonggu Times by 10 million RMB, we effectively promoted the landing of a solid-state battery R&D base and pilot line in Baoding, Hebei, further strengthening our patent layout and technological first-mover advantage in next-generation battery technology.

Case Accelerated R&D of solid-state batteries, building an industry-university-research collaborative innovation platform

CORUN, together with Zhonggu Times and Taihang Advanced Energy Storage Technology Research Institute, built an R&D platform to accelerate the integrated innovation of solid-state batteries and dry electrode technologies. The three parties focus on cutting-edge directions such as solid-state batteries and DC-DC hybrid interconnection, adopting a model of "technology complementarity + scenario traction" to solve industry challenges such as the sensitivity of solid-state electrolytes and complex processes. The dry electrode process eliminates the use of solvents, improves interface purity and production efficiency, and adapts to the mass production needs of all-solid-state batteries. We provide new battery solutions with higher energy density and greater safety for the energy storage industry.



Collaborate with partners to accelerate the development and application of solid-state batteries and dry electrode processes

Industry Chain Synergy

Supply chain stability is the core guarantee for production and delivery. CORUN cooperates with many suppliers to promote supply chain construction, ensuring the continuity of energy storage equipment production and project delivery, effectively avoiding interruption losses. Integrity management and supplier compliance audits can reduce cooperation risks and avoid cost waste caused by benefit transfer. CORUN actively drives the coordinated development of upstream and downstream enterprises, supports supplier growth, promotes regional economic development, implements supplier integrity agreement signing, and maintains a fair competition environment in the industry.

Governance

CORUN has established an architecture of "Deputy General Manager for Procurement leadership - Procurement Department execution - multi-department collaboration." The Procurement Department is responsible for supplier selection, cooperation management, and integrity agreement signing. The Quality and Environmental Department conducts supplier audits. The Disciplinary Inspection Department is responsible for supply chain integrity supervision. The Finance Department controls procurement costs. The Production Department provides feedback on raw material needs.

CORUN has established a supplier evaluation system, conducting comprehensive evaluations of suppliers after project implementation. We sign contracts with suppliers, specifying green, low-carbon, and compliance requirements, and attach the implementation plan as an appendix to the contract to bind suppliers.

Strategy

CORUN identifies core risks and opportunities through supplier research, policy tracking, etc. Risks mainly include abnormal supplier cooperation, procurement process compliance risks, insufficient supply chain adaptability, etc. Opportunities are reflected in supply chain efficiency improvements brought by ecological procurement model optimization.



Response measures: Short-term, focus on standardized whole-process management of suppliers, improving processes for supplier selection, contract signing, production tracking, etc. Medium-term, promote the application of procurement platforms, optimize supplier resource allocation. Long-term: continuously improve the supplier evaluation system, build a transparent and responsible harmonious supply chain, and improve the overall stability and efficiency of the supply chain.



Financial impact: Short-term, cost control is achieved through standardized whole-process supplier management and reducing losses from abnormal cooperation. Medium-term, procurement costs are reduced through procurement optimization and transparent procurement implementation. Long-term, through supplier resource optimization and supply chain synergy improvement, the operational efficiency of the supply chain is further enhanced.

Impacts, Risks and Opportunities Management

CORUN strictly implements whole-process supplier management requirements, dynamically tracking supplier production compliance, and coordinating technical communication and handling of abnormal issues. CORUN strengthens integrity risk education for procurement personnel, enhances dynamic supervision of procurement transactions, and ensures fairness and justice in the procurement process. CORUN establishes a supplier evaluation system, conducts comprehensive evaluations of suppliers after project implementation, and continuously optimizes supplier resources. CORUN promotes green procurement strategies, preferring suppliers with environmental management advantages to reduce operating costs and environmental impact.

Industry Chain Ecological Synergy

Industry chain ecological synergy is a core lever for CORUN to practice the ESG development concept and empower high-quality development of the new energy industry. With the Large-scale Energy Storage Ecological Innovation Consortium as our core carrier, we deepen the full-domain linkage of industry, academia, research, finance, service, and application, open up the synergy chain between upstream and downstream supply chains, innovate industry development models, and implement synergistic practices from resource integration, supply assurance, and industry leadership, promoting the industry from fragmented competition to value symbiosis and building a sustainable industrial ecosystem.



Case Mine-storage integration, two-way synergy, creating closed-loop value from resources to scenarios

CORUN has built an integrated full-industry-chain layout from mines to terminal energy storage, forming a complete closed loop of "mine - lithium carbonate - energy storage product - power station operation." Relying on a resource reserve equivalent to 400,000 tons of lithium carbonate, CORUN solves the pain point of raw material price volatility from the source, providing an extremely cost-effective internal supply closed loop for downstream energy storage systems. At the same time, relying on the large-scale scenario of cumulative energy storage project construction exceeding 4 GWh, 1.8 GWh connected and operational, and reserved projects exceeding 15 GWh, we effectively drive the continuous release of upstream production capacity, achieving two-way empowerment of resource business and energy storage business. This full-industry-chain closed-loop model not only guarantees supply stability but also enhances profit resilience through the dual income sources of "energy storage cabinet sales + power station operation dividends," establishing a unique industry competitive advantage.

Case Ecosystem model breakthrough, leading the industry's anti-involution transformation

Faced with the low-price disorderly competition in the industry, CORUN adopts a three-dimensional drive of "technological breakthrough + model innovation + ecosystem building" to promote the industry's shift from price competition to value symbiosis. Through the consortium model, we integrate full-industry-chain resources, focusing on breakthroughs in core technologies such as hybrid energy storage and grid-forming energy storage, driven by scenario needs. We innovate the integrated model of "industry, finance, investment, construction, operation," breaking down the barriers of single links. We output replicable ecological cooperation models, recognized and promoted by multiple local governments. This anti-involution practice injects new momentum into high-quality industry development and sets a benchmark for ecological collaborative development.



The 2 GWh energy storage production line was successfully commissioned, and the Large-scale Energy Storage Ecological Innovation Consortium accelerated the implementation of full-chain solutions

Case Fund synergy breakthrough, CORUN deep cultivation in value-oriented energy storage sector

In July 2025, the Kaibo Advanced Energy Storage Innovation Industry Fund, in which we invested, completed its expansion filing, increasing its total scale from 402 million RMB to 1.402 billion RMB. Using capital as a link, CORUN, together with China Innovation Aviation, Kaibo Capital, and other industrial and capital parties, integrates high-quality resources of the energy storage industry chain. Relying on our technology R&D and project operation accumulation, we open up the full-cycle chain of energy storage project development, investment, construction, and operation, optimize the industrial financing structure, explore new models of industry-finance collaboration, use fund empowerment to solve industry development pain points, and help the energy storage industry shift from scale competition to value cultivation.

Case Consortium expansion empowerment, securing large-scale pilot projects

The Large-scale Energy Storage Ecological Innovation Consortium has continuously expanded to over 30 member units, achieving full coverage of industry, academia, research, finance, service, and application, building a complementary ecosystem. Relying on our resource integration capability, the consortium successfully won a 5.2 GWh independent energy storage pilot project in Hebei, with 10 projects from 6 member units selected, covering multiple technology routes. By building a shared platform for technology R&D, capital guarantee, and market expansion, the consortium breaks the development limitations of a single entity, achieves efficient resource allocation, provides comprehensive support for rapid project implementation, and demonstrates the large-scale advantages of ecological synergy.



Hybrid energy storage gains momentum, as CORUN and other Consortium members secured a 5.2 GWh independent energy storage power station project

Case Deep supply chain synergy, ensuring self-supply of core components

CORUN coordinates with consortium members to build a closely synergistic supply chain system, achieving internal collaborative supply of core components for energy storage systems, forming a complete supply closed loop from core components to system integration. This synergy model not only guarantees the delivery timeliness and quality of energy storage power station projects but also drives upstream and downstream enterprises to simultaneously advance green transformation, reducing the overall carbon footprint of the supply chain and enhancing overall industrial competitiveness.

Each subsidiary of CORUN has built a full-process supplier management system characterized by "clear organization, comprehensive system, strict access, dynamic assessment, and standardized exit," ensuring supply chain stability and efficient synergy through standardized and differentiated management.

Supply Chain Management System

Each subsidiary has clearly designated the PMC Department as the responsible department for supply chain management, taking the lead in full-process supplier management, responsible for core tasks such as qualification file establishment, contract negotiation and signing, annual evaluation organization, cost accounting, and daily relationship maintenance. The Quality Department collaborates on supplier system audits, monthly performance evaluations, quality abnormality handling, and rectification effectiveness verification. The Manufacturing Department, Technology Department, and Legal Department participate in supplier evaluation and management from the dimensions of production adaptability, technical compliance, and contract compliance, forming a management structure of "PMC Department coordination + multi-department collaboration." Senior management bears ultimate responsibility, responsible for approving key matters such as procurement contracts, supplier access, and exit decisions, ensuring the allocation of supply chain management resources and risk control implementation.

Each subsidiary has formulated a comprehensive supply chain management policy system, with the Procurement Management Regulations and the Supplier Daily Performance Management System as the core, covering the entire process of supplier access, evaluation, contract management, delivery control, quality acceptance, abnormality handling, and exit mechanism. The system clarifies that, according to the degree of impact of materials on the product, procurement materials are divided into three categories: A, B, and C, with differentiated procurement processes and control intensity implemented. Supply chain management related requirements have been integrated into quality management system certifications such as ISO 9001:2015 and IATF 16949:2016, laying a solid foundation for supply chain management through systematic requirements.



Supplier Access Evaluation and Due Diligence

Each subsidiary has established a strict supplier access evaluation mechanism, implementing classified audits: For Category A core material suppliers, preference is given to selection from the List of Qualified Suppliers. New suppliers need to follow the New Supplier Development Procedure, with audits covering qualification documents such as business licenses, three-system certificates (quality management system, environmental management system, occupational health and safety management system), ROHS/REACH hazardous substance test reports, comprehensively evaluating supply capacity, technical level, price competitiveness, and service response speed, with on-site inspections or sample testing as needed. For Category B and C material suppliers, they need to provide basic qualifications such as business licenses, and Category C suppliers are selected through comparison of three quotations.

Supplier Dynamic Assessment and Exit Mechanism

Each subsidiary has established a dynamic assessment system of "monthly evaluation + annual overall evaluation," with QCDS (Quality, Cost, Delivery, Service, Environmental Compliance) as the core evaluation dimensions, with a full score of 100 points. According to the score, they are divided into four grades: Excellent (≥ 95 points), Good (70-94 points), Qualified (60-69 points), and Unqualified (<60 points). From January to February each year, the PMC Department leads the annual overall evaluation, combining monthly data to form a comprehensive evaluation result. The assessment results are directly applied to cooperation management: Excellent suppliers receive priority cooperation rights and better payment terms; Good suppliers maintain stable cooperation with targeted improvements; Qualified suppliers need to submit improvement plans and accept monthly tracking; if qualified for two consecutive years, their cooperation qualification is reassessed. Suppliers rated Unqualified in the annual evaluation are directly disqualified from supply and placed on the "Supplier Blacklist," with no cooperation allowed for 3 years. Suppliers with major abnormalities in monthly data undergo temporary evaluation; if rectification is ineffective, cooperation is terminated.

In addition, the Quality Department of each subsidiary annually formulates a system audit plan for Category A material suppliers, prioritizing on-site audits. The audit content includes the completeness of the quality management system, process control capability, inspection and testing capability, etc. The audit results form the Supplier System Audit Report, and suppliers that fail the audit are issued the Improvement Plan and rectification effectiveness is tracked.

Product Quality and Customer Service

Product quality and customer service are important components of a company's core competitiveness. Stable quality and excellent service are key to core customer retention and repurchase, can reduce quality complaints and after-sales costs, support product premiums, while protecting consumer rights, promoting industry quality standard improvement, enhancing brand credibility, and driving healthy industrial development.

Indicator Type	Specific Indicator	Target	Progress in reporting period
Quality	Product Sampling Conformity Rate	≥ 99.8%	Achieved
	Non-conforming product rework/repair rate	≤ 0.5%	Achieved
	Quality complaint occurrence rate	≤ 0.3%	Achieved
	Quality issue rectification closure rate	100%	Achieved
Customer Service	Customer demand response time	≤ 2 hours	Achieved
	Customer complaint handling closure time	≤ 48 hours	Achieved
	Customer satisfaction	≥ 95 points (out of 100)	Achieved
	Customer repurchase rate	≥ 85%	Achieved
	Service complaint rate	≤ 0.2%	Achieved

Governance

Responsibility structure: CORUN has established a three-tier model of "The Board strategic coordination, senior management implementation leadership, specialized department execution." The Board reviews plans for quality management infrastructure construction, annual plans, etc., providing resource support for quality and service management. The general manager of each subsidiary, as the top manager of the corresponding enterprise, leads the decomposition and implementation of quality and service targets, coordinating cross-departmental resource linkage. The Quality Department, as a specialized functional department, is fully responsible for quality standard formulation, inspection and testing, non-conforming product disposal, and other core tasks. The dedicated customer service department coordinates customer demand response, complaint handling, satisfaction management, etc. R&D, production, procurement, sales, and other departments collaboratively implement quality control and customer service responsibilities in each link.

System construction: Each subsidiary has built a multi-level, full-coverage management policy system, with the Management Manual as the guideline, supported by special documents such as the Product Monitoring and Measurement Control Procedure, the Non-conforming Product Control Procedure, the Customer Satisfaction Measurement Control Procedure, and the Customer Service Management Standard, clarifying full-process quality control requirements from procurement, production, inspection to after-sales, as well as core customer service link specifications such as customer demand identification, graded complaint handling, and after-sales service. Relevant requirements are integrated into quality management system certifications, laying a solid foundation for management through systematic requirements.

Target management: Each subsidiary formulates specific quality and customer service management targets based on strategic development needs, covering core directions such as quality pass rate, customer complaint handling timeliness, and customer satisfaction. They establish a regular mechanism of monthly tracking, quarterly evaluation, and annual review to dynamically monitor target progress and timely optimize and adjust strategies, ensuring the implementation and effectiveness of management requirements.

Strategy

CORUN identifies core risks and opportunities through customer demand research, industry trend tracking, and quality data review. Risks mainly include unstable product quality, untimely customer demand response, customer loss due to improper complaint handling, and compliance pressure from industry quality standard upgrades. Opportunities are reflected in the growth of customer demand for high-quality products and value-added services, and the enabling of digital technology in quality control and customer service.



Response measures

Short-term, focus on full-process quality control and customer service response efficiency improvement, ensuring quality standards and timely handling of customer demands. Medium-term, introduce digital technology, build a quality traceability system and digital customer service platform, improving management and service efficiency. Long-term, build a "full-lifecycle quality assurance + full-scenario customer service" system, becoming an industry benchmark for quality and service.



Financial impact

Short-term, cost savings are achieved by optimizing quality control and service processes, reducing quality defects and after-sales costs. Medium-term, by improving product quality stability and customer satisfaction, the repurchase rate is increased, supporting product premiums and improving profitability. Long-term, through the accumulation of quality and service brand, a differentiated competitive advantage is formed, increasing market share and long-term revenue scale.

Impacts, Risks and Opportunities Management

CORUN deepens quality control technologies and process optimization, improves full-process inspection mechanisms for procurement, production, and delivery, establishes a closed-loop disposal process for non-conforming products, reducing quality risks at the source. We build multi-channel customer demand collection channels, establish a rapid customer demand feedback mechanism, jointly build quality and service standards with core customers, and synchronously optimize solution adaptability. We strengthen employee quality awareness and service skill training, enhancing professional competence of all staff. We establish a customer service review mechanism, regularly analyzing complaint cases and service data, continuously optimizing service processes and quality control measures.

Full Lifecycle Quality Control

CORUN regards "quality first" as a solemn commitment to customers, building a quality management system with clear organizational structure, comprehensive system, full certification, full-process control, and compliance improvement, using standardization and digitalization to empower, laying a solid foundation for product quality.

Quality Management System

CORUN has built a quality management organizational structure of "top management leadership, departmental coordination, and full employee participation," clarifying responsible entities at all levels. The Board provides resource support for quality management by reviewing infrastructure construction plans, annual plans, etc. The general manager of each subsidiary, as the top manager of the corresponding enterprise, approves the quality policy, objectives, and management manual, presides over management reviews, ensures resource allocation, and, through the Quality Department as the responsible department for quality management, is fully responsible for core tasks such as inspection standard formulation, non-conforming product disposal, and quality data statistical analysis. Each production, R&D, and operation department is equipped with dedicated quality officers, forming a management pattern of "Quality Department coordination + multi-department collaboration." At the same time, each subsidiary appoints system responsible persons, customer representatives, and employee representatives, responsible for management system operation, customer demand guarantee, and employee occupational health and safety rights protection, respectively, ensuring a closed-loop of responsibility throughout the quality management chain.

Each subsidiary has established a multi-level, full-coverage quality management policy system, with the Management Manual as the guideline, supported by multiple procedure documents and various work instructions and record forms, forming a complete documented management system. Core systems include the Product Monitoring and Measurement Control Procedure, the Non-conforming Product Control Procedure, the Data Statistical Analysis Improvement Control Procedure, the Customer Satisfaction Measurement Control Procedure, etc., clarifying full-process quality control requirements from procurement, production, inspection to after-sales. At the same time, they formulate the Correction, Prevention and Continuous Improvement Management Regulations, the Statistical Tool Application Standard, etc., providing methodological support for quality improvement.

As of the end of the reporting period, CORUN's subsidiaries Hebei Corun, Hunan Copower, and Changde Liyuan passed ISO 9001:2015 quality management system certification. Hunan Copower and Changde Liyuan passed IATF 16949:2016 automotive quality management system certification. Hunan Copower's cylindrical sealed nickel-hydrogen battery products for railway passenger cars passed the railway product access (CRCC) certification.



Full-Process Quality Control Measures

Each subsidiary runs quality management throughout the product life cycle, forming a multi-dimensional, refined control system. In the procurement stage, they formulate the Incoming Material Inspection Procedures, classifying and testing components and raw materials provided by suppliers according to safety, quality, and environmental risk levels, using statistical sampling plans. For non-conforming materials, they follow the process of exchange for occasional non-conformance and notification for rectification for batch non-conformance, while implementing dynamic management through the Supplier Control Procedure.

In the production stage, we implement a "standardized production + digital control" model, establishing a three-level inspection system of "incoming inspection - in-process inspection - outgoing inspection." Incoming inspection is reported by the warehouse and sampled by the Quality Department, forming the Incoming Material Inspection Report. In-process inspection implements first-article inspection, patrol inspection, and a combination of self-inspection and mutual inspection. When production conditions change, first-article inspection is repeated. Inspectors fill out the First-Article Inspection Records and the Patrol Inspection Records. Outgoing inspection is fully tested by commissioning engineers according to work instructions, producing the Product Commissioning Records and the Product Outgoing Inspection Records, and only after passing can they be stored and shipped. For special processes such as module automatic laser welding, confirmation is organized annually to ensure process stability.

In the delivery and operation stage, we formulate the Product Operation and Maintenance Quality Standards and the Delivery Quality Acceptance Specifications, clarifying requirements for product protection, transportation, and after-delivery warranty services. Through the Identification and Traceability Control Procedure, they implement batch management for raw materials, work-in-progress, and finished products, achieving full-process traceability. At the same time, we establish a quality improvement mechanism. Departments submit quality issue data monthly, and the Quality Department organizes quality analysis meetings to produce the Quality Analysis Report, tracking rectification implementation, forming a closed loop of "discovery - analysis - rectification - review."

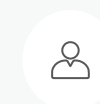
For energy storage batteries and system integration, CORUN has established an advanced digital manufacturing execution system (MES). This system ensures that every battery cell, every energy storage module, and even every converter can be traced in real time to our original production parameters, material sources, and inspection reports. Through regular quality internal audits and reliability internal tests (such as high and low temperature cycling), we ensure the operational stability of products in extreme environments, continuously challenging the goal of zero quality defects.

Compliance Management and Continuous Improvement

CORUN attaches great importance to quality management compliance. The comprehensive management department of each subsidiary is responsible for identifying, obtaining, and updating quality-related laws, regulations, and other requirements, including international conventions, national and local laws and regulations, industry standards, and contractual agreements. They organize a compliance evaluation annually, forming the List of Laws, Regulations and Other Requirements and distributing it to all departments, ensuring that management activities comply with relevant regulations.

In terms of non-conforming product control, each subsidiary formulates the Non-conforming Product Control Procedure. For non-conforming products found during incoming inspection, in-process inspection, outgoing inspection, and after delivery, they take measures such as identification, isolation, evaluation, and disposal: occasional non-conformance is timely exchanged; batch non-conformance is isolated and reported within 1 hour, and communication for rectification with the supplier is completed within 4 hours; in-process non-conformance results in the Rework/Repair Notice, with immediate rectification within 15 minutes, and isolation disposal if time exceeds; after-delivery non-conformance is handled according to the Customer Complaint Control Procedure, with the PMC Department receiving complaints, the Quality Department coordinating disposal, and responsible departments formulating corrective actions, ensuring that non-conforming products are not used unintentionally.

In terms of continuous improvement, each subsidiary promotes quality improvement through multi-level measures. Changde Liyuan advances system internalization through stages such as gap analysis, document revision, and capability building, aiming to reduce the proportion of non-conformities in audits. We organize internal and external training such as interpretation of IATF16949 clauses to enhance employee professional capabilities. Hunan Copower, based on customer access audit outputs, invites third-party consulting institutions for on-site guidance on system improvement and optimization; organizes training on core tools for the automotive industry. In addition, each subsidiary establishes proposal management and improvement activity mechanisms, encouraging employee participation in quality improvement, achieving suitability, adequacy, and effectiveness improvement of the quality management system through continuous improvement.



Customer Service System

Each subsidiary of CORUN has clearly designated a dedicated department responsible for full-process customer service management, forming a management structure of "dedicated department coordination + multi-department collaboration," and has built a comprehensive customer service system covering the entire process. Core documents include the Customer Satisfaction Measurement Control Procedure, the Customer Complaint Control Procedure, the Complaint Handling Procedures, the Customer Satisfaction Management Standard, the Customer Service Management Standard, the Customer Service Workflow Specifications, etc. The system clarifies management requirements for all links including customer satisfaction measurement, graded complaint handling, after-sales service, demand identification, and value-added services, forming a three-tier system structure of "policy guidance - process specification - operating details."



Improving Customer Satisfaction

Each subsidiary of CORUN focuses on demand response and experience enhancement in customer service, building a comprehensive service system through multiple dimensions. Taking Changde Liyuan as an example, it has established a customer demand identification mechanism, systematically collecting key information such as customer process conditions and equipment requirements based on the Customer Demand Identification Form, providing accurate basis for order development and process changes, achieving precise demand response. Changde Liyuan provides value-added services covering technical support for non-quality issues, on-site guidance, handling of overdue products, quality management experience sharing, etc., and classifies services into B-level services (e.g., phone communication) and A-level services (e.g., on-site support), enriching the connotation of value-added services. Changde Liyuan implements full-process management of process-changed products and market non-conforming improvement products with special identification, shipping notifications, and follow-up on usage effectiveness to ensure customer recognition of improvement results. At the same time, Changde Liyuan has established a graded and time-limited complaint handling mechanism, setting special requirements for key customers such as information transmission within 15 minutes and implementation of containment measures within 24 hours, effectively improving problem-solving efficiency. During the reporting period, CORUN conducted 40 satisfaction surveys.

Key Performance

During the reporting period,

CORUN's customer complaint resolution rate was **100%**.

The satisfaction of subsidiary Changde Liyuan surveyed from midstream value chain customers was

93.6, and subsidiary Foshan Keba surveyed from customers was **98**.

Customer Communication

Each subsidiary of CORUN establishes multi-dimensional and normalized customer feedback channels, including written correspondence, email, phone, WeChat, and other instant messaging tools. Hebei Corun uses standardized forms such as the Customer Satisfaction Survey Evaluation Form, the User Service Feedback Card, and the Quality Complaint Information Feedback Form to achieve standardized collection of feedback information. Changde Liyuan organizes customer visits every half year, distributes survey forms annually, calculates satisfaction according to the formula "customer score 70% + self-score 30%", and produces an evaluation report submitted to management for review.

At the same time, each subsidiary has formulated comprehensive after-sales service and complaint response policies, clarifying that after-sales services include product warranty, maintenance, return, replacement, etc. They formulate complaint mechanisms around the objectives of "timely response, effective resolution, and prevention of recurrence," achieving standardization and efficiency of complaint handling through standardized processes. They require that after complaint handling, customers have no repeated complaints, and that no recurrence of the corresponding problem occurs within 3 months after implementation of improvement measures. For key customers, the case can be closed after three consecutive batches of incoming materials without abnormalities. Through measures such as case card training and horizontal deployment, they prevent similar problems and continuously improve customer satisfaction.

Data Security and Customer Privacy Protection

Relying on the Computer Network Security Management System and related emergency plans, CORUN has established a normalized data security control mechanism. Changde Liyuan and Hunan Copower, based on their business characteristics, have internalized the Core Information Anti-Leakage Management System into daily operations, ensuring traceability of key information flow.

When handling customer privacy data, CORUN strictly follows the Customer Code Management Standard, using technical means to desensitize and tokenize customer identities. Together with the mandatory requirements of the Confidentiality Management Standard, we block privacy leakage risks from both management system and operational process perspectives. This control model ensures the security of customer information within the enterprise, achieving process-oriented and normalized privacy protection.

Key Performance

During the reporting period,

CORUN had **NO** data leakage or damage incidents, and achieved the goal of **ZERO** violations

and **ZERO** accidents in customer privacy protection, ensuring the compliance and security of

CORUN's digital governance.

| People-oriented

Talent Development

Employee Care and Communication

Occupational Health and Safety

Rural Revitalization and Social Responsibility

Talent Development

Compliant Employment

We regard compliant employment as the cornerstone of operations, strictly complying with the Labor Law of the People's Republic of China and the labor legal system of our operating locations. We have formulated and strictly implemented the Recruitment and Employment Management System, the Employee Probation Period Management System, the Employee Departure Management System, and the Employee Transfer Management System, establishing standardized full-process management from recruitment and onboarding to departure.

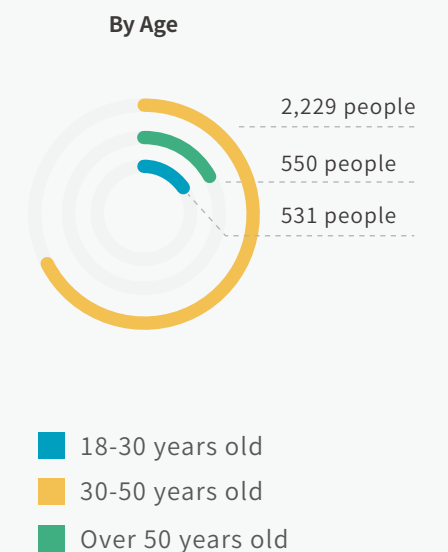
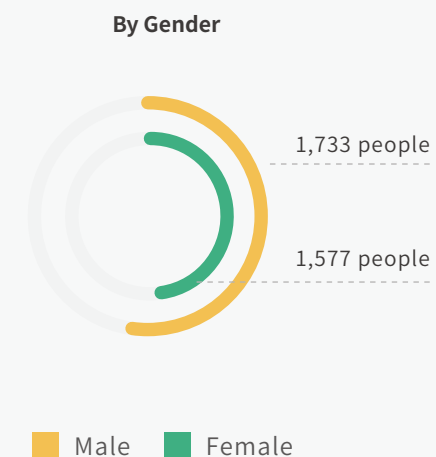
CORUN promises to legally protect the legitimate rights and interests of all employees:

Internal control mechanism We have established a strict internal control mechanism for labor contract signing, social insurance payment, working time control, and compensation and benefit systems, ensuring that every employee receives fair and transparent treatment.

Zero tolerance policy CORUN strictly implements national and international labor organization regulations on prohibiting child labor and opposing forced labor. Through regular compliance special audits, we ensure that there is no illegal employment in any production base or branch, laying a solid legal and moral foundation for the stable operation of the enterprise.

We are committed to eliminating workplace bias and building a fair competition environment based on ability and professionalism. CORUN resolutely prohibits any discrimination based on gender, age, region, ethnicity, or religious belief throughout the entire process of talent selection, job assignment, and career advancement. We establish cross-cultural integration mechanisms and strive to create a diverse and inclusive workplace ecosystem, turning diversity into a driving force for innovation.

Total Employees: 3,310 people



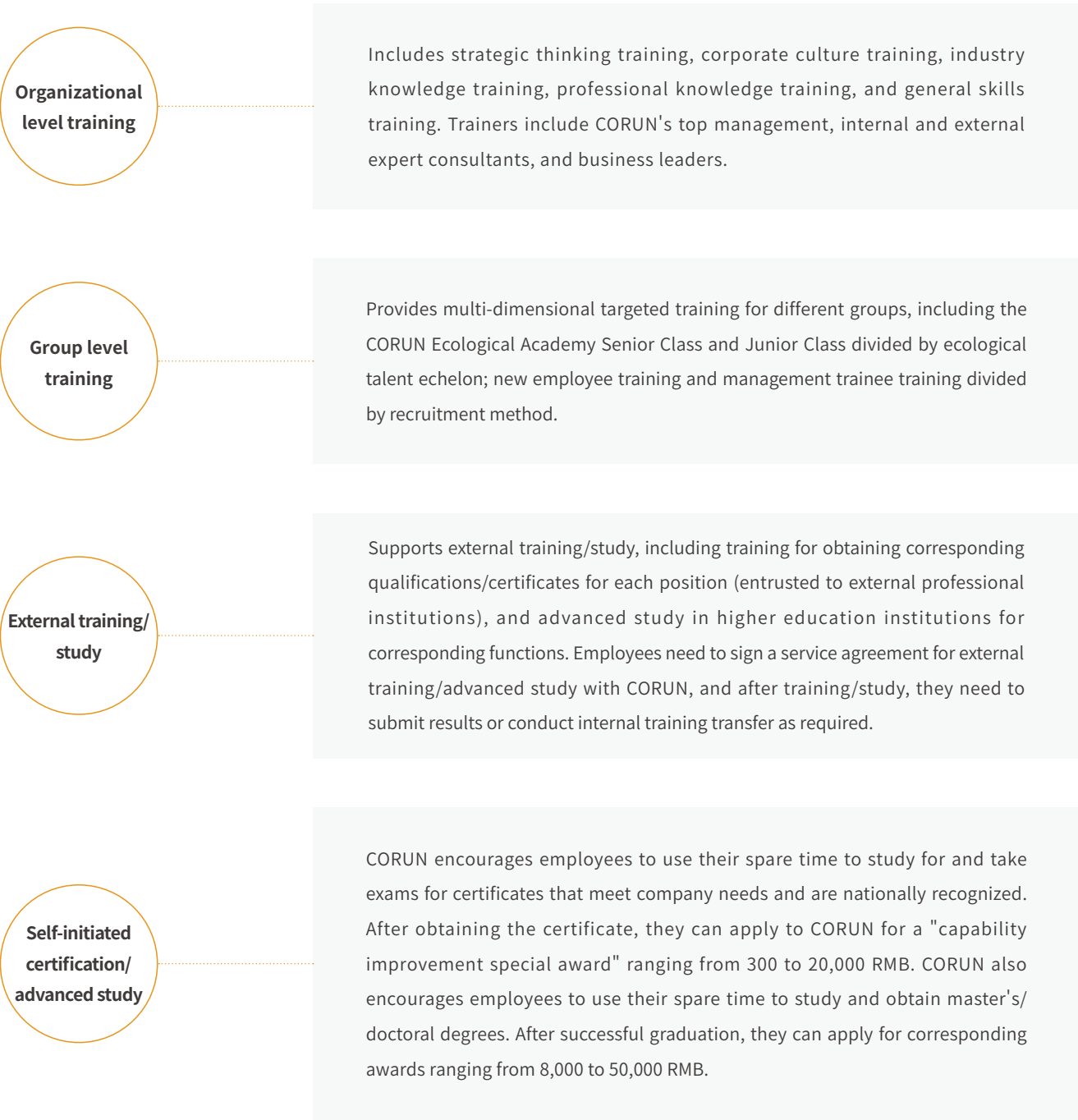
Talent Training

CORUN adheres to the "Talent First" strategy, building a layered, classified, and full-coverage learning organization structure. CORUN has clearly designated the Human Resources Department as the responsible department for talent training and development, coordinating core tasks such as training system construction, annual plan formulation and implementation, expense management, and file management. Each center/department collaborates by submitting training needs, organizing center/department-level training, and conducting internal training transfer. Senior management is responsible for approving CORUN-level annual training plan, development fees for internal trainer courseware, and lecturer fees. The responsible management approves the annual training plan of their respective departments, and management members directly participate in management training delivery, ensuring the allocation of talent development resources and strategic implementation.

At the same time, CORUN has formulated the Training Management Process as the core policy, clarifying the full-process requirements of training needs collection, plan formulation, organization and implementation, effectiveness evaluation, expense management, and file management, providing institutional guarantees for talent development.

Training System Construction

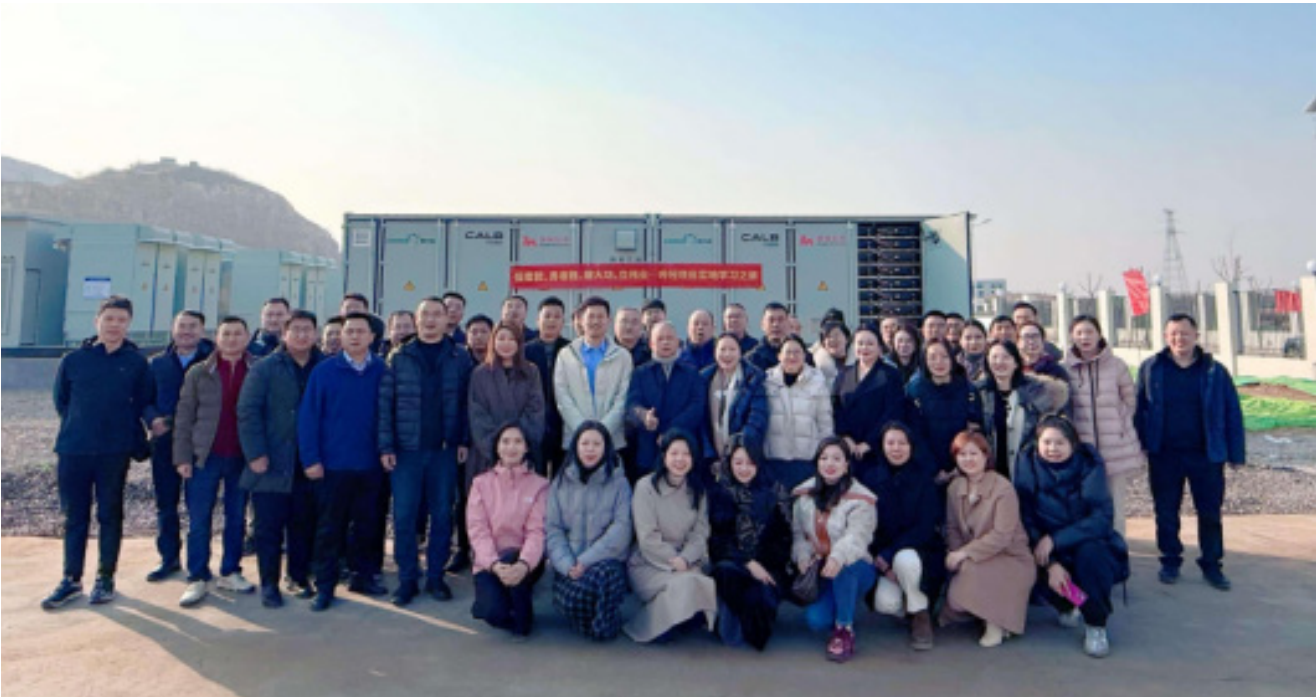
CORUN has established a three-tier training system of "Organizational Level, Group Level, and Individual Level," covering all employees according to management levels, and divided into internal training and external training according to the training provider. We form a complete system including new employee training, professional knowledge training, leadership training, general skills training, and specialized skills training. We clarify the criteria for determining training levels, implementation processes, and effectiveness evaluation mechanisms, ensuring standardized operation of the system.



Case Leadership and Management Training - CORUN Ecological Academy: A Platform of Ideas, a Cradle of Talents

CORUN Ecological Academy is committed to building an ecological empowerment platform to support the implementation of ecological strategy, promote the collaborative symbiosis of the consortium, and help the vigorous development of all ecological participants. The trainees mainly consist of core leaders of the ecological consortium and relevant managers.

To continuously strengthen the collaborative synergy and brand influence of the consortium, and enhance managers' strategic determination and comprehensive leadership, the CORUN Ecological Academy conducts in-depth research on core topics such as "ecological strategy, ecological thinking, ecological model, and ecological talents," and regularly organizes thematic empowerment and seminar activities. Through systematic learning and exchange, it helps trainees deeply understand the connotation of ecology, firmly establish the strategic concept of "I am in the ecology, the ecology is in my heart," comprehensively improve leadership and management capabilities, and provide solid support for the high-quality and sustainable development of the ecological consortium.



Case Leadership Development Camp - Building a capable and battle-ready cadre team

The Leadership Development Camp focuses on improving cadre capabilities and building talent echelons, aiming to cultivate ministerial-level reserve cadres who are "familiar with business and can manage," and management-level reserve cadres who are "good at leadership and understand operations." The trainees mainly consist of newly promoted management cadres, reserve management talents, and high-potential key personnel of various business units.

To help each business unit build a sound cadre echelon, the camp has built an integrated training system of "culture - strategy - business - operation - management," innovatively adopting a "learning + research + practice" integrated training model, comprehensively empowering junior managers and high-potential reserve cadres to achieve capability leap and role transformation, effectively enhancing their comprehensive leadership and management combat capabilities.



Key Performance

During the reporting period,

CORUN headquarters invested **300,000** RMB in employee training, with **15** career development related training sessions.

The total training hours for employees were **279,069** hours, including **7,411** hours for headquarters employees and **271,658** hours for subsidiary employees.

Promotion System

We are committed to providing every employee with a clear and broad career advancement space. CORUN implements a dual-track career development path of "management" and "professional," has established the Job Grade Management System and the Individual Performance Management Measures. Through regular performance evaluations and qualification assessments, we break down departmental barriers and encourage cross-departmental talent exchange. CORUN has established a sound position selection and appointment and job rotation system, allowing employees to dynamically adjust their development paths according to their own interests and specialties. We are committed to continuously optimizing the incentive mechanism, allowing employees to share in CORUN's development achievements through diversified methods such as performance bonuses and equity incentives, achieving a win-win situation for the enterprise and employees.

CORUN Job Promotion and Development Map

Grade	Management Track	Professional Track	Technical Track
Level 7	Chairman Vice Chairman President	/	Chief Scientist
Level 6	Executive VP VP Company Director Board Secretary President Assistant	Senior Expert	Senior Expert
Level 5	Center GM/Holding Board Office Director Level 1 Business Unit GM	Expert	Expert
Level 4	Department Head Level 1 Business Unit Deputy GM Non-Level 1 Business Unit GM Manager Senior Manager	Manager	R&D Senior Engineer Technical Senior Engineer
Level 3	Senior Supervisor	Supervisor	Plant Senior Engineer R&D Engineer Technical Engineer
Level 2	/	Specialist	R&D Assistant Engineer Technical Assistant Engineer
Level 1	/	Assistant	Technician

Employee Care and Communication

Employee Benefits

CORUN adheres to the principle of "distribution according to work, efficiency first, and fairness," establishing a competitive compensation and benefits system. We implement the CORUN Compensation Management System, the CORUN Benefits Management System, the Remote Work Subsidy Management Measures, and the Supplementary Provisions to Remote Work Subsidy Management Measures (Overseas). We continuously benchmark industry compensation levels to ensure that employees share in the dividends of enterprise development, achieving transparency, fairness, and marketization of compensation and benefits.

In terms of benefits, we have established a diversified flexible benefits matrix, covering accident insurance, supplementary medical insurance, annual leave, and various special allowances. CORUN continuously optimizes logistics support and administrative services to address employees' concerns. We are committed to building a comprehensive protection network covering physical and mental health and material security through institutionalized guarantees, enhancing employees' overall sense of security and achievement.

Employee Care

Beyond busy work, CORUN attaches great importance to employees' emotional needs and quality of life, striving to create a warm and supportive corporate community. CORUN continuously enhances employee cohesion and sense of belonging through a series of highly ritualistic cultural activities:

Festival traditions and warmth: CORUN respects and carries forward on traditional Chinese culture. During the Spring Festival, management at all levels conducts "New Year God of Wealth" activities on the front lines, directly conveying the blessings and warmth of the start of work to each employee. On International Women's Day (March 8), CORUN holds special celebration activities (such as watching movies) to express high respect to female employees who demonstrate their strength on various fronts such as R&D, production, and marketing.

Employee birthday care: CORUN insists on holding employee birthday parties, using customized cakes and birthday gifts to make employees feel the warmth of home at their posts. This is not only a relaxed time for cross-departmental communication but also an important ceremony for CORUN to thank each hardworking employee.

Rich community activities: We organize cultural and arts festivals, sports competitions, and family open days to break down departmental barriers and enhance the identification of employees and their families with CORUN.

►► We are committed to making CORUN not only a platform for career development but also a warm home where employees can find emotional connection and social belonging.



►► On March 7, the CORUN headquarters organized a theme activity "Fingertip Blossoms, Meeting Fuchsia," inviting all female employees to make handicrafts and potted plants and enjoy exquisite refreshments.



Employee Assistance

CORUN continuously improves the support mechanism for employees in difficulty, focusing on those whose living security is affected by illness, disaster, or family changes. CORUN ensures the implementation of various relief measures through headquarters coordination and subsidiary collaboration, distributing relief funds to alleviate employees' financial pressure.

During the reporting period, we and our subsidiaries assisted a total of 138 employee cases in difficulty, with a cumulative relief fund of 118,200 RMB. Through a combination of on-site visits and fund transfers, CORUN effectively extends corporate care to the grassroots level, continuously enhancing employees' sense of belonging and living security.

Democratic Management and Communication

CORUN advocates a communication culture of "Openness, Transparency, and Equal Dialogue," committed to safeguarding employees' rights to know and supervise. We have established multi-level communication mechanisms, implementing the CORUN Benefits Management System. We encourage employees to actively provide suggestions on company strategy, operation improvement, and culture building. CORUN promises to implement "closed-loop processing" for every piece of employee feedback, ensuring that management can capture frontline voices in real time. This two-way communication mechanism not only effectively resolves potential labor disputes but also stimulates employees' enthusiasm for participating in corporate governance, building a harmonious and win-win labor relationship.



Occupational Health and Safety

Occupational Health and Safety Management System

We always regard the life safety and occupational health of our employees as the cornerstone of sustainable development. Each subsidiary has built a three-tier responsibility structure of "specialized department coordination + multi-department collaboration + top management responsibility," clarifying a specialized safety management department as the responsible unit, coordinating core tasks such as safety system formulation, hazard identification, and emergency management. Production, equipment, personnel, and other departments collaborate on job safety control, facility maintenance, and training organization. Senior management, as the first person responsible for safety production, approves safety systems, emergency plans, and major rectification plans, ensuring the allocation of safety management resources.

CORUN strictly complies with national laws and regulations such as the *Work Safety Law*, the *Fire Protection Law*, and the *Occupational Disease Prevention and Control Law*. Each subsidiary formulates safety policies and systems covering full processes such as responsibility division, hazard identification, emergency response, training and education, and protective equipment management. The system clarifies the management principle of "safety first, prevention first," includes core terms such as emergency plans, hazard identification, and occupational health surveillance. They establish a ledger recording system to ensure traceability of safety management processes. They formulate specific occupational health and safety production targets, covering core dimensions such as hazard rectification rate, accident rate, and training coverage rate. Through regular inspections, data statistics, and annual reviews, they track target progress to ensure goal achievement.

0

occupational disease incidence

0

major safety accidents

0

errors

Jinfeng Lithium : Clarified indicators such as "zero serious injury or fatality accidents per year," "zero occupational disease incidence," and "safety training coverage rate 100%." Deeply linked safety targets with the economic responsibility assessment system, establishing "Quarterly Environmental Protection Star" and "Annual Environmental Protection Star" incentives to motivate employees to implement safety responsibilities.

Hunan Copower: Clarified indicators such as "zero major safety accidents," "hazard rectification closure rate 100%," and "occupational health examination coverage rate 100%." Tracked target progress through "monthly evaluation + annual overall evaluation," linking safety.

Foshan Keba: Set qualitative targets such as "no mixing of hazardous waste with general solid waste," "zero error in transfer and disposal," and "100% pass rate for storage facilities and labels," with supporting quantitative assessment indicators (e.g., timely completion rate for hazard rectification $\geq 95\%$). Integrated safety targets into the EHS Responsibility System assessment, implementing a negative point assessment mechanism.

Yiyang CORUN: Built a closed-loop management system of "system + certification + training + drill + inspection + emergency," verified by zero accident data. Based on the Integrated Management Manual and the Procedural documents, established an occupational health management system and set clear occupational health and safety goals. Passed the ISO Occupational Health and Safety Management System certification in May 2025, meeting international standards. Organized 24 safety production related trainings in 2025, totaling 288 hours, covering all employees.

Risk Identification and Safety Management

Each subsidiary has established a normalized safety inspection mechanism, regularly conducting production safety factor identification and assessment. The inspection scope covers key links such as equipment and facilities, working environment, and hazardous chemicals. They clarify risk identification processes (on-site inspections, process analysis, data monitoring, etc.). The main safety factors identified include mechanical injury, electric shock, fire, chemical leakage, noise pollution, etc. They adopt a combination of source prevention, process control, and end-of-pipe treatment safety management measures, equipped with protective facilities and personal protective equipment to ensure risks are controllable.

Jinfeng Lithium	Risk identification process includes "self-inspection by position, survey by workshop, special inspection by company." For lithium salt production characteristics, focus on identifying risks such as thallium and cyanide leakage, dust explosion, high-temperature burns; Measures include process optimization to reduce hazardous substance generation, dedicated warehouses for hazardous chemicals, installation of online monitoring systems for real-time monitoring.
Hunan Copower	Risk identification process covers three dimensions: "pre-evaluation of new/renovation/expansion projects, daily patrol identification, and annual status evaluation," identifying core risk factors such as nickel and its compounds, noise, high temperature, acid/alkali corrosion; Measures include automated production to reduce personnel contact risk, equipment sealing to prevent leakage, equipped with dust extraction systems and emergency eyewash showers.
Foshan Keba	Conducts risk identification through "department self-check + joint inspection + special inspection," focusing on risks such as mechanical injury, electrolyte leakage, and electrical safety during battery production; Measures include installation of equipment safety guards, posting warning signs in hazardous areas, regular point inspection and maintenance.

Emergency Management and Training Education

CORUN is committed to improving safe operating procedures for each department and position, enhancing the safety awareness of all employees through systematic training. Each subsidiary has formulated emergency plans for occupational health and safety production, covering scenarios such as fire, chemical leakage, and natural disasters, clarifying the emergency organization structure, response procedures, and material guarantee. They carry out activities and training to enhance safety awareness. The training content includes core modules such as safety laws and regulations, system procedures, and emergency response. They establish training record retention mechanisms, strengthening employee safety awareness and skills through pre-job training, regular on-the-job training, and special drills.

	Access education	Strictly implement the "three-level safety education" system, ensuring that every new employee receives systematic training at the factory, workshop, and team levels before starting work, and only after passing the assessment can they start work.
	Normalized training	For current employees, regularly carry out skill improvement and safety awareness reinforcement education to ensure operational norms are deeply ingrained.
	Emergency plans and practical drills	To improve response speed and handling capacity under emergencies, CORUN constructed a multi-dimensional emergency drill mechanism during the reporting period. For potential risk points, CORUN organized multiple special drills covering all employees, including but not limited to fire safety drills, natural disaster emergency drills, and electric shock injury drills. Through "drills to promote training, drills to promote combat," CORUN continuously optimizes the scientificity and practicality of emergency plans, maximizing the protection of employee life safety and consolidating the foundation for safe enterprise development.

Case Drill Review and Improvement: Hunan Copower Builds Full-Scenario Safety Emergency Response System

In 2025, Hunan Copower conducted multiple emergency drills to build a strong safety defense line. In September, organized an electric shock injury drill for the Applied Technology Department, simulating an electrical work accident, with 36 participants and implementing rectifications such as insulation protection and equipment labeling. In October, conducted a company-wide fire drill, covering fire reporting, full evacuation, injured rescue, and other links, strengthening practical firefighting skills. In November, advanced natural disaster emergency drills, focusing on heavy snow weather response, identifying and replenishing emergency supplies. The series of drills verified the feasibility of emergency plans, exposed and rectified issues such as insufficient supplies and unfamiliarity with procedures, and through the "drill - review - improvement" closed loop, enhanced employees' emergency response capabilities and CORUN's safety risk prevention and control level.

Case Foshan Keba EHS Integrated Management Practices

In 2025, Foshan Keba built a comprehensive EHS management system. Foshan Keba signed the job-level the EHS Responsibility Letters, clarifying employee safety responsibilities and targets, incorporating assessment into CORUN's performance appraisal. Foshan Keba organized key responsible persons to participate in occupational health management training, carried out employee occupational health examinations and safety knowledge training to strengthen compliance awareness. Foshan Keba established a normalized hazard inspection mechanism, with important areas inspected no less than 22 times per month, and general areas no less than once per month, ensuring closed-loop rectification of hazards such as equipment leakage and material accumulation. Foshan Keba formulated environmental emergency drill plans, simulating scenarios such as alkali liquor leakage, standardizing the classification and reporting procedures for environmental emergencies. Through the four-dimensional measures of "responsibility binding + training empowerment + hazard rectification + emergency drill," Foshan Keba built a solid line of defense for occupational health and safety.



Employee occupational health knowledge training



Fire drill



Chemical leakage emergency drill

Key Performance

During the reporting period,

CORUN's safety production investment was **1.6369** million RMB. There were **0** employee injuries, **0** work-related fatalities, **65** safety production-related trainings, with a total training duration of **134** hours.



Rural Revitalization and Social Responsibility

Based on the protection of internal employee rights, CORUN has built a comprehensive system for talent cultivation, humanistic care, and occupational safety. On the foundation of consolidating internal responsibility construction, CORUN further extends the scope of responsibility coverage, carrying out diverse practices around rural revitalization, livelihood assistance, and community co-construction, fully fulfilling corporate social responsibility.

Industrial Empowerment for Rural Revitalization, Stabilizing Employment and Increasing Income

Relying on our industrial layout, we deeply support the economic transformation of counties, having stably employed 52 poor individuals, driving income growth for rural residents through stable employment. CORUN simultaneously coordinates with local governments to improve rural infrastructure, comprehensively enhancing transportation and energy supply conditions. Through green industry empowerment for county development, we help improve the quality and efficiency of rural construction.

Fulfilling Social Responsibility through Public Welfare, Building Harmonious Neighborhood Ecology

In the field of public welfare, CORUN actively carries out volunteer services, regularly visiting welfare homes for support and care, organizing party members to participate in community services, and activities assisting the elderly and disabled. At the same time, we do well in community co-construction at project locations, optimizing project environmental protection, popularizing green energy concepts, and building a development pattern that takes into account both internal and external responsibilities.

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