

Stakeholder Engagement Policy of CNGR

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1 Introduction

CNGR Advanced Material Co., Ltd. Established in September 2014, CNGR Advanced Materials Co, Ltd. (stock code: 300919. SZ) is a professional comprehensive service provider of new energy materials for lithium batteries. As a national strategic emerging industries in the field of new materials and new energy, CNGR has been recognized as a national enterprise technology center and a national high-tech enterprise and has been awarded the titles of “National Intelligent Manufacturing”, “Green Manufacturing”, “Green Design Demonstration Enterprise”, and others. CNGR is committed to the development of new energy and the creation of a better life for humanity as its mission, and CNGR is striving to become the most valuable comprehensive service provider of new energy materials in the world. CNGR believes that sustainable development is the future direction of the industry, an important choice for addressing global energy structural transformation and climate change risks, and a crucial concept and measure for implementing China's Scientific Outlook on Development. CNGR based on the nature of its own industry and the pursuit of its goals, the company is wholeheartedly committed to creating value for all partners and the development of human society. At the same time, CNGR hopes to enhance its ESG (Environmental, Social, and Governance) performance by strengthening its environmental, social, and governance management.

In order to achieve these objectives, CNGR has set up three major operation concepts:

Practicality and Self-discipline, **Excellence and Win-win** and **Harmonious Ecology**, and

strives to practice sustainable development in terms of corporate governance, mutual progress with various partners, and friendliness with nature. CNGR combines its own business characteristics and best practices both domestically and internationally, engages in comprehensive communication with stakeholders based on principles of integrity, equality, and transparency. CNGR sincerely listens to feedback and opinions from stakeholders, promptly and effectively responds to their demands and expectations, and updates and adjusts its sustainable development plans and practices accordingly based on the feedback. This policy references the AA1000 Stakeholder Engagement Standard (hereinafter referred to as AA1000SES) and accepts suggestions from stakeholders on the sustainable operation of CNGR.

2 Scope of application

This policy applies to CNGR's operating locations and subsidiaries around the world, as well as to the industrial facilities that CNGR controls or operates, directly or indirectly, around the world. CNGR is committed to exert influence over joint ventures not controlled by the Company, urging them to act in accordance with the provisions of this policy.

3 Objectives

Systematically seeking stakeholders' perspectives and expertise and to understand, meet, address, and manage their expectations will enable CNGR to:

Identify chances :

- Identify emerging trends and business opportunities
- Gather and input external expertise to shape strategy
- Promote higher-quality, sustainable decisions
- Enhance stakeholder confidence in CNGR's investment programs
- Working together to face the challenges of the future

Manage and shape our reputation :

- Increase transparency of our activities and decisions

Reduce risk :

- Discover and address potential conflicts before they become risks
- Ensure stakeholders to articulate concerns regarding activities of the CNGR in an early stage

In turn, this approach will also enable stakeholders to:

- understand the CNGR's strategy and position on material issues,
- understand the context in which the CNGR operates (e.g. the nature and structure of our business units and areas of focus) and our business realities,
- meet the requirements of the sustainable development strategy of CNGR.

4 Stakeholder Identification

According to the AA1000 Standard, relevant stakeholders are “individuals, groups of individuals or organizations that affect and/or could be affected by an organization's activities, products or services and associated performance with regard to the issues to be addressed by the engagement.” Therefore, we assess and prioritize stakeholders using the following criteria:

- Stakeholder's interests
- Stakeholder's expertise on material issues
- Stakeholder's level of influence
- Stakeholder's willingness to engage with CNGR
- Stakeholder's expectations of engagement with CNGR
- Stakeholder's dependence on CNGR, and
- Value for CNGR of engaging with this stakeholder

Because stakeholders can change – due to new technologies, regulations, markets, and customers – stakeholder mappings would be conducted on a regular basis.

5 Stakeholder Engagement Levels and Methods

Define the appropriate level of engagement based on the objective, scope and

stakeholders involved. Different levels and methods of participation correspond to different stakeholders. A few examples of the most common engagement techniques can be found below (this list is not exhaustive):

Level of engagement	Method of engagement
Inform (one-way communications: CNGR to stakeholders)	Publications (e.g. reports, brochures, press releases) Marketing and social media campaigns Promotional Roadshow
Listen (one-way communications: stakeholders to CNGR)	Media evaluations Online surveys or stakeholder interviews Phone hotlines and email feedback forms Publication of Policies and Regulations
Involve (Two-way communication: understanding multiple claims but independently by stakeholders and CNGR)	Multi-stakeholder forums/Round-table Consulting a consultant Bilateral meetings Symposiums
Collaborate (Two-way communication or multi-way communication : Participating in decision-making and action)	Joint Ventures Joint projects Partnerships Multi-stakeholder initiatives

6 Stakeholder Engagement Risks

Before choosing the level and method of stakeholder engagement, the potential risks of engagement need to be assessed. Potential risks may include participation fatigue, conflicts of interest, disruptive stakeholders, and an unwillingness to engage.

In some cases, key stakeholder groups may lack the capacity (e.g. financial resources, time, language skills, cultural understanding or awareness of issues) to engage with CNGR effectively. If engagement is not possible for one of these reasons, CNGR tries to stay in contact with these stakeholders.

If stakeholders lack sufficient capacity but it is critical for CNGR to understand their perspective, consider ways of facilitating the process (e.g. by providing financial support or language assistance) without introducing a conflict of interest. CNGR Sustainability Office or Securities Department can provide further support if needed.

7 Engagement Process & Communication Guidelines

Before the Engagement

Before engaging stakeholders, think through:

- the objectives and scope of the engagement,

- the engagement process, including timeline and chosen method(s) of engagement,
- the stakeholders,
- the boundaries of disclosure, and
- the plan to document and communicate engagement outputs.

Provide stakeholders with adequate briefing materials beforehand to ensure effective engagement. Furthermore, clearly define the roles of CNGR and external stakeholders.

During the engagement

- During the Engagement, aim to:
- establish clear and effective rules of procedure;
- ensure a balanced contribution of all stakeholders;
- handle criticism constructively and accept stakeholders’ perspectives appropriately; and
- avoid making promises to stakeholders that the company may not be prepared to keep.

After the engagement

After the engagement, ensure that results are communicated internally and externally (as appropriate). These may include:

- a summary of the discussions, stakeholder concerns, expectations, perceptions;
- a list of outputs, including recommendations, agreed decisions / actions;
- a list of stakeholders;

Our stakeholder engagement efforts have a greater impact on us, we show the outcomes and next steps not only to the stakeholders but to a broader audience (e.g. in the annual Report, ESG Report and/or on the local company website). In this way, it helps us maintain and improve the effectiveness of stakeholder engagement.

8 Measuring Engagement Value and Output

To measure the effectiveness of engagement activities, stakeholder feedback needs to be collected and reviewed:

- whether the objective, scope, and process of the engagement was clearly stated;
- if the results of the engagement process were clearly communicated;
- if the engagement addressed the right stakeholder concerns / the right issues;
- what could be improved in future engagement activities; and
- whether the company’s position was communicated clearly.

In addition, an internal review of the input gathered from stakeholders is conducted to ensure that the engagement meets its intended purpose.

9 Policy review and revision

This Policy was approved and adopted by the Sustainability Committee on September 14, 2023, for implementation on September 14, 2023, and if changes to this Policy are necessary as a result of the Company's needs and ESG trends, such changes will be submitted to the

Company's Sustainability Committee for review and shall be presented to the Sustainability Committee at least once every three years for its approval.

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