



— Green Chemistry Achieves a Low-carbon and Beautiful Life —

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ABOUT THIS REPORT

Guangzhou Tinci Materials Technology Co., Ltd. (hereinafter referred to as "Tinci Materials", "the company" or "we") would like to communicate our values, goals, actions and performance in the areas of company governance, economy, environment and society to our stakeholders through the sustainability report based on international standards, which is expected to be published once a year.

First release date: April 2018, Social Responsibility Report

Previous version release date: March 2024

Current version release date: April 2025

Next version release date: April 2026

Report standards

We have set up a sustainability report preparation team, which consists of the company's senior management, heads of functional departments and business units. This report was prepared by an internal writing team and submitted to the Board of Directors and its subordinate Strategy and Sustainable Development Committee for review before its release, to ensure that the contents of this report do not contain any false records, misleading statements, or material omissions. This report is prepared with reference to the Sustainability Reporting Standards (GRI STANDARDS 2021) issued by the Global Reporting Initiative and in conjunction with the Shenzhen Stock Exchange's Guidelines on Self-Regulation Guidance for Listed Companies No. 17 — Sustainability Report (Trial) and the Self-Regulation Guide No. 3 — Compilation of Sustainability Report (Draft for Comments) issued by the Shenzhen Stock Exchange.

Report scope

The scope of the information disclosed in this report covers Guangzhou Tinci Materials Technology Co., Ltd. and its subsidiaries (hereinafter referred to as "Tinci Materials" or "the Company"), which is consistent with the scope of the consolidated financial statements of Tinci Materials (002709.SZ). The list of subsidiaries is shown in Tinci Materials' Annual Report 2024. This report provides sustainability information for Tinci Materials from January 1, 2024, to December 31, 2024, for all stakeholders. The data coverage of this report is referred to in the specific data table descriptions. Unless otherwise specified in the main text, the data scope is consistent with the scope of the consolidated financial statements.

Restatement of information: The scope of this year's report has been adjusted to be consistent with the scope of the consolidated financial statements of Tinci Materials, instead of listing specific subsidiaries.

Data source

The economic performance data in this report is quoted from the annual report of Tinci Materials for 2024, which is consistent with the scope of the consolidated financial statements, and the annual report of Tinci Materials for 2024 has been independently audited by Grant Thornton CPA Firm (a special general partnership); all the amounts shown herein are in Chinese yuan, if not otherwise stated. In the event of any discrepancies between the relevant financial data and the company's annual report, the data contained in the annual report shall be deemed authoritative and shall prevail. Other non-financial information is provided by each functional department of Tinci Materials and its subsidiaries.

External assurance

This report has been assured by an independent third party, SGS, and a statement of validation is attached.

Release channels

This report is released simultaneously in digital and paper versions in English and Chinese. If there is any slight difference between the Chinese and English versions, please refer to the Chinese version.

Website of CNINFO Download: <http://www.cninfo.com.cn/new/disclosure/stock?stockCode=002709&orgId=9900022986#latestAnnouncement>

Website of TINCI Download:

<https://cn.tinci.com/kcxfz/>

Feedback

We look forward to receiving comments and suggestions from readers after reading this report. Please follow the contact information below to provide feedback to help us further improve our sustainability strategy and pursue better sustainability performance.

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The interpretation of various abbreviations mentioned in the report is consistent with the company's annual report, which is detailed in the company's annual report for 2024:

<http://www.cninfo.com.cn/new/disclosure/stock?stockCode=002709&orgId=9900022986#periodicReports>

CHAIRMAN SPEECH



Chairman of Tinci Materials
Jinfu Xu

Dear Investors, Thank you for your interest in Tinci Materials' Sustainable Development Report 2023 and for your continued interest in the company.

In today's global context of green transition and sustainable development, the lithium battery industry, as a vital pillar of the new energy sector, is facing unprecedented opportunities and challenges. In this era full of challenges and opportunities, the development of enterprises is no longer limited to the pursuit of economic benefits. Instead, they also bear profound responsibilities for the environment, society, and corporate governance (ESG). Our company continues to learn, explore, and practice tirelessly on the path of fine chemical materials, always firmly upholding our unbreakable lifeline.

In terms of technological innovation, during the reporting period, the company established a research and development center in Shanghai, focusing on strategic material breakthroughs in intelligent transportation and high-end manufacturing. In the fields of autonomous driving and cutting-edge engineering materials, we innovatively developed a range of advanced materials, including high-transparency silicone potting compounds, low-dielectric acrylate structural adhesives, weather-resistant epoxy resin bonding systems, PEEK lightweight components, and polyimide insulation systems. These materials are aimed at enhancing the lightweight and reliability of intelligent driving systems and low-altitude

aircraft. By relying on the Shanghai R&D center to continuously push the boundaries of material performance, we are committed to becoming a trusted material partner in the global high-end manufacturing industry and jointly promoting the achievement of carbon neutrality goals.

In 2024, regarding corporate governance, we revised our institutional documents in accordance with the latest regulatory requirements, completing the revision of 7 corporate governance systems. This has helped to continuously standardize our corporate governance structure and improve our internal control system. During the reporting period, the Audit and Supervision Department continued to perform its functions by conducting reporting investigations, routine inspections, conflict of interest checks, and anti-corruption publicity activities, thereby strengthening the construction of anti-corruption and clean governance. In 2024, we added a business ethics course to the new employee onboarding training and organized all employees to participate in anti-corruption and anti-bribery training courses. The coverage rate of employee business ethics training reached 100%. We also strengthened the clean governance management of suppliers by including anti-bribery clauses in purchase contracts and promoting the signing of anti-bribery-related "Sunshine Agreements" with suppliers.

In terms of environmental protection, we have been continuously advancing the construction of environmental management systems. As of the end of the reporting period, 11 stable production bases have passed the ISO 14001 Environmental Management System certification, which has enhanced the company's environmental management level and risk control capabilities. In 2024, the working groups of various bases focused on carbon emission data inventory and multiple energy-saving and emission-reduction projects. The phosphate iron workshop in Yichang Base optimized production process parameters and flexibly adjusted the temperature of the dehydration furnace, resulting in a 24.26% reduction in the unit product's natural gas consumption. This is equivalent to a reduction of 15,135 tons of CO emissions per year. The Chizhou Base implemented an energy transformation project, replacing coal gas

with natural gas and increasing the proportion of green electricity to 66.7%, reducing CO emissions by 36,590 tons per year. To achieve the company's target of a 30% green electricity coverage rate by 2025, we actively sought alternatives in clean energy. During the reporting period, multiple bases purchased green electricity to increase the coverage rate of clean energy. In 2024, the proportion of green electricity used by the company reached 11.95%.

In terms of employee care and development, we place great emphasis on the occupational health and safety of our employees and have achieved a zero incidence of occupational diseases for four consecutive years. During the reporting period, the company launched the "2024 Stock Option Incentive Plan" and the "2024 Employee Stock Ownership Plan," covering 992 employees, which accounts for 14.8% of the total number of employees. This further improves the company's long-term incentive mechanism to attract and retain outstanding talents. In terms of community participation, we actively engage in public welfare and rural revitalization activities. We donate funds to the rural industries in the towns and villages where the company is located to promote the diversified development of rural industries and the pace of rural revitalization, and continuously contribute to community development and social progress. During the reporting period, our subsidiary, TINCI Jiujiang, was awarded the title of "Jiangxi Social Responsibility Enterprise" for the year 2023, and the company's total public welfare donation expenditure for the year reached 3.09 million yuan.

Looking to the future, we will continue to practice the mission of "achieving a low-carbon and beautiful life through green chemistry." We will adhere to the sustainable development policy of "compliant operation, innovation-driven, green leadership, and responsible commitment." We will continue to build a sound, fair, and transparent corporate governance system, strengthen environmental protection and social responsibility awareness, fully protect the rights and interests of shareholders and investors, develop more sustainable and green technologies, and achieve comprehensive sustainable development to contribute to the construction of a green ecosystem.



03

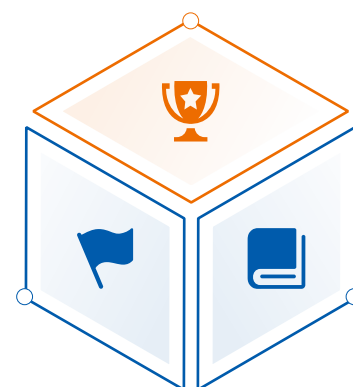
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3.1 COMPANY OVERVIEW

Tinci Mission

Green Chemistry Achieves a Low-Carbon and Beautiful Life



Tinci Vision

To provide systematic solutions, to be the preferred partner of our customers, to provide competitive returns for our employees and shareholders, to create a safe and healthy work environment, to be a good corporate citizen, and to grow together with the community.

Tinci Value

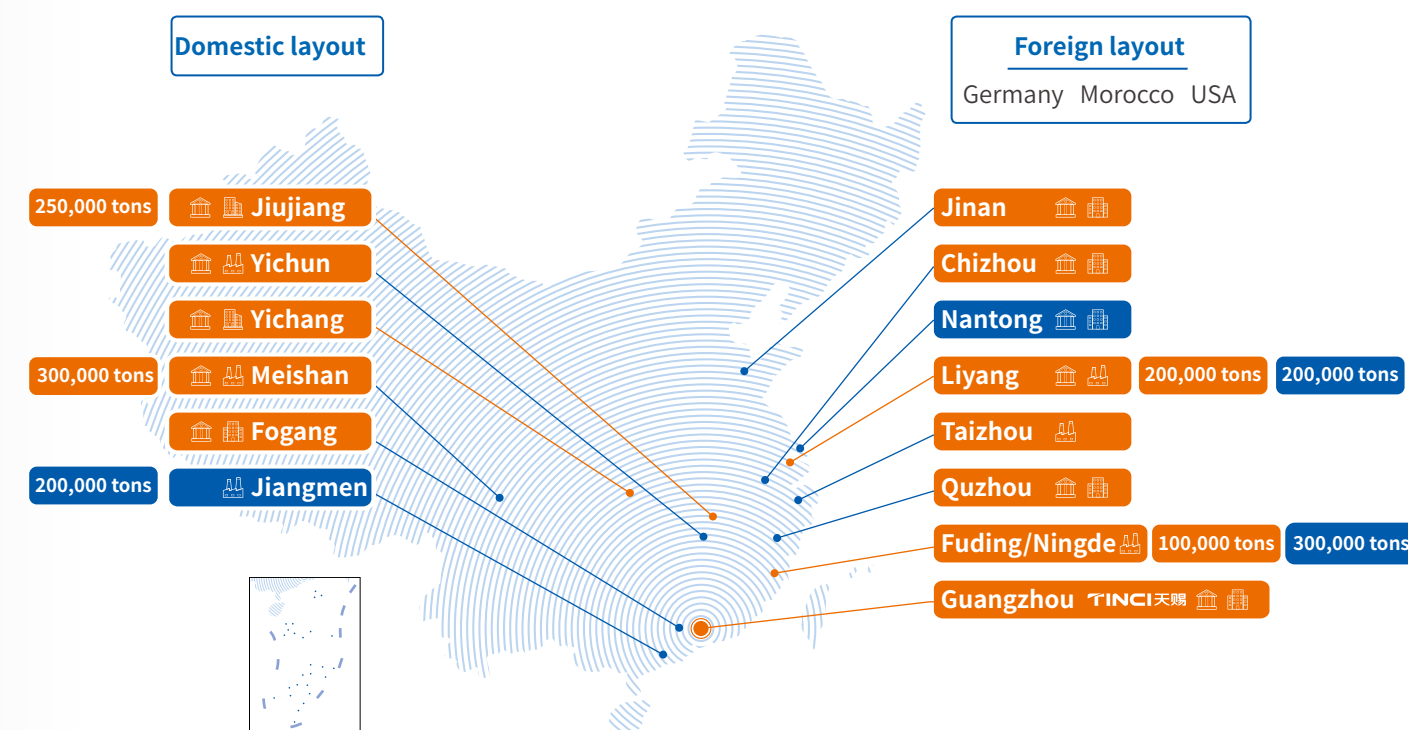
Customer First, Inherit Integrity and Innovation, Strive for Progress, Create Perfect Quality

Guangzhou Tinci Materials Technology Co., Ltd. (stock code: 002709) was established in June 2000, with two main business segments: lithium-ion battery materials, personal care materials and specialty chemicals. The company has been deeply involved in the lithium battery electrolyte business for over a decade. Leveraging its strong foundation in chemistry and accumulated technological expertise, it has seized opportunities along the lithium battery industry chain. Following a strategy of integrated layout, the company has also expanded into the field of lithium iron phosphate cathode materials and battery material recycling. There is a strong synergy among the various business segments, particularly in platform research and development and circular economy practices, leading to significant cost control effects. Additionally, the company's battery material recycling business currently focuses on the recovery of lithium iron phosphate batteries, achieving substantial elemental recovery of lithium, iron, phosphorus, fluorine, nickel, cobalt, and manganese from lithium iron phosphate batteries.

With the mission of Green Chemistry Achieves a Low-Carbon and Beautiful Life, Tinci Materials provides the society with fine chemical products of stable and reliable quality and is committed to become an international first-class green chemistry operation enterprise.



Tinci Materials is headquartered at 8 Kangda Road, Yunpu Industrial Park, Huangpu District, Guangzhou City, Guangdong Province. It has established subsidiaries and production bases in many parts of the country to meet customer supply needs. The company currently owns multiple supply bases including Guangzhou, Jiujiang, Tianjin, Ningde, Yichun, Chizhou, Taizhou, Liyang, Fuding, Fogan, Yichang, Sichuan, Nantong (under construction), Jiangmen (under construction), Germany, the United States (under planning), Morocco (under planning), etc. It has established a nationwide and key international regional strategic supply system, and also set up several electrolyte customer service bases strategically located around customers to quickly respond to their needs and provide continuous electrolyte solutions. Leveraging its advantages in supply chain integration and integrated operations, the company continuously improves its flexibility in delivery through flexible adjustments to production lines.



Note: Has been put into production In building
Numbers represent the designed capacity of lithium ion electrolyte, and others do not belong to the electrolyte production plant.

3.2

BUSINESS BOUNDARIES



The company's purposes are to dedicate itself to the research, development, and production of high-tech material technology products, while adhering to technological advancement and scientific management principles. It aims to create maximum economic benefits for all shareholders of the company.

The company's product strategy focuses on long-term development in lithium-ion battery materials and personal care materials. It revolves around the vertical and horizontal expansion of existing product lines, driven by strategies such as continuous innovation, value chain integration, platform extension, and investment mergers and acquisitions, aimed at advancing the company's growth and expansion.

The company has established seven major product units: Electrolyte Business Unit, Battery Basic Materials Unit, Personal Care Materials Business Unit, Specialty Chemicals Business Unit, Cathode Materials Business Unit, Cathode Precursor Materials Business Unit, and Resource Recycling Business Unit. It aims to build an advanced manufacturing and technology center focusing on "green chemistry, circular economy, and intelligent manufacturing," ensuring international competitiveness in product quality and operational standards. Technologically, the company leads its business with innovation, strives to win customers with high-quality products, and earns market trust through meticulous and reliable service.

The company's main tax entities within China include the parent company, TINCI Jiujiang, Resource Recycling Jiujiang, TINCI Chizhou, KAIXIN Ningde, KAIXIN Fuding, TINCI Yichun, TINCI Yichang, TINCI Jiangsu, TINCI Qingyuan, TINCI Zhejiang, TINCI Jiangmen, TINCI Sichuan, and 43 wholly-owned or partially-owned subsidiaries. The main tax items include value-added tax, urban maintenance and construction tax, and corporate income tax. The company's overseas tax entities include Tinci Hong Kong, Tinci USA, Tinci Germany, Tinci Morocco, Tinci Zimbabwe, and 13 subsidiary companies, which are subject to the applicable local profit tax rates.

Tinci materials economic performance

Project	2022	2023	2024
Total revenue (yuan)	22,316,935,603.86	15,404,639,485.24	12,518,297,342.63
Tax paid (yuan)	1,996,788,936.98	1,466,888,870.36	534,838,311.14
Operating costs (yuan)	13,843,385,622.32	11,411,598,928.41	10,154,135,596.71
Total operating costs (yuan)	15,572,673,677.45	13,048,760,088.59	11,796,437,785.34
Net profit attributable to shareholders of the listed company (yuan)	5,714,438,026.64	1,890,621,314.16	483,929,654.43
EPS (yuan)	2.99	0.99	0.25
R&D expenditure (yuan)	893,920,706.90	645,542,164.91	668,213,487.72
Safety and environmental protection expenditure (yuan)	87,087,145.44	78,227,406.31	68,751,363.13
Charitable donations (yuan)	4,110,141.38	1,897,147.10	3,098,676.12

Note: All financial data, including tax data, is verified by an external independent third party before publication.

The economic performance data is sourced from the company's annual reports from 2021 to 2023. Annual report download address:

2022 Annual Report: http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&orgId=9900022986&stockCode=002709&announcementId=1216373040&announcementTime=2023-04-11	2023 Annual Report: http://www.cninfo.com.cn/new/disclosure/detail?stockCode=002709&announcementId=1219402767&orgId=9900022986&announcementTime=2024-03-26	2024 Annual Report: http://www.cninfo.com.cn/new/disclosure/stock?stockCode=002709&orgId=9900022986#periodicReports
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3.3

HONORS AND INDUSTRY STATUS

<div>China Auto Power Battery Industry Outstanding Contribution Enterprise</div> <div>TINCI Guangzhou</div> <div>China Automotive Power Battery Industry Innovation Alliance</div>	<div>2024 Top 100 Enterprises in Guangdong Province's Electronic Information Manufacturing Industry</div> <div>TINCI Guangzhou</div> <div>Guangdong Province Electronic Information Industry Association</div>
<div>2024 China Top 100 Fine Chemical Enterprises</div> <div>TINCI Guangzhou</div> <div>China Chemical Industry Information Center</div>	<div>2024 Gaogong Golden Globe Award- Entrepreneur of the year</div> <div>TINCI Guangzhou</div> <div>Shenzhen Gaogong Industry Research Co., Ltd.</div>
<div>2024 Overseas layout pioneer- Gaogong lithium chemistries</div> <div>TINCI Guangzhou</div> <div>Shenzhen Gaogong Industry Research Co., Ltd.</div>	<div>Guangdong top 500 manufacturing enterprises</div> <div>TINCI Guangzhou</div> <div>Guangdong Manufacturers Association</div> <div>Guangdong Development and Reform Research Institute</div> <div>JiNan University Industrial Economic Research Institute</div>

<div>Guangdong Industrial New Materials Association</div> <div>TINCI Guangzhou</div> <div>Vice President Unit</div>	<div>Guangzhou Chemical Industry Association</div> <div>TINCI Guangzhou</div> <div>Member Unit</div>
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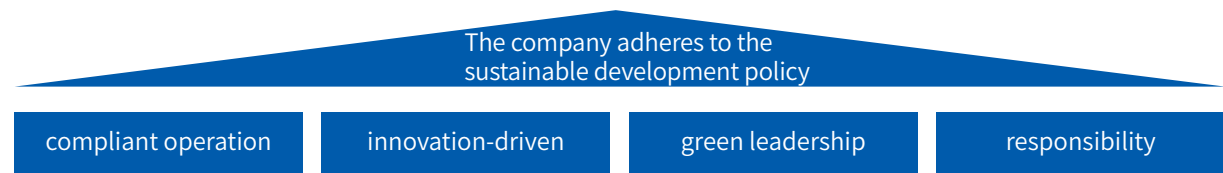




04

SUSTAINABLE DEVELOPMENT MANAGEMENT

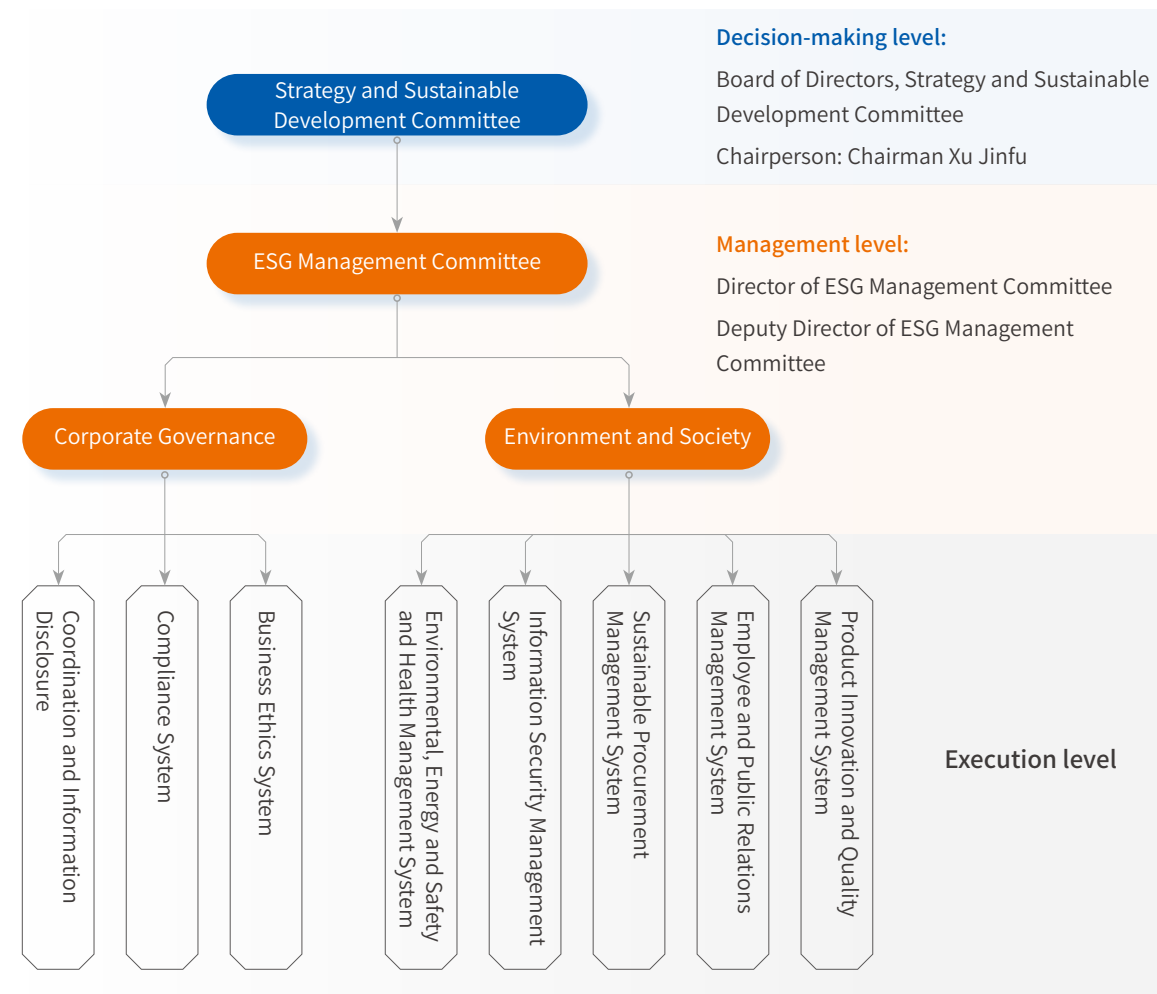
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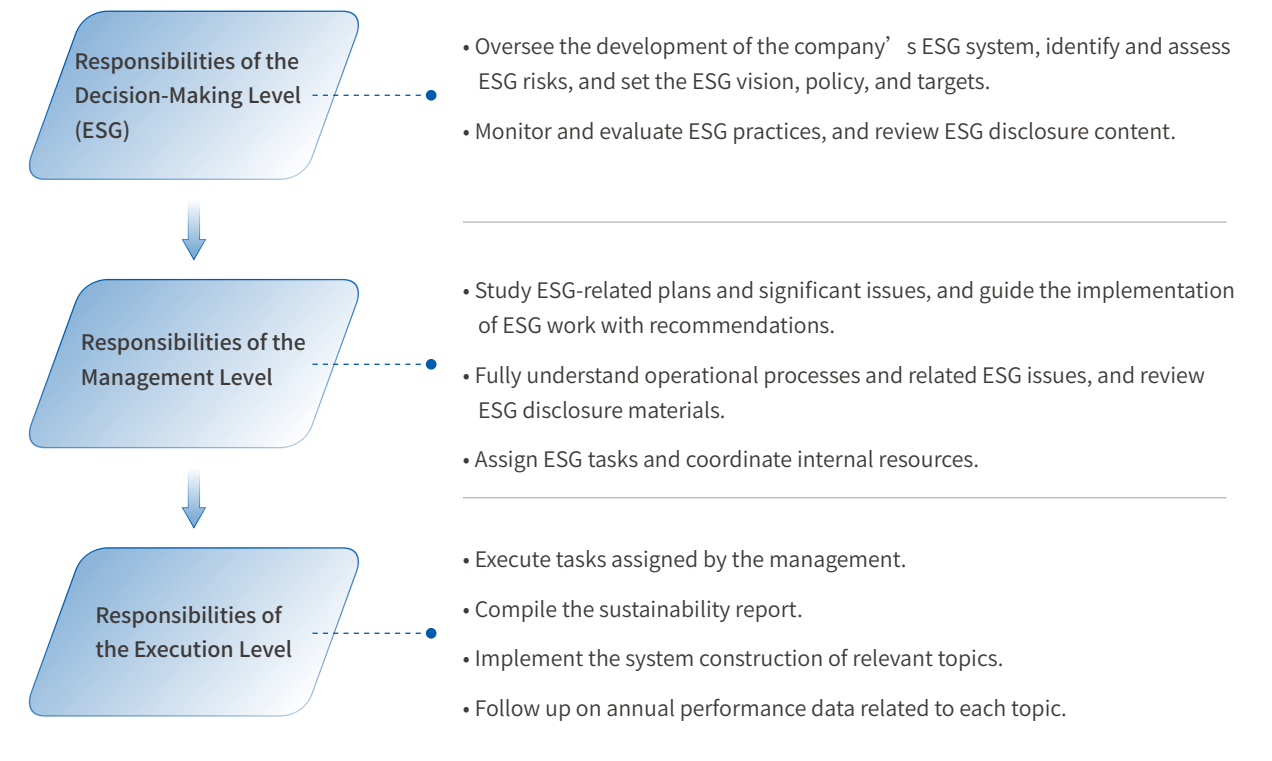
Sustainable development has become a common goal for enterprises around the world and is also an important criterion for measuring a company's comprehensive strength and sense of social responsibility. Tinci Materials has a profound understanding of the importance and urgency of sustainable development and has always regarded it as a core part of its corporate strategy. It actively fulfills its social responsibilities and strives to achieve coordinated development of the economy, environment, and society. The company adheres to the sustainable development policy of "compliant operation, innovation-driven, green leadership, and responsibility," integrating the concept of sustainable development into every aspect of its daily operations, product research and development, environmental governance, and community services. It has established a complete sustainable development organizational system and management mechanism to continuously advance the effective implementation of its sustainable development strategy.

4.1 SUSTAINABLE DEVELOPMENT STRATEGY

SUSTAINABLE DEVELOPMENT ORGANIZATIONAL STRUCTURE



DUTIES OF THE CORPORATE SUSTAINABILITY MANAGEMENT COMMITTEE



Sustainable Development Honor



SUSTAINABILITY PERFORMANCE

Operational Performance

R&D investment in 2024:
66,821million yuan ,
5.34% of revenue

Patent applications:**1,022**

Granted patents: **558**

PCT international applications:
71

New eco-friendly solvent **E100**
patented.

Four products named **top high-tech products** in Guangdong Province in 2024.

Average customer satisfaction:
97.35

Governance Performance

2024: **3** shareholders' meetings,
12 board meetings.

100% reply rate on **79** investor questions.

4-year **A** rating in SZSE info disclosure.

It was awarded for best practices in:
Board of directors
Board office
Investor relations management

100% employee coverage in business ethics training.

100% coverage in supplier integrity management.

100% employee coverage in information security training

Environmental Performance

11 production bases are stably operating with ISO 14001 environmental management system certification.

No high-risk environmental items in the EHS annual audit.

2024:
60,107MWh green electricity used;
11.95green power ratio.

2024: Carbon emissions (Scope 1 + 2) down **12.76**% from 2023.

Reused water ratio reached **59**%.

Electrolyte packaging is **100**% recyclable.

Social Performance

2024 safety investment: CNY **85.81** million.

Zero major safety accidents.

Zero occupational diseases for four consecutive years.

Female employees: **29.15**%;
female directors: **22.22**%.

100% return-to-work rate for maternity leave employees in 2024.

Charitable donation expenditure: CNY **3.09** million.

4.2 RESPONSE TO THE UN SUSTAINABLE DEVELOPMENT GOALS



The company highly focuses on global sustainable development and actively responds to the United Nations Sustainable Development Goals (SDGs). It consistently follows the path of sustainable development and showcases its positive contributions to global sustainable development goals by disclosing its actual actions in operation.



Goal 1: No Poverty

- Actively participating in provincial, municipal, and district-level organizations, community construction, donating to education, poverty alleviation, and other social welfare activities, deeply engaging with poverty-alleviation partner schools and impoverished families.
- Promoting rural revitalization, assisting rural enterprises in building platforms, widening roads, and engaging in other public welfare activities.
- The cumulative public welfare expenditure for the year 2024 amounted to 3.09 million yuan., up 63.33% from 2023.



Goal 4: Quality Education

- Long-term support for local public welfare and educational assistance activities, providing targeted support and donations to Hukou County Middle School.
- Establishing joint laboratories with major universities and actively promoting talent cultivation efforts.
- Organizing chemistry popular science activities for young people in collaboration with the joint party branch and public relations department to cultivate innovation awareness among teenagers.



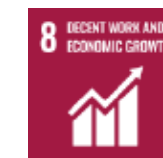
Goal 5: Gender Equality

- Adhering to equal pay for equal work between male and female employees, and promoting gender equality.
- The proportion of female directors is 22.2%.
- In 2024, female employees accounted for 29.15% of the total company workforce. Among them, there were 141 female managers, accounting for 24.06% of the total management staff.



Goal 7: Affordable and Clean Energy

- Creating an industrial circular economy to enhance the effective recycling and reuse of production materials.
- Actively seeking renewable alternative energy sources and increasing the use of clean energy.
- The company aims for a 30% green electricity usage ratio in 2025. In 2024, it reached 11.95%.



Goal 8: Decent Work and Economic Growth

- The company adheres to an open, fair, and equal employment policy. During the recruitment process, strict scrutiny and control are exercised to ensure that child labour is not employed, thereby guaranteeing equal employment rights and opportunities for all employees.
- All regular employees are provided with formal labour contracts in accordance with legal requirements, ensuring social security benefits.
- Competitive remuneration and benefits are offered to employees, following a "salary + bonus" strategy. Additionally, employees are provided with stock options and equity allocation, allowing them to benefit from the company's growth dividends.



Goal 9: Industry, Innovation and Infrastructure

- Possessing a National Enterprise Technology Centre, an Academician Workstation, a Postdoctoral Research Workstation, and a Guangdong Provincial Engineering and Technology Research Centre.
- Establishing multiple joint laboratories with various universities and research institutes to introduce cutting-edge materials and technologies into the company for incubation.



Goal 12: Responsible Consumption and Production

- Imposing sustainable development requirements on the key raw material suppliers, requiring them to sign a "Social and Environmental Responsibility Commitment" to promote mutual sustainable development.
- Regularly publishing ESG (Environmental, Social, and Governance) reports annually, communicating with stakeholders about the progress of the company's sustainable development actions.



Goal 13: Climate Action

- Actively aligning with the global trend of energy conservation and low-carbon initiatives, responding to the national 30-60 decarbonization policy, vigorously advocating for the concept of energy conservation and steadily promoting energy-saving efforts.
- Initiating a carbon emission audit across the group, setting scientifically grounded carbon reduction targets, thereby promoting green ecological development.
- In 2024, the group's total carbon emissions decreased by 12.76% compared with 2023.

4.3 IMPORTANCE AGENDA MANAGEMENT

Analysis of Issue Importance

Analyzing the importance of issues is fundamental to a company's sustainable development governance and management. It helps allocate resources for short-, medium-, and long-term sustainability initiatives. During the reporting period, the company conducted a "double materiality assessment" of sustainability issues, in line with the Shenzhen Stock Exchange's "Self-Regulatory Guidance on Sustainability Reports (Trial)" and the China Securities Association's "Guidelines for Sustainability Reports." By considering the company's industry characteristics, development stage, and business operations, it identified the impact of issues on the company's business model, strategy, financial status, and cash flow, as well as the impact of the company's performance on the economy, society, and environment.



Materiality analysis process

01



Understand and identify the business operations and sustainable development context of the company

- Analyze the industry characteristics of the company, its own business operations, business relationships, and development strategy.
- Review the external sustainability pressures faced by the company and the current status of its internal sustainability management.
- Identify and organize the communication and participation methods of key stakeholders and their priorities, and understand the impacts or potential impacts of the company's operations and the upstream and downstream value chain on them.

02



Identify and screen sustainability issues

- Based on the sustainability issues identified in previous years, compare them with the specific issues set in the Shenzhen Stock Exchange's "Self-Regulatory Guidance on Sustainability Reports (Trial)," and also take into account changes in the company's industry characteristics, its own business operations, and the current stage it is in, to compile and establish the company's list of sustainability issues.

03



Conduct a "double materiality assessment" on the list of sustainability issues

- Impact Materiality: Based on interviews and surveys with various functional departments, aggregate and analyze the concerns and requirements raised by stakeholders that each department responds to. Combine this with the significant impacts generated by the company's core business processes across economic, environmental, and social aspects to rank and score the issues. The analysis results of the impact materiality of the issues are then summarized.
- Financial Materiality: Based on the company's industry, business model, and operational characteristics, invite the heads of various business units and the finance department to assess the impact of each issue on the financial performance of the business units and the company. Refer to the percentage of major financial statement items, the company's operating revenue, costs, and expenses to form the assessment results of the financial materiality of the issues.

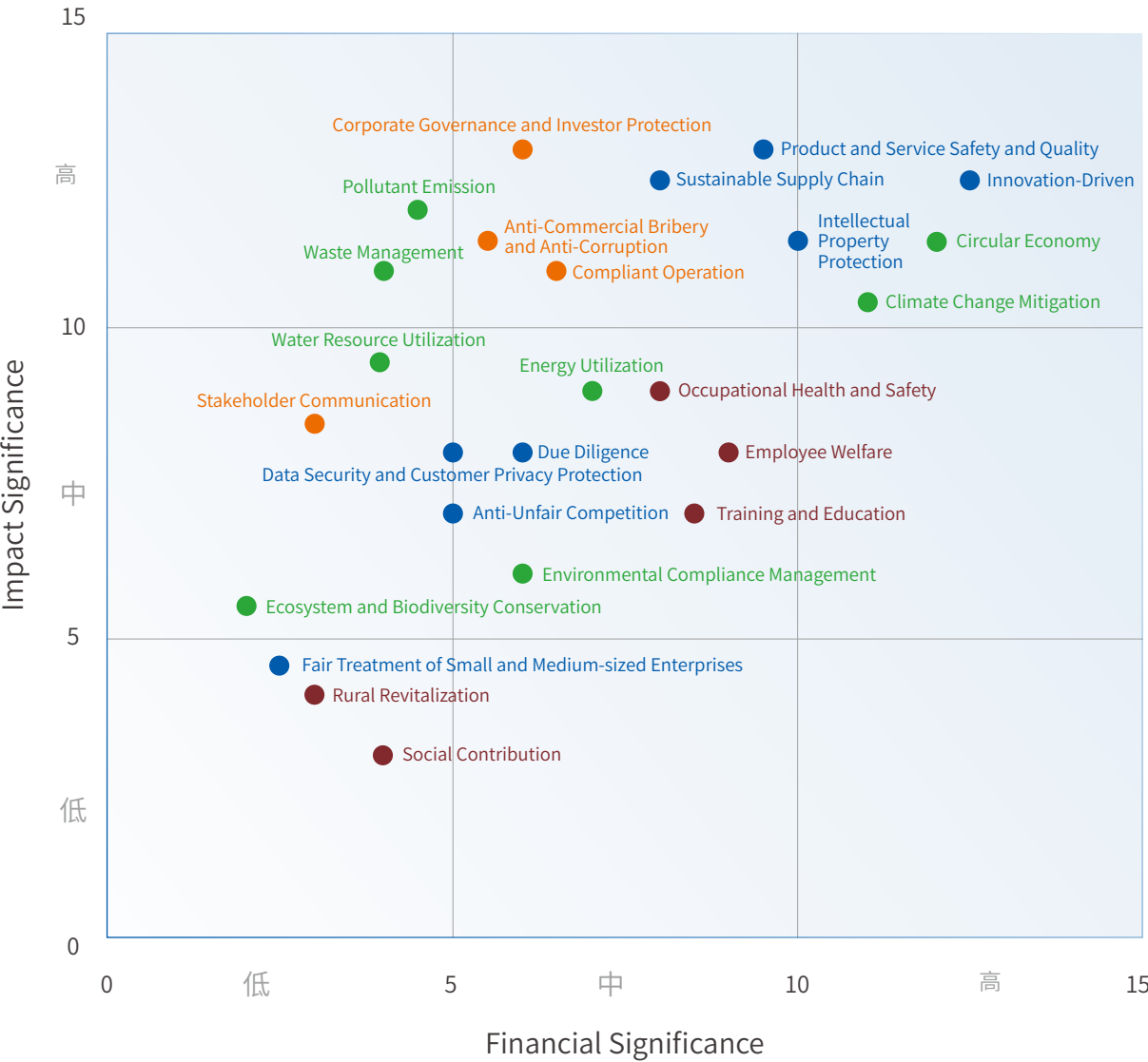
04



Issue Confirmation and Reporting

- Confirmation of Material Issues: Based on the materiality assessment conducted by the company and considering the development stage of the company in relation to sustainability issues, a list of material issues is derived.
- Sustainability Management and Disclosure in 2024: In 2024, sustainability management and information disclosure will be carried out around the material issues. In 2025, the company will continue to improve sustainability management focusing on these material issues.

Materiality analysis results



Important issues

Governance	1	Compliant Operation
	2	Corporate Governance and Investor Protection
	3	Anti-Commercial Bribery and Anti-Corruption
	4	Stakeholder Communication
Management	5	Sustainable Supply Chain
	6	Due Diligence
	7	Fair Treatment of Small and Medium-sized Enterprises
	8	Innovation-Driven
	9	Intellectual Property Protection
	10	Product and Service Safety and Quality
	11	Data Security and Customer Privacy Protection
	12	Anti-Unfair Competition
Environment	13	Energy Utilization
	14	Circular Economy
	15	Water Resource Utilization
	16	Pollutant Emission
	17	Waste Management
	18	Climate Change Mitigation
	19	Environmental Compliance Management
	20	Ecosystem and Biodiversity Conservation
Society	21	Occupational Health and Safety
	22	Diversity and Equal Opportunity
	23	Employee Welfare
	24	Training and Education
	25	Social Contribution
	26	Rural Revitalization

Note 1: The description of the issues in this year has been adjusted in accordance with the specific provisions in the Shenzhen Stock Exchange's "Self-Regulatory Guidance on Sustainability Reports for Listed Companies No. 17 (Trial)." Compared with 2023, the issues of ecosystem and biodiversity protection, due diligence, anti-unfair competition, and equal treatment of small and medium-sized enterprises have been added.

Note 2: In 2024, the company did not engage in scientific research and technological development in ethically sensitive fields such as life sciences and artificial intelligence. Therefore, the issues do not include the requirements for the disclosure of ethical issues in Article 43 of the Shenzhen Stock Exchange's "Self-Regulatory Guidance on Sustainability Reports for Listed Companies No. 17 (Trial)."

4.4

STAKEHOLDER ENGAGEMENT



The key stakeholders of the company's sustainable development include employees, shareholders and investors, local communities, customers, suppliers, and government regulatory authorities. The company is well aware of the importance of maintaining close communication with stakeholders. We always adhere to an open and transparent attitude, actively building diversified communication channels, and proactively engaging in extensive and in-depth exchanges with stakeholders, including shareholders, employees, customers, suppliers, communities, and all sectors of society. Through regular communication meetings, online interactive platforms, on-site visits, and participation in seminars, we promptly convey the company's strategic planning, business achievements, and sustainable development concepts. We actively listen to the voices of all parties, collect valuable opinions and suggestions, and ensure that the company's decisions fully reflect the interests and demands of all stakeholders. This lays a solid foundation for the company's long-term and stable development and enables us to jointly move towards a sustainable future.

Stakeholder Concerns and Communication Methods

Stakeholder	Key Focus Areas of the Topics	Method
 Employees	Occupational Health and Safety Diversity and Equal Opportunity Employee Welfare Training and Education Anti-Commercial Bribery and Anti-Corruption Intellectual Property Protection	Onboarding training Annual training programs Regular and ad-hoc meetings Information bulletin boards Company intranet Company email Corporate WeChat platform OA system complaint platform Workers' congress Annual performance review
 Shareholders and investors	Sustainable development strategy ESG rating results Compliant Operation Corporate Governance and Investor Protection Anti-Commercial Bribery and Anti-Corruption Intellectual Property Protection Circular Economy	Board of directors Shareholders' meeting Investor relations day Performance briefing Announcements Investor relations interactive platform Telephone conference / offline institutional strategy meeting
 Local community	Social Contribution Rural Revitalization Ecosystem and Biodiversity Conservation Pollutant Emission Waste Management Water Resource Utilization Energy Utilization	Notice board WeChat/QQ groups Employee services and public welfare activities Promotion of environmental education Occasional participation in community activities
 Clients	Product and Service Safety and Quality Data Security and Customer Privacy Protection Sustainable Development Strategy Anti - Bribery and Anti - Corruption Anti - Unfair Competition Climate Change Mitigation Energy Utilization	Annual customer satisfaction survey Quality certification Customer reviews Order or contract responses Regular/ad hoc customer visits Phone/email Service hotline
 Suppliers	Sustainable Development Strategy Sustainable Supply Chain Anti-Bribery and Anti-Corruption Conflict Minerals Due Diligence	Supplier evaluation Company WeChat platform Communication feedback via phone or email Business visits
 Government regulatory authorities	Compliant Business Operations Environmental Compliance Management Climate Change Mitigation Energy Utilization	Accessing government websites for policies Receiving government documents Compliance supervision inspection regulations seminars, workshops, or forums Regular/ad-hoc visits



05

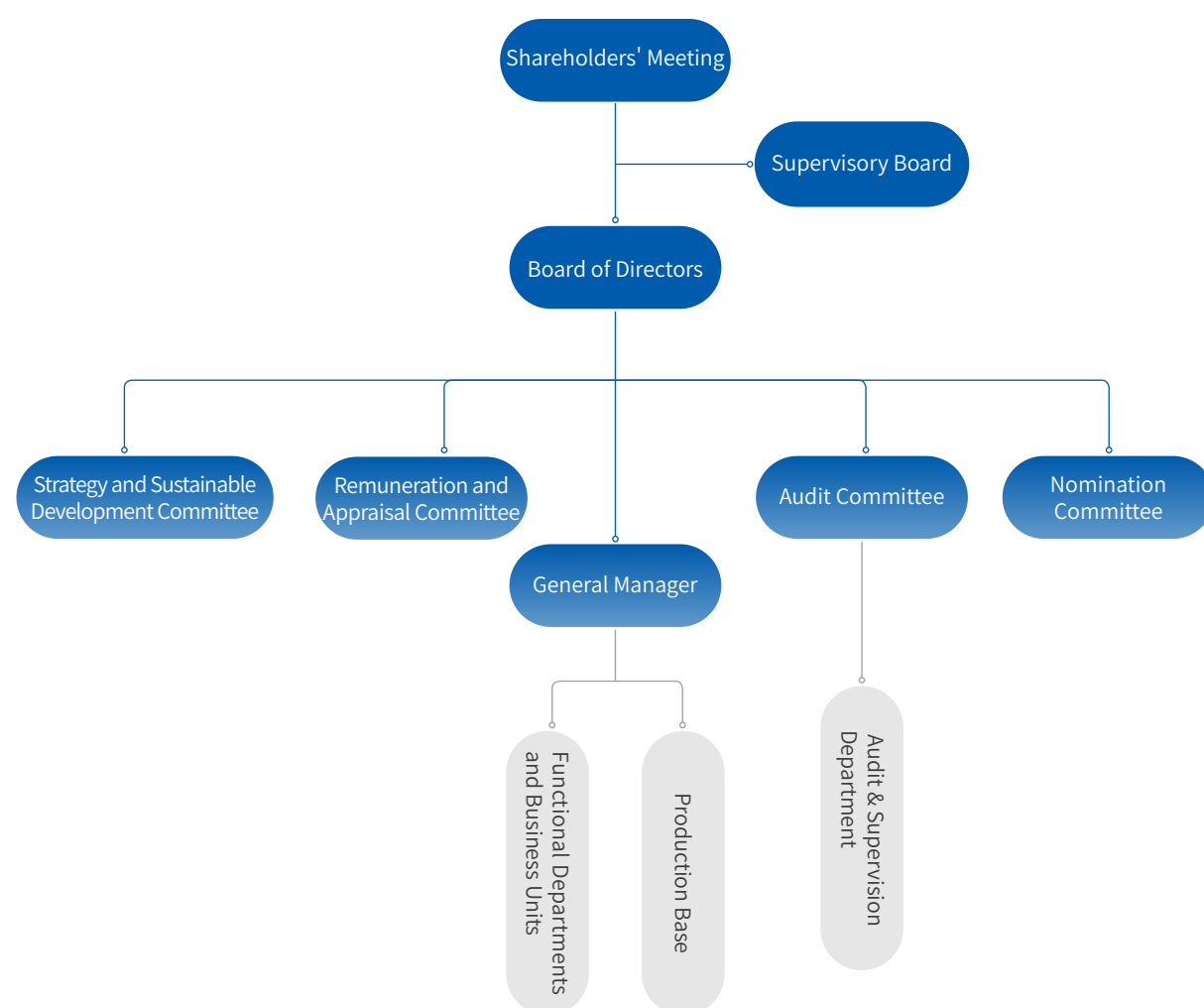
GOVERNANCE

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5.1 SOUND GOVERNANCE STRUCTURE

The company strictly follows laws and regulations such as the Company Law, Securities Law, Corporate Governance Guidelines for Listed Companies, Shenzhen Stock Exchange Listing Rules, and the Company's Articles of Association. It continuously standardizes its governance structure, improves internal controls, fulfills information disclosure duties, and protects the rights of the company and its shareholders. A governance framework comprising the shareholders' meeting, board of directors, board of supervisors, and management has been established for decision-making, execution, and oversight.

Company Governance Structure



The company strictly complies with the Regulations on Shareholders' Meetings of Listed Companies, the Company's Articles of Association, and the Rules of Procedure for Shareholders' Meetings to convene and hold shareholders' meetings, ensuring all shareholders can exercise their rights equally and fully.

During the reporting period, the company held three shareholders' meetings. To facilitate shareholder voting, the meetings were conducted using a combination of on-site and online voting methods, with separate counting of votes from small and medium investors on some proposals.

According to the Company's Articles of Association, the board of directors consists of nine members, including four independent directors and five non-independent directors. The board's size, composition, and appointment procedures meet the requirements of relevant laws, regulations, the Company's Articles of Association, and the Rules of Procedure for the Board of Directors. The board has established four specialized committees: the Audit Committee, the Strategy and Sustainability Committee, the Nomination Committee, and the Compensation and Evaluation Committee. These committees are responsible to the board and perform their duties in accordance with the company's articles and board authorization, submitting proposals for board deliberation.

During the reporting period, the company held 12 board meetings. All directors attended the meetings and carefully reviewed the proposals in accordance with the Company's Articles of Association and the Rules of Procedure for the Board of Directors, fulfilling their directorial duties.

During the reporting period

Shareholder's Meeting
3

Board meetings
12

In 2024, the company was awarded the "2024 Excellence in Board Office Practice" and "2024 Excellence in Board Practice" by the China Association of Listed Companies.



The decision-making process, determination basis, and actual payment details of compensation for directors, supervisors, and senior management personnel are detailed in the annual report.

(<http://www.cninfo.com.cn/new/disclosure/stock?stockCode=002709&orgId=9900022986#periodicReports>)

5.2 ENHANCED RISK CONTROL AND COMPLIANCE MANAGEMENT

To ensure the legality and compliance of operational management, asset security, and to enhance operational efficiency and effectiveness, and to promote the realization of development strategies, the company establishes an internal control system and formulates internal control regulations and evaluation methods in accordance with the "Basic Standards for Enterprise Internal Control" and its supporting guidelines, as well as other internal control regulatory requirements.

To ensure tax compliance, Guangzhou Tinci Advanced Materials Co., Ltd. and its wholly-owned, controlled subsidiaries, and branches continuously implement the Tax Declaration Risk Management System, Tax Self-Inspection Mechanism Management System, Invoice Management System, and Export Rebate Risk Management System. These systems clarify the tax policies and principles applicable to the company and its subsidiaries and encourage local subsidiaries to formulate corresponding implementation details based on local tax policies. On a monthly basis, the accounts receivable accountant and tax accountant are responsible for account reconciliation. The Group Finance Department is in charge of organizing tax self-inspections for subsidiaries, including routine tax self-inspections, tax self-inspections before special audits, and tax self-inspections during the annual settlement and finalization of taxes.

The company has established an independent Audit and Supervision Department and staffed it with full-time personnel. Under the leadership of the Audit Committee of the Board of Directors, the Audit and Supervision Department conducts audits and supervision of the implementation of the company's internal control systems and the progress of company projects in accordance with the provisions of the Internal Audit System. This has significantly strengthened the company's standardized operations. During the reporting period, the Audit and Supervision Department carried out proactive inspection work at various bases, implemented mid-process supervision of key business modules, conducted real-time supervision of the entire process of important tenders, and supervised the settlement process of important project costs. It also conducted internal risk identification and assessment to enhance the company's risk control and compliance management.

“

In 2024, the internal audit did not identify any significant deficiencies in non-financial report internal controls.

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5.3 TRANSPARENT INFORMATION DISCLOSURE

The company appoints a Board Secretary who is responsible for preparing the company's shareholder meetings and board meetings, managing documents, maintaining shareholder records, handling information disclosure matters, investor relations, and other related tasks. During the reporting period, the company has consistently fulfilled its disclosure obligations in accordance with the requirements of the "Company Law," "Securities Law," "Shenzhen Stock Exchange Listing Rules," "Articles of Association," and "Information Disclosure Management System." This ensures that the company discloses information to the public truthfully, accurately, completely, timely, and fairly, thereby enhancing the transparency and openness of company governance.

The company discloses information to investors through the Cninfo (<http://www.cninfo.com.cn/new/index>) and Qianjiang (<https://ir.p5w.net/>). The disclosed information includes company announcements, research reports, investment ratings, financial indicators, periodic reports, company profiles, corporate systems, and other relevant information. In the fiscal year 2024, a total of 196 announcements were disclosed to the public. The board of directors diligently reviews all disclosure announcements to ensure that the content of the company's information disclosure is truthful, accurate, and complete, without false records, misleading statements, or major omissions. Directors pay close attention to the company's information disclosure and supervise the company to fulfill its information disclosure obligations in accordance with the requirements of the Shenzhen Stock Exchange Listing Rules, relevant laws and regulations, the company's "Articles of Association," and the "Information Disclosure Management System." For four consecutive years, the company has received the highest rating of "A" in the Shenzhen Stock Exchange's information disclosure evaluation.

“

In 2024, it was also awarded the “Golden Bull Award for Excellence in Information Disclosure” by China Securities Journal

”

5.4 INVESTOR RELATIONS MANAGEMENT

Since its listing in 2014, Tinci Materials has placed great emphasis on investor relations management, considering it a focal point of its daily operations. The company's investor relations team diligently explores the business value of the company in the secondary market and showcases its core business advantages. Through regularly hosting performance briefings, providing easily understandable performance snapshots, conducting both forward and reverse roadshows, welcoming visits from investors and analysts, participating in domestic and international investor conferences, and earnestly maintaining communication channels such as the Shenzhen Stock Exchange's Interactive Easy Platform, online investor receptions, investor hotlines, and investor email, Tinci Materials engages in comprehensive and multidimensional communication with the market. Consequently, it has gained recognition from a wide range of institutional and retail investors.

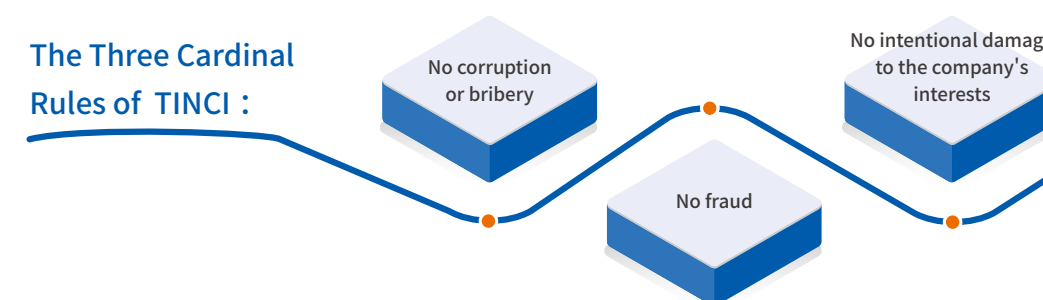
Since 2024, the company's investor relations team has responded to 79 investor inquiries through the Interactive Easy Platform, achieving a response rate of 100%. Apart from promptly addressing inquiries on the Shenzhen Stock Exchange's Interactive Easy Platform, the team also ensures timely publication of communication summaries following interactions with institutional investors in the secondary market, thus guaranteeing the timely dissemination of information. The company's investor relations team actively builds diverse communication channels, exploring various means to engage in extensive and in-depth exchanges with investors. They listen to investors' opinions, accurately convey the company's information, and uphold long-term trust relationships between investors and the company.

In 2024, the company was awarded the “Best Practice in Listed Company Investor Relations Management” by the China Listed Companies Association, and also received the title of “Outstanding IR Company” at the 5th Panoramic Investor Relations Gold Award



5.5 ANTI-COMMERCIAL BRIBERY AND ANTI-CORRUPTION

The Three Cardinal Rules of TINCI :



The company strictly complies with the Anti-Unfair Competition Law of the People's Republic of China, the Criminal Law of the People's Republic of China, and the Shenzhen Stock Exchange Self-Regulatory Guidelines for the Standardized Operations of Listed Companies on the Main Board (No. 1) (issued on January 7, 2022, and currently in effect) in carrying out its business ethics governance.

The Board of Directors of Tinci Materials has an Audit Committee, under which there is an Audit and Supervision Department. Within the Audit and Supervision Department, there is a supervision function that is mainly responsible for establishing and improving channels for reporting, mechanisms against conflicts of interest, anti-bribery, and anti-corruption. The Audit and Supervision Department reports directly to the Audit Committee of the Board of Directors and the Chairman of the Board, fully demonstrating the independence of the audit and supervision functions.

Institutional Development and Implementation

The company continuously implements the Audit and Supervision Accountability Management System. In 2024, in accordance with national laws and regulations as well as regulatory requirements, the company issued five anti-commercial bribery and anti-corruption systems to further standardize internal governance and strengthen business ethics.

In 2024, in line with various management requirements, the Audit and Supervision Department carried out activities such as reporting investigations, routine inspections, conflict of interest checks, and integrity publicity campaigns to ensure the compliance and integrity of the company's internal governance.

Table of Anti-Commercial Bribery and Anti-Corruption Systems

Internal Supervision and Management System	Audit and Supervision Accountability Management System
Business Ethics Management Procedure	Employee Conflict of Interest Management System
Prohibition of Collusion Management Procedure	Whistleblower Protection Management Procedure

Risk Management

During the reporting period, the Audit and Supervision Department organized and conducted a fraud risk assessment. It carried out a comprehensive survey of the company's business segments, identified business areas with higher fraud risks and the corresponding responsible positions, and analyzed the potential fraud risks in key positions. Through risk assessment, a Risk Identification List was formed to clarify the risk points and their severity. Based on the assessment results, corresponding prevention and control measures were formulated and implemented for different risk scenarios to effectively reduce fraud risks and ensure the compliance and security of the company's operations.

In 2024, the company distributed the Enterprise Risk Management Survey Questionnaire to all employees to fully leverage the functions of supervision and service, further optimize the allocation of audit and supervision resources, and promote the company's sustainable and healthy development. According to the accountability situation of the 2024 supervision and investigation, matters involving internal commercial bribery, corruption, and violations of discipline and regulations were mainly concentrated in warehousing logistics and procurement positions. During the reporting period, the company was involved in six fraud/non-compliance incidents, with a total of ten individuals held accountable. None of the individuals involved in fraud were at the executive level. It was found that the above-mentioned matters had not had a significant negative impact on the company's strategic goals or business decisions, nor had they affected the company's financial reports. Overall, the fraud risks were controllable. Measures such as warnings and termination of employment contracts were taken against the individuals involved in fraud in accordance with relevant systems.

Whistleblower Protection

The Audit and Supervision Department has established routine channels for receiving reports and complaints, which are managed by designated personnel. These channels include mobile phone, email, and WeChat. The reporting channels are publicized on the company's official website, OA system, WeChat, and the internal public account "Integrity Tinci" to accept reports and complaints of various violations, disciplinary offenses, and illegal acts.



Note 1: When using the WeChat reporting channel, you need to add the contact to your contact list first.

In 2024, the company released the Whistleblower Protection Management Procedure to safeguard the legal right to report for employees and external entities. The company encourages and supports employees and external entities to exercise their right to report in accordance with the law. No unit or individual may retaliate against a whistleblower under any pretext. The company strictly prohibits retaliatory actions against reporting employees. Those who violate regulations by disclosing whistleblower information or retaliate against reporting personnel will be dealt with severely in accordance with the Employee Handbook and the Audit and Supervision Accountability Management System. If such actions constitute a violation of the law, the individuals involved will be handed over to the judicial authorities for legal handling. During the reporting period, there were no incidents of whistleblower information leakage.

Integrity Supplier Management

Since the end of 2023, the company has required all suppliers, service providers, contractors, and other business partners to sign a Sunshine Agreement related to integrity and anti-bribery. The company has also included anti-bribery clauses in all procurement contracts. As of the end of the reporting period, a total of 1,040 such agreements had been signed.

The company's Audit and Supervision Department conducts quarterly spot checks on suppliers' procurement records to review the implementation of the procurement inquiry and pricing procedures. During the reporting period, the department interviewed 32 key suppliers to understand the fairness of the bidding environment and the integrity of their operations. In the course of conducting anti-commercial bribery and anti-corruption investigations, the department visited 10 suppliers and sub-suppliers in 2024 to investigate issues related to bribery and other violations of discipline and regulations. Based on the findings, the company took action against 10 internal employees and 7 suppliers for their violations in accordance with the Employee Handbook, the Audit and Supervision Accountability Management System, and the Sunshine Agreement.



Integrity Culture Development and Supervision

To foster a clean and upright corporate culture, the Audit and Supervision Department organized and planned a "Integrity Promotion and Anti-Commercial Bribery" training session for all employees. Integrity education has been incorporated into the "training materials" for new employees. The department actively conducted eight offline training sessions at various bases, including Quzhou, Chenzhou, Dayu, and Longnan, and also implemented online training and assessment for all employees. The employee training coverage rate reached 100% throughout the year.

In terms of integrity supervision mechanisms, in 2024, the Audit and Supervision Department set a goal to conduct at least one "Business Ethics and Anti-Fraud" audit per year. Starting from 2025, it plans to integrate "Business Ethics and Anti-Fraud Audits" into the group's routine audit projects to strengthen mid-process supervision of key businesses.



5.6 INFORMATION SECURITY

The company strictly complies with national laws and regulations, including the Civil Code of the People's Republic of China, the Cybersecurity Law of the People's Republic of China, the Data Security Law of the People's Republic of China, and the Personal Information Protection Law of the People's Republic of China. It ensures the security of information assets and the continuity of business operations in line with international standards, and protects internal and external information in a transparent, lawful, and necessary manner. During the reporting period, the company updated its Information Security Management System in accordance with the latest requirements of ISO/IEC 27001:2022. The company's information security management is led by the General Manager and the heads of first-level departments, with the Process and Information Systems Department and the relevant interface personnel responsible for implementation. By the end of the reporting period, a total of 64 management systems had been established, with a focus on protecting core technologies and patents. The company uses encryption and other means to reduce risks, enhance business connectivity, and cultivate employees' awareness of information security through organized competition activities.

The company has adopted the ISO/IEC 27001 information security management system (ISMS) framework to plan the cybersecurity architecture of Tinci Materials. By leveraging advanced digital technologies and standardizing information security governance, the company effectively controls data security risks. This approach not only enhances the security of information assets but also significantly improves the data experience through digital transformation, leading to increased efficiency and structural changes in business management. To further strengthen information security, the company has established the Information Security Incident Control Procedure and the IT Disaster Recovery Manual. These documents guide the implementation of system security protection and emergency drills. During the reporting period, the company completed eight information security attack and defense drills.

Number of customer privacy violations in 2024

0

Achievement rate of information security goals in 2024

100%

Information security training coverage and pass rate in 2024

100%

During the reporting period, the company's Information Security Working Group conducted internal information security audits and reported to the Information Security Leadership Group to obtain resources. It also continued to organize external third-party audits of the information security system to comprehensively assess its effectiveness. In 2024, TINCI Sichuan and TINCI Jiujiang were newly added to the list of entities that have passed the audit and certification. As of the end of the reporting period, four entities—parent company TINCI Guangzhou and subsidiaries TINCI Jiujiang, KAIXIN Fuding, TINCI Sichuan, and TINCI Jiangsu—have obtained the ISO/IEC 27001:2022 Information Security Management System certification.

Privacy and Security

Tinci Materials values and protects privacy data, respecting the data security and privacy of employees and business partners. Data collection and processing are only conducted for legitimate business purposes after obtaining authorization. The company strictly complies with applicable data privacy laws in its locations. The company's information security covers sales and procurement management, with full-process control set up for data access, operations, external provision, and destruction. In 2024, there were no incidents of infringing on business partners' privacy or losing their information, nor were there any related lawsuits.



06

OPERATIONS



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6.1

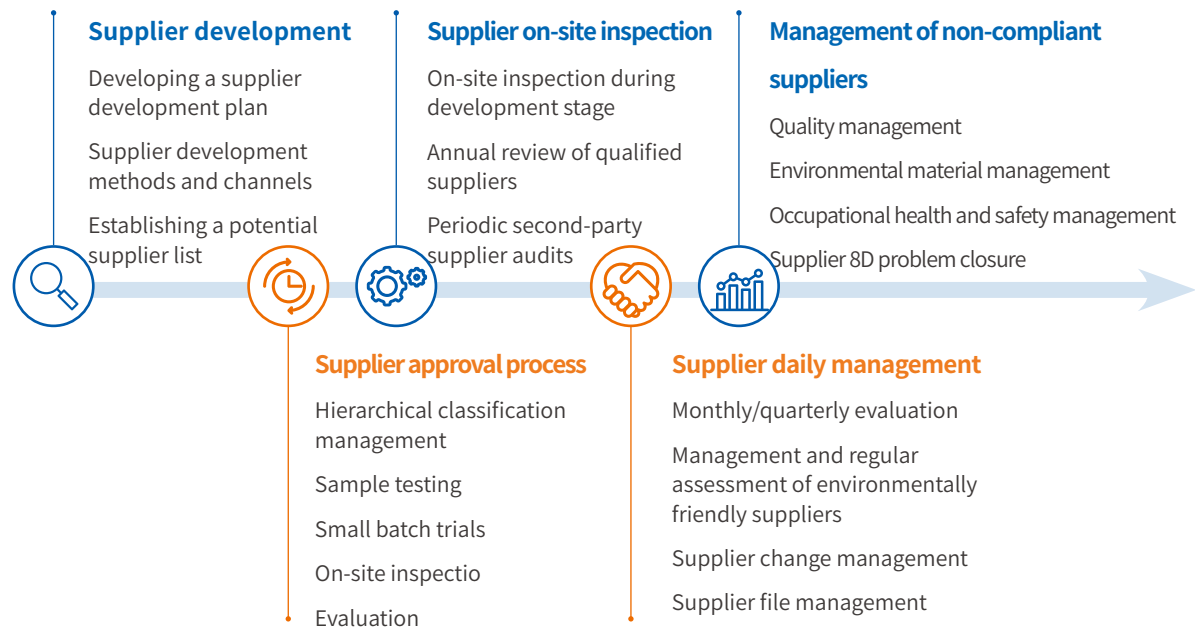
SUSTAINABLE SUPPLY CHAIN

Supply Chain Management

To ensure the stable operation of the supply chain, effectively resist various internal and external risks, and enhance the company's risk response capabilities, the company continuously builds a supply chain safety management system. This ensures the timely supply of raw materials, orderly production, and on-time delivery of products, maintaining the normal operational rhythm of the enterprise.

The company has established the Supplier Safety Management System, Supplier Development and Evaluation System, Supplier Management System, Supplier Management Control Procedure, and Raw Material Procurement Process Control Procedure. These systems and procedures standardize the company's procurement operations and ensure that the purchased raw materials meet the company's requirements for quality, environmental protection, HSF (Hazardous Substance Free), hazardous substance management, information security management, and social responsibility. They also comply with cost accounting requirements and satisfy production needs.

New suppliers of important raw materials are all screened and evaluated according to standards related to environment, health and safety, and social responsibility (such as ISO 14001, ISO 45001, and SA 8000). To better manage the qualified suppliers on the list, Tinci Materials categorizes and classifies suppliers, including those of raw materials, packaging materials and accessories, various chemical equipment, mechanical parts, and engineering services. Different categories of suppliers are matched with different procurement personnel to handle related business, so as to improve procurement efficiency. The company focuses on the sustainable development of suppliers and puts forward requirements for sustainable development to important raw material suppliers. It requires suppliers to sign the Commitment to Social and Environmental Responsibility, making commitments in labor, health and safety, hazardous substance control, pollution control, and energy conservation and emission reduction to promote common sustainable development. The company continues to advance the management of suppliers' compliance commitments. As of the end of the reporting period, 57 suppliers in cooperation had signed the Commitment to Social and Environmental Responsibility.



Responsible Minerals Due Diligence

In 2024, the company established policies and procedures for responsible minerals management, committing to adopt and widely promote the global responsible supply chain procurement policy for minerals from conflict-affected and high-risk areas. This policy was integrated into contracts or agreements with suppliers, providing a fundamental reference for conflict-sensitive procurement activities and suppliers' risk awareness throughout the supply chain. The company pledged not to engage in any activities that would finance conflict and to comply with relevant United Nations sanctions resolutions or, where applicable, domestic laws implementing such resolutions. To implement the policy and gain a comprehensive understanding of potential sustainability issues in environment, social, and governance aspects, the company actively conducted due diligence to identify and address negative impacts or risks related to sustainability. This approach helped the company to preemptively develop effective strategies to mitigate negative impacts and drive long-term stable development.

By the end of the reporting period, the company had 57 suppliers in cooperation who had signed the Commitment to Social and Environmental Responsibility, reflecting the company's commitment to responsible minerals sourcing.

To ensure the smooth progress of the company's due diligence management work, the company has established a Responsible Minerals Due Diligence Working Group. This group is responsible for the due diligence management of the entire company's mineral supply chain. The working group conducts risk assessments of the responsible mineral supply chain based on documents such as the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the China Responsible Mineral Supply Chain Due Diligence Management Guide. It also invites third-party companies to provide guidance. During the reporting period, the company established a responsible minerals due diligence management system and relevant policies and procedures, including the Responsible Minerals Management Policy and the Responsible Minerals Due Diligence Management Regulations. These are used to comprehensively identify and assess risks in the responsible mineral supply chain.

During the reporting period, in accordance with the requirements of relevant documents, the company focused on conducting due diligence for responsible minerals. The due diligence team screened and established a list of 26 suppliers related to the lithium supply chain. The company completed the first round of supplier surveys, with 23 suppliers cooperating in the investigation. All the refineries and mines identified during the reporting period were not located in conflict-affected and high-risk areas as defined by the Responsible Minerals Initiative (RMI) or on the EU's Conflict-Affected and High-Risk Areas (CAHRA) list. Based on the survey results, the company established lists of refineries and mines, conducted risk identification and risk rating for suppliers undergoing due diligence, and took corresponding measures to mitigate risks for those with medium to high risks, in line with the guidelines for risk management in the responsible mineral supply chain. The company also provided training on responsible mineral procurement requirements to the 23 suppliers. In addition, we established a grievance mechanism for responsible minerals and publicized the channels for lodging complaints.

Fair Treatment of Small and Medium-sized Enterprises

According to the company's verification and financial report data, as of the end of the reporting period, the balance of the company's accounts payable (including notes payable) was 336,281 ten-thousand-yuan, accounting for 14.04% of the total assets. This did not exceed the situation stipulated in the guidelines where the balance exceeds 30 billion yuan or the proportion of total assets exceeds 50%. At the same time, there were no overdue payments to small and medium-sized enterprises that needed to be publicly disclosed through the National Enterprise Credit Information Publicity System.

6.2 INNOVATION MANAGEMENT

Product Innovation

Tinci Materials drives sustainable development through technological innovation and has formed a strategic layout for scientific research and technology development. In the medium and long term, it focuses on the new energy material business centered on lithium-ion battery materials, develops battery recycling and wet-process metallurgy businesses such as lithium, nickel, manganese, and iron, and builds a complete industrial chain of carbon, nitrogen, hydrogen, phosphorus, sulfur, fluorine, and lithium. At the same time, it also develops two side businesses of fluoropolymer, organic fluorine materials around new energy and new infrastructure application fields, and personal care material in the direction of healthy development.

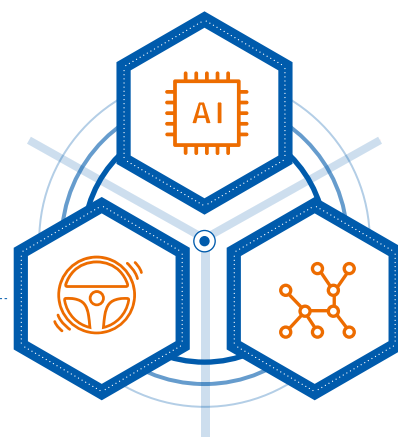
During the reporting period, the company established a Shanghai R&D Center, which focuses on strategic material research and development for intelligent mobility and high-end manufacturing. It aims to provide cutting-edge material system solutions for the fields of autonomous driving, AI data centers, and advanced engineering materials.

AI data centers

A thermal management solution covering pre-cured silicone thermal conductive glue, one-component heat-cured sealing and bonding, and thermal conductive potting has been established.

Autonomous driving

Innovative development has been carried out for the core needs of lidar optical packaging and domain controller signal transmission, resulting in the creation of high-transparency silicone potting glue, low-dielectric acrylic structural adhesives, and weather-resistant epoxy resin bonding systems.



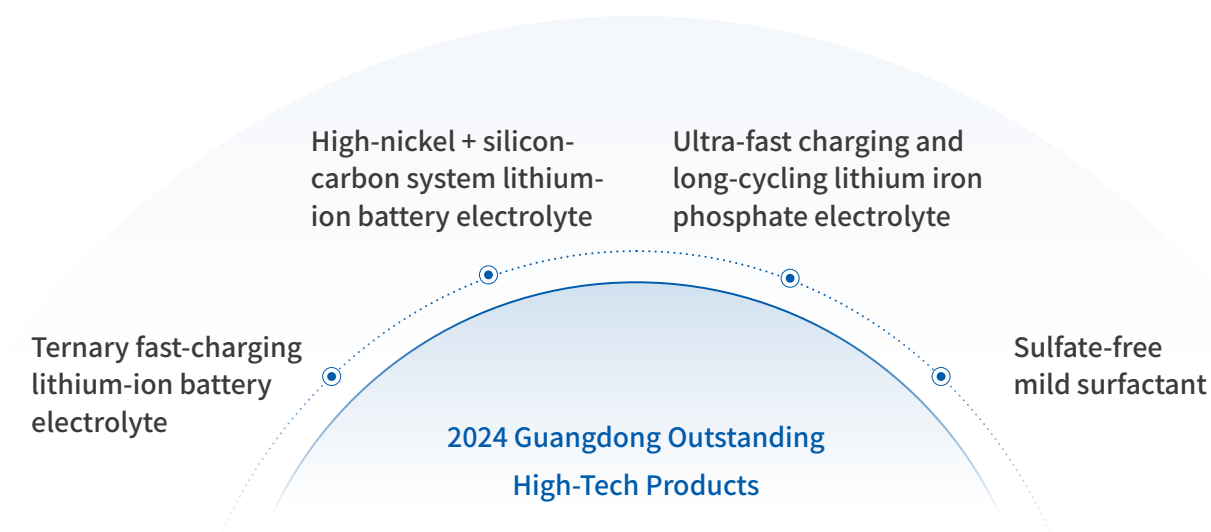
advanced engineering materials

Through molecular design and composite process innovation, PEEK lightweight components and unsaturated polyesterimide-polyimide insulation systems have been developed, which are widely used in cutting-edge fields such as core components of low-altitude aircraft, joints of bionic robots, and motor insulation of new energy vehicles.

The company possesses a national-level corporate technology center, an academician workstation, a postdoctoral scientific research workstation, Guangdong Provincial Engineering Technology Research and Development Center, Guangdong Provincial Corporate Technology Center, Jiangxi Provincial Corporate Technology Center, Guangdong Provincial Lithium Battery Electrolyte Materials Engineering Laboratory, and the Ministry of Education Engineering Technology Research and Development Center for Electrochemical Energy Storage Materials and Technology. Under the R&D innovation platform, an innovation model driven by “field - product - technology” has been formed. The company has continuously established innovative organizations such as cutting-edge material R&D platforms, organic synthesis technology platforms, inorganic material synthesis platforms, and polymer R&D platforms. By setting up R&D and production bases globally, the company has realized an integrated organizational platform of “research - production - sales - supply”, which has significantly enhanced its resilience and competitive advantage in the global industry chain, supply chain, and value chain.

The company has continuously undertaken key technological transformation projects organized by the Ministry of Science and Technology of China and provincial-level departments (such as the Science and Technology Departments of Guangdong and Jiangxi provinces, and the Science and Technology Bureaus of Guangzhou and Jiujiang cities). Among these, the project “Development and Industrial Application of Oriented Structure Anti-dirt and Protective Coating Materials” was awarded the “Second Prize of Guangdong Provincial Science and Technology Progress”. These honors fully reflect the recognition of the company’s outstanding contributions to economic and social development. In addition, during the reporting period, the company completed the acceptance of the “Industrial Internet Edge Intelligent Control System Project” and the “5G-based Electrolyte Intelligent Manufacturing Application Project”.

In 2024, four products of the company were selected into the list of Guangdong Province's high-tech products published by the Guangdong High-tech Enterprise Association and were awarded the title of “Guangdong Province's High-quality High-tech Products in 2024”.



The company adheres to the incentive philosophy of “centering on value creators” and has implemented a diversified combination of incentive tools, including stock options, employee stock ownership plans, and restricted shares, to attract and motivate a large number of outstanding R&D talents. Meanwhile, to inspire employees' enthusiasm for continuous invention, creation, and technological innovation, the company has continuously implemented a research and development (R&D) project incentive mechanism, introduced the Science and Technology Innovation Award, and encouraged R&D staff to actively innovate and drive the company's innovative development.

The company has always been committed to increasing its investment in R&D to enhance its R&D capabilities. During the reporting period, the company's R&D expenditure reached 668.21 million yuan, accounting for 5.34% of its operating revenue. In terms of R&D team building, as of the end of this year, the number of R&D personnel increased by 28.3% compared to the previous year, including 208 master's degree holders and 25 doctoral degree holders, with the proportion of master's and doctoral degree holders reaching 33.19%.

During the reporting period, the company's key R&D personnel won the third prize of the 7th Skills Craftsman Award in Huangpu District, Guangzhou City in 2024, and eight professional technicians were selected for the Huangpu District, Guangzhou City's awards for outstanding high-skilled talents, technical backbone, and management talents.

Digital Innovation

In terms of digital transformation, Tinci Materials continuously introduces advanced digital and automated technologies to enhance office efficiency and the level of production intelligence. By promoting and implementing logistics appointment and scheduling systems, automated drum cleaning systems, and automatic OQC (Outgoing Quality Control) systems, the company has significantly improved the operational efficiency of its electrolyte plants. During the reporting period, the company continued to refine the construction of smart factories by rolling out AGV (Automated Guided Vehicle) systems and automatic printing and labeling systems, further elevating the intelligence level of its electrolyte plants.

The company has implemented systems such as electronic signature, contract management, tax management, document management, intellectual property, and data dashboards. By constructing a data mid-platform and integrating interfaces between various systems, office efficiency has been enhanced. Meanwhile, Tinci Materials has been increasing its investment in digital innovation in R&D. It extensively uses simulation technology during pilot and intermediate testing stages for process simulation analysis. The company employs IoT (Internet of Things) technology to collect process and equipment data from production and leverages big data analytics to analyze production processes, thereby aiding in technological improvements and achieving significant results. The company utilizes industry-leading intelligent HAZOP (Hazard and Operability) analysis software to continuously enhance the level of HAZOP analysis. During the reporting period, 1,570 recommendations for process improvement were identified through HAZOP analysis. The company continuously incorporates these recommendations into an online system, achieving closed-loop management of corrective actions and ensuring traceability.

6.3 INTELLECTUAL PROPERTY PROTECTION

Tinci Materials places high emphasis on intellectual property rights (IPR) protection and adheres to the philosophy of “patents first, products later.” The company values the early layout of patents and integrates patent management into all stages of project management. It implements IPR protection throughout the project process, from initiation to development and acceptance. The company continuously iterates its patent risk monitoring information, conducts patent risk analysis on project outcomes, and effectively controls risks. Tinci Materials also consistently enforces its “Patent Management System,” implements target management of intellectual property rights, and promotes the protection and application of IPR. In mid-2024, Yichun Tinci passed the supervision audit of its intellectual property management system, maintaining the validity of its certificate. In October, Guangzhou Tinci once again passed and obtained the certification for its intellectual property compliance management system.

Branches certified with the Intellectual Property Management System

Company Name	Certification Project	Certification Body
TINCI Guangzhou	GB/T 29490:2023 Compliance Management System for Intellectual Property	Zhonggui Certification
TINCI Yichun	GB/T 29490:2013 Intellectual Property Management System	Zhongshen Certification



In 2024, the Group Research Institute and each business unit set an annual target for patent applications, with the target number of applications set at 209. By the end of December 2024, a total of 250 applications were completed throughout the year, achieving a completion rate of 119.6%.

In 2024, the invention patent (ZL202011640432.0) titled “Recycling Method for Scrap Lithium Iron Phosphate Cathode Powder,” jointly applied for by TINCI Guangzhou and TINCI Jiujiang, received the “Silver Award of the 25th China Patent Award” from the China Patent Award Review Office.

During the reporting period, the company focused on strengthening overseas intellectual property management, streamlining the overseas patent application process, and achieving efficient and cost-effective international patent applications through the PCT route. The company carried out global patent layout to lock in overseas markets in advance and safeguard the future export of products. By the end of 2024, a total of 71 international phase applications had been made through the PCT route. Among them, two PCT international patents were granted national authorization and took effect in the European region. Additionally, one patent application was filed in South Africa and received authorization.



As of the end of December 2024, the number of patent applications completed in 2024 was

250

Achieving a completion rate of

119.6%

The company has filed a total of international applications via the PCT route of

71

6.4

QUALITY MANAGEMENT

Quality Management System

Tinci Materials has always adhered to the quality policy of “rigorous R&D, meticulous manufacturing, stable and reliable quality, and continuous improvement, to support customers with a high-quality industrial chain.” We are committed to assisting the supply chain in comprehensively improving product quality and production efficiency through scientific management methods and innovative technological applications. The company has established a strict quality control system that covers the entire process from product design, manufacturing to after-sales service, ensuring the stability and consistency of product quality. During the reporting period, the company released 2,492 product quality standard explanations and product standard documents to standardize and unify product quality standards, ensuring the stability and effectiveness of product quality.

The company continuously promotes company-wide Quality Control Circle (QCC) improvements, encouraging employees to enhance their awareness of identifying and solving problems, and fostering an atmosphere of full participation and self-improvement. In 2024, the Group reviewed and approved 1,413 improvement projects, covering various operational aspects such as safety and environmental protection, on-site management, energy conservation and cost reduction, as well as innovation and breakthroughs.

In 2024, the company continued to strengthen the quality system certification of its production bases, with new certifications for Fuding, Lishui, Taizhou, Sichuan, and Yichang bases under the IATF16949:2016 automotive quality management system.

As of the end of the reporting period, all stable production bases of the company have achieved 100% certification under either the ISO9001:2015 quality management system or the IATF16949:2016 automotive quality management system, and have maintained the effective operation of these quality systems.

The company has established a comprehensive knowledge-sharing platform to systematically organize the Group’ s experience and knowledge in quality management, process improvement, and technological innovation, and to share this information in real-time with supply chain partners. Through regular training, technical exchanges, and on-site guidance, we help supply chain teams enhance their professional capabilities and jointly address quality and efficiency issues encountered in production. Through close collaboration and knowledge sharing between the Group and supply chain partners, we can achieve mutual benefits and win-win outcomes, drive the high-quality development of the supply chain, and lay a solid foundation for the long-term development of the Group.

Product Testing

The company has established a comprehensive product testing system and laboratory standard management control procedures. The product testing system covers the entire operational process from raw material procurement to finished product shipment. Through the organic combination of raw material testing, in-process testing, and finished product testing, supported by advanced testing equipment and technology, the company effectively controls product quality to ensure that the products delivered to customers are of high quality and safe and reliable. During the reporting period, the company updated and released several laboratory management and product testing policies to standardize the management of laboratory personnel, equipment, reagents, and environment. This ensures the stability of the testing process and the accuracy of the test data. At the same time, the company has clarified the procedures for handling non-conforming products to ensure the effective disposal of non-conforming items.

Product Control System Overview Table	
Laboratory Management and Control Procedure	Laboratory Personnel Management Laboratory Instrument and Equipment Management Laboratory Environment Management Laboratory Safety Requirements Management
Nonconforming Product Handling and Control Procedure Corrective and Preventive Action Control Procedure	Raw Material Nonconforming Product Handling Process Semi-finished and Finished Product Inspection Nonconforming Product Handling Process Delivered Product Nonconforming Product Handling Process
Monitoring and Measurement Control Procedure for Materials	Full-process control from material arrival to product dispatch
Product Identification and Traceability Control Procedure	Basic Requirements for Product Identification Forms and Content of Identification Identification of Expired Products

During the reporting period, the company’s wholly-owned subsidiary, Jiangxi Safety Evaluation and Testing Company, obtained the Qualification Accreditation Certificate for Inspection and Testing Institutions (CMA). It also holds the ISO/IEC 17025 laboratory capability accreditation (CNAS) certification. As of the end of the reporting period, three of the company's laboratories have been accredited by the China National Accreditation Service for Conformity Assessment (CNAS) with the ISO/IEC 17025:2017 laboratory accreditation certificate through the Analytical Testing Center.

Branches Certified with Laboratory-Related Accreditations

Company Name	Certification Project	
PINGCE Jiangxi	Qualification Accreditation Certificate for Inspection and Testing Institutions (CMA)	Jiangxi Provincial Administration for Market Regulation
TINCI Guangzhou	ISO/IEC 17025 Laboratory Capability Accreditation (CNAS)	China National Accreditation Service for Conformity Assessment (CNAS)
TINCI Jiujiang	ISO/IEC 17025 Laboratory Capability Accreditation (CNAS)	China National Accreditation Service for Conformity Assessment (CNAS)
PINGCE Jiangxi	ISO/IEC 17025 Laboratory Capability Accreditation (CNAS)	China National Accreditation Service for Conformity Assessment (CNAS)

6.5 PRODUCT SAFETY AND MANAGEMENT OF ENVIRONMENTALLY HARMFUL SUBSTANCES

Product Safety

The company places high importance on product safety, integrating inherent safety throughout the entire product life cycle. It focuses on safety assessments during the product research and development design phase, identifying hazardous factors from both material and process perspectives. This approach aims to eliminate or reduce the risks of accidents such as fires, explosions, leaks, and poisoning. By establishing principles for product safety and product liability, the company strives to minimize the potential harm to users caused by product safety issues. As of the end of the reporting period, a total of 448 Material Safety Data Sheets (MSDS) had been compiled, with 131 completed in 2024. These MSDS documents cover information on product composition, physical and chemical properties, hazard information, first aid measures, fire-fighting measures, emergency spill response, handling and storage, exposure controls and personal protection, and disposal considerations.

In 2024, the company's Qingyuan and Jiujiang daily chemical product manufacturing bases passed the EffCI GMP surveillance audit in one go, with the certificates remaining valid. The system covers product series such as betaine and amino acid surfactants. Through strict quality control and risk management, the company ensures consumer health and safety when using cosmetics. Since 2021, the company's amino acid product series has continuously passed the COSMOS organic and natural certification for cosmetics. By strictly controlling and tracing every link from procurement to production and marketing, the company restricts the use of synthetic chemicals, ensuring the naturalness and organic nature of the products and providing consumers with safer and more environmentally friendly choices. In 2024, the company maintained the validity of its RSPO certification, ensuring that the supply chain for products using palm oil meets sustainability standards.

Control of Environmental Harmful Substances

The company strictly complies with the requirements of laws and regulations such as the Law of the People's Republic of China on Work Safety, Law of the People's Republic of China on Environmental Protection, and Regulations on the Safety Management of Dangerous Chemicals. In terms of product and raw material usage, the company pays close attention to the restrictions on hazardous substances stipulated by EU regulations such as REACH and RoHS. By establishing a management system for toxic and hazardous substances, the company ensures that its product operations meet the basic criteria for environmental protection and safety. The company continuously implements the management systems of the Environmental Substance Management Control Procedure and Environmental Substance Management Standard, clarifies the control requirements for hazardous substances in products, and systematically phases out and reduces the use of harmful chemical substances in a planned manner. This approach aims to achieve compliance with regulations and minimize the impact on ecosystems.



Jiujiang EffCI GMP



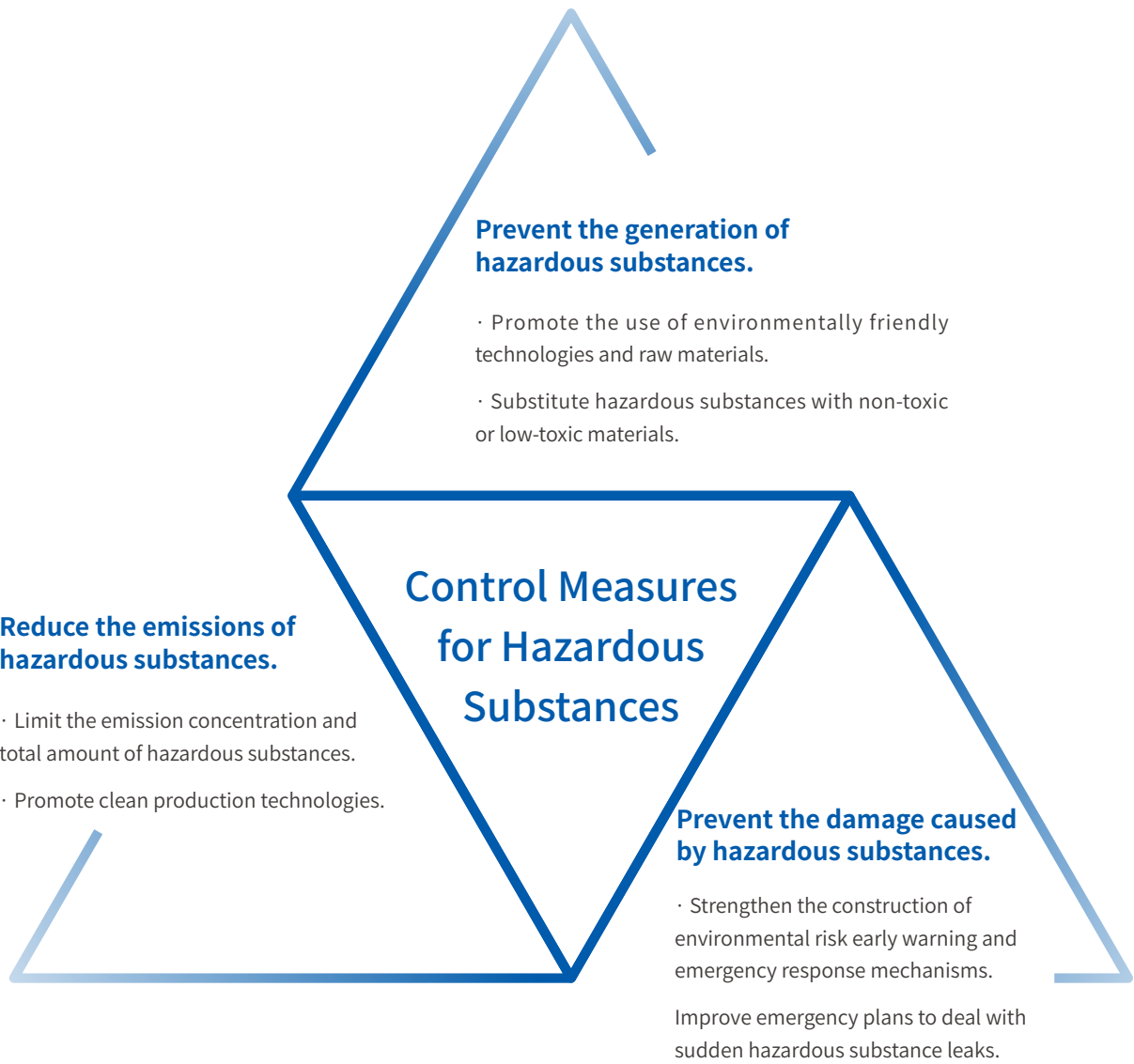
Qingyuan EffCI GMP



COSMOS



RSPO

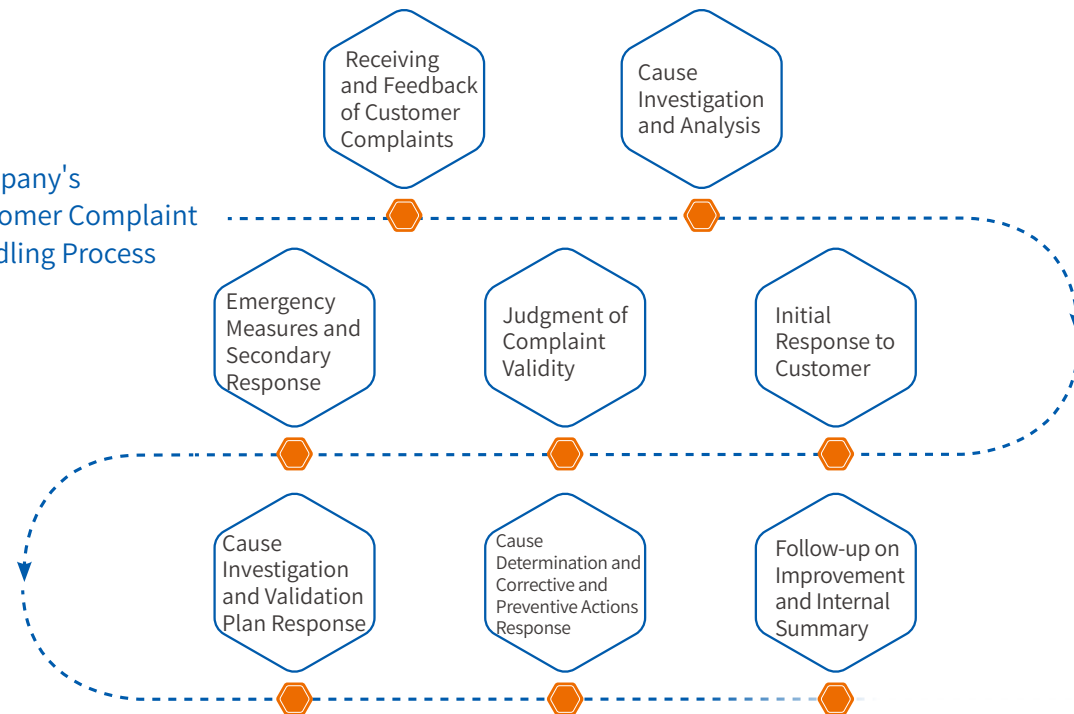


6.6 WIN-WIN COOPERATION

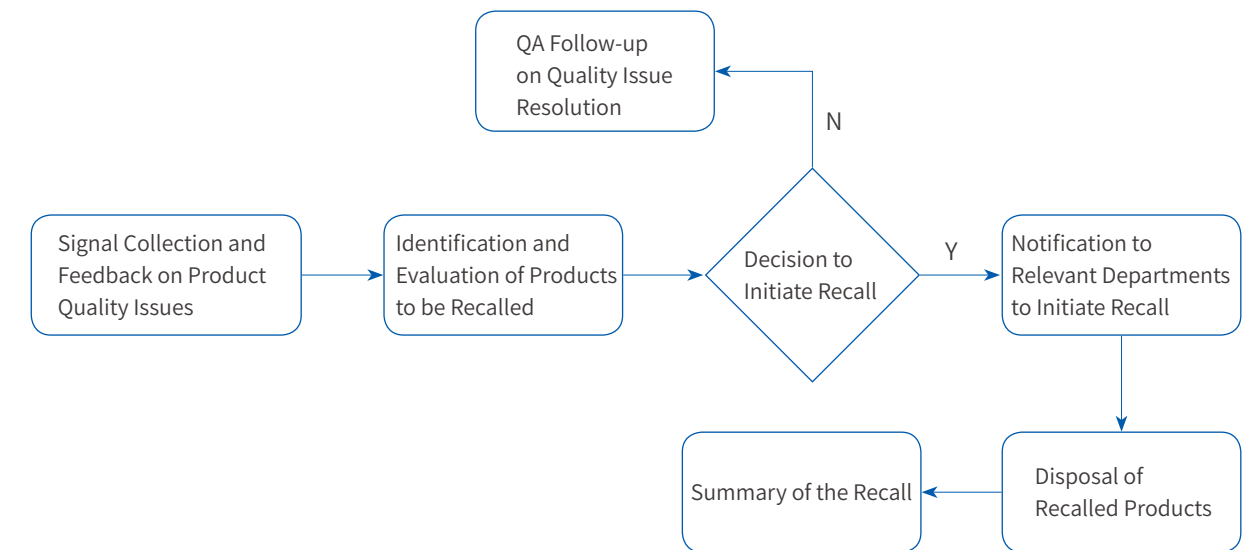
The company has always adhered to the philosophy of putting customers first, and continuously provides customers with safer, more reliable, and higher-quality products and services, aiming to become the preferred partner of customers. The company has established a comprehensive set of customer service standards and a customer complaint handling process, continuously innovates service models, and improves service quality. The Electrolyte Division has specially set up a customer service “trio” composed of sales, supply chain, and R&D to quickly respond to customer needs and improve response efficiency. In terms of customer complaints, the company has established an 8D team to handle customer complaints, track the status, and proactively communicate and negotiate with customers to meet their needs until the customers agree to close the complaint. During the reporting period, a total of 67 complaints were received across all divisions, with a 100% complaint resolution rate.

The complaint resolution rate during the reporting period was **100%**

Company's Customer Complaint Handling Process



To fully protect customer rights and promote sustainable development, the company has established a strict product recall control procedure, clarified the product recall process, and conducted product emergency recall drills annually. By using validation tests and mock recalls, the effectiveness of the recall procedure is verified and the results are recorded. These results are then used to develop corrective and preventive actions. No recalls due to product safety issues occurred during the reporting period.



The business units continuously conduct customer satisfaction surveys. The results of these surveys serve as an important reference for the performance evaluation of relevant departments. Based on the survey findings, an "Analysis Report on Customer Satisfaction Survey" is formulated. For areas where customers express dissatisfaction, the relevant departments are organized to take corrective and preventive actions in order to meet customer needs and achieve continuous improvement. In 2024, the company's new business units—precursor materials for cathodes, specialty chemical materials, and battery basic materials—were included in the customer satisfaction survey. The customer satisfaction score for the precursor materials business unit was 98.54, for the specialty chemicals business unit it was 95.75, and for the battery basic materials business unit it was 98.45. The group's overall average customer satisfaction score was calculated to be 97.35.

The group's overall average customer satisfaction score was calculated to be

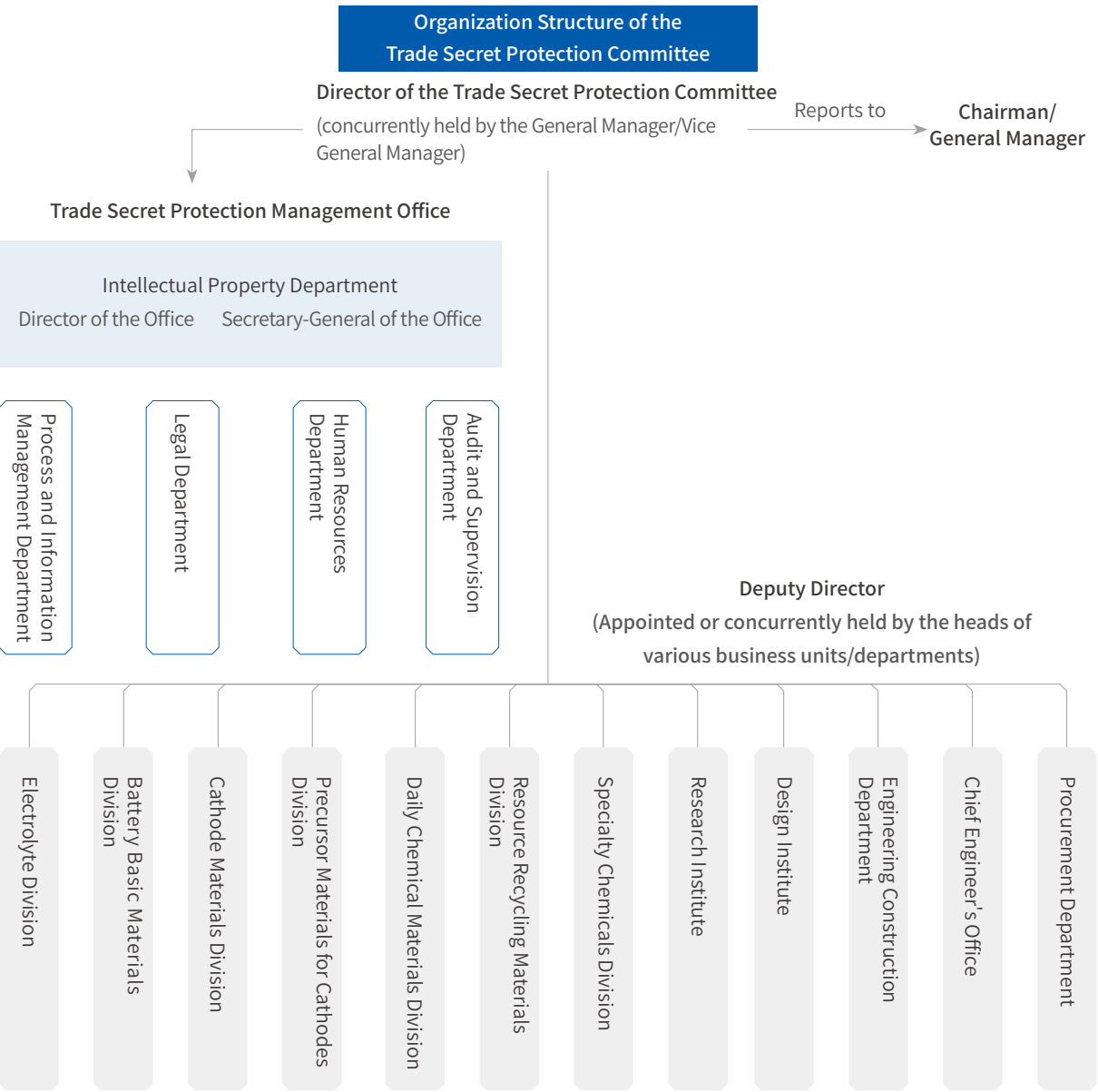
97.35

6.7 ANTI-UNFAIR COMPETITION

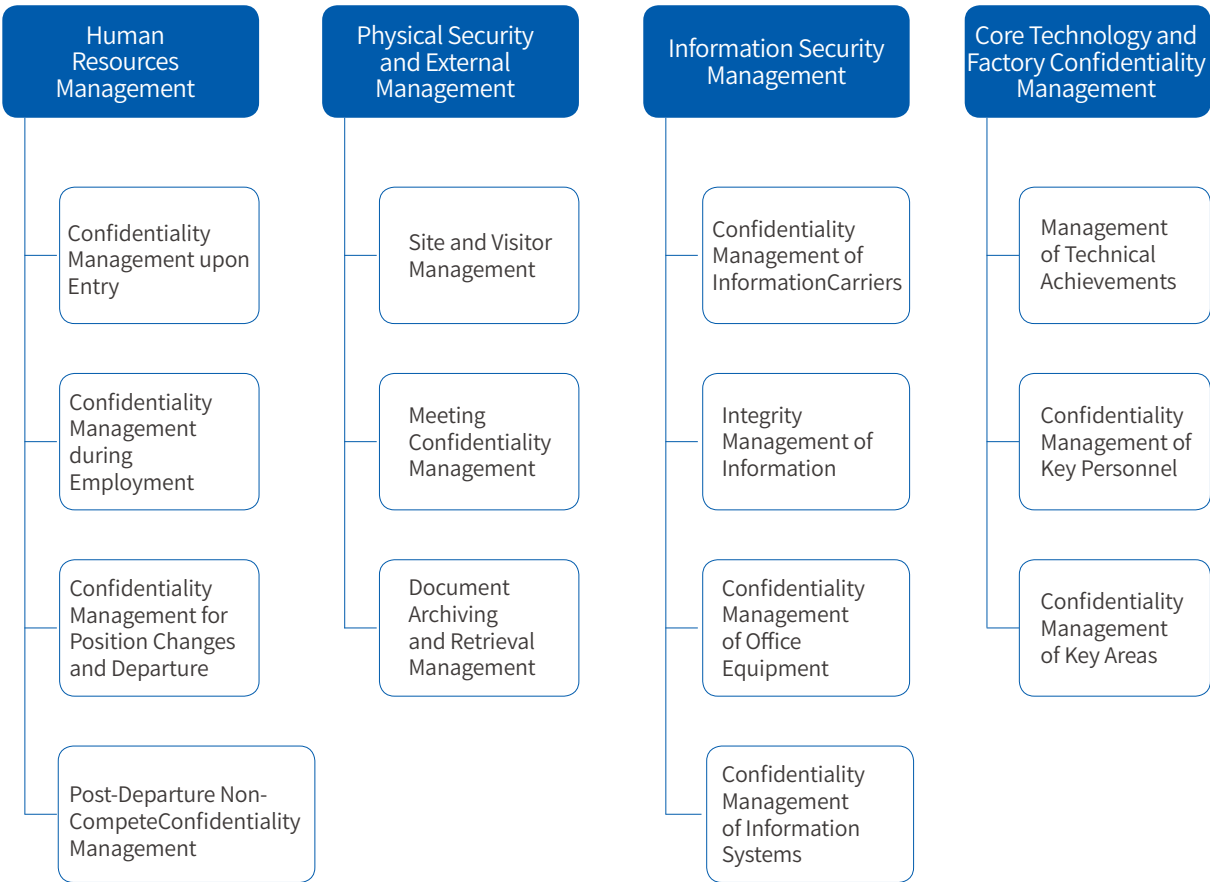
In its operations, the company strictly complies with the requirements of relevant laws and regulations, including the Anti-unfair Competition Law of the People's Republic of China and the Anti-monopoly Law of the People's Republic of China. It focuses on establishing its own brand and emphasizes trademark registration and patent protection to avoid being harmed by unfair competition practices. When it detects that other enterprises have engaged in unfair competition against the company, it actively takes legal measures to prevent such actions.

During the reporting period, the company released two systems: the Anti-monopoly Management Procedure and the Fair Trade, Advertising and Competition Management Procedure. These measures aim to enhance the company's ability to prevent and deal with anti-monopoly compliance risks, cultivate a culture of fair competition, and promote the company's sustainable and healthy development. The company's legal department is responsible for coordinating, organizing, and advancing the management of anti-unfair competition and anti-monopoly compliance, and provides compliance support to the business departments.

The company has established a Trade Secret Protection Committee as an internal management body for trade secret protection. The committee serves as the decision-making and leadership body for the company's trade secret protection management, and is fully responsible for this work. The committee is headed by a deputy general manager, who reports to the chairman. A Trade Secret Protection Office has also been set up to guide and coordinate the specific implementation of trade secret protection management by other departments within the company. It is also responsible for guiding and coordinating the investigation of trade secret incidents and emergency response, as well as for inspecting, supervising, and reporting on the status of trade secret protection management.



To standardize the requirements for trade secret protection, prevent and respond to trade secret infringement incidents, and safeguard the company's legitimate rights and interests, the company released the Trade Secret Protection Management System during the reporting period. This system provides a detailed overview of the content and management measures for trade secret protection and integrates the trade secret protection system into every aspect of the company's operations.



During the reporting period, there were no lawsuits or significant administrative penalties resulting from the company's unfair competition practices.



07

ENVIRONMENTAL PROTECTION

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7.1

ENVIRONMENTAL MANAGEMENT SYSTEM

Tinci Materials strictly complies with the Environmental Protection Law of the People’s Republic of China and local environmental policies. It actively responds to the call for green development and adheres to the EHS (Environment, Health, and Safety) management policy of “strictly abiding by laws and regulations, paying special attention to process safety; striving for clean and safe production, prioritizing people and preventing accidents; safeguarding the health and well-being of employees, and continuously improving to pursue excellence.” The company strengthens environmental risk management and gradually improves its environmental compliance system.

The company has established a Safety Management Committee, under which an Environmental Management Committee is set up. The committee consists of the company’s chairman, directors, vice presidents, and heads of the EHS department. It is responsible for formulating the company’s safety and environmental policies and promoting the implementation of various safety management and environmental protection tasks. Under the committee’s drive, the company has established an environmental management responsibility system, clarifying the responsibilities of managers and employees at all levels in environmental compliance. Environmental responsibility agreements are signed, and environmental performance is included in the performance evaluation system. The Group’s EHS department regularly organizes EHS audits of subsidiaries each year to review environmental risks. In 2024, the company conducted EHS audits of all stably operating bases, covering the management compliance of various environmental protection measures, including pollutant emissions, waste emissions, plant environment monitoring, and clean production plans. No high-risk environmental items were found in the 2024 audit results.

The company is committed to advancing the environmental management system and vigorously promoting the implementation of the ISO 14001 Environmental Management System in each production base to continuously improve the company’s environmental management level and risk control capabilities. As of the end of the reporting period, 11 stably operating production bases have obtained ISO 14001 Environmental Management System certification.

Branches certified with the ISO 14001:2015 Environmental Management System

Company name	Certification Body
TINCI Guangzhou	SGS
TINCI Jiujiang	SGS
TINCI Jiujiang (longshan)	Intertek
TINCI Yichun	Shengbiao Zhejiang
Tianshuo Zhejiang	Tianjing Changcheng
KAIXIN Fuding	Tianxiang
TIANQI Jiujiang	SGS
Resource Recycling Jiujiang	Shenzhen Zhongsheng
TINCI Chizhou	Kaixin Certification
Tengwei Dongguan	NQA
TINCI Qingyuan	SGS

In response to sudden environmental incidents, the company has formulated the Emergency Response Plan for Sudden Environmental Incidents and filed it with the local environmental protection bureau. The company actively conducts emergency drills for sudden environmental incidents to enhance employees’ ability to cope with environmental risks. It has also established the Procedure for Identification and Evaluation of Environmental Factors, which involves regular identification and evaluation of environmental factors within the company’s scope and conducting environmental risk assessments. In 2024, the company organized a total of 84 emergency drills for sudden environmental incidents. The drills covered scenarios such as material leakage and abnormal handling of environmental protection equipment. Through these drills, the company enhanced the emergency response capabilities and on-site practical skills of its organizational teams, thereby preventing environmental accidents and reducing potential losses from incidents.

During the reporting period, the company and its subsidiaries received the following environmental penalties:

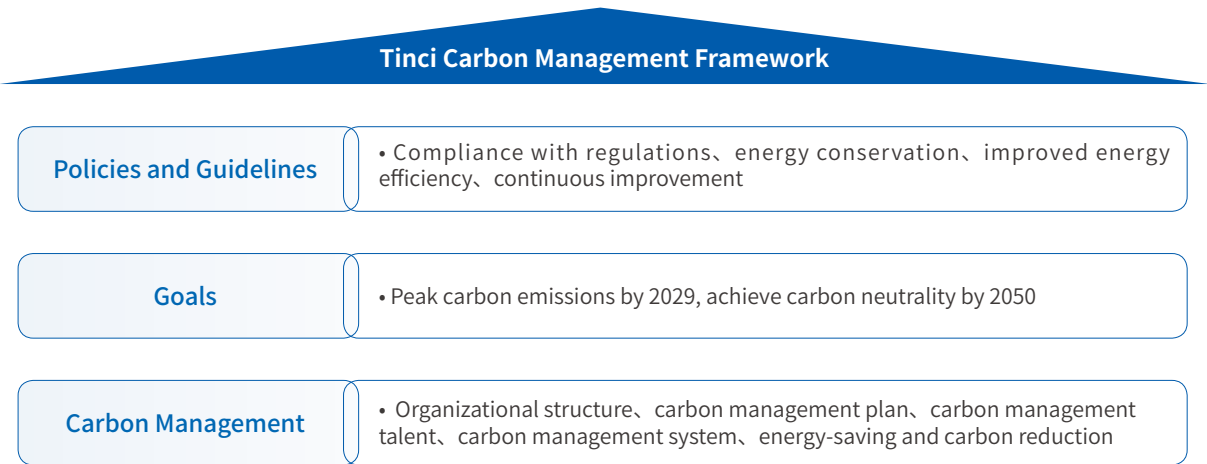
Company Name	Reason for Penalty	Violation Details	Penalty Result	Impact	Corrective Measures
TINCI Yichun	The calculated value of exhaust particulate matter was filled in as the actual measured value.	Violate Article 23 of the Pollution Discharge Permit Regulations	Order to immediately correct the violation and impose a fine of RMB 49,600 yuan.	No significant impact on production and operation	Rectified and fine paid.



7.2 ACTIVELY TACKLING CLIMATE CHANGE

Low-Carbon Management

Tinci Materials actively adapts to the global trend of energy conservation and low-carbon development. It responds to the national “dual carbon” policy of peaking carbon emissions by 2030 and achieving carbon neutrality by 2060. The company vigorously promotes the concept of energy saving and steadily advances its energy-saving initiatives. By continuously improving the energy management system, strengthening the organizational leadership in energy management, enhancing effective control over all production links, establishing a quota-based energy consumption assessment mechanism, and implementing an economic responsibility assessment system that rewards the outstanding and penalizes the poor (with a focus on rewards), the company fully mobilizes the enthusiasm of all employees to participate in energy-saving efforts.



The company has implemented the group’ s “green, low-carbon, and circular” action plan and set the strategic goal of “achieving peak carbon emissions by 2029 and carbon neutrality by 2050.” During the reporting period, the company conducted a greenhouse gas inventory of its subsidiaries in accordance with the ISO 14064-1:2018 standard for greenhouse gas verification. The company completed the carbon emission calculations for 2023 and 2024, gaining a comprehensive understanding of its greenhouse gas emissions. This data provides an important basis for the group to formulate emission reduction strategies and helps the company achieve its energy-saving and emission reduction targets.

The company actively responds to the call of the times and thoroughly implements the relevant national policies and requirements. Based on a profound understanding and forward-looking thinking on the issue of climate change, the company has formulated a comprehensive and targeted strategy for responding to climate change. Closely aligned with the company’ s business characteristics and development plans, the strategy covers the entire business life cycle, from low-carbon planning and design to low-carbon manufacturing and recycling. The aim is to mitigate the adverse impacts of climate change on the company, enhance its green competitiveness, and contribute to the industry’ s green transformation and global climate governance.

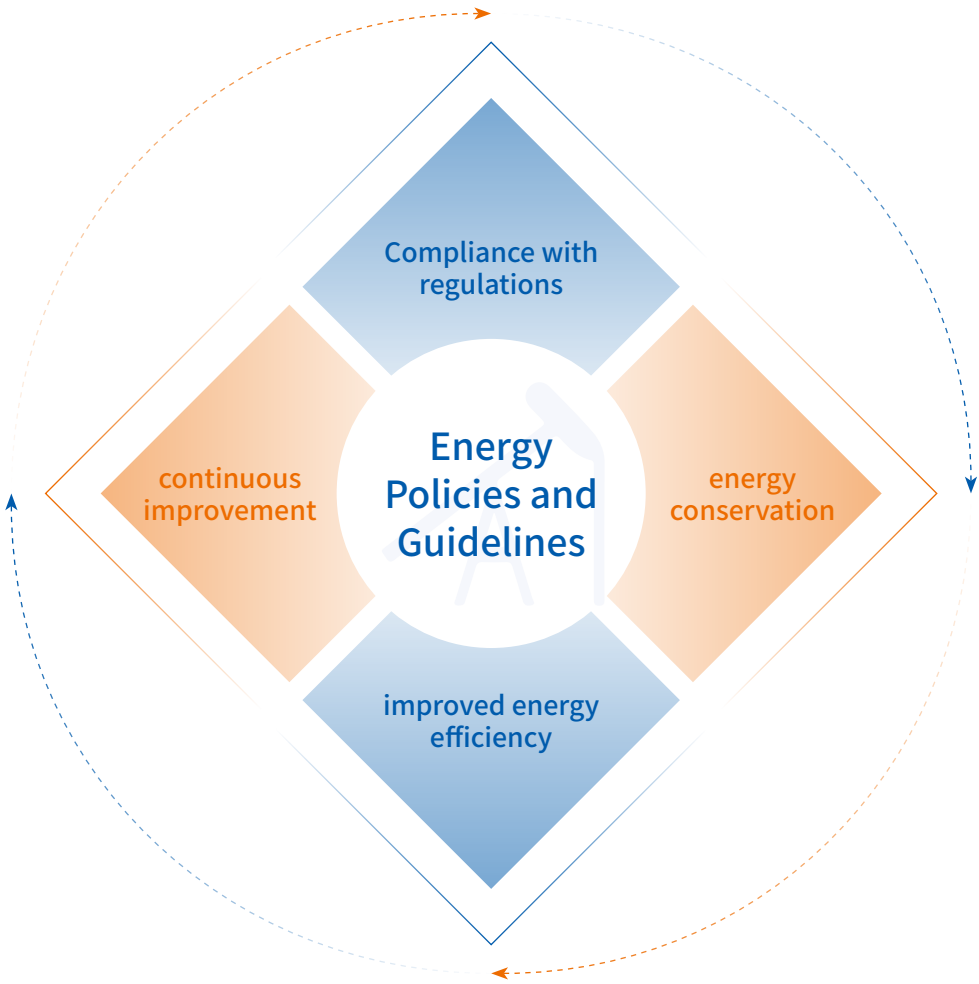
Climate Response Strategy



During the reporting period, the company actively implemented energy-saving and efficiency-enhancing measures in the production and manufacturing processes, striving to improve energy utilization efficiency. At the same time, it carried out a number of energy-saving and emission-reduction measures, achieving significant carbon reduction effects.

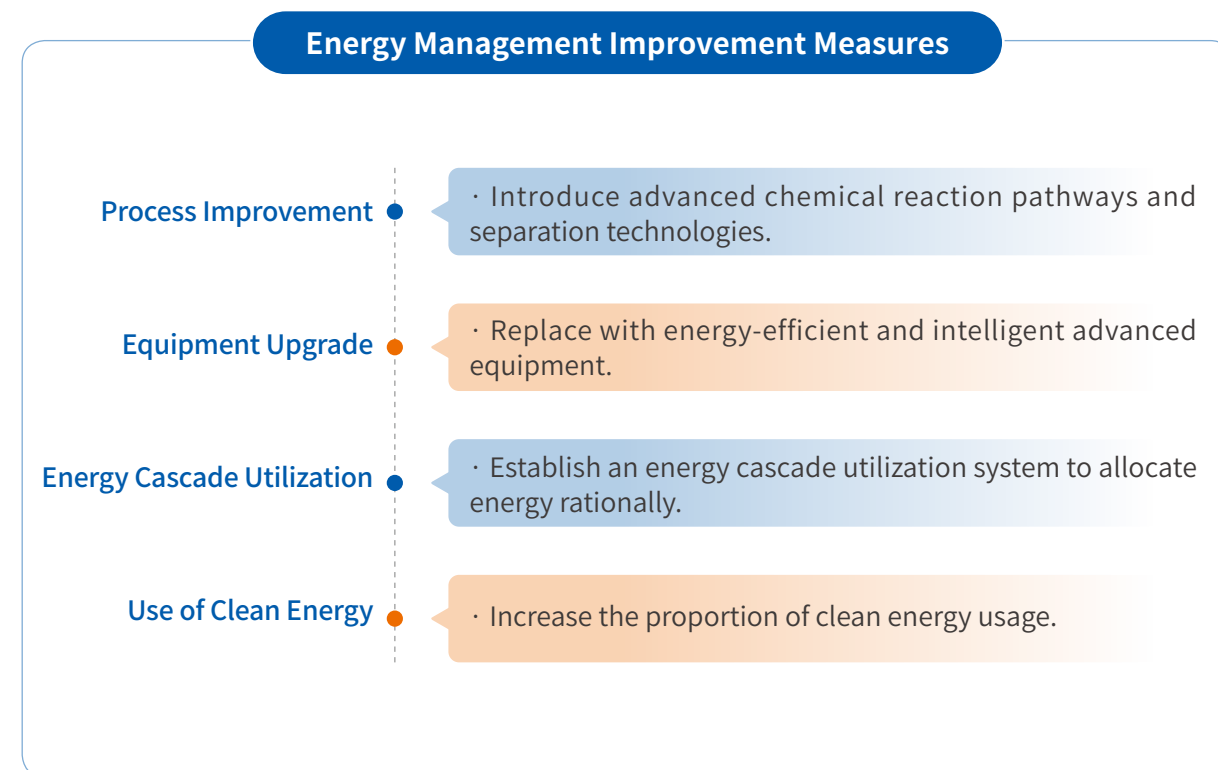
Improvement Project		Progress and Results
Process Optimization	Adjusting cathode material product process parameters	In 2024, by adjusting process parameters and flexibly adjusting the temperature of the dewatering furnace, the natural gas consumption per unit product decreased by 24.26% , leading to an estimated reduction of approximately 15,135 tons of CO₂ for the annual production of iron phosphate products.
Equipment Optimization	Variable frequency drive transformation for fans, power reduction for air compressors	In 2024, variable frequency drives were installed on air compressors and Roots blowers, which resulted in an approximate reduction of carbon emissions by 684.3 tons of CO₂ .
Energy Retrofitting	Base energy utilization renovation project	In 2024, the production base carried out energy renovation projects such as substituting natural gas for coal gas and green electricity for thermal electricity, achieving a reduction of 36,590 tons of CO₂ .

Energy Management



The company strictly complies with national laws and regulations, including the Energy Law of the People's Republic of China, the Renewable Energy Law of the People's Republic of China, and the Promotion Law of Clean Production of the People's Republic of China. It also refers to the ISO 50001:2008 Energy Management System to carry out the group's energy management. During the reporting period, the company continued to implement internal systems such as the Energy Management Manual, Energy Conservation Management Measures, Energy Procurement Control Procedure, Energy Review Control Procedure, and Energy Performance Evaluation Control Procedure. It has formulated and implemented energy management measures to effectively control the entire process of purchasing energy services, products, equipment, and energy, as well as to communicate effectively with suppliers. This ensures that the purchased energy services, products, equipment, and energy meet the specified requirements. The company has established an energy conservation management leadership group, which is responsible for organizing the establishment, implementation, and maintenance of energy policies that are consistent with the strategic direction. This group also provides the purpose and framework for setting energy objectives. During the reporting period, the company issued the Energy Management Measures Control Procedure to improve the company's requirements and regulations for identifying, establishing, and implementing energy management measures, ensuring the effective implementation of energy measures.

As of the end of the reporting period, the company's subsidiaries—TINCI Jiujiang, TINCI Chizhou, TINCI Qingyuan, and KAIXIN Fuding —have passed the ISO 50001:2018 Energy Management System certification and obtained the corresponding certification certificates.



The energy used by the company in the production process mainly includes electricity, natural gas, steam, and diesel, while in the office process, electricity is primarily used. The company has set a target of achieving a green electricity coverage rate of 30% by 2025. In 2024, the company vigorously promoted the extensive use of clean energy, actively introduced natural gas as an important part of energy supply, and increased the purchase and use of green electricity, effectively reducing carbon emissions. In 2024, the company used a total of 60,107 megawatt-hours of green electricity, with a green electricity coverage rate of 11.95%.

★ In 2024, the company used a total of **60,107** megawatt-hours of green electricity, with a green electricity coverage rate of **11.95%**.

In the journey towards sustainable development, the company is committed to exploring the efficient use of energy and actively engaging in the application of waste heat recovery technology. It converts the waste heat generated in the production process into steam for the company's own production consumption, achieving effective energy utilization. In 2024, Jiujiang Xin Dongli, a subsidiary, collected a large amount of heat generated during the sulfuric acid production process and converted it into 357,975 tons of steam through a steam turbine, accounting for 49.88% of the total steam consumption, thereby reducing the amount of externally purchased steam.

★ The steam generated by the turbine conversion amounted to **357,975** tons
Accounting for **49.88%** of the total steam consumption

7.3 EMISSIONS AND WASTE MANAGEMENT

Pollutant Emission Management

The company strictly complies with national regulations such as the Water Pollution Prevention and Control Law of the People's Republic of China and the Air Pollution Prevention and Control Law of the People's Republic of China, as well as industry standards like the Emission Standard of Pollutants for Inorganic Chemical Industry (GB31573-2015) and the Comprehensive Wastewater Discharge Standard (GB8978-1996), and other relevant local regulations at each base to manage pollutant emissions and waste management. It strictly controls pollutant emissions and waste management in both production and office processes.

The company's wastewater discharge is divided into industrial wastewater and domestic wastewater. After treatment to meet relevant standards, the wastewater is discharged into the municipal sewer system. The main pollutants in the wastewater include chemical oxygen demand (COD), total phosphorus, total nitrogen, and ammonia nitrogen. At the wastewater discharge outlets of key pollutant-emitting units, the company has installed online monitoring facilities for wastewater, which are connected to the local environmental protection departments. These facilities monitor the pH, COD, ammonia nitrogen, and other emission data in real-time, dynamically supervising the compliance of wastewater discharge. The main pollutants in exhaust gas emissions include particulate matter, sulfur dioxide, nitrogen oxides, and volatile organic compounds.

The company continuously implements the Water Pollution Prevention and Control Management System, strengthening the control of water pollutant emissions during the production process. Each production base, in accordance with the group's management system and specific production conditions, enforces the Wastewater Management Regulations. These regulations are based on the principles of "separating clean water from polluted water, treating different types of polluted water separately, controlling at different levels, utilizing resources categorically, discharging up to standard, controlling the total amount, and managing the entire process" to carry out wastewater pollution prevention and control work. This approach aims to reduce the volume of wastewater generated, promote resource recycling and reuse, and ensure the safe and stable operation of wastewater collection and treatment systems. In terms of air pollutant control, the company has established the Air Pollution Prevention and Control Management System. Following the governance policy of "reducing emissions at the source, controlling during the process, and treating at the end," the company strengthens the control and management of exhaust gas pollutants during the production process, reducing pollutant concentrations and total emissions. Additionally, the company has formulated the Daily Maintenance and Management Regulations for Exhaust Gas Treatment Facilities, specifying the routine maintenance and cleaning requirements for exhaust gas equipment to ensure its safe use, extend its service life, and improve its efficiency.

Wastewater Treatment	Exhaust Gas Treatment
Discharge Types : Industrial wastewater, domestic sewage	Emission types: Exhaust gases from the production process
Treatment Principles : Separating clean water from polluted water, treating different types of polluted water separately, controlling at different levels, utilizing resources categorically, discharging up to standard, controlling the total amount, and managing the entire process	Treatment policy: Source reduction, process control, end-of-pipe treatment
Wastewater Treatment Facilities : production line water treatment workshop plant wastewater treatment station	Treatment facilities: RTO exhaust gas treatment device water film desulfurization device water spray + alkali spray tower
Industrial Wastewater Treatment Methods : TINCI Jiujiang: Uses "physical and chemical (pretreatment) + coagulation and sedimentation + AAO + MBR membrane" treatment TIANSHUO Zhejiang: Uses "homogenization (pretreatment) + anaerobic + biological selection + anoxic + aerobic + biological sedimentation" treatment TINCI Yichun: Uses "stirring - lime adjustment - primary reaction - primary flocculation - secondary sedimentation - secondary flocculation - plate and frame pressing" treat	Exhaust Gas Treatment Methods : TINCI Jiujiang : Uses Pre-treatment + water/alkali absorption + high-temperature incineration + alkali absorption TIANSHUO Zhejiang : Deep-cold solvent recovery, cold trap, secondary acid washing, secondary alkali washing, secondary activated carbon adsorption TINCI Yichun : Baghouse dust removal
Management Measures : Real-time monitoring at discharge outlets, regular calibration of monitoring equipment	Management measures: Dedicated personnel for facility management, regular equipment maintenance, real-time data monitoring
Treatment Approach : The treatment method is that industrial wastewater is pre-treated at the plant's wastewater station to meet the park's acceptance standards before being discharged to the park's wastewater treatment plant.	Treatment approach: Discharge after treatment by exhaust gas treatment facilities to meet standards
Pollutant Emission Control Performance : Pollutant emission control performance: all emissions met standards in 2024	Pollutant emission control performance: All emissions met standards in 2024
Pollutant reduction target: The company set a target to reduce the total discharge of "chemical oxygen demand" by 10% in 2024 compared to 2023 for production bases that have been stably operating for more than two years	Pollutant reduction target: The company set a target to reduce the total emissions of "volatile organic compounds" by 5% in 2024 compared to 2023
Target progress: In 2024, the total discharge from eligible production bases was reduced by 17.84% compared to 2023, achieving the annual target	Target progress: In 2024, the total emissions from eligible production bases were reduced by 9.46% compared to 2023, achieving the annual target

Waste Management

The company strictly complies with the Solid Waste Pollution Prevention and Control Law of the People's Republic of China and has established the Solid Waste Management System and the Hazardous Waste Management System in accordance with relevant regulations. These systems manage the solid waste generated during production and business operations, fully integrating the principles of "reduction, resource utilization, and harmlessness." The company implements comprehensive management of solid waste from its generation, collection, storage, transportation, utilization, and disposal to prevent environmental pollution. It also establishes solid waste management ledgers to accurately record information on the types, quantities, flows, storage, utilization, and disposal of solid waste, ensuring traceability and retrievability of solid waste and effective control of general waste and hazardous waste generated in production and daily life.

The company's waste is categorized into hazardous waste and general solid waste. Hazardous waste mainly originates from distillation residues in production reactors, spent activated carbon from exhaust gas treatment, sludge from wastewater treatment station dredging, waste engine oil, and waste lubricating oil. General solid waste primarily comes from titanium slag generated during raw material purification, waste packaging materials, and domestic waste.

In accordance with legal requirements, the company entrusts qualified third parties to dispose of or reuse solid waste. Hazardous waste generated in workshops is collected, packaged, and transported to the hazardous waste temporary storage area, where it is received by solid waste management specialists. The environmental protection department is responsible for online reporting and coordinating external disposal to minimize the environmental impact of waste. Key pollutant-emitting units regularly disclose waste disposal information to the public.

The company has set a target of reducing the amount of waste generated per unit of product at each base by 20% annually compared to the previous year. In 2024, 10 bases achieved this target.



7.4 RESOURCE MANAGEMENT

Water Resource Protection

The water resources consumed by Tinci Materials are sourced from municipal water supplies. The primary water resource category involved is surface water, which is mainly used in the company's production and office/living activities.

The company strictly complies with national laws such as the Water Law of the People's Republic of China and the Water Pollution Prevention and Control Law of the People's Republic of China, as well as local regulations like the Jiangxi Province Regulations on the Prevention and Control of Pollution of Drinking Water Sources and the Jiujiang City Drinking Water Source Protection Regulations. It has issued internal systems including the Water Pollution Prevention and Control Management System and the Stormwater and Wastewater Separation Management System to standardize the collection and discharge of wastewater from various workshops. This effectively controls the generation and flow of wastewater, improves the stormwater and wastewater separation system, prevents wastewater from entering the stormwater system to avoid environmental pollution, and ensures the safe and stable operation of wastewater collection and treatment systems.

To enhance water resource management, the company has formed a cross-departmental working group to fully implement water resource management measures, optimize water usage processes, promote water-saving technologies, and improve water resource utilization efficiency, thereby driving the company's green and sustainable development.

In its production and business operations, the company focuses on various water-saving measures, including the treatment and reuse of some wastewater, such as steam condensate, organic wastewater, and workshop filtrate, to reduce water intake and improve water resource management efficiency.



★ In 2024, the Chizhou base, a subsidiary, saved 3,789 tons of tap water by retrofitting equipment to collect and reuse some initial rainwater for dissolving treatment materials in the wastewater station. TINCI Yichang reused 4,563,194.26 tons of recycled water through MVR membrane treatment in the workshop.

During the reporting period, the company's recycled water ratio reached 59%.

Circular Material Management

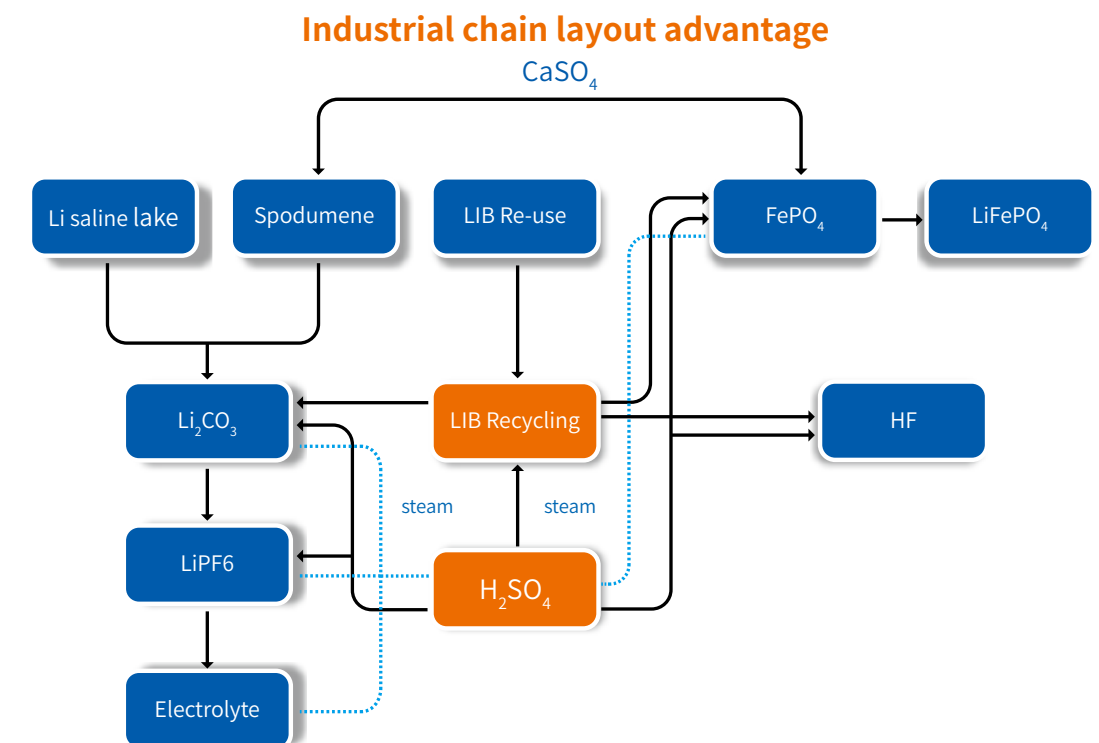
[Circular Economy Model]

Relying on the company's strong fundamental chemical capabilities, it has built a circular economy model on the foundation of integration. This model involves reusing by-products generated in one process as raw materials in another process. This approach not only effectively addresses the handling of by-products classified as hazardous chemicals during the production process but also significantly reduces the costs associated with raw material procurement and hazardous chemical disposal.

The company's circular model is divided into internal circulation and external circulation. Internal circulation involves the recycling of by-products between the electrolyte, cathode materials, and resource recycling businesses within the lithium battery materials sector. By utilizing by-products from the production process as raw materials for other products, it achieves the recycling of fluorine, sulfur, and chlorine elements, reducing emissions. External circulation, on the other hand, is formed as the lithium battery materials business connects with external battery customers through resource recycling. This external system enables the regeneration and utilization of elements such as lithium, iron, and phosphorus.

★ During the reporting period, the company recycled approximately **2,000 tons** of lithium carbonate from spent lithium batteries, accounting for **10.29%** of its annual usage.

Circular economy advantage



Resource regeneration saves costs

- Extracting lithium carbonate, iron carbonate, and other elements from discarded batteries obtained at low cost
- Acquiring lithium metal as raw material at below-market prices

Upstream raw material circulation reduces costs

- In the company's internal circulation system, by-products such as HCl, HF, H2SO4, etc., can be utilized as raw materials for other processes
- By employing the Fluid/Solid/Chlorine (F/S/Cl) three-loop system, we reduce the costs associated with hazardous material disposal

[Circular Packaging Management]

The company prioritizes reusable packaging solutions. For its main product, electrolyte, the company uses entirely reusable packaging and transportation methods such as stainless steel drums and tank trucks. To better manage the turnover records of packaging drums, the company has launched an electrolyte drum packaging management system. This system strengthens the management of recyclable materials and achieves full-process management of electrolyte drums from storage, packaging, shipping, transportation, recycling, cleaning to scrapping. During the reporting period, 100% of the company's electrolyte packaging materials were transported using reusable drums and tank trucks.

In 2024, the company promoted a packaging reduction project at its cathode material production bases, reducing the use of pallets for material transfer between bases. During the reporting period, the company reduced the use of 2,716 wooden pallets and recycled 2,168 wooden pallets for product shipping. In terms of utilizing packaging materials for purchased raw materials, the company recycled 34,462 raw material bulk bags in 2024 for the packaging and transportation of workshop solid waste sludge, reducing resource waste and solid waste emissions.

<div>★</div> <div>The company's electrolyte product packaging uses a recyclable method</div> <div>100%</div>	<div>Reduced wooden pallets the use of</div> <div>2716_{pc}</div>	<div>Reduced wooden pallets for product shipping</div> <div>2168_{pc}</div>	<div>Reduced raw material bulk bags</div> <div>34462_{pc}</div>
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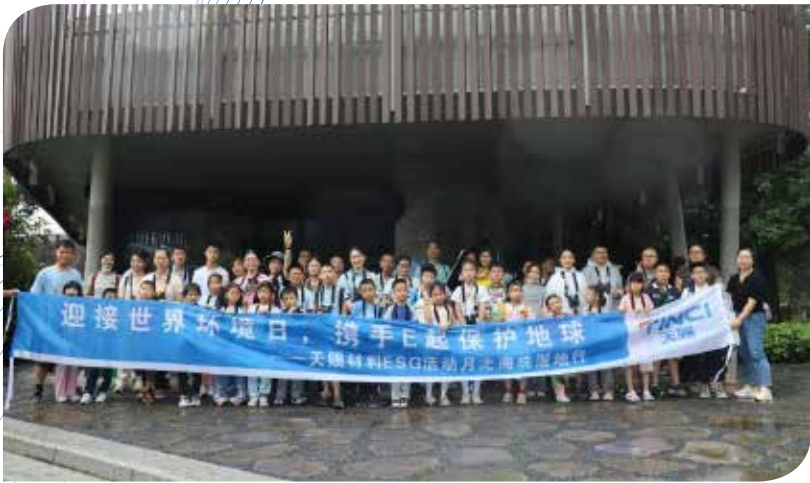
7.5 ECOSYSTEM AND BIODIVERSITY CONSERVATION

The company fully recognizes the significant importance of biodiversity for the stability of the Earth's ecosystem and human sustainable development. It strictly complies with regulatory requirements such as the Environmental Impact Assessment Law of the People's Republic of China, the Regulations on Environmental Protection Administration for Construction Projects, and the Yangtze River Protection Law of the People's Republic of China to carry out ecological environment and biodiversity conservation and governance. It also implements the "three simultaneous" requirements for environmental protection, conducting environmental impact assessments simultaneously during construction.

During the reporting period, the company referred to the Regional Biodiversity Assessment Standards and the Corporate Biodiversity Performance Planning and Monitoring Guidelines to establish the internal management system Biodiversity Management System. This system clarifies the company's responsibilities for biodiversity governance, takes the lead in monitoring and assessing the status of biodiversity, and conducts risk identification and analysis for potential impacts on biodiversity from operational activities.

During the reporting period, after assessment of the company's stably operating production bases, it was determined that all production bases are located within mature industrial parks and are designated as industrial land. There are no production bases or operational points located within nature reserves, and no significant impacts on biodiversity have occurred during production and operational activities.

The company actively promotes the dissemination and popularization of the concept of biodiversity conservation. It organizes employees to participate in biodiversity conservation volunteer activities and conducts science popularization lectures in communities and schools to enhance public awareness and attention to biodiversity conservation. During the reporting period, the company held a series of "ESG in Action" events. It organized employees and their family members to visit the Haizhu Wetland Park in Haizhu District, Guangzhou, for bird-watching activities. Experts were invited to serve as nature guides to interpret knowledge about birds. Through observing and understanding the natural elements in the wetland, participants recognized the important value of wetlands in ecological protection and biodiversity conservation, and collectively safeguarded green ecological spaces.





08

SOCIETY

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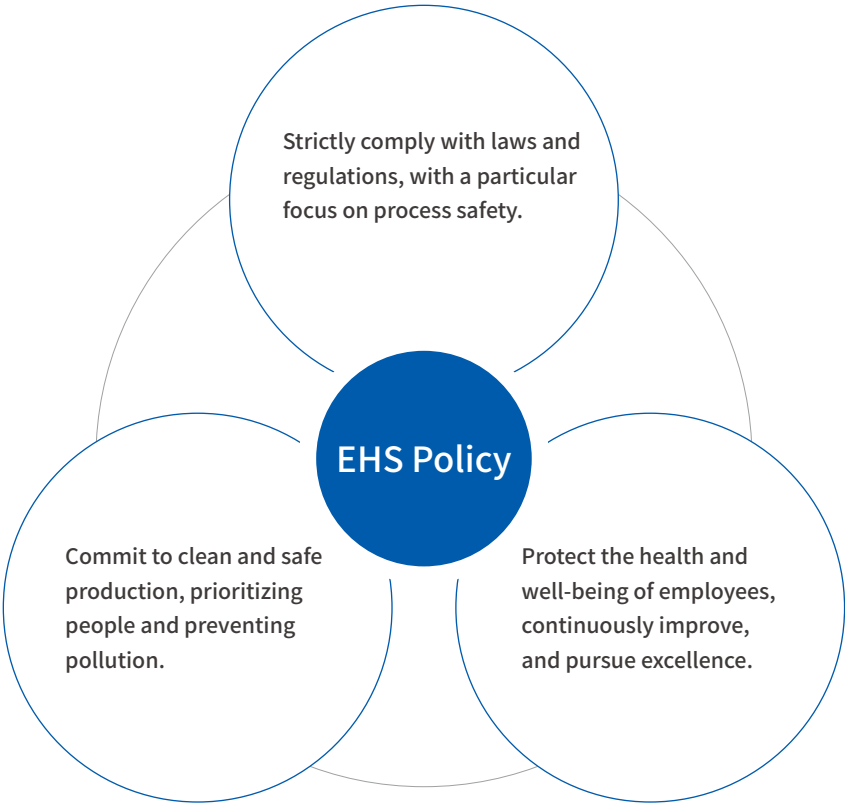
8.1

OCCUPATIONAL HEALTH AND SAFETY

Safety Management

Safety is the prerequisite for all work. Tinci Materials always puts safety work first. We achieve this through establishing robust occupational health and safety management systems, information security management systems, and product safety management processes. Continuously, we engage in risk identification and assessment and implement various safety control measures to provide customers with safe and high-quality products and ensure a safe and healthy working environment for employees, thus guaranteeing the smooth operation of the company in terms of safety. In 2024, the total safety investment amounted to 85.8071 million yuan.

In 2024, the total safety investment amounted to **85.8071** million yuan.



The company's safety management is integrated into every aspect of production and operations, including product process design, production, and material storage. In terms of work safety management, the company has established a governance structure led by the General Manager, supervised by the Safety Committee, and executed by all employees. The Safety Committee is chaired by the Chairman and General Manager, with the Deputy Chairman serving as the Executive Deputy Director and other directors and deputy general managers as members. The Safety Committee sets clear safety policies, strategies, and objectives. The Safety Committee Office is established under the committee to handle daily affairs and implement these policies.

The company strictly complies with national laws and regulations such as the Law of the People's Republic of China on Work Safety, the Fire Control Law of the People's Republic of China, and the Law of the People's Republic of China on Emergency Response to Sudden Incidents. It also refers to regulations like the Regulations on the Safety Management of Dangerous Chemicals, the Regulations on the Safety Supervision of Special Equipment, and the Measures for the Administration of Emergency Response Plans for Production Safety Accidents, as well as local work safety regulations at each production base, to establish a comprehensive and rigorous safety management system. The company regularly releases and updates its internal safety management systems, using a systematic and standardized approach to strictly control every aspect of work safety. It is committed to achieving the goals of zero injuries, zero environmental accidents, and zero process safety incidents to promote the company's sustainable and stable development.



Faced with the increasing frequency of natural disasters and man-made accidents both internationally and domestically, the uncertainty and risks associated with corporate operations have significantly increased. Tinci Materials has introduced the management philosophy of the ISO 22301 Business Continuity Management System to enhance its business continuity management and build an optimal corporate emergency response system to ensure business continuity.

Company Name	Certification Programs	Certification Body
TINCI Jiujiang	ISO 22301:2019 Business Continuity Management System	DNV

Safety Management Measures

Implement the Work Safety Responsibility System

Establish a safety responsibility system that covers all aspects horizontally and reaches the grassroots vertically.

Require contractors to sign safety agreements to implement full-process management from entry to exit.

In 2024, position safety responsibility letters covering all employees have been signed.

Risk Identification & Hidden Hazard Investigation

Identification methods: HAZOP (Hazard and Operability Study) analysis, Job Safety Analysis using the LEC method, SOP (Standard Operating Procedure) review, and Behavioral-Based Safety (BBS) observation.

Establish a dual prevention system for safety production risk classification control and hidden danger investigation and management.

In 2024, the company conducted a total of **187,393** safety observations. Each base and factory organized **387** hidden danger inspections, identifying **9,424** potential safety hazards. The completion rate of rectification for both safety observations and hidden danger inspections exceeded **97%**.

Emergency Response

Emergency management strategy characterized by unified leadership, comprehensive coordination, tiered management, divisional responsibility, and local management.

Full-process management of emergency events including prediction and early warning, identification and control, emergency handling, and post-incident management.

Establishment of an emergency rescue command team, provision of emergency supplies, development of emergency plan drills, and organization and implementation of drills.

Establishment of an emergency rescue command team, provision of emergency supplies, development of emergency plan drills, and organization and implementation of drills.

Safety Training

Training Scope: New employee three-level safety education, safety management personnel training, on-the-job employee safety training, contractor training

Basic knowledge of fire prevention and explosion prevention, accident management and application of root cause analysis methods

In 2024, the total training hours were **167,353** hours, with a total of **11,942** participants. (Note 1)

EHS Internal Compliance Audit

Audit Scope: EHS management system, process safety, safety and health, environment

Frequency: Conducted once every six months

Audit Conclusion: At the end of 2024, the conclusion of the audit at each production base was that there were **no high-risk items**.

Note 1: The total number of participants in safety training includes contractors and former employees.

Safety Management Performance Achievement

Number of Major Safety Accidents	Number of Fatal Work-related Injuries
0	0

Occupational Health

The company has always regarded the occupational health and safety of its employees as the cornerstone of its development. It places great emphasis on the occupational health and safety of its employees. Through measures such as improving systems, assessing risks, and strengthening training, the company has optimized its management processes in an all-round way. As of the end of the reporting period, 11 subsidiaries of the company have obtained the third-party certification for the ISO 45001:2018 Occupational Health and Safety Management System, and continues to create a safer working environment for its employees.

Branches Certified with the ISO 45001:2018 Occupational Health and Safety Management System

Company name	Certification Body
TINCI Guangzhou	SGS
TINCI Jiujiang	SGS
TINCI Jiujiang (longshan)	SGS
TINCI Yichun	Shengbiao Zhejiang
Resource Recycling Jiujiang	Shenzhen Zhongsheng
KAIXIN Fuding	Intertek
TIANQI Jiujiang	SGS
TINCI New Power	SGS
TINCI Chizhou	Kaixin Certification
Tianshuo Zhejiang	Changcheng
TINCI Qingyuan	SGS

Tinci Materials strictly complies with the requirements of the "Law of the People's Republic of China on Prevention and Control of Occupational Diseases" and other relevant laws and regulations to establish a management system for the prevention and control of occupational diseases. Each base has established a "System for Occupational Health Management" and formulated and updated the "Inventory of Occupational Disease Hazard Factors" in a timely manner. The company informs employees of occupational disease hazards, sets up warning signs at positions with toxic and harmful substances, and conducts training and publicity on occupational health and safety.

In accordance with the "Classification Catalogue of Occupational Disease Hazard Factors," the company identifies and assesses occupational disease hazard factors through the process and content of work activities. It also commissions qualified third-party testing institutions to conduct annual detection of occupational disease hazard factors, including dust, noise, hazardous chemicals, etc. The test results are displayed through the occupational hazard notification boards in each workshop.

The company identifies occupational disease hazard factors through systematic investigation and testing, including chemical substances, physical and biological factors. It obtains specific data through Safety Data Sheets (SDS) and monitoring of air quality, noise levels, etc. At the project design stage, experts are invited to compile pre-assessment reports on occupational hazards and special chapters on occupational health design to comprehensively identify occupational hazards in the workplace and develop effective control measures.

Occupational Disease Hazard Control Plan

Dust Hazard Control

Engineering and Technical Measures: Carry out closed-system modifications on production equipment that generates dust.

Management Measures: Regularly clean the workshop floor and surfaces of equipment.

Personal Protective Measures: Provide protective equipment and train employees on how to use it correctly.

Chemical Hazard Control

Engineering and Technical Measures: Implement automated material feeding to reduce employees' exposure to occupational hazards.

Management Measures: Establish a comprehensive chemical management system to control chemicals throughout their entire process.

Personal Protective Measures: Provide protective equipment and train employees on how to use it correctly.

Physical Factor (Noise) Control

Engineering and Technical Measures: Isolate and reduce noise from noise sources.

Management Measures: Continuously monitor high-noise areas and remind employees to take protective measures.

Personal Protective Measures: Provide protective equipment and train employees on how to use it correctly.

The company has effectively implemented occupational disease prevention and control measures by regularly arranging comprehensive occupational health examinations for its employees. In 2024, a total of 4,643 employees participated in the occupational health examinations. Among them, 12 cases of occupational contraindications were identified. All these employees were transferred from their original positions, as required by medical institutions, to positions free of relevant occupational disease hazards.

The company's objectives and achievements in occupational health management for 2024 are as follows:

Occupational Health Management Objectives for 2024	Achievements in Occupational Health Management for 2024
Zero occupational diseases	0

★ ★ ★

Zero Occupational Diseases for 4 Consecutive Years

8.2

EMPLOYEE RIGHTS PROTECTION

Fairness and Respect

Tinci Materials adheres to an open, fair, and equal employment policy, strictly complying with the "Labor Law of the People's Republic of China, "the "Labor Contract Law of the People's Republic of China, "the "Provisions on the Prohibition of the Use of Child Labor, "the "Law on the Protection of Women's Rights and Interests, " as well as local laws and regulations. During the recruitment process, strict screening and control measures are implemented to refrain from hiring child labor. Since its establishment, the company has never employed child labor. Furthermore, in the supplier audit process, the company requires its suppliers to adhere to the prohibition of child labor recruitment. The company prohibits discrimination and forced labor, strictly reviews overtime applications, and controls the duration of overtime work. There have been no legal disputes related to forced labor.

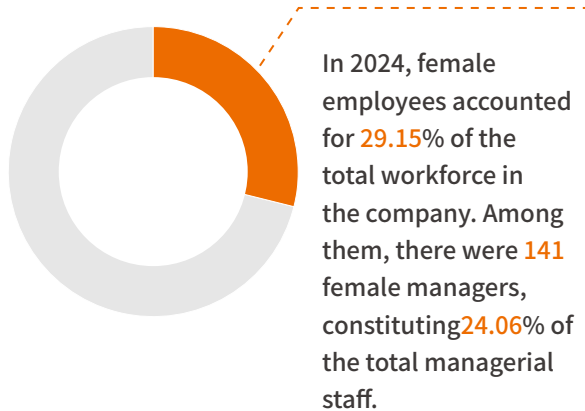
The Human Resources Department is responsible for completing the process mapping, dissemination, and application of employee relations management according to the "Employee Relations Manual." Training on employee relations awareness and skills has been conducted for management personnel at all levels to establish a healthy communication bridge between employees and the company, achieving standardized management of labor risks. The company has not experienced any economic layoffs or dissolution. According to company regulations, in the event of similar circumstances, employees must be notified at least one year in advance. During the reporting period, no complaints or appeals have occurred.

The company signs formal labor contracts with all regular employees and provides social security as required by laws and regulations. When utilizing temporary workers, the company mandates that the staffing agencies operate legally, sign formal labor contracts with temporary workers, and provide them with statutory benefits and protections. The Human Resources Department supervises and tracks the management of staffing agencies accordingly. The company strictly follows national and local policies and requirements for foreign-related management in the recruitment and management of foreign employees.

In compliance with laws and regulations, the company respects employees' rights to freedom of association and collective bargaining. To safeguard employees' rights and interests, the company has established a trade union to represent the interests of employees, coordinate the relationship between the company and employees, and pay attention to employees' vital interests. All employees have voluntarily joined the trade union, achieving a 100% membership rate.

The company has formulated the "Prevention of Discrimination and Harassment Procedure". In matters related to recruitment, training, promotion, dismissal, or retirement, the company does not tolerate discrimination based on race, ethnicity, social origin, social status, lineage, religion, physical disability, gender, family responsibility, marital status, union membership, age, or any other factor, ensuring that employees have equal job rights and development opportunities. The company explicitly opposes workplace harassment, protecting employees from sexual harassment, threats, intimidation, etc., in the workplace. In 2024, female employees accounted for 29.15% of the total workforce in the company. Among them, there were 141 female managers, constituting24.06% of the total managerial staff. The company also stipulates that female employees are entitled to maternity leave while pregnant employees are provided with special meals. Employees who took maternity leave in 2024 had a 100% return-to-work rate and retention rate after their leave.

All employees have voluntarily joined the trade union, achieving a 100% membership rate.



Employees who took maternity leave in 2024 had a 100% return-to-work rate and retention rate after their leave.

【2024 年关键绩效】

Zero incidents of employment discrimination, child labor, or forced labor within the company and its supply chain.

Zero confirmed incidents of harassment, abuse, or discrimination within the company and its supply chain.

Employee Recruitment

Tinci Materials Company is committed to building a composite talent pool that is both highly knowledgeable and market-savvy. Our talent strategy focuses on the recruitment and development of high-end technical talents. By combining external recruitment with internal promotion mechanisms, we ensure that the company maintains a leading position in the rapidly changing technological environment.

The company strictly implements its recruitment processes in accordance with the Employee Recruitment and Employment Policy, Employee Internal Referral Reward Policy, and Background Check Management Policy. From the initiation of recruitment needs to the hiring process, the company standardizes its operational procedures to ensure compliance in recruitment. At the same time, it optimizes the selection of recruitment channels and the allocation of resources, efficiently screening out outstanding candidates who meet the job requirements and enhancing the quality of recruitment.

The company regularly reviews and evaluates its recruitment strategies and processes, adjusting its recruitment policies based on market changes and technological trends. Any issues identified are promptly addressed through corrective actions, such as updating recruitment criteria and conducting internal interviewer skills training programs, to ensure the effectiveness and adaptability of recruitment activities. Over 200 participants from various middle management levels across functional departments have taken part in the online courses for interviewer skills training.

Tinci Materials places a strong emphasis on diversifying its talent sources. By establishing partnerships with universities and industry organizations, the company attracts outstanding new graduates and professional talents from the market to join Tinci, thereby continuously enhancing the team's innovation and competitiveness. The company has established a comprehensive and systematic trainee system and provides a robust training platform for its employees. During the reporting period, 130 employees were hired through the campus recruitment system.

In 2024, a total of 257 employees were hired for key positions, exceeding the recruitment needs of all departments. This included 19 professional talents for overseas business, effectively providing talent support for the company's international expansion.



Over **200** participants from various middle management levels across functional departments have taken part in the online courses for interviewer skills training.

During the reporting period, **130** employees were hired through the campus recruitment system

In 2024, a total of **257** employees were hired for key positions

This included **19** professional talents for overseas business

Employee Compensation and Benefits

The company strictly complies with all labor laws and regulations. It has issued the Compensation and Benefits Management System and the Detailed Implementation Rules for Compensation and Benefits, establishing a comprehensive system for leave and benefits. The company provides competitive compensation and benefits to its employees, constructing a salary structure that combines fixed wages with variable performance-based wages. Additionally, allowances are provided for special positions to enhance employees' sense of belonging and build the company's cohesion.

Tinci Materials' Compensation System Design Plan

Compensation Structure	Type	Characteristics and Influencing Factors
Long-term and Medium-term Incentives	Employee Stock Ownership Plan (ESOP)、Stock Options	Based on the achievement of performance over the next three years; to retain and incentivize core employees in the long term.
Fixed Salary	Base Salary	Fixed income paid monthly; provides basic living security.
	Position-based Salary	
Variable Pay	Performance Bonus	Actual income is linked to performance.
	Target Achievement Bonus	Actual income is linked to performance outcomes.
	Piece-rate Bonus	
	Sales Commission	
	Year-end Bonus	Actual income is linked to working hours.
Benefits and Allowances	Overtime Pay	
	Statutory Benefits	Mandatory
	Supplementary Benefits	Personalized

The company provides all employees with comprehensive welfare benefits, including basic benefits, care benefits, and special benefits. At the same time, it places great emphasis on humanistic care for employees. By organizing recreational and fitness activities that are beneficial to physical and mental health, the company enriches employees' lives and helps them achieve a balance between work and life. It also creates a happy and harmonious working atmosphere for employees. In terms of statutory benefits, during this reporting period, the company disbursed a total of 923 million yuan in remunerations, bonuses, allowances, subsidies, welfare expenses, housing provident fund contributions, and social insurance premiums for all employees.



In order to further improve the company's long-term incentive mechanism, attract and retain outstanding talents, and fully motivate the enthusiasm of the core team, while closely aligning the interests of shareholders, the company, and the core team members, during the reporting period, the company issued the 2024 Stock Option Incentive Plan and the 2024 Employee Stock Ownership Plan. These plans collectively cover 992 employees of the company (99 participants in the stock ownership plan and 893 participants in the stock option plan), representing 14.8% of the total number of employees.

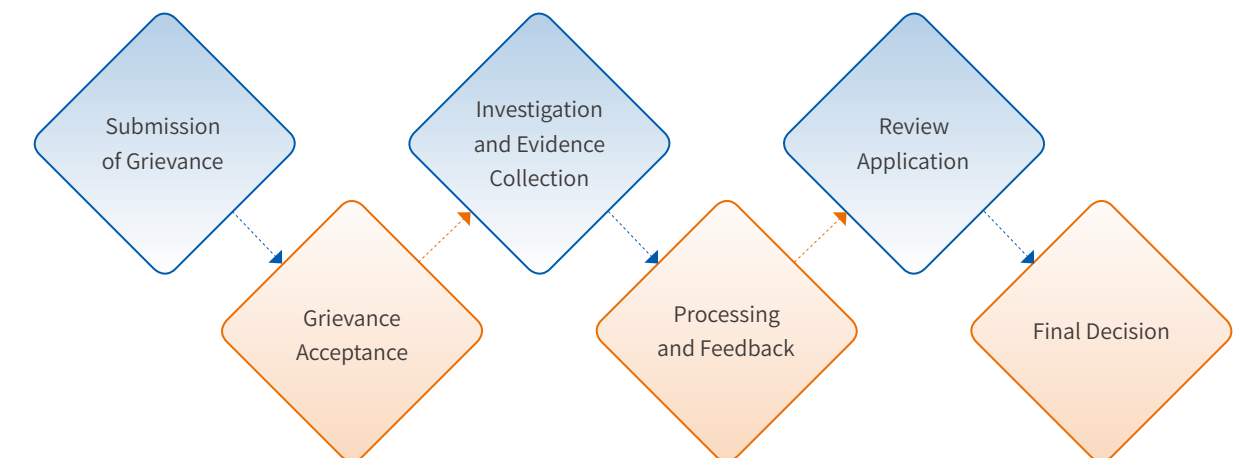


Employee Communication and Complaints

The company adheres to a democratic management model and engages with employees through various democratic management methods, including employee forums, employee interviews, trade union representatives, general manager luncheons, chairman's mailbox, and WeChat official accounts. These channels are used to receive rational suggestions from employees and establish harmonious employee relations.

To further strengthen the protection of employee rights and interests, the company continues to implement a convenient complaint, reporting, and appeal process in accordance with the Employee Grievance Management Control Procedure, standardizing the grievance process for employees. The company maintains a positive and open attitude towards all suggestions from employees, attaching great importance to them and handling them seriously. Through a standardized processing procedure, the company ensures that every suggestion is properly evaluated and addressed. After employees submit complaints or suggestions, the Group's Employee Relations Manager is responsible for handling the grievances. The base Human Resources team assists with investigations and evidence collection. The investigation results and proposed handling suggestions are then submitted to the Group's Human Resources Manager for review, and the final results are communicated back to the complainant for case closure or further review.

Employee Grievance Process



In 2024, the Group received 11 complaints. The company's Human Resources department communicated with the employees to understand the situations, handled the relevant matters, and provided feedback on the results to the reporting employees.

Employee Care

The company cares for its employees in every aspect, including their daily meals, accommodation, transportation, children's education, and family members' development. When employees encounter difficulties, the company leverages the power of the team to help resolve issues in both work and life, ensuring that every employee feels the warmth of a family environment. The company continues to fulfill the primary functions of the "Tinci Love and Mutual Assistance Foundation," providing special assistance to employees' families affected by serious illnesses.

The company also regularly organizes employee care activities to enhance employees' sense of belonging and ensure they tangibly feel the company's concern. This helps reduce employee turnover. Additionally, regular cultural and sports activities effectively relieve work pressure, enabling employees to engage in their work with greater enthusiasm and thereby improve overall performance. The company places high importance on employees' mental health, regularly arranging health seminars and psychological counseling sessions to provide professional health guidance. These efforts enhance employees' physical and mental well-being and improve their quality of life. Through the organization of these activities, the company creates a positive atmosphere within the enterprise and demonstrates its good image of caring for employees to the outside world, attracting more outstanding talents to join.

2024 Employee Care Initiatives

Fatherly Love as Steady as a Mountain, Safety as the Foundation of Home | Special Edition of TINCI Jiujiang Safety Month & Father's Day Activities

Taking advantage of the dual opportunities of Father's Day and Safety Month, TINCI Jiujiang will specially host a series of activities themed "Fatherly Love as Steady as a Mountain, Safety as the Foundation of Home." We invite employees and their family members to participate by creating artworks or family photos paired with safety messages, expressing their vision of a "Safe Home in My Heart." Together, let's use creativity and warmth to tell safety stories and convey a sense of family responsibility. While building a family-oriented culture, we will also integrate the company's safety and environmental protection concepts, showing care for both employees and their families.



Wise Love, Effortless Parenting, Avoiding the Anxiety-Driven Mom

——Special Family Education Lecture for Mother's Day at TINCI Jiujiang



Between the busy workplace and the cozy family, working mothers play multiple roles and often face immense pressure and challenges. On this Mother's Day, by hosting a special family education lecture for mothers, we have provided a platform for the working mothers in our company to learn, communicate, and relax. This event aims to help the working mothers of TINCI Jiujiang chart a course from "self-growth" to "family happiness." The activity not only focuses on parenting wisdom but also encourages mothers to explore the dual realization of personal value and family happiness, reducing unnecessary anxiety and enjoying the joy and fulfillment of being a mother. Let love become the lighthouse that guides the way.

2024 College Entrance Examination Awards for Employees' Children

The hard work of employees and their selfless dedication to their families are important cornerstones of the company's success. To express deep recognition and gratitude to our employees, the company hosted the 2024 College Entrance Examination (Gaokao) Motivational Seminar for Employees' Children. This event is not only a celebration of the outstanding achievements of employees' children in the Gaokao but also an affirmation of the employees' long-term contributions to the company and their dedication to their families. Through this seminar, employees can feel the company's respect and care, while also inspiring their children to continue pursuing academic and personal growth.



8.3 TALENT MANAGEMENT AND DEVELOPMENT

Tinci Materials builds its talent management and development strategies on the foundation of its mission, vision, and core values. Starting from the company's business model, value positioning, and growth pathways, it standardizes the job position and grading system, improves the promotion management system, conducts strategic talent reviews, promotes internal job rotation mechanisms, and enhances the company's training mechanisms. These initiatives provide employees with a broad platform and professional guidance for career development.

The company continues to advance the Performance Management System, which evaluates employees' work performance comprehensively through the management processes of performance planning, implementation, assessment, and the application and feedback of performance results. This system standardizes and perfects the performance management framework, establishes an effective incentive and constraint mechanism, and lays an important data foundation for the company's compensation and benefits system as well as its promotion system.

The Human Resources Department assesses all employees based on the performance management system, with the annual performance evaluation results serving as a significant reference for employee promotions. In 2024, a total of 320 employees were promoted, including 76 women. The company cultivated a total of 15 senior managers and above, and 21 employees from the supervisor level to the manager level, including 8 women.

In accordance with internal regulations such as the Training Management System and the Tinci Materials Promotion Management System, the company continues to refine the Tinci Professional Technical Qualification Review and Management System for its promotion management. By enhancing employees' overall quality and professional skills, the company aims to build a learning organization to achieve its business goals and align with its human resources strategy.

Employee career development follows the principles of dual channels, multiple levels, and a combination of vertical and horizontal progress. Employees can advance vertically within one channel or transition horizontally between different development channels, including moving between the professional and management tracks, as well as among different job categories within the professional sequence.

The company's talent management mechanism focuses on the T-R-D talent development path centered around the “core sequence” and “key competencies.”

01 Test (Comprehensive Evaluation) - Identifying Key Sequences and Key Competencies

Based on the company's values, high-performing group profiles, and industry benchmarks, and in combination with assessment techniques and Behavioral Event Interviews (BEI), the Tinci General Competency Development Manual has been extracted. The business expert pool has also established talent standards for each sequence and a talent selection performance indicator library. With values as the foundation, capabilities as the criteria, and potential as the watershed, Tinci has developed its own multidimensional evaluation standards.

02 Review (Assess Gaps and Provide Layered Feedback) - Core Business Talent Inventory

For professional teams such as “externally recruited core talents,” “R&D,” “production,” and “process,” a comprehensive inventory and diagnosis are conducted from both talent development and business perspectives. This includes analyzing the talent profiles within each sequence, the distribution of talent structure, the maturity of management training programs, and assessing the organizational climate and the effectiveness of organizational development. Through this comprehensive inventory, the company dynamically monitors the organizational situation, effectively facilitates talent rotation, extracts career paths for outstanding leaders, and creates a “one-page profile” for each leader. Talents are nurtured in different pools to provide targeted development for leaders at various levels.

03 Develop (Combining Training and Practice, Identifying and Competing Talents)

Create the "Eagle" series of training camps (such as "Heavenly Eagle," "Leading Eagle," etc.), which focus on operating talent pools for key talents in different sequences and levels. Based on talent standards, incubation plans are designed to cultivate talents through methods like course coaching, business discussions, simulation exercises, and visits to benchmark companies, and job rotation is encouraged. Members who graduate from the training camps can move to more challenging business frontlines, where they can grow rapidly through on-the-job training and a "coaching" mechanism, and prepare for the next cycle.

In accordance with the company's development plan, differences in employee skills, and business needs, each department organizes a training needs survey. Using the training needs analysis model as a tool, an annual training plan is developed. In 2024, the second phase of the Tianying Training Camp and the third phase of the Feiying Training Camp were completed. Through courses on management skills enhancement, communication platform building, and functional module linking, these programs broadened career horizons and improved work efficiency and quality, achieving common growth and progress for employees, teams, and the company.

8.4 SOCIAL RESPONSIBILITY

Social Contribution

While focusing on continuous innovation and research, Tinci Materials actively engages in public welfare activities and earnestly fulfills its social responsibilities, making unremitting contributions to community development and social progress. In 2024, the company achieved certain results in social responsibility. For example, its subsidiary, TINCI Jiujiang, was awarded the title of "Jiangxi Social Responsibility Enterprise" for the year 2023. The company places great emphasis on the social value of its enterprise and adheres to the public welfare concept of "respecting the elderly and assisting students." It participates in various public welfare activities organized by provincial, municipal, and district authorities, including science and education, health, community building, educational donations, and poverty alleviation. The company delves into counterpart schools for poverty alleviation and impoverished families to address specific issues such as school equipment, facilities, books, and teaching tools. By expanding its production scale and business scope, the company creates a large number of job opportunities, alleviating employment pressure in the community. At the same time, the company values exchanges and cooperation with colleges and research institutions. It has established teaching practice bases with multiple universities. In 2024, it signed a framework agreement for school-enterprise cooperation with Hukou County Vocational and Technical School. The company provides professional internship and practice bases, offering necessary conditions for student internships, social practice, and young teacher research activities, and jointly promotes the construction of faculty teams.

2024 Social Public Welfare Activities

Social Welfare	Education Sponsorship
<ul style="list-style-type: none">• Year-end consolation for community households in need• Sponsorship for impoverished households in Zhushancun, Qingyuan City• Volunteer Association's "Green and Beautiful Huangpu, Youth Take the Lead" tree-planting activity• Donation to the Care Fund of Changzhou Charity Federation• Donation for the community table tennis invitational tournament• Donation by the Easy-to-Drug Association• Chemical science popularization public welfare activity	<ul style="list-style-type: none">• Donation to Zhejiang University Education Foundation• Quzhou City Love-based Education Support Activity• Donation for the School-Enterprise Cooperation Scholarship of the School of Chemistry at South China Normal University• Donation to the Hukou Middle School Education Support Fund

During the reporting period, the company's cumulative expenditure on public welfare donations amounted to 3.09 million yuan.

Public Welfare Activities	Donation Amount
Zhejiang University Education Foundation	1 million yuan
Targeted Support for Environmental Improvement in Shunde Township	500,000 yuan
Hukou Scholarship Fund	300,000 yuan
Targeted Donation to Xishancun in Huangzhen Townshi0070	120,000 yuan
Other	1.17 million yuan
Total	3.09 million yuan

2024 Public Welfare Activities Showcase

"Love Transmitted in Blood, Care Continued in Life"
Blood Donation Volunteer Activity

In response to the call for voluntary blood donation, and to further promote the spirit of dedication and cultivate a new trend of civilization, and to build a harmonious and friendly social environment, the Party Branch of Tinci organized a voluntary blood donation activity. A large number of party members and employees took the lead actively and joined the ranks of blood donors one after another. They interpreted dedication through their actions and "recharged" life with love.



World Book Day [Circulating Book Bureau] Book Drifting Program

April 22nd, World Earth Day, and April 23rd, World Book Day, are two globally significant commemorative days. In response to these special occasions, the company organized a "Circulating Book Bureau" Book Drifting activity. By recycling used books, the initiative aims to reduce resource waste, enhance employees' environmental awareness, promote cultural exchange and team cohesion, and inspire employees' interest in reading, thereby cultivating a habit of lifelong learning.



"Childlike Curiosity Explores Mysteries, Tinci Accompanies Growth" Chemical Public Welfare Science Popularization Activity at Jiujiang Xiejialong Kindergarten

The Public Relations Department of the company, together with the Party Branch, led volunteers to the Fifth Kindergarten of Lianxi District. Using vivid experiments and amiable language, they unveiled the mysteries of chemistry for the children. Through simple examples and everyday explanations, the children were introduced to the wonders of chemistry. The concept of green chemistry was also conveyed, and the children gained a preliminary understanding of the safety aspects of chemical experiments. It is hoped that through this public welfare science popularization activity, more children will fall in love with science and chemistry, and grow alongside Tinci.

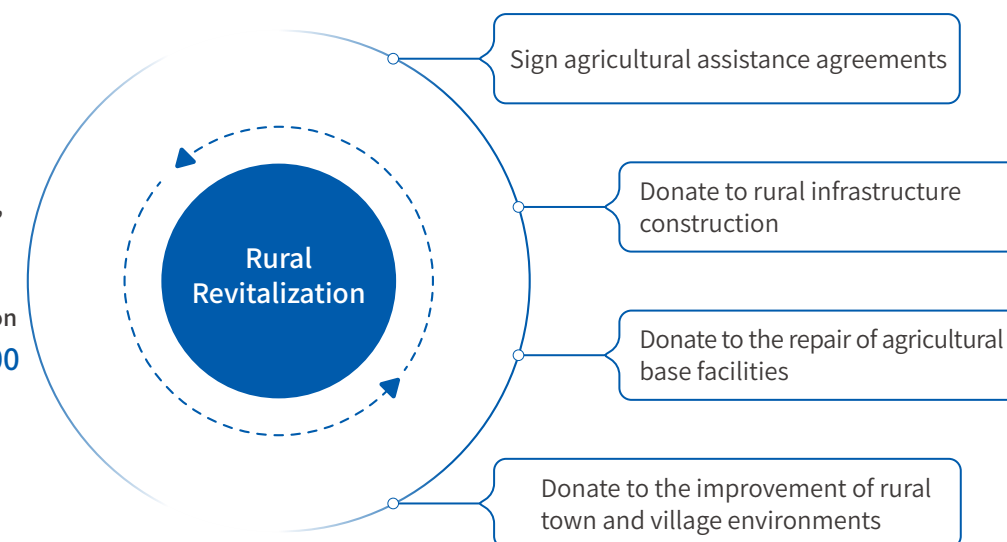


Rural Revitalization

Always committed to giving back to society and promoting rural development, we actively engage in rural revitalization initiatives. Through industrial assistance, we provide favorable environmental support to rural bases. During the reporting period, we participated in multiple rural industrial assistance activities, focusing on rural industrial donations in the towns and villages where the company is located. These activities included repairing agricultural base roads, dredging ponds, assisting in nut production, and organizing agricultural support events, all of which have significantly propelled the diversified development of rural industries and accelerated the pace of rural revitalization.

In 2024, in order to increase the income of local villagers in Gaoshan, Xijiang Town, Lianshui City, and to consolidate the achievements of poverty alleviation, the company signed an agreement with the Xijiang Town Farm in Lianshui City. The company leased 100 acres of land from the farm and provided it to farmers free of charge for the cultivation of agricultural products. The farm also provided technical support to the farmers free of charge and committed to purchasing agricultural products that meet the standards from the farmers, thereby achieving the goal of assisting farmers. During the reporting period, the company's expenditure on rural revitalization reached 820,000 yuan.

During the reporting period, the company's expenditure on rural revitalization reached **820,000** yuan.





09

REPORT DATA TABLE

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REPORT DATA TABLE

The specific coverage scope of each topic is shown in the table below. “Full company” refers to “consistent with the scope of the consolidated financial statements.” “Important operating and production bases” refers to “bases with independent office locations or production activities within the company and its subsidiaries.”

Topic	Coverage Scope
Innovation Management	Full company
Intellectual Property Protection	Full company
Environment	Important operating and production bases
Employees	Full company

9.1 GOVERNANCE & OPERATIONS DATA

Innovation Management

Project	2022	2023	2024
The number R&D personnel	487	547	702
The proportion of R&D personnel	8.11%	7.98%	10.78%
The amount of R&D investment (yuan)	893,920,706.90	645,542,164.91	668,213,487.72
R&D investment as a percentage of operating income	4.01%	4.19%	5.34%

Intellectual Property Protection

Patent Targets and Achievement Rate			
Indicator	Target value	Completion status in 2024	Completion rate
Annual patent application goal	209	250	119.6%

Patent Acquisition

Types of patents	2022	2023	2024	Year-on-year growth rate in 2024
Cumulative number of patent applications	613	827	1022	23.57%
Cumulative number of granted patents	318	449	558	24.27%

9.2 ENVIRONMENTAL DATA

Energy Consumption

Indicator	Unit	2022	2023	2024
Total Comprehensive Energy Consumption ¹	Tonnes of Standard Coal	71845.95	104519.35	165255.62
Direct Energy Consumption ²	Tonnes of Standard Coal	15002.49	22138.06	36427.58
Indirect Energy Consumption ³	Tonnes of Standard Coal	56843.45	82381.29	128828.04
Comprehensive Energy Consumption Intensity ⁴	Tonnes of Standard Coal/T	---	---	0.1808

Note 1: The calculation of total comprehensive energy consumption refers to the "General Rules for Calculation of Comprehensive Energy Consumption" (GB/T 2589-2020). It covers energy types including diesel, coal, natural gas, steam, and electricity, but does not include gasoline used by company business vehicles and liquefied petroleum gas used in the canteen. During the reporting period, the company calculated the standardized energy consumption based on the energy data statistics from the 2022 and 2023 reports. The total comprehensive energy consumption has further increased this year, mainly due to the expansion of the statistical scope, with the addition of data from TINCI Sichuan, Jiujiang New Power, TINCI Taizhou, TINCI Tianjin, and TIANQI Jiujiang.

Note 2: Direct energy includes coal, diesel, and natural gas.

Note 3: Indirect energy includes electricity and steam.

Note 4: Comprehensive energy consumption intensity = Total comprehensive energy consumption / Annual production volume. The annual production volume is derived from the production, sales, and inventory table in the annual report.

Greenhouse Gas Emissions

Content	Scope	2022 (tonnes of CO equivalent)	2023 (tonnes of CO equivalent)	2024 (tonnes of CO equivalent)
Total Greenhouse Gas Emissions	Direct (Scope 1)	69362	90065	89298
	Indirect (Scope 2)	272814.3	452633	391990
	Total	342176.3	542698	481288

Note 1: In 2024, the company referred to the greenhouse gas verification method of ISO 14064-1:2018 to calculate the Scope 1 and Scope 2 carbon emission data for the years 2023 and 2024.

Note 2: The scope of carbon emission data statistics for 2023 and 2024 has been expanded compared to 2022, with the addition of TINCI Sichuan, TINCI New Power, Resource Recycling Jiujiang, TINCI Taizhou,TINCI Tianjin, and TIANQI Jiujiang.

Note 3: The scope of data statistics for 2023 and 2024 is consistent.

Wastewater Discharge

Indicator	2022	2023	2024
Total Wastewater Discharge (T)	1220902	1074185	1588329

Note 1: The discharge volume has increased this year, mainly due to the expansion of the data collection scope, with the addition of data from TINCI Sichuan, TINCI New Power, TINCI Taizhou, TINCI Tianjin, and TIANQI Jiujiang.

Emission of Pollutants

Types of Emissions	Primary pollutant name	2022年	2023年	2024年
Wastewater Pollutant Emissions	COD (t)	35.96	20.81	35.56
	Ammonia Nitrogen (t)	1.55	0.77	0.85
	Total Phosphorus (t)	0.31	0.18	0.34
	Total Nitrogen (t)	-	1.34	6.39
Air Pollutant Emissions	Particulate Matter (PM)	16.13	3.50	5.02
	Sulfur Dioxide (SO)	4.92	0.07	2.84
	Nitrogen Oxides (NO)	10.77	1.36	6.77
	Volatile Organic Compounds (VOCs)	5.37	6.79	5.18

Note 1: The scope of pollutant emissions statistics for the year 2024 includes the emissions from subsidiaries listed in Appendix I that are included in the key environmental supervision units.

Note 2: The increase in the total amount of pollutant emissions in this year's data is mainly due to the expansion of the statistical scope, which includes the addition of TINCI Sichuan, TINCI New Power, TINCI Jiangsu, TIANQI Jiujiang, and TINCI Chizhou – LiPF6 Plant.

Waste Disposal Status

Indicators	2022	2023	2024
Total Waste Generation (t)	----	----	42104.68
Of which: Total Hazardous Waste Generation (t)	----	----	6222.11
Total General Waste Generation (tons) ¹	----	----	35882.57
Total Waste Treatment	4101.27	25848.15	66860.72
Of which: Total Hazardous Waste Treatment	4101.27	5243.89	6130.76
Total General Waste Treatment	----	20604.26	60729.96
Of which: Incineration	----	34.00	19.94
Reuse	----	20570.26	60710.02

Note 1: The data for the years 2022 and 2023 were cited from previous annual reports and were not re-calculated based on the new statistical scope.

Note 2: The total amount of hazardous waste treatment in 2024 increased compared to 2023, mainly due to the expansion of the statistical scope, which includes the addition of TINCI Sichuan, TINCI New Power, TINCI Taizhou, TINCI Tianjin, and TIANQI Jiujiang.

Note 3: The total amount of waste treatment does not equal the total amount of waste generated, primarily because some of the waste generated in 2023 was disposed of in 2024.

Water Consumption

Total water consumption from 2022 to 2024 (in tons)			
Indicator	2022	2023	2024
Total water consumption	1606888	1550687	3128783

Note 1: The main reason for the increase in the total water consumption this year is the expansion of the data statistical scope compared to 2023, which includes the addition of TINCI Sichuan, TINCI New Power, TINCI Taizhou, TINCI Tianjin, and TIANQI Jiujiang.

9.3

SOCIOECONOMIC DATA

【Employee Composition】

Indicator	Unit	2022	2023	2024
Total Number of Employees	Person	6002	7032	6745
Of which:				
Total number of managers	Person	490	548	586
Number of female managers	Person	118	131	141
Number of male managers	Person	372	417	445
Percentage of female managers	%	24.08%	23.91%	24.06%
Total Number of Employees by Employment Type:				
Regular employees	Person	5916	6857	6511
Dispatched workers	Person	86	175	234
Percentage of dispatched workers	%	1.45%	2.49%	3.47%
Number of Regular Employees by Gender:				
Male	Person	4405	5098	4637
Female	Person	1597	1934	1874
Percentage of Female	%	26.6%	27.5%	29.15%
Number of Regular Employees by Age Group:				
< 31 years old	Person	1675	1979	1632
31-50 years old	Person	3939	4512	4324
> 50 years old	Person	302	366	555

Indicator	Unit	2022	2023	2024
Number of Regular Employees by Educational Level:				
Ph.D.	Person	17	30	28
Master's degree	Person	197	313	382
Bachelor's degree	Person	856	1154	1212
College diploma	Person	1061	1258	1206
Other	Person	3785	4102	3683
Number of Regular Employees by Ethnicity:				
Han Chinese	Person	5823	6718	6361
Ethnic minorities	Person	93	139 ²	150

Note 1: The statistical scope for classification by employment type and gender includes all employees, while the statistical scope for classification by age group, educational level, and ethnicity is limited to regular employees.

Note 2 : The number of ethnic minority employees includes 3 foreign employees.

【Employee Training Data】

Content	2022	2023	2024
The average number of training hours per employee.	82	77	86.4

INDEX OF INDICATORS

Global Reporting Initiative (GRI Standards 2021) index table

Instructions for use

Tinci Materials reported information referenced in this GRI Content Index according to the GRI Standards for the period from January 1, 2024, to December 31, 2024.

GRI 1 used

GRI 1: Foundation 2021

GRI Standards	Disclosure item	Section
GRI 2: General Disclosures 2021	1.The organization and its reporting practices	
	2-1 Organizational details	COMPANY OVERVIEW、BUSINESS BOUNDARIES
	2-2 Entities included in the organization’ s sustainability reporting	ABOUT THIS REPORT
	2-3 Reporting period, frequency and contact point	ABOUT THIS REPORT
	2-4 Restatements of information	ABOUT THIS REPORT
	2-5 External assurance	REPORT VALIDATION
	2. Activities and workers	
	2-6 Activities, value chain and other business relationships	COMPANY OVERVIEW、BUSINESS BOUNDARIES
	2-7 Employees	EMPLOYEE RIGHTS PROTECTION、TALENT MANAGEMENT AND DEVELOPMENT
	2-8 Workers who are not employees	Employee Rights Protection
	Governance	
	2-9 Governance structure and composition	sound governance structure
	2-10 Nomination and selection of the highest governance body	sound governance structure
	2-11 Chair of the highest governance body	sound governance structure

GRI Standards	Disclosure item	Section
GRI 2: General Disclosures 2021	2-19 Remuneration policies	sound governance structure
	Strategy, policies and practices	
	2-22 Statement on sustainable development strategy	CHAIRMAN SPEECH
	2-26 Mechanisms for seeking advice and raising concerns	sound governance structure
	2-28 Membership associations 46	HONORS AND INDUSTRY STATUS
	Stakeholder engagement	
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Stakeholder Engagement
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Importance Agenda Management
	3-2 List of material topics	Importance Agenda Management
GRI 201: Economic Performance 2016	3-3 Management of material topics	BUSINESS BOUNDARIES
	201-1 Direct economic value generated and distributed	BUSINESS BOUNDARIES
GRI 205: Anti-corruption 2016	3-3 Management of material topics	ANTI-COMMERCIAL BRIBERY AND ANTI-CORRUPTION
	205-1 Operations assessed for risks related to corruption	ANTI-COMMERCIAL BRIBERY AND ANTI-CORRUPTION
	205-3 Confirmed incidents of corruption and actions taken	ANTI-COMMERCIAL BRIBERY AND ANTI-CORRUPTION
GRI 206: Anti-competitive Behavior 2016	3-3 Management of material topics	Anti-unfair Competition
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Anti-unfair Competition
GRI 301: Materials 2016	3-3 Management of material topics	Water Resource Protection
	301-2 Recycled input materials used	Water Resource Protection
	301-3 Reclaimed products and their packaging materials	Water Resource Protection
GRI 302: Energy 2016	3-3 Management of material topics	Actively Tackling Climate Change
	302-1 Energy consumption within the organization	Actively Tackling Climate Change
	302-4 Reduction of energy consumption	Actively Tackling Climate Change
GRI 303: Water and Effluents 2018	3-3 Management of material topics	Water Resource Protection

GRI Standards	Disclosure item	Section
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Resource Protection
	303-2 Management of water dischargereLATED impacts	Water Resource Protection
	303-3 Water withdrawal	Water Resource Protection
	303-4 Water discharge	Water Resource Protection
	303-5 Water consumption	Water Resource Protection
GRI 305: Emissions 2016	3-3 Management of material topics	Actively Tackling Climate Change、Emissions and Waste Management
	305-1 Direct (Scope 1) GHG emissions	Actively Tackling Climate Change
	305-2 Direct (Scope 2) GHG emissions	Actively Tackling Climate Change
	305-5 Reduction of GHG emissions	Actively Tackling Climate Change
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Emissions and Waste Management
GRI 306: Waste 2020	3-3 Management of material topics	Emissions and Waste Management
	306-1 Water discharge by quality and destination	Emissions and Waste Management
	306-2 Waste by type and disposal method	Emissions and Waste Management
	306-3 Disclosure Significant spills	Emissions and Waste Management
	306-4 Transport of hazardous waste	Emissions and Waste Management
	306-5 Water bodies affected by water discharges and/or runoff	Emissions and Waste Management
GRI 304: Biodiversity 2016	3-3 Management of material topics	Ecosystem and Biodiversity Conservation
	304-1 Operational sites owned, leased, or managed by the organization that are located in or near protected areas and areas of high biodiversity outside protected areas	Ecosystem and Biodiversity Conservation
	304-2 Significant impacts of activities, products, and services on biodiversity	Ecosystem and Biodiversity Conservation
GRI 308: Supplier Environmental Assessment 2016	3-3 Management of material topics	Sustainable Supply Chain
	308-1 New suppliers screened by environmental assessment dimension	Sustainable Supply Chain
	308-2 Negative environmental impacts in the supply chain and actions taken	Sustainable Supply Chain

GRI Standards	Disclosure item	Section
GRI 401: Employment 2016	3-3 Management of material topics	Employee Rights Protection
	401-1 New employee hires and employee turnover	Employee Rights Protection
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Rights Protection
	401-3 Parental leave	Employee Rights Protection
GRI 402: Labor Management Relations 2016	3-3 Management of material topics	Employee Rights Protection
	402-1 Minimum notice periods regarding operational changes	Employee Rights Protection
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	Occupational Health and Safety
	403-1 Occupational health and safety management system	Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety
	403-3 Occupational health services	Occupational Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety
	403-5 Worker training on occupational health and safety	Occupational Health and Safety
	403-6 Promotion of worker health	Occupational Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety
	403-9 Work-related injuries	Occupational Health and Safety
	403-10 Work-related ill health	Occupational Health and Safety
GRI 404: Training and Education 2016	3-3 Management of material topics	Talent Management and Development
	404-1 Average hours of training per year per employee	Talent Management and Development
	404-2 Programs for upgrading employee skills and transition assistance programs	Talent Management and Development
	404-3 Percentage of employees receiving regular performance and career development reviews	Talent Management and Development

GRI Standards	Disclosure item	Section
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	Employee Rights Protection
	405-1 Diversity of governance bodies and employees	Employee Rights Protection
GRI 406: Non-discrimination 2016	3-3 Management of material topics	Employee Rights Protection
	406-1 Incidents of discrimination and corrective actions taken	Employee Rights Protection
GRI 408: Child Labor 2016	3-3 Management of material topics	Employee Rights Protection
	408-1 Operations and suppliers at significant risk for incidents of child labor	Employee Rights Protection
GRI 409: Forced or Compulsory Labor 2016	3-3 Management of material topics	Employee Rights Protection
	409-1 Operational sites and suppliers with significant risks of forced or compulsory labor incidents.	Employee Rights Protection
GRI 413: Local Communities 2016	3-3 Management of material topics	Social Responsibility
	413-1 Operational sites with local community participation, impact assessment, and development plans.	Social Responsibility
GRI 414: Supplier Social Assessment 2016	3-3 Management of material topics	Sustainable Supply Chain
	414-1 New suppliers that were screened using social criteria	Sustainable Supply Chain
GRI 416: Customer Health and Safety 2016	414-2 Negative social impacts of supply chain and actions taken	Sustainable Supply Chain
	3-3 Management of material topics	Product Safety、Control of Environmental Harmful Substances
GRI 417: Marketing and Labeling 2016	416-1 Assessment of the health and safety impacts of product and service categories	Product Safety、Control of Environmental Harmful Substances
	3-3 Management of material topics	Control of Environmental Harmful Substances
GRI 418: Customer Privacy 2016	417-1 Requirements for product and service information and labeling	Control of Environmental Harmful Substances
	3-3 Management of material topics	Information Security
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security

Appendix

Appendix 1

Pollution discharge permit disclosure

Tinci Materials complies with the requirements of environmental regulations to disclose environmental information. Within the scope of the report, a total of 13 production bases have publicly disclosed on the national pollution discharge permit management platform the types of pollutants, treatment methods, emission standards being implemented, self-monitoring situations, execution reports, and environmental management ledgers.

Sequence number	Company name	Website for public disclosure of pollution discharge permit information
1	TINCI Guangzhou	http://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=ge txxgkContent&dataid=980084da3d97410188f456bc15cb2005
2	TINCI Jiujiang	https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=ge etxxgkContent&dataid=33d38cbfa1be420ab757af4c2cb60ba1
3	TINCI Jiujiang	http://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=ge txxgkContent&dataid=f95775e5a9e942d2a23344166ddac7e3
4	TINCI Yichun	http://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=ge txxgkContent&dataid=ee80f0c3ee6b42aeb26042bc88643329
5	TINCI Chizhou-Inorganic Acid	http://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=ge txxgkContent&dataid=3af749b40052452ebc74678c88f32313
6	TINCI Chizhou-LiPF6	https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=ge etxxgkContent&dataid=9874e1f612554178938fdb217b425cdc
7	TIANSHUO Zhejiang	http://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=ge txxgkContent&dataid=57565b288f8f4c5e98018a7b07a087a9
8	TINCI Yichang	https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=ge etxxgkContent&dataid=8ab8dc301c394927afeac9d0b3a625

Sequence number	Company name	Website for public disclosure of pollution discharge permit information
9	KAIXIN Fuding	https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=g etxxgkContent&dataid=b72dfcda250044feb289fd1d9ec71ae
10	Resource Recycling Jiujiang	https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=g etxxgkContent&dataid=fcbe5265e4c74fa387642c5d339bcf39
11	TINCI Qingyuan	https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=g etxxgkContent&dataid=734d207557634913b19e48dab26112ca
12	TIANQI Jiujiang	https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=g etxxgkContent&dataid=834100c88cd84bc587b83b0e71bfd7fb
13	TINCI Resource Recycling	https://permit.mee.gov.cn/perxxgkinfo/xkgkAction!xkgk.action?xkgk=g etxxgkContent&dataid=e7ca0d97e4904d5b8522afc0d498a061

Note: (1) TINCI Jiangsu 、TINCI Taizhou and TINCI sichuang are registered for pollution discharge permit management and have submitted the “Fixed Pollution Source Discharge Registration Form.”



Appendix 2

Primary pollutants discharged in wastewater in 2024

Company name	Name of main pollutant	Name of emission standard	Emission concentration limit (mg/L)	Average emission concentration in 2024 (mg/L)	Approved total emission quantity (t/a)	Total emission quantity in 2024 (t/a)	Exceeding Standards Situation
Fenghuangwu Base – TINCI Jiujiang	COD	Emission standards of pollutants for inorganic chemical industry GB31573-2015	200	13.147	51.804	2.926224	No
Fenghuangwu Base – TINCI Jiujiang	Ammonia Nitrogen	Standards for the takeover by Hukou Jinyu Sewage Treatment Co., Ltd.	30	0.697	7.77	0.188739	No
Fenghuangwu Base – TINCI Jiujiang	Total Phosphorus	Emission standards of pollutants for inorganic chemical industry GB31573-2015	2	0.357	0.52	0.07821	No
TINCI Resource Recycling	COD	Emission Standard of Pollutants for Sulfuric Acid Industry GB 26132-2010	100	17.065	70.28	9.2964	No
TINCI New Power	Ammonia Nitrogen	Emission Standard of Pollutants for Sulfuric Acid Industry GB 26132-2010	20	0.489	14.68	0.1472	No
TINCI New Power	Total Phosphorus	Emission standards of pollutants for inorganic chemical industry GB31573-2015	2	0.477	1.51	0.2016	No
TINCI New Power	Total Nitrogen	Drainage Agreement of Jinyu Wastewater Treatment Plant	35	9.808	10.01	4.5551	No
TIANSHUO Zhejiang	Ammonia Nitrogen	Integrated wastewater discharge standard GB8978-1996	35	2.092	1.47	0.126485	No
TIANSHUO Zhejiang	COD	Indirect emission limits of nitrogen and phosphorus pollutants in industrial enterprises DB33/887-2013	500	45.602	21.05	2.757706	No
Inorganic Acid plant- TINCI Chizhou	COD	Emission standards of pollutants for inorganic chemical industry GB31573-2015	200	21.9	24.806	1.69	No
Inorganic Acid plant- TINCI Chizhou	Ammonia Nitrogen	Emission standards of pollutants for inorganic chemical industry GB31573-2015	25	1.291	4.567	0.1045	No

Company name	Name of main pollutant	Name of emission standard	Emission concentration limit (mg/L)	Average emission concentration in 2024 (mg/L)	Approved total emission quantity (t/a)	Total emission quantity in 2024 (t/a)	Exceeding Standards Situation
Inorganic Acid plant- TINCI Chizhou	Total Phosphorus	Emission standards of pollutants for inorganic chemical industry GB31573-2015	2	0.49983	/	0.000047	No
LiPF6 Plant -TINCI Chizhou	COD	Comprehensive Sewage Discharge Standard	500	25.863	/	1.031717	No
LiPF6 Plant -TINCI Chizhou	Ammonia Nitrogen	Comprehensive Sewage Discharge Standard	25	0.246	/	0.005913	No
TINCI Yichun	Total Phosphorus	Emission standards of pollutants for inorganic chemical industry GB31573-2015	0.5	0.12	/	0.014	No
TINCI Yichun	Total Nitrogen	Emission standards of pollutants for inorganic chemical industry GB31573-2015	60	11.1	/	0.708	No
TINCI Yichun	Ammonia Nitrogen	Emission standards of pollutants for inorganic chemical industry GB31573-2015	40	6.17	0.468	0.018	No
TINCI Yichun	COD	Emission standards of pollutants for inorganic chemical industry GB31573-2015	200	76.2	5.56	0.93	No
TINCI Yichang	COD	Receiving Standards of Chengxi Wastewater Treatment Plant	500	1.55	/	/	No
TINCI Yichang	Ammonia Nitrogen	Receiving Standards of Chengxi Wastewater Treatment Plant	35	0.18	/	/	No
TINCI Yichang	Total Phosphorus	Receiving Standards of Chengxi Wastewater Treatment Plant	8	3.63	/	/	No
TINCI Guangzhou	COD	Discharge limits of water pollutants DB44/26-2001	500	41.5	/	/	No
TINCI Guangzhou	Ammonia Nitrogen	Discharge limits of water pollutants DB44/26-2001	45	0.387	/	/	No
Resource Recycling Jiujiang	COD	Emission standards of pollutants for inorganic chemical industry GB31573-2015	500	9.615	22.392	8.563	No
Resource Recycling Jiujiang	Ammonia Nitrogen	Integrated wastewater discharge standard GB8978-1996	30	3.242	1.032	0.137	No
Resource Recycling Jiujiang	Total Phosphorus	Emission standards of pollutants for inorganic chemical industry GB31573-2015	3	0.46	0.047	0.04523	No

Company name	Name of main pollutant	Name of emission standard	Emission concentration limit (mg/L)	Average emission concentration in 2024 (mg/L)	Approved total emission quantity (t/a)	Total emission quantity in 2024 (t/a)	Exceeding Standards Situation
Resource Recycling Jiujiang	Total Nitrogen	Integrated wastewater discharge standard GB8978-1996	35	10.5375	1.3725	0.98	No
TIANQI Jiujiang	COD	Receiving Standards of Lake Kou Jinyu Wastewater Treatment Co., Ltd. Industrial Park Wastewater Treatment Plant	500	17.252	/	0.729058	No
TIANQI Jiujiang	Ammonia Nitrogen	Receiving Standards of Lake Kou Jinyu Wastewater Treatment Co., Ltd. Industrial Park Wastewater Treatment Plant	30	1.7	/	0.063054	No
TIANQI Jiujiang	Total Phosphorus	Receiving Standards of Lake Kou Jinyu Wastewater Treatment Co., Ltd. Industrial Park Wastewater Treatment Plant	3	0.06	/	0.002474	No
TIANQI Jiujiang	Total Nitrogen	Receiving Standards of Lake Kou Jinyu Wastewater Treatment Co., Ltd. Industrial Park Wastewater Treatment Plant	35	3.345	/	0.145064	No
TINCI Sichuan	COD	Integrated wastewater discharge standard GB8978-1996,Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant GB18918-2002	500	76	0.312	0.304	No
TINCI Sichuan	Ammonia Nitrogen	Integrated wastewater discharge standard GB8978-1996, Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant GB18918-2002	30	3	0.016	0.012	No
TINCI Jiangsu	COD	Integrated wastewater discharge standard GB8978-1996	500	323	7.58	7.1	No
KAIXIN Fuding	COD	Integrated wastewater discharge standard GB8978-1996	500	19.572	0.955	0.227675	No
KAIXIN Fuding	Ammonia Nitrogen	Wastewater quality standards for discharge to municipal sewers GB/ T31962-2015	45	4.083	0.096	0.047502	No

Note: (1) The average emission concentration in the table is based on the annual average value.

Appendix 3

Emission status of major air pollutants in 2024

Company name	Primary pollutant name	Emission standard name	Emission concentration limit (mg/Nm3)	Average emission concentration in 2024(mg/Nm3)	Approved emission total (t/a)	Emission total in 2024 (t/a)	Exceeding Standards Situation
TINCI Guangzhou	Particulate Matter	Integrated emission standard of air pollutants GB16297-1996	120	6.14	0.015	0.00087	No
Fenghuangwu Base – TINCI Jiujiang	Volatile Organic Compounds	Emission standard of volatile organic compounds—Part2: organic chemical industry DB36 1101.2-2019	120	2.75	16	0.37594	No
Fenghuangwu Base – TINCI Jiujiang	Particulate Matter	Emission standards of pollutants for inorganic chemical industry GB31573-2015	30	5.325	2.619	2.587952	No
longshan Base – TINCI Jiujiang	Volatile Organic Compounds	Emission standard of volatile organic compounds—Part2: organic chemical industry DB36 1101.2-2019	120	5.87	6.7132	0.2968	No
longshan Base – TINCI Jiujiang	Particulate Matter	Emission standards of pollutants for inorganic chemical industry GB31573-2015	30	3.9	0.1506	0.12366	No
longshan Base – TINCI Jiujiang	Nitrogen Oxides	Emission standards of pollutants for inorganic chemical industry GB31573-2015	200	7	9.805	0.5585	No

Company name	Primary pollutant name	Emission standard name	Emission concentration limit (mg/Nm3)	Average emission concentration in 2024(mg/Nm3)	Approved emission total (t/a)	Emission total in 2024 (t/a)	Exceeding Standards Situation
longshan Base – TINCI Jiujiang	Sulfur Dioxide	Emission standards of pollutants for inorganic chemical industry GB31573-2015	100	5	3.83	0.2779	No
TINCI New Power	Sulfur Dioxide	Emission Standard of Pollutants for Sulfuric Acid Industry GB 26132-2010	200	11.565	65.966	0.7516	No
Inorganic Acid- TINCI Chizhou	Sulfur Dioxide	Emission standards of pollutants for inorganic chemical industry GB31573-2015	100	3.9725	19.4128	0.7610	No
Inorganic Acid plant- TINCI Chizhou	Nitrogen Oxides	Emission standards of pollutants for inorganic chemical industry GB31573-2015	100	43.1745	11.02	3.3031	No
Inorganic Acid plant- TINCI Chizhou	Particulate Matter	Integrated emission standard of air pollutants GB16297-1996	10	4.2745	0.81058	0.2667	No
LiPF6 plant- TINCI Chizhou	Nitrogen Oxides	Integrated emission standard of air pollutants GB16297-1996	240	1.667	/	0.6493	No
LiPF6 plant- TINCI Chizhou	Particulate Matter	Integrated emission standard of air pollutants GB16297-1996	120	7.48	/	4.6991	No
LiPF6 plant- TINCI Chizhou	Volatile Organic Compounds	Anhui Provincial Standard: Integrated Emission Standard of Volatile Organic Compounds for Stationary Sources	70	6.914	/	0.9627	No

Company name	Primary pollutant name	Emission standard name	Emission concentration limit (mg/Nm3)	Average emission concentration in 2024(mg/Nm3)	Approved emission total (t/a)	Emission total in 2024 (t/a)	Exceeding Standards Situation
TINCI Yichang	Nitrogen Oxides	Emission standards of pollutants for inorganic chemical industry GB31573-2015	100	5.71	52	1.25	No
TINCI Yichang	Sulfur Dioxide	Emission standards of pollutants for inorganic chemical industry GB31573-2015	50	5.55	11.94	1.05	No
TINCI Yichang	Particulate Matter	Emission standards of pollutants for inorganic chemical industry GB31573-2015	10	3.09	23.97	0.64	No
TINCI Yichun	Particulate Matter	Emission standards of pollutants for inorganic chemical industry GB31573-2015	30	11.25	/	0.257	No
TIANSHUO Zhejiang	Volatile Organic Compounds	Integrated emission standard of air pollutants GB16297-1996	120	26.07	10.368	2.154057	No
TINCI Qingyuan	Nitrogen Oxides	Emission Standard of Volatile Organic Compounds for Furniture Manufacturing Industry DB44/814-2010	120	14	/	/	No
TINCI Qingyuan	Volatile Organic Compounds	Emission Standard of Volatile Organic Compounds for Furniture Manufacturing Industry DB44/814-2010	120	1.37	/	1.51	No
TIANQI Jiujiang	Volatile Organic Compounds	Characterized by total non-methane hydrocarbons	80	2.271	2.824	0.846307	No
TIANQI Jiujiang	Particulate Matter	Integrate Emission Standards of Air Pollutants DB31/933-2015	30	6.55	/	0.706924	No

Company name	Primary pollutant name	Emission standard name	Emission concentration limit (mg/Nm3)	Average emission concentration in 2024(mg/Nm3)	Approved emission total (t/a)	Emission total in 2024 (t/a)	Exceeding Standards Situation
TIANQI Jiujiang	Nitrogen Oxides	Integrate Emission Standards of Air Pollutants DB31/933-2015	200	73.375	5.565	1.657025	No
TIANQI Jiujiang	Sulfur Dioxide	Integrate Emission Standards of Air Pollutants DB31/933-2015	200	0	0.372	0	No
Resource Recycling Jiujiang	Particulate Matter	Integrate Emission Standards of Air Pollutants DB31/933-2015	30	7.625	无	0.436	No

Note 1: There are many exhaust stacks for air pollutants in each factory. This report only includes the relevant indicators of organized emission pollutants. For details on unorganized emissions, please refer to the public information website of the discharge permit.

Appendix 4

Company Name and Abbreviation Correspondence Table

Company Name	Abbreviations
Guangzhou Tinci Materials Technology Co., Ltd	TINCI Materials、Company、TINCI Guangzhou
Jiujiang Tinci Materials Technology Co., Ltd.	TINCI Jiujiang
Jiujiang Tinci New Power Materials Technology Co., Ltd.	TINCI New Power
Jiujiang Tinci Resource Recycling Technology Co., Ltd.	Resource Recycling Jiujiang
Jiujiang Tinqi Fluorine Silicon New Materials Technology Co., Ltd.	TIANQI Jiujiang
Jiangxi Safety Evaluation and Testing Co., Ltd	PINGCE Jiangxi
Qingyuan Tinci Materials Technology Co., Ltd.	TINCI Qingyuan
Yichang Tinci Materials Technology Co., Ltd.	TINCI Yichang
Yichun Tinci Materials Technology Co., Ltd.	TINCI Yichun
Dongguan Tengwei Electronic Materials Technology Co., Ltd. Dongguan Tengwei Electronic Materials Technology Co., Ltd.Liaobu Branch	TENGWEI Dongguan
Tinci Materials (Taizhou) Co., Ltd	TINCI Taizhou
Chizhou Tinci Materials Technology Co., Ltd.	TINCI Chizhou

Company Name	Abbreviations
Ningde Keshin Battery Materials Co.,Ltd.	KAIXIN Ningde
Fuding Keshin Battery Materials Co.,Ltd.	KAIXIN Fuding
Jiangsu Tinci Materials Technology Co., Ltd.	TINCI Jiangsu
Zhejiang Tinci Materials Technology Co., Ltd.	TINCI Zhejiang
Zhejiang Tinsho Fluorine Silicon New Materials Technology Co., Ltd.	TIANSHUO Zhejiang
Tinci Materials (Jiangmen) Co., Ltd.	TINCI Jiangmen
Sichuan Tinci Materials Technology Co., Ltd.	TINCI Sichuan
Tinci(HK)Limited	TINCI Hong kong
TINCI Inc.	TINCI USA
TINCI MATERIALS GmbH	TINCI Germany
MOROCCO TINCIMATERIALS TECHNOLOGY	TINCI Morocco
TINCI LITHIUM RESOURCES ZIMBABWE (PRIVATE) LIMITED	TINCI Zimbabwe

REPORT VALIDATION



ASSURANCE STATEMENT CN25/00002132

SGS-CSTC'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE GUANGZHOU TINCI MATERIALS TECHNOLOGY CO., LTD.'S CSR REPORT FOR 2024

NATURE OF THE ASSURANCE/VERIFICATION
SGS-CSTC STANDARDS TECHNICAL SERVICES CO., LTD. (hereinafter referred to as SGS) was commissioned by GUANGZHOU TINCI MATERIALS TECHNOLOGY CO., LTD. (hereinafter referred to as Tinci Materials) to conduct an independent assurance of the Chinese version of Tinci Materials' CSR Report for 2024 (hereinafter referred to as the Report).

INTENDED USERS OF THIS ASSURANCE STATEMENT
This Assurance Statement is provided with the intention of informing all Tinci Materials' Stakeholders.

RESPONSIBILITIES
The Tinci Materials' Board Strategic and Sustainable Development Committee and Management are responsible for the information contained in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all Tinci Materials' stakeholders.

SGS hereby states that it shall not be held responsible or liable for any direct, indirect, incidental, or consequential damages or losses arising from or in connection with the use of information provided in this report.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE
The SGS ESG & Sustainability Report Assurance (SRA) protocols used to conduct assurance are based upon internationally recognised assurance standards including the AA1000 series of standards and ISAE3000.

The assurance of this report has been conducted according to the following Assurance Standards:

- SGS ESG&SRA validation regulations (based on GRI principles and AA1000 guidelines)

SCOPE OF ASSURANCE AND REPORTING CRITERIA
The assurance engagement was conducted to evaluate the accuracy and reliability of the sustainability performance information included in the Report. Additionally, it assessed the extent to which the Report's content refers to the requirements of *GRI Standards 2021*.

ASSURANCE METHODOLOGY
The assurance comprised a combination of pre-assurance research, interviews with relevant employees on No.8, Kangda Road, Dongcheng Area, Yunpu Industrial Zone, Huangpu District, Guangzhou City, Guangdong Province, P.R.China; documentation and record review and validation with external bodies and/or stakeholders where relevant.

LIMITATIONS AND MITIGATION
Data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

The assurance process only involved interviews with the relevant departments and certain employees of headquarters and consultation with relevant documents. No external stakeholder involved.

The carbon datas in the report were calculated from the company itself, based on the greenhouse gas verification method of ISO 14064-1:2018. The greenhouse gas emissions related data in the Report has not undergone verification by an independent third-party auditor. In the context of the present assurance engagement, our procedures were limited to sample-based validation.



This verification is limited to the group level of Tinci Materials and does not trace the original data of all its subsidiaries.

STATEMENT OF INDEPENDENCE AND COMPETENCE
The SGS Group of companies is the world leader in inspection, testing and certification, operating in multiple countries and providing services. SGS affirm our independence from Tinci Materials, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment.

FINDINGS AND CONCLUSIONS

ASSURANCE/VERIFICATION OPINION
On the basis of the methodology described and the verification work performed, the specified performance information included in the scope of assurance is accurate, reliable, and has been fairly stated.

CONCLUSIONS, FINDINGS AND RECOMMENDATIONS BASED ON *GRI STANDARDS 2021*

The assurance team concludes that the Report has referred to the requirements of *GRI Standards 2021*.

FINDINGS AND RECOMMENDATIONS
All observations pertaining to commendable practices, sustainable development activities, and managerial recommendations identified throughout the assurance process have been thoroughly documented in the *Internal Management Report on Sustainability Reporting Assurance*. This report has been officially presented to the relevant management divisions of Tinci Materials to serve as a reference for their ongoing efforts towards continuous improvement.

Signed:

For and on behalf of SGS-CSTC

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Apr. 04th, 2025
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