

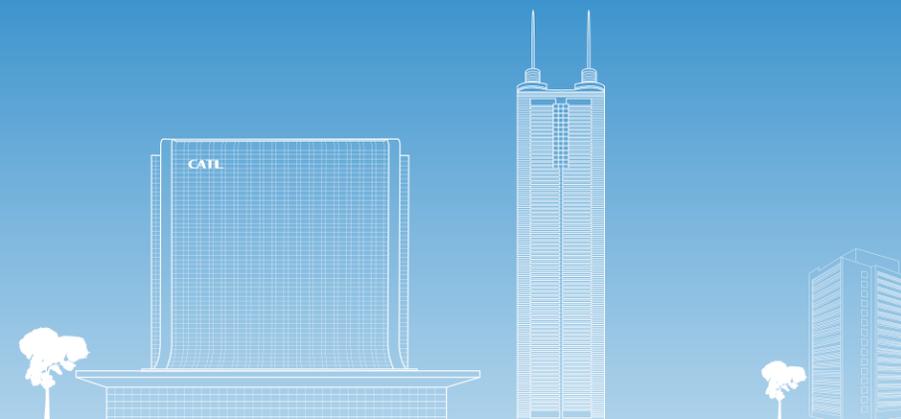
# CATL

## 2020 / Contemporary Amperex Technology Co., Limited

SOCIAL RESPONSIBILITY REPORT



# CATL



## CONTENTS

<p><b>About this Report</b> 02</p> <hr/> <p><b>Message from the President of CATL</b> 04</p> <hr/> <p><b>Overview of CATL</b> 06 Integrity management to create a better future together</p> <hr/> <p>Company Profile 08</p> <p>Structure and Governance 12</p> <p>CATL and Stakeholders 17</p>	<p><b>Epidemic Prevention and Control</b> 18 Unite to Contain the Epidemic</p> <hr/> <p>Working Together to Get Through Difficulties 20</p> <p>Scientific Coordination to Balance Epidemic Prevention and Recovery 20</p> <p><b>Responsible Supply Chain</b> 22 Innovation achievements for harmony and win-win</p> <hr/> <p>Product Development 24</p> <p>Responsible Sourcing 25</p> <p>2020 Annual Due Diligence Investigation Report on Responsible Mineral Supply Chain 28</p> <p>Green Logistics 30</p> <p>Quality Control System 31</p> <p>Customer Satisfaction Management 32</p>	<p><b>Environment and Energy Management</b> 34 Sustainable development to care for the ecological environment</p> <hr/> <p>Pollutant discharge of key polluters 36</p> <p>Construction and Operation of Pollution Prevention Facilities 37</p> <p>Environmental Impact Assessment of Construction Projects and Other Administrative Licenses for Environmental Protection 38</p> <p>Contingency Plan for Environmental Incidents 39</p> <p>Environmental Self-Monitoring Plan 39</p> <p>Energy Management 40</p> <p><b>Labor and Human Rights</b> 42 Equality and diversity to enable employee growth</p> <hr/> <p>Employee and Cultural Diversity 44</p> <p>Employee Care and Development 45</p> <p>Gender Equality 50</p> <p>Employee's Health and Safety 51</p>	<p><b>Chronicle of Corporate Social Responsibility Activities</b> 54 Remain true to the mission to sincerely give back to society</p> <hr/> <p>CATL Volunteer Service Team 56</p> <p>Targeted Poverty Alleviation 57</p> <p>CATL Brand Charity Forest 62</p> <p>Sustainable Development Month 63</p> <p><b>Advice and Feedback</b> 66</p> <hr/>
--	--	---	--

# COMPANY CULTURE

## About this Report

This Report is the third social responsibility report issued by Contemporary Amperex Technology Co., Limited (hereinafter "CATL" or "the Company"). This Report is issued along with the *2020 Annual Report of CATL*. This Report was reviewed and approved at the 28th meeting of the 2nd Board of Directors held on April 26, 2021.

### Reporting Period

The reporting period starts from January 1, 2020 and ends on December 31, 2020. To increase the comparability and completeness of this Report, some of the information is retrospective to previous years.

### Scope of this Report

Unless otherwise specified in the context, this Report covers CATL, its subsidiaries and branches.

### Basis of Preparation

This Report is made with reference to the *Rules Governing the Listing of Shares on the ChiNext Market of Shenzhen Stock Exchange*, the *Guidelines No. 2 for the Business Handling of Listed Companies on the ChiNext Board: Periodic Report Disclosure*, the *GRI Standards*, the Sustainable Development Goals set by the United Nations, and taking account of the situation of CATL.

### Data Source and Reliability Assurance

The financial data in this Report are based on the audited financial statements of CATL; in case of any discrepancy between the financial data and the annual report, the annual report shall prevail. Other data are provided by relevant departments of CATL. Unless otherwise provided, the currency involved in this Report is CNY.

### Report Issuing

This Report is issued once a year in the form of a printed version, a digital version and a brief digital version. The digital version can be downloaded from the website of CATL (<https://www.catl.com/>). The brief digital version is available via a QR code. This Report is issued in both Chinese and English. In case of any discrepancies in the two versions, the Chinese version shall prevail.

### Contact us

CATL Sustainability Management Committee  
Address: No. 2 Xingang Road, Zhangwan Town, Jiaocheng District, Ningde City, Fujian Province, the People's Republic of China  
Tel.: +86-593-8901666  
Email: CATL-CSMC@catl.com

### Mission

innovate to enable customers achievements,  
power your life

### Vision

Rooted in the Chinese culture while embracing the global culture, strive to be a global premier innovative technology corporation, deliver excellent contributions to green energy resolutions for mankind, and provide a platform of pursuing the spiritual and material well-being of our employees!

### Core Values

*Refine Enable Strive Innovate*



## Message from the President

### Committed to making outstanding contributions to the cause of new energy for mankind and promoting sustainable development.

The year 2020 is of special significance to CATL. This year, we ushered in the 10th anniversary of the company. Since its establishment, CATL has always been adhering to the core values of "refine, enable, strive, and innovate" and taking "deliver excellent contribution to green energy resolution for mankind" as its vision.

At the beginning of 2020, the sudden outbreak of COVID-19 swept the world, resulting in a serious impact on the lives of people and economic and social development of all countries in the world. As a member of this society, CATL has actively participated in the battle against the pandemic and immediately donated CNY 10 million to the Red Cross Society Hubei Branch for the front-line fight against the virus in the affected areas. In addition, CATL has donated medical supplies to partners from all over the world, standing together with its global partners to overcome difficulties.

In recent years, the increasingly deteriorating global environment has attracted widespread attention from all countries. In 2020, President Xi Jinping pledged at the 75th session of the United Nations General Assembly that "China will strive to reach its peak emission of CO<sub>2</sub> ahead of 2030 and achieve carbon neutrality by 2060." For a long time, CATL has been committed to providing users with solid and reliable EV batteries and energy storage solutions while continuously improving production efficiency and reducing unit energy consumption and carbon emissions, so as to make continuous contributions to tackling climate change and achieve the goal of carbon neutrality. Mr. Zeng Yuqun, chairman of CATL, submitted the Proposal on Accelerating the Construction of New Infrastructure for Electrochemical Energy Storage and Supporting the Implementation of the Chinese Strategic Goal of Carbon Neutrality (3060) at the "Two Sessions" 2021 (NPC and CPPCC), and announced that the plan for carbon neutrality has been fully launched at CATL.

Always insisting on actively assuming social responsibilities, CATL has achieved certain results in environmental protection, energy conservation and emission reduction, in the promotion of economic growth, labor and human rights, social welfare, targeted poverty alleviation and other areas. The sustainable development goal is a long-term and enduring project. It requires all employees, customers, suppliers and other stakeholders to promote the concept of sustainable development in the entire ecosystem and work together for the new energy cause of mankind. Let's work hard and forge ahead together!

Zhou Jia

President of CATL



## Overview of CATL

Integrity management to create  
a better future together



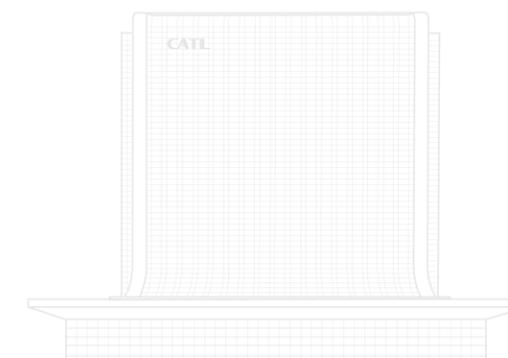
EV battery consumption volume  
has ranked No. 1 globally for  
four consecutive years



Total operating  
revenue of CNY  
**50,319,487,700**  
in 2020



Net profit of CNY  
**5,583,338,700**  
in 2020



## Company Profile

Contemporary Amperex Technology Co., Limited (CATL) is a global leader in the development and manufacturing of lithium-ion batteries, with business covering R&D, manufacturing and sales in EV battery systems for new energy vehicles and energy storage systems. CATL is committed to providing cutting-edge solutions for global new energy applications. According to SNE Research in 2020, its EV battery consumption volume has ranked No.1 in the world for four consecutive years. In 2020, CATL launched an unmanned electric mining mine solution, implemented China's first commercial application scenario of battery-changing heavy trucks, finished the construction of the national "13th Five-Year" smart grid special project - the first phase of the Fujian Jinjiang energy storage power station pilot project, and established the 21C Lab and Shanghai Jiao Tong University - CATL Joint Research Center for the development of clean energy technology in terms of scientific research.



**CATL**

Abbreviation



**2011**

Establishment



**Ningde, Fujian**

Headquarters



**300750**

Stock Code

To achieve the goal of realizing fossil fuel replacement in stationary and mobile energy systems with highly efficient electrical power systems that are generated through advanced batteries and renewable energy, and promote the integrated innovation of market applications with electrification and intelligentization, CATL maintains continuous innovation in the battery material chemistry structure system, structure system, extreme manufacturing and business model.

### Development in Three Directions

Replacing mobile fossil energy



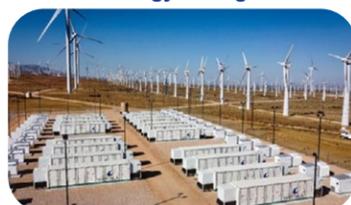
EV battery



Replacing stationary fossil energy



Renewable energy generation+ energy storage



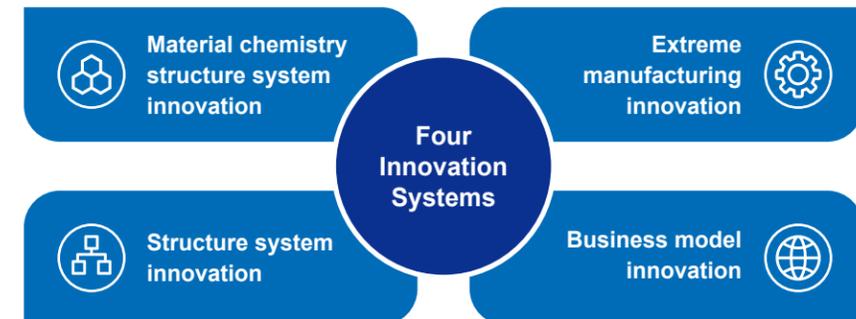
Realizing integrated innovation of market application



Electrification+ Intelligentization



### Innovation in Four Dimensions



### List of Honors and Awards Given to CATL in 2020

Serial number	Awards	Issued on	Granted by
1	Grade 3 Enterprise of Production Safety Standardization	May 2020	State Administration of Production Safety
2	Seven-star System Certification for After-sales Services	July 2020	National Commodity After-Service Conformity Certification Evaluation Committee
3	China's Top 10 Energy Storage Enterprises in 2020	August 2020	Organizing Committee of Energy Storage International Summit
4	Top 500 Chinese Private Enterprises in 2020 (No. 181)		All-China Federation of Industry and Commerce
5	Top 500 Chinese Private Manufacturing Enterprises in 2020 (No. 100)		
6	First Prize of the 2020 Fujian Standard Contribution Award	September 2020	Fujian Administration for Market Regulation (Intellectual Property Office)
7	CBIS 2020 Technology Innovation Award (Battery)	October 2020	CBIS 2020 Organizing Committee Batterydir.com
8	CBIS 2020 Product Trust Award (Battery)		
9	First Prize of the 2020 Fujian Standard Contribution Award	November 2020	Fujian Provincial People's Government
10	Annual Most Valuable Investment Award	December 2020	Gelonghui
11	Forbes China Most Innovative Companies	December 2020	Forbes China
12	China Automotive Parts Industry Award	December 2020	Automotive Business Review Magazine
13	Best Boards of Listed Company	December 2020	National Business Daily
14	The Most Promising Listed Company in the New Energy and New Materials Industry	December 2020	
15	Top 5 Capital Goods Industry	December 2020	
16	Top 50 Market Value List	December 2020	Wind
17	Top 50 Most Popular Listed Companies	December 2020	
18	The 4th International Energy Storage Innovation Competition	December 2020	CNESA (China Energy Storage Alliance)
19	EEO Annual Sustainable Operation Enterprise (2019-2020)	December 2020	EEO
20	GaoGong Lithium Battery Top 10 Listed Companies / Top 50 in the Lithium Battery Industry	December 2020	GaoGong Lithium Battery
21	Fortune's Future 50	December 2020	Fortune

## Global Location

CATL is headquartered in Ningde City, Fujian Province, China. CATL cultivates the domestic market by having established battery manufacturing bases in Ningde (Fujian), Liyang (Jiangsu), Xining (Qinghai), Yibin (Sichuan), and Zhaoqing (Guangdong), and is expanding its overseas market by having set up its first overseas plant located in Erfurt, Thuringia, Germany, and subsidiaries in Munich, Germany, and Paris, France, Yokohama, Japan, Detroit, USA and other places.



## Product Introduction

The Company is a leading global provider of lithium-ion batteries, with business covering R&D, manufacturing and sales in battery systems for new energy vehicles and energy storage systems. CATL is committed to providing cutting-edge solutions for global new energy applications. The Company has core technology advantages and sustainable R&D capabilities in key areas of the industrial chain such as battery materials, battery systems, and battery recycling, having established a comprehensive and complete production and service system, and promoted the wide use of lithium-ion batteries as high-quality energy storage carriers through an innovation of its business model.

CATL's main products include the EV battery system, energy storage system, and Li-ion battery materials.

### 1. EV Battery System

CATL's EV battery system consists of cells, modules, and battery packs with a wide application in new energy passenger vehicles, new energy commercial vehicles, and other vehicles utilizing new energy, as well as non-road mobile machinery. CATL's EV battery system can meet various functional requirements such as start-stop, fast charging, long service life, and long road trips. The products are characterized by high-energy density, multiple cycles, safety and reliability. In line with the field of application and customer requirements, CATL offers a tailor-made product solution through customization or joint R&D to meet the different demands of customers for product performance.

In the field of new energy passenger vehicles, CATL's EV batteries have been widely used in pure electric passenger vehicles, plug-in hybrid electric passenger vehicles, hybrid electric passenger vehicles and micro-hybrid passenger vehicles, forming a complete product series including NMC high nickel batteries with high-energy density and cost-effective LFP batteries.

In the field of new energy buses, CATL's EV batteries have been widely used in electric buses, plug-in hybrid electric buses and hybrid electric buses, such as urban buses, tourism buses, and shuttle buses. In the field of new energy trucks, CATL's products can be used in commercial vehicles such as electric heavy trucks, light trucks and logistics vehicles. In the field of new energy two-wheelers, the Company's products can be applied to electric bicycles, electric motorcycles and other fields, covering business models such as battery swapping. In addition, CATL is also exploring the market of other special-purpose vehicles via providing customized solutions, such as sanitation vehicles and port trailers.

The Company's EV battery products can be also widely used in other fields such as electric vessels, forklifts and construction machinery.

### 2. Energy Storage System

CATL's energy storage system products include cells, modules, packs, and battery racks. The products are applied in the fields of power generation, power transmission and distribution, and power consumption, covering power generation integrating storage facilities for solar or wind power generation, energy storage for industrial enterprises, energy storage for commercial buildings and data centers, energy storage and charging stations, backup batteries for communication base stations, and house hold energy storage, which can effectively overcome the irregular output of wind or solar power generation, make up for loss of power lines, track and plan peak-load shifting, improve the energy efficiency of wind and photovoltaic power generation systems and achieve a balance between peak and valley in the electricity sector.



### 3. Lithium-ion Battery Materials

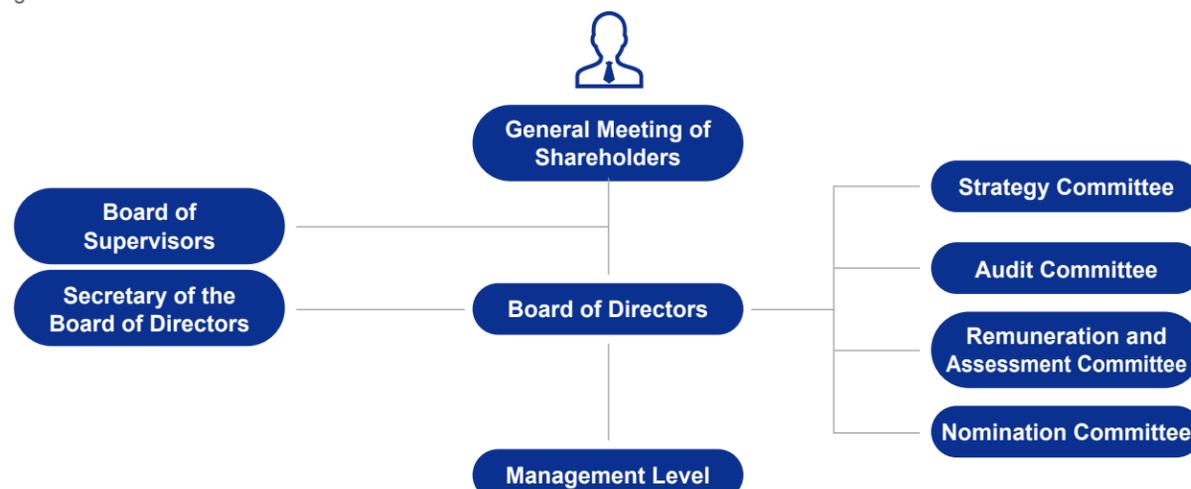
CATL processes, purifies and synthesizes valuable metals such as nickel, cobalt, manganese, and lithium from used lithium-ion batteries to produce NMC precursors and other lithium-ion battery materials, so as to recycle and reuse the metal resources mentioned above. CATL also processes and produces lithium-ion battery materials through outsourcing materials.



## Structure and Governance

### Structure

As of December 31, 2020, the governance of CATL was in line with the requirements of the *Code of Corporate Governance for Listed Companies* and *Rules Governing the Listing of Shares on the ChiNext Market of Shenzhen Stock Exchange*. The governance structure is as follows:



## Economic Performance



**40 +**  
Promote more than 40 supporting enterprises in the industrial chain to settle in Ningde



**50 billion**  
Drive a cumulative investment of over CNY 50 billion



**100 billion**  
Form a Li-ion battery industry cluster of CNY 100 billion

In 2020, the Company has overcome the impact of the COVID-19 pandemic, flexibly responded to changes in the market and industry, continued to increase its efforts in research and development, optimized product structure and market strategies, and steadily expanded production capacity to meet its customers' demands. In addition, the Company continued to maintain and establish the most extensive customer basis in the industry, and showed strong competitiveness in supply chain management, cost control, market acquisition, technology iteration, customer service and other aspects with the continuous expansion of production and operation and the increasingly prominent advantages of scale.

During the reporting period, the Company earned a total operating revenue of CNY 50,319,487,700, which represents a top-line growth of 9.9% over the year 2019. This translates to a net profit of CNY 5,583,338,700 attributable to shareholders of the listed company with a year-on-year increase of 22.43%. During the reporting period, the Company sold 46.84GWh of lithium-ion batteries, including 44.45GWh of EV battery systems, ranking first in the world.



Total operating revenue of  
**CNY 50,319,487,700**



A top-line growth of **9.9%**  
over the previous year



Net profit of CNY  
**5,583,338,700**



A year-on-year increase of  
**22.43%**

### (1) EV Battery System

The sales of the EV battery system are the Company's main source of income. During the reporting period, the Company earned a revenue of CNY 39,425,820,700 in EV battery sales, representing a rise of 2.18% compared with the previous year. According to the certification data of CATARC, the total installed capacity of EV batteries in domestic market is 63.6GWh, an increase of 2% year-on-year, of which the Company's installed capacity is 31.9GWh, with a market share of 50%.

### (2) Energy Storage System

During the reporting period, the Company's layout of the energy storage market in the early stage was gradually implemented, and the sales revenue of the energy storage system was CNY 1,943,450,200, with a year-on-year increase of 218.56%. Driving by the energy storage market which was rapidly initiated, the Company continued to increase R&D investment. Based on long-life battery technology and liquid-cooled CTP electric box technology, the Company launched its outdoor system "EnerOne", realized the transformation from providing components to providing battery systems to the overseas market, and had leading indicators such as safety and economy in the industry.



**EV battery system**



Sales revenue: CNY  
**39,425,820,700**



Increased by  
**2.18% YOY**



Installed capacity:  
**31.9 GWh**



Market share:  
**50%**



**Energy storage system**



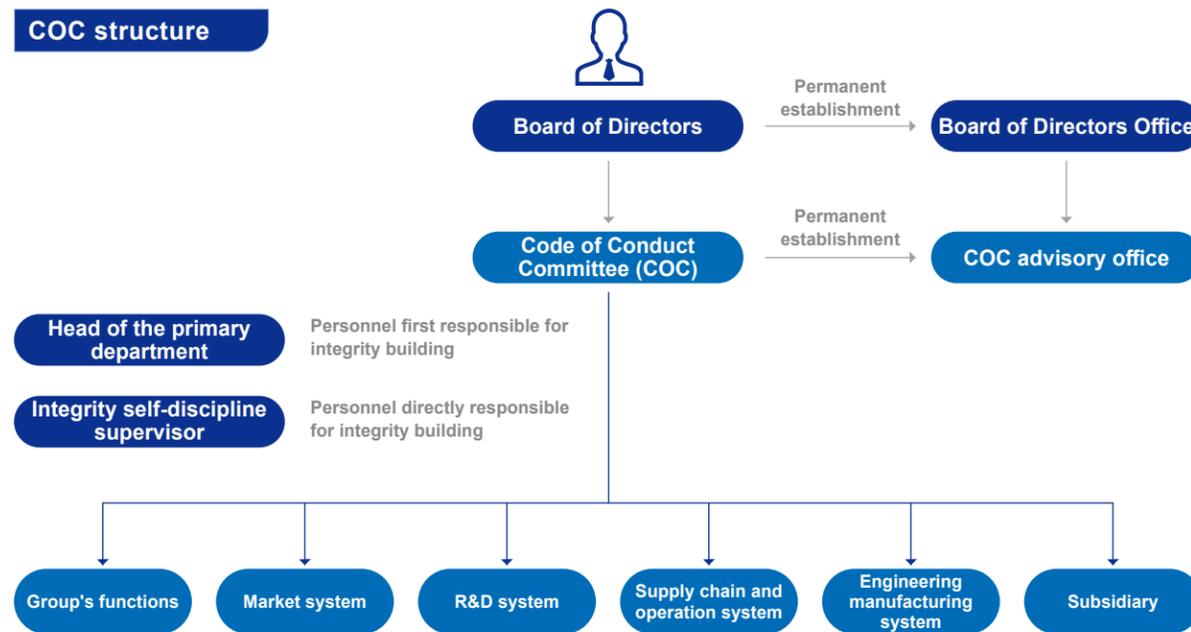
Sales revenue: CNY  
**1,943,450,200**



Increased by  
**218.56% YOY**

## Integrity Development

In order to maintain the effectiveness and supervise the specific implementation of the *Code of Conduct*, CATL established a Code of Conduct Committee (COC) in 2016, which is responsible for formulating policies for integrity development, establishing and improving rules, systems and procedures related to the Code of Conduct, conducting integrity education, promoting a culture of integrity, and investigating employees who have violated CATL's code of conduct.



In 2020, under the specific leadership of the Code of Conduct Committee, CATL increased its investigation into and punishment of violations of laws and regulations, gradually established and improved its integrity system, vigorously promoted its integrity culture focusing on "refine" and created a working atmosphere of compliance, integrity and honesty, with the goal of preventing its employees from engaging in corruption.



Anti-corruption themed event

In terms of integrity supervision, CATL adheres to legal and compliant operations, maintains zero tolerance for corruption, and unwaveringly opposes commercial bribery. CATL actively explores the model of external cooperation, is constantly improving its methods of internal cooperation, and is gradually forming a closed loop for integrity supervision and management measures, creating an atmosphere of discourages corruption.



Special Integrity Training Event for Senior Managers

In terms of system construction, CATL has issued six new systems including the *Prohibiting Employees from Corruption*. The integrity management systems centered on the *Code of Conduct* have been continuously improved, and rules are to be followed in integrity building to prevent corruption at the source, and build a strong firewall to prevent corruption.



Launch Ceremony of the *Employee Integrity Manual*

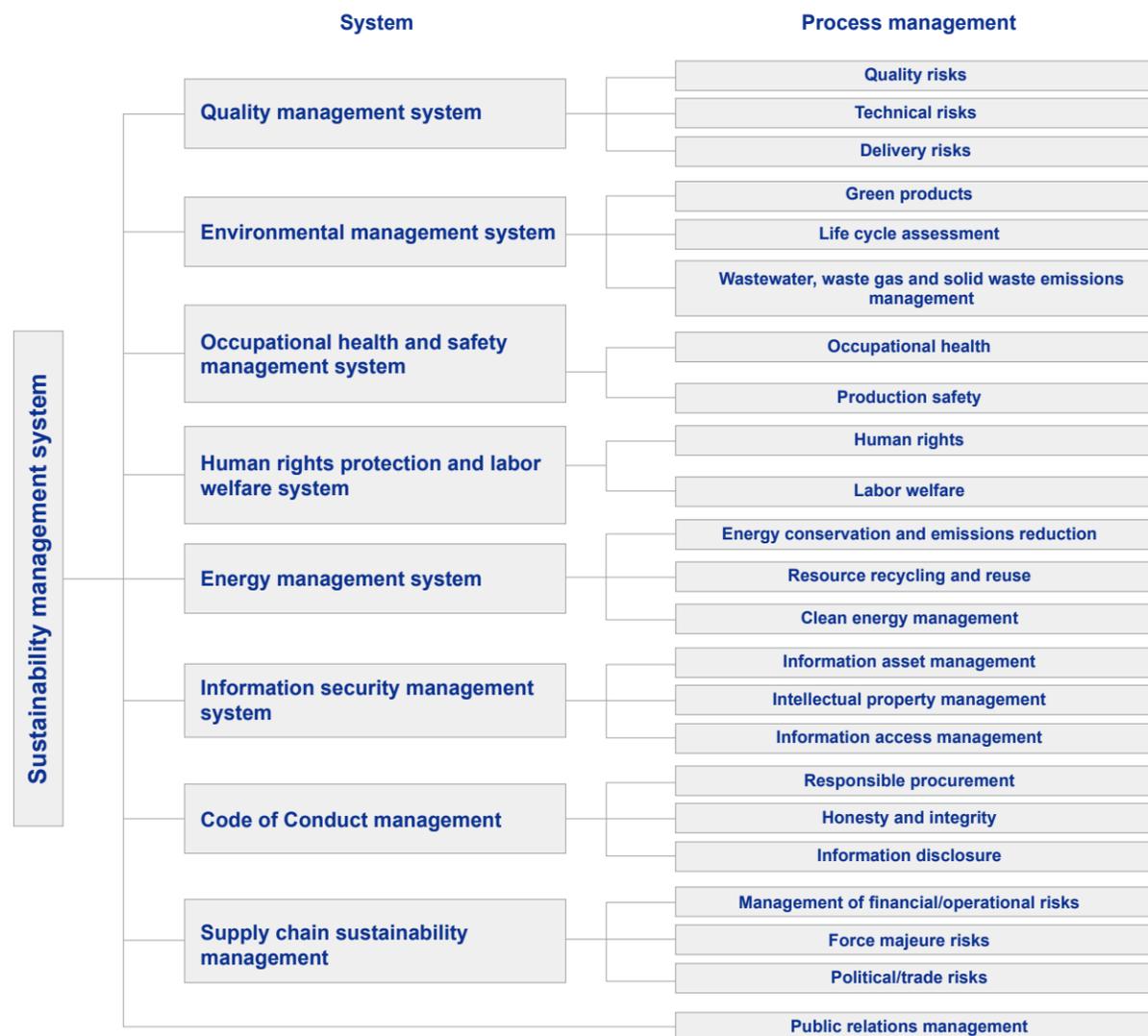
In terms of integrity education, CATL has successfully held a series of themed activities on "remaining true to original aspiration and working with integrity," carried out employee integrity certification exams on a regular basis, and prepared and issued the *Employee Integrity Manual* to provide its employees with teaching materials for law education, and improve employees' compliance awareness. CATL has also promoted its integrity development results among its partners and calls on its partners to earnestly fulfill their integrity commitments and vigorously protect the new energy industry.

## Sustainability Management Committee

In 2018, CATL established the Sustainability Management Committee with five co-presidents from different systems as members to create a sustainable culture from the top down. In order to fully implement the concept of sustainability, a number of department managers have been appointed as persons in charge in different fields to ensure CATL's sustainability. The Committee is responsible for formulating and evaluating long-term plans, policies, practices, opportunities and risks related to the sustainable development of the Group, and supervising each department and factory to implement relevant corporate plans.

On March 31, 2020, in order to further promote the sustainability management of CATL, the Jiangsu production base and the Qinghai production base established the Sustainability Management Committees of subsidiaries, responsible for the sustainability governance, and reported to the Sustainability Management Committees of the Headquarters.

In November 2020, CATL upgraded and revised the sustainability section on its official website, and expanded the scope of disclosure of sustainability, making it easier for stakeholders to read and supervise the sustainability construction.



## CATL and Stakeholders

CATL has always followed the sustainable development management guidelines of "All-win Harmony, Innovate to Achieve, Legitimate Operation, and Eco-friendly," abided by relevant national laws and regulations, satisfied customers with its innovations, treated all shareholders equally, paid attention to labor and human rights, created an efficient and standard procurement environment, advocated an "Eco-friendly economy" actively assumed social responsibilities, supported the UN Sustainable Development Goals (SDGs), accepted the supervision of all stakeholders, continued to strengthen communications with all stakeholders, and worked together with its partners and stakeholders to create a better future.

- All-win Harmony
- Innovate to Achieve
- Legitimate Operation
- Eco-friendly

Stakeholders	Government and supervisory authority	Customers	Investors	Employees	Suppliers	Environment	Society
Issues of Concern	<ol style="list-style-type: none"> <li>1. Compliance operation and economic performance</li> <li>2. Job opportunities</li> <li>3. Comply with applicable laws</li> </ol>	<ol style="list-style-type: none"> <li>1. R&amp;D capacity</li> <li>2. Quality, safety and environmental protection performance</li> <li>3. Customer service</li> <li>4. After-sales service and product recall</li> <li>5. Supply chain sustainability</li> </ol>	<ol style="list-style-type: none"> <li>1. Returns on investment</li> <li>2. Operation information disclosure</li> <li>3. Embezzlement and corruption</li> </ol>	<ol style="list-style-type: none"> <li>1. Welfare and promotion</li> <li>2. Occupational health and safety</li> <li>3. Professional training and career planning</li> <li>4. Equality in race, culture and gender</li> </ol>	<ol style="list-style-type: none"> <li>1. Standardized and transparent procurement process</li> <li>2. Fair and just procurement environment</li> <li>3. Equality, win-win and common development</li> </ol>	<ol style="list-style-type: none"> <li>1. Pollutant discharge</li> <li>2. Energy use</li> <li>3. Environmental information disclosure</li> <li>4. Product life cycle management</li> </ol>	<ol style="list-style-type: none"> <li>1. Social responsibility</li> <li>2. Volunteer service</li> </ol>
Our Response	<ol style="list-style-type: none"> <li>1. Pay total taxes of more than CNY 10 billion, which helped CATL's high-quality economic development.</li> <li>2. Create nearly 30,000 jobs.</li> </ol>	<ol style="list-style-type: none"> <li>1. As of December 31, 2020, CATL's R&amp;D team had 5,592 persons.</li> <li>2. Establish strong cooperative relations with well-known domestic and foreign enterprises, universities and research institutes, and lead and participate in the formulation or revision of more than 50 domestic and foreign standards.</li> <li>3. Have 382 service stations worldwide, with its service network covering 249 cities.</li> <li>4. Provide training for suppliers to improve their sustainability and coach them in establishing sustainability systems.</li> </ol>	<ol style="list-style-type: none"> <li>1. Communicate with investors and fulfill the obligation of information disclosure in a true, accurate, complete, fair and timely manner.</li> <li>2. Maintain zero tolerance for corruption, and build an integrity construction system where employees do not dare, are free of opportunities, and are not willing, to become corrupted.</li> </ol>	<ol style="list-style-type: none"> <li>1. Offer decent welfare and transparent promotion channels.</li> <li>2. Establish performance indicators related to labor and human rights, resolving 100% of labor complaints.</li> <li>3. Establish a mutual aid fund, with a total expenditure of CNY 3 million.</li> <li>4. Encourage employees to upgrade their academic qualifications and continuously improve their work-related competitiveness.</li> </ol>	<ol style="list-style-type: none"> <li>1. Carry out online bidding to ensure the confidentiality of data before bid openings.</li> <li>2. Promote a culture of integrity in the supply chain, and ensure all employees and suppliers sign integrity commitments.</li> <li>3. Continuously improve the procurement procedures and standardize the procurement process.</li> </ol>	<ol style="list-style-type: none"> <li>1. Popularize the knowledge of waste sorting and guide employees in correctly disposing of waste.</li> <li>2. Promote the ISO 14001 environmental management system, implement the ISO 50001 energy management system, and commit to the production of battery products meeting carbon-neutral standards.</li> <li>3. Possess the ability to measure the entire life cycle of products.</li> </ol>	<ol style="list-style-type: none"> <li>1. In 2020, a total of CNY 309,677,200 was invested in poverty alleviation.</li> <li>2. In 2020, Phase 235 of volunteer activities was carried out.</li> <li>3. In September 2020, the second sustainability themed event month was held.</li> <li>4. During the epidemic, CATL donated CNY 10 million to the Red Cross Society of China Hubei Branch; its subsidiaries donated CNY 1,276,600. CATL also donated medical supplies to its partners worldwide.</li> </ol>

## Epidemic Prevention and Control

Uniting to Contain the Epidemic

At the beginning of 2020, the Novel Coronavirus Pneumonia (COVID-19) was getting worse. CATL decisively joined the fight against the pandemic, fulfilled its social responsibilities, gave back to society, and responded to the government's call by proactively taking multiple measures and making COVID-19 prevention and control the top priority of CATL's resumption of work and production.



A total of CNY  
**11,276,600**  
donated to combat COVID-19



More than  
**20,000**  
employees returned to work  
successfully, with zero infections



**100,000** masks and **200,000** pairs of medical  
gloves were donated to the Stiftung ambulante  
ärztliche Versorgung Thüringen in Germany



## Working Together to Get Through Difficulties

At the beginning of 2021, COVID-19 prevention and control was a concern of people across China. On January 27, CATL donated CNY 10 million to the Red Cross Society of China Hubei Branch, funds which were uniformly arranged and used by the COVID-19 Prevention and Control Command Center for the frontline fight, prevention and control in affected areas. Its subsidiaries also later donated CNY 1,276,600 (including masks and other anti-epidemic supplies, equivalent to CNY 116,600) to the Foshan Branch of the Red Cross Society of China in Shanshui District, the Tsingshan Charity Foundation and the Hunan Branch of the Red Cross Society in Ningxiang City.

In early March, COVID-19 began to spread in Germany. CATL immediately donated 100,000 masks and 200,000 pairs of medical gloves to the Stiftung ambulante ärztliche Versorgung Thüringen to support front-line health workers in Thuringia in their fight against the outbreak. In this special period, CATL firmly backed its global partners to overcome difficulties together.



Medical supplies arrived in Thuringia on April 1



## Scientific Coordination to Balance Epidemic Prevention and Production Recovery

After the Spring Festival of 2020, the domestic COVID-19 outbreak had reached its peak. CATL had attached great importance to the prevention and control of the epidemic in China. Multiple departments and subsidiaries set up an epidemic prevention and control command as soon as possible to earnestly implement national decisions and arrangements on epidemic prevention and control, giving full play to CATL's role in independent epidemic prevention, established and improved its epidemic prevention and control work system, and did a good job in material storage, personnel screening, personnel and site COVID-19 prevention and control, system establishment, and epidemic prevention publicity etc. CATL strengthened the sense of anti-epidemic responsibility, effectively implemented work responsibilities, made epidemic prevention and control the task of every employee, and built a strict line of defense for collective epidemic prevention and control.

The epidemic prevention and control command issued a total of 13 documents to promote the latest policies for epidemic prevention and control, guaranteed that more than 20,000 persons returned to work smoothly, and popularized epidemic prevention and control as well as hygiene knowledge among employees through emails, internal APPs, departmental webpages, forums, an official Wechat account, physical display boards, etc., to improve the epidemic prevention and control awareness of all employees, and perfect the regular epidemic prevention mechanism, having achieved the good results of zero confirmed cases and zero infections of the Company.



Staff members of the HR Employee Service Center put on protective suits to set up exclusive venues for new employees during the epidemic.

CATL prepares anti-epidemic packages for its fresh graduate employees who are about to join CATL or return to school safely.



On January 27, CATL donated CNY **10 million** to the Red Cross Society of China Hubei Branch



Its subsidiaries also successively donated CNY **1,276,600** to the Foshan Branch of the Red Cross Society of China in Shanshui District, the Tsingshan Charity Foundation and the Hunan Branch of the Red Cross Society in Ningxiang City.



Anti-epidemic packages

## Responsible Supply Chain

Innovation achievements for harmony and win-win



R&D investment  
CNY **3.569** billion



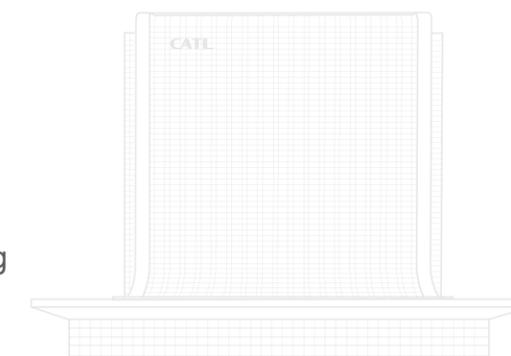
Trainings organized on supply chain sustainable development **19** times



Obtained national green product certification **8**



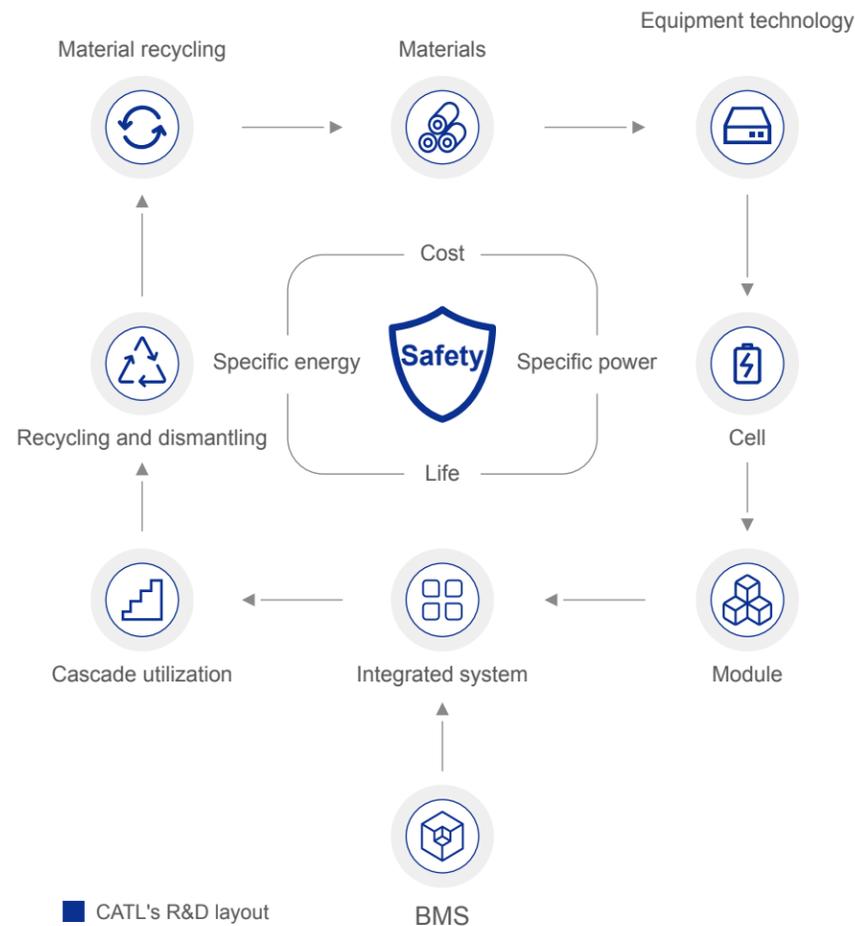
Percentage of recyclable packaging **60%**



## Product Development

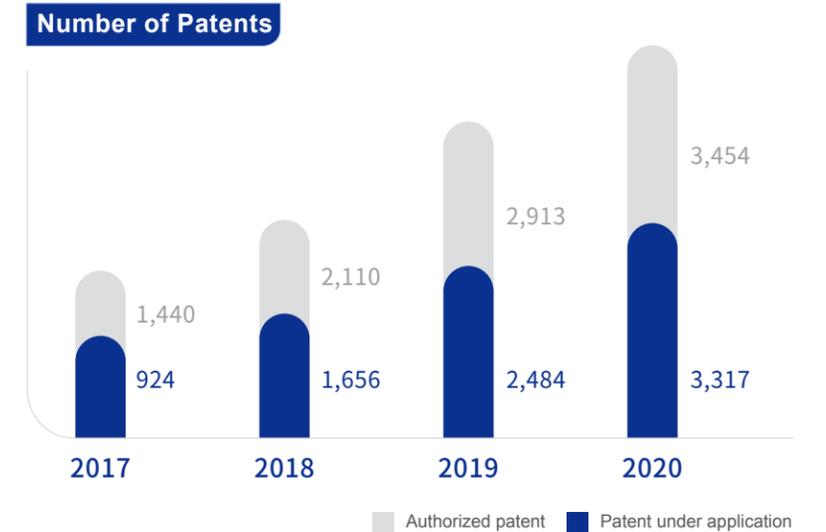
CATL attaches great importance to its R&D investment. In 2020, R&D investments were CNY 3.569 billion, at a YoY increase of 19.29%, accounting for 7.09% of turnover.

As of December 31, 2020, CATL had 5,592 R&D personnel, including 127 with doctoral degrees and 1,382 with master's degrees. The R&D team as a whole had a leading position in the industry in terms of size and strength. CATL's research and development covers various fields such as material research and development, product research and development, engineering design, test analysis, intelligent manufacturing, information systems, and project management.



CATL has set up the National Engineering Research Center for Electrochemical Energy Storage Technology, the Key Laboratory of Li-ion Battery Enterprises in Fujian Province, and the Testing and Verification Center certified by the China National Accreditation Service for Conformity Assessment (CNAS). It has established a "postdoctoral scientific research workstation," a "Fujian academician expert workstation" and a "21C Innovation Lab" dedicated to the research and development of cutting-edge technologies in the new energy field.

While insisting on independent research and development, CATL has established strong cooperation with well-known domestic and foreign enterprises, universities and research institutes, and leads and participates in the formulation or revision of more than 50 domestic and foreign standards. As of the end of 2020, CATL and its subsidiaries obtained 2,969 domestic patents and 348 overseas patents. CATL obtained a total of 3,454 domestic and foreign patents, which have been authorized and are being applied. It has always adhered to the work policy of "improving quality and quantity in intellectual property protection," focused on the protection and utilization of research and development results and related intellectual property rights guided by the *Corporate Intellectual Property Incentive System* and centered on "patent layout around key technologies," and been committed to the practical use of corporate intellectual property rights.



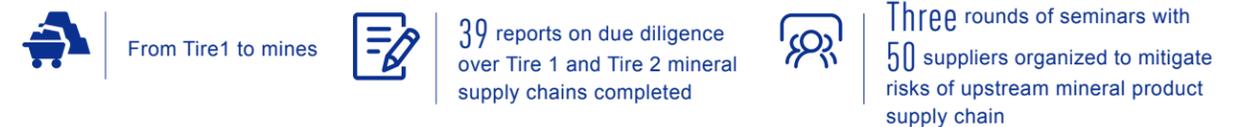
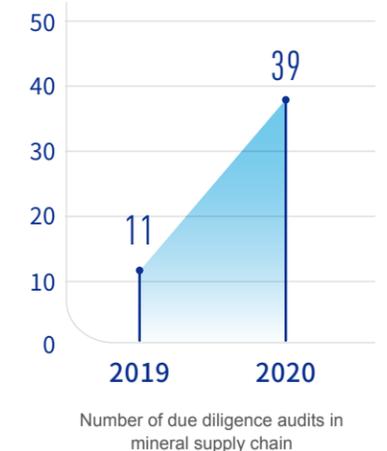
## Responsible Procurement

### Responsible Mineral Supply Chain

#### Due Diligence

With the rapid development of the new energy market, the demand for raw materials is rapidly growing. In an increasingly complex environment, improving transparency is very important for risk management and control of the supply chain, which can ensure a legal and stable supply of raw materials and a coordinated development of the economy, society and environment.

Since 2019, CATL has collaborated with third-party organizations to conduct due diligence over suppliers of anode and cathode materials and their upstream identification. Up to now, 39 reports on due diligence of the supply chain from Tire1 to mines have been completed, and no major problems have been identified. 39 Corrective-action-plans have been issued, and suppliers' rectification has been continuously tracked. Due to the impact of the pandemic, remote audits have been completed for some mines, as well as supply chain disclosure for customers.





The Executive Director of CATL Sustainable Development Management Committee attends the International Forum on a Sustainable Mineral Supply Chain and delivers a speech

### Responsible Mineral Management Exchange

As a member of the Responsible Cobalt Initiative, CATL actively participates in activities centered around responsible mineral supply chain organized by industrial associations. In December 2020, the Executive Director of the Sustainable Development Committee of CATL was invited to attend the 2020 International Forum on Sustainable Mineral Supply Chain organized by the Responsible Cobalt Initiative and delivered a speech at the conference.

In 2020, CATL completed three rounds of seminars with 50 suppliers, and planned to strengthen cooperation to achieve the goal of mitigating risks of the upstream mineral product supply chain.

### Training on Sustainable Development of Supply Chain

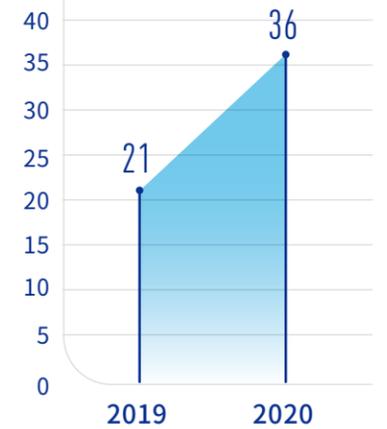
 19 trainings organized for internal employees and suppliers on supply chain sustainable development knowledge

 Nine training events for 38 core suppliers on improving internal capacity of supply chain



Site visit with suppliers for the training on sustainable development

While constantly improving its sustainable development management ability, CATL has vigorously carried out supply chain sustainable development management and training and organized 19 trainings for internal employees and suppliers on supply chain sustainable development knowledge, mainly focusing on carbon footprint management, responsible mineral resources procurement, customer sustainable development demand management, supply chain sustainable development system establishment basic knowledge of product life cycle assessment (LCA) and other topics for discussion and exchange, and nine trainings for 38 core suppliers on improving the internal capacity of the supply chain, with more than 1,000 participants. Through a series of trainings and capacity improvement programs, CATL's upstream partners have been urged to establish sustainable development management committees, establish sustainable development management policies, set mid-term and long-term sustainable development goals, apply for ISO27001 certification of the information security management system and ISO50001 certification of the energy management system, introduce a life cycle assessment management system, check greenhouse gases, as well as conduct product LCA and other sustainable development work.



Number of suppliers participating in sustainable development seminars

In 2020, due to the pandemic, CATL organized online sustainable development management system training and product life cycle assessment seminars for 36 upstream raw material suppliers, and conducted in-depth exchanges with suppliers, so as to make them better understand the sustainable development vision and requirements of CATL.

### Corporate Social Responsibility Management in Supply Chain

CATL implements the concept of sustainable development management, earnestly fulfills social responsibilities in supply chain management, and constantly improves the supplier management system from the aspects of labor standards, occupational health and safety, environmental management, trade safety, anti-corruption and anti-commercial bribery.

It is clearly stated in the relevant documents of CATL that suppliers shall not use minerals from conflict areas, and the suppliers are required to pass them to lower tier suppliers. Meanwhile, CATL has signed contracts and agreements with suppliers such as the *Commitment of Supplier Code of Conduct* to incorporate social responsibility requirements into its annual review and evaluation of suppliers and regularly evaluate the social responsibility performance of suppliers so as to ensure the effective implementation of social responsibility requirements in supply chain management and promote the sustainable development of CATL's supply chain in the long run.

### Fair and Just Procurement Environment

CATL selects suppliers in accordance with IATF16949, ISO9001, ISO14001, ISO45001, OHSAS 18001 and VDA6.3, and local labor and environmental regulations, and determines whether suppliers can be admitted to CATL's supply chain system through multi-party audit.

CATL implements sunshine procurement management, requires suppliers to execute social responsibility integrity agreements and conduct integrity self-inspection, and suppliers in the mineral supply chain to execute responsible mineral commitments, which are included in the contracts or agreements executed with mineral suppliers. Meanwhile, CATL has integrated sustainable development into all links from supplier selection to nomination. All suppliers must abide by the principles and requirements as stated in relevant agreements or contracts, and sustainable development is also the basis for CATL's cooperation with suppliers. CATL adopts an online bidding process during which the data are confidential before bid opening, and the selection is based on the results of comprehensive evaluation from multiple dimensions such as quality, technology, cost and logistics, so as to fully ensure the fairness of supplier selection. CATL promotes a culture of integrity in its supply chain, and all employees and suppliers should execute integrity commitment to create an open and transparent competitive environment to ensure the fairness of CATL's supply chain.

## 2020 Annual Due Diligence Investigation Report on Responsible Mineral Supply Chain

### CATL's Supply Chain Policy

CATL has formulated the *Due Diligence Management Policy for Responsible Mineral Resources Supply Chain* to create a fair, open, transparent, and responsible procurement environment, and avoid the use of minerals that directly or indirectly fund or benefit armed groups and/or involve other serious violations of human rights in high-risk and conflict-affected areas. This policy adopts the *Guidelines of China for Due Diligence Management of Responsible Mineral Supply Chain* (hereinafter referred to as "*China Guidelines*") issued by the China Chamber of Commerce of Metals, Minerals & Chemicals Importers and Exporters (CCCIMC), and the *Guidelines of OECD for Due Diligence Management of Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (the Third Edition)* (hereinafter referred to as "*OECD Guidelines*") issued by the Organization for Economic Cooperation and Development (OECD), and the regulations of the *Dodd-Frank Wall Street Reform and Consumer Protection Act* (hereinafter referred to as *Dodd-Frank Act*) regulating the Tin, Tantalum, Tungsten and Gold (hereinafter referred to as "3TG") minerals in conflict areas, and incorporates them into contracts or agreements executed with mineral resource suppliers. The scope of application is the tungsten, tin, tantalum, gold, nickel, cobalt, manganese, lithium, graphite, mica, copper, aluminum and other mineral supply chains of CATL and its subsidiaries and holding companies. CATL will widely disseminate this policy and implement it in the mineral resources supply chain pursuant to the *China Guidelines* and the *OECD Guidelines*.



This policy has been widely disseminated to relevant stakeholders and disclosed on CATL's official website <https://www.catl.com/about/responsibility/>

### Management System



#### Management Structure

- CATL has appointed supply chain due diligence management personnel, and coordinated relevant departments to participate in supply chain due diligence, to ensure that all departments perform their due diligence, implement the due diligence plan and report any questionable executions and potential risks.
- CATL conducts at least one due diligence management system training for key personnel of all relevant departments every year according to the requirements of the due diligence plan.

#### Internal Control System

CATL has updated the due diligence management procedures for responsible mineral supply chain in 2020, and made them consistent with the OECD guidelines. It has always conveyed the latest supply chain policy and procurement requirements to all identified upstream suppliers. CATL inspects all direct suppliers of anode and cathode materials once a year, and makes due diligence requirements part of the conversation.



According to CATL's requirements, all records and reports related to due diligence of responsible minerals should be kept for at least five years, and must be used correctly and safely stored in CATL's internal database.



CATL has a process for identifying risks in the supply chain:

First, CATL develops procedures for identifying CAHRAs with reference to the risks set forth in CATL's supply chain policy. The procedures include the resources used, the criteria for determining "conflict-affected and high-risk" areas, and the frequency of which we review decisions. CATL uses the following resources to determine CAHRAs: The Heidelberg Conflict Barometer provides a conflict map and acts as an annual snapshot of areas where armed conflicts exist.

Second, CATL designs a set of procedures for understanding suppliers (KYS) involved in conflict-affected and high-risk areas, incorporating information on the legal status and identity of suppliers, supplier analysis and potential risks. Our primary suppliers of anode and cathode materials have completed and submitted the KYS form. The staff of CATL's due diligence team of supply chain and the procurement team reviewed the information submitted by the supplier and the sanctions list of the United Nations. If inconsistencies, errors or incomplete information are identified in the KYS form, CATL will tell the supplier what needs to be improved and will request it to resubmit the updated form. Once a warning signal is identified, CATL will further cooperate with the supplier to clarify and improve the document when necessary. During the reporting period, no warning signs related to the submitted KYS form were identified.

Third, CATL also requires providing the information on the origin of each major transaction and ensures that it can understand the source of the transaction, the transportation route, and the name and location of the direct supplier.

Finally, CATL reviews all the collected information according to the CAHRAs, sanctions list, local laws and internal procurement requirements.



CATL cooperates with third party auditing companies to conduct on-site audit and risk identification on upstream supply chains. During the reporting period, we conducted third party audits on nearly 40 suppliers in the supply chain involving cobalt, lithium, and graphite, and also covering high-risk areas such as refineries, roughing plants and mines. In this round of review, no related risks were identified. In response to the problems and deficiencies identified in the audits, CATL actively followed up on the suppliers' rectification plans and supervised the implementation of their rectification items.



In response to the high-risk circumstances emerging from the supply chain audits and evaluation results, CATL requires the Procurement Department to take the following risk mitigation measures in a timely manner for risk management and control:

- Report the audit and evaluation results to the Supply Chain Sustainability Committee in a timely manner, and explain the relevant information, actual and potential risks of the high-risk supply chain.
- Formulate and implement effective mitigation measures for existing risks according to CATL's sustainability management policy for supply chains and the due diligence management policy for responsible mineral resource supply chain, and negotiate with relevant suppliers and other affected parties to reach an agreement. The strategies for risk reduction include continuing trade in the process of measurable risk management, temporarily suspending trade while continuously reducing risks, and terminating cooperation with relevant suppliers when the measures for reducing risks are not feasible or acceptable.
- Continuously monitor risks, and evaluate risks again after the risk situation changes.

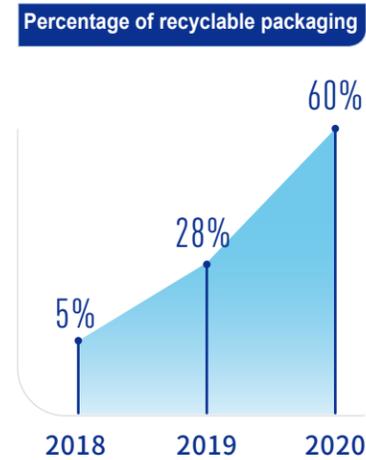
## Green Logistics

### Packaging Management

To firmly combat problems such as resource consumption and environmental pollution caused by excessive packaging, CATL has been committed to designing green packaging, using recyclable, renewable, and degradable packaging materials, and appropriately packaging products in order to protect its products.



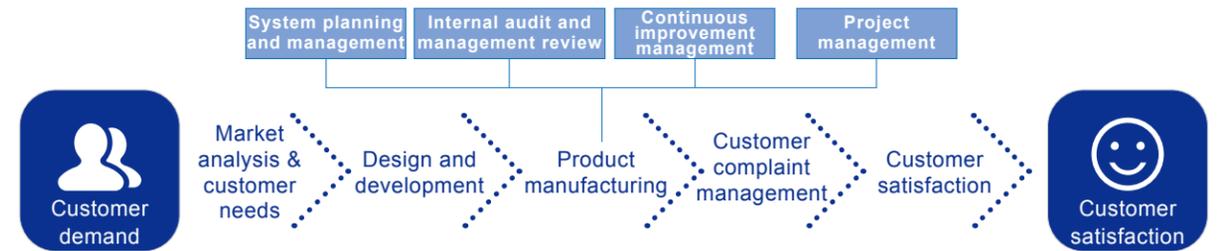
In 2020, CATL used recyclable racks instead of wooden packaging, which reduced the felling of approximately 3.21 million birches.



In 2020, CATL consistently encouraged suppliers to switch the packaging of supplied materials from disposable packaging to recyclable ones. The percentage of recyclable packaging increased to 60% from 28% in 2019.

In 2020, CATL introduced a new type of packaging material, namely rich mineral paper, which has higher rigidity and protects contents better. In addition, based on its cost advantage, CATL recommended rich mineral paper to be selected by its suppliers for long-distance transport suppliers as it is not more expensive than its alternatives. Rich mineral paper can save many forest resources. It is degradable and will not cause environmental pollution.

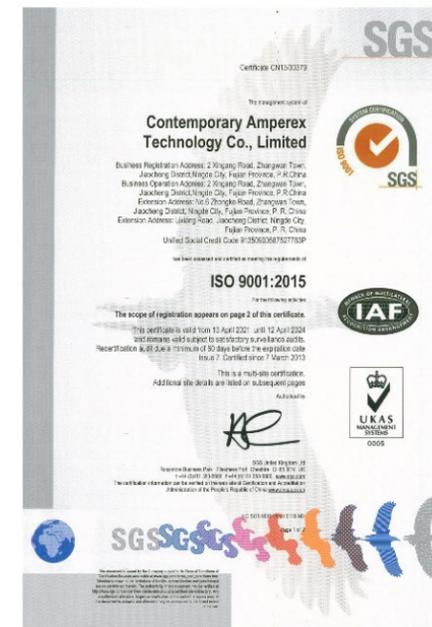
## Quality Control System



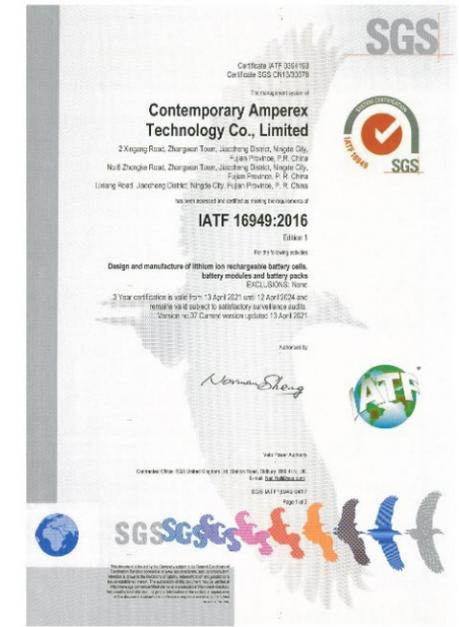
### More than 3,600 quality control points

CATL always follows the policy of "exceeding customer expectations with perfect quality is the unremitting pursuit of all staff," practices quality assurance and prevention of quality problems, and vigorously advocates overall quality management. By introducing and implementing the standards and specifications of the ISO9001: 2015 and IATF16949: 2016 quality management systems, CATL has established a complete and effective quality management system inside the organization and established a Test and Verification Center certified by China National Accreditation Service (CNAS) for Conformity Assessment.

At the stage of product development, CATL fully identifies customer demands and strictly follows the development process of products to conduct sample benchmarking and verify the samples according to special customer requirements before a product's release. During the production and operation, CATL strictly implements job-specific operation standards and quality assessment systems, and continuously improves the quality management system through annual internal audits, external audits and management review to ensure the complete and effective operation of CATL's quality management system. CATL requires suppliers to sign a "Guarantee on No Use of Prohibited Substances". Identify and control environmental risks in the CATL product manufacturing process to ensure that the finished products delivered by the company to customers comply with EU ELV, reach regulations and customer requirements.



ISO 9001: 2015



IATF 16949: 2016

## Customer Satisfaction Management

### First Class After-Sales Service

-  1.94 million vehicles equipped with CATL's products
-  382 service stations set up globally
-  Service networking covers 249 cities globally

As of December 31, 2020, 1.94 million vehicles were equipped with CATL's products and covered 521 cities. In order to provide customers with fast and convenient services, CATL has set up 341 service stations in China, with a service network in 210 cities; it has set up 41 service stations abroad, with a service network in 39 cities. CATL protected every end user's travel with wide coverage and high-quality after-sales service. In 2020, we obtained 72 testimonials from our customers praising our services.

### The Outstanding Contribution Award for Service Guarantee for Public Transport Vehicles



“ During the China International Import Expo in Shanghai, CATL's after-sales personnel in Shanghai participated in service guarantee work featuring "one inspection per day and one inspection per journey" 24 hours a day, and carefully examined each vehicle in the whole process to ensure the normal operation of all vehicles, winning the 2020 Outstanding Contribution Award for Service Guarantee for Public Transport Vehicles at the 3rd China International Import Expo issued by Sunwin. ”

### Information Security and Maintaining Confidentiality

In 2020, under the leadership of the Security and Secrecy Committee (SSC), CATL has always adhered to the Information Security Policy of "Focus on risks, put prevention first, strengthen awareness of security, combine technologies with management, involve all the staff" and achieved three continuous improvements: continuous improvement of the safety management level, continuous introduction of new safety protection technology, and continuous improvement of the safety awareness of all employees. CATL strengthened responsibility, integrated business development, made great efforts to protect the security and confidentiality of information with the highest standards and strictest requirements, and effectively protected the security of its customers' information to safeguard the rapid development of its business.



CATL improves its safety management by focusing on improving the safety management system. It promotes the institutionalization and standardization of security management by various means such as system specifications and security inspections from information security strategy, personnel security, access control, physical environment security and other security fields. CATL has formulated the *CATL Baseline for Supplier Information Security*, and established a regular inspection and reporting system for hierarchical and classified management. It has audited 77 suppliers throughout the year, and organized more than 300 suppliers to participate in the industry's best practices in information security management, promoting the improvement of the safety management of the supply chain.



Network security knowledge training seminar

CATL improves the efficiency of its safety response by continuously innovating its safety protection technology. It promotes the construction of safety management and control, improves the safety management and control strategy of multiple work nodes, quickly responds to the new situation of epidemic prevention and control, and has launched a Facial Recognition System to effectively reduce the risk of personnel unauthorized entry and personnel contact to improve the efficiency of personnel entry, and save labor costs. The time for external personnel to apply for the card has been shortened from one minute to five seconds, and the time for standing in line to receive the card has been shortened from 10 minutes to two minutes. In addition, CATL has set up a service hotline to answer questions, and has made safety management and control measures more scientific and reasonable, effectively improving prevention ability and the efficiency of incident review.

CATL enhances the safety awareness of all its employees through regular safety awareness publicity and education. It conducts various safety publicity activities through a combination of online and offline methods to effectively improve the safety awareness and protection skills of all its employees. The trainings have been attended by 199,222 persons throughout the year, and attendees included senior managers, fresh graduates, new employees, suppliers and customers, expanding the coverage of training and comprehensively publicizing safety knowledge. Compared with 2019, the number of people attending the trainings increased by about 2.5 times. While doing a good job in the Group's security publicity, CATL also guides branches and subsidiaries to carry out related work, makes security awareness and implementation part of its employees' daily work, strives to build a culture of information security and confidentiality, guides all employees to rigorously abide by regulations and disciplines, and jointly build a security line of defense.

## Environment and Energy Management

Sustainable development to care for the ecological environment



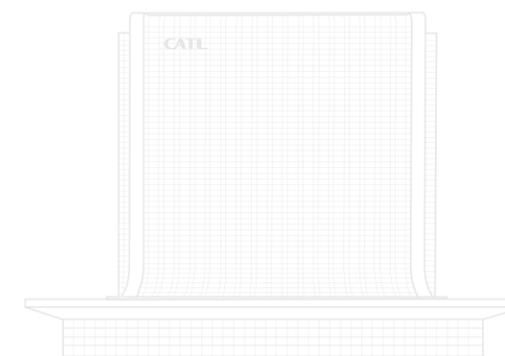
Holding qualification certificates in all related aspects



Carbon emissions per unit product decreased by **8.5%** over 2019



**218** energy-saving and emission-reduction programs promoted in 2020



## Pollutant Discharge of Key Polluters

In 2020, CATL and its subsidiaries CATL (Jiangsu), United Auto Battery, and Brunp (Hunan) were listed as key sources of pollutant discharges by the local environmental authorities. The main pollutant discharges are listed below.

Name of company or subsidiary	Name of major and specific pollutants	Emission mode	Number of outlets	Distribution of outlets	Concentration	Emission standards	Total emissions	Approved emissions	Excessive emissions
CATL	COD	Discontinuous emission	2	CATL factories along the east and west of Chijian Lake	42 mg/L	150 mg/L, the standard of indirect emission amount in Table 2 of the <i>Emission Standard of Pollutants for Battery Industry</i> (GB 30484-2013)	3.65 tons / year	14.80 tons/ year	None
	Ammonia nitrogen	Discontinuous emission	2	CATL factories along the east and west of Chijian Lake	2 mg/L	30mg/L, the standard of indirect emission amount in Table 2 of the <i>Emission Standard of Pollutants for Battery Industry</i> (GB 30484-2013)	0.18 tons / year	1.98 tons/year	None
	Nitrogen oxide	Discontinuous emission	22	CATL factories along the east and west of Chijian Lake	105 mg/m <sup>3</sup>	200 mg/m <sup>3</sup> , the standard of gas boiler in Table 2 of the <i>Emission Standard of Air Pollutants for Boiler</i> (GB13271-2014)	53.80 tons/ year	106.14 tons / year	None
	Nitrogen oxide	Discontinuous emission	22	CATL factories along the east and west of Chijian Lake	3 mg/m <sup>3</sup>	50mg/m <sup>3</sup> , the standard of gas boiler in Table 2 of the <i>Emission Standard of Air Pollutants for Boiler</i> (GB13271-2014)	1.54 tons/ year	12.29 tons/ year	None
CATL (Jiangsu)	Nitrogen oxide	Discontinuous emission	3	LY1 and LY2 factories	33 mg/m <sup>3</sup>	150mg/m <sup>3</sup> , the standard of gas boiler in Table 3 of the <i>Emission Standard of Air Pollutants for Boiler</i> (GB13271-2014)	4.05 tons/ year	26.64 tons/ year	None
	Nitrogen oxide	Discontinuous emission	3	LY1 and LY2 factories	3 mg/m <sup>3</sup>	50mg/m <sup>3</sup> , the standard of gas boiler in Table 3 of the <i>Emission Standard of Air Pollutants for Boiler</i> (GB13271-2014)	0.38 tons/ year	10.02 tons/ year	None
United Auto Battery Co., Ltd.	Nitrogen oxide	Discontinuous emission	3	SD power station	27mg/m <sup>3</sup>	150mg/m <sup>3</sup> , the standard of gas boiler in Table 3 of the <i>Emission Standard of Air Pollutants for Boiler</i> (GB13271-2014)	3.76 tons/ year	20.89 tons/ year	None
	Nitrogen oxide	Discontinuous emission	3	SD power station	4 mg/m <sup>3</sup>	50mg/m <sup>3</sup> , the standard of gas boiler in Table 3 of the <i>Emission Standard of Air Pollutants for Boiler</i> (GB13271-2014)	0.56 tons/ year	6.96 tons/year	None
Hunan Brunp	COD	Discontinuous emission	2	Hunan Brunp Ningxiang Factory	78 mg/L	500mg/L, Grade 3 standard in Table 4 of the <i>Integrated Wastewater Discharge Standard</i> (GB8978-1996)	109.35 tons/year	121.21 tons/ year	None
	Ammonia nitrogen	Discontinuous emission	2	Hunan Brunp Ningxiang Factory	7 mg/L	45 mg/L, Grade B standard in Table 1 of the <i>Water Quality Standard for Sewage Discharged into Urban Sewers</i> (GB/T31962-2015)	8.66 tons/ year	22.10 tons/ year	None
	Nitrogen oxide	Discontinuous emission	1	Hunan Brunp Ningxiang Factory	81 mg/m <sup>3</sup>	240mg/m <sup>3</sup> , Grade 2 standard in Table 2 of the <i>Integrated Emission Standard of Air Pollutants</i> (GB8978-1996)	1.51 tons/ year	4.45 tons/year	None
	Nitrogen oxide	Discontinuous emission	1	Hunan Brunp Ningxiang Factory	76 mg/m <sup>3</sup>	850mg/m <sup>3</sup> , Grade 2 standard in Table 4 of the <i>Emission Standard of Air Pollutants from Industrial Furnaces</i> (GB9078-1996)	1.42 tons/ year	3.81 tons/year	None

## Construction and Operation of Pollution Prevention Facilities

Although the production process of lithium-ion batteries is relatively clean and emits relatively few pollutants, CATL and its subsidiaries continue to promote waste reduction in the production process to fulfill their corporate social responsibility and build an international green factory. Under the guidance of laws, regulations and the ISO14001 system, CATL mainly prevents and controls the pollution of water, air, noise, and solid waste.

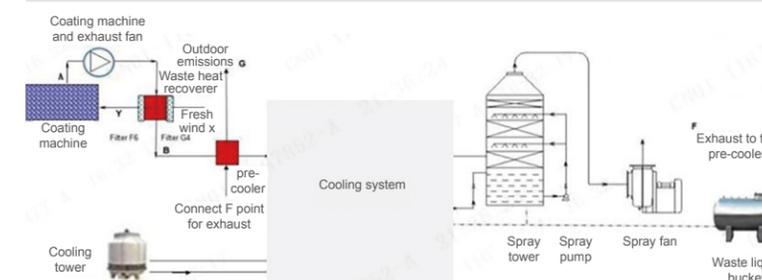
For wastewater management, CATL has prepared the *Procedures for Control and Management of Wastewater Discharge* or related management documents according to system requirements to standardize wastewater discharge. It has also built industrial wastewater treatment stations, canteen wastewater treatment stations, septic tanks and other treatment facilities, and entrusts professional entities to be responsible for operation and maintenance management, to ensure that the wastewater generated in the production and living process is pre-treated by the plant treatment facilities and meets the standards before being discharged. The relevant facilities have been accepted and put into normal operation. In order to control wastewater discharge, CATL has designed online COD and ammonia nitrogen monitoring equipment for industrial wastewater and water quality testing laboratories. In addition, professional organizations have been requested by CATL to regularly test the water quality, and have not found abnormal test results. CATL (Jiangsu) and United Auto Battery strictly abide by the local requirements for zero discharge of industrial waste water, and have introduced a high-efficiency industrial waste water evaporation system to achieve zero discharge of industrial waste water.

For exhaust gas management, CATL has prepared the *Procedures for Control and Management of Exhaust Gas Emission* and related management documents to standardize the management of exhaust gas emissions. For the main exhaust gas pollutants (particulate matter, nitrogen oxides and non-methane hydrocarbon) emitted during the production of lithium-ion batteries, CATL has introduced efficient dust removal equipment, an NMP condensate recovery system, catalytic combustion system and other efficient treatment facilities, and continuously promotes the upgrading and reconstruction of treatment facilities to reduce unorganized emissions of exhaust gas. It also uses clean fuels, promotes low-nitrogen combustion technology, and reduces emissions of pollutants from the combustion system. The relevant facilities have been accepted and put into operation. In order to monitor exhaust gas emissions, CATL and its subsidiaries entrust professional organizations to regularly test exhaust gases, without having found abnormal test results.

For noise management, low-noise equipment is preferred and impact processes are reduced to ensure that noise at the plant boundary meets the standards. In order to monitor noise emissions, CATL and its subsidiaries have purchased professional noise detectors and entrusted professional organizations with regularly testing noise at the plant boundary, without having found abnormal test results.

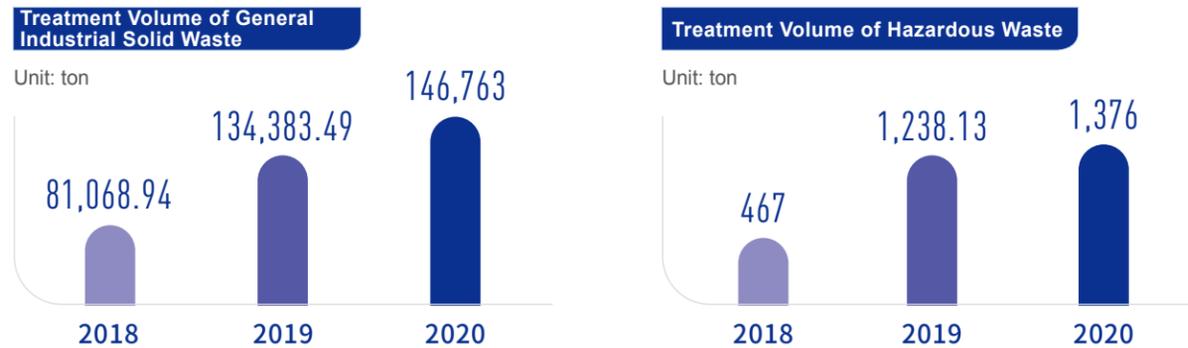
For solid waste management, CATL has prepared the *Procedures for Control and Management of Solid Waste Pollutions* to improve its environmental performance. For general industrial solid waste such as waste copper foil, waste aluminum foil, and waste paper generated during the production process, CATL has set aside a storage room for general industrial solid waste in strict accordance with the *GB18599 Standards for the Storage of General Industrial Solid Waste and Pollution Control of Treatment Sites*, and entrusts a treatment entity with corresponding technical capabilities to recycle such waste and realize the classified collection, timely transfer, and compliant treatment of such waste. The relevant facilities have been accepted and put into operation. For hazardous waste such as waste glue and waste electrolyte generated in the production process, CATL has set a storage room for hazardous waste in accordance with the *GB18597-2001 Standards for Control of Hazardous Waste Storage Pollution*, and entrusts a qualified treatment entity to treat such waste. For each transfer, an electronic form of hazardous waste transfer should be filled in to manage the whole life cycle of generation, storage and treatment.

### Case: NMP Recycling System



In 2020, CATL recycled more than 10,000 tons of usable solvents. The recycling of the used solvents through a solvent recovery machine and a vacuum decompression system can reduce energy consumption for re-production by 90%.

## Treatment Volume of General Industrial Solid Waste and Hazardous Waste from 2018 to 2020



Note: The data of United Auto Battery have been added.

## Environmental Impact Assessment of Construction Projects and Other Administrative Licenses for Environmental Protection

1

During the reporting period, CATL's environmental impact assessment of construction projects and other administrative licenses for environmental protection are as follows:

Environmental impact assessment of construction projects: CATL ensures its effective environmental impact assessment of construction projects is in strict compliance with the laws and regulations on environmental protection. The environmental assessment approvals obtained during the reporting period are as follows: CATL obtained the environmental assessment approval for the first phase of the expansion project of the engineering center (Dongqiao Environmental Audit [2020] No. 11) on August 10, 2020, the environmental assessment approval for the construction project of CATL Innovation Laboratory (the first phase) (Dongqiao Environmental Audit [2020] No. 13) on September 24, 2020, the environmental assessment approval for the CATL Lithium-ion Battery Expansion Project along the West of Chijian Lake (Phase II) (Dongqiao Environmental Audit [2020] No. 14) on September 29, 2020, and the environmental assessment approval for CATL Lithium-ion Battery Production and Expansion Project (Phase II of Bofa Industrial Park) (Dongqiao Environmental Audit [2020] No. 20) on December 29, 2020.

2

During the reporting period, CATL (Jiangsu)'s environmental impact assessment of construction projects and other administrative licenses for environmental protection are as follows:

Administrative license for environmental protection: CATL applied for the radiation safety license again on April 10, 2020, with the certificate number: Certificate of Accreditation of Radiation Safety issued by Fujian Provincial Department of Ecology and Environment [00330].

3

During the reporting period, United Auto Battery's environmental impact assessment of construction projects and other administrative licenses for environmental protection are as follows:

It obtained the approval of the environmental impact report form of the research institute project of CATL (Jiangsu) (Changli Environmental Audit [2020] No. 136) on July 29, 2020.

4

During the reporting period, Brunp (Hunan)'s environmental impact assessment of construction projects and other administrative licenses for environmental protection are as follows:

Environmental impact assessment of construction projects: It obtained the approval of the environmental impact report form of the lithium-ion battery recycling R&D project of United Auto Battery Corp (Changli Environmental Audit [2020] No. 40) on April 7, 2020.

Other administrative licenses for environmental protection: None.

Environmental impact assessment of construction projects: It obtained the environmental assessment approval of the used EV battery recycling industry expansion project and technological transformation project of Brunp (Hunan) (Changsha Environmental Audit (Ning Gao Xin) [2020] No. 14) in May 2020.

Other administrative licenses for environmental protection: On March 28, 2020, Brunp (Hunan, Factory No. 2) obtained a discharge permit with certificate number: 914301246707605788002V.

## Emergency Plan for Environmental Incidents

1

Pursuant to the *National Emergency Plan for Environmental Incidents* and other relevant documents, and in combination with the actual situation, CATL has formulated the *Emergency Plan of CATL for Environmental Incidents*, which has been filed with the local environmental protection department, with the filing number: 350901-2019-002-M.

2

In order to further improve CATL's capacity to prevent and respond to environmental incidents and effectively avoid and reduce ensuing pollution hazards and impacts, by adhering to relevant laws and regulations and the requirements of environmental departments at all levels, CATL (Jiangsu) has developed the *Emergency Plan for Environmental Incident*, which has been filed with the Liyang Ecological Environment Bureau of Changzhou, with the filing number of 320481-2020-427-L.

3

In accordance with the *National Emergency Plan for Environmental Incidents* and other relevant documents, United Auto Battery has formulated the *Emergency Plan of United Auto Battery Co., Ltd. for Environmental Incidents (Phase I Project)*, which has been filed with the local environmental protection department, with the filing number: 320481-2019-381-L.

4

Brunp (Hunan) has formulated relevant emergency plans pursuant to relevant laws, regulations and emergency work requirements, and in combination with actual conditions. Brunp (Hunan) has two factories in Ningxiang, Hunan. Both factories have prepared emergency plans for environmental incidents with the filing numbers: 430124-2018-020-M and 430124-2019-047-M.

## Environmental Self-Monitoring Plan

Pursuant to relevant laws and regulations, CATL has formulated an environmental self-monitoring plan, which has been filed after being reviewed and approved by the local environmental protection department, with the filing number: 350902-2020-001. CATL (Jiangsu) entrusts a qualified third-party monitoring agency to carry out self-monitoring work, with all the results meeting relevant emission standards. Among them, the filing number of CATL (Jiangsu)'s Self-Monitoring Plan is V2021031501. United Auto Battery has formulated an environmental self-monitoring plan which has been uploaded to the National Platform for Management and Sharing of Pollution Source Monitoring Information (system number is V2021033001). Brunp (Hunan)'s environmental self-monitoring plan has been reviewed by the local department of ecological environment and uploaded to the National Platform for Management and Sharing of Pollution Source Monitoring Information (the system number of the self-monitoring program of Factory No.1 is V2020080601, and that of Factory No.2 is V2020101701). Environmental monitoring is carried out pursuant to the requirements of the plan, with all relevant data meeting the emission standards.

## Energy Management

The sudden outbreak of COVID-19 has necessitated rethinking on various levels. China has made a commitment to the world to peak its carbon dioxide emissions before 2030 and achieve carbon neutrality before 2060. In terms of energy conservation and emission reduction, CATL has continued to reduce its greenhouse gas emissions, promote energy-saving projects within CATL, reduce unit emissions of products, and lower greenhouse gas emissions in production activities while increasing its investment in renewable energy. The comprehensive standard coal per unit product in 2020 decreased by 8% compared with 2019, and the greenhouse gas emissions per unit product decreased by 8.5% compared with 2019.

### Greenhouse gas emissions per unit product

Unit: kgCO<sub>2</sub>e/kWh



-  Energy-saving and emission-reduction programs promoted 218
-  Carbon emissions decreased by 130,902 tons
-  Compared to the previous year, reduced carbon emissions increased by 170%

Note: The data range refers to the greenhouse gas emissions during the manufacturing process of cells, modules and battery packs.

CATL has improved the environment mainly-by increasing the implementation of energy-saving projects and the amount of photovoltaic power generation. In 2020, CATL promoted a total of 218 energy-saving and emission-reduction programs, reducing carbon emissions by 130,902 tons, at an increase of 170% over 2019; in terms of photovoltaic power generation, CATL and its suppliers have jointly built photovoltaic power generation equipment, which generates electricity for production, R&D and offices. By continuously expanding the area of photovoltaic power generation equipment, CATL has reduced greenhouse gas emissions per unit of product. In 2020, photovoltaic power generated electricity of 22.58 million kWh, with reduced CO<sub>2</sub> emissions of 9,413 tons, increasing by about 84.3% compared with those in 2019.

### CO<sub>2</sub> emissions reduced by photovoltaic power generation

Unit: tCO<sub>2</sub>e



-  Photovoltaic power generated electricity: 22.58 million kWh
-  Carbon emissions reduced by 9,413 tons
-  Compared with the previous year, increased by 84.3%

Note: The data range covers CATL, CATL (Jiangsu), CATL (Qinghai) and United Auto Battery



## Main cases

### Case 1: Independent development of intelligent control program for dehumidifier

An intelligent control program has been introduced to enable the dehumidifier to be adjusted in real time according to the needs of the workshop. It improves the stability of the temperature and humidity control system while greatly saving energy, supplemented by the continuous implementation of the audit mechanism.

### Case 2: Introduction of efficient centrifugal compressor

The original screw compressor system has been replaced with an efficient centrifugal compressor, improving the energy efficiency ratio of the system from 6.4kW/m<sup>3</sup>/min to 5.2kW/m<sup>3</sup>/min, and increasing the system energy efficiency by 18.7%.

 Energy efficiency increased by 18.7%



Before transformation



After transformation

## Labor and Human Rights

Equality and diversity to enable employee growth



529 open classes



240 times aid was administered to employees in difficulties



293 safety drills



4,333 employee skill enhancement sessions



More than RMB 3 million in aid given to employees in difficulties



236 employee safety training sessions

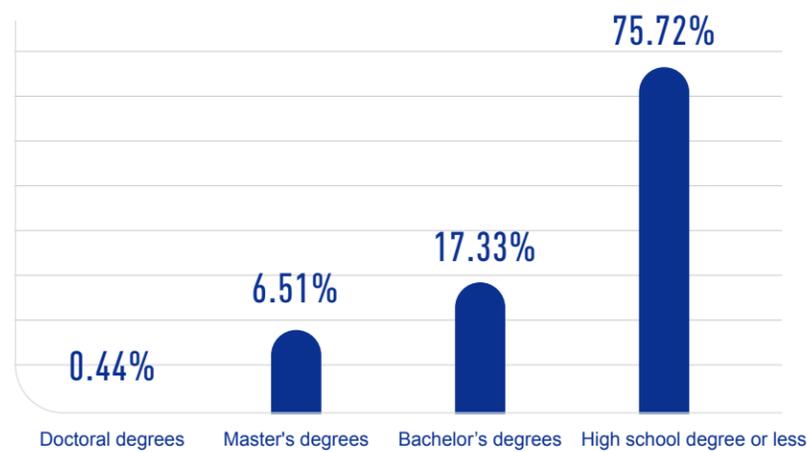
756 supplier employee safety training events



## Employee and Cultural Diversity

CATL insists on respecting the legitimate rights and interests of every one of its employees, and accepts every employee regardless of race, ethnicity, nationality, or gender, following the concepts of inclusiveness and diversity. It encourages employees of different cultural backgrounds to communicate with each other, exert their creativity, create a friendly work environment, and continue to promote CATL's innovation and development through such diversity.

### Employees' education backgrounds



### Employees' age distribution



### Management's age distribution



## Employee Care and Development

The CATL New Energy Academy provides a platform for all employees to promote communication, growth, and skill development. Through the organization of various training events, CATL develops learning programs that promote integration and personal improvement, and guides employees to better exert their innovation capabilities. In addition, CATL also encourages employees to participate in lecturer certification after work, and engage in self-improvement through internal sharing and teaching. In 2020, it organized 529 open seminars covering 22 types of classes and involving 38,567 participants.

In order to enhance the employment competitiveness of its employees, CATL provided a total of 4,333 employee skill enhancement sessions in 2020 covering 4,872 class hours and attended by 94,434 persons. In order to encourage employees to upgrade their academic qualifications and remain competitive, CATL cooperated with the Open University of Ningde and the Ningde Federation of Trade Unions to launch the "Learning to Realize Dream Action" project, and provides employees with a subsidy of up to RMB 3,000 for their education. As of December 31, 2020, there were 394 employees who were upgrading their academic qualifications.



2020 autumn opening ceremony



CATL's students participate in fun games at the Open University of Ningde



Skills training



2020 Training session for newcomers



Corporate public class 8D Method

In addition, CATL held 6,362 employee communication meetings in 2020, with a total of 132,360 participants in order to ensure regular and good communication among its employees.

 6,362 employee communication meetings

 Total 132,360 participants

CATL is committed to creating a comfortable working atmosphere for employees, providing good benefits, and making continuous optimizations and improvements in line with the target market by developing a wide variety of recreational activities, such as organizing birthday parties for employees, holiday events, and blind dates, thus improving the satisfaction of its employees through various ways. In order to further create an office environment that satisfies employees, CATL also organizes quarterly satisfaction surveys on its canteens, dormitories, and environmental sanitation, and conducts questionnaires among employees.



Employee communication meeting



Birthday party for employees



Fun riddle-guessing activity during the Spring Festival



2020 collective wedding ceremony



Open days for family members



Artistic performance



English Association



Healthy color run

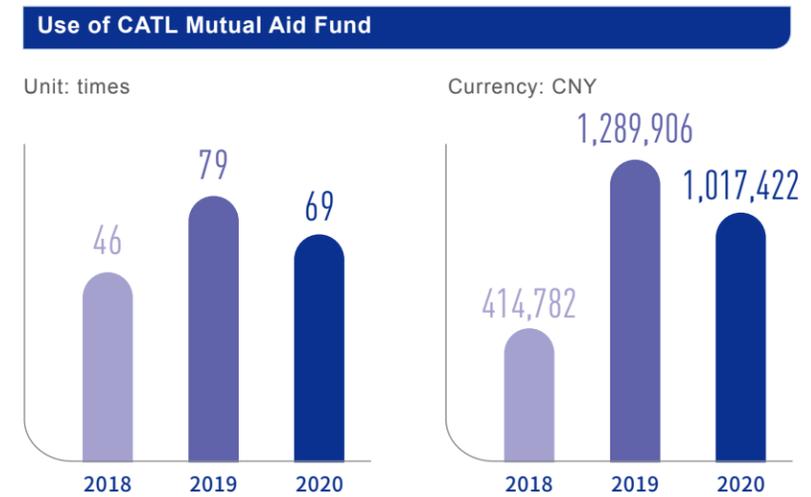


Apple distribution on Christmas Eve 2020



Movie event

Employees are regarded as the most valuable assets of CATL. CATL attaches great importance to the physical and mental health and happiness of its employees and their families. In 2015, CATL established the CATL Mutual Aid Association and set up a mutual aid fund, which is used for CATL's employees, spouses, children or parents in emergencies (injuries, illnesses, or disasters), reducing the financial burden of its employees in difficulties to a certain extent, and providing protection for the lives of its employees and their families. As of December 31, 2020, it had distributed aid to employees experiencing difficulties on 240 occasions, with the amount of aid totaling CNY 3 million.





## Gender Equality

In the workplace we are all workers, and there is no distinction between men and women.

CATL is committed to expanding various channels to attract diversified talents and providing equal opportunities for women and minorities. It is also committed to establishing an equal employment and career development platform for women.

CATL respects every employee, and strongly advocates creating an inclusive, equal and diversified working environment, striving to enable every employee to have a full sense of belonging, and encourage employees to pursue success regardless of gender. In strict accordance with relevant national laws, CATL has provided employees with maternity leave, paternity leave, breastfeeding leave and other holidays, and set up "lactation rooms" in its office buildings to provide a comfortable, safe and private space for breastfeeding employees.

### Gender ratio of CATL employees



### Gender ratio of CATL management



## Employee's Health and Safety

CATL attaches great importance to the health and workplace safety of its employees. CATL provides employees with comprehensive annual health check-ups, provides free gyms in the factory and living areas, and advocates a proper balance between work and rest to enhance its employees' physical fitness.

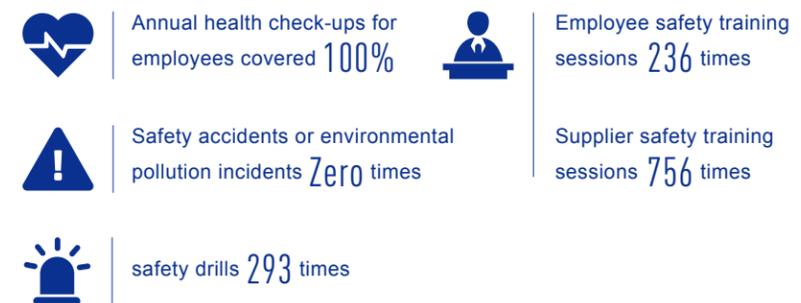
In 2020, CATL and its subsidiaries did not suffer any work-related accidents and environmental pollution incidents, achieving the safety work goal of "six zeros". The Group Company has conscientiously implemented the guidelines and policies for safety at the workplace and conducts supervision and management pursuant to the responsibilities stipulated by laws and regulations and the requirements of the safety work responsibility system to ensure safety at work. In addition, the Group makes safety at work a top priority by holding quarterly committee meetings on safety at the workplace to study preventive measures, formulate practical early warning plans, and solve various problems regarding safety at the workplace in a timely manner. It holds all companies and employees accountable for safety at the workplace, regularly inspects the implementation of the safety work responsibility system to nip all kinds of accidents in the bud. It has also established and improved safety management rules and regulations, safety operation procedures and accident emergency rescue plans, and supervises the implementation thereof.



Basketball game



Badminton game



2020 Kick-off meeting of safety themed month

CATL and its subsidiaries organize various forms of safety inspections and activities, supervise rectifications of hidden dangers, eliminate risks of accidents, and conduct daily maintenance of equipment in order to ensure the safety of employees and suppliers in the process of production and office work, and regularly communicate the importance of safety at the workplace. In 2020, CATL organized a total of 293 safety drills, 236 employee safety training seminars, and 756 supplier safety training sessions.



Explanation of safety requirements at work



Emergency plan drill



Protective appliances is well appointed



safety drills **293** times



Employee safety training sessions **236** times



Supplier safety training sessions **756** times

Moreover, in 2020, to ensure the safety management of its suppliers, CATL held kick-off meetings on the safe development of the Ningde lithium-ion battery industry cluster, "2+X" (safety work co-construction service) targeted guidance and supervision to strengthen its management requirements in aspects such as supplier access, safety management status warning and supervision, handling of violations and accidents, and performance evaluation. It also required suppliers to make improvements in the construction of their own systems and standards based on the owner's management requirements, so as to meet its safety management and control needs in the supply chain.

## Chronicle of Corporate Social Responsibility Activities

Remain true to the mission to sincerely give back to society



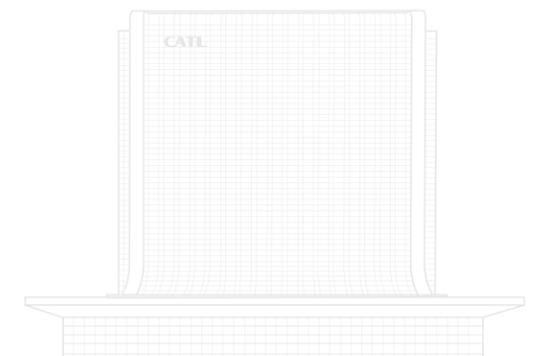
A total of CNY **309,677,200** invested in poverty alleviation



**235** volunteer activities organize



Held sustainable development-themed event month



## CATL Volunteer Service Team

 235 volunteer activities

 5,919 participants were organized in 2020



6.5 Volunteer activities on World Environment Day



Awards given to outstanding volunteers



Volunteer activities

Established in August 2017, the CATL Volunteer Service Team has been committed to public welfare and environmental protection, and has taken part in its social practices. In 2020, CATL established four new factory teams and organized 235 volunteer activities, which were attended by a total of 5,919 persons and included visits to orphanages and nursing homes, fighting against COVID-19, traffic diversion, and the creation of a clean and civilized city.

Voluntary blood donation is CATL's brand activity of voluntary services and is held every year. As a long-term public welfare undertaking, the Company forwards a blood donation proposal and instructions by email before each blood donation activity, encouraging employees to create value for society in this special and meaningful way. In 2020, the Company organized a total of three voluntary blood donation activities, attended by 215 persons and collecting 72,400 ml of blood.

## Targeted Poverty Alleviation

As a listed company, CATL is deeply aware of its social responsibilities. It participates in poverty alleviation through multiple channels to fulfill its social responsibilities. Pursuant to the *Circular of the State Council on Issuing the Thirteenth Five-Year Plan for Poverty Alleviation* and the government's arrangements for poverty alleviation and development, and in combination with its own strategic layout and actual conditions, CATL continues to support the local forces working on the development of poor areas and help poor areas achieve long-term poverty alleviation as soon as possible through industrial projects. In addition, CATL provides employment opportunities for poor households, provides scholarships for poor students, and offers assistance to the elderly, the weak, the sick, and the disabled, so as to give back to the local economy as much as possible.



A total of CNY 309,677,200 invested in poverty alleviation



56 poverty-stricken primary and secondary school students subsidized

During the reporting period, CATL carried out the following work focusing on poverty alleviation through industrial development, education, and health:

### Poverty Alleviation through Industrial Development

As of December 31, 2020, CATL (Qinghai) has completed a fixed asset investment of CNY 1,726,946,700 in total (including fixed asset investment of CNY 125,418,200 in 2020), and provided a total of 1,466 jobs. Meanwhile, CATL (Pingnan) has completed a fixed asset investment of CNY 606,654,400 (including a fixed asset investment of CNY 175,422,500 in 2020), and provided a total of 197 jobs.

CATL signed the *Cooperation Agreement* with Shouning Mengzhixiang Agricultural Comprehensive Development Co., Ltd. in Ningde City, on October 15, 2019, and agreed to give a subsidy of CNY 20,000 per mu to the tea garden of 500 mu in Xiadang Township, Shouning County operated and managed by Shouning Mengzhixiang Agricultural Comprehensive Development Co., Ltd. (a total subsidy of CNY 10 million) within 1 year of signing the *Cooperation Agreement*. The subsidy is specifically used for the integrated and standard operation and management of the tea garden, tea factories, and tea farmers in Xiadang Township, Shouning County, to help the development of the local specialty tea industry and help farmers leave poverty behind in the long term. In 2020, CATL allocated a subsidy of CNY 8.3 million in total.

CATL provided targeted assistance for Kengtou Village, Huotong Town, and Ningde City by supporting seven poverty-stricken households in Kengtou Village to renovate 35 mu of tea garden relying on tea, the pillar industry of Kengtou Village. It gave a total subsidy of CNY 70,400 in 2020.

#### CATL (Qinghai)



Total fixed asset of CNY 1,726,946,700 invested



A total of 1,466 jobs provided

#### CATL (Pingnan)



Total fixed asset of CNY 606,654,400 invested



A total of 197 jobs provided

## Poverty Alleviation through Education

For poor students, CATL combines both poverty alleviation and education subsidies, and provides spiritual and material support for the subsidized students. Zeng Yuqun, chairman of CATL, proposed at the party-enterprise joint meeting that efforts should be made to strengthen poverty alleviation through education and technology and focus on "growth-oriented poverty alleviation." To that end, CATL organized the event "Targeted Poverty Alleviation – Financial Aid to Poverty-stricken Students." A total of 57 poverty-stricken primary and middle school students have been subsidized. As of 2020, CNY 5 million were set aside as student subsidies; it is planned to give each student a subsidy of CNY 2,000-3,000 per year until the student graduates from high school. In 2020, 56 poverty-stricken primary and secondary school students were subsidized in total (CATL subsidized 37 poverty-stricken primary and secondary school students, with a total subsidy of CNY 85,000 and individual CATL employees subsidized 19 students, with a total subsidy of CNY 47,000); the subsidy was thus CNY 132,000 combined.

In addition, CATL encourages enthusiastic party members to offer assistance for poverty-stricken students through one-to-one sponsorship programs, and learn about the improving learning and living conditions of the subsidized students through correspondence and visits. CATL creates a file for each subsidized student to monitor their progress, sends books, checks in on them regularly and pays attention to the progress of the students.

2020



CNY 132,000 subsidy



56 poverty-stricken primary and secondary school students subsidized



37 poverty-stricken primary and secondary school students subsidized by CATL



19 poverty-stricken primary and secondary school students subsidized by CATL employees



CNY 5 million set aside as student subsidies



A caring party member and CATL employee visits poverty-stricken students



A letter of thanks from a subsidized student

### Financial Aid to Poverty-stricken Students Activity Overview



Visiting poverty-stricken students



Visiting poverty-stricken students as part of one-to-one sponsorship programs



Visiting poverty-stricken students as part of one-to-one sponsorship programs



Grant ceremony of the second batch of student subsidies as part of the activity "Targeted Poverty Alleviation - Financial Aid to Poverty-stricken Students"



Opening Ceremony of the second series of activities "Targeted Poverty Alleviation - Financial Aid to Poverty-stricken Students"

### Please Send Them Warmth and a Ray of Hope

#### -- Financial Aid to Poverty-stricken Students A letter

In May 2020, CATL's Party Committee received a letter from a subsidized student: "Due to the COVID-19 pandemic, my father has not returned to work. On a rainy day, the roof leaked, the kitchen was humid, and the clothes were difficult to get dry as the place for hanging out clothes in the backyard had collapsed. The house was full of rats, gnawing at midnight, and the rat trap was not enough. Many of the clothes were not fit to be worn. My father was worrying about what to do. Sleeping on the bed at night, I can still smell rat poop and urine. Rats hissed, fought, and ran around when I had online classes at home..."

The letter was written by two sisters, Lyu Yan and Lyu Jun (names changed to protect their privacy). They are poverty-stricken students from Lankou Village, Feiluan Township, and were supported by the second phase of the CATL Party Committee's event "Targeted Poverty Alleviation – Financial Aid to Poverty-stricken Students." They come from a poor family and live with their parents in a house leased in Feiluan Town. Their mother suffers from mental illness and a primary disability, and is incapable of working. The father is the sole provider of the family with part-time jobs to make ends meet. Despite coming from a poor family, the sisters are diligent and have received excellent grades at school. Lyu Yan was admitted to Ningde No. 1 Middle School in 2019, and Lv Jun was studying at Ningde No. 4 Middle School.

Upon hearing of the plight of the Lyu family during the COVID-19 pandemic, CATL's Party Committee immediately organized party members to visit the poverty-stricken students. On May 24, CATL's three party member representatives and two persons specially assigned by the Office of the Party Committee formed a support group and went to Feiluan Town to give clothes, nutritious food, fruits and other items to the sisters, as well as gift cards from Xinhua Book City.



The Group had a cordial talk with the poverty-stricken students and their parents to learn about their living conditions, and encouraged the sisters to study hard, hoping that they could turn their temporary difficulties into motivation for learning, establishing their own life goals, and changing their destiny through knowledge.

One of the visitors was an engineer from CATL's Plant Engineering Department. He led everyone to carefully check the house where the sisters lived: the house wall was inclined, the wooden pillars were badly corroded, and the roof leaked rain and water, so it was difficult to repair the house and ensure that the building was safe to live in.

How to secure the safety of this family? That was a difficult question. Everyone was worried about the upcoming typhoon and rainy season. In order to enable the sisters to live in a rain-proof house, the Group went to Feiluan Town to discuss the situation with the owner of the house several times, and constantly adjusted their assistance plan, striving to find the most economical and suitable solution to the sisters' housing problem. They also coordinated in various ways and contacted the Feiluan Town Poverty Alleviation Office and the Lankou Village Committee, hoping to cooperate in solving the difficulties of the Lyu family. After more than two months of coordination and efforts, the sisters' sick mother was sent to a rehabilitation hospital. The village committee undertook the medical expenses and also helped them to move to another house and apply for a basic living allowance. CATL's Party Committee stated that it would continue to pay attention to the sisters' living situation and education.

## Poverty Alleviation through Public Welfare

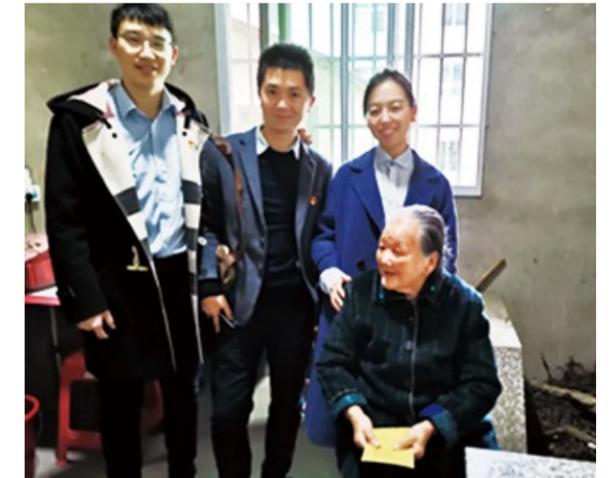
On June 18, 2020, CATL donated CNY 320,000 to the Gansu Branch of the Red Cross Society of China in Lixian County to support poverty alleviation in Luoba Township, Lixian County.

 The donations amounted to CNY 320,000

In 2020, CATL organized numerous visits to the Jiaocheng Welfare Home, Tashan Welfare Home, Lankou Elderly Home and other places in Ningde City.



Expressing sympathy and solicitude for the families of revolutionary martyrs and servicemen in Huotong Town, Ningde City



Visiting Tashan Welfare Home in Ningde City



## CATL Brand Charity Forest

In order to encourage employees to consciously adhere to a low-carbon, healthy and regular lifestyle, CATL activated the CATL Brand Charity Forest on Alipay on February 13, 2020, and encouraged employees to "water" the charity forest through a rewards exchange to enhance employees' sense of participation and jointly build CATL's public welfare undertakings. As of December 31, 2020, CATL has completed the energy required to plant 199 Pinus sylvestris.



"Watering" event site of CATL Public Welfare Forest

## Sustainable Development Month

In order to raise and enhance employees' awareness of sustainable development, in September 2020, CATL organized the second Sustainable Development Month, covering CATL, CATL (Jiangsu) and CATL (Qinghai).

On September 4, 2020, CATL held an event month kick-off meeting attended by the members of the Sustainability Management Committee. At the meeting, the top ten of the CATL Public Welfare Forest Watering Ranking List and the "2019 Contributors to Sustainability" were commended. At the end of the kick-off meeting, CATL Chairman Zeng Yuqun, President Zhou Jia and members of the Sustainability Management Committee participated in the shooting of a video of support for the 17 UN Sustainable Development Goals.



Video in support of the 17 UN Sustainable Development Goals



Group photo of the kick-off meeting of the 2nd Sustainable Development Month



CATL carried out an event to popularize scientific knowledge of waste classification, supplemented by an online answering of questions to strengthen employees' memory of waste classification, and guide employees in correctly handling waste. A total of 573 employees participated in the competition.

CATL organized five lectures on sustainable development knowledge, including on how to popularize the concept of sustainable development, and how to promote it.



Lecture on 170 Little Things that Affect the World



On September 26, the Sustainability Management Committee launched a plogging event. Hundreds of employees participated in the event. CATL provided the runners with degradable gloves, degradable garbage bags and recyclable pliers. The employees cleaned up garbage on the travel route to achieve the dual purpose of fitness and environmental protection. Along the way, a crowd of ploggers wearing t-shirts cleaned up garbage while running around the lake, which attracted the attention of many passersby. By organizing its employees to carry out public welfare activities, CATL hopes to promote its culture of charity and giving back to society.



Plogging event t-shirt

# Advice and Feedback

Dear readers,

Thanks for your time and attention to the *CATL Corporate Social Responsibility Report 2020*. Your advice and feedback on this Report are highly valued and will be an important reference for us to improve our performance in social responsibility. We warmly invite you to join us and build a better society with us. We would appreciate it if you could give us your feedback via post, email or telephone. Thanks again!

 **Name:**
 **Name of Organization:**

 **Contact Number:**
 **Email:**

Your advice on the *CATL Social Responsibility Report*:

Your advice on CATL's work concerning sustainability:

Report Evaluation Form	5 points	4 points	3 points	2 points	1 point
Is this Report organized logically?					
Does this Report cover the performance indicators you wanted to know about?					
Are you clearly aware of CATL's social responsibility concept and practices after reading this Report?					
Do you think this Report is easy to understand?					
Do you think the content and typography of this Report are well arranged?					
Could you please give your overall evaluation of this Report?					

Contact Us:  
 CATL Sustainability Management Committee  
 Address: No. 2 Xingang Road, Zhangwan Town, Jiaocheng District, Ningde City, Fujian Province, the People's Republic of China  
 Tel.: 0593-8901666  
 Email: CATL-CSMC@catl.com



Please follow our WeChat account!



支持联合国可持续发展目标

in support of the United Nation's Sustainable Development Goals

Address: No. 2 Xingang Road, Jiaocheng District, Ningde City,  
Fujian Province, the People's Republic of China

Web: [www.catl.com](http://www.catl.com)

Tel: 0593-8901666

Fax: 0593-8901999