CATL

Carbon Accounting Report 2023



As a global leader in innovative new energy technologies, CATL possesses zero-carbon genes and continues to accelerate the zero-carbon process while providing first-class solutions and services for new energy applications worldwide. It aims to establish the CATL model in the pursuit of carbon neutrality and provide valuable CATL experience for the zero-carbon transition of the industry and even the entire community. In 2023, CATL unveiled its "Zero-Carbon Strategy", officially announcing the goals of "carbon neutrality in core operations by 2025 and carbon neutrality of the supply chain by 2035". Based on the "Zero-Carbon Strategy" and its corresponding action plans, CATL has formed six "Zero-Carbon" special topics, namely "Zero-Carbon" Design, "Zero-Carbon" Factories, "Zero-Carbon" Supply, "Zero-Carbon" Manufacturing, "Zero-Carbon" Power, and Circular Ecosystem, to comprehensively promote the achievement of the goals. As of the release of this report, CATL has nine battery manufacturing bases that have achieved neutrality for greenhouse gas emissions in 2023 and obtained PAS 2060:2014 carbon neutrality certification issued by a third-party certification authority.

This report is the third carbon accounting report released by Contemporary Amperex Technology Co., Limited and its subsidiaries (hereinafter referred to as About this Report Amperex Technology Co., Limited and its subsidiaries (hereinafter referred to as "CATL", "the Company" or "we/us"). The purpose of this report is to disclose the greenhouse gas emissions in the Company's production processes, operations, and key links of its value chain.



Scope of Report

Organizational Boundary: In this report, the operational control approach is applied for the determination of organizational boundary and data consolidation. It covers all of the Company's companies and subsidiaries involved in battery manufacturing, over which the Company has control or significant influence on their operational policies and measures (as shown in Table 1). This is consistent with the core operational scope of CATL's "Zero-Carbon Strategy". In 2023, CATL has a total of 18 companies and subsidiaries involved in battery manufacturing, and the coverage was expanded to include four new subsidiaries, namely CATL-YC, CATL-GZ, CCEC, and CATL-AMPA.

During the selection of verification objects, the Company gave priority to 15 companies and subsidiaries that have been in stable operation, possess certification gualifications, and have a significant impact on the overall greenhouse gas emissions. The Company has commissioned third-party agencies for the independent verification on their greenhouse gas emissions data according to ISO 14064-3:2019.

Table 1 Companies and subsidiaries within the Organizational Boundary

SN	Companies and Subsidiaries Name	Abbreviation	ISO 14064 Verification Statement	PAS 2060 Verification Statement
1	Contemporary Amperex Technology Co., Limited	CATL*1	Yes	Yes
2	Qinghai Contemporary Amperex Technology Limited	CATL-QH	Yes	No
3	Jiangsu Contemporary Amperex Technology Limited	CATL-JS	Yes	Yes
4	Yichun Contemporary Amperex Technology Limited	CATL-YC	Yes	Yes
5	Contemporary Amperex Technology (Guizhou) Limited	CATL-GZ	Yes	Yes
6	United Auto Battery Co., Ltd.	UABC	Yes	No
7	CATL-FAW Auto Battery Co., Ltd.	CFBC	Yes	No
8	CATL-GAC EV Battery Co., Limited	CGBC	Yes	Yes
9	Sichuan Contemporary Amperex Technology Limited	CATL-SC	Yes	Yes
10	Xinjin Contemporary Amperex Technology Limited	CATL-XJ	Yes	Yes

^{1 &}quot;CATL'" here refers to the Ningde Plant, including the three battery manufacturing bases of HD, HX, and Z, which is distinguished from the subject of this report. The same below.

SN	Companies and Subsidiaries Name	Abbreviation	ISO 14064 Verification Statement	PAS 2060 Verification Statement
11	Ruiting Contemporary Amperex Technology (Shanghai) Limited	CATL-RT	Yes	No
12	Ruiqing Contemporary Amperex Technology Limited	CATL-RQ	Yes	Yes
13	CATL-GEELY EV (Sichuan) Battery Co., Limited	CATL-GEELY (Sichuan)	Yes	Yes
14	Fuding Contemporary Amperex Technology Limited	CATL-FD	Yes	No
15	Jiaocheng Contemporary Amperex Technology Limited	CATL-JC	Yes	No
16	Contemporary Amperex Technology Thuringia GmbH	CATT	No	No
17	CATL-Changan EV Battery Co., Ltd.	CCEC	No	No
18	Xiamen Ampace Technology Limited	CATL-AMPA	No	No

Reporting Boundary: This report covers direct greenhouse gas emissions (Scope 1) generated by emission sources owned or controlled by the Company within abovementioned organizational boundary, indirect greenhouse gas emissions from imported energy (Scope 2), and other substantial indirect greenhouse gas emissions occurring in the value chain (Scope 3).

With regard to Scope 3 (i.e., Category 3~6 defined in ISO 14064-1:2018) greenhouse gas emissions, we carried out accounting and disclosure on Category 3 and Category 4 among the defined categories, with accordance to the Company's assessment criteria for materiality and taking into account our industry characteristics, business relations, data availability, and disclosure costs. In the future, CATL will gradually improve the categories of disclosure. The specific information about the categories of greenhouse gas emissions covered in this report and corresponding greenhouse gas sources are shown in Table 2.

Table 2 Categories of GHG Emissions Involved in the Accounting and Corresponding GHG Sources

GHG Emissions Category (refer to ISO 14064-1:2018)	Main GHG Sources
	Stationary combustion of natural gas and diesel;
Cotagory 1: Direct grouphouse goe emissions	Mobile combustion of gasoline and diesel;
Category 1: Direct greenhouse gas emissions	Fugitive emissions from refrigerants and fire extinguisher fillers, etc.;
	Methane (CH ₄) leakage from factory septic tanks
Category 2: Indirect greenhouse gas emissions	Purchased electricity;
from imported energy	Purchased steam
	Upstream transportation and distribution;
Category 3: Indirect greenhouse gas emissions	Downstream transportation and distribution;
from transportation	Business travel;
	Employee commuting
	Waste generated in operations;
Category 4: Indirect greenhouse gas emissions from products used by the organization	Fuel- and energy-related activities (not included in Scope 1 or Scope 2);
nom products used by the organization	Purchased goods and services



This report covers the period from January 1, 2023 to December 31, 2023.

Carbon Accounting Report 2023 About this Report



Accounting Standards and Basis for Verification

Accounting and Reporting Standards: In the process of the accounting of greenhouse gas emissions and the preparation of this report, the main sources of reference were Greenhouse gases - Part 1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals (ISO 14064-1:2018) and Greenhouse Gas (GHG) Protocol - A Corporate Accounting and Reporting Standard (Revised Edition) (GHG Protocol).

Quantification Methodology: In accordance with the requirements of ISO 14064-1:2018 for quantification model selection, i.e., accuracy, frequency, timeliness, completeness, control, and validity, and taking into account the feasibility and cost of data, we adopted the emission factor method for the quantification of greenhouse gas emissions.

Acquisition of Activity Data: The Company has selected and collected greenhouse gas activity data according to the relevant requirements of the accounting and reporting standards. We have adopted accurate and reliable activity data as far as possible and carried out accounting in the following order of priority: activity-specific data - converted data - secondary data. The activity data sources of greenhouse gas sources involved in the accounting are shown in Table 3.

Table 3 GHG Sources Involved in the Accounting and Corresponding Activity Data Sources

	GHG Sources	Activity Data Sources
	Stationary combustion of natural gas and diesel	Lists of fuel consumptions of all bases
Oatamam 1	Mobile combustion of gasoline and diesel	Self-owned vehicle refueling registration forms of all bases
Category 1	Fugitive emission from refrigerants and fire extinguisher fillers, etc.	Statistical data about consumption/fill quantity of refrigerants and fillers, etc.
	Methane (CH ₄) leakage in factory septic tanks	Data about BOD generation in factory septic tanks
Category 2	Purchased electricity	Electricity purchase invoice, I-REC certificate, other renewable electricity certificate
3 ,	Purchased steam	Steam purchase invoice
	Upstream transportation and distribution	Transportation data provided by 3PL suppliers
0-4	Downstream transportation and distribution	Shipment transportation data from internal systems
Category 3	Business travel	Business trip system, itinerary, etc.
	Employee commuting	Employee commuting questionnaire
	Waste generated in operations	Solid waste ledger, waste-associated data from internal systems
Category 4	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	Purchase invoices for natural gas, power, and steam
	Purchased goods and services	Purchase quantity from ERP system

Selection of Emission Factors² and Global Warming Potentials (GWP)³:

The Company has taken into full account the clarity and credibility of the sources of emission factors as well as the applicability and timeliness of quantification models and activity data. Accordingly, we have adopted emission factors that are as accurate, reliable, and timely as possible for the accounting process, which was carried out in the "measured or calculated value-reference value" order of priority. The sources and references of emission factors mainly include:

- Ministry of Ecology and Environment, National Bureau of Statistics: Announcement on the Release of CO₂ Emission Factors for Electricity in 2021 (2024);
- UK Government GHG Conversion Factors for Company Reporting (2022);
- · Ministry of Ecology and Environment: Accounting and Reporting Guidelines for Greenhouse Gas Emissions of Enterprises -Power Generation Facilities (2022);
- · National Energy Foundation and Management Standardization Technical Committee: GB/T 2589-2020 General rules for calculation of the comprehensive energy consumption (2020);
- National Development and Reform Commission: Accounting Method and Reporting Guidelines for Greenhouse Gas Emissions of Enterprises in Other Industrial Sectors (Trial) (2015);
- · National Development and Reform Commission: Accounting Method and Reporting Guidelines for Greenhouse Gas Emissions of Enterprises in Electronic Equipment Manufacturing Enterprises (Trial) (2015);
- 2006 Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories;
- · Other emission factors directly obtained from suppliers/customers or provided by relevant external databases (e.g. GaBi).

All GWP values involved in the accounting process were selected on the basis of the sixth assessment report (AR6) released by IPCC.

Basis for Third-Party Verification: In order to further increase the credibility of the data disclosed in this report, the Company commissioned third-party agencies to conduct independent verification of the greenhouse gas emissions data of 15 companies and subsidiaries that have been in stable operation, possess certification qualifications, and have a significant impact on the Company's overall greenhouse gas emissions (as shown in Table 1) in accordance with Greenhouse gases - Part 3: Specification with Guidance for the Verification and Validation of Greenhouse Gas Statements (ISO 14064-3:2019).

The total amount of Scope 1 and Scope 2 greenhouse gas emissions of the abovementioned 15 companies and subsidiaries are estimated to account for approximately 97% of the total amount of corresponding greenhouse gas emissions of the core operational scope of CATL.

For further details about Greenhouse Gas Verification Statement, please refer to the "Appendix: Third-party Verification Information" section of this report.

² Emission Factors, formally known as greenhouse gas emission factors (GHG emission factors), represent the coefficient of greenhouse gas emissions per unit of production or consumption activity.

³ GWP represents the ratio of the radiative forcing impact of one unit mass of a given greenhouse gas over a specified time period compared to the radiative forcing impact of an equivalent mass of carbon dioxide

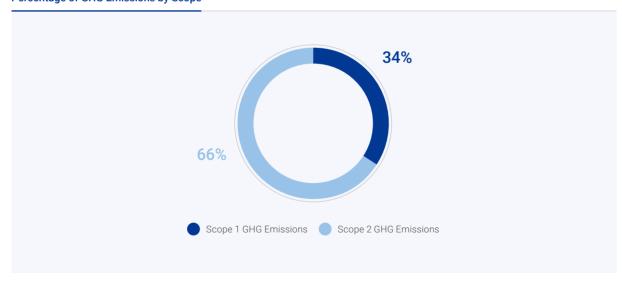
Greenhouse Gas Emissions Accounting Results

The Scope 1 and Scope 2 greenhouse gas emissions and their respective breakdowns of the companies and subsidiaries within the organizational boundary (Table 1) from January 1, 2023 to December 31, 2023 are shown as follows.

Table 4 Greenhouse Gas Emissions within the Organizational Boundary in 2023⁴

GHG Emissions Category	Unit	Emissions in 2023
Scope 1 Greenhouse Gas Emissions	tCO ₂ e	765,338.97
Scope 2 Greenhouse Gas Emissions	tCO ₂ e	1,477,835.08
Scope 1 + Scope 2 Greenhouse Gas Emissions	tCO₂e	2,243,174.05

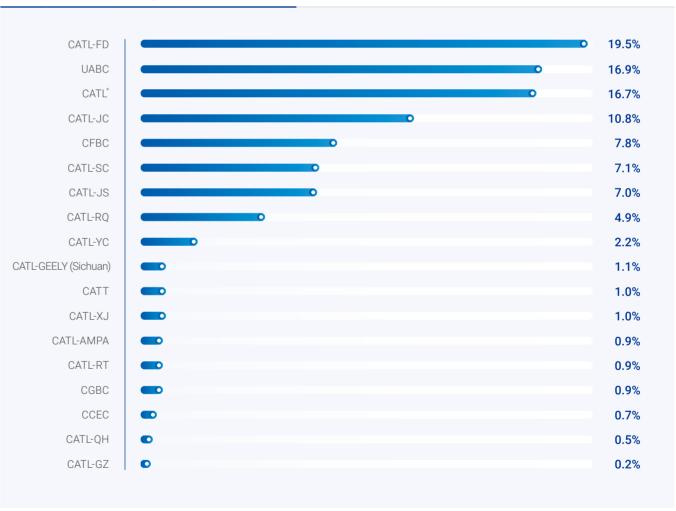
Percentage of GHG Emissions by Scope



4 In 2024, CATL conducted independent verifications for 15 companies and subsidiaries within the organizational boundary. Some of the Scope 1 and Scope 2 greenhouse gas emissions data were adjusted compared to the figures disclosed in the CATL 2023 Environmental, Social, and Governance Report. Following the verification, the total Scope 1 + Scope 2 greenhouse gas emissions within the organizational boundary increased by approximately 6.62% compared to the corresponding figures reported in the 2023 ESG Report.



Percentage of GHG Emissions by Companies and Subsidiaries



2023 to December 31, 2023 are shown as follows.

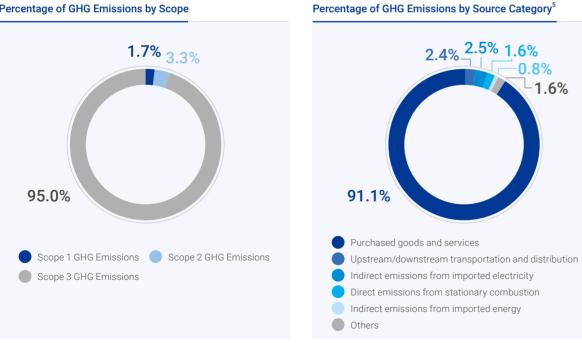
The Scope 1 greenhouse gas emissions, Scope 2 greenhouse gas emissions, and substantial Scope 3 greenhouse gas emissions of 15 companies or subsidiaries, i.e., CATL+, CATL-QH, CATL-JS, CATL-YC, CATL-GZ, UABC, CFBC, CGBC, CATL-SC, CATL-XJ, CATL-RT, CATL-GEELY (Sichuan), CATL-FD, CATL-JC and CATL-RQ have been independently verified by third party agencies. The Scope 1 greenhouse gas emissions, Scope 2 greenhouse gas emissions, and Scope 3

greenhouse gas emissions and their respective breakdowns of the verified companies and subsidiaries from January 1,

Table 5 GHG Emissions of the Verified 15 Companies and Subsidiaries in 2023

GHG Emissions Category	Unit	Emissions in 2023
Scope 1 Greenhouse Gas Emissions	tCO ₂ e	750,421.15
Scope 2 Greenhouse Gas Emissions	tCO ₂ e	1,433,716.04
Scope 3 Greenhouse Gas Emissions	tCO ₂ e	40,705,473.66
Scope 1 + Scope 2 Greenhouse Gas Emissions	tCO ₂ e	2,184,137.19
Indirect (Scope 2 + Scope 3) Greenhouse Gas Emissions	tCO ₂ e	42,139,189.70
Scope 1 + Scope 2 + Scope 3 Greenhouse Gas Emissions Total	tCO ₂ e	42,889,610.85

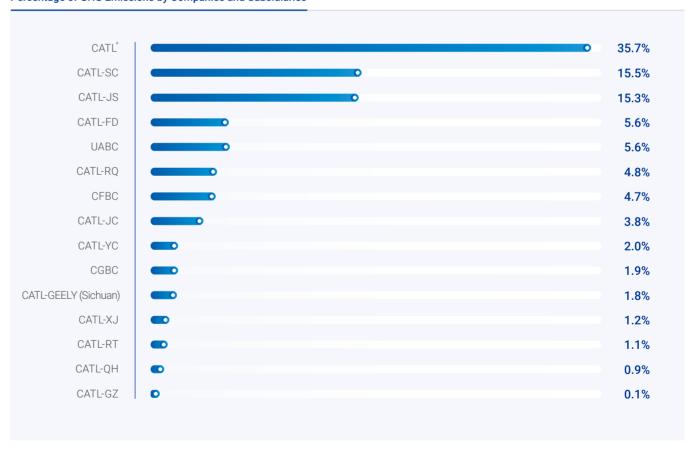
Percentage of GHG Emissions by Scope



^{5 &}quot;Others" includes mobile combustion direct GHG emissions, fugitive GHG emissions, business travel, employee commuting, waste generated in operations, and fuel- and energy-related activities (not included in Scope 1 or Scope 2).



Percentage of GHG Emissions by Companies and Subsidiaries





Appendix: Third-party Verification Information



ISO 14064 Greenhouse Gas Verification Statement





Appendix: Third-party Verification Information



































PAS 2060 Verification Statement of Achievement of Carbon Neutrality





















Appendix: Third-party Verification Information









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