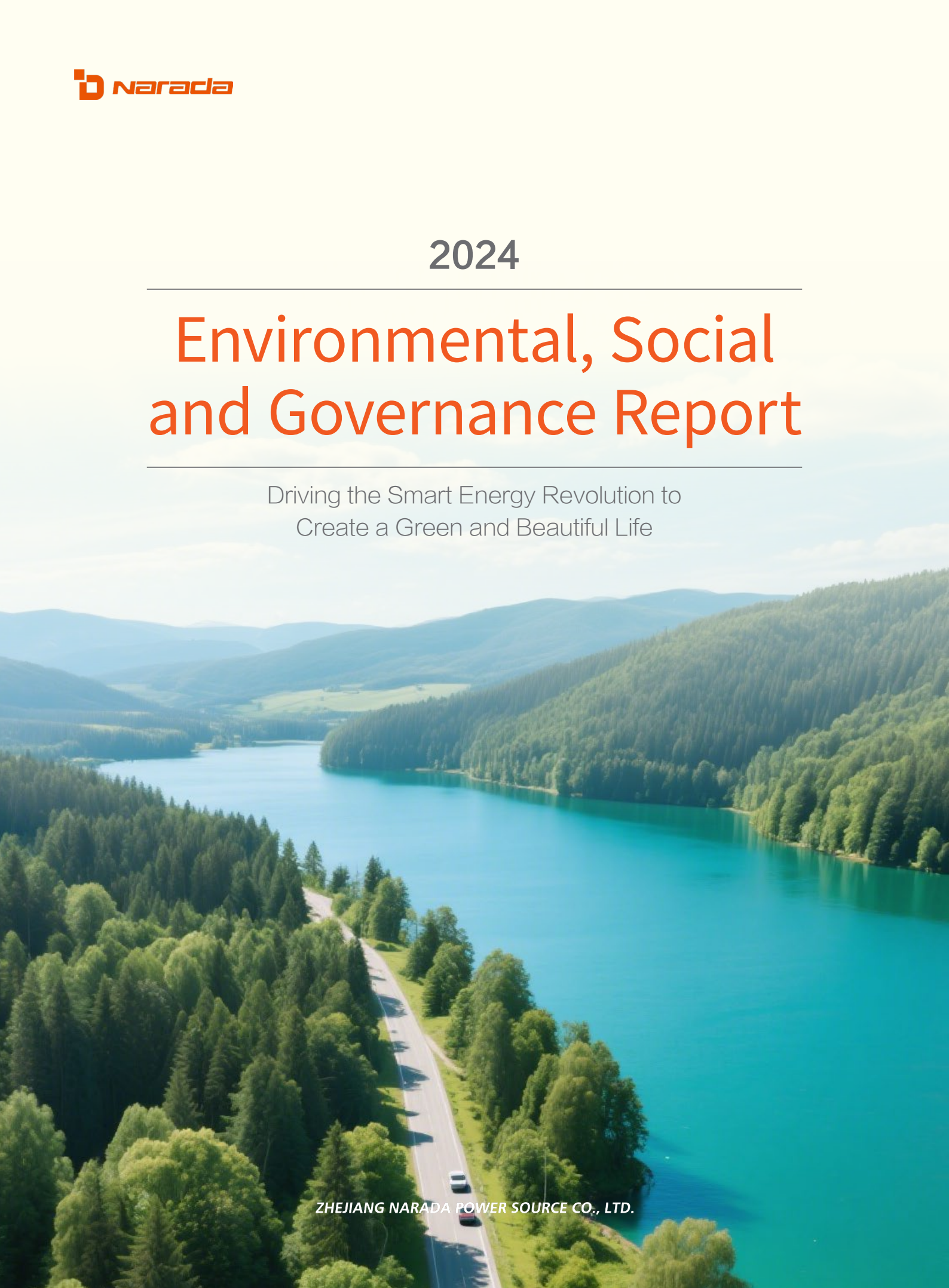
2024

Environmental, Social and Governance Report

Driving the Smart Energy Revolution to
Create a Green and Beautiful Life



ZHEJIANG NARADA POWER SOURCE CO., LTD.

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About This Report

Report Scope and Content

This report primarily describes the activities of Narada Power and its affiliates (hereinafter referred to as "Narada Power" or the "Company") in the areas of economy, society, environment, and corporate governance from January 1, 2024, to December 31, 2024. Given the potential continuity of certain disclosed matters, some information may extend appropriately before or after this period.

Report Data

The financial data in this report is based on the financial statements, while other data is derived from the company's internal statistics. All financial data in this report is presented in Chinese Yuan (RMB).

Main Reference Standards for the Report

- Global Reporting Initiative (GRI) Standards: Sustainability Reporting Standards
- Shenzhen Stock Exchange Listing Rules Self-Regulatory Guidelines No. 17- Sustainability Reporting (Trial)
- Shenzhen Stock Exchange ChiNext Listed Companies Self-Regulatory Guidelines No. 3 - Compilation of Sustainability Reports
- Guidance on Central Enterprises' Fulfillment of Social Responsibilities by the State-owned Assets Supervision and Administration Commission of the State Council (SASAC)
- United Nations Sustainable Development Goals (SDGs)
- National Standard GB/T36001-2015: Guidelines for Compiling Corporate Social Responsibility Reports
- Guidelines for Chinese Corporate Sustainability Reports (CASS-ESG 6.0) by the CSR Center of the Economics Department of the Chinese Academy of Social Sciences
- Guidelines on Social Responsibilities for Chinese Industrial Enterprises and Industrial Associations by the China Federation of Industrial Economics
- Guidelines for Compiling Corporate Environmental Reports (HJ617-2011) by the Ministry of Environmental Protection of the People's Republic of China
- ISO 26000:2010 Guidance on Social Responsibility by the International Organization for Standardization

Report Compilation Principles

The content of this report reflects objective facts and does not contain any false records, misleading statements, or material omissions. Published concurrently with the Company's 2024 Annual Report, this report has undergone multi-party internal review to ensure its authenticity, accuracy, and completeness, providing effective information references for stakeholders.

Report Release

Narada Power has been proactively releasing Corporate Social Responsibility (CSR) Reports annually since 2009 to disclose its social responsibility performance to stakeholders and facilitate communication and interaction with them. Starting from 2024, Narada Power has renamed its report as the "2024 Environmental, Social, and Governance (ESG) Report" and will publish it on the company's website and the stock exchange platform.

This report can be viewed and downloaded from the company's website:
http://www.naradapower.com.

Address of CEO

Dear Stakeholders,

Looking back on 2024, it has been a year filled with both challenges and opportunities. Amid the escalating global climate change and frequent energy crises, countries and enterprises worldwide are actively exploring paths toward green, low-carbon, and sustainable development. As a leading enterprise in the field of new energy storage, Narada Power has become even more acutely aware that enterprises must not only achieve steady growth but also shoulder the crucial responsibility of driving social sustainability.

In 2024, we proactively embraced the United Nations' Sustainable Development Goals and fully integrated ourselves into China's "Dual Carbon" strategy, continuously strengthening our corporate social responsibility management system. We adhered to the sustainable development philosophy of "Global Narada, Innovative Narada, Green Narada, and Responsible Narada," leveraging technological innovation to drive industrial progress and achieving efficient resource utilization through industrial circulation.

In terms of technological innovation, we achieved remarkable results. Our solid-state battery technology made breakthrough progress, laying a solid foundation for the future transformation and upgrading of energy storage technologies. Meanwhile, we continued to advance the research, development, and application of data center energy storage systems, providing robust support for the rapid growth of the global digital economy.

In the area of industrial ecosystem construction, we actively built a complete closed-loop circular industry chain, fully embodying green and low-carbon principles in every link, from raw material acquisition to product application and resource recycling. Through innovative business models and technological applications, we successfully developed multiple benchmark energy storage projects with international influence, contributing to global energy transition and environmental protection.

Regarding social responsibility management, we continuously improved our internal governance system, adhered to the principle of integrity in business operations, and deeply promoted a culture of integrity and compliance. We established a comprehensive, zero-tolerance anti-corruption management mechanism to ensure the company's long-term and stable operation. Meanwhile, we attached great importance to safeguarding our employees' rights and interests and their career development, providing a safe, healthy, and diversified working environment while strengthening occupational health and safety management. The company actively engaged in public welfare undertakings, continuously participating in poverty alleviation through industry development, rural revitalization, and other public welfare initiatives, committed to giving back to society through practical actions and promoting harmonious social development.

Facing the future, we are acutely aware that the global energy transition and the development of a low-carbon economy have a long way to go, and enterprises need to more firmly undertake the mission of leading innovation and driving change. We will continue to uphold our corporate vision of "driving the smart energy revolution to create a green and beautiful life," promoting the implementation of our sustainable development strategy with greater determination and stronger action. We will continuously enhance our corporate competitiveness and social value, striving to become a leader in global sustainability.

Finally, we sincerely thank all stakeholders for their long-standing trust and support for Narada Power. Let us work hand in hand to create an even brighter and greener future.

CEO and President of the Company

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Sustainability Management

Company Profile

Company Name:

Zhejiang Narada Power Source Co., Ltd.

Registered Address:

No. 72, Jingguan Avenue, Qingshanhu Sub-district, Lin'an District, Hangzhou City, Zhejiang Province

Office Address:

No. 822, Wen'er West Road, Hangzhou City, Zhejiang Province

Establishment Date:

September 1994

Listing Date:

April 2010

Stock Exchange:

Shenzhen Stock Exchange (Stock Code: 300068)

The Company's Main Business:

Zhejiang Narada Power Source Co., Ltd. (Stock Code: 300068, hereinafter referred to as "Narada Power") has long been dedicated to the development and application of energy storage technologies and products. Catering to emerging power energy storage, communication and data center energy storage, as well as civilian applications, the company provides lithium battery-based products, system integration solutions, and related services. It has established a vertically integrated industrial chain spanning lithium battery manufacturing, system integration, operational services, and lithium resource recycling, forming a comprehensive industrial layout centered around energy storage and constructing a full-ecosystem for the energy storage sector.

Main Products and Application Fields:

The company has developed integrated R&D and manufacturing capabilities encompassing battery materials, cell products, Battery Management Systems (BMS), Power Conversion Systems (PCS), Energy Management Systems (EMS), system integration, operational services, and resource regeneration. It boasts strong technological reserves in areas such as solid-state lithium batteries, sodium-ion batteries, hydrogen energy storage, and lithium resource recycling. Its energy storage products have obtained over 370 safety certifications, including UL9540, UL9540A, and GB/T36276.

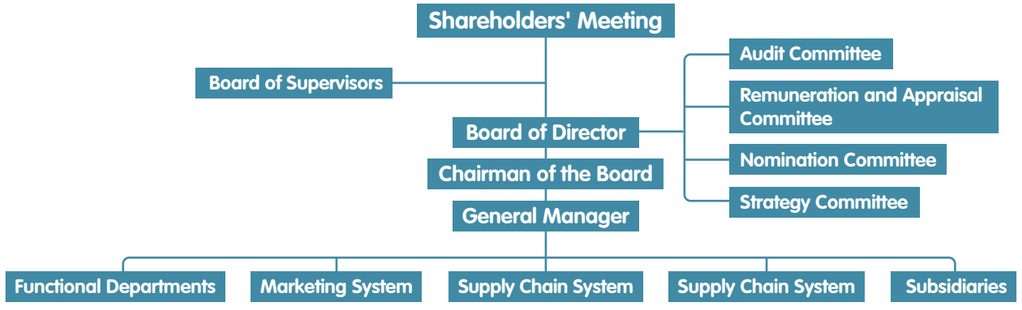
(For more information, please refer to Narada Power Annual Report 2024)

Global Footprint:

Our company stands out among domestic peers as a pioneer in internationalization, with a business presence spanning over 160 countries and regions worldwide. We have continuously established an integrated global marketing and service network, setting up localized sales and service centers in multiple regions including Europe, North America, Australia, Japan and South Korea, and the Middle East. These centers enable us to provide localized services for international clients. In 2024, our company was included in BloombergNEF's (BNEF) Global Tier 1 Energy Storage Provider list for four consecutive quarters. Additionally, we have been featured on BNEF's Global Bankability Energy Storage list for three consecutive years.

Corporate Governance

During the reporting period, we have adhered to the principle of compliant operations, strictly abiding by laws and regulations such as the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Corporate Governance Code for Listed Companies, and the Self-Regulatory Supervisory Guidelines for Listed Companies on the Shenzhen Stock Exchange No. 2 - Standardized Operations of Listed Companies on the Growth Enterprise Market. Meanwhile, we have complied with internal rules and regulations, including the Articles of Association and the Rules of Procedure for Board Meetings, comprehensively fulfilling various management responsibilities to ensure the perfection of our corporate governance structure and the transparency of decision-making.



Shareholders and Shareholders' Meetings

We strictly adhere to legal and regulatory requirements, refining the procedures for convening, holding, and voting at shareholders' meetings. To safeguard the legality and impartiality of these meetings, the company engages a team of experienced lawyers to attend the meetings and provide legal witness services, ensuring the legitimacy of the meetings. Additionally, the company facilitates shareholders' participation in decision-making by offering a combination of on-site and online voting, thereby fully respecting and protecting the legitimate rights and interests of minority shareholders.

Directors and the Board of Directors

As the core decision-making body of the company, the Board of Directors comprises seven directors, including three independent directors. This composition complies with relevant laws, regulations, and the requirements of the Articles of Association, ensuring the board's independence and professionalism. All directors actively participate in board and shareholders' meetings with a strong sense of responsibility and mission, diligently fulfilling their duties. The company also encourages directors to attend various professional training programs to enhance their knowledge of laws, regulations, and business capabilities, thereby better serving the company and its shareholders. The board has established specialized committees, including the Strategy Committee, Audit Committee, Nominations Committee, and Remuneration and Appraisal Committee, each performing its respective functions to provide comprehensive and professional decision-making support for the company.

Supervisors and the Board of Supervisors

As a crucial component of the company's governance structure, the Board of Supervisors consists of three supervisors, including one employee supervisor. Both the number and composition of the supervisors meet the requirements of laws and regulations. During the reporting period, the supervisors strictly adhered to the Rules of Procedure for the Board of Supervisors, effectively supervising the legality and compliance of the company's operational management. This ensures the legality of the company's decisions and the transparency of its operations, effectively safeguarding the legitimate rights and interests of all shareholders.

Relationship between the Controlling Shareholders and the Listed Company

During the reporting period, the company's controlling shareholders strictly adhered to the laws and regulations such as the Corporate Governance Code for Listed Companies, the Self-Regulatory Supervisory Guidelines for Listed Companies on the Shenzhen Stock Exchange No. 2 - Standardized Operations of Listed Companies on the Growth Enterprise Market, and the Articles of Association, consciously regulating their behavior. While exercising their rights, the controlling shareholders also actively assumed corresponding obligations, never exceeding the authorities delegated by the shareholders' meeting. The controlling shareholders neither directly or indirectly interfered in the company's decision-making process or daily production and operational

activities, nor engaged in any actions that might harm the interests of the company or its other shareholders by leveraging their controlling position. Additionally, the controlling shareholders did not occupy the company's funds, and the company did not provide any form of guarantee to the controlling shareholders.

The company maintained an independent and complete business system and autonomous operational capabilities, remaining independent from the controlling shareholders in terms of business operations, staffing, asset structure, organizational setup, and financial management. This ensures the independent operation and effective decision-making of the company's board of directors, supervisory board, and internal management body.

Information Disclosure and Transparency

The company consistently complied with the requirements of relevant laws, regulations, and its internal Information Disclosure Regulations to ensure the authenticity, accuracy, completeness, timeliness, and fairness of information disclosure, safeguarding the equal access of all shareholders to company information.

To enhance the professionalism and efficiency of information disclosure, the company designated the secretary of the board of directors to be responsible for information disclosure matters, as well as for receiving visits and inquiries from shareholders. Meanwhile, the company designated China Securities Journal, Securities Daily, and the CNINFO website as the official media platforms for information disclosure, facilitating shareholders and the public in obtaining the latest company information.

Performance Evaluation and Incentive-Restraint Mechanism

The company has established a scientific corporate performance evaluation and incentive mechanism, which it continuously improves and refines. This mechanism closely links managers' compensation with the company's business objectives and performance achievements, ensuring that management incentives are synchronized with the company's development. The appointment process for senior executives is open and transparent, in compliance with legal and regulatory requirements, thereby effectively promoting the diligence and accountability of the company's management and the sustainability of the company.

Stakeholders

The company highly values and respects the legitimate rights and interests of all stakeholders, committed to achieving coordination and balance among the interests of shareholders, employees, the public, and other stakeholders of the company. Through effective communication and cooperation, it promotes the continuous and healthy development of the company with all parties to achieve long-term value creation.

Risk Management

Narada Power continuously enhances its risk management and response efforts, systematically identifying core risks affecting sustainable development, such as technological iterations, raw material fluctuations, market competition, and policy adjustments. These risks are embedded into the strategic decision-making and business planning processes, with risk response measures formulated to control risks during operations, providing effective guarantees for the company's sustainable operations.

（For more information on risk management, please refer to Narada Power Source's 2024 Annual Report）

Key Industry Associations and Organizations Joined by Us

Association/Organization Name	Qualification
China Industrial Association of Power Sources (CIAPS)	Standing Council Member
Lead-Acid Battery Branch of China Electrical Equipment Industrial Association (CEEIA-LAB)	Vice Chairman Unit
Recycled Metals Branch of China Nonferrous Metals Industry Association (CNMIA-RM)	Standing Council Member
China Battery Industry Association (CBIA)	Vice Chairman Unit
China National Energy Storage Alliance (CNESA)	Vice Chairman Unit
Electrical Energy Storage Alliance (EESA)	Vice Chairman Unit
China Communications Standards Association (CCSA)	Council Member Unit
Energy Storage Application Branch of China Industrial Association of Power Sources (CIAPS-ESAB)	Vice Chairman Unit
National Technical Committee of Standardization for Storage Batteries (SAC/TC77)	Member Unit
EPTC Electric Power Technology Collaboration Platform	Member Unit
China National Light Industry Council (CNLIC)	Member Unit
China Institute for Inspection and Testing (CIIT)	Member Unit
China Electricity Council (CEC)	Member Unit
Council of China Environment News	Member Unit
Zhejiang Listed Companies Association (ZLCA) Vice	Vice Chairman Unit
Zhejiang Bicycle & Electric Vehicle Industry Association (ZBEVIA)	Vice Chairman Unit
Zhejiang Federation of Rail Transit and Energy Industries (ZFRTEI)	Member Unit
Zhejiang Corporate Social Responsibility Promotion Association (ZCSRPA)	Member Unit
Zhejiang Quality Association (ZQA)	Member Unit
Anti-Fraud Alliance Working Committee of Guangdong Enterprise Internal Control Association (GEICA-AFAC)	Member Unit

Major Awards

Global Top 500 New Energy Enterprises in 2024
BloombergNEF Tier 1 Energy Storage Provider List
Top 10 Chinese Energy Storage System Integrators in Global Market Shipments for 2023
Bankable Energy Storage Cell Manufacturers List & Bankable Energy Storage Product and System Integrators List for 2023 - Top 5 Chinese Enterprises
Top 100 Enterprises in China's Light Industry
Top 100 Technologically Advanced Enterprises in China's Light Industry
National-Level Green Factory / Anhui Provincial Green Factory / Hubei Provincial Green Factory (Three Entities)
China's Outstanding Brand Award for New Energy Storage in 2024
Excellent Case Award for Energy-Saving and Environmental Protection Product Technology Application and Promotion Services in the Industrial Sector in 2023
"Polaris Cup" Influential Battery Supplier in Energy Storage in 2024
Second Prize in the Zhejiang Provincial Enterprise Management Modernization Innovation Achievements for 2024
Zhejiang Provincial Industrial Design Center / Anhui Provincial Industrial Design Center (Two Entities)
Zhejiang Provincial Benchmark Enterprise in Corporate Social Responsibility
Zhejiang Provincial Smart Factory / Hubei Provincial Advanced-Level Smart Factory (Three Entities)
Hubei Provincial Green Supply Chain Enterprise
Hubei Provincial Enterprise Abiding by Contracts and Valuing Credit
Anhui Provincial Digital Workshop
Anhui Provincial Specialized, Refined, Innovative, and Distinct Small and Medium-Sized Enterprises
Hangzhou Two-Star "Roc" Enterprise

Sustainability Management

Vision & Mission

Driving the Smart Energy Revolution to Create a Green and Beautiful Life.

Core Values

Integrity, Responsibility, Innovation, Dedication

Sustainability Guidelines

Global Narada | Smart Energy for a Better Life

Narada Power is anchored in the "Three Integrations and One Fusion" strategy, encompassing industrial integration, sales-service integration, global integration, and industry-ecology fusion. Leveraging smart energy, we are driving towards a zero-carbon future, where every product serves as a pivotal hub for energy transformation and ecological symbiosis. We are committed to forging an energy storage future characterized by resource recycling, climate friendliness, and technological inclusivity.

Innovative Narada | Innovation-Driven, Technology-Led

Narada Power embarks on a new journey, harnessing the power of technological innovation, industrial renewal, and talent cultivation to propel the new energy industry towards high-quality development. We are accelerating the pace of integrating digital technologies with the real economy, forging a stronger new productive force, and continuously creating greater value for our customers.

Green Narada | Green and Low-Carbon, Full-Chain Circular

Narada Power integrates the concept of green, low-carbon, and sustainable development into the entire operational process, from product design, manufacturing, application, to recycling, ensuring a green, energy-efficient, and environmentally friendly approach throughout. Through an industrial integration layout and the integrated development of upstream and downstream industrial chains, we have established a comprehensive utilization platform for lithium-ion battery recycling and lead-acid battery recycling. This initiative reduces our reliance on the extraction and consumption of natural resources, achieving a harmonious coexistence between enterprise development and the environment and society.

Responsible Narada | Compliant Operations, Value Co-Creation

Narada Power is grounded in integrity and compliance, placing emphasis on empowering employees and their value realization. We conduct due diligence management for sustainable development across our global supply chain. By relying on industrial chain collaboration and community co-construction, we drive the healthy development of the business ecosystem.

Corporate Social Responsibility (CSR) Philosophy

Responsibility knows no time difference, no time limit, and no national boundaries. As an outstanding corporate citizen, we are committed to taking on responsibilities sustainably.

Responsibilities to Employees

We motivate and guide our employees to proactively pursue their career development and growth.

Responsibilities to Customers

We prioritize our customers and strive to meet their needs with high-quality products and services.

Responsibilities to Society

We give back to society and contribute to its harmonious development with compassion and dedication.

Responsibilities to the Environment

We care for our planet and work towards building an environmentally friendly enterprise, committed to green and sustainable practices.

Responsibilities and Operations of the CSR Committee

Narada Power has established a CSR Committee, led by the CSR Department and comprising senior company executives and high-level representatives from various business departments. The committee is primarily responsible for formulating policies and objectives related to the company's significant sustainability issues. It coordinates the establishment, implementation, and continuous improvement of CSR-related management systems to ensure that the company's sustainability management aligns with relevant domestic and international laws, regulations, standards, and customer requirements. The committee also promotes initiatives in green environmental protection, responsible sourcing, business ethics, and human rights protection to ensure that business operations meet sustainability requirements.

CSR System Construction and Management

By adopting standards such as ISO9001, ISO14001, ISO45001, ISO50001, SA8000, QC080000, and RBA, Narada Power has established a comprehensive CSR management system. This system covers various aspects, including operational responsibilities, product responsibilities, environmental responsibilities, human rights and labor, social welfare, supply chain responsibilities, and business ethics.

Date	Certification
December 1996	Passed ISO9001 Quality Control System Certification
July 2000	Passed ISO14001 Environmental Management System Certification
September 2004	Passed Cleaner Production Audit
December 2006	Passed Circular Economy Audit
December 2006	Introduced QC080000 Hazardous Substance Process Management System
December 2006	Passed OHSAS18001 Occupational Health and Safety Management System Certification
March 2008	Passed TL9000 Telecommunications Industry Quality Control System Certification
February 2009	Passed SA8000 Social Accountability Management System Certification
July 2010	Implemented EICC Electronics Industry Code of Conduct for Business Ethics
July 2011	Introduced ISO14064 Guidelines for Quantifying and Reporting Greenhouse Gas Emissions
January 2012	Introduced Criteria for Performance Excellence
March 2016	Passed TS16949 Automotive Industry Quality Control System Certification
November 2017	Passed ISO50001 Energy Management System Certification
December 2017	Passed IATF16949 Automotive Industry Quality Control System Certification
August 2018	Introduced ISO22301 Business Continuity Management System
October 2018	Passed QC080000 Hazardous Substance Process Management System Certification
September 2020	Passed ISO45001 Occupational Health and Safety Management System Certification
October 2021	Passed the Audit of the Joint Audit Cooperation (JAC) for Global Telecom Enterprises' CSR
May 2022	Introduced ISO14067 Carbon Footprint Certification
November 2024	Passed the After-Sales Service Certification, achieving the "Five-Star" standard for after-sales service capabilities

Material Issue Management

Material issues reflect the most significant impacts that the company has on the economy, the environment, and people. In accordance with the latest policies of stock exchanges and relevant domestic and international sustainable development policies and regulations, and considering our own business development, stakeholder needs, and industry management practices, the company conducts an annual review of the material issue matrix from the previous year. We have added new material issues, namely "Sustainability Management," "Stakeholder Communication," and "Cybersecurity and Privacy Protection." The "Green and Low-Carbon" issue has been split into "Climate Change Response" and "Energy Utilization." The "Environmental Protection" issue has been further divided into "Pollutant Emissions," "Waste Management," "Biodiversity Conservation," "Environmental Compliance Management," and "Water Resource Utilization." Additionally, we have adjusted the definitions and boundaries of certain issues, as well as their level of materiality, to better respond to the concerns and expectations of our stakeholders.

Material Issue Analysis Process

1 Identification of Material Issues

We review and identify material sustainability-related issues in alignment with domestic and international policies and standards, including the sustainability reporting guidelines of stock exchanges, the Global Reporting Initiative (GRI) Standards, the United Nations Sustainable Development Goals (SDGs) Initiative, and the Guidelines for Compiling Corporate Social Responsibility Reports in China (CASS-ESG 6.0).

2 Stakeholder Communication

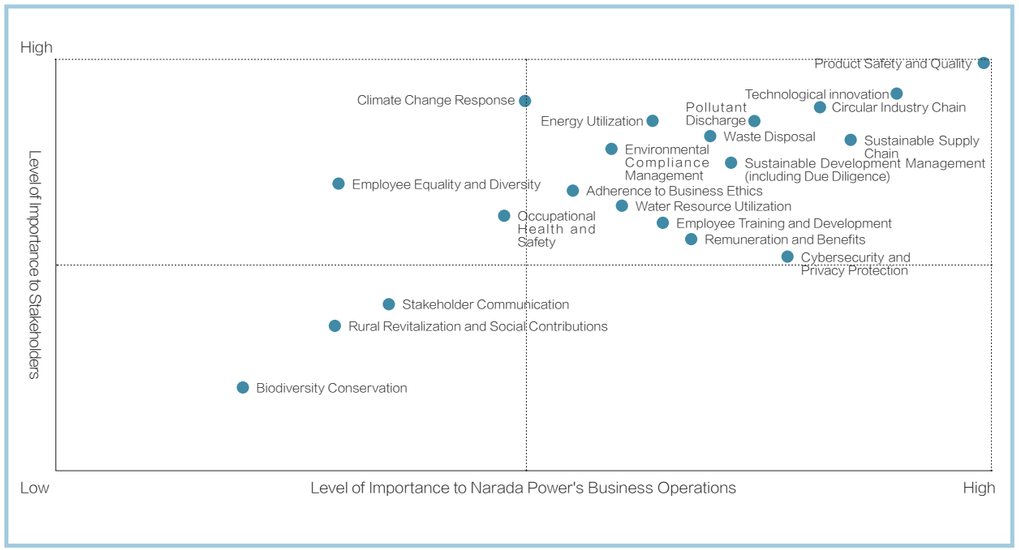
Through communication with key internal and external stakeholder groups, we gain a comprehensive understanding of their expectations and opinions regarding Narada Power's sustainability-related efforts.

3 Evaluation and Analysis

Based on the results of stakeholder communication, and considering multiple factors such as the company's business development, we assess and analyze the dual materiality of the identified issues and construct an issue matrix.

4 Confirmation and Review

The finalized list of material issues and the analysis results, after being reviewed and approved by the management, are used to form the ultimate issue matrix diagram.



Contributions to the United Nations Sustainable Development Goals

While accelerating its global expansion, Narada Power pays close attention to global sustainable development, actively responds to and comprehensively examines the alignment between the United Nations Sustainable Development Goals (SDGs) and the company's responsible practices, integrating the SDGs into its long-term strategy and daily operations. Through innovative and sustainable business models, Narada Power contributes to the realization of global sustainable development.

UN SDGs	Narada Power's Practices
Ending poverty in all its forms everywhere	• Narada Power's energy storage business spans over 160 countries and regions worldwide. Its global production, sales, and service networks have created numerous local jobs, providing technical positions and industrial chain opportunities for developing and underdeveloped regions.
Ensuring healthy lives and promoting well-being for the people at all ages	• Narada Power prioritizes occupational health and safety to safeguard employees' basic rights. The company continuously fulfills its social responsibility under the "Healthy China" initiative, with Party committees at various bases collaborating to organize voluntary blood donation activities under the "Red Lifeline" campaign.
Ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all	• Narada Power places a high emphasis on the development of education, continuously engaging in educational assistance activities. It supports rural primary schools and children from impoverished families through initiatives such as paired assistance and "Micro-Wishes" public welfare activities, improving educational resources and contributing to educational revitalization. Meanwhile, the company values talent cultivation and development, establishing a comprehensive talent training system and deepening school-enterprise cooperation to nurture professionals for the industry.

Achieving gender equality and empowering all women and girls	• Narada Power strictly adheres to national regulations and international conventions, ensuring equal employment opportunities for male and female employees, providing an equal platform for career development, equal pay for equal work, and prohibiting any form of discrimination.
Ensuring access to affordable, reliable, sustainable, and modern energy for all	• Narada Power focuses on the energy storage battery sector, offering efficient energy storage solutions for renewable energy sources such as photovoltaics and wind power through self-developed and self-produced core products like liquidcooled energy storage systems and high-voltage lithium batteries, advancing the green energy transformation of data centers and seeking breakthroughs in all-solidstate battery technology, providing long-term solutions for clean energy applications with higher energy density and safety.
Promoting sustained, inclusive, and sustainable economic growth,full and productive employment, anddecent jobs for all	• Narada Power's global expansion drives economic growth and high-quality employment. Through domestic energy storage projects, the company stimulates employment growth across the entire manufacturing chain. Its overseas cooperation projects establish localized sales and service systems in foreign markets, offering technical positions and skills training opportunities for local communities.

Building disasterresilient infrastructure,promoting inclusive and sustainable industrialization,and driving innovation

• Narada Power focuses on technological innovation, continuously launching highly safe, long-life products and efficient solutions to drive industrial innovation and upgrading within the company.

• The company has led or participated in the development of over 110 national, industry, and group standards. Through globally certified laboratories (such as CTF-recognized labs), it advances the standardization of energy storage technologies, providing a knowledge foundation for cultivating industrial and technical talent. Leveraging platforms like the National Postdoctoral Research Workstation and Academician Expert Workstation, Narada Power collaborates with universities and research institutions to advance cutting-edge research in energy storage, indirectly supporting the optimization of educational resources in new energy-related disciplines.

Reducing inequalities within and among countries

• Narada Power respects and safeguards human rights, upholding diversity and inclusive development. The company does not engage in or support discrimination based on race, ethnicity, social origin, social class, ancestry, religion, physical disability, gender, sexual orientation, pregnancy, marital status, trade union membership, political opinion, age, or other factors.

• Narada Power's liquid-cooled energy storage systems ensure stable energy supply in remote regions, while its high-capacity lithium batteries for electric leisure vehicles support the transformation of transportation energy.

Adopting sustainable consumption and production patterns

• Narada Power integrates green, low-carbon, and sustainable development concepts into its entire operational process, achieving eco-friendliness, energy efficiency, and environmental protection from product design, manufacturing, application, to recycling. Through an integrated industrial layout and synergistic development of upstream and downstream supply chains, it has established a comprehensive recycling platform for lithium and lead batteries, reducing reliance on natural resource extraction and achieving harmonious coexistence between corporate development and environmental/social well-being.

Taking urgent action to combat climate change and its impacts

• As a practitioner of China's "dual carbon" strategy (peaking carbon emissions and achieving carbon neutrality), Narada Power continuously implements carbon reduction plans and promotes climate action across its entire value chain.

• Narada Power's energy storage technologies span diverse industrial and energy sectors, forming a multidimensional climate action network. Its projects directly serve scenarios like data centers and industrial power consumption, reducing fossil fuel reliance and carbon emissions through peak shaving and valley filling. For instance, the GDS project is expected to cut tens of thousands of tons of CO2 emissions annually.

• Narada Power's all-solid-state batteries, free from flammable electrolytes, offer higher safety and longer lifespans, minimizing environmental pollution during battery production and use while aligning with circular economy principles.

Stakeholder Engagement

Stakeholders	Key Concerns	Main Communication Methods
Shareholders	• Corporate governance • Integrity and anticorruption • Technological innovation • Compliant operations • Economic benefits • Work safety • Industrial cooperation and development	• Legal disclosure of relevant information • Shareholders' meetings • Email communication • Investor receptions • Maintaining good communication with investors
Clients	• Product quality and safety • Sustainable supply chain • Environmental protection • Occupational health and safety • Green and low carbon practices • Circular industrial chain	• Customer satisfaction surveys • Technical exchanges and thematic seminars • Industry exhibitions and forums • Customer interviews • Customer audits • Providing green products and services throughout the lifecycle
Government and Industry	• Integrity and anti-corruption • Environmental protection • Occupational health and safety • Climate change and carbon emissions	• Collaboration on sustainable development issues • Policy communication meetings • Participation in industry forums and association activities • Standard formulation • Release of research findings
Suppliers	• Product quality and safety • Sustainable supply chain • Environmental protection • Occupational health and safety • Green and low carbon practices	• Supplier evaluations • Supplier audits • Supplier conferences • Responsible sourcing • Supplier carbon inventory checks • Regular exchanges • Mutual visits
Employees	• Employee equality and diversity • Environmental protection • Occupational health and safety • Employee training and development • Compensation and benefits	• Employee satisfaction surveys • Workshop team discussions • Creative proposal activities • Presidential receptions • Suggestion boxes • Emails • Phone calls • Communication with employee representatives • Basketball leagues • Employees ports meets
Public and Community	• Environmental protection • Product quality and safety • Public welfare and community service	• Disclosure of information on the company's website,Participation in community activities • "The Light of Narada" • Domestic and overseas self-media platforms • Launching community public welfare and charitable activities

Business Ethics and Commercial Liability

Narada Power is committed to operating with integrity, upholding ethical business standards, and complying with all applicable laws and regulations in the jurisdictions where we conduct business, striving to be a responsible corporate citizen.

We observe business principles and ethics and contribute to society while seeking commercial success. This commitment forms the foundation of our policies and practices. We rely on honesty and integrity to build long-term relationships with customers, ensuring all marketing and advertising materials are accurate and truthful. We further pledge to uphold specific local codes of conduct in every community and country where we operate—whether formally codified in regulations or rooted in societal norms and practices. Compliance with these standards is not merely an expectation but a cornerstone of our success, enabling us to attract and motivate employees, satisfy customers, and effectively engage with civil society and public institutions.

To strengthen our commitment to ethical responsibility, Narada Power adopted the Electronic Industry Citizenship Coalition (EICC) in July 2010. In 2018, the EICC was renamed the Responsible Business Alliance (RBA), and we have since aligned our practices with the RBA Code, ensuring our business ethics initiatives are systematic, comprehensive, and standardized, with a focus on continuous improvement.

Business Integrity

Anti-Corruption and Integrity Management

Narada Power upholds the highest standards of integrity in all business interactions, maintaining a "zero-tolerance" stance toward any and all forms of bribery, corruption, extortion, and embezzlement. We have established a robust anti-corruption mechanism, with the Audit and Supervision Department serving as the central oversight body to conduct anti-corruption efforts

comprehensively and without exception.

- Integrity System Development: In 2024, Narada Power fully launched the "Sunshine Narada" digital whistleblowing platform, offering dual reporting channels via mobile and PC interfaces. Employees and partners can scan QR codes to report violations, significantly enhancing the efficiency of feedback collection, processing, and response.

- Integrity Culture Building: Narada Power fosters a culture of integrity through regular anti-corruption training and awareness campaigns. This includes promoting ethical corporate culture during traditional Chinese holidays, conducting anti-corruption training for new hires, and updating the "Integrity Pledge" for suppliers as a guideline for ethical cooperation. We also encourage reporting of violations of cooperation agreements or integrity pacts to strengthen mutual trust and collaboration.

- Punishment and Improvement: Narada Power conducts targeted investigations and audits of misconduct as needed. In 2024, we addressed multiple reports of violations, imposing disciplinary actions on employees, including warnings, demerits, reassignment, or termination of employment contracts. Suppliers found in breach of ethical standards or contractual obligations faced penalties, resulting in substantial economic loss recovery for the company.

No Improper Advantages

Narada Power is committed to upholding the principle of no improper advantages. The company strictly prohibits the promise, provision, granting, offering, or acceptance of bribes, as well as other forms of benefits provided to obtain illegal or improper advantages. This prohibition includes directly or indirectly promising, providing, granting, offering, or accepting anything of value through third parties to secure or retain business, or to directly provide business to any individual or otherwise obtain improper benefits.

Intellectual Property

Narada Power places great emphasis on protecting its own intellectual property (IP) and trade secrets, while also respecting the IP and trade secrets of others. The company has established a comprehensive IP management system and continuously engages in systematic work such as popularizing patent knowledge, conducting patent training, and managing patent applications and protection. The company's patent staff are skilled in flexibly applying various patent protection measures. Narada Power encourages its employees to actively innovate, focuses on the commercialization of patented technological achievements, regards technological advancement as the company's core competitiveness, promoting the company's sustained and high-quality development. The company attaches great importance to its IP development strategy and has taken the lead in or participated in the formulation of multiple international, national, and industry standards, with a continuous growth in core patents related to new materials, technologies, and structures in battery power.

The company also strictly adheres to patent laws and prohibits employees from improperly acquiring, disclosing, using, or disposing of others' trade secrets. In recent years, there have been no instances of patent infringement by the company.

Fair Trading

Narada Power competes fairly on a reasonable and legal basis, requiring its employees not to use inappropriate or illegal means to obtain confidential or proprietary competitive information owned by others. Similarly, employees are prohibited from using or disclosing confidential or proprietary information acquired during their previous employment with other companies. The company mandates that suppliers comply with conflict-free mineral management requirements and conduct procurement responsibly.

Information Security and Privacy Protection

Information security and privacy protection are vital components of a company's sustainable development and are key to winning customer trust and maintaining business stability. Narada

Power has always attached great importance to the construction of an information security management system and privacy protection efforts, continuously optimizing relevant systems and processes to ensure data security and compliant operations.

We continuously improve our Information Security Management System (ISMS) by conducting annual reviews of the implementation and applicability of the "Information Security Management Regulations" and "Network Security Management Regulations", which are updated promptly, and the ISMS is constructed and operated in strict compliance with international and industry standards (e.g., ISO 27001). Regular internal audits and external certifications are conducted. We have obtained the "National Information System Security Protection Tier 2" registration certificate approved and issued by the Ministry of Public Security of China and have successfully passed the assessment. In the past year, the company did not experience any major data security incidents.

In terms of privacy protection, the company has established a comprehensive privacy protection framework covering all relevant stakeholders, including employees, visitors, customers, and partners. The privacy protection policies strictly adhere to relevant laws, regulations, and the provisions outlined in the company's "Code of Business Ethics". Through internal training and dissemination, we ensure that all employees understand and comply with these requirements. Employees who need to access or retrieve information related to employees, visitors, customers, or partners for work purposes must obtain authorization through a formal permission application process. In the past year, the company did not experience any incidents of customer privacy breaches.

We continuously advance our information security technology infrastructure. A file encryption system has been implemented, ensuring that files cannot be normally used on non-company computers or without decryption authorization. Firewalls have been deployed to counter evolving new-generation intrusion techniques. A Web Application Firewall (WAF) system has been established to provide secure, compliant, and stable protection for web applications. Additionally, we have been included in the 24/7 security monitoring program of the Lin'an District Cyberspace Administration Office (Hangzhou). Through proactive efforts, we have identified and remediated over 20 high-risk vulnerabilities, significantly enhancing our overall network security protection capabilities.

Whistleblowing and Whistleblower Protection

The company provides multiple reporting channels to encourage individuals with knowledge of unlawful or non-compliant behavior to come forward. The identity of whistleblowers is strictly protected, and any form of retaliation is prohibited.

- Public Reporting/Complaint Channels:

1. Whistleblowing QR Code: Use any mobile app with a "scan" function to scan the whistleblowing QR code. This will direct you to the "Sunshine Narada" whistleblowing page, where you can submit your report.

2. Whistleblowing Email: sjjc@naradapower.com

- Types of Complaints Accepted:

1. Accepting bribes, misappropriating company assets, and other acts violating economic integrity and anti-corruption policies;
2. Disclosing confidential company information, user privacy, or other acts compromising information security;
3. Harassment, discrimination, and other inappropriate conduct;
4. Other acts in violation of laws and regulations.

2

Reliable and Trustworthy New Energy

Against the backdrop of global efforts to combat climate change and advance the energy revolution, the development of clean energy and the promotion of a green and low-carbon transition in economic and social systems have become a consensus within the international community. Narada Power, guided by its strategic vision of "Three Integrations and One Fusion"—industrial integration, sales-service integration, global integration, and industry-ecology fusion—places innovation, technological leadership, and green sustainability at its core. Leveraging breakthroughs in cutting-edge technologies, the company accelerates the transformation of the energy structure.

In practical implementation, Narada Power focuses on establishing a compliance system for new battery regulations and developing a digital operation and control system that spans the entire industrial chain. By continuously enhancing brand reputation and consumer trust, the company has cultivated core technological advantages and sustainable R&D and manufacturing capabilities in battery materials, battery systems, and battery recycling—forming an integrated industrial ecosystem that supports the energy storage sector. Through harnessing new energy sources to protect nature, Narada Power injects green momentum into global economic development.

Contributions to the United Nations Sustainable Development Goals (UN SDGs):

Enormous Achievements in Scientific and Technological Innovation

Scientific and technological innovation serves as the driving force behind a company's development. Narada Power has always placed a high emphasis on independent innovation and technological R&D, actively developing clean energy to promote the green and low-carbon transformation of the economy and society. Simultaneously, the company builds an industry ecosystem to enhance its capabilities in full-lifecycle solution innovation and service delivery. Primarily targeting the energy storage application sector, Narada Power provides systematized products, solutions, and operational services centered around lithium-ion batteries and lead-acid batteries. It focuses on the R&D, manufacturing, sales, and services of a full range of products and systems for novel power energy storage, communications and data center energy storage, and civilian energy storage as well as and environmentally friendly resource recycling. With key core technological advantages and sustainable R&D capabilities in battery materials, battery systems, battery recycling, and other industrial integration aspects that support the energy storage application sector, Narada Power leads technological progress through innovation, contributing to the global vision of sustainable development.

R&D Platforms

Narada Power adheres to the philosophy of driving enterprise development through technological innovation, adopting a technical development strategy of "developing one generation while reserving the next." The company boasts a robust R&D team with rich theoretical and practical experience that has grown alongside the enterprise. It collaborates with universities and research institutions to establish R&D platforms, engaging in in-depth technical cooperation and continuously conducting foundational and prospective research. Additionally, the company has launched industry-academia-research collaboration projects with multiple universities and institutions.

Narada Power is equipped with advanced R&D platforms, including the industry's first nationally recognized laboratory, a national technological innovation demonstration enterprise, a national postdoctoral research workstation, a Zhejiang provincial academician and expert workstation, and a Zhejiang provincial key enterprise research institute for equipment electronics, showcasing its outstanding technological innovation capabilities. The company's nationally recognized laboratory has been awarded CTF accreditation by SGS, an internationally authoritative third-party testing and certification body, becoming an internationally certified laboratory.

Narada Power collaborates with renowned domestic universities such as Zhejiang University, University of Science and Technology of China, Harbin Institute of Technology, Central South University, Hefei University of Technology, Southwest Jiaotong University, and Zhejiang University of Technology, as well as top-tier domestic and international research institutions like the China Electric Power Research Institute and upstream and downstream units in the industrial chain such as MEPPI (USA), Électricité de France (France), and Upside (Germany). Through collaborative innovation, the company drives breakthroughs and innovations in key industry technologies while promoting the development of the energy conservation and environmental protection industry.

R&D Team

Narada Power has established a dedicated R&D center responsible for formulating the company's product technology development plans, conducting R&D and technical research on new products in materials, batteries, electric control, and system integration, and establishing and improving the management system and operational mechanism of the technological R&D system. Adhering to the philosophy that "talent is the soul of technological innovation," the company focuses on attracting innovative talents and continuously optimizing and advancing its talent cultivation mechanism. Meanwhile, it provides technical talents with a favorable working platform and development space, fosters a flexible innovation mechanism and a career advancement channel system, and offers competitive remuneration packages.

Patents and Awards

In 2024, the company applied for a total of 164 patents, including 103 invention patents, 51 utility model patents, and 4 design patents. It participated in the formulation of 12 standards, including 2

national standards. In 2024, the "Key Materials and Battery Manufacturing Technology Development for High-Energy-Density Solid-State Lithium-Ion Batteries" project, undertaken by Narada Power as part of Zhejiang Province's key R&D plan, successfully passed the acceptance inspection by the Provincial Science and Technology Department. The project overcame key common technological challenges such as dry-process dense electrode preparation and "solid-solid" interface issues between electrodes and electrolytes, accelerating the industrial application of solid-state battery technology. Additionally, Narada Power was approved for five provincial, municipal, and district-level projects, including the "Key Technologies and Equipment Research for Safety Risk Prevention and Control in the Lithium Battery Industry" under Zhejiang Province's Pioneer & Leader Plan and the "Development and Industrialization of Low-Cost, High-Energy-Density Sodium-Ion Battery Hard Carbon Anode Materials for Energy Storage" under Hangzhou's Key R&D Plan.

Innovative Atmosphere

The company has established a hierarchical annual honor management system, featuring technical awards such as the Innovation Achievement Award, Outstanding Craftsman Award, and Outstanding Scientific and Technological Worker Award. Through a combination of spiritual encouragement and material rewards, the company incentivizes R&D personnel, continuously encouraging technological innovation and guiding the transformation of R&D achievements into productivity.

Core Technologies and Product Research Driving Green Innovation

Ultra-High-Capacity, High-Safety, Long-Life Cell Technology

Narada's R&D team is developing 783/752Ah ultra-high-capacity energy storage-specific cells. The positive electrode, lithium iron phosphate, employs multi-component carbon coating + cation doping to enhance its conductivity and uses particle size gradation to increase material compactness. The negative electrode adopts a graphite scheme independently designed by Narada's R&D team, utilizing semi-calcination technology + a blend of primary and secondary particles to reduce negative electrode expansion during cycling and enhance cycling performance. The cells use Narada's self-developed high-temperature electrolyte with low-impedance film-forming additives to form a stable SEI film. The adoption of a double-sided high-temperature-resistant coated separator significantly improves cell cycling and safety.

Ultimate Integration Technology for Next-Generation Highly Reliable Liquid-Cooled Energy Storage

1. AC-DC Integrated Integration Technology: Integrates string-type PCS into the battery compartment, enabling cluster-specific management and full-link active balancing, increasing system's available capacity by 8%.

2. High-Voltage Box and PCS Fusion Technology: Through chip-level true integration of BCU and PCS, cluster-level protection communication time is shortened by 80%, enhancing protection response reliability. Meanwhile, it achieves Pack-level fault isolation, reducing fault losses from 16.7% to 2.1% compared to cluster-level isolation.

3. Efficient Liquid Cooling Technology: The liquid cooling unit's system architecture adopts a dual liquid cooling circuit design for PCS and battery thermal management. In refrigeration technology, it employs both compressor refrigeration and natural air cooling modes, coupled with an intelligent thermal management control strategy, effectively reducing auxiliary energy consumption by over 30%.

4. Multi-Dimensional Information Detection and Early Warning Technology: Through eight-dimensional physical detection of voltage, current, temperature, sound, light, smoke, pressure, and particles, it comprehensively perceives battery health status. By integrating electrochemical mechanisms and data-driven dual models, it establishes a highly reliable battery thermal runaway warning mechanism capable of detecting battery thermal runaway risks 24 hours in advance, effectively preventing safety issues.

Active Balancing BMS Technology Based on a 1500V Platform and Three-Level Architecture

Narada's self-developed large-scale energy storage BMS has achieved a breakthrough from 0 to 1, with the product passing GB34131-2023 certification and IEC/UL60730 certification. This product features the following core technologies: 1. Efficient Active Balancing Technology: Adopts a bidirectional DC-DC module based on the power bus to achieve energy transfer between any cells within a cluster, doubling the balancing efficiency compared to traditional solutions. It employs a balancing strategy based on cell capacity differences to accurately identify cell disparities and truly achieve energy balancing among cells. 2. Automotive-Grade Functional Safety Technology: Adopts AEC-Q100 automotive-grade standard chip and ASIL-D functional safety level chip in hardware, with dual-backup sampling design to ensure product reliability throughout its lifecycle. It has developed efficient and reliable protection logic and fault diagnosis functions to meet the most stringent safety and functional safety requirements. 3. AI-Based Edge-Cloud Collaborative Management Technology: Develops a multi-level, multi-dimensional consistency assessment engine for "device-edge-cloud" collaboration, enabling early warning of cell-level abnormalities. Through a self-developed "digital twin + shadow analysis" model, it achieves system-level risk prediction.


Certificate

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This is to acknowledge that
ZHEJIANG NARADA POWER SOURCE CO LTD
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has had
EES-BMS01B
evaluated and meets the requirements of the standard(s)
IEC 60730-1, 5th Ed, Issue Date: 2013-11, Revision Date: 2020-4; UL 60730-1, 5th Ed., Issue Date: 2016-8-3, Revision Date: 2021-10-18

General Conditions and Notes
Certification Program Owner:
Andre Thieme

Solutions

Narada Power's self-developed three-level architecture BMS for energy storage has passed IEC/UL 60730 independent functional safety certification.

High-Power Converter Technology

1. Energy-Efficient String Technology: Based on the concept of modular design, optimized power drive control algorithms, and efficient liquid cooling technology are employed to achieve a 0.3% improvement in the energy efficiency of string-type Power Conversion Systems (PCS).

2. AC-DC Integrated Coordinated Control Technology: Through DC and AC coordinated control algorithms, it enables cluster-specific management of DC and centralized control of AC. By deeply integrating string-type PCS modules and high-voltage boxes and adopting power adaptive coordinated control algorithms, it achieves highly efficient coordinated control between PCS and battery clusters in thermal management and electrical control, optimizing energy storage charging and discharging efficiency.

3. Grid-Forming Technology: Through virtual synchronous motor control algorithms, it constructs and maintains output voltage and frequency, actively providing grid support to assist in system dynamic stability and rapid recovery and reconstruction. It is adaptable to both strong and weak grids, supporting seamless switching between grid-connected and off-grid modes, as well as black-start capabilities.

Ultra-High-Capacity, High-Safety Solid-State Battery Technology

A flexible two-phase oxide solid-state electrolyte has been developed, introducing flexible regions into the microstructure to significantly enhance material flexibility and overcome the brittleness and cracking of oxides. A multi-layer heterogeneous solid-state electrolyte has been designed, with the LiCon functional layer providing fast ion transport and high-strength support, and the SIL interface layer enhancing solid-solid contact with electrodes. Combined with in-situ film-forming technology, it forms a flexible coating around electrode active particles, constructing efficient ion channels within the electrodes and reducing interface resistance. This technology has been applied to 690~783Ah ultra-high-capacity energy storage batteries, which have passed extreme safety tests such as 18V overcharge, high-temperature needle punching, and 200° C thermal box tests.

Nuclear 1E-Class Ultra-High-Capacity Valve-Regulated Battery Technology

Through innovations in material formulations and structures, as well as the development of ultra-large grid and busbar casting processes, the world's first 1E-class 4000Ah valve-regulated battery has been developed. It exhibits a 39% improvement in high-current discharge performance, a 60% reduction in footprint, and a 15-year ultra-long service life, meeting nuclear-grade seismic requirements. A systematic analysis method, including failure mode analysis, aging effect assessment, and aging mechanism evaluation, has been adopted

to determine the significant aging mechanisms of valve-regulated batteries. A method for calculating the activation energy of corrosion in negative busbars has been established, and a 1E-class aging evaluation standard for valve-regulated batteries in nuclear power plants has been formulated. High-precision detection and online wide-impedance spectrum modeling technologies have been utilized to develop a generalized ampere-hour algorithm and a multi-dimensional assimilation prediction algorithm, enabling online state monitoring and life prediction of valve-regulated batteries. The successful development of Narada's 1E-class nuclear power technology has strongly promoted the localization of key nuclear power equipment in China.

Sodium-Ion Battery Technology

Self-developed surface-passivated cathodes and low-gas-generating electrolytes have been employed to prevent phase transitions by constructing passivation films on the cathode surface, improving the cycling and high-temperature performance of sodium-ion batteries. Self-developed hard carbon-based composite anodes and ion-conducting membranes have been used to increase the anode layer spacing, enhance sodium ion kinetics, uniformly deposit ions on the anode interface, and inhibit sodium dendrite precipitation. Lightweight power sodium-ion batteries and battery packs with capacities of 20~30Ah, as well as energy storage sodium-ion batteries with capacities of 210~240Ah, have been developed, featuring an energy density of 140Wh/kg and a cycle life of 3000 cycles.

Full-Component Resource Regeneration Technology

In the recycling of spent lithium iron phosphate batteries, following the industrialized operation of lithium carbonate, lithium hydroxide regeneration, graphite repair, and lithium iron phosphate repair, continuous R&D investment has led to breakthroughs in full-component recovery technologies for lithium, iron, phosphorus, and graphite. On a pilot production line, 95% of lithium carbonate, 90% of graphite anodes, and 90% of iron phosphate can be recovered from the black powder of lithium iron phosphate batteries, all reaching battery-grade purity, with iron phosphate reaching a second-and-a-half-generation level. Compared to existing production lines, the recovery rates of valuable metals have been significantly improved, and costs have continued to decrease.

Application of Scientific and Technological Innovation Achievements

The company focuses on system solutions in the energy storage sector, accumulating technologies and processes in the field of energy storage, and possessing the capability to provide system solutions ranging from the R&D, production, and integration of energy storage products and systems to operational services. Its products have achieved large-scale applications on the user side, grid side, and generation side.

Currently, the company's downstream energy storage application scenarios mainly include novel power energy storage for power frequency regulation and peak shaving, communications and data center energy storage, and civilian energy storage. With the continuous improvement and enhancement of the company's product system and solutions, a collaborative mechanism for sharing resources such as technology, raw materials, and channels will be formed across several major segments of energy storage applications, forming efficient resource integration advantages and injecting strong momentum into the company's continuous innovation and sustainable development.

Establishing a Full Lifecycle Service System

Narada Power has constructed a comprehensive service system covering the entire user lifecycle, from pre-sales consultation and in-sales support to after-sales service, ensuring seamless and all-around service for every user. A dedicated professional after-sales service team has been assembled to efficiently address various customer issues. In recent years, Narada Power has continuously expanded and optimized its service network, now boasting over 200 global service outlets. These maintenance and service centers not only provide inspection and repair services for the company's products but also serve as regional spare parts distribution hubs, enabling rapid response to service demands and shortening replacement cycles. Abroad, the company has established localized sales and service centers across all continents, equipped with global energy storage project implementation and sales-service support capabilities, capable of responding to overseas customer needs within 48 hours.

Deepening Digital Operation Services

To address challenges such as the complexity and inefficiency of daily operations and maintenance (O&M) for energy storage power stations, Narada Power has developed a cloud-edge collaborative, big data AI+ algorithm-based energy storage cloud platform. This platform enables digital energy management and intelligent O&M, achieving a 100% online rate for core O&M tasks.

Leveraging an intelligent Battery Management System (BMS), Narada's energy storage solution achieves dynamic battery pack management. The BMS's internal control signal telemetry cycle reaches millisecond-level precision, with measurement signals updated within one second. Technical support engineers can remotely access operational data, conduct data analysis, and locate the faults without on-site visits, ensuring customer asset security and maximizing returns.

In 2024, the company continued to deliver stable, reliable, secure, and sustainable after-sales services, successfully completing multiple energy storage and telecommunications projects. These initiatives have brought convenience to local communities, promoted the transition to a low-carbon energy structure, and provided long-term support for sustainable socio-economic development through clean energy applications and industrial chain collaboration.

New Energy Storage Safeguarding Green and Low-Carbon Development

Faced with the dual challenges of global warming and energy crises, the development of green and low-carbon energy has become a global consensus. As a pivotal technology supporting the transformation of energy systems, new-type electrical energy storage (NEES) is playing an irreplaceable role in building a modern power system with its unique technological advantages.

Against the backdrop of rising shares of renewable energy generation, energy storage systems have emerged as a "stabilizer" and "regulator" ensuring the safe and stable operation of power grids. With technological advancements and cost reductions, continuous innovation and business model exploration will enable NEES to provide robust support for constructing a clean, low-carbon, safe, and efficient energy system, contributing China's expertise and solutions to the world's green and low-carbon development.

Narada Power's energy storage business now spans over 160 countries and regions worldwide, with in-depth partnerships established with major domestic and international energy developers and equipment integrators. By strengthening local service centers in Europe, North America, Japan, and South Korea, the company has further refined its global sales-service integration layout. Currently, Narada's NEES business has achieved large-scale applications on the user side, grid side, and generation side. Amid fierce international competition, the company leverages its technological and product advantages to enhance industrial integration, explore new business domains and models, and continuously expand the global influence of China's energy storage industry.

Dunhuang Shazhou Energy Phase I 30MW/120MWh Wind Power with Energy Storage Project

Under the "3060" carbon peak and carbon neutrality goals, accelerating the construction of a new power system is of great significance for promoting China's green and low-carbon energy transformation. The Dunhuang Shazhou Energy Phase I 30MW/120MWh wind power with energy storage project, located in the Beihu Wind Power Base in Dunhuang, Gansu Province, presents challenges to the adaptability and

stability of the energy storage system due to the local windy and sandy climate, as well as significant temperature differences between day and night.

A total of 24 Narada Center L Plus 20-foot 5MWh+ liquid-cooled energy storage systems were delivered for this project, with production, integration, and shipping completed in just 19 days. The liquid-cooled energy storage containers are equipped with 314Ah batteries developed and produced by Narada's Base in Jiuquan. These batteries offer a cycle life of 12,000 times and a battery life of up to 20 years, while also providing a cell energy exceeding 1000Wh and a volumetric energy density exceeding 390Wh/L.

Integrating Wind, Solar, and Energy Storage to Resolve Mining Power Challenges and Support Australia's Energy Transition

The mining and metal industries in Western Australia are thriving, leading to a rapidly growing demand for electric power. There is an anticipated power supply gap in the next two years. Meanwhile, as Australia strives to accelerate its transition to clean and renewable energy sources, the demand for energy storage in Western Australia is expected to surge significantly in the coming years. The SEPD Western Australia 100MW/200MWh Battery Container Energy Storage System (BESS) Project is located in Perth, the capital city of Western Australia, Australia. Construction preparations for the project commenced in 2024. Upon completion, it will address the rapidly growing power demand driven by the thriving of local mining and metals industries, while supporting Australia's energy transition goals. Its technological advantages include high energy density, a safe and reliable battery design, thus suitable for integrated wind-solar-storage applications. By

mitigating electricity price volatility and reducing the need for grid upgrade investments, the project will ultimately lower electricity costs for end-users.

The Australian National Electricity Market (NEM), often dubbed the "most volatile electricity market" due to severe price fluctuations, aims to achieve a 46GW/640GWh energy storage deployment target by 2050. Western Australia is advancing energy storage commercialization through policy incentives and financial support, leveraging technology exports and localized partnerships to facilitate renewable energy integration and grid stability. This project represents a critical initiative in response to these needs.

The "One Turbine, One Storage Unit" Model Resolves the Challenge of Integrating Energy Storage for Offshore Wind Power

Located in the southeastern waters of Nantian Island, Xiangshan, Ningbo, the Guodian Xiangshan Phase II Offshore Wind Power Project stands as the largest offshore wind farm in Zhejiang Province. Each of its 56 offshore wind turbines towers to a height equivalent to a 43-story building. Upon full-capacity grid connection, the project is expected to generate an annual on-grid electricity output of 1.64 billion kWh. For a project of this scale, integrating energy storage has

long posed an industry-wide challenge. The 30MW/30MWh energy storage system for State Grid Xiangshan Phase II, with full-

system integration equipment supplied by Narada Power, is engineered to withstand harsh marine environments characterized by strong winds, high salt spray, and high humidity.

Adopting a customized "one turbine, one storage unit" solution, each of the 56 turbines is equipped with a dedicated energy storage system. Positioned on the wind turbine tower platforms, this approach not only resolves the storage integration challenge for offshore wind projects but also significantly reduces land and space requirements compared to centralized storage solutions. Furthermore, the "one turbine, one storage unit" model features remote one-touch black-start capabilities, ensuring system recovery under exceptional operating conditions and achieving optimal economic synergy between energy storage and renewable power generation.

This solution effectively demonstrates the advantages of the energy storage system in terms of rapid regulation, high-precision response, and flexible operation. Beyond meeting the requirements for energy storage integration with renewable energy sources, it provides stable backup power support for critical wind turbine components such as the main control system and yaw mechanism. This enhances the wind power system's resilience against typhoons, reduces the need for investments in diesel generators, and improves the economic viability of wind farm construction and operation.

Grid Connection of Large-Scale Industrial and Commercial User-Side Energy Storage Project Supports Cost Reduction and Efficiency Gains

The Phase I 25MW/50MWh energy storage project at Ningbo Haoyang's user-side facility has been successfully connected to the grid. Narada Power serves as the project's EPC (Engineering, Procurement, and Construction) contractor and solutions provider. Located within the Ningbo Haoyang Technology Industrial Park, the project is planned for two phases, with a total installed capacity of 50MW/100MWh.

Upon grid connection, the project will deliver comprehensive energy services to enterprises, meeting the stringent power quality requirements of precision manufacturing and continuous production processes. It will provide efficient, intelligent energy supply and value-added services, enabling demand-side energy management. By leveraging peak-valley electricity price differentials, the project will reduce users' power costs while offering emergency backup power.

Narada's Commitment to High-Quality, Full-Featured Safety Design: The project adopts a "zero-blind-spot" safety design, covering everything from cell-level to system-level protection and from passive to active fire suppression. Intrinsic Safety: Dual-path thermal insulation and conduction design, coupled with short-circuit self-protection mechanisms, ensure round-the-clock safety.

Management Safety:A four-layer protective architecture (data acquisition, charge/discharge control, system management, and cloud service layers) and a three-level defense system (pack, cluster, and cabinet levels) enhance the system's safety resilience. Fire Safety: The system enables accurate thermal runaway warning, active and passive fire suppression, targeted firefighting, and cyclic discharge capabilities.

Innovation-Driven Cost Optimization for Energy Storage: To maximize the profitability of power plants, the project incorporates customized functional development tailored to user-side application scenarios. Equipped with an intelligent Energy Management System (EMS), it optimizes peak-valley arbitrage, demand control, reverse power protection, and other dispatching strategies.

Fully Prefabricated Delivery with Professional Technical Support: The project achieves rapid deployment through 100% factory prefabrication, enabling plug-and-play installation and significantly shortening construction timelines.

After the products were delivered from the factory to the project site, Narada Power's professional delivery team conducted on-site commissioning and operation training for the customer, providing timely and expert technical support to ensure the project's grid-connected operation. The Phase I 25MW/50MWh energy storage project on the user side for Ningbo Haoyang effectively addressed three key pain points in user-side energy storage deployment: safety, profitability, and delivery.

Riding the Wave of Digital Infrastructure to Safeguard Global Computing Power

As 5G networks expand globally and the number of base stations surges, vast amounts of data from industrial and enterprise internet platforms are being harnessed. With the rapid global evolution and widespread adoption of AI, computing power demands and application scenarios continue to expand, driving a sharp increase in global demand for data centers. This, in turn, accelerates the need for iterative upgrades in data center infrastructure. As the core infrastructure of the digital economy, data centers impose increasingly stringent requirements on the stability, safety, and efficiency of backup power systems. The telecommunications and data center sectors have long been key markets for Narada Power. As an equipment supplier in the telecommunications market, the company provides system integration solutions to ensure uninterrupted base station operations during power outages and optimize grid load through intelligent lithium-ion energy storage systems. Leveraging industry-leading integrated solutions, extensive application experience, and independently developed backup power technologies for data centers, Narada Power delivers green, low-carbon backup power solutions for data centers worldwide.

In the data center sector, backup power systems serve as the "heart" of power quality stability and continuous supply. They not only ensure operational continuity and safety but also reflect trends toward intelligent, high-power, and modular designs. Narada's high-voltage, high-power lithium-ion battery systems support discharge rates from 0.5C to 6C, delivering exceptional high-rate discharge performance to meet full-coverage scenarios in data centers, ranging from 10 minutes to 2 hours. Powered by lithium iron phosphate (LFP) technology, these systems offer a lifespan exceeding 10 years, with advantages including high safety and reliability, high energy density, compact footprint, intelligent management, high prefabrication, and easy maintenance. They effectively reduce battery replacement frequency, resource consumption, and environmental pollution while ensuring stable data center operations during sudden power outages, preventing data loss and business disruptions—thus providing robust support for the digital economy. Narada's HRL series high-power batteries, designed for a 15-year lifespan, deliver ultra-high-power discharge capabilities. Compared to conventional batteries, they offer 35% higher power output, 30% reduced floor space requirements, 10% lower load-bearing demands, 37.5% lower carbon emissions, and 15% lower upfront costs. These benefits significantly reduce data center operating expenses and enhance energy efficiency.

Narada Power's high-voltage lithium-ion projects for data centers represent a strategic pivot in the SIJORI region (Singapore, Malaysia, Indonesia) and surrounding areas within the IDC industry. As the first lithium-ion power supplier to support large-scale AI computing deployments in data centers, this initiative marks a historic milestone for Narada Power in solidifying its market position among global power enterprises in the IDC sector.

A Benchmark Green Data Center Project Under the Belt and Road Initiative

Since 2023, Narada Power has provided a containerized backup power system solution for Phase I of the GDS Johor, Malaysia project, integrating built-in high-voltage, high-power lithium-ion battery system, electrical system, fire suppression system, and low-voltage system. Completed in just 14 months from planning to final delivery—a 30%+ reduction in project duration—this initiative sets a new global benchmark for China's export of prefabricated, modular, digital, and low-carbon technologies in hyperscale data centers. In recent years, as emerging technologies like AI, 5G, and big data expand across Southeast Asia, demand for local data center infrastructure has surged.

Upon full completion, the project will serve the entire Southeast Asian region, accelerating Malaysia's digital economy. With the growing scale of data centers, efficient deployment and stable operation of backup power systems not only ensure uninterrupted operations but also extend the service life of critical components.

Tailoring solutions to specific user requirements is critical. For instance, in the KT project (a telecom initiative in South Korea), Narada Power designed a customized dual-channel high-voltage control system beyond its three-tier safety management framework. The system features two independent control circuits within a single high-voltage enclosure, providing mutual backup. If one circuit fails, the backup power system remains fully operational, guaranteeing safe and stable data center performance.

To address the complexities of on-site backup power delivery, Narada's high-voltage, high-power lithium-ion battery systems employ modular, redundant designs with flexible external interfaces for installation and expansion, enabling rapid deployment in KT's data centers. Additionally, through energy-efficient, low-load solutions, the system significantly reduces energy consumption costs.

Infinite Power, Green Mobility

Driven by the global consensus on "carbon neutrality," an energy transition centered on low-carbon and green energy development is unfolding worldwide, with energy conservation and emission reduction as strategic priorities. China's 14th Five-Year Plan and the Outline for the 2035 Long-Range Objectives explicitly set goals to "continuously improve environmental quality and accelerate the green transformation of development models." To achieve these goals, advancing the transformation toward green and low-carbon mobility is imperative.

Superior Lightweight Electric Vehicle (EV) Batteries

Narada Power is committed to delivering safer, more convenient, and efficient charging and battery swap products and services in the civilian energy storage sector. Addressing the pressing public concerns of range anxiety and unsafe charging for two-wheeled vehicles, Narada Power has embarked on a new journey in civilian battery swapping to advance the realization of China's "dual carbon" goals (carbon peak and carbon neutrality). For its three-wheeled vehicle battery lineup, the company has developed two generations of 60V and 72V series products, totaling 18 models.

These batteries have undergone over 50 rigorous tests in compliance with existing national standards, with all key performance metrics meeting test requirements. Additionally, the products have successfully completed a 96-hour vibration test (ensuring compatibility with the vehicle's lifespan) and 1,000 consecutive impact tests, maintaining full functionality post-testing. All three-wheeled vehicle battery products are now ready for mass production and shipment.

Intelligent Lithium-ion Parking Power Solutions Enhance Truck Usage Experience

Narada Power has launched its intelligent lithium-ion parking battery for trucks, integrating safety, high performance, and smart technology to deliver a more comfortable overall experience for truck drivers. The product utilizes self-developed, high-safety lithium iron phosphate (LFP) cells, enhancing battery thermal stability through material optimization and achieving an IP67 protection rating via structural optimization. Laser welding technology eliminates the risk of bolt loosening, ensuring battery safety and strengthening core product competitiveness. Additionally, the truck parking battery features a large 280Ah capacity and the ability to start in extreme cold conditions (-35° C). Combined with IoT and intelligent power management technologies, it enables cloud-based data management and remote safety control, addressing key pain points in parking-time power usage and engine startups.

Product Quality and Safety

"Stringent Material Selection, Precision Manufacturing, Advanced Technology, and Sincere Service" form Narada Power's quality policy. The company has established a robust product quality control system, which undergoes annual updates based on ISO/industry standards, internal business processes, and organizational structures. This ensures alignment with evolving management needs and drives continuous improvement in product quality.

Narada Power maintains a systematic approach to quality control, implementing comprehensive quality control across the entire product lifecycle—from R&D and supplier onboarding to production, critical processes, and beyond. Through end-to-end collaborative governance, cross-functional teams in procurement, production, technology, and quality assurance work in close coordination to sustainably enhance product quality.

Quality Control System

The company has established its quality control system (QCS) based on three categories of processes: customer-oriented, supporting, and management processes. A total of 15 processes have been identified, and 189 quality documents are in operation. All production bases operating stably and eligible for certification have achieved 100% compliance with either the IATF 16949: 2016 Automotive Quality Control System Standard or the ISO 9001: 2015 Quality Control System Standard, with ongoing efforts to maintain the effective operation of these systems.


Commodity Post-sale Services Certificate

Certificate No.:30224SC00086ROM

Hereby Certify:

Zhejiang Narada Power Source Co., Ltd.

Unified Social Credit Code: 91330000725238534Q

Registered address:No. 72, Jingguan Road, Qingshan Lake Street, Lin'An District, Zhejiang, China zip code: 311300
Office address:No.822 Wen'erxi Road, Xihu District, Hangzhou, Zhejiang, P.R. China. zip code: 310012
Business address:No.822 Wen'erxi Road, Xihu District, Hangzhou, Zhejiang, P.R. China. zip code: 310012

The services ability meet Five-Star Level,according to the standard GB/T 27922-2011 /evaluation system of post-sale services for commodities

Scope of Certificate:

After-sales service for batteries, electric energy storage systems, and supporting products
(This certificate and certification symbols will not be applicable when multi-site is out of the registration scope.)

Date of initial certification: Nov.22, 2024;
Date of Expiry:Nov.21, 2027.

This certificate in the state regulations administrative licence, Qualification, Mandatory product certification received within the validity period and the normal annual review of the case effectively.
To verify that this certificate is current please refer to CNCA website at http://www.cnca.gov.cn.

Certificate issuer

Beijing Zhonghui Hengtai Certification Co., Ltd.
Room 513,5/F,13th Building, No.5, Tianhua Street, Daxing District, Beijing Tel:010-53606385

The company conducts regular annual internal audits of its quality control system to ensure its adequacy and effectiveness. Internal audits are performed at production bases in mass production, with a 100% resolution rate for identified issues.

Product reliability management is the cornerstone of the company's QCS, integrated throughout the

entire product lifecycle, from design and production to usage and maintenance. Through mechanisms such as mechanism simulation, failure analysis, and standardized testing methods, the company develops and continuously optimizes reliability analysis methods and models, establishing a robust reliability management system. This enables comprehensive product reliability risk management and data management across technical elements, product development, and mass production processes, ensuring safety and reliability throughout the product lifecycle.

The company strengthens quality control at every customer-facing stage for new products to guarantee reliability. Key quality indicators—including incoming material inspection pass rates, first-pass yields in manufacturing, and new product complaint rates—are set and regularly monitored and evaluated on a quarterly and annual basis. The company also enhances service quality by ensuring accurate and thorough pre-sales communication, compliance-focused in-sales services, and timely, effective post-sales support. In 2024, the company fully upgraded its after-sales service system, achieving the "Five-Star" rating under the national standard GB/T 27922-2011 for After-Sales Service Evaluation and obtaining third-party certification.

Product Inspection and Nonconforming Product Management

The company has established a professional product measurement and management team to implement full-process quality control. For emerging or potential quality issues, the company develops Failure Mode and Effects Analysis (FMEA), control plans, and operational documents to implement error-proofing measures. For recurring quality issues, the company conducts itemized implementation and layered verification across project management, manufacturing, and supplier processes based on quality improvement to prevent recurrence. During the reporting period, the company launched a critical quality characteristic management program to proactively prevent repeated quality issues and continuously optimize product quality and safety levels.

To standardize nonconforming product management procedures, the company has formulated the "Nonconforming Product Control Procedure." This document outlines closed-loop operations for identification, labeling, isolation, review, disposition, and improvement, while clarifying responsible departments for each process. For defective products that could cause accidents, the company has established damage control measures. A dedicated task force conducts post-event reviews in accordance with the "Improvement Control Procedure" and "After-Sales Quality Control Regulations"

to identify gaps in technology, processes, and management. Additionally, the company has established a comprehensive product recall management mechanism and formulated the "Product Recall Control Procedure" to govern recall-related matters. During the reporting period, there were no incidents of regulatory penalties or product recalls due to violations of laws or regulations related to product/service quality and safety.

Quality Culture Development

The company has established a three-tier quality training system at the corporate, departmental, and team levels, delivering quality training to all employees through online/offline approaches to enhance their awareness and emphasis on product quality. Training is conducted annually, quarterly, or at other frequencies based on type, achieving 100% employee coverage.

Mandatory courses include "Quality Awareness" and "Quality Policy," with 4,869 participants in the 2024 Quality Policy training and 598 participants in annual specialized quality training. The company promotes quality culture through multi-channel advocacy and competitions. A quality performance evaluation mechanism has been introduced to further strengthen quality awareness among employees. Based on annual quality target fulfillments, the company sets quality performance indicators across dimensions such as market failure rates, project issue resolution rates, quality costs, incoming material conditions, and in-process issue resolution rates. These indicators involve departments related to marketing, R&D, supply chain, manufacturing, and operations, adhering to a quality-building philosophy centered on positive incentives to reward teams and individuals contributing to quality improvements.

The company has formed specialized product and engineering teams to tackle technical challenges and drive continuous improvement, enhancing its core quality competitiveness. It is committed to fostering a "participatory" quality culture through Quality Month events and quality-focused activities to elevate overall quality awareness.

Hazardous Substance Management

Since 2008, Narada Power has implemented the QC080000 Hazardous Substance Process Control System, strictly controlling hazardous substance risks throughout product manufacturing to ensure compliance with domestic and international standards, including

China's "Administrative Regulations on the Control of Use of Hazardous Substances in Electrical and Electronic Products" (GB/T 26572), the EU's RoHS/REACH directives, and other hazardous substance regulations. Through rigorous source control, process management, and product testing, the company ensures compliance with requirements for ten restricted hazardous substances: lead (Pb), mercury (Hg), chromium (Cr), hexavalent chromium (Cr^{6+}), polybrominated biphenyls (PBBs), polybrominated diphenyl ethers (PBDEs), bis(2-ethylhexyl) phthalate (DEHP), benzyl butyl phthalate (BBP), dibutyl phthalate (DBP), and diisobutyl phthalate (DIBP).

EU Battery Regulation Compliance Plan

On August 17, 2023, the EU Battery Regulation (EU) 2023/1542 officially entered into force, presenting new compliance challenges for customers and distributors selling battery products in the EU. The new regulation comprises 14 chapters and 96 articles, covering the entire battery lifecycle for the first time, including requirements for hazardous substances, carbon footprint, recycled materials, labeling, supply chain due diligence, battery performance and durability, and safety. The regulation aims to enhance product safety, protect the environment, and ensure that customers and regulatory authorities receive adequate product information.

To mitigate potential legal risks and strengthen brand reputation and consumer trust, Narada Power is proactively developing a compliance plan for the new EU Battery Regulation:

- Understand Regulatory Requirements: Conduct comprehensive training to deepen understanding of the specific requirements of the new EU Battery Regulation. Organize targeted training sessions based on product categories to clarify regulatory compliance obligations.
- Formulate Compliance Strategy: Align the company's overall compliance strategy with its corporate development objectives.
- Improve Management Systems: Establish and refine an operational management and control system that covers the entire industrial chain and complies with the requirements of the new regulation.
- Monitor Regulatory Updates: Regularly track updates to regulations and standards and delegate implementation of specific regulatory requirements to relevant departments based on their responsibilities.
- Achieve NB Certification: Implement conformity assessments and product compliance testing as required by the regulation to deliver safe and compliant battery products.

Circular Industrial Chain

Narada Power has established two major industrial closed loops: the "Lithium-Ion Battery Recycling Industrial Chain" and the "Lead-Acid Battery Recycling Industrial Chain." By continuously developing a comprehensive utilization platform for lithium battery recycling, lead-acid battery recycling, and new material recovery, the company enables products to gain a "second life," reducing reliance on natural resource extraction and consumption while promoting the sustainable development of green energy.

Lithium-Ion Battery Recycling Industrial Chain

In 2024, China's lithium battery recycling industry was driven by policy and market forces. The National Development and Reform Commission (NDRC) and the Ministry of Industry and Information Technology (MIIT) jointly issued the "Action Plan for Full Lifecycle Management of New Energy Vehicle Power Batteries," explicitly requiring the establishment of a comprehensive "production-use-recycling-regeneration" management system and setting a target of achieving a lithium battery comprehensive recycling rate of no less than 95% by 2030. Additionally, the "Guidelines for Green and Low-Carbon Development of the Lithium-Ion Battery Industry" further standardize environmental protection requirements for recycling processes, driving the industry toward high-efficiency and low-carbon transformation.

According to the "China Lithium Battery Recycling Industry Blue Book (2024)," China's theoretical recycling volume of spent lithium batteries is projected to exceed 3 million tons by 2025, with a market size surpassing RMB 120 billion. As the penetration rate of new energy vehicles rises to 40%, the wave of power battery retirements accelerates, coupled with the bulk retirement of energy storage batteries, officially ushering in a golden era of large-scale and intensive development for the lithium battery recycling market.

As a representative enterprise on the "white list," Huabo New Materials actively responds to China's "dual carbon" goals. Leveraging its existing 70,000-ton recycling capacity and adopting industry-leading environmentally friendly lithium extraction processes, the company has upgraded

and expanded its operations through digitalization based on core technologies such as in-situ crushing and sorting developed in-house. This has resulted in a comprehensive recycling rate for spent lithium batteries exceeding 98% and a capacity increase of over 60%, effectively addressing technical bottlenecks like high energy consumption and low utilization rates. Certified under the ISO system, Huabo has established a "production-recycling-regeneration" green operating model, participated in revising national and industry standards, and led the way in efficient resource recycling.

Additionally, the company has built a regional recycling network covering over 50 cities based on the digital recycling platforms like "Kood Power", collaborating with new energy vehicle manufacturers, battery producers, and end-users to establish a "door-to-door" supply chain partnership, forming a stable raw material supply system. By integrating dual-cycle resources for lead and lithium, extending its recycling and deep-processing chain, and covering diversified applications in energy storage and new energy vehicles, the company strengthens industrial chain resilience. It has also spearheaded the establishment of the "Anhui Provincial Innovation Institute for Full-Element Lithium Battery Recycling" to drive the full lifecycle development of lithium batteries.

Lead-Acid Battery Recycling Industrial Chain

In recent years, with the introduction of policies such as the "Action Plan for Pollution Prevention and Control of Spent Lead-Acid Batteries" and other measures governing the recycling and utilization of spent lead-acid batteries, China's secondary lead industry has become increasingly standardized, with steady growth in industrial scale. Statistics indicate that the share of secondary lead in total lead production has generally risen, accounting for approximately 50% in 2024.

As the world's largest producer and consumer of refined lead, China's secondary lead—smelted from discarded batteries—consumes less energy and emits fewer pollutants during production compared to primary lead extracted from ores, aligning better with low-carbon and environmental protection needs. Simultaneously, robust demand in power batteries, starter batteries, and energy storage batteries has fueled the rapid development of the secondary lead industry.

The company's lead recycling business maintains a nationwide recycling and sales network, fostering strong long-term partnerships with key domestic lead-related customers and accumulating extensive resources, resulting in high brand recognition and a leading industry position. Its secondary lead products are primarily supplied to downstream enterprises within the industrial park, leveraging significant geographical advantages. The company is committed to innovation and R&D in pollution prevention and control technologies, accelerating the integration of digital and automation technologies to build intelligent factories and continuously improve production efficiency. By strengthening comprehensive treatment technologies for wastewater, exhaust gases, and solid waste, the company elevates environmental standards, supporting the secondary lead industry's shift toward environmental protection, efficiency, and intelligence. Huabo Technology's lead-acid battery recycling adopts a stringent environmental control system, employing globally leading processes, technologies, and equipment to achieve green, environmentally friendly, and hazard-free treatment throughout the entire spent battery recycling process, with metal and plastic recovery rates exceeding 99%.

3

For a Wonderful World

Many global business leaders are now prioritizing climate change and environmental degradation as critical new risks and opportunities for enhancing their companies' competitiveness and growth. Narada Power has adopted an environmental policy centered on "dedication to harmonious coexistence and sustainable development between enterprises and the environment," integrating sustainability principles into every aspect of its operations. From product design, manufacturing, application, to recycling, the company ensures a green, eco-friendly, and carbon-reducing approach across the entire lifecycle. By fostering integrated development across upstream and downstream industrial chains, Narada Power has established two major industrial closed loops—the "Lithium-Ion Battery Recycling Industrial Chain" and the "Lead-Acid Battery Recycling Industrial Chain"—achieving harmonious integration among enterprise development, the environment, and society.

Contributions to the United Nations Sustainable Development Goals (UN SDGs):

Narada Power's Environmental and Dual-Carbon Goals:

- "3060" Goals: Achieve peak carbon emissions by 2030; attain carbon neutrality by 2060.
- Compliance with Emission Standards: 100% compliance rate for pollutant emissions.
- Energy Conservation and Emission Reduction: Reduce energy, resource consumption, and "three wastes" (waste gas, waste water, solid waste) emissions per unit of product by 10% within five years, using 2022 as the baseline.
- Carbon Emission Reduction: Cut carbon emissions per unit of product by 10% within five years, using 2022 as the baseline.

Pollution Control and Ecological Protection

Robust Management System

Narada Power has established an Environmental Management Committee directly overseen by the President to lead environmental protection efforts. Under this committee, a dedicated Safety and Environmental Management Department and environmental engineers are responsible for implementing environmental management initiatives. Through this organizational structure, the company has developed a "comprehensive and in-depth" environmental management network system, enforcing an environmental protection accountability system. It sets clear environmental targets and performance evaluation metrics, signing responsibility agreements with each department to enforce a "one-vote veto" policy for environmental non-compliance.

In terms of its environmental management system, Narada Power maintains a robust set of environmental management regulations and facilities. The company focuses on reforming production processes and introducing advanced manufacturing equipment to strengthen environmental protection infrastructure, increase R&D investment in production technologies, and reduce pollutant emissions through a series of environmental management measures, including "three wastes management" (waste gas, waste water, solid waste) and "energy and resource management." The company strictly adheres to environmental laws, regulations, and the requirements of its environmental management system. It first obtained ISO 14001 environmental management system certification from DNV (Det Norske Veritas) in July 2000. As of 2024, nine subsidiaries under Narada Power have all achieved environmental management system certifications.

Companies that have passed ISO14001 certification
Zhejiang Narada Power Source Co., Ltd.
Zhejiang Narada Energy Technology Co., Ltd.
Hangzhou Narada Power Technology Co., Ltd.
Wuhan Narada New Energy Technology Co., Ltd.
Hubei Fabit Enertech Co., Ltd.
Anhui Huabo Recycled Resources Technology Co., Ltd.
Anhui Narada Huabo New Materials Technology Co., Ltd.
Anhui Narada Huatuo New Energy Technology Co., Ltd.
Jiuquan Narada Power Source Co., Ltd.

Environmental Policy

Dedication to harmonious coexistence and sustainable development between enterprises and the environment.

Environmental Compliance Management

All construction projects undertaken by Narada Power and its subsidiaries comply with the Environmental Impact Assessment (EIA) system and pollutant discharge permit requirements. In strict adherence to national environmental protection laws and regulations, the company conducts environmental impact assessments for new, renovated, or expanded projects as required by law. Narada Power implements the "Three Simultaneities" principle for environmental protection, ensuring that pollution prevention and control facilities for wastewater, exhaust gases, noise, and solid waste are designed, constructed, and put into operation simultaneously with the main project. The company applies for pollutant discharge permits in accordance with the law, rigorously controls pollutant emission concentrations, and regularly engages third-party institutions to monitor pollutants, ensuring long-term stable compliance with emission standards and contributing to ecological protection and improvement. During the reporting period, two new projects completed EIA acceptance, five subsidiaries renewed their expired pollutant discharge permits, and one subsidiary obtained a new permit.

Environmental Protection Investment and Environmental Taxes

Adequate funding is essential for ensuring robust environmental protection efforts. Narada Power provides unwavering support for all environmental initiatives, prioritizing approval processes and expediting fund allocation as needed. The company and its subsidiaries continuously increase investments in environmental governance facilities and related expenses, diligently pay environmental protection taxes, and are fully committed to achieving energy conservation, emission reduction, and low-carbon development goals.

Pollutant Emissions

In 2024, neither Narada Power nor its subsidiaries incurred any administrative penalties for environmental violations.

Narada Power and its subsidiaries strictly adhere to national and local environmental laws and regulations, equipping themselves with appropriate environmental governance facilities. All pollution control facilities

operate effectively and continuously, with regular inspections and maintenance conducted on environmental protection equipment. Wastewater is treated to meet standards via dedicated treatment facilities before being discharged into the municipal sewer system. Exhaust gases are collected, treated to compliance levels, and discharged at elevated heights. Noise sources are mitigated through vibration isolation and noise reduction measures. Solid wastes are stored in purpose-built facilities, collected and categorized in accordance with regulations, and entrusted to qualified entities for disposal, achieving a 100% compliance rate for standardized solid waste management.

Additionally, Narada Power and its subsidiaries conduct self-monitoring of environmental parameters in strict compliance with legal and policy requirements, including the "Technical Guidelines for Self-Monitoring by Pollutant-Discharging Units" and the "Technical Specifications for Application and Issuance of Pollutant Discharge Permits." They formulate self-monitoring plans, install online monitoring equipment, and deploy sampling and analytical instruments. Qualified third-party institutions are commissioned to conduct periodic environmental monitoring. Environmental information is reported to competent authorities as stipulated, and monitoring data is publicly disclosed on platforms such as the National Pollutant Discharge Permit Management Information Platform to ensure transparency and accountability. In 2024, all monitoring data for wastewater, exhaust gases, and noise met standards, with total emissions staying within the limits specified in pollutant discharge permits.

During the reporting period, Narada Power and its subsidiaries—including Wuhan Narada, Huabo Technology, Huabo New Materials, Narada Power Systems, and Narada Hongxin—were listed as key environmental supervision entities by local ecological environment departments. Narada Guojian, Energy Technology, Narada Huatuo, and Jiuquan Narada were not classified as key environmental supervision entities by their respective local authorities. Yangzhou Narada and Narada Taiboyuan are currently under construction.

(For details on industry emission standards and specific pollutant emissions during production and operational activities, refer to Narada Power's 2024 Annual Report.)

Companies listed as key entities under environmental supervision
Zhejiang Narada Power Source Co., Ltd.
Wuhan Narada New Energy Technology Co., Ltd.
Anhui Huabo Recycled Resources Technology Co., Ltd.
Anhui Narada Huabo New Materials Technology Co., Ltd.
Hangzhou Narada Power Technology Co., Ltd.
Zhejiang Narada Hongxin Power Technology Co., Ltd.

Emergency Response Capabilities for Environmental Incidents

Narada Power and its subsidiaries prioritize the prevention and response to environmental emergencies, continuously enhancing the company's overall environmental emergency preparedness. In accordance with the "Guidelines for Preparing Corporate Emergency Response Plans for Environmental Incidents," they develop standardized and effective emergency response plans. These plans are complemented by annual employee training sessions, the deployment of emergency facilities and supplies, and the execution of emergency drills. The finalized emergency response plans are submitted to local environmental authorities for filing.

Cleaner Production

Cleaner production refers to the continuous adoption of measures such as improved design, the use of clean energy and raw materials, the adoption of advanced technologies and equipment, enhanced management, and comprehensive resource utilization. These efforts aim to reduce pollution at the source, improve resource efficiency, and minimize or eliminate the generation and discharge of pollutants during production, service delivery, and product use, thereby mitigating or eliminating potential harm to human health and the environment.

The core principles of cleaner production are "energy conservation, consumption reduction, pollution mitigation, and efficiency enhancement." This approach shifts from reactive, lagging pollution control methods to proactive pollution reduction before it occurs. Not only does this alleviate the burden of end-of-pipe treatment, but it also effectively avoids the drawbacks of traditional pollution control, making it an effective means of managing environmental pollution. Narada Power integrates the concept of cleaner production throughout the entire product lifecycle, with a particular focus on applying new technologies and processes and emphasizing green production and use of products. Each subsidiary conducts regular cleaner production audits as required by competent authorities, emphasizing continuous improvement. Due to its ongoing efforts in cleaner production, Narada Power has been recognized as a National Cleaner Production Demonstration Enterprise. Since 2009, the company has undergone five rounds of cleaner production audits, investing over RMB 52 million and implementing 94 high- and medium-cost cleaner production schemes. During the reporting period, Narada Huatuo successfully passed its cleaner production acceptance review, achieving a Level II cleaner production rating.

Serial No.	Number of Plans	Invest-ment (RMB 10,000)	Power Saving (10,000 Kilowatt Hours)	Gas Saving (10,000 m^3)	Steam Saving (t)	Water Saving (t)	Saving of Raw Materials (t)	Reduction of Solid Waste (t)	Reduction of Pollutant Discharge (t)
Round 1	23	302.3	14.7			3.2	6.4	54.2	3.2
Round 2	27	207.2	215.9			1.3	244.0		
Round 3	22	480.6	157.3				35.7	59.5	
Round 4	13	2339.7	83.5	0.5	420.0	4.7	18.0	54.8	2.3
Round 5	9	1936.1	26.5		571.9	0.2	5.6	6.6	0.2
Total	94	5265.9	497.9	0.5	991.9	9.4	309.7	175.0	5.6

Environmental Performance Disclosure

Narada Power actively conducts environmental information disclosure in compliance with the "Administrative Regulations on Lawful Disclosure of Corporate Environmental Information" and relevant information disclosure standards for listed companies. Important environmental data, including administrative approvals, the operation of pollution control facilities, and environmental monitoring results, are regularly disclosed through platforms such as the National Environmental Impact Assessment Management Information Platform, the National Pollutant Discharge Permit Management Information Platform, the Key Pollution Source Monitoring Data Management Platform, and the company's annual reports for listed entities.

Narada Power actively participates in third-party environmental performance disclosure platforms, including CDP and EcoVadis. Since 2015, the company has engaged in EcoVadis corporate social responsibility (CSR) ratings, disclosing its environmental performance. Since 2018, it has participated in CDP environmental information ratings, reporting on greenhouse gas emissions, and since 2019, it has disclosed information on water resource conservation.

Biodiversity

Narada Power adheres to a strategy of integrating industry with ecological conservation, continuously monitoring the impact of its operations on biodiversity. In compliance with relevant Chinese laws and policies, including the "Environmental Protection Law of the People's Republic of China," the "Soil Pollution Prevention and Control Law of the People's Republic of China," the "Water Pollution Prevention and Control Law of the People's Republic of China," the "Solid Waste Pollution Prevention and Control Law of the People's Republic of China," and the "Opinions of the General Office of the State Council on Further Strengthening Biodiversity Conservation," the company conducts risk factor identification and hazard screenings. In alignment with the actual circumstances of its construction projects, all new projects initiated during the reporting period underwent biodiversity impact assessments to evaluate their effects on plant resources, animal resources, and other biological components during both the construction and operational phases.

The company's battery, battery material, and recycling production bases are all located within established industrial parks on designated industrial land. Narada Power does not operate any production facilities or sites within nature reserves or biodiversity-rich areas outside protected zones. To date, no significant impacts on biodiversity have been identified in any of the company's production operations, products, or services.

Green and Low-carbon Management

Proactive Response to Climate Change

The company is dedicated to advancing the sustainable development of global new energy. While providing world-class solutions and services for global new energy applications, it continuously strengthens its capacity to address climate change, integrating climate risks and opportunities into its corporate strategy and decision-making processes.

In its 2023 Social Responsibility Report, the company formally announced its commitment to "peak carbon emissions by 2030 and achieve carbon neutrality by 2060" (the "3060 Goals"). Achieving these targets poses a significant challenge for Narada Power, which is currently in a phase of rapid growth. Moving forward, the company will prioritize innovation to accelerate the research and development of low-carbon products and technologies, systematically advance process optimization, energy conservation and emission reduction, vigorously develop renewable energy projects, and deepen its strategic deployment in battery recycling. These efforts will comprehensively drive the realization of carbon neutrality across its operations and value chain.

Climate Governance

As a leader in the energy storage industry, Narada Power actively practices climate governance. The company's Board of Directors participates in decision-making and oversight related to the identification of climate-related risks and opportunities. In June 2021, it established the Carbon Peak and Carbon Neutrality Steering Group, responsible for leading, supervising, and approving corporate strategies and goals related to climate and sustainable development, as well as evaluating and advancing the implementation of short-, medium-, and long-term strategies. The company also actively engages in the formulation of relevant domestic laws, regulations, and standards, participates in training sessions and forums organized by authoritative domestic and international institutions, and comprehensively enhances the climate and sustainable development capabilities of its senior leadership.

Strategy

Based on its overall sustainable development strategy, Narada Power proactively identifies climate-related risks and opportunities (short-, medium-, and long-term) and evaluates their impact on the organization. It formulates climate action strategies to enhance climate resilience. Leveraging a more internationalized and scientific methodology, the company combines its operational realities with future growth expectations to make emissions reduction commitments: "Peak carbon emissions by 2030 and achieve carbon neutrality by 2060." Simultaneously, the company has built a full industrial chain spanning battery manufacturing, system integration, operational services, and battery resource recycling. Through the integrated development of upstream and downstream industry chains, it has formed two major industrial closed loops: the "Lithium-Ion Battery Recycling Industrial Chain" and the "Lead-Acid Battery Recycling Industrial Chain." This approach continuously improves emissions reduction performance across the entire industrial chain and strengthens the company's ability to manage climate change risks.

Risk Management

Narada Power continuously monitors climate change-related issues, strengthening the identification, assessment, and management of climate-related risks. It evaluates the potential impacts of climate change on its own operations and those of its clients, integrating climate-related risk management into its overall risk management framework and actively implementing relevant actions and response measures.

The company comprehensively reviews, identifies, assesses, and manages climate-related risks, fully integrating them into its overall risk management processes. The key steps are as follows:

1. Identify climate-related risk management processes and policies
2. Review the implemented risk control systems
3. Evaluate climate-related risk management processes and policies
4. Define sustainability/key risk indicators for climate risk management processes
5. Review the internal reporting system for climate-related risk management processes
6. Assess the integration of climate risks into the overall risk management framework

Major Climate Risks and Opportunities

Categories of Risks and Opportunities	Description of Risks and Opportunities	Potential Impacts		
		Timeframe of Impacts	Value Chain Segments	Financial Impacts
Acute Risks	Increased severity of typhoons, floods, and other extreme weather events may result in fixed asset losses, labor disruptions, or supply chain interruptions.	Short-to medium-term	Production & Operations	Costs ↗ Revenue ↘
Reputational Risks	Customers, consumers, and other stakeholders are increasingly focused on the company's performance in addressing climate change. Failure to take proactive climate action may lead to unmet stakeholder expectations, damaging the company's image and reputation.	Medium-to long-term	Marketing & Sales Services	Revenue ↘
Low-Carbon Products & Services Opportunities	In the context of the low-carbon economic transition, social demand for green, low-carbon products, services, and solutions is likely to increase. Further developing and offering low-carbon offerings can enable the company to better align with market needs, unlock new opportunities, and achieve additional growth. Governments, customers, consumers, and communities increasingly prefer climate-friendly products and services, with emerging markets demonstrating broad demand for new energy and electrification transitions.	Long-term	Product R&D, Marketing & Sales Services	R&D Costs ↗ Revenue ↗
Renewable Energy Investment	To meet its own carbon peak and neutrality commitments and respond to customers' decarbonization goals, the company can proactively develop renewable energy projects and continuously scale them up. This approach alleviates cost pressures associated with the company's energy transition.	Medium-to long-term	Production & Operations	Costs ↘
Circular Economy Transition	By extending producer responsibility and vigorously developing lead-acid and lithium-ion battery recycling industries, the company creates a closed-loop industrial chain, reducing lifecycle carbon emissions. Initiatives such as energy management in production and operations, water and material recycling, and the promotion of green production and logistics enhance energy and resource efficiency, lower procurement costs, and support carbon reduction across the entire industrial chain.	Medium-to long-term	Production & Operations	Costs ↘ Revenue ↗

Greenhouse Gas (GHG) Inventory

Since 2011, Narada Power has conducted annual greenhouse gas (GHG) inventories for seven types of GHGs within its organizational production boundaries in compliance with the ISO 14064 standard. The company prepares and discloses the results of these inventories in its Corporate Social Responsibility (CSR) Reports and ESG (Environmental, Social, and Governance) Reports. In 2024, Narada Power published its GHG Inventory Report, commissioning a third-party professional organization to verify the company's GHG emissions. Based on this verification, the company prepared a "Greenhouse Gas Verification Report" and obtained a verification statement in accordance with ISO 14064-1:2018. Additionally, the company's CSR Department organized GHG inventory activities across its subsidiaries to ensure comprehensive coverage.

The company's green house gas emissions in 2024 are as follows:

GHG emissions in 2024 (by category)

GHG	CO2	CH2	N2O	HFCs	PFCs	SF6	NF3	Total emissions (t-CO2e)
Emissions (t-CO2e)	164514.02	20.97	4.17	0.00	0.00	0.00	0.00	164539.16
Proportion in total emissions	99.98%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%

GHG emissions in 2024 (by scope)

Emission scope	Direct emissions	Indirect emissions from energy		Total emissions (t-CO2e)
		Electric power	Steam	
Emissions (t-CO2e)	768.53	99351.27	64419.36	164539.16
Proportion in total emissions	0.47%	60.38%	39.15%	100.00%

In 2024, indirect emissions from electricity and steam accounted for 99.53% of Narada Power's total emissions. Specifically: Electricity-related indirect emissions: 60.38%; Steam-related indirect emissions: 39.15%. This indicates that Narada Power's energy mix has become more rationalized, with fossil fuel contributions now below 0.5% of total emissions. Greenhouse gas emissions primarily stem from indirect emissions associated with purchased electricity. Therefore, by refining

management practices, continuously improving production technologies, and enhancing energy efficiency, the company can effectively reduce greenhouse gas emissions per unit of product.

Carbon Footprint Management

Narada Power prioritizes carbon management and has commissioned third-party professional organizations to conduct carbon footprint certifications for its products in compliance with ISO 14067:2018 and PAS 2050:2011 standards. As of 2024, the company has completed carbon footprint certifications for: 8 models of lead-acid batteries and 7 models of lithium-ion batteries. Additionally, three products from the company's third-generation lithium-ion energy storage systems have passed Italian EPD (Environmental Product Declaration) certification.

Energy and Resource Utilization

Narada Power prioritizes energy management and employs technical and managerial approaches to reduce energy consumption during production and operations, thereby enhancing energy efficiency and mitigating greenhouse gas (GHG) emissions. The company vigorously promotes energy-saving and environmental protection measures, including, renewable energy adoption, waste heat recovery and utilization, upgrading to regenerative charging/discharging equipment and real-time energy metering systems. These initiatives improve energy utilization efficiency, reduce GHG emissions, and integrate sustainability into the company's operations and employee behaviors.

Energy Management System

Narada Power places significant emphasis on energy management. The company strictly adheres to relevant laws and standards, including the "Energy Conservation Law of the People's Republic of China," the "Renewable Energy Law of the People's Republic of China," and the "Cleaner Production Promotion Law of the People's Republic of China." To institutionalize these efforts, Narada Power has developed systematic documents such as the "Energy Management Manual" and the "Energy Use Management and Control Procedures." These initiatives establish and implement an efficient Energy Management System (EnMS) to enhance energy utilization efficiency. As of 2024, six of Narada Power's subsidiaries have achieved ISO 50001 certification for their Energy Management Systems.

Companies that have passed ISO50001certification
Zhejiang Narada Power Source Co., Ltd.
Zhejiang Narada Energy Technology Co., Ltd.
Hangzhou Narada Power Technology Co., Ltd.
Wuhan Narada New Energy Technology Co., Ltd.
Anhui Huabo Recycled Resources Technology Co., Ltd.
Anhui Narada Huatuo New Energy Technology Co., Ltd.

Key Energy Conservation and Emission Reduction Initiatives

To further reduce energy consumption and greenhouse gas (GHG) emissions during production, Narada Power and its subsidiaries have actively promoted energy-saving retrofits. During the reporting period, the company implemented 12 technical retrofits, including centrifuge zero-steam consumption retrofit, waste heat steam power generation retrofit, energy-efficient motor retrofit, chiller unit energy-saving retrofit, and steam condensate energy-saving retrofit. These initiatives collectively achieved electricity savings: 11.4796 million kWh, steam savings: 15,900 tons, water savings: 12,000 tons, total energy savings: 30,000 tons of standard coal equivalent.

Project	Energy Efficiency Outcomes
Lin'an Industrial Park Distributed Rooftop PV Power Station Project	Constructed a 47,400 m^2 (4 MW) distributed rooftop PV power station on building rooftops, which generates 4 million kWh of electricity annually, meeting 50% of the Lin'an Industrial Park's production electricity demand.
Narada Huatuo Winter Air Conditioning Chilled Water System Free Cooling Application Project	Utilizes free plate heat exchangers for temperature/humidity control and equipment cooling in workshops during cold weather months (December-March), eliminating the need for chiller units, which saves 1.139 million kWh of electricity annually.
Huabo Technology Oxygen Production Workshop Centrifugal Air Compressor Heat Exhaust Waste Heat Recovery and Zero-Air-Consumption Dryer Technical Retrofit	Replaces micro-heat regenerative adsorption dryers with zero-air-consumption dryers, reducing compressed air waste by 12%, which uses 110° C hot exhaust from the centrifuge's third-stage heat discharge for dryer regeneration, minimizing electric heating consumption and saves 2.0098 million kWh of electricity annually.

Photovoltaic (PV) Capacity

As a leader in the energy storage industry, Narada Power and its subsidiaries leverage factory spaces to construct distributed photovoltaic (PV) and energy storage systems, supplying renewable energy for production and comprehensively reducing energy consumption and greenhouse gas (GHG) emissions during manufacturing. As of 2024, Narada Power has installed 279,000 square meters of PV panels across six factories, with a total installed capacity of 46.9 MW for its distributed power stations.

Water Resource Utilization

Narada Power places great emphasis on the management and protection of water resources. The company strictly adheres to relevant laws, including the "Water Law of the People's Republic of China," and regulates water resource management, wastewater discharge, and treatment through internal management documents such as the "Energy Management Manual" and "Wastewater Management Procedures." To enhance refined water use management, the company incorporates water consumption targets into its environmental management indicators. Through technological improvements, including process water conservation and advanced wastewater treatment and reuse, Narada Power continuously reduces total water consumption and consumption intensity, achieving scientific and sustainable water use.

Huabo New Materials, a subsidiary of Narada Power, has developed an innovative process combining "selective lithium extraction technology + bipolar membrane electrodialysis for battery-grade lithium hydroxide monohydrate production." This self-developed technology significantly improves resource recovery rates and reduces pollutant emissions during production. Additionally, by implementing softened water circulation systems and production water recycling systems, the company achieves a wastewater reuse rate of 97.97%, effectively minimizing water resource consumption.

Green Manufacturing

Narada Power has consistently adhered to the philosophy of green development, establishing a green manufacturing system centered around green standards, green factories, green products, green supply chains, and green industrial parks. By integrating resources and fostering independent innovation, the company has enhanced the efficiency of its "low-carbon development transformation," delivering systematic, sustainable innovation value and serving as a model for the entire industry and its upstream-downstream supply chain.

As of 2024, three of Narada Power's entities have been included in the "Green Supply Chain Management Enterprises" list by the Ministry of Industry and Information Technology (MIIT), three enterprises have been recognized as "Green Factories" by MIIT, and five products have been designated as "Green Products" by MIIT.

Green manufacturing list of Narada Power

Serial No.	List of enterprises selected into the green supply chain management	Batch and time of selection
	Narada Power Green Supply Chain Management Enterprises	
1	Zhejiang Narada Power Source Co., Ltd.	5th batch selected by the Ministry of Industry and Information Technology
2	Anhui Huabo Recycled Resources Technology Co., Ltd.	6th batch selected by the Ministry of Industry and Information Technology (2021)
3	Sichuan Narada Guojian New Energy Co., Ltd	8th batch selected by the Ministry of Industry and Information Technology
4	Wuhan Narada New Energy Technology Co., Ltd	Ezhou, Hubei (2024)
	Narada Power Green Factories	
1	Zhejiang Narada Power Source Co., Ltd.	2nd batch selected by the Ministry of Industry and Information Technology (2017)
2	Anhui Huabo Recycled Resources Technology Co., Ltd.	2nd batch selected by the Ministry of Industry and Information Technology (2017)
3	Anhui Narada Huabo New Materials Technology Co., Ltd.	9th batch selected by the Ministry of Industry and Information Technology (2024)
4	Anhui Huatuo New Energy Technology Co., Ltd.	Anhui Province (2024)
5	Wuhan Narada New Energy Technology Co., Ltd.	Ezhou, Hubei (2024)
6	Sichuan Narada Guojian New Energy Co., Ltd	Chengdu (2022)
7	Hangzhou Narada Power Technology Co., Ltd.	Hangzhou (2022)
8	Zhejiang Narada Energy Technology Co., Ltd.	Hangzhou (2024)
	Narada Power Green Products	
1	CFM-1000RC Lead Carbon Storage Battery	5th batch (2020)
2	6-GFM-180HR High-Power Valve-Regulated Sealed Lead- Acid Battery	5th batch (2020)
3	12HTB200F Valve-Regulated Sealed Lead-Acid Battery	6th batch (2021)
4	GFM-1000E Valve-Regulated Sealed Lead-Acid Battery	6th batch (2021)
5	REXC-600 Lead-Carbon Battery	6th batch (2021)

Green Recycling

Narada Power integrates the principles of green and sustainable development into its entire operational lifecycle—spanning product design, manufacturing, application, and recycling—to achieve full-process environmental friendliness, energy conservation, and ecological protection. Through integrated development across upstream and downstream supply chains, the company has established closed-loop ecosystems for both lead-acid battery and lithium-ion battery industries, fostering harmonious coexistence between corporate growth and environmental/social sustainability.

Compared with primary lead, for per ton of recycled lead, the company saves 659 kg of standard coal and 235 m^3 of water, while reducing solid waste emissions by 128 tons and sulfur dioxide (SO_2) emissions by 0.03 tons. Last year, Huabo Technology (a subsidiary) produced 205,700 tons of recycled lead. Based on calculations, this output contributed to societal savings of 136,000 tons of standard coal, 4.8339 million tons of water, and 2.633 million tons of solid waste, while reducing carbon emissions by 488,000 tons and SO_2 emissions by 6,171 tons.

Compared with primary lithium battery materials, for per ton of recycled lithium materials, the company reduces carbon emissions by 7.18 tons and saves 2.76 tons of standard coal equivalent energy. In 2024, the company produced 9,647 tons of lithium materials, resulting in societal carbon emission reductions of 69,000 tons and energy savings of 27,000 tons of standard coal.

Green Standards Involved

Standard Names	Standard Number
Technical Specifications for Specialized Transport Vehicles of Waste Lead-Acid Batteries	T/ATCRR 47-2024
Technical Specifications for Plastic Cleaning of Waste Lead-Acid Batteries	T/ATCRR 48-2024
Desulfurization Salt Recovery from Waste Lead-Acid Batteries	T/ATCRR 52-2024
Technical Requirements for the Evaluation of Zero-Carbon Factories in Lead-Acid Battery Manufacturing	T/DZJN 242-2024
Technical Requirements for the Evaluation of Zero-Carbon Factories in Lithium-Ion Battery Manufacturing	T/DZJN 349-2024
Requirements for Greenhouse Gas Emission Accounting in Lithium-Ion Battery Enterprises	T/DZJN 276-2024

4

Common Development

Narada Power engages all stakeholders in collaborative efforts to create shared and sustainable value. As a responsible corporate citizen, the company has long prioritized its social responsibility, continuously focusing on corporate culture development and partnering with industries and ecological stakeholders across various sectors to jointly foster a harmonious and healthy industrial ecosystem.

Contributions to the United Nations Sustainable Development Goals (UN SDGs):

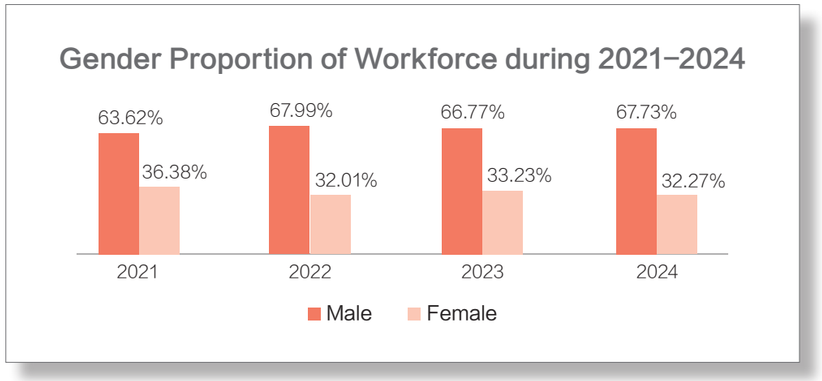
Care for Our Employees

To support Narada Power's high-quality development strategy, in 2024 we scientifically planned our talent management system, establishing a fair and transparent "selection, utilization, development, and retention" mechanism. This framework creates personalized career pathways for our diverse workforce, ensuring employees' legal rights to showcase their talents while maintaining a safe, healthy work environment and providing equal and open promotion opportunities. We continuously refine a hybrid reward system that combines material and spiritual incentives, advocating an inclusive and diverse corporate culture and fostering an organizational atmosphere of pragmatism, efficiency, collaboration, and innovation. This enables employees to achieve professional growth while genuinely feeling respected for their human dignity and recognized for the value of their labor.

Diverse Workforce

As of the end of December 2024, the company had a total of 4,320 employees. In China alone, employees come from 23 different ethnic groups. The average age of our employees is 36.93 years old.

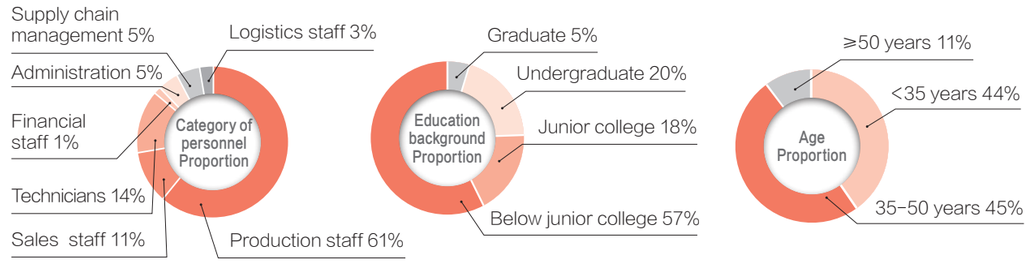
Narada Power strictly adheres to national regulations and international conventions, ensuring equal employment opportunities for both male and female employees. In recent years, the proportion of female employees has remained relatively stable, with women accounting for 32.27%



of our workforce. Among the 237 middle and senior managers, 41 are female, making up 17.30%. Narada Power provides equal career development platforms for our female employees.

Narada Power strictly prohibits employment discrimination. We have employed 122 individuals from ethnic minority groups, accounting for 2.82% of our total workforce. Among the middle and senior managers, 2 are from ethnic minorities, representing 0.84% of this group.

The proportion of personnel categories, educational background ratios, and age composition of employees in the company:



Protecting Employees' Fundamental Rights

Narada Power strictly adheres to international conventions and Chinese laws such as the "Labor Law of the People's Republic of China" and the "Employment Promotion Law", respecting and safeguarding fundamental human rights. We strictly prohibit employment discrimination, oppose modern slavery, and condemn forced labor, continuously improving our human rights protection framework.

Narada Power complies fully with labor regulations, never employing child labor or underage workers. We have signed 100% legally compliant labor contracts with all employees, with an increasing number expressing optimism about the company's development. To date, 496 employees have signed open-ended labor contracts.

In recruitment, we uphold the principle of equal employment, opposing discrimination and providing fair opportunities for all applicants. Aligning with national policies for stable employment, we actively create job openings for vulnerable social groups, contributing to national employment promotion efforts.

In all human resource matters—including wages, training, promotions, and contract termination—we follow principles of equal pay for equal work and fair advancement, refraining from engaging in or supporting any discrimination based on race, ethnicity, social origin, class, ancestry, religion, physical disability, gender, pregnancy, sexual orientation, family responsibilities, marital status, trade union membership, political views, age, or any other prohibited grounds under laws and regulations.

Narada respects employees' legal rights to freedom of association and collective bargaining. We do not oppose employees' participation in lawful activities of locally registered trade unions, provided such participation is voluntary and compliant with local laws.

Compensation & Benefits

Our comprehensive compensation system is built around value creation and high-performance principles, aligning with our job management and performance evaluation frameworks. Employee salaries are closely tied to job roles, competencies, and performance. In 2024, leveraging dual-channel career development and performance management outcomes, we adjusted salaries for core employees to incentivize and retain key talent, implementing measures to stabilize our workforce and ensure human resource support for better client service. Total compensation paid in 2024 amounted to RMB 599 million, with per-capita wages showing moderate growth.

Beyond mandatory social insurance contributions (including pension, medical, work-related injury, maternity, and unemployment insurance) and housing provident funds, we provide supplementary medical insurance for core employees. Additionally, we offer personal accident insurance for middle and senior managers, core staff, technical support and customer service personnel, and production employees. In 2024, Narada Power invested RMB 101 million in social and commercial insurance for employees. We also design and provide a range of corporate welfare benefits:

- Team-building allowances allocated per capita to departments;
- Holiday benefits, employee health checkups, and meal subsidies;
- Regular health examinations and gynecological screenings for female employees;

- Gifts/condolence payments for birthdays, weddings, childbirths, serious illnesses, and bereavements.

In 2024, trade unions at all levels extended condolences to 259 employees, distributing a total of RMB 92,500 in condolence payments.

As Narada Power grows, we will continuously enhance our corporate welfare system to provide high-quality benefits to all employees.

Employee Recognition

The sustained development of the company is inseparable from the relentless efforts of all employees, especially the exemplary role played by outstanding employees. The company is committed to cultivating a robust work ethic, consolidating foundational management, and upholding the corporate spirit of dedication, professionalism, innovation, and pragmatism. In 2024, the company updated its Honor and Reward Regulations, continuously refining its honor system awards and criteria, and clarifying the core principle of contribution-orientation to motivate employees to strive for excellence. By establishing role models and recognizing outstanding individuals and teams, the company aims to enhance organizational cohesion and solidarity. At the end of the year, a series of company-level awards were presented, including the Special Contribution Award, Most Influential Project, Best Contribution Award, Innovation Achievement Award, Best Management Award, Sales Star, Craftsmanship Star, and other honors for exceptional teams and individuals. These awards were bestowed upon those who, in their respective roles, adhered to a customer-centric approach, continuously innovated around customer needs, created value for customers, and made significant or outstanding contributions to the company's commercial success and sustainable development. Various business units also promptly recognized and rewarded their own teams and individuals who had made remarkable contributions to achieving organizational goals. Across the entire company, over 1,006 individuals received honorary rewards at different levels, with a total reward amount of RMB 1.5 million. Meanwhile, the company amplified the influence of exemplary employees by intensifying recognition and publicity efforts through multiple channels such as the OA system, "Light of Narada" (a company platform), and internal multimedia.

Employee Satisfaction

The company places great importance on communication and interaction with its employees.

To fully demonstrate its social responsibility, create a comfortable and conducive working environment for employees, ensure their living needs are met, and strengthen internal cohesion, the company designed a comprehensive survey questionnaire covering various aspects that directly impact employees' well-being. The survey encompassed job satisfaction, company management, compensation and benefits, canteen and dormitory facilities, and public amenities. The collected satisfaction data was statistically analyzed, and improvement measures were formulated and implemented accordingly.

The survey results indicated an overall increase in employee satisfaction compared to 2023, with particularly high scores in job satisfaction and daily management.

However, areas where satisfaction scores were relatively low, such as compensation levels, benefit policies, variety and pricing of meals, food hygiene, freshness of ingredients, and canteen service attitudes, prompted the company to devise systematic improvement measures for ongoing enhancement, aiming to boost employee satisfaction.

Employee Promotion and Competency Development

In terms of employee career development, the company has always regarded the growth of its employees as a long-term corporate commitment. In 2024, the company continued its annual

promotion and demotion process, adhering to the principles of fairness, impartiality, and merit-based advancement. This process evaluated employees based on stringent criteria such as values, experience, and performance, with a focus on demonstrating and assessing employees' competency growth. Promotion outcomes were skewed towards promising young employees at the frontline and towards core business departments including R&D, marketing, and production. Over the course of the year, the promotion and demotion process covered more than 170 individuals. The average age of promoted employees was lower than the company's overall average, indicating rapid growth among younger talents and effective talent pipeline development.

Regarding employee competency development, the company continuously refined and implemented the skill assessment standards for test technicians, completing the skill assessments and applying the results to drive ongoing professional improvement among test technicians. In operational roles, the company conducted classified surveys to lay the groundwork for subsequent specialized training initiatives.

Talent Development and Training

Throughout 2024, the company remained steadfast in its commitment to high-quality development, making significant strides in talent development and knowledge empowerment. We strategically targeted key business areas, designing and implementing a series of impactful and forward-looking training programs and learning activities. These initiatives provided employees with a comprehensive and multi-tiered pathway for growth and advancement, significantly elevating the effectiveness of our training efforts and injecting robust momentum into the company's steady business progression.

Focusing on Cutting-Edge Fields: Forging a Professional Energy Storage Task Force

The company delved deeply into the development trends of the energy storage industry, concentrating on core areas of energy storage technology. We launched a dual-pronged talent development plan integrating technical training with project practice. This year,

we successfully cultivated 108 energy storage technical support engineers, with 23 of them standing out to earn the prestigious All-Round Technical Support Engineer certification. These elite engineers possess exceptional capabilities to swiftly respond to on-site demands of energy storage projects. Leveraging their professional expertise and delivering efficient, high-quality services, they have significantly enhanced customer service quality, earning high praise from clients. They have constructed a formidable talent barrier for the company's energy storage business to soar amidst fierce market competition, serving as a stalwart support for the expansion of our energy storage operations.

Empowering Knowledge Inheritance through Technology to Accelerate the Transformation of Civilian Product Business

To propel our civilian product business forward amidst the dynamic market tides, the company has boldly innovated its training model by skillfully leveraging AI tools to develop a lithium battery knowledge curriculum system. In just one month, we efficiently completed the development of a series of courses that comprehensively cover key knowledge domains such as lithium battery principles, cell safety, electrolytes, aluminum cases/cover plates, and more. The knowledge points are meticulously interconnected,

Civilian products lithium battery knowledge courses

forming a rigorous and logical framework. This innovative initiative has effectively

equipped our training with technological wings, significantly enhancing training efficiency. It enables civilian product sales personnel to swiftly grasp the essence of civilian product knowledge within a short period, laying a solid foundation for our civilian product business to achieve a competitive overtake in the new energy sector.

Collaborative Efforts Across Multiple Production Centers to Strengthen the Talent Foundation

In 2024, each production center carried out a series of highly effective training activities:

Lin'an Production Center: A total of 105 training sessions were organized, involving a cumulative attendance of 6,842 participants. Each training session served as a profound intellectual baptism, where employees absorbed professional knowledge and thrived.

Linping Production Center: It organized 426 training sessions, reaching 11,750 participants, and conducted an additional 1,715 OPL (One Point Lesson) education sessions, covering 12,602 individuals. Through training and sharing sessions aimed at enhancing the capabilities of frontline team leaders, the center gathered management elites from the frontlines to share practical experiences and spark intellectual exchanges. Meanwhile, the establishment of the TPM (Total Productive Maintenance) equipment training base acted as a beacon, illuminating the path for employee skill training. Skill training was implemented in an orderly manner, steadily improving employees' comprehensive capabilities through practice.

Wuhan Production Center: It organized 137 training sessions, reaching approximately 5,400 participants. The training coverage was extensive, nurturing the growth of every employee like spring rain moistening the earth.

Multiple Production Centers in Anhui: They cumulatively organized 267 training sessions, with a total attendance of 25,600 participants. These large-scale training activities underscored the company's high regard and firm commitment to talent development. Employees' professional skills and management levels flourished under the nourishment of training, building up a solid talent defense line for the company's production and operations, ensuring the efficient operation of production machinery and generating a continuous stream of economic benefits for the company.

Looking back on 2024, the company has penned a magnificent chapter in the realm of talent development and knowledge empowerment. As we look ahead to 2025, we will continue to uphold the banner of high-quality development, staying true to our original aspirations and forging ahead with determination. We will further deepen our efforts in talent development and knowledge empowerment, continuously optimizing the training system and introducing more cutting-edge technologies and innovative concepts. We aim to create a more internationally competitive growth platform for our employees, providing a steady stream of intellectual support and talent guarantees for the company's sustainable development.

Establishing and Strengthening Trade Union Organizations to Effectively Safeguard the Legitimate Rights and Interests of Employees

Under the leadership and support of the Xihu District Federation of Trade Unions and the company's Party committee, the Narada Power Trade Union has consistently shown concern for the well-being of its employees. It fully leverages the role of the trade union as a bridge and bond between the company and its employees, fostering a sense of ownership among the workforce and promoting democratic management within the enterprise. Simultaneously, the trade union strengthens its own management system, comprehensively enhancing the quality of its work, and actively safeguards the legitimate rights and interests of employees.

In 2024, the trade union continued to leverage its organizational advantages, enabling employee representatives to actively participate in the company's democratic management. Through the Workers' Congress, the company's trade union reviewed multiple documents, fully heeding the opinions and suggestions of employees, thereby playing a positive role in promoting democratic management within the enterprise.

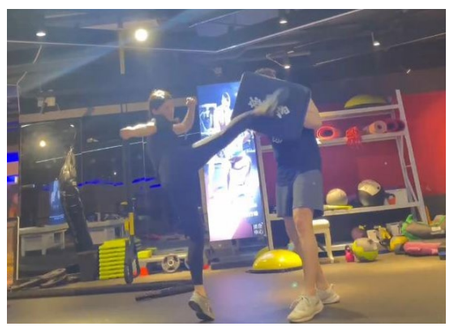
Employees are the fundamental components of an organizational structure, and the safeguarding of their legitimate rights and interests directly impacts their ability to fully engage in their work. Therefore, trade union organizations should shoulder the responsibility of supervising the protection of employees' legitimate rights and interests.

In 2024, a research team led by the chairman of the company's trade union visited various subsidiaries to organize employee symposiums. These meetings aimed to understand the practical difficulties faced by employees in their daily work and lives, extend care and support to those in need, and guide local trade unions in fully mobilizing both internal and external resources to organize mutual assistance among employees. The team actively participated in rectification actions addressing various internal issues within the enterprise, continuously tracked the implementation of feedback from employees by local branch trade unions, maintained good communication with local management teams, and actively fulfilled the supervisory role of the trade union.

The company's trade union has always been guided by the needs of its employees and driven by institutional innovation, committed to exploring a harmonious path for labor relations characterized by "joint consultation on rights and interests, shared outcomes, and cultural integration," providing a vivid example for the high-quality development of the manufacturing industry. Looking ahead, the company will continue to deepen trade union reforms, striving unremittingly to become a benchmark enterprise for harmonious labor relations in the new era.

Employee Care

Narada Power designs and provides various corporate benefits for its employees, including festival benefits, employee health check-ups, and condolence money. As the company continues to grow, it is constantly improving its corporate welfare system to offer high-quality benefits to all its employees. These corporate benefits are applicable to all staff members working within the company.



Construction of a Diversified Matrix of Cultural and Sports

In 2024, focusing on the spiritual and cultural needs of employees, we cultivated a year-round cultural and sports ecosystem themed "Seasons with Themes, Months with Activities," hosting over 60 cultural and sports events that catered to employees of all age groups.

- Narada Fun Sports Meet
- "Blossoming in March" Women's Day Celebration
- Fishing Master Tournament
- Santa Claus Delivers Blessings
- E-sports, Basketball, and Table Tennis Leagues
- Parent-Child Family Science Museum Study Tour
- "Little Migratory Birds" Care Initiative
- Summer Health and Wellness Courses
- Traditional Chinese Medicine Free Clinics

Enhancement of Employee Well-being

- Upgrade of Support Services: The employee cafeteria expanded its service hours to include breakfast and dinner, introducing innovative dishes and local specialties favored by younger employees to enrich the variety of offerings.
- Cultivation of Cultural Communities: We nurtured organizations such as kickboxing, yoga, basketball, badminton, and square dance clubs, providing annual activity funding to support their endeavors.

Innovation in Rights and Interests Protection

- Health Protection Plan: We upgraded the annual health check-up packages and supplementary medical insurance to strengthen employee protection.
- Career Development Support: We implemented a "DualChannel Promotion" system, allowing parallel promotions in the Management (M) and Professional (P) tracks.
- Targeted Welfare Supply System: Through in-depth surveys, employee tastings, and other methods, we identified welfare products that truly met employee needs, optimizing the product structure and enriching product diversity.

Health & Safety First

All along, Narada Power has adhered to a health and safety policy centered on "people-orientation, law-abidance, prevention-first, and safety-harmony," placing the health and safety of our employees as our top priority. We strictly comply with the requirements of the ISO 45001 Occupational Health and Safety Management System, systematically establishing an institutional framework that encompasses safety culture construction, production safety management, work environment assurance, and other domains. This has resulted in the formation of a standardized production safety management system and processes. Through multi-dimensional initiatives such as regular safety training and emergency drills, we continuously strengthen the health and safety capabilities and awareness of all employees, building a proactive and long-term mechanism to fully safeguard the health and safety rights and interests of our employees and relevant stakeholders.

Occupational Health and Safety Management System (OHSMS) Construction

Since first obtaining OHSAS 18001 certification in 2006, Narada Power has continuously promoted the construction and implementation of the Occupational Health and Safety Management System (OHSMS) across its production bases. As of the end of 2024, 100% of the company's production bases that are in stable operation and eligible for certification have successfully passed the ISO 45001:2018

Companies that have passed ISO45001 certification
Zhejiang Narada Power Source Co., Ltd.
Zhejiang Narada Energy Technology Co., Ltd.
Hangzhou Narada Power Technology Co., Ltd.
Wuhan Narada New Energy Technology Co., Ltd.
Anhui Huabo Recycled Resources Technology Co., Ltd.
Anhui Narada Huatuo New Energy Technology Co., Ltd.
Anhui Narada Huabo New Materials Technology Co., Ltd.
Jiuquan Narada Power Source Co., Ltd.

Occupational Health and Safety Management System certification. Other production bases that are under construction or newly established are also actively engaged in the construction of the ISO 45001 Occupational Health and Safety Management System.

Work Safety Management

A Work Safety Committee has been established as the company's highest-level leadership group overseeing work safety. Additionally, Environmental, Health, and Safety (EHS) Departments have been set up at each production base as dedicated management bodies responsible for environment, safety, and occupational health, fulfilling supervisory and management duties. In accordance with legal requirements such as the "Work Safety Law of the People's Republic of China" and the "Fire Prevention Law of the People's Republic of China," a company-wide work safety responsibility system has been implemented. Responsibility agreements have been signed at all levels to strictly enforce the "dual responsibilities for one position" safety management requirement. Regular quarterly work safety discussion meetings are held to strengthen the implementation and delegation of responsibilities. Moreover, occupational injury-related insurance has been procured for all employees to establish comprehensive insurance coverage.

An EHS evaluation system has been established to conduct special inspections, cross-inspections, and supervisory inspections from multiple dimensions and levels, covering and guiding all EHS work to prevent and control EHS risks. Summaries and exchanges of safety management practices for key projects and major engineering works are conducted, and safety management guidance manuals are compiled to accumulate and disseminate excellent experiences and methods in work safety, providing a platform for sharing experiences. During the reporting period, no work-related fatal accidents or other production safety incidents of general severity or above occurred.

Risk Identification and Control

The company has formulated and implemented the "Hazard Identification and Evaluation Management Procedure," establishing a hierarchical risk control and hidden danger investigation and governance mechanism through comprehensive hazard identification and evaluation work. An internal risk list has been formed through hazard investigation, identification, risk analysis, and other processes. For identified hazards, continuous improvement measures are taken through engineering, technical, and management approaches to eliminate or reduce risks. Meanwhile, risks are analyzed, evaluated, and classified, with personnel at different levels managing and monitoring hazards of varying degrees. Regular hidden danger investigations are conducted to eliminate potential risks.

Emergency Response Capability Building

Adhering to the principle of "prevention first," while maintaining regular risk control, the company has established Emergency Response Teams (ERTs) at each production center, equipped with various rescue equipment such as fire trucks, positive-pressure air respirators, and fire-fighting suits. By organizing various fire safety competitions and emergency drills, the company has enhanced the disaster prevention and mitigation awareness of all employees, improving their emergency response and evacuation capabilities in the face of sudden disasters and dangers. In 2024, a total of 53 emergency drills were conducted across various production bases, involving 3,249 participants.

Safety Culture Development

Work safety is the fundamental guarantee for the healthy development of an enterprise and permeates every aspect of the work process. Each production base of the company, based on its own characteristics, adopts various forms to carry out training and activities, fostering a strong safety culture that pays attention to and learning about safety. Firstly, through the "three-level safety education" for new employees, we transmit the company's safety culture to every individual joining Narada Power. Secondly, based on different seasonal characteristics, job-specific traits, and significant events, we conduct special safety training sessions irregularly, such as training for resuming work and production after a shutdown, training on hazard identification, and training on the safe use of hazardous chemicals. Finally, we leverage the opportunities presented by the annual "Safety Month" and "Fire Prevention Month" to carry out various promotional activities to educate employees on work safety knowledge. In 2024, a total of 130 training sessions and activities were conducted, involving 8,806 participants.

Occupational Health Surveillance

Narada Power has established a comprehensive employee health and safety protection system to promote the physical and mental well-being of its employees. The company actively fulfills its responsibilities in occupational disease prevention and control, identifying occupational disease hazard factors, conducting regular testing, providing personal protective equipment, and installing occupational health protection equipment and facilities such as dust removal devices, ventilation systems, mufflers, and soundproof rooms. We continuously optimize and improve the working environment to effectively control occupational health and safety risks. The company actively

carries out special and routine occupational health inspections to supervise the implementation of occupational health protection measures. We also conduct occupational health training and publicity to disseminate hygiene and health knowledge.

In accordance with the requirements of the "Law of the People's Republic of China on the Prevention and Control of Occupational Diseases" and relevant laws and regulations, the company conducts pre-employment, in-service, and post-employment occupational health examinations for employees working in processes with occupational disease hazard factors. The examination items and cycles are determined in accordance with the "Technical Specifications for Occupational Health Surveillance" (GBZ188). The examination results are communicated to the employees, and health surveillance files are established, following the principle of "one file per person."

Sustainable Supply Chain

In line with Narada's strategic planning and business development needs, we have formulated our procurement strategy and established a comprehensive procurement management system to fulfill our procurement management functions. This ensures the provision of material supplies for the company's production and operations, guarantees the achievement of our strategic and operational goals, and maintains a competitive edge in the supply chain.

Strengthening Supply Chain Quality

The company classifies and grades suppliers based on various dimensions. After a comprehensive evaluation of suppliers' quality assurance capabilities, enthusiasm, and cooperation levels, we further categorize them into key core suppliers, important suppliers, and general suppliers. Additionally, materials supplied by suppliers are differentiated into Category A, B, and C based on their criticality. Based on these differentiating factors, the company has formulated the "Supplier Management Procedure" to clarify requirements related to supplier classification, evaluation, management, etc., and implements differentiated management for different categories of suppliers.

For initial suppliers of Category A materials and Category B materials that the Supply Chain Management Center and the Supplier Quality Management Department have determined require on-site audits, we conduct quality audits and business continuity assessments. Subsequent to their onboarding, we also carry out performance monitoring and other quality management tasks. The company has established clear quality warranties for suppliers, such as arrival conformity rates, and evaluates suppliers' quality levels and quality management capabilities across multiple dimensions, including quality system management, technology development, procurement and supplier management, process control, product traceability, product inspection and testing, packaging and transportation. For controller products, this evaluation also extends to software capability development. During the admission assessment phase, the Procurement Management Center organizes a comprehensive evaluation involving the Quality Management Center, the Research Institute, and other relevant departments for joint review.

For suppliers that fail to meet the audit rating requirements, based on their cooperation intentions and enthusiasm, the company provides quality assistance through third-party audit institutions. Simultaneously, we dispatch internal quality team members to be stationed at the supplier's site, leveraging our experience and the company's quality characteristic requirements to guide suppliers in improving quality and ensuring delivery. For issues identified during on-site audits, our quality team members guide suppliers in implementing improvement measures and supervise and verify the improvement effects through the "Supplier Audit Issue Closed-Loop Mechanism." The company has established supplier process audits and quality inspections that cover all aspects of supplier quality anomalies, driving quality improvement across the board.

The company conducts regular monitoring of suppliers' qualifications, performance, safety, integrity, and other management aspects, providing guidance and supervision for suppliers to carry out improvement based on issue lists, ensuring the safety and compliance of suppliers' business operations.

To incentivize suppliers to continuously improve quality, the company strengthens communication and verification of issue improvement effects through multiple dimensions and methods, such as internal QCC project submissions, special reports on supplier improvement issues, sharing of supplier arrival quality indicators, cooperation in major projects, quality issue improvements, and quality enhancement levels. We recognize and commend suppliers for their quality improvements.

Enhancing Supply Chain Stability

To ensure a stable supply chain, the company has adopted a multi-pronged approach, including expanding the team of qualified suppliers, optimizing the supply chain structure, and promoting the localization of suppliers, thereby safeguarding the stability of the supply chain Narada Power actively promotes the establishment of a full battery life cycle industrial chain, achieving remarkable results in 2024. The company is now equipped with a comprehensive recycling system for both lead-acid and lithium-ion batteries, further ensuring a stable supply of critical resources.

Taking Narada's wholly-owned subsidiary, Huabo Technology, as an example, Huabo leverages the resource recycling industry as its backbone, focusing on creating closed-loop industrial chains for both lithium-ion and lead-acid batteries. This has resulted in a circular economic development model that spans from raw materials to products, system applications, resource regeneration, and back to raw materials, maximizing the value of the product throughout its entire life cycle.

In terms of lead-acid battery recycling, the company has the capacity to process approximately 1.2 million tons of waste lead-acid batteries and lead-containing waste annually, producing 590,000 tons of recycled lead each year. This saves 5.9 million tons of primary lead ore annually, effectively reducing the exploitation of finite mineral resources and initially achieving self-sufficiency in key raw materials.

For lithium-ion battery recycling, the company can handle 70,000 tons of various types of lithium-ion batteries annually, producing a total of 13,000 tons of lithium salts, cobalt salts, nickel salts, etc., while also achieving comprehensive recycling and utilization of copper, aluminum, graphite powder, etc. This not only generates strong resource, economic, and social benefits but also effectively ensures the supply of key raw materials.

Promoting Sustainable Supply Chain Development

Narada Power aligns with industry best practices and adopts internationally recognized standards, fully considering and practicing the concept of sustainable development throughout the entire process of supplier admission, performance evaluation, continuous improvement, and elimination.

Supplier Admission	1. Screen and evaluate suppliers' basic qualifications, production capacity, and quality, environmental, and occupational health and safety systems through the "Supplier Questionnaire" to ensure supplier compliance from the source. 2. Implement hierarchical management based on the production process and usage characteristics of raw materials, conducting audits and supervision of key suppliers in accordance with management systems such as ISO9001, ISO14001, and ISO45001 to ensure supplier qualifications meet Narada's requirements. 3. Sign documents such as the "Social Responsibility Commitment Letter" and "Integrity and Anti-Corruption Agreement" with all suppliers.
Supplier Performance Evaluation	1. Promote supplier risk identification and management through monthly, quarterly, and annual supplier performance evaluations to ensure that key performance indicators continuously meet Narada's requirements. 2. Conduct audits of key suppliers in areas such as quality, environmental safety, social responsibility, and business continuity.
Continuous Improvement and Elimination	1. Based on suppliers' daily supply performance and performance evaluations, implement measures such as increasing share, preferential procurement, temporarily suspending supply, or even terminating cooperation. 2. Gradually eliminate suppliers with poor performance, weak improvement willingness, and insignificant improvement effects.

To drive sustainable supply chain development, Narada Power has designed systems that encompass a series of norms, including business ethics reviews, restrictions on the use of hazardous substances, carbon emission reviews and reductions, and the use of green packaging. Through the implementation and supervision of these relevant systems, the company effectively promotes suppliers' understanding and implementation of sustainable development.

Based on the current status of supplier management with the requirements for goal enhancement, Narada Power continuously drives the achievement of supplier performance targets through irregular on-site audits, verification of issue improvements, etc. In 2024, Narada Power conducted over 130 on-site audits, covering areas such as quality, environmental safety, social responsibility, and business continuity. A total of 1,405 non-conformities were identified, with a rectification completion rate of 97.92%. Guided by performance targets, the company continuously optimizes through a process of survival of the fittest, effectively advancing the sustainable development of Narada's supply chain.

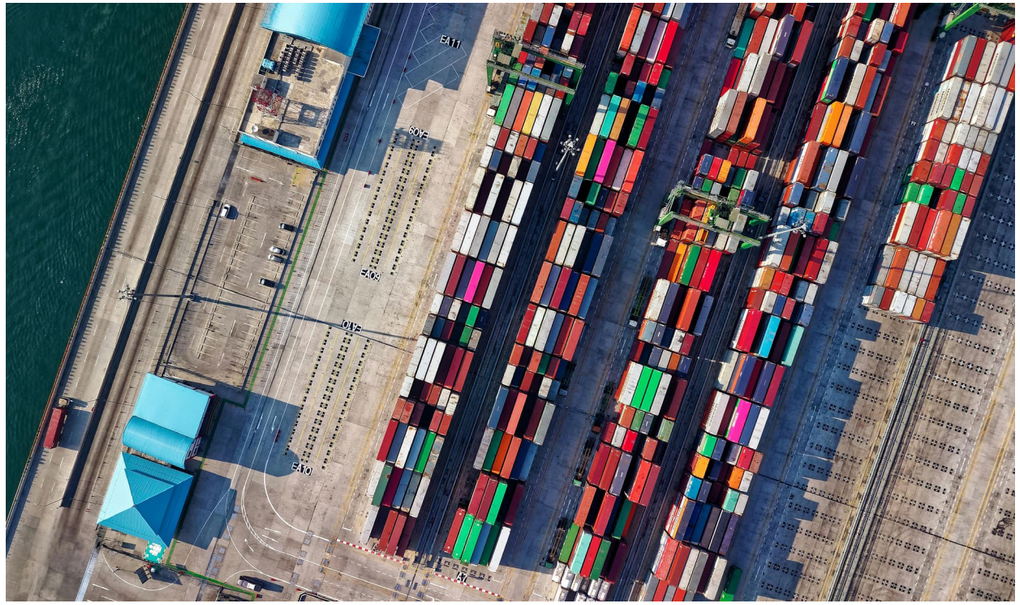
Building a Responsible Supply Chain

Narada Power is committed to promoting the responsible procurement of products containing raw materials such as tin, tantalum, tungsten, gold, cobalt, and mica. Drawing reference from the "OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas" and the "China Due Diligence Guidelines for Mineral Supply Chains," Narada Power participates in industry collaborations to jointly drive suppliers to prevent and mitigate the risk that minerals contained in their products may directly or indirectly contribute to human rights abuses, environmental harm, health and safety risks, and corruption

Institutional Safeguards	1. Formulate a responsible mineral procurement policy and communicate it to suppliers through the "Narada Power Notification on Conflict-Free Minerals." 2. Regularly assess suppliers involved in responsible mineral procurement and have them sign the "Commitment Letter on Not Using Conflict Minerals." 3. Develop a due diligence plan and conduct due diligence on relevant suppliers in accordance with the plan.
Identification and Assessment	1. Require suppliers to conduct self-assessments based on the "Conflict Minerals Reporting Template (CMRT)" and the "Extended Minerals Reporting Template (EMRT)," and carry out assessments based on the self-assessment results. 2. Regularly inspect suppliers, with due diligence being an integral part of the inspection process.
Supervision and Audit	1. Promptly report the assessment and inspection results to the competent authorities, explaining actual and potential risks. 2. Collaborate with downstream customers to complete due diligence audits and promptly rectify issues identified during the audits. 3. Conduct one-on-one training for suppliers to enhance their awareness and capabilities in conducting their own due diligence.
Information Disclosure	1. Regularly publish responsible mineral due diligence reports on the official website. 2. The company can submit responsible mineral due diligence reports to downstream customers upon request.

Narada Power actively participates in global industry collaborations through industry organizations such as the Responsible Minerals Initiative (RMI). It works with upstream and downstream enterprises in the supply chain to conduct supply chain surveys, identify smelter lists, and promote smelters to apply for and maintain compliance certification under the Responsible Minerals Assurance Process (RMAP). Narada Power encourages suppliers to cooperate with RMAP-certified smelters.

In 2024, Narada Power conducted mineral procurement due diligence on suppliers involved in the procurement of relevant minerals, identified 7 compliant smelters, and shared conflict mineral survey results with 9 customers.



Public Welfare Undertakings

Narada Power has always regarded caring for society and fulfilling its social responsibilities as a crucial task. The company actively participates in social activities and various philanthropic endeavors, including community development, aiding the disadvantaged, and promoting education, thereby fulfilling its duties as a corporate citizen and making positive contributions to building a harmonious and beautiful social environment and advancing social causes. As of the end of 2024: In 2024, the company donated a total of RMB 768,000 to support public welfare projects in education and poverty alleviation. The company actively responds to the national policy on the employment of persons with disabilities, having employed 36 individuals with disabilities. For positions that could not be filled by persons with disabilities, the company paid the disability employment security fund to government authorities.

Education Revitalization

Deeply Cultivating Rural Education Assistance to Empower Future Growth

The company has long emphasized its social responsibilities and consistently carried out educational assistance activities. Over the past three years, significant achievements have been made through paired assistance. Since 2022, a long-term assistance mechanism has been established with Shangma Primary School in Jiande City. Through a three-dimensional support model of "funds + resources + services," nearly RMB 50,000 has been invested in educational funds, benefiting over 250 teachers and students. In 2024, educational supplies worth RMB 14,000, including cultural and sports items and daily necessities, were donated to support the revitalization of rural education. Since 2019, the company has also provided targeted assistance to Zhangtie Primary School in Ezhou City, the locality where the company is based. It has organized employee visits and donated clothing and daily necessities, with cumulative donations amounting to RMB 15,000.

Glowing Embers Ignite Dreams

In response to the "Tiny Wishes" public welfare activity launched by the General Trade Union of Jieshou City, the company donated RMB 10,000 specifically to support the educational needs of children from impoverished families. This included funding for school supplies and living expense subsidies, helping them overcome economic barriers and pursue their dreams of knowledge.

Caring for Education and Donating to Support Learning

On the occasion of Teachers' Day, the company donated RMB 50,000 to Jieshou No.5 Middle School to improve teaching facilities, enhance educational quality, and support the professional development of teachers, demonstrating practical support for the advancement of education.

Regional Collaboration

Precisely Supporting Baiyu County to Build a Concentric Circle of Development

The company actively responds to the national call for collaboration between the eastern and western regions of China. For two consecutive years, it has provided targeted assistance to the western regions. In 2024, it donated RMB 20,000 to Baiyu County, Ganzi Prefecture, Sichuan Province, focusing on people's livelihoods.

Providing Personalized Support to Households, Spreading Warmth During Festivals, and Benefiting the People

The Wuhan Production Center of Narada Power proactively engages with the local community where the enterprise is based. It has signed a household support agreement with the community, pledging to visit and console struggling families before traditional Chinese festivals (Spring Festival, Dragon Boat Festival, and Mid-Autumn Festival) each year. The center purchases holiday gifts or essential daily necessities such as rice, flour, and oil for each struggling family.

Citrus Aroma Fills the Air, Aiding Rural Revitalization; Joyful Harvesting Promotes Development

In the summer of 2024, upon learning that citrus and other fruits planted by farmers in Huban Community, Ezhou Economic Development Zone, were facing sluggish sales, the company took the initiative to connect with Huban Community. It organized employees to participate in a "Joyful Harvesting" activity at the orchard, collecting a total of 5,000 jin (2,500 kilograms) of citrus. This initiative not only enriched employees' leisure time but also assisted struggling farmers and encouraged surrounding enterprises to join in love-based poverty alleviation actions.

Humanistic Care

Building the "Knight's Harbor" Caring Station

In collaboration with Jiangsu Tower, we have pioneered an innovative social service model by establishing

caring stations in the heart of the city. These stations are thoughtfully stocked with 110 books across nine categories, including humanities and social sciences, vocational skills, and mental health, aiming to enrich the spiritual lives of frontline workers, enabling them to enjoy knowledge, broaden their horizons, and foster their holistic development.

Warm Consolation, Filling the World with Compassion

New Year Consolation at Jieshou High-Speed Railway Station: During the Spring Festival, company representatives visited Jieshou High-Speed Railway Station with abundant consolation supplies to extend New Year blessings to the staff who remained on duty, expressing gratitude for their diligent efforts.

"August 1" Consolation for Tianying Town Police Station and Jieshou Fire Brigade: On Army Day, the company organized a consolation team to visit Tianying Town Police Station and Jieshou Fire Brigade, presenting daily necessities and heatstroke prevention supplies to express profound respect for the people's guardians.

Life Relay

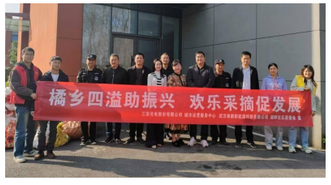
Passing on the Warmth of the City Through Blood Donation

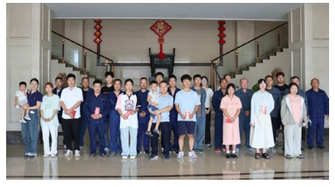
Continuously fulfilling our social responsibility under the "Healthy China" initiative: In 2024, the Party committees of various bases collaborated to organize the "Red Lifeline" voluntary blood donation campaign. Senior executives took the lead, and employees responded enthusiastically, with a single-day blood donation volume reaching 14,300 milliliters.









Internal Care

"Golden Autumn Educational Assistance" Supporting the Educational Dreams of Employees' Children

Adhering to the philosophy of "growing together with employees," in 2024, we continued to launch the "Golden Autumn Educational Assistance" special program. Focused on providing educational support for the children of employees from struggling families, we have established a comprehensive assistance system encompassing "selection - funding - empowerment - tracking," cumulatively supporting hundreds of outstanding students.

Appendix 1: Shenzhen Stock Exchange Listing Rules Self- Regulatory Guidelines No. 17 —— Sustainability Reporting (Trial) Issue Alignment Index

Dimension	Clause	Issue	Corresponding Chapter
Environmental	Article 21 - 28	Coping with Climate Changes	For a Wonderful World
	Article 30	Pollutant Discharge	For a Wonderful World
	Article 31	Waste Disposal	For a Wonderful World
	Article 32	Ecosystem and Biodiversity Protection	For a Wonderful World
	Article 33	Environmental Compliance Management	For a Wonderful World
	Article 35	Energy Utilization	For a Wonderful World
	Article 36	Water Resource Utilization	For a Wonderful World
	Article 37	Circular Economy	For a Wonderful World
Social	Article 39	Rural Revitalization	Joint Development
	Article 40	Social Contribution	Joint Development
	Article 42	Innovation Driven	Reliable and Trustworthy New Energy
	Article 43	Scientific Ethics	/
	Article 45	Supply Chain Safety	Joint Development
	Article 46	Equal Treatment for Small and Medium-sized Businesses	/
	Article 47	Safety and Quality of Products and Services	Reliable and Trustworthy New Energy
	Article 48	Data Security and Customer Privacy Protection	Sustainability Management
	Article 50	Employees	Joint Development
Governance	Article 52	Due Diligence	/
	Article 53	Stakeholder Communication	Sustainability Management
	Article 55	Anti-Commercial Bribery and Corruption	Sustainability Management
	Article 56	Anti-Unfair Competition	Sustainability Management

GRI Index - "Referring to GRI Standard Reporting"

Instructions for Use: Zhejiang Narada Power Source Co., Ltd. reported the information referenced in this GRI Index 1 for the reporting period (from January 1, 2024, to December 31, 2024) in accordance with the GRI Standards.

Disclosed Items	Locations
Part I: General Disclosures (2021)	
1. Organization and Reporting Practices	
2-1 Organization Details	Company Profile
2-2 Entities Included in the Organization's Sustainability Report	About This Report
2-3 Reporting Period, Frequency, and Contact Person	About This Report
2-4 Restatement of Information	Data Tables in Each Section
2-5 External Assurance	Not Applicable
2. Activities and Workforce	
2-6 Activities, Value Chain, and Other Business Relationships	Address of CEO, Company Profile
2-7 Employees	Care for Our Employees
2-8 Workers Outside of Employees	Information Incomplete; Data from Overseas Subsidiaries Not Readily Available
3. Governance	
2-9 Governance Structure and Composition	Corporate Governance
2-10 Nomination and Selection of the Highest Governance Body	Corporate Governance
2-11 Chair of the Highest Governance Body	Corporate Governance
2-12 Supervisory Role of the Highest Governance Body in Managing Impacts	Corporate Governance & Sustainability Management
2-13 Delegation of Responsibilities for Managing Impacts	Corporate Governance & Sustainability Management
2-14 Role of the Highest Governance Body in Sustainability Reporting	Corporate Governance & Sustainability Management
2-15 Conflicts of Interest	Corporate Governance & Sustainability Management
2-16 Communication on Material Issues	Corporate Governance & Sustainability Management
2-17 Collective Knowledge of the Highest Governance Body	Corporate Governance & Sustainability Management
2-18 Performance Evaluation of the Highest Governance Body	Corporate Governance & Sustainability Management
2-19 Remuneration Policy	Care for Our Employees
2-20 Process for Determining Remuneration	Care for Our Employees
2-21 Ratio of Annual Total Remuneration	Care for Our Employees
4. Strategies, Policies, and Practices	
2-22 Statement on Sustainability Strategy	Sustainability Management
2-23 Policy Commitments	Sustainability Management
2-24 Integration of Policy Commitments	Sustainability Management
2-25 Procedures for Remediating Negative Impacts	Corporate Governance - Business Ethics & Responsibilities
2-26 Mechanisms for Seeking Advice and Raising Concerns	Corporate Governance - Business Ethics & Responsibilities
2-27 Compliance with Laws and Regulations	Corporate Governance - Business Ethics & Responsibilities
2-28 Membership in Associations	Corporate Governance

Disclosed Items	Locations
5. Stakeholder Engagement	
2-29 Methods of Stakeholder Engagement	Stakeholder Engagement
2-30 Collective Bargaining Agreements	Confidentiality Restrictions, Non-Public Organizational Information
Part II: Material Issues (2021)	
3-1 Process for Determining Material Issues	Sustainability Management
3-2 List of Material Issues	Sustainability Management
3-3 Management of Material Issues	Sustainability Management
Part III: Issue-Specific Disclosures	
Economic Performance 2016	
201-1 Direct Economic Value Generated and Distributed	Annual Report
201-2 Financial Impacts of Climate Change, as Well as Other Risks and Opportunities	Corporate Governance - Green and Low-Carbon Management
201-3 Defined Benefit Plan Obligations and Other Retirement Plans	Annual Report
201-4 Financial Subsidies Granted by Governments	Annual Report
Indirect Economic Impacts 2016	
203-1 Infrastructure Investments and Supportive Services	Application of Technological Innovation Achievements
203-2 Significant Indirect Economic Impacts	Enormous Technological Innovation Achievements and Public Welfare Undertakings
Procurement Practices 2016	
204-1 Proportion of Expenditure on Purchases from Local Suppliers	Annual Report
Anti-Corruption 2016	
205-1 Operational Sites Where Corruption Risk Assessments Have Been Conducted	Business Ethics and Responsibilities
205-2 Communication and Training on Anti-Corruption Policies and Procedures	Business Ethics and Responsibilities
205-3 Confirmed Corruption Incidents and Actions Taken	Business Ethics and Responsibilities
Anti-Competitive Behavior 2016	
206-1 Legal Proceedings Regarding Anti-Competitive Behavior, Antitrust, and Antimonopoly Practices	Business Ethics and Responsibilities
Materials 2016	
301-2 Recycled Feedstocks Used	Recyclable Industrial Chain - Green and Low-Carbon Management
301-3 Recycled Products and Their Packaging Materials	Recyclable Industrial Chain - Green and Low-Carbon Management
Energy 2016	
302-1 Organizational Internal Energy Consumption	Green and Low-Carbon Management
302-2 Organizational External Energy Consumption	Green and Low-Carbon Management
302-3 Energy Intensity	Green and Low-Carbon Management
302-4 Reduction of Energy Consumption	Green and Low-Carbon Management
302-5 Decrease in Energy Demand for Products and Services	Green and Low-Carbon Management

Disclosed Items	Locations
Water Resources and Wastewater 2018	
303-1 Organizational Interactions with Water as a Shared Resource	Pollution Prevention and Ecological Protection - Green and Low-Carbon Management
303-2 Management of Impacts Related to Drainage	Pollution Prevention and Ecological Protection - Green and Low-Carbon Management
303-3 Water Intake	Pollution Prevention and Ecological Protection - Green and Low-Carbon Management
303-4 Water Discharge	Pollution Prevention and Ecological Protection - Green and Low-Carbon Management
303-5 Water Consumption	Pollution Prevention and Ecological Protection - Green and Low-Carbon Management
Biodiversity 2016	
304-1 Operational Sites Owned, Leased, or Managed by the Organization in or Adjacent to Protected Areas and Biodiversity-Rich Regions Outside Protected Areas	Pollution Prevention and Ecological Protection
304-2 Significant Impacts of Activities, Products, and Services on Biodiversity	Pollution Prevention and Ecological Protection
304-3 Protected or Restored Habitats	Pollution Prevention and Ecological Protection
Emissions 2016	
305-1 Direct (Scope 1) Greenhouse Gas Emissions	Green and Low-Carbon Management
305-2 Indirect Energy (Scope 2) Greenhouse Gas Emissions	Green and Low-Carbon Management
305-3 Other Indirect (Scope 3) Greenhouse Gas Emissions	Green and Low-Carbon Management
305-4 ESG Data Performance Table	Green and Low-Carbon Management
305-5 Greenhouse Gas Emission Reductions	Green and Low-Carbon Management
305-6 Emissions of Ozone-Depleting Substances (ODS)	Green and Low-Carbon Management
305-7 Emissions of Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Gases	Green and Low-Carbon Management
Waste 2020	
306-1 Waste Generation and Significant Impacts Related to Waste	Pollution Prevention and Ecological Protection
306-2 Management of Significant Impacts Related to Waste	Pollution Prevention and Ecological Protection
306-3 Waste Generated	Pollution Prevention and Ecological Protection
306-4 Waste Diverted from Disposal	Pollution Prevention and Ecological Protection
306-5 Waste Sent to Disposal	Pollution Prevention and Ecological Protection
Supplier Environmental Assessment 2016	
308-1 New Suppliers Selected Using Environmental Evaluation Criteria	Sustainable Supply Chain
308-2 Negative Environmental Impacts of the Supply Chain and Actions Taken	Sustainable Supply Chain
Employment 2016	
401-1 New Hire Rate and Employee Turnover Rate	
401-2 Benefits Provided to Full-Time Employees (Excluding Temporary or Part-Time Employees)	Care for Our Employees
401-3 Parental Leave	Care for Our Employees

Disclosed Items	Locations
Labor Relations 2016	
402-1 Minimum Notice Period for Operational Changes	Care for Our Employees
Occupational Health and Safety 2018	
403-1 Occupational Health and Safety Management System	Health and Safety First
403-2 Hazard Identification, Risk Assessment, and Incident Investigation	Health and Safety First
403-3 Occupational Health Services	Health and Safety First
403-4 Occupational Health and Safety Matters: Worker Participation, Consultation, and Communication	Health and Safety First
403-5 Occupational Health and Safety Training for Workers	Health and Safety First
403-6 Promoting Worker Health: "Health and Safety First"	Health and Safety First
403-7 Preventing and Mitigating Occupational Health and Safety Impacts Directly Related to Business Relationships	Health and Safety First
403-8 Workers Covered by the Occupational Health and Safety Management System	Health and Safety First
403-9 Work-Related Injuries	Health and Safety First
403-10 Work-Related Health Issues	Health and Safety First
Training & Education 2016	
404-1 Average Number of Training Hours Received Per Employee Per Year	Care for Our Employees
404-2 Employee Skill Enhancement Programs and Transition Assistance Programs	Care for Our Employees
404-3 Percentage of Employees Regularly Assessed for Performance and Career Development	Care for Our Employees
Diversity and Equality 2016	
405-1 Diversity in the Governance Body and Among Employees	Care for Our Employees
Anti-Discrimination 2016	
406-1 Discrimination Incidents and Corrective Actions Taken	Care for Our Employees
Freedom of Association and Collective Bargaining 2016	
407-1 Operations and Suppliers Where Freedom of Association and Collective Bargaining Rights May Be at Risk	Care for Our Employees
Child Labor 2016	
408-1 Operations and Suppliers at Significant Risk of Child Labor Incidents	Care for Our Employees
Forced or Compulsory Labor 2016	
409-1 Operations and Suppliers at Significant Risk of Forced or Compulsory Labor Incidents	Care for Our Employees
Local Communities 2016	
413-1 Operations with Local Community Engagement, Impact Assessments, and Development Plans	Pollution Prevention, Ecological Protection, and Public Welfare Undertakings
413-2 Operations with Actual or Potentially Significant Negative Impacts on Local Communities	Pollution Prevention, Ecological Protection, and Public Welfare Undertakings

Disclosed Items	Locations
Supplier Social Assessment 2016	
414-1 New Suppliers Selected Using Social Evaluation Criteria	Sustainable Supply Chain
414-2 Negative Social Impacts of the Supply Chain and Actions Taken	Sustainable Supply Chain
Customer Health and Safety 2016	
416-1 Assessment of Health and Safety Impacts of Product and Service Categories	Product Quality and Product Safety
Customer Privacy 2016	
418-1 Verified Complaints Involving Infringements of Customer Privacy and Loss of Customer Data	Business Ethics and Responsibilities

Reader Feedback Form

Dear Reader:

Hello!

Thank you for reading the "2024 Environmental, Social, and Governance (ESG) Report." To provide you and other stakeholders with more professional and valuable information on our corporate social responsibility (CSR) efforts, and to continuously improve Narada Power's CSR initiatives and the quality of our ESG reports, we would greatly appreciate hearing your opinions and suggestions. Please assist us by completing the relevant questions in the feedback form and sending it via email to narada@naradapower.com or via fax to 0571-56975900.

Thank you very much!

Narada Power ESG Report Compilation Team

Multiple-Choice Questions (Please check the appropriate box with "√")

1. Which category of stakeholders do you belong to?

☐ Government Official ☐ Regulatory Agency ☐ Shareholder and Investor ☐ Employee ☐ Customer ☐ Supplier and Partner

☐ Community Resident ☐ CSR Professional ☐ Peer Company ☐ Other

2. What is your overall evaluation of this report?

☐ Excellent ☐ Good ☐ Average ☐ Poor ☐ Very Poor ☐ Don't Know

3. Do you think the information, indicators, and data disclosed in this report are clear, accurate, and complete?

☐ Very Clear, Accurate, and Complete ☐ Fairly Clear, Accurate, and Complete ☐ Basically Clear, Accurate, and Complete

☐ Not Clear, Accurate, or Complete Enough ☐ Not Clear, Accurate, or Complete at All

4. Do you think the report structure is reasonable?

☐ Very Reasonable ☐ Fairly Reasonable ☐ Basically Reasonable ☐ Not Reasonable Enough ☐ Not Reasonable at All

5. Do you think the language and wording in this report are smooth and coherent?

☐ Very Fluent and Coherent ☐ Fairly Fluent and Coherent ☐ Basically Fluent and Coherent

☐ Not Fluent or Coherent Enough ☐ Not Fluent or Coherent at All

6. Do you think the content design and format arrangement of this report are convenient for reading?

☐ Very Convenient ☐ Fairly Convenient ☐ Average ☐ Not Convenient Enough ☐ Not Convenient at All

Open-Ended Questions / Discussion Questions:

1. What suggestions and expectations do you have for our future corporate social responsibility efforts?

2. What suggestions and expectations do you have for the content and format of our future ESG reports? Your Information:

Name:_____ Position: _____ Workplace: _____

Contact Number:_____ Fax: _____ E-mail: _____

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