

2023

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

Highpower Technology



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About the Report

Overview

This report is the first environmental, social and governance report issued by Shenzhen Highpower Technology Co., Ltd. (Hereinafter referred to as "Highpower Technology", the "Company", "we" and "us"), reflecting the Company's thinking, practice, results and prospects in carrying out compliance and ethical corporate governance, improving environmental benefits and promoting harmonious social development.

Reporting Time Range

This report is an annual report covering the work from 1 January 2023 to 31 December 2023 (the "reporting period"), and some related information may be retroactive beyond the reporting period.

Basis of Compilation

This report is mainly prepared in accordance with Shenzhen Stock Exchange Guideline No.1 on Self-Regulation of Listed Companies - Standardized Operation of Main Board Listed Companies and Disclosure Requirements for Social Responsibility Reports of Listed Companies, and with reference to the Global Reporting Initiative standards (GRI Standards), the issues concerned by Sustainable Development Goals (SDGs) and mainstream ESG ratings at home and abroad.

Scope and Boundary of the Report

The scope of information disclosed in this report covers Highpower Technology and its subsidiaries, which is consistent with the scope of annual report of Highpower Technology (stock code: 001283). The names of the subsidiaries are as follows:

Highpower Technology	refer to	Shenzhen Highpower Technology Co., Ltd
Icon Energy	refer to	Icon Energy System (Shenzhen) Co., Ltd
Springpower Technology	refer to	Springpower Technology (Shenzhen) Co., Ltd
Huizhou Highpower	refer to	Huizhou Highpower Technology Co., Ltd
Guangdong Highpower	refer to	Guangdong Highpower New Energy Technology Co., Ltd
Hong Kong Highpower Technology	refer to	Hong Kong Highpower Technology Co., Ltd
Hong Kong Highpower International	refer to	Hong Kong Highpower International Co., Ltd
Highpower Supply Chain	refer to	Shenzhen Highpower Supply Chain Management Co., Ltd

Highpower Singapore	refer to	Highpower Singapore Co., Ltd
Ampower New Energy	refer to	Shenzhen Ampower New Energy Co., Ltd
Vietnam Exquisite	refer to	Vietnam Exquisite Power Technology Co., Ltd

Source and Reliability Assurance

The information and data disclosed in this report are derived from the company's statistical reports and official documents, and have been reviewed by relevant departments. The Company promises that there is no false record or misleading statement in this report, and is responsible for the authenticity, accuracy and completeness of the content.

All currencies in the report are RMB. If the financial data in this report is inconsistent with the financial report disclosed by the Company, the financial report shall prevail.

Confirmation and Approval

This report was approved by the Board of Directors on 25 April 2024 after being confirmed by the management.

Reporting Language

The report is published in both Chinese and English. In case of any discrepancy between the two versions, the Chinese version shall prevail.

Publication Form

- On the official website of Highpower Technology (<https://www.highpowertech.com/>) View or download the electronic version of this report.
- If you have any questions or suggestions regarding this report, please feel free to contact us at:
- Board Office of Shenzhen Highpower Technology Co., Ltd
- Contact address: Board Office of Shenzhen Highpower Technology Co., Ltd., No. 68, Xinxia Avenue, Pinghu Street, Longgang District, Shenzhen
- CONTACT: hpcapital@highpowertech.com
- Tel: 0755-89686543

Chairman's Statement

Looking back on 2023, in the face of the complex and changeable economic environment at home and abroad and the increasingly fierce market competition, Highpower Team has always been firm in confidence, facing difficulties, steadfast, progressive and innovative. With the vision of "Provide world-class clean energy solutions to power the future.", Highpower Team has continuously deepened organizational change and capacity building. In the key year of development, the company comprehensively improved its investment and layout at all levels of R&D, paid attention to product innovation and user experience, actively carried out opening up and cooperation, and promoted the company's steady and long-term sustainable development.

Honest governance: Implement compliant corporate governance and consolidate the foundation of high-quality development

Highpower Technology adheres to the principle of leading and system first, and puts compliance governance into the daily operation process by continuously improving the construction of process mechanism. At the same time, we pay attention to the prevention and control of risks to ensure the stability and long-term development of the company. We actively advocate just acts that are beneficial to society, shareholders and partners, have zero tolerance for illegal, bad and improper acts, and create a clean, upright and transparent working atmosphere.

Immaculate quality: Lead a high-quality industrial ecosystem based on product quality and innovation

Highpower Technology is customer-centric, committed to creating excellent products, intimate services, high standards of technical specifications, high-quality output and delivery to meet the current and future needs of customers. We continue to focus on the effective use of resources, strive to achieve precise investment and efficient output, and embark on a road of R&D innovation; build a sustainable and improved advanced production system, build a whole-process quality traceability system, and continuously improve the level of digital and intelligent manufacturing. We provide safe, innovative and high-quality products and services to the society, and help the long-term and healthy development of the industry.

Green planet: Continuously improve environmental benefits and build a green and sustainable value chain

Highpower Technology practices green manufacturing and strives to deepen the green and low-carbon transformation of itself and the whole industry. We adhere to the concept of green development, optimize production processes, strive to reduce energy consumption and greenhouse gas emissions, and continuously improve resource utilization and recycling. By improving environmental management, mitigating negative impacts on the environment, adhering to the road of sustainable development, abiding by the commitment to energy conservation and environmental protection, and actively fulfilling social responsibilities, we have helped the whole value chain achieve the goal of "double carbon".

Harmonious life: Adhere to people-oriented and create a better life together

Highpower Technology always regards employees as the Company's most valuable wealth, protects the rights and interests of employees, and is committed to building a fair, just, harmonious and friendly working environment. We fully understand that talent is the core of enterprise development, and encourage employees to continue to strive on the company's platform and share development benefits with the company by continuously optimizing the construction of talent echelon and improving the incentive and sharing mechanism. At the same time, we actively strengthen team building, enhance the collaboration ability and team cohesion of employees, lay a solid foundation for the long-term development of the company, and achieve joint growth with employees.

This is our first ESG Report, which aims to review the efforts made by Highpower Technology in corporate governance, environmental protection and social responsibility in 2023, hoping to further promote information sharing and exchange between the company and all sectors of society, especially stakeholders, increase mutual understanding and recognition, and jointly write a new chapter in sustainable development.

Hundreds of barges compete for the current, and those who struggle for the boat are the first. The mission in 2024 is like a rock, and we cannot slacken down for a moment. Highpower Technology will continue to adhere to the corporate mission of "To solve global customer challenges and pressures; Respond rapidly; Provide safe products and quality service.", actively fulfill social responsibilities, seize opportunities, meet new challenges with a more pragmatic style, work together to win the future and create brilliance with more resolute determination, more tenacious belief and more firm steps.



潘党育

Chairman of Shenzhen Highpower Technology Co., Ltd
George Pan

About Highpower Technology

Company Profile

Shenzhen Highpower Technology Co., Ltd. (Highpower Technology, stock code: 001283) was founded in 2002. As an enterprise with independent R&D capabilities and comprehensive competitiveness in the global market, Highpower is committed to the research, design, manufacturing and sales of Li-ion and Ni-MH batteries, energy storage systems and used battery recycling. We understand the challenges and pressures faced by global brands. With years of technology accumulation and product development experience, we have been recognized by well-known brands around the world. We provide flexible, reliable & one-stop power solutions for customers.

CORE VALUES

Delight customers; Open-minded and shared success, Dedication to details; Always improve

VISION

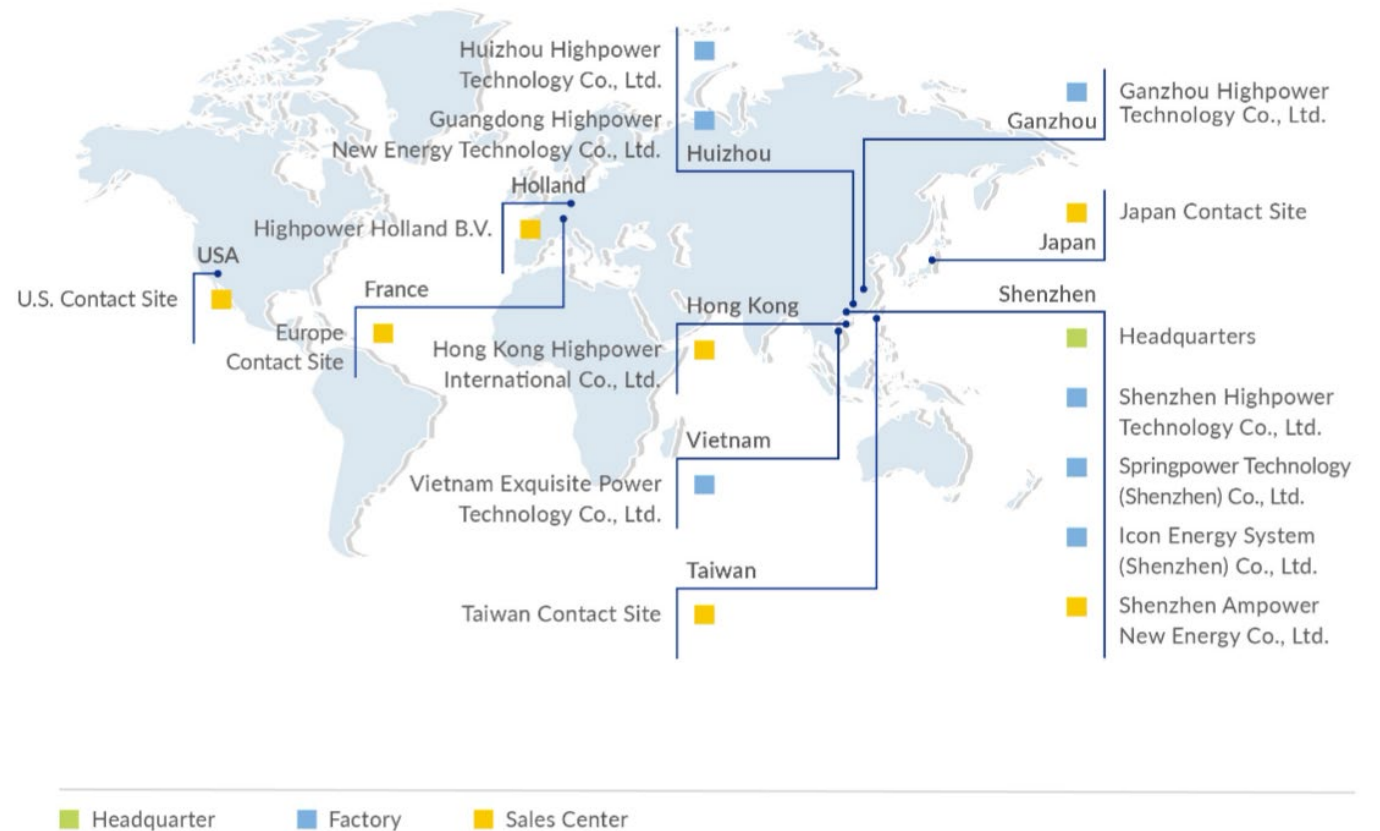
Provide world-class clean energy solutions to power the future

MISSION

To solve global customer challenges and pressures; Respond rapidly; Provide safe products and quality service



Company Network



Sustainability Management

Highpower Technology is committed to continuously improving environmental, social and governance performance, actively promoting the sustainable development of the Company's business and social impact, working with stakeholders to create long-term business value, and helping to promote the progress of major global sustainable development issues.

Highpower Technology adheres to the core values of "delight customers, open-minded and shared success, dedication to details, always improve" and to "provide world-class clean energy solutions to power the future" as its goal. We vigorously promote the concept of "Green Manufacturing", persist in the path of sustainability, and demonstrate the company's corporate social responsibility.

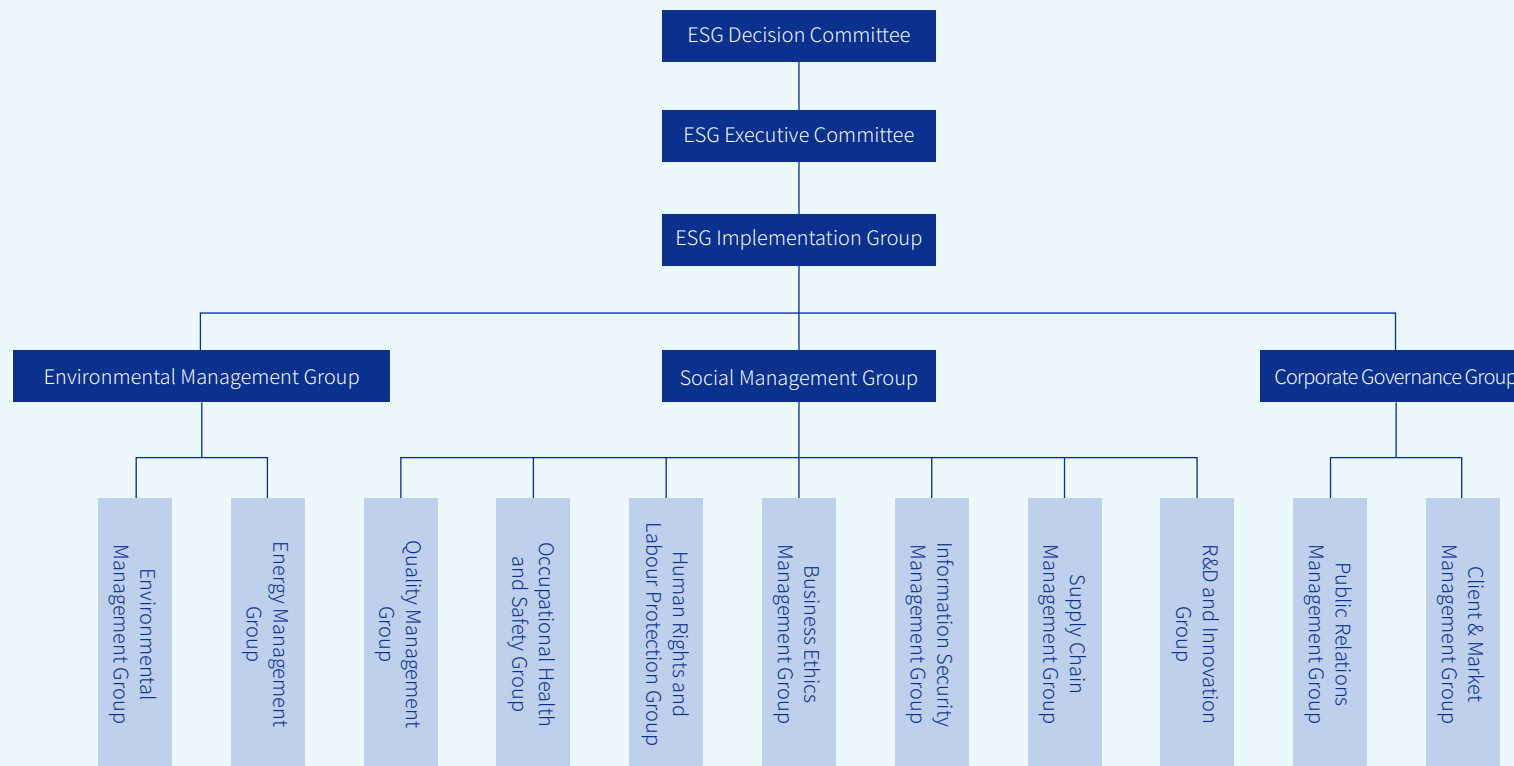
The Company is committed to improving management policies to achieve its sustainable development mission. We focus on product quality, environment, HSF¹, social responsibility, business ethics and other aspects to formulate sustainable policies, focusing on the four major sustainable development directions of honest governance, immaculate quality, green planet, harmonious life, and striving to create sustainable long-term value for employees, customers and community contribution.

Sustainable Development Directions	<p>Honest Governance</p> <p>Promote responsible business practices</p>	<p>Immaculate Quality</p> <p>Pioneer excellence innovation and quality assurance</p>	<p>Green Planet</p> <p>Foster a sustainable future</p>	<p>Harmonious Life</p> <p>Elevate well-being for the whole community</p>
	<p>Material Issues</p> <ul style="list-style-type: none"> ● Corporate governance ● Risk management ● Business ethics and anti-corruption ● Information security and privacy protection ● Community investment and participation 	<p>Material Issues</p> <ul style="list-style-type: none"> ● Product quality and safety ● Customer relationship management ● Innovation and R&D ● Responsible Procurement 	<p>Material Issues</p> <ul style="list-style-type: none"> ● Environmental management ● Greenhouse gases and climate change ● Clean technology opportunities ● Emissions and waste management ● Biodiversity ● Energy management ● Resource management 	<p>Material Issues</p> <ul style="list-style-type: none"> ● Employee rights and interests ● Diversity, equality and inclusion ● Employee training and development ● Occupational health and safety
	<p>Policies</p> <ul style="list-style-type: none"> ● Business ethics policy 	<p>Policies</p> <ul style="list-style-type: none"> ● Quality policy ● HSF policy 	<p>Policies</p> <ul style="list-style-type: none"> ● Environmental policy 	<p>Policies</p> <ul style="list-style-type: none"> ● Social responsibility policy

¹ HSF: Hazardous Substances Free.

ESG Management

Highpower Technology has established a sound ESG management structure, and is committed to implementing the concept and action of sustainable development into various operations and management activities to ensure a high degree of consistency with the company's strategic objectives.



Highpower Technology ESG Governance Structure

ESG Decision Committee

- Organize, supervise and review ESG related matters
- Assess ESG risks and opportunities
- Make decisions on ESG strategy, management policies, goals and deployment

ESG Executive Committee

- Reporting on ESG work to the ESG Decision Committee
- Coordinate various departments to implement the work deployment of ESG Decision Committee
- Drafting ESG management strategy, management policies, goals and deployment, and submit to the ESG Decision Committee for approval


ESG Implementation Group

- Promote the implementation of the sustainable development strategy
- Perform 'ESG KPIs Assessment' of each module
- Responsible for communication with internal and external stakeholders
- Conduct significance assessment and write ESG report

Stakeholder Engagement

Highpower Technology firmly believes that stakeholder advice can help us actively respond to key risk factors affecting business development, and our growth cannot be separated from the support of various stakeholders. Through active and close communication with all parties, we sort out and identify the concerns, expectations, demands and key issues of stakeholder.

The Company always maintains a close connection with stakeholders and has established a regular communication system. We actively respond to the concerns of stakeholders in the following ways to create sustainable value for them.

Stakeholders	Focus topics	Communication channels and response methods
 Government and regulators	Business ethics and anti-corruption Environmental management	Emissions and waste management Energy management Regulatory supervision Information disclosure Official correspondence Policy implementation
 Shareholders and investors	Innovation and R&D Product quality and safety	Corporate governance Occupational health and safety The general meeting of shareholders Interactive Ene official website Roadshow and reverse roadshow Periodic reports and interim announcements Results presentation Online and offline meetings of analysts
 Customers	Product quality and safety Emissions and waste management Environmental management	Risk management Information security and privacy protection Technology R&D and innovation Phone call Customer satisfaction survey Quality management system
 Suppliers and partners	Product quality and safety Emissions and waste management Information security and privacy protection	Occupational health and safety Business ethics and anti-corruption Supply chain management and audit Supplier communication and empowerment
 Employees other than the board and senior management	Occupational health and safety Product quality and safety Employee rights and interests	Emissions and waste management Information security and privacy protection Employee activity Employee training Employee appraisal and promotion Labour union Internal information communication platform Occupational health surveillance Safety production management
 Board and senior management	Customer relationship management Employee training and development Occupational health and safety	Risk management Philanthropy Internal management meetings and reports Corporate governance training Internal information communication platform Internal emails
 NGO/social organization/media	Charity Product quality and safety	Innovation and R&D Emissions and waste management Public benefit activities Volunteering Media interviews Information disclosure

Material Topics Management

During the reporting period, the Company conducted stakeholder survey through its own operation status, combined with domestic and foreign laws and regulations and policy orientation, external trends, peer practice, department research and other methods, comprehensively identified issues that have an impact on the Company and stakeholders, formed a final material topics matrix and identified 9 material issues of high importance, 9 material issues of medium importance and 2 material issues of general importance.

Topics Identification

In conjunction with domestic and international policies, exchange ESG guidelines, capital markets and report writing methodology, peer practices and other issues of concern to the company.

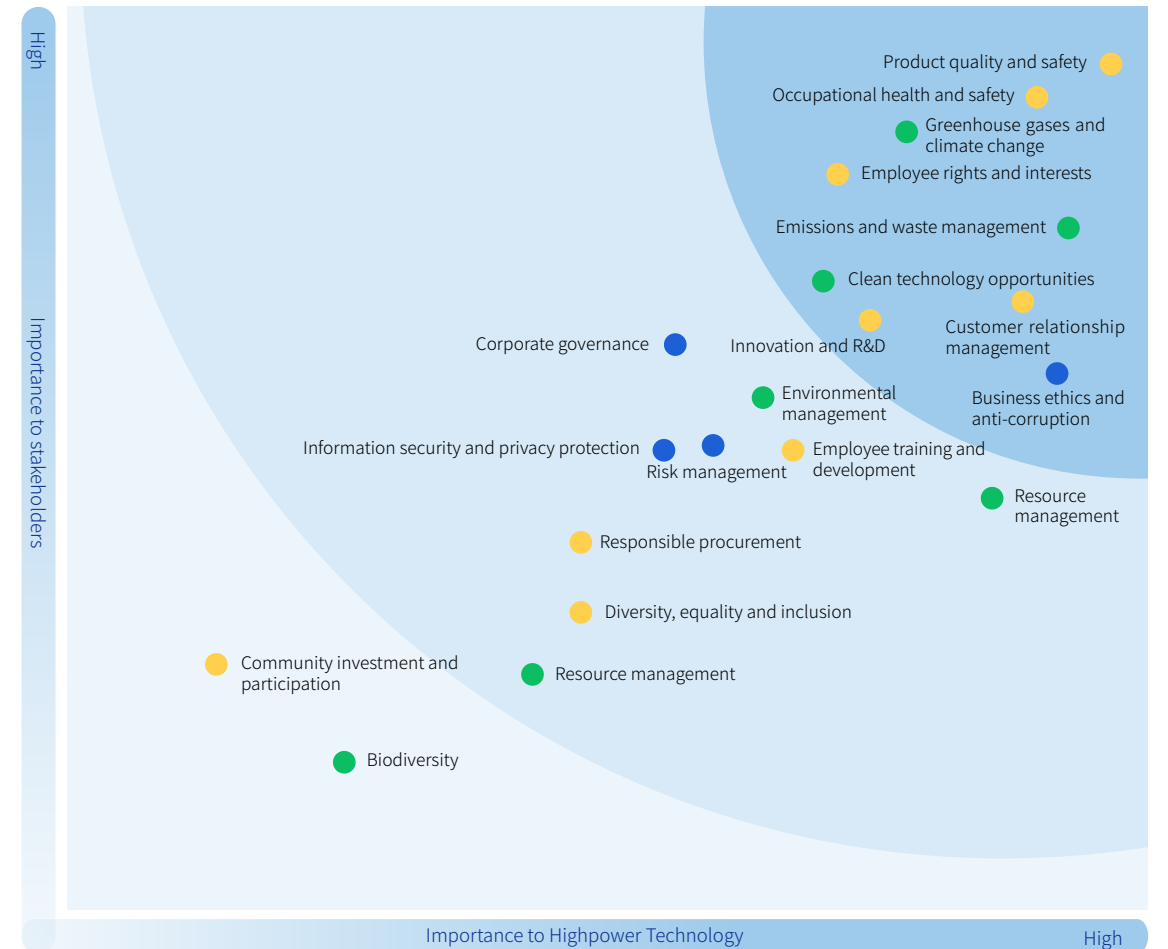
Topics Ranking

Identify and assess the impact and importance of ESG topics through departmental and field interviews, internal and external stakeholder views, and stakeholder questionnaires.

Topics Disclosure and Response

Identify and respond to important and material topics through the Company's current situation and the final analysis results.

Material Topics Identification Process



● Environmental topics ● Social topics ● Governance topics

Highpower Technology Material Topics Matrix

Summary of ESG Performance in 2023

 <p>Honest Governance</p>	<ul style="list-style-type: none"> Number of significant risks identified in the audit is <p>0</p>	<ul style="list-style-type: none"> Number of major information security incident is <p>0</p>	<ul style="list-style-type: none"> Number of subsidiaries have passed the ISO 27001 certification is <p>4</p>	<ul style="list-style-type: none"> Sunshine Scholarship Foundation has been established for more than <p>10 years</p>	
 <p>Immaculate Quality</p>	<ul style="list-style-type: none"> Number of product safety incidents is <p>0</p>	<ul style="list-style-type: none"> Number of subsidiaris which have passed the ISO 9001 quality management system certification is <p>5</p>	<ul style="list-style-type: none"> Number of platforms which have made major breakthroughs achieved <p>14</p>	<ul style="list-style-type: none"> In 2023, number of new filed patent applications achieved 490+ In 2023, number of new patents granted achieved 240+ By the end of 2023, the number of authorized and effective patents is 632 	
 <p>Green Planet</p>	<ul style="list-style-type: none"> Number of major environmental accidents is <p>0</p>	<ul style="list-style-type: none"> Subsidiaries involved in production which have obtained ISO 14001 environmental management system certification achieved <p>5</p>	<ul style="list-style-type: none"> Subsidiaries have obtained the national "Green Factory" certification issued by the Ministry of Industry and Information Technology of the People's Republic of China achieved <p>2</p>		
 <p>Harmonious Life</p>	<ul style="list-style-type: none"> Achievement rate of occupational health and safety objectives <p>100%</p>	<ul style="list-style-type: none"> External factory partners safety training hours achieved <p>1,741 hours</p>	<ul style="list-style-type: none"> UFIDA 2023 China Human Resources Venus Prize-2023 Digital Intelligence Recruitment Innovation Practice Award Winner of Liepin Zhongnan District 2023 Outstanding Talent Partner Award Zhilian Recruitment 2023 China Annual Preferred Employer 		

01. Honest Governance

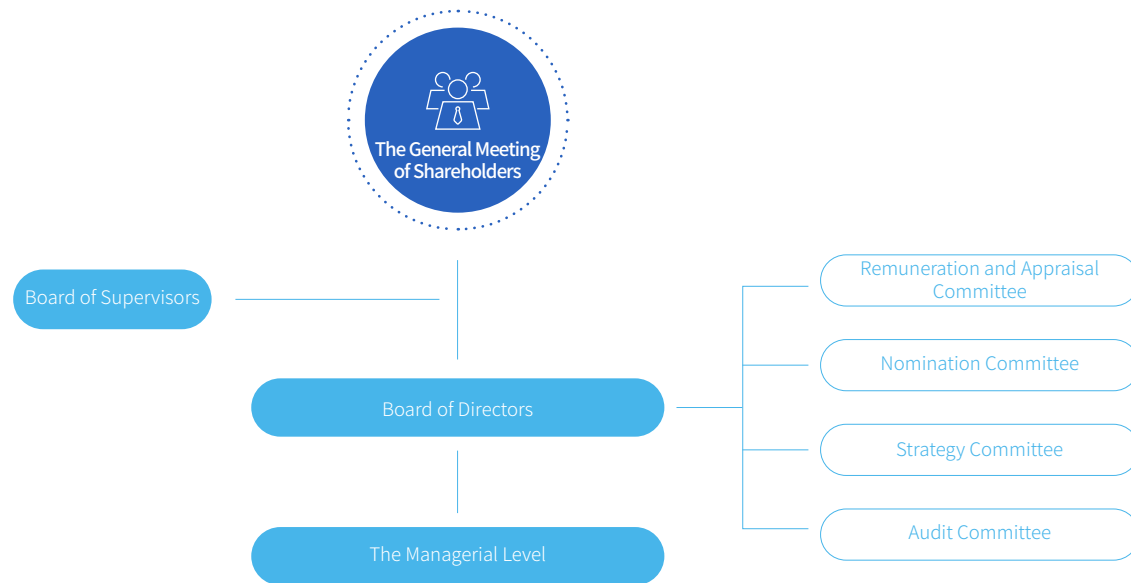
- Corporate Governance
- Risk Management
- Business Ethics and Anti-Corruption
- Information Security and Privacy Protection
- Community Contribution

Good corporate governance is the key to the long-term stable development of enterprises. Highpower Technology adheres to the core values of "**delight customers, open-minded and shared success, dedication to details, always improve**", maintains the top-down governance strategy of the Company, builds long-term brand influence with integrity management, and gives back to the society with a positive attitude.



Corporate Governance

A comprehensive corporate governance structure is the cornerstone and important guarantee for the sustainable development of the Company. Through a comprehensive and completed corporate governance structure, Highpower Technology continues to improve the transparency and effectiveness of governance, safeguard the rights and interests of stakeholders through clear rights and responsibilities, efficient and transparent governance practices, and overall helps to improve the development of the Company. The Company continuously improves and optimizes its corporate governance structure in strict accordance with the requirements of relevant laws and regulations such as *The Company Law*, *The Securities Law*, *The Governance Standards for Listed Companies*, *Shenzhen Stock Exchange Stock Listing Rules*.



Highpower Technology's corporate governance structure

Highpower Technology Corporate Governance Structure

The General meeting of Shareholders

The general meeting of shareholders is the power organization of the Company. The Company shall hold the meeting once a year, responsible for the decision-making of the business operation and investment plan based on the national laws, review and approve the report of the board etc.

The Board of Supervisors

The board of supervisors shall responsible for reviewing the regular report of the Company from the board of directors, and deliver formal reviewed suggestions if possible. It also responsible for supervising the Company's finance performance and directors, senior management groups' behaviors on execution.

The Board of Directors

The Company establishes the board of directors that responsible for the general meeting of shareholders, which includes call the meeting of shareholders, report to the general meeting, implemen the resolutions of the meeting, decide on internal management structure, and manage the Company's disclosure etc.

The term of directors is 3 years, selected from the general meeting of shareholders, and required to hire indepent directors

The Company selects the best candidates in the board based on diversity principle, prohibits any behaviors related to gender, ethnicity, region and culture, ensure that the recruitment process is fair and just.

During the reporting period, the board of directors has 9 members, including 1 female member, accounting for 11.11% in the board. There are 3 members as independent directors.

The Committee

Highpower Technology establishes the aduit committee, the strategy committee, remuneration and appraisal committee, nominatio committee according to the Code of Corporate Governance for Listed Companies, all of these support the board's decision with scientific and professional suggestions and references.

The Managerial Level

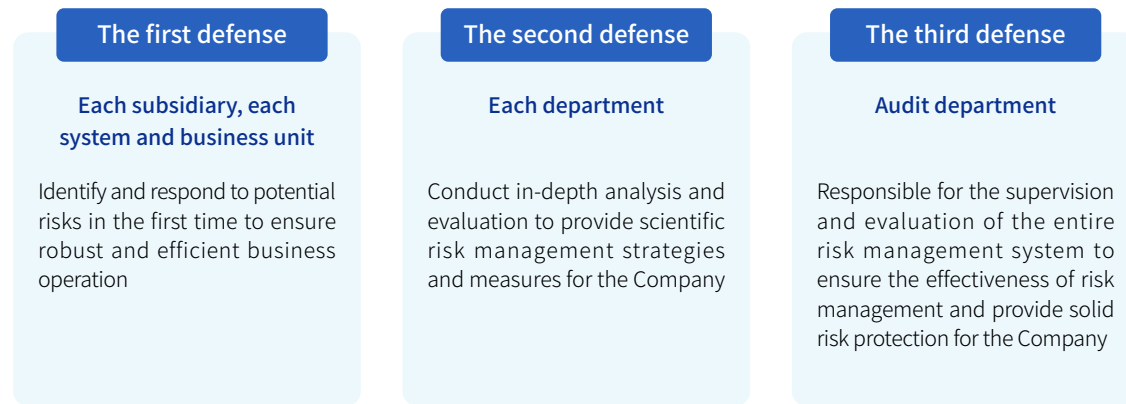
The Managerial Level shall perform their duties in accordance with the Articles of Association of Highpower Technology, implements the resolutions of the board of directors, reports their work to the board of direcots, and actively promotes the annual operation and management of the Company.

During the reporting period, the Company held 2 general meetings of shareholders, 7 meetings of the board of supervisors and 8 meetings of the board of directors, including 3 meetings of the remuneration and appraisal committee, 3 meetings of the strategy committee and 4 meetings of the audit committee.

Risk Management

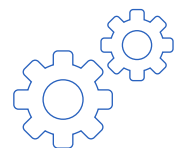
Risk Management System

The Company is aware of the importance of risk management to the Company. To prevent and resolve various risks that may occur in the daily operation of the company in advance, Highpower Technology has formulated and continuously improved internal risk management and internal control system. The core of the system is 'Three lines of defense', which aims to improve the company's risk resistance ability in an all-round and multi-level way.



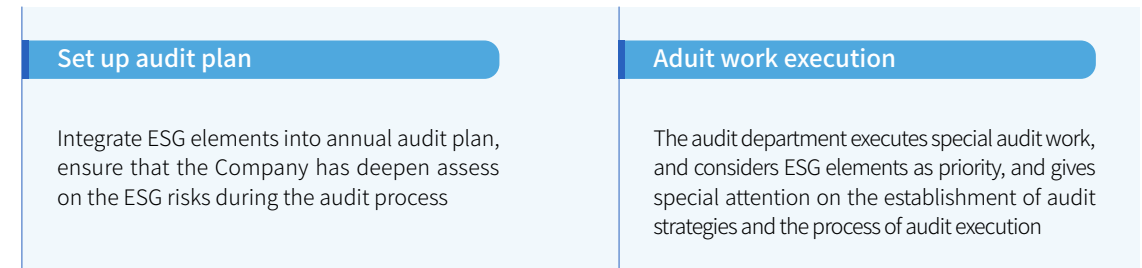
Three lines of defense risk management system

Through the close cooperation of these three lines of defense, we can effectively prevent and resolve all kinds of risks that may occur in the daily operation of the Company and improve the Company's risk management control ability and the ability to respond to emergencies. This not only contributes to the standardized operation and stable development of the Company, but also protects the legitimate rights and interests of all stakeholders and realizes the long-term sustainable development of the Company.



Internal Auditing

Highpower Technology has established an internal audit process to strengthen the overall coordination and supervision of internal audit. Meanwhile, we are deeply aware of the importance of ESG factors to the company's operation and financial situation, and incorporate ESG related elements into the company's special audit to better understand and assess ESG related risks to ensure that ESG risks are reduced to a controllable range. During the reporting period, we did not identify significant risks in our audit.



Highpower Technology's audit process



Business Ethics and Anti-Corruption

Adhering to business ethics standards will help improve enterprise reputation, coordinate internal and external relations, and improve enterprise management efficiency. Highpower Technology adheres to the business ethics policy of "Concept first, System base, Zero tolerance forging sunshine team", always concentrate on business ethics and anti-corruption in the Company, and strives to build a healthy business ecosystem.


Business Ethics and Anti-Corruption Management

Highpower Technology strictly abides by the *Anti-Money Laundering Law of the People's Republic of China* and other laws and regulations, and has formulated documents such as the *Anti-Fraud Policy of Highpower Technology*, the *Integrity Commitment Letter* to clarify the responsibilities and authorities of each department and the definition of commercial bribery, and to specify the prohibited acts in business ethics, anti-corruption and bribery. The Company also encourage employees, suppliers and other stakeholders to participate, build a strong anti-corruption firewall. Highpower Technology formulated [HighPower Technology Anti-Fraud Policy](#), and publicly disclosed on its official website, requiring all employees and suppliers of the Company to jointly abide by, and jointly build a harmonious and stable business environment.



Construction of Anti-Corruption Culture

To further cultivate the awareness of all employees in anti-corruption, the Company vigorously promotes the construction of clean culture, integrity education, signing letters of commitment and other forms.

	<ul style="list-style-type: none"> With <i>the Code of Conduct and Discipline Management Regulations of Highpower Technology</i> as the core, clear the work discipline, and build a clear supervision, Code of Conduct, and other regulatory policies. 	
 Integrity Culture Construction	<h4>For Employees</h4> <ul style="list-style-type: none"> Each Employee will read <i>the Code of Conduct and Discipline Management Regulations of Highpower Technology</i>, to clarify work discipline, business ethics and other contents Conduct online anti-corruption content promotion for new employees Promote business ethics and anti-corruption to employees through email and other forms 	<h4>For Suppliers</h4> <ul style="list-style-type: none"> Sign <i>the Supplier Commitment Letter and Supplier Social Responsibility Commitment Letter</i> on the suppliers' entry section, ensure that the suppliers provide products and service based on the standard of the Company

Highpower Technology Integrity Culture Construction



Whistleblowing Management Mechanism

Highpower Technology has established a sound whistle-blowing management mechanism and a *Whistle-blowing Management System* to ensure the standardized management of whistle-blowing is carried out in a standardized manner, protect the legitimate rights and interests of whistle-blowers in accordance with the law, and ensure the realization of the company's business objectives, stable and healthy development of the Company. The Audit Department of the Company is responsible for accepting, managing and handling the whistleblowing, and reporting to the Chairman and the Audit Committee of the Board of Directors. To verify the authenticity of the situation, we will give a reward of RMB 500 to 200,000, encourage employees and suppliers and other stakeholders to actively participate in anti-corruption and maintain an integrity and compliant business atmosphere.

In addition, we have established a number of whistleblowing channels and provided the President's Office and Audit Department with reporting emails when signing *the Integrity Agreement* with suppliers to ensure that all relevant parties can supervise the business ethics construction of Highpower Technology.

Highpower Technology Reporting Channel



Email

HpShenji@highpowertech.com



Address

Audit Department, Building A7, No. 68,
Xinxia Avenue, Pinghu Street, Longgang
District, Shenzhen



Feedback on the Cadre work issues

Whistleblowers can report problems to the Highpower Technology Human Resources Department online or offline



Face to face report

The whistleblowers can report the problem to the relevant person in charge of Highpower Technology Audit Department

We promise to follow the principle of confidentiality and anti-retaliation, explicitly require full confidentiality of reported acts and materials, and deal with any form of retaliation according to the Law. No one may disclose the whistle-blower, the contents of the report and other relevant information to the whistle-blower, the unit and unrelated personnel. With the exception of those who directly accept the reported case, no other personnel may inquire or understand the informant's situation. At the same time, for real-name reporting, the relevant personnel should feedback the progress and results of the processing to the whistleblower in an appropriate manner, and fully protect the privacy and rights of the whistleblower.



Information Security and Privacy Protection

Information security and privacy protection are the cornerstone of corporate security and an important part of business ethics. To ensure the full protection of personal and institutional information, Highpower Technology always attaches great importance to personal information security management and privacy protection, strictly prevents information security accidents, and protects personal information and privacy rights and interests.

Information Security and Privacy Protection Management System

In order to prevent information leakage from bringing huge potential risks to the Company, Highpower Technology actively assumes the responsibility of protecting privacy and information security, strictly abides by the *Personal Information Protection Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China* and other relevant laws and regulations, establishes and ensures the effective operation of Highpower Technology Information Security Management System, and timely identifies and defuses information security risks. The Company has established a comprehensive information security management structure, with the Information Security Management Committee as the leader, leading the Information Security Professional Group and various functional departments to further implement information security management and comprehensively guarantee information security.

Highpower Technology has established guidelines and normative requirements from the perspectives of information security policy, information security strategy, information security procedures, management measures, information security baseline, information system development security, personal information protection specification, data lifecycle security, business continuity, etc., and formulated *Information Security Management Manual* as the general guideline of information security management of the Company, as well as internal policies such as *Information Security Management Strategy Set*, *Personal Information Management Measures and IT Supplier Management Regulations*, covering all departments and employees of the Company and its subsidiaries, including third-party personnel who can access information assets, to ensure the confidentiality, integrity and availability of the Company's information and customer information.

During the reporting period, four subsidiaries have obtained ISO 27001 certification.



ISO 27001 Certification

Information Security And Privacy Protection Management Measures

Information Security Daily Management

Information security and data protection are important barriers for Highpower Technology to maintain business continuity and controllability and prevent data assets and innovative achievements from being leaked. The Company has carried out a normal information security management mode, gradually establishing active and passive defensive measures to maintain system information and data security. Meanwhile, we also require suppliers to sign supplier confidentiality agreements and IT supplier management regulations, carry out classified and hierarchical management of security risk events, and risk prevention, so as to comprehensively guarantee the information security of Highpower Technology and achieve win-win results with stakeholders.

Proactive Measures

- Open Internet access websites for security detection
- Conduct security scans of internal servers to fix potential security vulnerabilities
- Protect the normal operation of information system and data security

Passive Measures

- Establish data backup and offline backup mechanisms to ensure data security
- Formulate *Information Security Incident Emergency Response Plan* to deal with all kinds of security incidents

Highpower Technology Information Security Technology Management Measures

Information Security Culture Construction

Highpower Technology actively builds a corporate culture of mutual respect and \ information security protection, improves employees' information security risk awareness, and strengthens employees' ability to cope with unexpected information security incidents. We take the information security course as a compulsory course for new employees to promote information security prevention and cultivate network security awareness, so that new employees can always maintain information security awareness in their work and become 'a Highpower person' who abide by laws and regulations. During the reporting period, the Company conducted 11 information security trainings for new employee.

During the reporting period

Highpower Technology did not have any major information security incidents.

Case



Information security training for new employees

Community Contribution

Highpower Technology adheres to the people-centered idea, and promotes common prosperity in high-quality development, social governance innovation and social civilization and harmony. The Company actively engages in public welfare undertakings such as poverty alleviation, education aid, medical assistance and volunteer services, and returns and feeds the society with practical actions. Since 2018, HighpowerTechnology has donated about RMB 9.6 million to Maanzhen Education Promotion Association, Shenzhen Longgang District Charity Foundation, Central South University Education Foundation, Jiangxi University of Technology Education Foundation, South China University of Technology Education Development Foundation, Harbin University of Technology Education Development Foundation and other foundations to contribute their power to the development of education.



Sunshine action: helping employees to warm their heart

In September 2023, the Party Branch of Highpower Technology and Guanghe Women’s Federation visited the families of children with congenital hearing disabilities, and volunteers sent warm condolences and holiday wishes to them.



Garbage sorting: party members attending volunteer service to promote civilization

In November 2023, in order to improve the environmental awareness and health awareness of Party members and cadres, and enhance the cohesion and influence of Party organization, Highpower Technology Party Branch organized Party members to actively participate in the voluntary activity of "Bend for love, Picks up and Runs Together" carried out by the Party Committee of the starting area of China South Korea (Huizhou) Industrial Campus to promote sustainable social development.



With the strong support of the Company for philanthropy, Highpower Technology founded the "Sunshine Scholarship Foundation" in 2011. Since its establishment for more than ten years, the foundation has adhered to the purpose of "dedicating love and benefiting society", actively provided financial assistance to poverty families and students, and has been widely praised by the society. The non-profit public welfare organization is organized by the chairman of Highpower Technology and internal employees, self-managed, and supervised by employees. With the purpose of supporting poor and out-of-school children to complete their studies, it helps hundreds of poor and unstudied children return to school and helps schools in remote areas improve teaching conditions.

Sunshine Student Activity

During the reporting period, Highpower Technology continued to pay attention to and express condolences to poor families in Maan Town, Huizhou, and distributed warm necessities and study packages to poor families. On September 26, 2023, we successfully held a donation activity of "Sunshine Scholarship Foundation", donating a total of RMB 80,000 of materials to six primary schools in Maan Town, benefiting 352 students, and encouraging children to study hard, and contribute to the society in the future.

At the ceremony, the representatives of the school announced the list of winners of the "Highpower Scholarship". The senior director of human resources of the Company delivered a speech on behalf of the foundation, conveying the corporate culture concept of "being enthusiastic about education and daring to assume social responsibility" that the group has always adhered to. In the future, Highpower Technology will continue to devote itself to public welfare undertakings, providing financial assistance to more needy families and students to help them complete their studies.



During the reporting period, Highpower Technology was trying to pour more love and support into the local poor areas of their operation sites, provide more care and expectations for students under the blue sky, and jointly move towards the goal of "creating a better life of people".

HighPower Technology Charitable projects include, but are not limited to:

- From 2020 to 2024, an annual donation of RMB 400,000 to support education in Jiangxi University of Technology.
- From 2020 to 2024, it will donate RMB 120,000 to support the education of Harbin Institute of Technology every year.
- From 2021 to 2025, it will donate RMB 500,000 annually to support the education of South China University of Technology.
- From 2023 to 2025, RMB 600,000 will be donated annually to support the education development of Central South University.
- In March 2023, RMB 30,000 was donated to support the spiritual civilization construction of Longgang District.
- In April 2023, the targeted donation of RMB 84,000 was used to support education development of Maan Town, Huizhou City.
- In June 2023, donated RMB 30,000 to the "Green Beauty Guangdong Huizhou Ecological Construction Action Fund
- In June 2023, RMB 100,000 was donated to the "June 30 Guangdong Poverty Alleviation Day" to care for mothers and children in poverty
- In November 2023, donated RMB 100,000 to Huicheng District for air-conditioning project.

During the reporting period, the Company actively carried out various community public welfare activities such as targeted poverty alleviation, with a total investment of RMB 1,886,600 in public charity, RMB 176,000 in targeted poverty alleviation, and 3 people participated in targeted poverty alleviation, winning the honor of "Love Donating Enterprise".



Honor of "Love Donation Enterprise"

02.

Immaculate Quality

- Product Quality and Customer Service
- Innovative R&D
- Responsible Procurement

Highpower Technology regards product quality and customer pursuit as the embodiment of value. Adhering to the core values of "**customer achievement, openness and win-win, rigorous and pragmatic, self-criticism**", we base ourselves on product quality and innovation, lead the high-quality industrial ecology, take R&D and innovation as the cornerstone, intelligent manufacturing as the starting point, and high-quality delivery as the standard, constantly carry out technology accumulation and product innovation and R&D, bring excellent quality to customers with a high degree of independent R&D capabilities and global market competitiveness, and rely on responsible sustainable supply chain to help the long-term development of the industry.



Product Quality and Customer Service

Highpower Technology adheres to customer-centric, regards quality as an important cornerstone of enterprise development, actively pursues lean production and excellent service, and creates high-quality products with craftsmanship spirit to meet customer needs.

Product Quality

Quality Management System

Highpower Technology adheres to the quality management policy of "high-quality management, customer-oriented, excellence and continuous improvement", and firmly adheres to the bottom line of quality. We continue to optimize the quality management system and mechanism, and has established an internal and comprehensive quality management system, including ISO 9001:2015 Quality Management System, IATF 16949:2016 Automotive Quality Management System, and ISO 13485:2016 Medical Device Quality Management System.



ISO 9001:2015

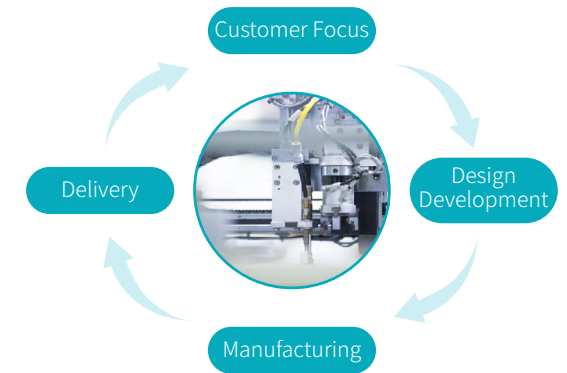


IATF 16949:2016




ISO 13485:2016

Highpower Technology insists on transferring quality into a reputation, improving product quality, process quality and work quality in an all-round way, and has established systematic end-to-end quality control internally, responding quickly to customer service, adhering to customer-oriented product lifecycle quality management, covering customer concerns, design, manufacturing, delivery quality, etc



Product Quality and Safety

Highpower Technology attaches great importance to product quality and safety, and regards safety defense line as one of the important quality standards of products. We are committed to continuously improving product quality, with the spirit of craftsmanship excellence seriously treat the production of each battery, and constantly improving the product quality and safety testing process and traceability mechanism.

MES  **Battery Information Management System**

Realize accurate and full process traceability

SPC  **Statistical Process Control**

Real-time monitoring of critical processes

We are equipped with more than 4,000 test equipment and 45,000 test channels for product reliability testing, covering physical and chemical analysis, electrothermal analysis, electrical performance testing, reliability testing, safety testing, etc., to ensure the effective operation of the quality and safety management system and prevent any safety accidents.



Scanning electron microscope (SEM)

Observe the status of positive electrode, negative electrode and diaphragm



X-ray diffractometer (XRD)

Measurement of lithium cobaltate, lithium nickel-cobalt manganese, graphite and other battery materials



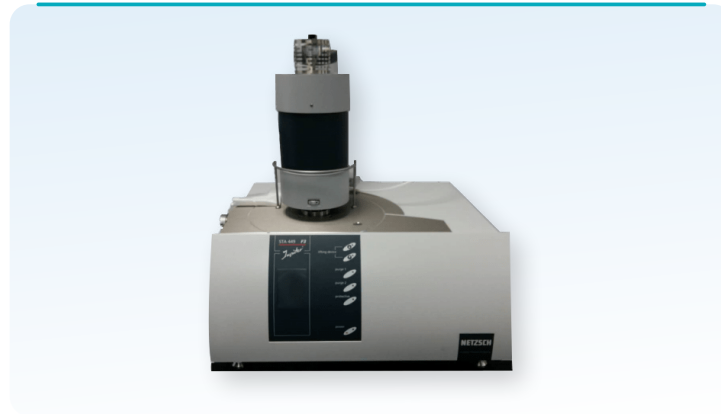
Computer tomography (CT)

3D visual non-destructive and defect analysis, dimensional measurement



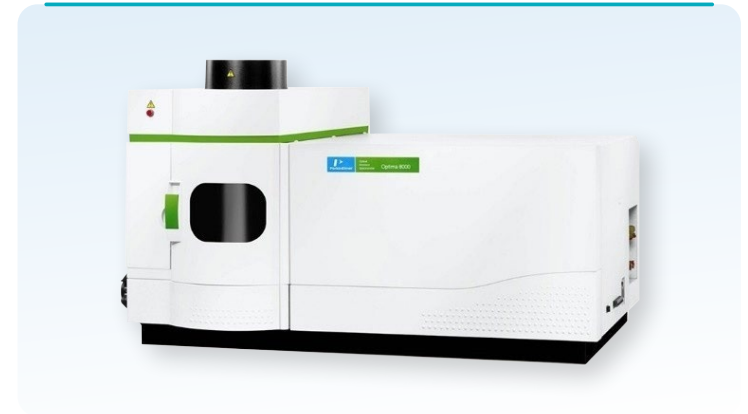
Gas chromatography-mass spectrometer (GC-MS)

Analyze the type and content of electrolyte



Synchronous Thermal Analyzer (TG-DSC)

Thermal stability of analytical materials



Inductively coupled plasma emission spectrometer (ICP)

Measurement of metal element content

Material analysis, product analysis and reliability test equipment

During the reporting period, our achievements include but are not limited to:

- Laboratory testing capabilities cover consumer, small power, energy storage, vehicle-mounted, standby battery products.
- In terms of vehicle-mounted, energy storage and power backup, testing resources have been continuously invested, including 1 ms battery test cabinet, large box walk-in thermostat, high voltage and large current battery tester, etc.
- 12,500 new test channels, computer tomography equipment, RY-GC-MS RoHS 2.0² detection equipment, etc.
- During the reporting period, new authorization of CTF³ witness laboratory qualification authorized by DEKRA⁴ and UL⁵ was obtained.



Quality Improvement

Quality improvement Highpower Technology continuously improves the quality management level, adopts advanced management concepts and continuously optimizes the quality level. We build a production line with zero defects according to the production rhythm, lock and arrange work orders according to the plan, solve problems in a targeted manner, carry out production and operation in a comprehensive, standardized and orderly manner, and truly achieve product rhythm, process monitoring and results feedback on business statements, achieving continuous improvement.

We constantly improve the product-centric mechanism to ensure product quality and safety, standardize the QPA audit mechanism, conduct self-examination and self-correction, and continuously improve product quality.

² RY-GC-MS RoHS: Testing equipment for testing plasticizers and flame retardants in electronic and electrical products.

³ CTF: Customer's Testing Facilities.

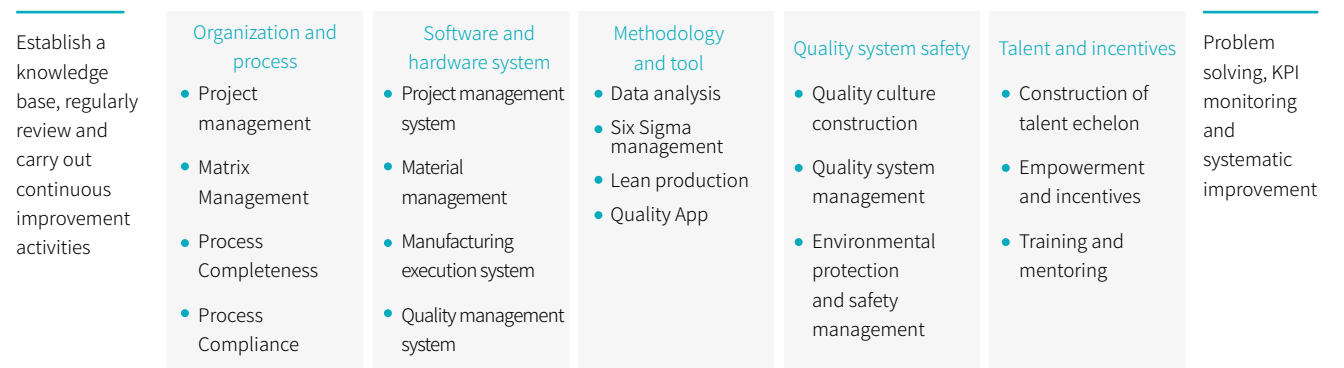
⁴ DEKRA: Deutsche Kraftfahrzeug ü berwachsungsverein, formerly German Motor Vehicle Supervisory Association.

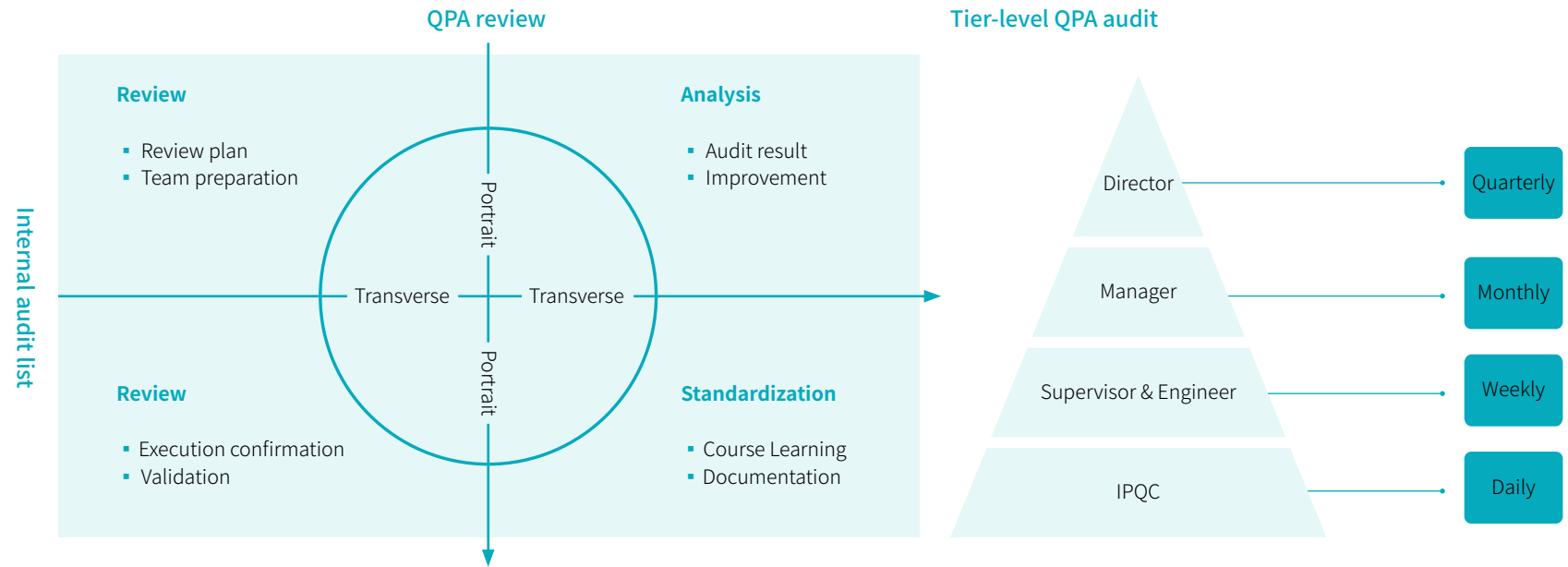
⁵ UL: Underwriters Laboratories, Inc. Certified Safety Certification for the North American market, voluntary certification

Product-centric, end-to-end safety and quality management

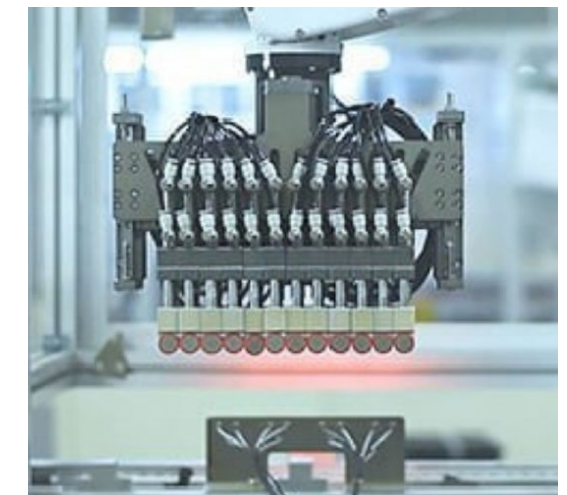
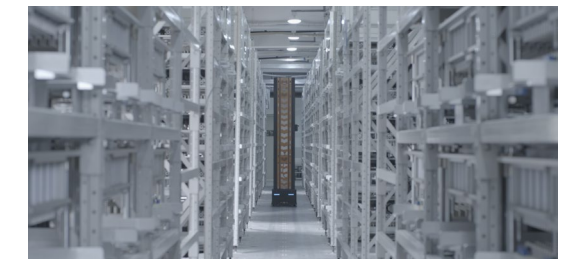


Quality management infrastructure and system construction





We attach great importance to the digitalization and intellectualization of quality management, continuously promoting the deployment of online quality management systems and coordinating the construction of smart factories. We use AGV Technology, Import SAP-ERP, WMS Warehouse management system, as well as mobile inspection system and other advanced enterprise management systems, to achieve a high degree of automation and large-scale manufacturing.



Highpower Technology Continues to Promote Intelligent Manufacturing

- 01 Customer dimension QPA audit (Customer Audit Checklist)
- 02 Internal dimension QPA audit (Internal Audit Checklist)
- 03 Customer complaints & feedback audit (Implementation review)
- 04 Internal unusual audit (Implementation audit of key exceptions)
- 05 Special implementation audit (Foreign matters, anti-stupidity, traceability, etc.)
- 06 Expert specific QPA (High-level diagnosis)

Production data acquisition system

We have built a production data acquisition system in Shenzhen Nickel Hydrogen Plant to achieve real-time online update of the whole process of workshop production and operation, and the data content such as production process and product output is clear at a glance on the online system to promote the safe and efficient operation of the plant.



Smart factory construction

Guangdong Highpower continues to promote the construction of smart factories on the basis of digital factories, Internet of Things and equipment monitoring technologies, with the purpose of creating new customer value and the best user experience. By covering a wide range of collaboration networks and knowledge sets, we are committed to promoting the horizontal wide area integration of human-centered value networks and equipment-centric manufacturing networks, as well as the bottom-up and top-down vertical penetration integration of data and information, and ultimately realizing the deep integration of the whole life cycle of products and equipment and the complete value chain of the enterprise, enabling efficient management of product quality.



Quality Culture Construction

The Company actively carries out quality management training and publicity activities to promote the communication and exchange of quality and safety experience. We attach importance to the construction of quality culture and awareness. Through quality and safety knowledge competition, "Quality Guard Star" evaluation, quality improvement proposal, continuous improvement activities, etc., we encourage employees to cooperate and optimize quality in a rich form, form a quality awareness publicity covering all employees, and improve the quality management level from the source.

- Hold quality and safety monthly activity once a year, conduct quality and safety knowledge competition, provide incentive prizes to improve staff enthusiasm
- Standardize three rates and 5WHY, backtrack and dig deep into the root cause of problems, effectively close more than 50 reports and improve the depth and effectiveness of problem solving
- Organize quality continuous improvement activities every year, and carry out 13 quality improvement projects, mainly involving efficiency improvement and quality improvement
- Encourage all employees to participate in quality improvement and put forward 510 effective improvement proposals



Results of Quality Management Improvement

Relying on the continuous pursuit of excellence in product quality, we have improved product quality by introducing MES system and establishing automatic production line, actively shares experience with the industry, and promotes innovation and progress of the whole industry while continuously improving its product quality competitiveness. During the reporting period, our quality improvement achievements include but are not limited to:

Establish order:

- Establish and improve the data management module under the T-1 MES system, automatically collect real-time quality data online, and continuously analyze and improve the straight-through rate.
- A total of 28 stations in the whole process of lithium battery products automatically collect quality data.
- Four automatic pull wires, one sample line and nine real-time automatic quality data acquisition points are established for the small lithium battery core section, four automatic lines and three human-machine cooperation lines are established for the PACK section, and the equipment automation is further improved.

Improvement results:

- The new vehicle-mounted product line of nickel hydrogen products increased the efficiency from winding to sealing by 15%, and the defective rate decreased by 20%.
- The straight-through rate of lithium battery cylinder and flexible battery product lines has steadily increased, and cylindrical customer complaints have decreased by 50% annually for three consecutive years.
- The number of customer complaints of small lithium battery products in 23 years decreased by 55.8% compared with the same period through the quality management method of strict IQC entry and strict OQC exit.
- It has a number of PACK, DIP, energy storage automation production lines and four fully automatic SMT lines, and the qualified rate of H PACK finished products has steadily increased.

By the end of the reporting period, our lithium-ion batteries and nickel-hydrogen batteries had passed the certification of many domestic and foreign products.

Lithium ion battery

- CE-EMC Certification
- PSE Certification
- BIS Certification
- CB Certification
- KC Certification
- UN38.3 Certification
- CCC Certification
- GOST-R Certification
- FCC Certification
- UL Certification
- TISI Certification
- RCM Certification
- WERCS Certification
- BSMI Certification
- CTIA Certification

Nickel metal hydride battery

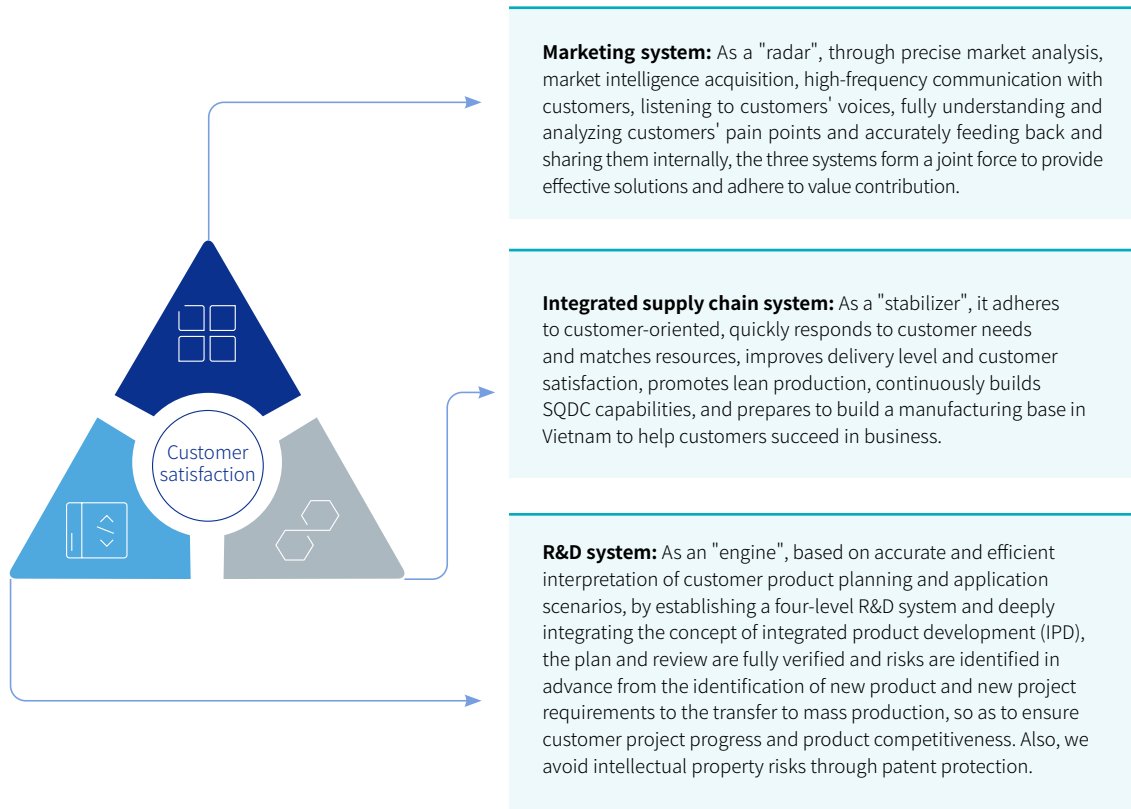
- CE-EMC Certification
- WERCS Certification
- TISI Certification
- CB Certification
- KC Certification
- BIS Certification
- UL Certification
- GOST-R Certification
- DOC Certification



Customer service

Customer service management

HighpowerTechnology adheres to the customer-centric service concept of "products satisfy users and services satisfy customers" by establishing an end-to-end management mechanism for product lines, connecting the three major systems of marketing system, R&D system and integrated supply chain system, and adopting the "iron triangle" collaborative operation mode. It fully listens to the voice of customers, excavates the explicit and implicit needs of customers, and establishes three-dimensional customer relations, continuously improving customer satisfaction.



In the customer service system construction module, the three systems work together to provide customers with excellent service experience.

- In 2023, Highpower Technology and its subsidiaries won the Excellent Supplier Award issued by Logitech, LG, Mindray and other customers. Dell and GoPro awarded the Excellent Individual Award based on the excellent performance of Highpower employees.



In order to further enhance the professional ability of marketing personnel in customer relationship maintenance and customer service, and cultivate market segments, we actively carry out customer service related training, build the foundation of customer relationship and dig deep into customer needs, and strive to provide customers with professional solutions to achieve customer business success and win-win cooperation

"Strategic questioning and relationship influence" training

On May 8, 2023, we held two "Strategic Question and Relationship Impact" trainings, which provided professional training for marketing center staff in customer communication, customer visit, customer relationship maintenance, customer demand management, etc., and improved the professionalism of marketing center staff.

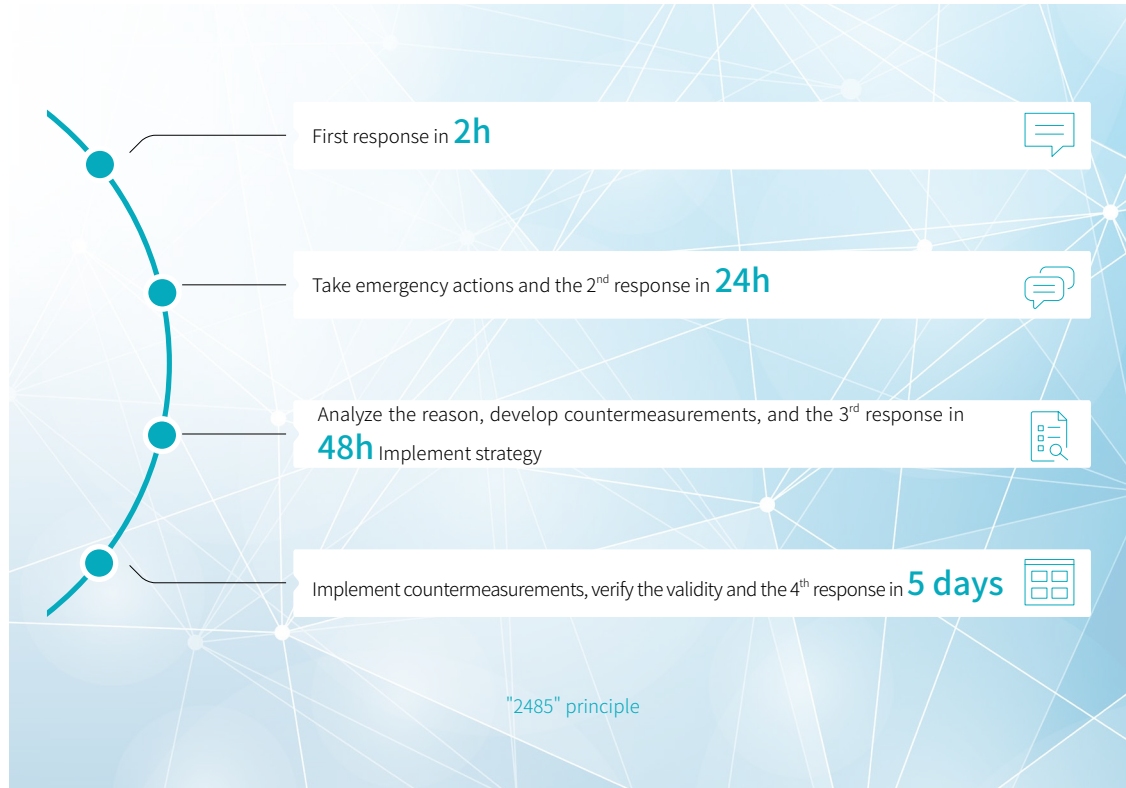


Responsible marketing

We are committed to building transparent and win-win responsible marketing relationships with our customers. In terms of online media publicity, advertising publicity, exhibition publicity and other aspects, the *Information Release Management Standard* has been formulated internally to strictly implement the management process of the Group's external information release and advertising marketing; In the customer development stage and cooperation stage, we take the initiative to sign confidentiality agreements with customers, respect and protect customers' trade secrets throughout the LTC process. When participating in marketing activities such as exhibition promotion, we actively comply with local laws and regulations, insist on legal, honest, accurate and scientific communication with customers, and carry out all marketing activities in a responsible manner. We actively train and publicize responsible marketing to relevant employees. During the reporting period, our responsible marketing training lasted 38 hours, covering all members of the marketing center.

Customer Complaints and Handling

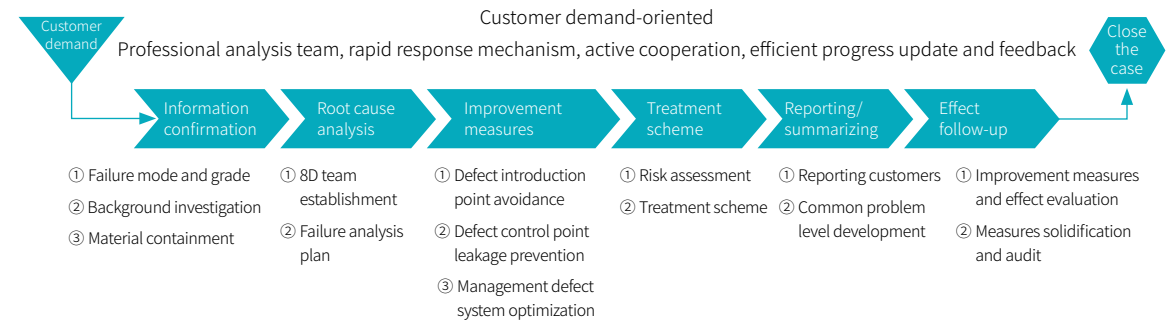
In response to customer complaints, we internally reviewed and optimized the *Customer Complaint Handling Process* and other systems, standardized the processing processes and procedures for business customer complaints, quality customer complaints and order delivery customer complaints, and set up *Customer Return and Replacement Processing Process* to provide basis and standards for the upgrading and return and replacement of customer complaints in accordance with the process. We adhere to the principle of "customer-centric and product-centric", take responsibility for the life cycle of products, establish on-site support teams overseas, shorten the feedback time of customer complaints, and practice the principle of "2485". At the same time, we established FA⁶ The analysis team, composed of top FA experts in each module industry, has professional knowledge on failure mode and failure mechanism of lithium-ion batteries, analyzes and improves defective products complained by customers, and reports to the client after verifying the improvement effect, forming a closed-loop of customer complaint processing and feedback.



⁶ FA: Failure Analysis.

We actively improve the customer complaint handling process, and divide customer complaints into three categories: business customer complaints, quality customer complaints and order delivery customer complaints. The degree is classified into different levels, and the corresponding processing flow is set.

Customer complaint handling process



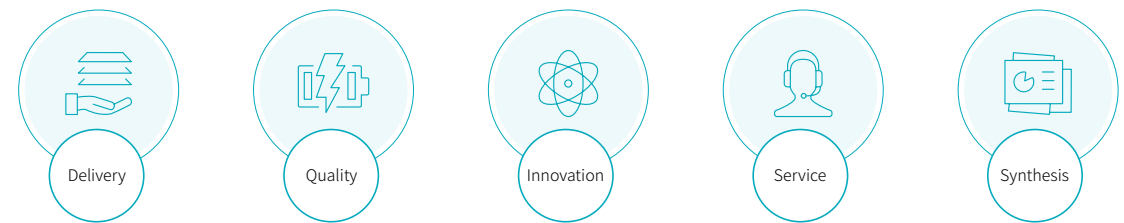
Customer Satisfaction Survey

In order to regularly evaluate the results of customer service and fully listen to customers, we conduct customer satisfaction surveys annually. During the reporting period, the company's customer satisfaction survey results were 90.2 points, reaching the very satisfactory standard. In the current customer satisfaction survey, the most satisfied items of customers are: product quality, new product development, technological advancement and service professionalism. A slight decline from the previous year's satisfaction survey was in meeting emergency order deliveries. In view of the decline, we further visited customers in depth, fully communicated the reasons and improvement measures, established closed-loop improvement measures and confirmed the improvement effect with customers to ensure that customer problems were solved.

During the reporting period

our client complaint problem closure rate is

100%



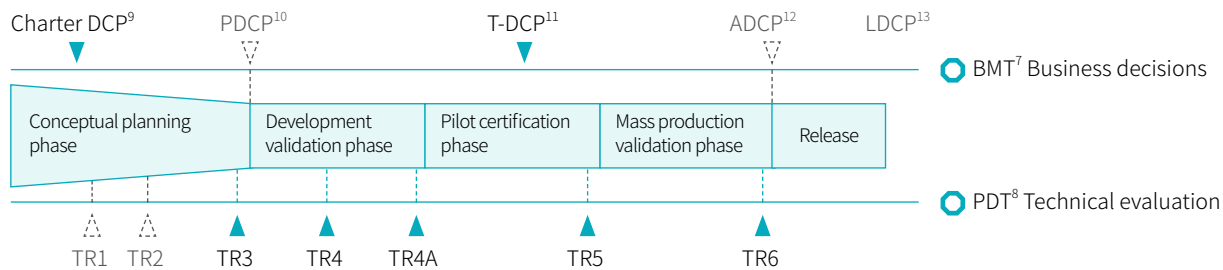
Highpower Technology Customer Satisfaction Survey Dimensions

Innovative R&D

R&D Model

Based on the vision of "becoming a world-class clean energy solution provider and creating a better life for mankind", Highpower Technology has always taken innovative R&D as an important direction of strategic support, committed to R&D and promotion of cutting-edge technology, driving long-term development and empowering the battery industry. Therefore, we deeply integrate the concept of Integrated Product Development (IPD) to "plan generation, reserve generation, develop generation and apply generation". For the R&D policy, a four-level R&D system with forward-looking research, development of new materials, new processes and new equipment, development of new platforms, and design and development of new products as the main contents has been formed, which closely combines theoretical research, platform development, design and development with production and manufacturing to achieve multi-party coordination.

Integrated Product Development (IPD) Concept



Highpower Technology's four-level R&D system

⁷ BMT: Business Management Team

⁸ PDT: Product Development Team,

⁹ Charter DCP: Charter Decision Check Point

¹⁰ PDCP: Plan Decision Check Point

¹¹ T-DCP: Temporary Decision Check Point

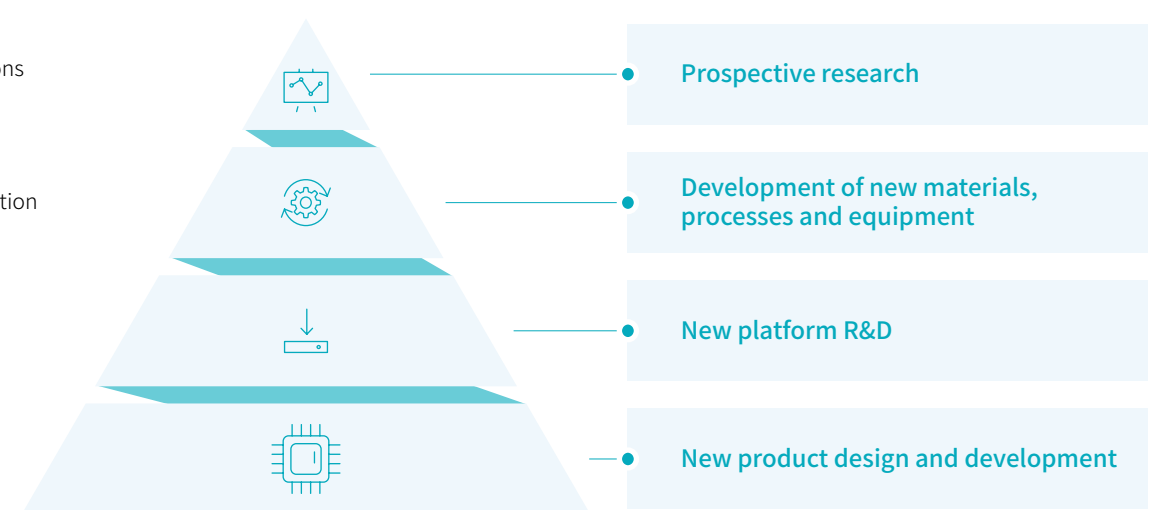
¹² ADCP: Available Decision Check Point

¹³ LDCP: End of Life Decision Check Point

R&D Policy



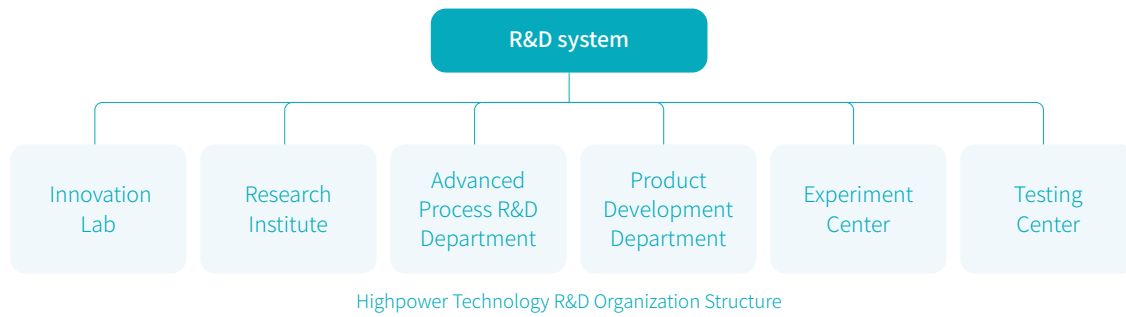
4-level R&D System



Highpower 4-level R&D system

R&D organizational structure


Highpower Technology has established a research and development system, and has established innovation laboratories (focusing on forward-looking research), research institutes (focusing on the development of new materials and new platforms), advanced process research and development departments (focusing on the development of new processes and new equipment), product development departments (focusing on the design and development of new products) and other departments to further refine the management of innovation research and development.



Talent building

Highpower Technology Co., Ltd. attaches great importance to the construction of R&D talent team, and insists on recruiting outstanding fresh graduates from 985, 211 and other colleges as a new force in scientific and technological research and development for independent training. The Company has established a sound talent training plan and adopted a R&D talent management system combining talent echelon training scheme, long-term service incentive for R&D talents and real-time project incentive scheme. It emphasizes the principle of being contribution-oriented and results-oriented, and encourages R&D talents to create value for customers from the four dimensions of salary, welfare, development and recognition. As the end of the reporting period, the Company has a research and development team of more than 1,000 talents, involving electrochemistry, material chemistry, physical chemistry, mechanical design, electronics and other disciplines.

R&D talents

 **1,000+**

R&D projects

Highpower Technology pays close attention to market demand and the development trend of cutting-edge technology in the industry, focusing on the research and development of application solutions such as high safety, high energy density and long cycle life, starting from application scenarios. During the reporting period, the company has a total of 400+ R&D projects in progress.

During the reporting period

total R&D projects in progress achieved

400+



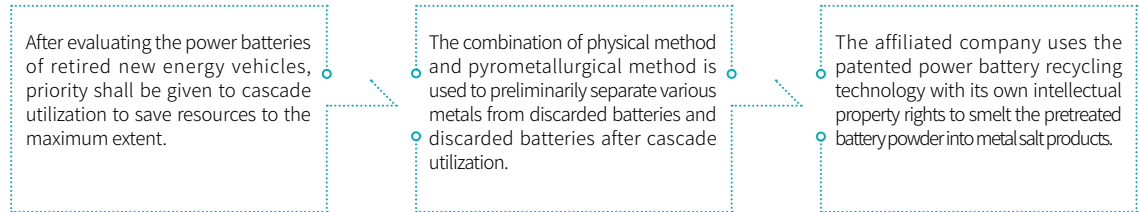
In the future, we will continue to increase the development of forward-looking innovation, materials, electrochemical system platforms, new processes and new equipment, continuously optimize the product structure, and improve the layout of the company's product applications.



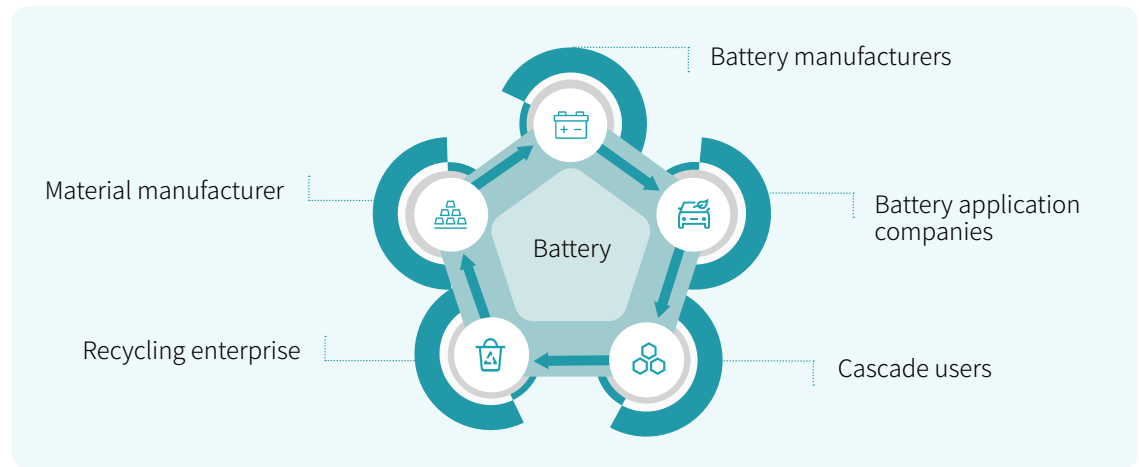
Battery recycling technology

Batteries contain a large number of valuable metals such as lithium, nickel and cobalt. The reserves of these metals in nature are limited. Recycling is not only conducive to ensuring the supply of these metals, but also can reduce the exploitation of natural resources and protect the ecological environment.

We use the battery recycling qualifications of related companies to promote the recycling and cascade utilization of power batteries for waste new energy vehicles, as well as the harmless treatment of waste batteries. At present, we have promoted suppliers to complete 6 UL2809 certification of cathode main materials, 6 UL2809 certification of two important strategic customers of lithium power, and 33 UL2809 certification of nickel hydrogen products.



Battery material recycling process



Closed-circuit recycling cooperation ecological chain of battery recycling



Highpower Technology Product UL2809 Certificate

R&D and innovation achievements

Key Technology

Highpower Technology has mastered key industry technologies such as "high energy density battery technology" "battery electrolyte technology" "high temperature battery technology" "key technology of rapid battery charging and discharging" "key technology of high safety battery" and "key technology of battery protection and control BMS" through independent research and development.

R&D Platform

Highpower Technology has made major breakthroughs in 14 R&D platforms.

Platform name	Technological breakthroughs
Lithium Battery - High Energy Density	Achieve comprehensive improvement of energy density, charging and discharging performance and service life. The battery life of the high energy density system can be improved by 20%, comprehensively improving the experience of end users.
Lithium Battery - Safety Platform	Innovatively developed a battery that can greatly improve the safety performance of the battery cell while supporting rapid charging, with a cycle life of more than 1,000 times.
Lithium Battery - Quick Charging Platform	It can greatly improve the charging efficiency of the battery, achieve 10 minutes of charging, have a whole day of use experience, and the battery cycle life can reach more than 1,600 times.
High energy density power deduction platform	The self-developed electrochemical system platform is adopted to achieve comprehensive improvement of energy density, charging efficiency and service life, reaching 3C charging for 20min, charging capacity \geq 80%, and cycle life of 1,000 weeks.
High energy density silicon carbon platform	Self-developed and built a wearable silicon anode platform and achieved mass production. During the reporting period, the company developed a new generation of high-energy density batteries in the wearable field to improve the expansion of pole pieces and achieve the improvement of energy density. A small wearable battery of 200 mAh has an energy density of up to 606 Wh/L and a 30 min charge of up to 90% SOC.
Ultra high power battery platform	The development of ultra-high power battery technology can greatly reduce battery impedance, support large rate rapid charge and discharge, and significantly reduce the temperature rise of charge and discharge, with a cycle life of more than 1,000 times.

Platform name	Technological breakthroughs
T-BOX wide temperature standby power platform	The excellent T-BOX backup battery with extremely low temperature working capacity is launched, which has the characteristics of long life, over-discharge resistance and high safety. The service life of the general vehicle can reach more than 10 years under the temperature spectrum, and can adapt to the low-temperature environment of -30~40°C, taking into account the durability of 1000h under the high temperature of 85°C. It is at the leading level in the vehicle-mounted backup industry, and develops the application scenarios under the vehicle-mounted wide temperature conditions.
Nickel zinc battery platform	A technology platform for suppressing self-discharge and enhancing life has been initially built, which has the characteristics of stable life, self-discharge suppression and high safety. The cycle life can reach 300 times, and the self-discharge reaches the same level as that of nickel hydrogen low self-discharge products, which is in the leading level in civil products.
Sodium ion battery platform	Carry out special research and development on positive electrode, negative electrode and electrolyte and appropriate battery structure design, make breakthroughs in energy density and cycle life, and build an electrochemical system with resource advantages and comprehensive competitiveness.
Large energy storage product platform	The special energy storage core product line is rich, with the characteristics of high safety, long cycle and high consistency and stability. It can realize 10,000 cycles, and has the advantages of independent design of structural parts, high airtightness, strong torsion resistance of pole column, high temperature resistance, salt spray and other extreme environment compression resistance, which can meet the service life of 20 years.
Portable energy storage platform	It has a new independent ID appearance, multi-function and other novel designs, meeting the rich application needs of AC input fast 1.5H charging, AC high-power 200% output, PD 100W, car charging 120W, wireless charging 15W, supporting power pack expansion, mobile phone APP display and control.
Household energy storage platform	New self-developed home storage series, including low-voltage 5KWh stackable expansion integrated machine, low-voltage 5KWh expandable split machine and other series.
Replaceable battery platform	It supports 4~16S ternary and LPF batteries, with a capacity of max 100Ah, supports continuous discharge of large current 100A, fast charge of 50A, and has perfect charge and discharge protection strategy, high-precision SOC, and communication function with host CAN/485.
Solar skylight high temperature battery platform	Based on independent research and development of high-temperature power backup technology, the Company has launched a solar sunroof backup battery with extremely high temperature working capability, featuring long service life, resistance to float charging and high safety, with a life expectancy of more than 10 years under the daily temperature spectrum, which can be adapted to applications at high temperatures of up to 80 °C for a long period of time, and help the company develop the application scenarios for solar sunroofs and other applications under extreme temperature conditions.

Honorary Awards

★★★

Second Prize for Scientific and Technological Progress

Shenzhen Science and Technology Innovation Commission

Key technology research and development and industrial application project of high-voltage and high-energy density lithium battery

★★★

Manufacturing Champion Products

Ministry of Industry and Information Technology of the People's Republic of China and China Federation of Industrial Economic

Nickel hydrogen batteries for consumer electronics

★★★

Provincial Enterprise Technology Center

Guangdong Branch of General Administration of Customs, Guangdong Provincial Department of Industry and Information Technology, Guangdong Provincial Department of Finance, General Administration of Taxation, Guangdong Provincial Tax Bureau

Huizhou Highpower

★★★

2023 Bellwether

Guangdong Battery Industry Association

Highpower Technology

★★★

Projects to improve key links of the industrial chain

Shenzhen Municipal Bureau of Industry and Information Technology

Technical Development and Industrialization Project of Wide Temperature and Long-Life Backup Battery for Intelligent Network Connected Vehicle Terminal T-BOX System

★★★

Projects to improve key links of the industrial chain

Shenzhen Municipal Bureau of Industry and Information Technology

High-density and large-capacity parallel expansion energy storage battery module R&D and industrialization project

★★★

13th China Battery New Energy Industry Annual Innovation Award

Hairong Network, Battery Network, I Love Tram Network, Energy Finance Network

Highpower Technology

★★★

2023 Advanced Energy Storage Enterprise

Guangdong Battery Industry Association

Highpower Technology

★★★

New Generation IT and Industry Development Project

Guangdong Provincial Department of Industry and Information Technology

R&D and industrialization project of high-energy long-life polymer lithium batteries for high-end notebooks

★★★

The 8th Guangdong Patent Award

Guangdong Provincial People's Government

Invention patent 【A positive electrode active material and its preparation method, positive electrode sheet and lithium ion battery】

★★★

2023 Advanced Scientific and Technological Innovation Unit

Guangdong Battery Industry Association

Highpower Technology

★★★

2023 Shenzhen Longhua District Intellectual Property Advantage Enterprise

Longhua Regulatory Bureau of Shenzhen Municipal Market

Shupeng Technology

★★★

The 9th Guangdong Patent Award

Guangdong Provincial People's Government

Invention patent 【electrolyte for lithium ion battery and lithium ion battery containing the electrolyte】

★★★

Guangdong Lithium Ion Power and Energy Storage Battery Engineering Technology Research Center

Department of Science and Technology of Guangdong Province

Huizhou Highpower



Industry Mutual Benefits

School Enterprise Cooperation

Highpower Technology has established close cooperative relations with well-known universities such as Central South University, Harbin Institute of Technology, South China University of Technology and Southern University of Science and Technology, aiming at breakthroughs in new materials and technologies, and based on cutting-edge science and technology. At the same time, we have practiced the concept of industry feedback education, and set up "Highpower Award (Teaching) Fund" in Central South University, South China University of Technology, Harbin Institute of Technology and other universities. The company has also been recognized as a "post-doctoral innovation practice base" by the Shenzhen Human Resources and Social Security Bureau.



Southern University of Science and Technology and Highpower Technology Cooperation New Energy Joint Laboratory

Overseas Cooperation

Highpower Technology has always paid attention to overseas exchanges and cooperation to enhance its scientific and technological innovation capabilities. In 2023, we participated in the 40th International Battery Symposium and Exhibition. In terms of overseas cooperation, we also carry out technical exchanges with overseas technology companies such as AMX, LYJ and NVL, and jointly initiate the R&D plan.



Standard Setting

We actively participate in the formulation of national standards and industry standards, enhance the company's influence and promote the development of the industry.

Number	Name of standard	Level of standard	Code of standard	Way of participation
1	Safety requirements for production of lithium-ion batteries and battery packs	<input type="checkbox"/> National <input checked="" type="checkbox"/> Industrial	SJ/T 11798-2022	<input type="checkbox"/> Host <input checked="" type="checkbox"/> Participation
2	Requirements for nickel metal hydride batteries for intelligent network vehicle-mounted terminals	<input type="checkbox"/> National <input checked="" type="checkbox"/> Industrial	T/CIAPS0014-2021	<input checked="" type="checkbox"/> Participation <input type="checkbox"/> Host
3	Treatment method of waste recycling of nickel hydrogen battery materials	<input checked="" type="checkbox"/> National <input type="checkbox"/> Industrial	GB/T 33062-2016	<input type="checkbox"/> Host <input checked="" type="checkbox"/> Participation
4	Recovery method of nickel and cobalt from waste batteries	<input checked="" type="checkbox"/> National <input type="checkbox"/> Industrial	HG/T 5019-2016	<input type="checkbox"/> Host <input checked="" type="checkbox"/> Participation
5	Test procedures for nickel metal hydride batteries for electric vehicles	<input type="checkbox"/> National <input checked="" type="checkbox"/> Industrial	DB44/T1478-2014	<input type="checkbox"/> Host <input checked="" type="checkbox"/> Participation
6	Specification for recycling of nickel metal hydride batteries for electric vehicles	<input type="checkbox"/> National <input checked="" type="checkbox"/> Industrial	DB44/T1477-2014	<input type="checkbox"/> Host <input checked="" type="checkbox"/> Participation

Highpower Technology's participation in standard formulation

Industry Association

We actively join industry associations to promote industry exchanges, learn from each other and work together.

Association name	Participating companies	Membership Level
China Chemical and Physical Power Industry Association	Highpower Technology	Vice chairman Unit
	Shupeng Technology	Member Entity
	Huizhou Highpower	Member Entity
	Icon Energy	Member Entity
Rare Earth Industry Association	Highpower Technology	Executive Director Unit
China Rare Earth Society	Highpower Technology	Council Member
Shenzhen Robot Industry Association	Icon Energy	Council Member
Electronic Cigarette Industry Committee of China Electronic Chamber of Commerce	Highpower Technology	Member Entity
	Highpower Technology	Executive Director Unit
Task Force on Safety Standards for Lithium Ion Batteries	Icon Energy	Plenipotentiary
	Shupeng Technology	Plenipotentiary
	Huizhou Highpower	Plenipotentiary
IEEE STANDARDS ASSOCIATION	Huizhou Highpower	Member Entity
Zhongguancun New Battery Technology Innovation Alliance	Highpower Technology	Vice Chairman Unit
Guangdong Battery Industry Association	Highpower Technology	Honorary President Unit
Guangdong Science and Technology Magazine	Highpower Technology	Council Member
Guangdong High Technology Industry Chamber of Commerce	Highpower Technology	Vice President Unit

Industry Association Membership of Highpower Technology

Intellectual Property

Control Mechanism

Highpower Technology pays attention to its own intellectual property protection and has a perfect intellectual property control mechanism. We have established policies such as *Intellectual Property Protection Policy*, *Project Intellectual Property Management Process* and *Highpower Group Intellectual Property Application and Reward Management Regulations* to clarify the management regulations on intellectual property application, intellectual property risk management and control of key projects and intellectual property rewards. As of the end of the reporting period, Huizhou Highpower has obtained GB/T 29490 Intellectual Property Management System Certification.



Intellectual Property Management System Certification

Intellectual Property Atmosphere

Highpower Technology pays attention to the creation of an intellectual property atmosphere. In order to improve employees' awareness of intellectual property protection, the company actively organizes and carries out intellectual property related training for R&D personnel, intellectual property engineers and other groups, covering basic knowledge of intellectual property, patent mining, patent retrieval, patent risk, patent avoidance, patent intelligence and other modules. During the reporting period, the total number of participants in intellectual property related training reached 2,000+. At the same time, combined with the company's intellectual property reward system, let employees be good at innovation, benefit from innovation, and stimulate innovation vitality.

Self-protection of Intellectual Property Rights

Highpower Technology pays attention to its own intellectual property protection. In 2023, 490+ new patents were filed and 240+ new patents were granted, a significant increase from the previous year.

By the end of 2023

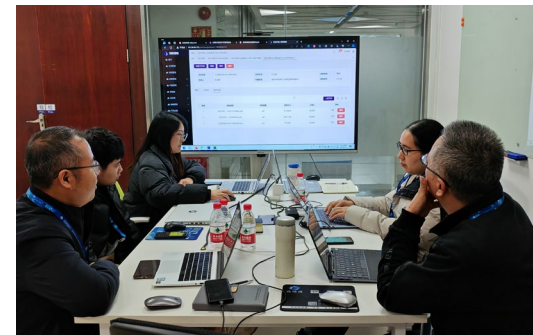
the Company had

632 authorized and valid patents

Statistical items	2022	2023	2023 YoY growth
Total number of new patent applications	210+	490+	130%+
Including: Number of new invention patent applications	60+	180+	170%+
Total number of new patent authorizations	120+	240+	90%+

Risk Management

Highpower Technology pays attention to the protection of its own intellectual property rights, and also pays attention to avoiding infringing on the intellectual property rights of others. We have set up a professional intellectual property management team internally, and hired professionals with professional qualifications and intellectual property consultant experts jointly provide the Company with patent search investigation, patent layout, infringement analysis and avoidance services. During the reporting period, the Company did not have any major intellectual property infringement incidents.



During the reporting period

the number of major intellectual property infringement incidents is

0

Responsible Procurement

The stability and sustainability of the supply chain is the goal that Highpower Technology has been pursuing. We are committed to cooperating with suppliers, actively communicating, relying on a sound supply chain management system, building an efficient and stable sustainable supply chain, and establishing mutually beneficial, win-win, close and friendly cooperative relations.

Supplier Management

The Company has established *Supplier Management Regulations* and other internal policies to regulate the management standards and processes in the whole process of material and supplier classification, supplier entry, audit and evaluation, performance management, support and empowerment, and termination of cooperation. During the reporting period, the Company formulated and publicly disclosed on the Company's official website [Fundamental Guidelines for Cooperation with Suppliers](#). It clarifies our expectations and requirements for suppliers in terms of compliance employment, human rights, occupational health and safety, environmental protection, integrity and integrity, and builds a responsible supply chain.

In the supplier entry stage, we have established the *Supplier Entry Management Process* to set up a targeted evaluation mechanism and assessment dimensions for new suppliers, so as to ensure that the comprehensive performance of suppliers meets the company's standards for products and services. We evaluate suppliers around environmental, social and corporate governance, and require suppliers to manage their secondary suppliers to ensure that their suppliers meets the company's standards as well.

- **Inquiry new demands**
 - Analyze the existed suppliers and demands differentiate, and inquire new application for new projects and materials
- **Supplier entry assessment**
 - Select suppliers through different dimensions, and consider ESG elements into the assessment
 - Carry out verification and audit of suppliers
 - Supplier shall reply to the analysis of on-site audit problems and issue rectification within three working days
- **Sign agreement**
 - Sign agreements with suppliers that meet the standards, and sign documents such as *Supplier Integrity Commitment Letter, Supplier Intellectual Property Statement and Supplier Social Responsibility Commitment Letter* to clarify their ESG performance requirements and ensure compliance with company standards

Highpower Technology Supplier Entry Process

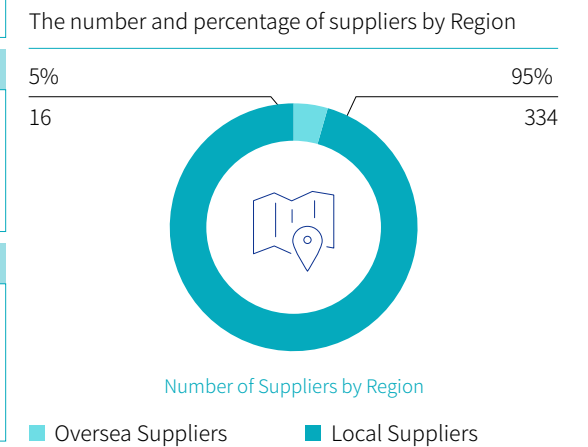
Environment	Social	Governance
<ul style="list-style-type: none"> ● Hazardous Substance Restriction Management System ● Material Product Storage Traceability 	<ul style="list-style-type: none"> ● SA 8000 and ISO 45001 Systems were established ● Occupational Health and Safety ● Prohibit child labor, forced labor, anti-discrimination 	<ul style="list-style-type: none"> ● Anti-corruption and bribery and money laundering ● The Code of Business ethics and Business Integrity standard

ESG review dimensions of Highpower Technology supplier entry

For the suppliers that have cooperated with us, the Company has formulated the *Supplier Performance Management Process* and continuously promoted the supplier assessment mechanism to optimize the supplier assessment system. We conduct monthly performance summary and quarterly evaluation for all production material suppliers, and evaluate their products and services based on the quality, delivery, cost, technology, and service dimension. The Company divides the assessed suppliers into four levels: ABCD according to the scoring results, and implements differentiated management of supplier due to the performance results. This management can effectively promote the continuous improvement and capability improvement of suppliers, and carries out the survival of the fittest and dynamic management of resource pools.

Level A	<ul style="list-style-type: none"> ● Preference on new projects
Level B	<ul style="list-style-type: none"> ● Normalization management, effective supplement for Level A suppliers
Level C	<ul style="list-style-type: none"> ● Reducing cooperative size and performance, regularly submit coreective report ● 2 consecutive quarters of Level C, the second quarter will be automatically reduce to Level D
Level D	<ul style="list-style-type: none"> ● Prohibit new project development ● Reducing cooperative siza and performance, regularly submit coreective report ● 2 consecutive quarters on Level D, will be listed as the supplier to be eliminated

As at the end of the reporting period, the Company had joint suppliers¹⁴ 350 companies have conducted sustainability risk assessments for 40 key suppliers to ensure they meet Highpower Technology's ESG management requirements and standards.



¹⁴ Supplier data disclosed by the Company only includes material suppliers, excluding equipment and non-production suppliers.

Supplier Empowerment

Highpower Technology actively carries out supplier communication and exchanges to help suppliers gradually improve product quality and technology, achieve common growth of the value chain. According to the supplier assessment results, we provide basic communication and training for suppliers with weak capabilities. During the reporting period, we carried out a number of supplier communication activities around the themes of positive electrode materials, negative electrode materials, electrolyte materials, membrane materials, etc., to align the gap between products and services and clarify the direction for future optimization. In 2023, we communicated with these four main material suppliers with more than 82 times.



Supplier communication



At the same time, Highpower Technology is committed to promoting green carbon reduction in the whole value chain. The Company encourages all suppliers to implement energy conservation and emission reduction, and conducts low-carbon emission reduction survey for key suppliers to ensure that the products delivered by suppliers meet the Company's sustainable development goals. In 2023, Highpower Technology suppliers carried out low-carbon emission reduction work and achieved effective progress through process optimization, establishment and use of photovoltaic, use of renewable energy and recycled materials, and promotion of emission reduction in their supply chain.

Supplier Carbon Reduction Management Plan

We include suppliers in the carbon reduction management plan and organize suppliers to participate in the kick-off meeting of the "Carbon Reduction Plan". During the reporting period, a total of 9 suppliers participated in the meeting, and jointly exchanged carbon development trends at home and abroad, industry carbon development trends, customer demands, Highpower's existing status analysis and follow-up "carbon" plans. Taking this opportunity, Highpower Technology has mobilized suppliers to reduce carbon and put forward corresponding green and low-carbon requirements.

Avoid Conflicts of Minerals

Conflict minerals management has become a topic of increasing concern in today's globalized economy. Highpower Technology fully understands the multiple impacts of conflict minerals on society, economy, environment, and ethics, and integrates conflict minerals management into the key elements of the company's sustainable development, promotes peace and stability, protects human rights and environmental sustainability.

The Company strictly abides by *China Mineral Supply Chain Due Diligence Management Guidelines*, *OECD Guidelines for Responsible Supply Chain Due Diligence Management of Minerals from Conflict Affected and High-Risk Areas*, *Dodd-Frank Wall Street Reform and Consumer Protection Law* and other domestic and foreign laws, regulations and initiatives, and formulates the Company's Internal *Conflict Minerals Management Policy*. The materials and packaging required to be delivered by suppliers must come from areas not controlled by the armed forces of "conflict minerals". To ensure that suppliers perform their duties, the Company incorporates *the Non-Usage of Conflict Minerals Commitment* into the Supplier Agreement. At the same time, we conducted due diligence on relevant suppliers to promote the verification process of cobalt recycling projects, ensure the legitimacy of raw material sources, and eliminate the use of conflict minerals.

During the reporting period, the Company investigated 37 suppliers in conflict mineral business.



- The supplier undertakes that the materials and packaging delivered by it meet the management requirements stipulated in Highpower Technology's *Non-Usage of Conflict Minerals Commitment*



- Suppliers will strengthen the management of supply chain, formulate relevant management policies and regulations to effectively identify and trace the source of raw materials, ensure the legality of raw material sources, and prevent conflict minerals from being put into use

[Main contents on Highpower Technology's Non-Usage of Conflict Minerals Commitment](#)

03. Green Planet

- Environmental Management
- Low Carbon Operations
- Pollutant Management
- Resource Management

Highpower Technology is committed to practicing the concept of green operation with the vision of "**becoming a world-class clean energy solution provider and creating a better life for mankind**". We attach great importance to energy and resource consumption in production activities, continuously reduce pollutant emissions, continuously reduce the impact of our own operations on the natural environment and biology by improving the environmental management system, and constantly seek a more sustainable green road for development.



Environmental Management

In order to practice the green concept, Highpower Technology has continuously improved the environmental management system, regularly carried out environmental management audits, created an environmental protection culture, and consolidated the foundation of green management. Through comprehensive and efficient management, we have gradually accumulated experience and moved forward on the road of exploring green development.

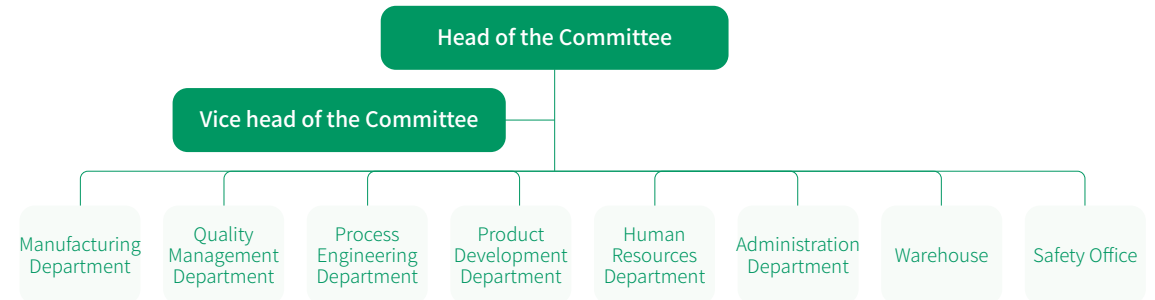
Environmental Management System

Highpower Technology has always adhered to the corporate environmental management concept of "clean, low-carbon and sustainable development", and strictly abided by the Environmental Protection Law of the People's Republic of China and other relevant environmental laws and regulations in the place of operation. Adhering to the environmental standard of "compliance with laws and regulations, pollution prevention, energy conservation and waste reduction, and continuous improvement", we have continuously improved the Company's environmental management system, and formulated procedure documents such as *Environmental Factor Identification and Assessment Procedure*, *Environmental Monitoring and Measurement Control Procedure*, *Environmental Policy, Objectives, Indicators and Plan Management Procedure*, *Environmental Impact Management Procedure* and *Environmental Management Objectives and Indicators*. Clearly standardize environmental management procedures, scientifically monitor environmental performance, and strictly prevent environmental risks. During the reporting period, we formulated and publicly disclosed the *Environmental Management Policy of Highpower Technology* on the company's official website, clarifying our commitments in energy conservation and emission reduction, emission management, resource management and biodiversity.

We have continuously improved the environmental management system, built a clear and effective environmental management structure from top to bottom, defined the division of responsibilities for environmental management at all levels, and promoted the scientific decision-making and implementation of environment-related work.



Highpower Technology Environmental Management Structure



We actively take environmental management measures, and timely identify environmental management gaps and test environmental management results through internal and external audits. 5 subsidiaries of Highpower Technology involved in production have carried out internal environmental management system verification and third-party audit for all process links in the whole plant area. No major nonconformities were found in the environmental audit of this year, and the optimization work of each factory has been carried out on schedule according to the audit results.

By the end of the reporting period, the five subsidiaries of Highpower Technology involved in production had obtained ISO 14001 environmental management system certification. At the same time, Huizhou Highpower and Shenzhen Highpower have also obtained the national "Green Factory" certification issued by the Ministry of Industry and Information Technology.



ISO 14001 Certification for 5 Subsidiaries

During the reporting period

Highpower Technology invested

RMB 61,158,500

in environmental management with an investment period of about

19,267 hours

Highpower Technology was selected as a national "Green Factory"

Adhering to the goal of "green energy, zero-carbon future", Highpower Technology integrates the concept of green development and management requirements into the whole life cycle of products. Through the application of new energy-saving technologies, new materials, new equipment and advanced processes, and energy-saving innovation and practice from the management and technical levels, it promotes the implementation of cleaner production in factories and continuously standardize the "green production" of factories. After self-assessment, third-party evaluation, and recommendation by provincial competent departments of industry and information technology and expert review, Huizhou Highpower won the title of national "Green Factory" of the Ministry of Industry and Information Technology on October 16, 2020, and Highpower Technology won the title of national "Green Factory" of the Ministry of Industry and Information Technology on November 8, 2023.



Pictures of Green Factory



Clean Production Mobilization Conference

Environmental protection knowledge training activities

We are committed to promoting environmental awareness, building an environmental protection culture in which all employees participate, actively carrying out environmental protection training and publicity activities, and encouraging all employees to practice environmental protection and help green. During the reporting period, each factory carried out annual environmental protection knowledge training for employees to help employees improve their environmental protection awareness.



Environmental protection knowledge training

Biodiversity

Highpower Technology attaches great importance to the impact of its own activities on biodiversity and actively creates a green ecology. We strictly abide by the *Opinions on Further Strengthening Biodiversity Protection*, the *Law of the People's Republic of China on the Prevention and Control of Soil Pollution*, the *Regulations on Groundwater Management* and other relevant laws, regulations and policies, and formulate internal systems such as the *Regulations on Land Use and Biodiversity Management* to guide the identification of biodiversity risk factors and the investigation of surrounding ecological hazards.

During the reporting period, we monitored ecological sensitive targets such as ancient and famous trees, rare and endangered animals and plants around the factories, and no ecological sensitive targets were found in the monitoring results. At the same time, Highpower Technology has no production bases and operation points in or near the natural reserve with rich biodiversity. All production and operation activities, products and services of the Company have not had a significant impact on biodiversity.

Low-carbon Operations

Highpower Technology aims at "green energy, zero-carbon future" and is committed to becoming the backbone of green manufacturing. The Company actively responds to the national carbon peak and carbon neutral strategy, attaches great importance to the efficient use and recycling of energy, actively explores innovative ways of energy conservation, continuously promotes carbon accounting and carbon emission reduction, comprehensively and finely promotes low-carbon operation, and focuses on improving the green value of the Company.

Energy Management

Highpower Technology pays attention to energy conservation and efficient utilization, and actively improves energy efficiency in production and operation. The Company strictly complies with all applicable laws, regulations and industry standards in the place of operation, such as the *Energy Law of the People's Republic of China* and the *Energy Conservation Law of the People's Republic of China*. In order to regulate internal energy management activities, we formulate internal policies such as Energy and Resources Management Procedures. At the same time, we have built a sound energy management structure, set up an energy management team, and set up a special energy conservation inspection team under the team to work together to explore more efficient energy conservation methods in the production and operation process.

We have taken various energy management measures to promote energy conservation management in an all-round and refined way by optimizing production processes, introducing advanced energy-saving technologies and increasing the proportion of green energy use, and have made efforts to gradually reduce dependence on fossil fuels.



Air compressor waste heat recovery project

During the reporting period, Guangdong Highpower introduced the waste heat recovery technology of air compressor, making full use of the waste heat generated in the air compressor to preheat the dehumidification equipment, and the energy-saving efficiency reached 29.01%. In addition, the waste heat recovery technology can help reduce the operating temperature of the air compressor, reduce the failure and maintenance cost of the air compressor due to high temperature, prolong the service life of the equipment while avoiding energy waste, and effectively reduce the energy consumption cost.

Air source heat pump heating project

During the reporting period, Guangdong Highpower applied air source heat pump, which uses green and pollution-free refrigerant to absorb heat in the air, and generates hot water through compressor work for preheating of dehumidifier. Compared with traditional electric water heater or gas water heater, it can reduce carbon emissions and avoid harmful gases while achieving energy-saving effect.

Overall energy-saving project of central air conditioning system

During the reporting period, Huizhou Highpower carried out in-depth adjustment and energy-saving optimization of air conditioning system heating and ventilation, added artificial intelligence ultra-efficient optimization control system for end system, and deployed high-speed Internet of Things monitoring system for the whole plant to optimize the operation mode of freezing station and end heat balance. The project saves about 6.48 million KWH of electricity annually.

Distributed photovoltaic power generation project

We actively build photovoltaic power generation projects to increase the proportion of clean energy use. By the end of the reporting period, Huizhou Highpower had completed the construction and put into use 1.93 MWh distributed photovoltaic power generation project, with an annual power generation capacity of about 2.2 million KWH. The photovoltaic power generation project is designed in the parking shed mode, and the photovoltaic power generation panel on the roof of the parking lot is under the photovoltaic shed.



In addition, in order to promote energy use management more efficiently, we have built an online smart energy management system to monitor energy use data in a timely manner, analyze energy consumption of key energy consumption process equipment in the factory-level workshop, identify abnormal energy consumption in a timely manner, and constantly tap potential space for energy conservation improvement while ensuring energy supply security, so as to continuously promote the intelligent and information-based development of energy management.



Huizhou Highpower Energy Management System

Highpower Technology energy conservation training and exchange

Highpower Technology actively participated in various special training on energy conservation, carried out various energy-saving publicity activities within the company, actively responded to the national energy-saving publicity week activities, and improved the awareness of all employees on energy conservation and emission reduction. During the reporting period, Huizhou Highpower participated in the mid-term energy-saving assessment activities of the 14th Five-Year Plan of Huicheng District as a visiting model enterprise, and passed the mid-term energy-saving acceptance assessment of the 14th Five-Year Plan organized by Huizhou Development and Reform Bureau.



Total energy consumption of Highpower Technology during the reporting period¹⁵ is 184,634,768.28 kWh, of which direct energy consumption is 2,410,879.28 kWh and indirect energy consumption is 182,223,889 kWh.

Carbon Emission Management

In the process of development, we implement the concept of green and low-carbon, and insist on regular statistics and emission reduction management for carbon emissions. In order to improve the management of carbon emissions, we have formulated the Measures for the Management of Greenhouse Gas Inventory Information internally to scientifically guide the development and promotion of internal greenhouse gas inventory. We have carried out product carbon footprint accounting for 7 products of nickel hydrogen and lithium power, of which 4 products have passed the third-party carbon reduction certification¹⁶. During the reporting period, 3 subsidiaries have carried out the carbon footprint certification of Greater Bay Area for a total of 9 products, and 1 subsidiary has passed the ISO 14064 certification.



¹⁵ Energy consumption is calculated as the amount of each type of energy consumed × The energy consumption factors of each type of energy are converted into standard coal coefficients, and the energy consumption factors of each type are formulated according to the General Principles for Calculation of Comprehensive Energy Consumption (Draft for Comments in July 2018).

¹⁶ Our full life cycle carbon accounting for some nickel-hydrogen products has passed the Carbon Trust carbon reduction certification.

At the same time, we actively promote and implement our low-carbon concept to employees, partners and suppliers, work together to carry out carbon reduction and improvement projects, and promote carbon reduction in the whole value chain. Our tireless efforts in carbon management have earned recognition and honor from many customers. In June 2023, we won the winner in the field of "energy storage and management" in the "Future Positive Challenge" competition held by Logitech International¹⁷.

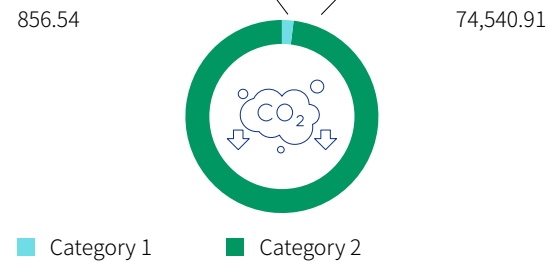


Winner Certificate in Energy Storage and Management from Logitech International

We firmly support the national goal of carbon peak and carbon neutrality, and actively promote comprehensive low-carbon transformation. During the reporting period, Shenzhen Highpower and Shupeng Science and Technology actively participated in Shenzhen carbon trading. As a key carbon emission control enterprise in Shenzhen, they completed the verification and declaration of carbon emission data of enterprises in 2022 in 2023 according to the requirements of Shenzhen Ecological Environment Bureau, and completed the performance work in full within the prescribed time limit.

During the reporting period, the Company's major manufacturers¹⁸ Category 1 and Category 2 greenhouse gas emissions totaled 75,397.45 tonnes of carbon dioxide equivalent.

2023 Greenhouse Gas Emission (t CO₂e)

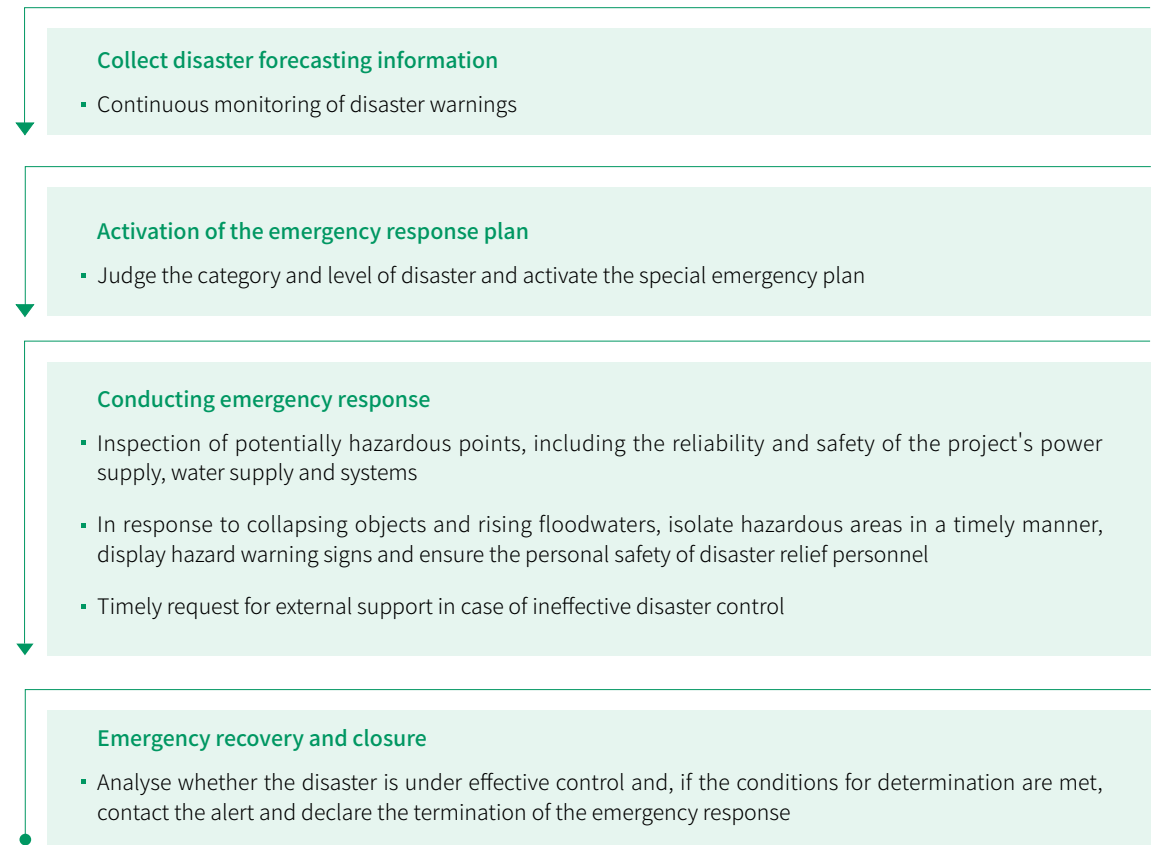


Greenhouse gas emission management training

With the national carbon neutrality policy requirements, our customers have put forward requirements for greenhouse gas management, carbon verification, carbon footprint, etc. of the factory. We have invited external lecturers to carry out ISO 14064, ISO 14067, carbon emission management and other training, covering a total of 71 employees in quality control, equipment, development, procurement, process, production, human resources, administration, safety office, etc.

Climate Change Management

Highpower Technology is committed to minimizing the impact of climate change, actively responding to the *Paris Agreement* and working to develop solutions to address climate change. We continue to innovate in practice, looking for more ways to reduce greenhouse gases and achieve sustainable operations. Based on the geographical location of each operation site, we have identified the risks of physical climate risks that may occur in the operation sites such as typhoon, rainstorm and heavy lightning, formulated Disaster Prevention and Recovery Operation Management Procedure and corresponding emergency plan, clarified the specific contents of accident prevention and treatment, and guided the development of emergency training and drill.



¹⁷ <https://www.highpowertech.com/events/corporate-events/blogart227>.

¹⁸ Including Shenzhen Highpower, Boke Energy, Shupeng Technology and Huizhou Highpower.

Emission Management

Highpower Technology continuously improves and improves the management of waste, strives to promote the optimization and improvement of production processes, reduces the generation of hazardous wastes in process steps and improves the recycling rate of three wastes. We strive to reduce the environmental impact of our production operations and create a more sustainable future.

Air Emission Management

Highpower Technology reduces exhaust emissions as much as possible on the basis of ensuring emission compliance. We strictly abide by the *Air Pollution Prevention Law of the People's Republic of China* and other laws and regulations, actively promote the implementation of air emission and pollution prevention and control, and formulate internal systems such as *Pollutant Management Procedures* and *Air Emission Management Procedures* to manage air emission treatment and emission in a procedural and scientific manner. For air emission monitoring, we regularly perform third-party monitoring on exhaust gas, and set up an online air emission monitoring system in the factory to more effectively monitor and control air emission emissions. In order to reduce air emission, we vigorously carry out equipment transformation, process introduction and other measures to continuously improve the efficiency of air emission treatment. At the same time, we apply condensation spraying, rotor adsorption, activated carbon adsorption, dry dust removal and other processes to NMP¹⁹ exhaust gas, solder air emission, organic air emission, nickel and its compounds shall be disposed to ensure that the production air emission meets the emission standards. During the reporting period, the Company emitted a total of 6.62 tonnes of emissions.



Air emission treatment facilities

NMP air emission treatment system upgrade

During the reporting period, Huizhou Highpower renovated the NMP modular recovery system equipment of the coating machine, upgraded the original recovery system of the equipment to a three-stage tower recovery system, solved the problem of low air emission recovery rate of old equipment, and increased the air emission recovery rate to more than 95%, with remarkable results achieved.



Reconstruction of NMP air emission treatment equipment

Installation of NMP condensate recovery unit

During the reporting period, Guangdong Highpower installed 7 sets of NMP condensation recovery units in front of the air emission treatment facilities to condense and recover the initial NMP air emission emission, making the NMP recovery efficiency reach about 96%, which is expected to reduce the emission of non-methane total hydrocarbons by 95% and greatly improve the air emission recovery efficiency. For the recovered NMP waste liquid, we send it to the NMP supplier for refining and reuse as raw and auxiliary materials to achieve air emission recycling.

¹⁹ NMP: N-Methylpyrrolidone, i.e. N-methylpyrrolidone, electrode auxiliary material for lithium electronic batteries.

Wastewater Management

The Company attaches great importance to the management of wastewater discharge and prevents any illegal discharge of wastewater. We strictly abide by the *Water Pollution Prevention Law of the People's Republic of China* and other laws and regulations, formulate the *Industrial Sewage Management System, Soil and Groundwater Pollution Prevention and Management Regulations* and other systems, and clarify the wastewater discharge and treatment process.

2023 Wastewater Management Objectives

100%

of production wastewater treatment compliance rate



Manufacturing wastewater

- Internal monitoring after treatment in self-built sewage treatment station
- Realize reuse after qualified monitoring and used for workshop cleaning

Daily wastewater

- After preliminary filtration in the internal grease trap and tertiary septic tank, it flows into the municipal network
- Treated by the sewage treatment plant after flowing into the network

Wastewater discharge treatment process

The Company actively takes measures to reduce wastewater discharge to reduce the negative impact on the surrounding environment of the operation site. We assign special sewage treatment personnel to manage wastewater, build our own sewage treatment station and sewage recycling collection tank, and install monitoring equipment in the sewage treatment station. During the reporting period, the Company discharged a total of 1,476 cubic metres of industrial wastewater that met the standards for treatment.



Wastewater treatment station

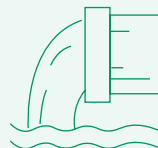
Wastewater reuse project of waste water station

The Company carries out waste water recycling projects, reprocessing and recycling waste water, and improves the utilization rate of water resources. Guangdong Highpower has developed a wastewater reuse process for the wastewater station to reuse the wastewater generated in the production process of the product and use it in the central air conditioning cooling tower and production process, so as to achieve 100% reuse of wastewater and greatly improve water saving efficiency.

In addition, Huizhou Highpower carries out recycling of production wastewater generated in the production process. During the reporting period, about 60% of the production wastewater is recycled to the production workshop for cleaning after being treated by the wastewater station and reaching the standard.



Huizhou Highpower Production Waste Water Recovery Project



Waste management

Highpower Technology is committed to reducing waste generation in the process of operation and constantly exploring ways to recycle waste. We strictly abide by the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes and other laws and regulations, and formulate the Waste Management System within the company to clarify the responsibilities of each department for waste disposal and the waste disposal process. Our general industrial solid wastes include waste metal, waste paper, plastics, etc. Hazardous wastes include waste electrolyte, waste oil, waste lamp, waste activated carbon, waste rag, waste empty container and waste cutting liquid, etc.

Household waste

- Disposed of by the sanitation department

General industrial waste

- Recycling and disposal by solid waste recyclers

Hazardous waste

- Disposal by professionally qualified hazardous waste disposers
- Conduct regular qualification audits of hazardous waste disposers to ensure that they are qualified and capable of disposing of hazardous waste

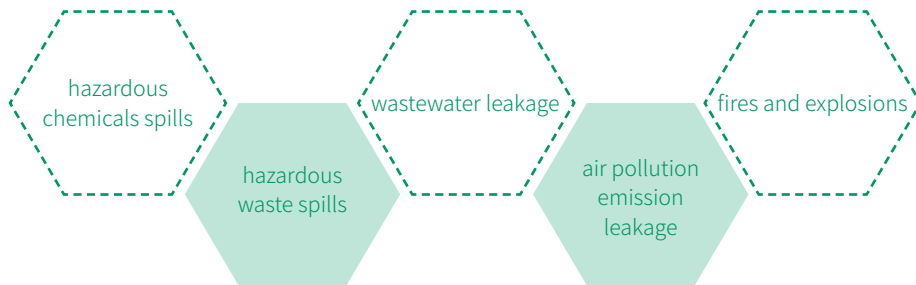
Highpower Technology Waste Disposal Process

For hazardous wastes, Huizhou Highpower has established a hazardous waste reduction plan and targeted hazardous waste emission reduction targets at the operation site level. During the reporting period, the scrapped electrolyte per unit capacity decreased by 21.77% year-on-year.

During the reporting period, Highpower Technology has no subsidiaries listed as key pollutant discharging units by the environmental protection department, and has not received any complaints about environmental pollution incidents.

Environmental Emergency Management

In order to further prevent and reduce the occurrence of environmental emergencies, Highpower Technology has continuously improved the environmental emergency management system and established an emergency command department, which is responsible for coordinating the environmental emergency disposal work in case of accidents and minimizing the impact of environmental pollution. At the same time, in view of the possible environmental emergency events such as pollution leakage, we actively identify risk sources, complete the preparation of environmental emergency plans according to the identified risks, and file them with the ecological environment bureau under our jurisdiction. During the reporting period, each operation site of Highpower Technology has improved its environmental emergency plan and emergency management system respectively.



Contents of Highpower Technology Environmental Emergency Plan



Emergency response drill for chemical leakage

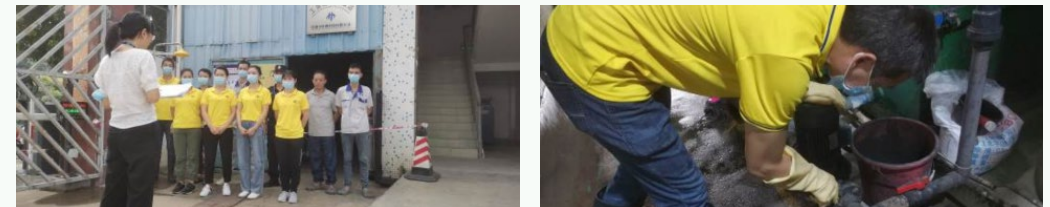
On November 13, 2023, Highpower Technology organized an emergency response drill for environmental accidents and chemical leakage. The drill personnel covered chemical use and environmental related personnel, including safe operation methods for chemical use and emergency response methods for chemical leakage. The exercise allowed employees to learn more specialized knowledge about the use of chemicals and improved their safety and environmental awareness.



Emergency drill for chemical leakage

Sewage leak drill

In view of the emergency incident of sewage leakage, we have set up a contact person for the emergency plan of sewage leakage and reserved emergency supplies for sewage leakage. At the same time, in order to improve the ability of relevant employees in sewage treatment, we carry out drills for sewage leakage to ensure that relevant employees can effectively and quickly control and deal with industrial sewage leakage accidents and reduce the possible impact of sewage leakage accidents on the environment. On September 23, 2023, Highpower Technology carried out an industrial sewage leakage drill, and carried out industrial sewage management knowledge training and emergency treatment explanation for employees.



Wastewater Leakage Drill

Resource Management

We put an end to the occurrence of resource waste, take sound internal systems and improved processes as guarantees, promote the economical use of resources, and actively explore more ways to recycle resources, so as to help achieve the harmonious coexistence of man and nature.

Water Management

Water resources protection is an important link of sustainable economic and social development. Highpower Technology attaches great importance to water resources protection and minimizes the negative impact of production and operation on water resources. Our water sources are municipal water supplies and do not involve significant impacts on water resources caused by water intake or use. We continue to improve the internal management system such as *Energy and Resources Management Procedures*, clarify the use and management of water resources, encourage water conservation and promote recycling water. At the same time, we are committed to continuously optimizing water management by reducing water use, improving water recovery and recycling, and avoiding the negative impact of excessive water use and wastewater discharge on natural ecology and resources. Huizhou Highpower won the water-saving enterprise certification of Guangdong Provincial Bureau of Industry and Information Technology. During the reporting period, the total water consumption of the Company was 809,939 tonnes.



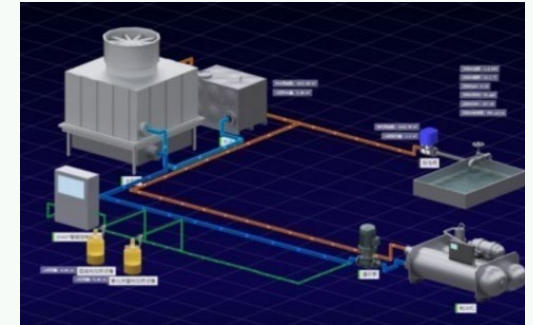
Certificate of water-saving enterprise issued by Guangdong Provincial Bureau of Industry and Information Technology

Intelligent water-saving control system for office area

Huizhou Highpower is equipped with an intelligent water-saving control system in the restrooms of the office area, which discharges water from the water tank through human sensing to achieve the purpose of water-saving in the office area.

Intelligent control system for circulating cooling water

Huizhou Highpower has established an intelligent control system for circulating cooling water to realize automatic addition and control of drugs and acids, online monitoring of heat exchangers and online monitoring of corrosion in circulating water, realize visual display of various water quality data and operation trend prediction, supervise the operation process of cooling tower in real time, scientifically monitor the circulating water quality of cooling water and improve the circulating use efficiency of cooling water. According to the calculation, the first phase of the circulating cooling water intelligent control project can quantify the energy saving rate of 12.02%.



During the reporting period

the amount of industrial sewage reuse reached

10,508 tons



Packaging Material Management

Highpower Technology continues to explore green packaging solutions, gives priority to recyclable, degradable and low consumption packaging materials, and actively carries out the recycling of packaging materials. During the reporting period, we recycled packaging materials such as cartons, plastic boxes and blister trays, and actively promoted our packaging material recycling concept to our suppliers and customers. Huizhou Highpower has signed a packaging material recycling agreement with clients to recycle product packaging cartons, effectively improving the utilization rate of packaging materials.

04. Harmonious Life

- Employee Rights and Interests
- Employee Training and Development
- Occupational Health and Safety

Highpower Technology adheres to the principle of "Observing Law and Discipline, Ensure the Rights of Employees, Build a Harmonious Company", and the talent concept of "contribution-oriented", always believing that talents are the fundamental driving force for the long-term development of enterprises. We fully respect the legitimate rights and interests of all employees, provide a platform for talent growth and development, encourage employees to develop in a diversified way, create a healthy, safe and harmonious working environment, and achieve win-win results in personal value and company development.



Employee Rights and Interests

Highpower Technology pays close attention to and is committed to safeguarding the rights and interests of employees, attaches importance to the introduction and selection of talents, continuously optimizes the employee welfare system, and strengthens the internal communication mechanism to promote team cooperation and jointly promote the development of the company.

Employee Recruitment

Highpower Technology has always supported the ILO *Declaration on Fundamental Principles and Rights at Work* and the *Universal Declaration of Human Rights*. We strictly abide by the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China* and other applicable laws and regulations at home and abroad where it operates. We have also formulated internal rules and regulations such as the *Measures for the Recruitment Management of Highpower Technology Society*, the *Operation Standards for the Recruitment Implementation of Highpower Technology* and the *Policies for the Protection of Labor Rights and Interests*, to ensure the openness, impartiality and fairness of employee recruitment through the establishment of a scientific and reasonable recruitment system. During the reporting period, we formulated and publicly posted the [Highpower Technology Labor Rights and Interests Protection Policy](#), and promised that the board of directors and management would supervise and manage the protection of employees' rights and interests and diversification construction, so as to establish and maintain a diversified and inclusive working environment while ensuring that employees' legitimate rights and interests are not infringed.



The Company adheres to human rights principles and incorporates them into its daily work processes and policies to ensure that the dignity and rights of employees are fully guaranteed in recruitment and daily work. We strictly prohibit any form of forced labor and child labor, attach importance to the protection of the rights and interests of female employees and other groups, encourage equality and diversity, protect employees from nationality, race, ethnicity, religious belief, gender, disability, marital status, sexual orientation, gender identity and other factors, ensure equal pay for equal work, prohibit all forms of discrimination and workplace harassment, and strive to establish and maintain a diverse and inclusive working environment. During the reporting period, we did not have any illegal incidents of employment discrimination, child labor or forced labor.

Child Labor Protection

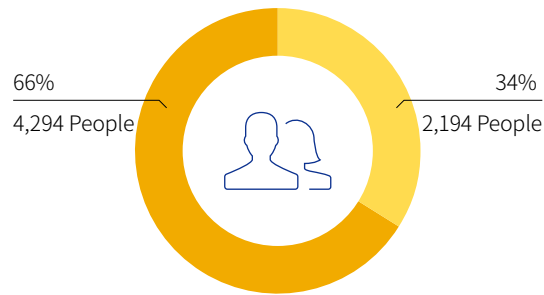
- We strictly prohibit the employment of child laborers under the age of 16, and we will never support any business partners to employ child laborers.
- We ensure that all employees meet the minimum working age requirements of laws and regulations by strictly checking their ID cards when recruiting and conducting regular random checks of their data.
- If any wrongful employment of child labor is found, the company will immediately stop the work, conduct health checkups, and provide treatment for sick child laborers. The company bears the cost of escorting the child laborers back to their original place of residence and provides support for the child laborers to receive education depending on the circumstances. Departments or individuals responsible for the injury or death of child laborers will be prosecuted or held criminally liable.

Protection of Female Workers

- Strengthening special labor protection for female workers, not arranging for female workers to engage in forbidden labor, and informing female workers in writing of the positions that fall within the scope of forbidden labor for female workers.
- Reasonably arranging the rest time of pregnant female workers during working hours, or reducing their work quotas accordingly. With the consensus of the female worker, her work position may be adjusted.

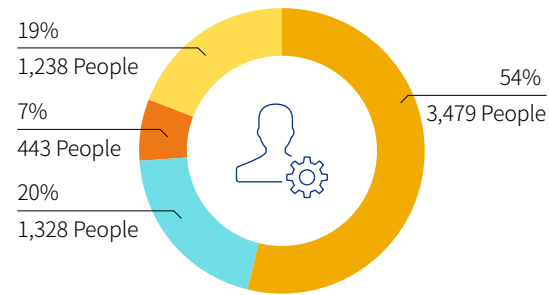
During the reporting period, the total number of regular employees of the Company reached 6,488, including 2,194 female employees, accounting for 34%, and 963 ethnic minority employees, accounting for 15%.

Number of employees by gender



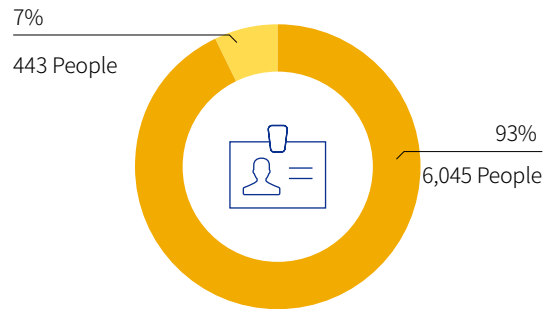
■ Male ■ Female

Number of employees by function



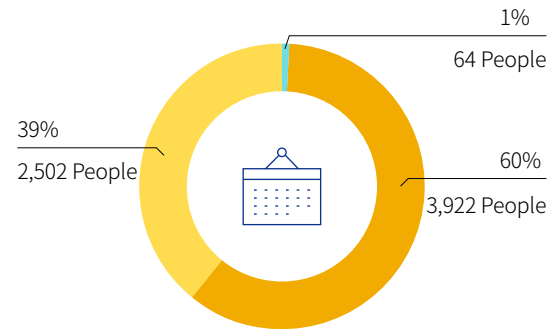
■ Manufacturing workers ■ Engineering Technology
■ Management ■ Service

Number of employees by rank



■ Management ■ General employee

Number of employees by age



■ 30 to 50 years old ■ 30 years old and below
■ 50 years old and above

During the reporting period, the Company was awarded a number of honorary titles:

- ▶ UFIDA 2023 China Human Resources Venus Prize-2023 Digital Intelligence Recruitment Innovation Practice Award



- ▶ Liepin Zhongnan District 2023 Outstanding Talent Partner Award



- ▶ Zhilian Recruits China's Employer of the Year in 2023



Employee Compensation and Benefits

Highpower Technology actively creates a warm, harmonious, equal and caring working atmosphere, carries out rich and colorful employee activities by providing a perfect employee salary and welfare system, enhances the cohesion of employees and enhances the sense of belonging of employees. Highpower Technology has established internal management systems such as the *Management Measures for Employee Remuneration of Highpower Group*, implemented comprehensive salary management, guided by the results of job responsibilities, adhered to the combination of market orientation and industry competitiveness, ensured that employees are provided with competitive salary and welfare treatment in the market, emphasized comprehensive returns, and promised to achieve the concentric sharing and achievement sharing of the company's operating performance and employee salary.



Highpower Technology's Comprehensive Salary Management System



In order to ensure that employees can maintain high work enthusiasm and motivation at different stages, the company has established short-term incentive, medium-term incentive and long-term incentive mechanisms to fully stimulate employees' work motivation and creativity.

Short-term Incentive

- Includes technical system title allowance, timeliness incentive, proposal improvement award, etc;
- The awards are granted according to the actual situation and contribution of the employee in the project.

Medium-term Incentive

- Includes excellent project awards, R&D project awards, government project awards, cost reduction and efficiency improvement awards, and performance bonuses;
- Among them, the performance bonus allocation is a kind of profit-sharing plan formulated by the Company for those who have reached the performance standard.

Long-term Incentive

- Includes stock incentives;
- The Company grants stock incentives to R&D, technical, business and management personnel who can support the Company's future development strategy, combining the interests of the Company and the core team, so that all parties can jointly focus on the Company's long-term development and ensure the realization of the Company's development strategy and business objectives.

Highpower Technology Employee Incentive Mechanism

The diversity of employee benefits reflects the company's concern and attention to employees. On the basis of statutory benefits, Highpower Technology provides employees with diversified additional benefits, regularly organizes a variety of employee activities, enhances employees' sense of belonging, and improves employees' work enthusiasm and engagement.



Statutory Benefits

- Purchase social insurance and provident fund for all employees.
- All employees are entitled to annual leave, maternity leave, paternity leave, marriage leave, sick leave, bereavement leave and other types of paid leave in accordance with the law.



Additional Benefits

- The Company has formulated the *Highpower Technology Employee Home Purchase Loan Management System* to provide home purchase loans to employees who fulfill the conditions.
- Distribute a gift to our employees during traditional festivals and on their birthdays.
- Award employees with Starlight Award and Quarterly Special Award.
- Organize clubs and provide financial support.
- Provide staff with starter packs, anniversary blessings and departure souvenirs.



Female Employee Benefits

- Female employees shall enjoy maternity leave of not less than 178 days for childbirth, and the maternity leave shall be adjusted and increased in accordance with the statutory requirements according to the production situation of the female worker and the number of babies she has given birth to.
- During the period when a female employee is breastfeeding a child under one year of age (hereinafter referred to as the breastfeeding period), the company shall not extend her working hours or arrange for her to work at night. From the day following the end of the maternity leave to the child's first birthday, the company provides one hour of paid breastfeeding leave during working hours every day, and for every additional baby breastfed, the daily breastfeeding time is increased by one hour.
- Mother and baby rooms are set up in each of the company's factories.

Club activities

The Company pays attention to the physical and mental health of employees, advocates the concept of "efficient work and happy life", and has established interest associations in all parks of the Company. The associations cover eight categories, including table tennis, badminton, basketball, photography, literature and art, and English. All associations regularly hold various cultural and sports activities to help employees achieve a balance between work and life.



Selection of the most beautiful builders in Tonghu Park

During the transfer of production capacity in the Company's Tonghu Industrial Park and the construction of additional production capacity in the first phase of the Industrial Park, all colleagues worked bravely and together, adhered to customer-centric and contributor oriented, and contributed to the steady development of the company. In order to record the moving stories and striving moments in the process of production capacity construction in Tonghu Park, disseminate the outstanding deeds of contributors, and commend outstanding individuals and teams, Highpower Technology specially planned the collection activity of the deeds of the most beautiful contributors in Tonghu Park and the evaluation activity of "advanced individuals and teams", and awarded honorary certificates and products to the most beautiful contributors. At the same time, those striving stories and excellent benchmarks were recorded in the history books, to motivate all employees to continue to work together and contribute to the development of the Company.



"10,000 Steps Challenge" activity

In order to stimulate the vitality of the team, the company planned and organized "10,000 Steps Challenge" activity. The activity was carried out in teams, each group walking more than 10,000 steps a day for two consecutive weeks. Teams that successfully completed the challenge will be rewarded, while teams in the top three overall steps would received additional rewards. This activity not only stimulated the enthusiasm of team members, but also enhanced the collaboration and tacit understanding between teams. Employees worked together and supported each other to create a healthier, more positive team atmosphere filled with positive energy.



Basketball fellowship

We initiated the basketball fraternity game of "Welcome the basketball, vitality Highpower" among our subsidiaries, aiming to stimulate the vitality of the organization and show the spirit of employees. This activity provided a stage for employees to show team spirit and talent, strengthened communication and cooperation between each other, enhanced friendship and team cohesion.



Festival events

When traditional festivals such as the Lantern Festival, the Dragon Boat Festival and the Mid-Autumn Festival are coming, all subsidiaries will carefully organize interesting activities to activate the organizational atmosphere and increase the fun of the festival. These activities bring joy and pleasure to employees, and through participating in games, employees have the opportunity to receive rich prizes, which helps to enhance the sense of belonging and cohesion of employees.

During the reporting period, our subsidiaries carried out a series of activities to welcome the Mid-Autumn Festival and celebrate the reunion, such as guessing lantern riddles, casting pots in the Han Palace and making handmade moon cakes. We also prepared a variety of holiday gifts for employees to enjoy the festival.



Employee Communication

Highpower Technology is committed to building a corporate culture of inclusiveness and belonging, and has set up diversified employee communication and interaction channels to ensure that employees' opinions and feedback can be transmitted in a timely manner. The company actively builds internal communication channels, listens to employees' voices, and regularly holds group building activities such as tea parties, symposiums and democratic life meetings, so as to effectively achieve information transmission and experience sharing between superiors and subordinates, cross-departments and cross-positions. We implement new employee onboarding experience survey and canteen employee satisfaction survey on a semi-annual basis to enhance our understanding of employees. The Company pays full attention to the opinions of employees, and continuously optimizes the workplace environment and improves employee satisfaction according to the feedback and suggestions received.

During the reporting period

the 3 main subsidiaries of Highpower Technology covered of the percentage of their employees

100%

Complaint feedback

- Covering all employees
- Communicate when receiving feedback on complaints

Democratic life meeting

- Covering all employees
- Suggestions are not limited in scope and frequency, and are conducted randomly

Employee suggestion box

- Covering all employees
- Open the box once every half a month and communicate when receiving complaints and feedbacks

Employee representative meeting

- Attended by labor union committee members and employee representatives
- Conducted at quarterly frequency

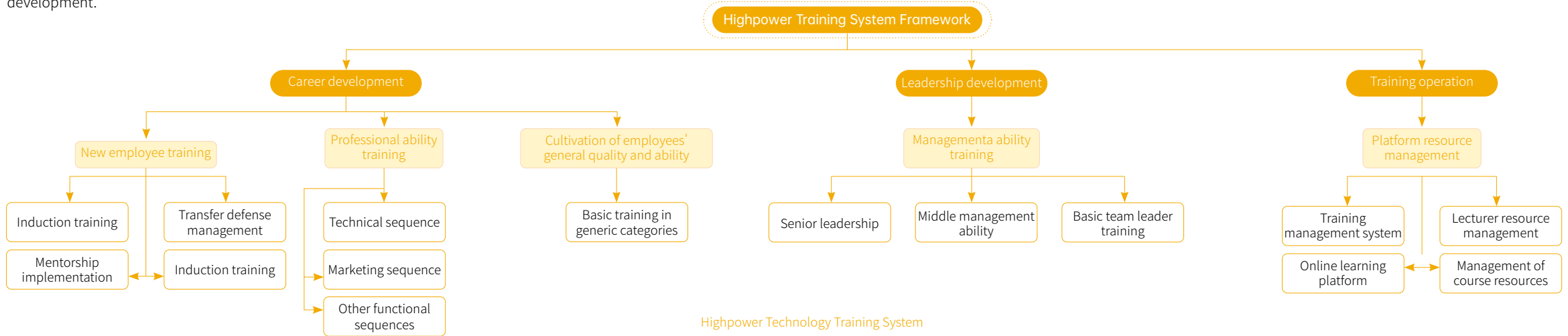
Communication Channels for Highpower Technology Employees

Employee Training and Development

Highpower Technology continuously optimizes the talent training system, pays attention to the potential and future development of employees, provides employees with a broad learning and development platform, encourages employees to continuously improve their professional quality and skill level, and realizes the common growth of employees and the company.

Talent Training

Highpower Technology attaches great importance to talent training, always adheres to the mission and orientation of "disseminator of corporate culture, cradle of cadre training, and inheritor of core technology", provides systematic training courses and training means from low to high in the process of career development for each technical role and management role, and establishes and continuously improves Highpower Technology training system to support employee development.

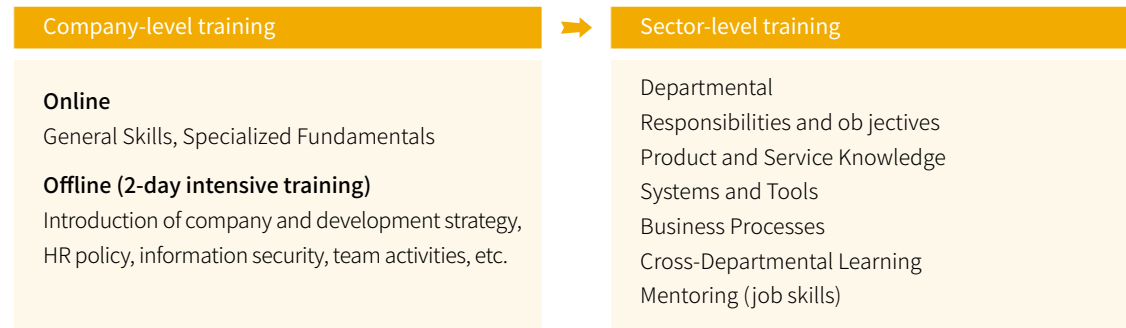


Highpower Technology Training System



New Employee Training

The Company provides systematic onboarding training for all newly recruited social employees to ensure that new employees quickly integrate into the Company's culture and work atmosphere, master the required knowledge and skills, and improve work efficiency and performance, thus creating value for the Company. During the reporting period, the overall satisfaction of new employees with onboarding training was as high as 4.92 points²⁰.



Highpower Technology New Employee Systematic Onboarding Training



Highpower Technology New Employee Onboarding Guidance and Learning

At the same time, we provide a comprehensive training system for all new fresh graduates with bachelor's/master's/bachelor's degree, following the rule of 721, so that fresh graduates can grow rapidly in their actual work and achieve rapid promotion in the process of value creation. At present, we have a number of excellent fresh graduates who have been promoted to the manager level in just three years.



Highpower Technology Fresh Graduates Training System

²⁰ The full score of onboarding training satisfaction survey is 5 points.



Highpower Technology Fresh Graduates Training Activities

Peacock Plan

In order to continuously promote the transformation and integration of new employees, we carry out a special training of "Peacock Plan" every year. When graduates enter the company, we invite internal and external lecturers to cultivate their mental outlook through outreach training, project performance and other outreach experience activities. Through systematic courses, we help graduates understand the company's culture and policies. During the training period, a total of 36 senior managers or experts participated in the teaching in person, and the lecturer satisfaction was 4.98, course satisfaction 4.99. After returning to the department, we provide each graduate with excellent internal mentors and carry out one-on-one tutoring to help students successfully complete the transformation from campus people to professionals.



Professional Ability Training

In order to strengthen the professional skills and knowledge level of employees, the company takes department training as the core training method. The training content includes cutting-edge courses such as *Basic Knowledge of Lithium Batteries*, *Cell Failure Analysis* and *PACK Lithium Ion Battery Overcharge Safety Standards and Solutions*, so as to deepen employees' understanding of product quality, battery performance, safety standards and other issues, and promote the substantive improvement of employees' professional ability.

Cultivation of Employees' General Quality and Ability

Highpower Technology pays attention to improving the general quality competency of employees, advocates diversity training, and provides convenient and efficient learning resources for employees to help them make continuous progress.

Project management training

In order to continuously improve the project management ability and ensure that each system or business department has the ability to undertake strategic key tasks and projects, we carry out project management training once a year to ensure the continuous improvement of the project management ability of relevant personnel. During the reporting period, the Company conducted a 7-month project management training, which was attended by 58 project managers from all business lines. The training adopted the method of combining training with warfare, inviting external lecturers to teach in 7 stages, with a total of 36 class hours and a comprehensive satisfaction of 4.91.



Management Ability Training

Highpower Technology's management ability training is comprehensive and in-depth, covering three levels of positions: senior leaders, middle management and basic team leaders, and provides targeted leadership training resources for employees at all levels. Our management ability training covers the *Team Leader Role Cognition*, the *Leadership Thematic Discussion*, the *Cadre Management Ability Improvement*, etc. We also provide a series of trainings for basic team leaders through organization and management lecture halls and performance communication training to help employees at all levels continuously improve their management ability.

Platform Resource Management

Highpower Technology attaches great importance to platform resource management, aiming to maximize the use and value of resources through scientific and efficient management means, and provide a solid resource guarantee for employee growth and the sustainable development of the company.

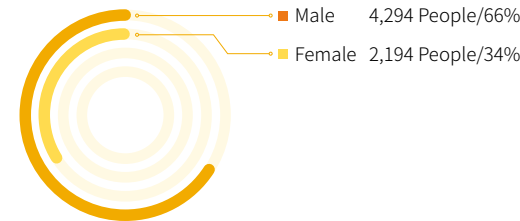
Online training platform: Highpower online learning platform

The Company builds and continuously improves the digital enterprise learning software platform and tool "Highpower Online Learning Platform" to cover the whole scene of enterprise learning. Through the combination of key teaching tools such as live broadcasting and course preparation, Highpower Online Learning Platform creates a comprehensive intelligent learning experience for employees, provides rich resource support for employees' personal growth and development, helps employees continuously improve their knowledge and skills, and enables active learning to occur anytime and anywhere. By the end of the reporting period, Highpower Online Learning Platform had 1,865 online course knowledge points, including but not limited to 1,792 course package knowledge points, 34 video and audio knowledge points and 39 document knowledge points.

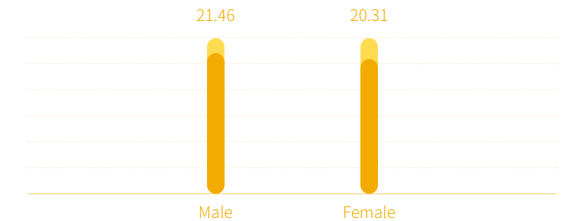


During the reporting period, the total number of trained employees of Highpower Technology reached 6,488, with an average length of training time of 21 hours.

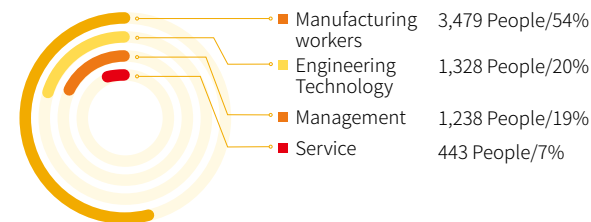
Number of employees trained by gender (People,%)



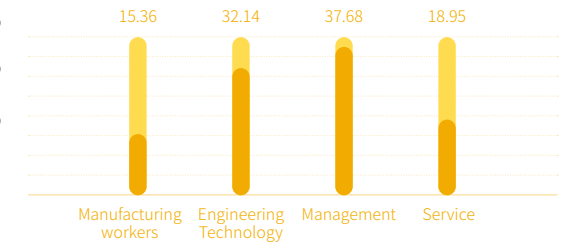
Average hours of employee training by gender (Hour)



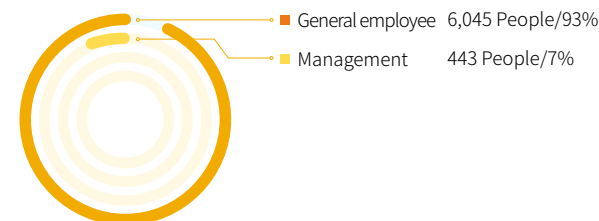
Number of employees trained by function (People,%)



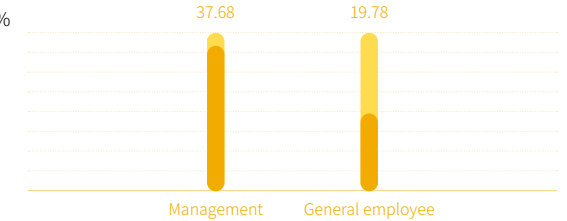
Average hours of employee training by function (Hour)



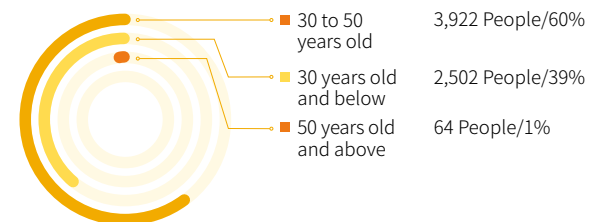
Number of employees trained by rank (People,%)



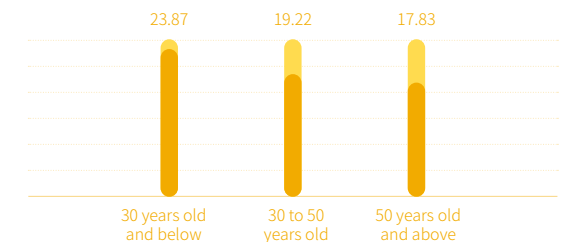
Average hours of employee training by rank (Hour)



Number of employees trained by age (People,%)



Average hours of employee training by age (Hour)



Talent Development

In order to stimulate the potential of employees and promote the common growth of individuals and the company, Highpower Technology continues to improve the talent development system and establish a fair, transparent and inspiring workplace environment. We have established and implemented the *Highpower Technology Talent Development Management Mechanism* to manage the whole process of employee performance evaluation and promotion to ensure fairness, transparency and equality in the process.

Performance Whole-process Management

Performance Target Setting

1. At the beginning of each year, after the decomposition of the organization's performance objectives, individual employees layered hierarchically effectively undertake the organization's key tasks, according to the assessment template, employees and immediate supervisors two-way communication, set personal performance objectives;
2. Supervisors and subordinates performance objectives communication principles: ① Target alignment: Communication of the annual work direction, business priorities; ② Ideas alignment: Target ideas, methods and leadership behavior to reach a consensus; ③ Concept alignment: Inspire subordinates to take the initiative to set challenging goals.

Performance Coaching

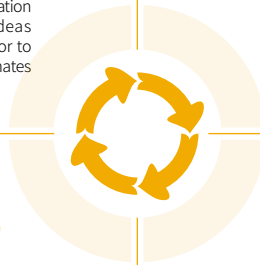
1. Regularly carry out management lecture halls to empower managers for performance counseling;
2. For some key employees, the organization carries out monthly work feedback, including positive and negative event records or work direction guidelines;
3. Organization of the second half of the performance target adjustment review: due to changes in the direction of business priorities, it is necessary to reorganize the key tasks of the team in the second half of the year, clarify the responsible person, and adjust the performance target in a timely manner;

Performance Communication

1. Affirmation of high performance employees, coaching employees who have not reached their performance goals, improve and enhance the work methods and abilities of employees, performance C employees to develop PIP (Performance Improvement Plan);
2. Employees and managers both reach a consistent view of the evaluation results.

Performance Evaluation

1. Evaluation cycle: Semi-annual and annual performance evaluation;
2. Evaluation Orientation: Comprehensive consideration of individual PBC completion, fulfillment of job duties and contribution beyond job duties for relative assessment;
3. Evaluation process: Employee self-assessment-Matrix supervisor evaluation- Immediate supervisor evaluation- Collective evaluation-Group review and signing approval Performance communication-Performance announcement
4. Evaluation Grade: S/A/B+/B/C/D



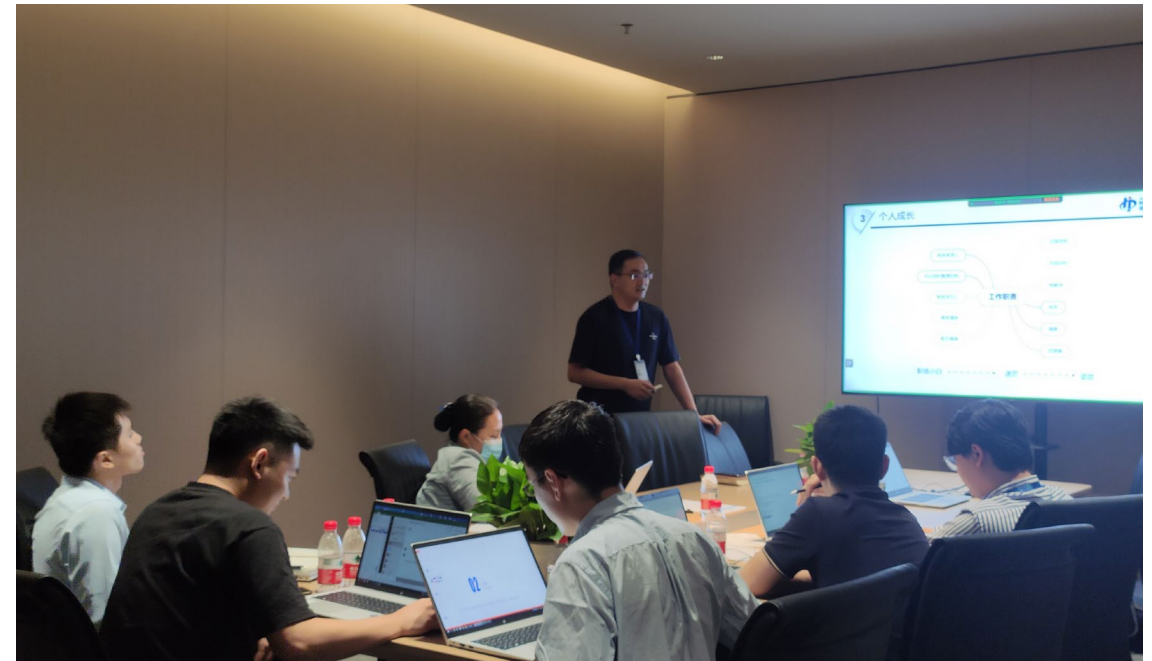
Talent Promotion Mechanism

The Company starts the promotion of talents in the second half of each year, and promotes the corresponding employees according to the promotion conditions. In order to obtain promotion qualification, employees need to participate in the qualification level certification corresponding to their job categories in the form of written examination and defense.

During the reporting period

the ratio of annual promotions of staff to the total number of staff is approximately

20%



Occupational Health and Safety

Highpower Technology always puts occupational health and safety in the first place, pays attention to and guarantees the occupational health of employees, and attaches importance to safe production. The Company has taken a series of powerful measures to continuously strengthen the management of occupational health and safety of employees to ensure that employees work and develop in a safe and healthy environment.

Occupational Health and Safety Management

Highpower Technology attaches great importance to the safe and orderly development of production work, strictly abides by the *Law of the People's Republic of China on Work Safety* and other applicable laws and regulations in all places of operation. We have formulated several relevant systems, including the *Employee Occupational Health and Safety Manual*, the *Work Safety Responsibility System*, the *Safety Construction Management System* and the *Warehouse Safety Management System*. They cover hazard identification and management, industrial accidents and emergency management, fire management Regulations on management of hazardous chemicals, radiation management and hazardous operations, etc., to build a solid line of occupational health and safety defense from multiple angles.

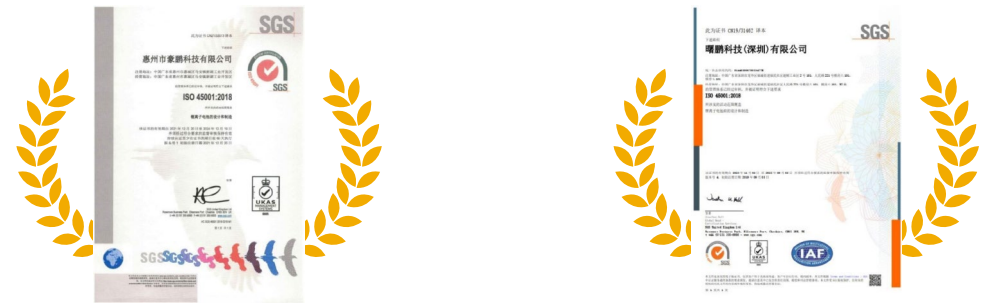
At the same time, we have established a sound occupational health and safety governance system, set up a general safety director to lead the safety management department, and the safety executor is responsible for guiding the subsidiaries to carry out occupational health and safety management.



Highpower Technology Occupational Health and Safety Management Structure

At the same time, in order to ensure the effective implementation of relevant work, we hereby formulate the *Safety Production Reward and Punishment System*, which closely links the safety key performance indicators with the performance of department heads, and encourages and restricts personnel at all levels to effectively fulfill their safety production responsibilities. The company will reward those who conscientiously implement the safety management rules and regulations and earnestly fulfill the safety production responsibility. For serious violations in the process of safety production and those who are mainly responsible for safety accidents, we will give corresponding penalties such as circulating a notice of criticism.

During the reporting period, 2 subsidiaries of Highpower Technology have passed the ISO 45001 occupational health and safety system certification, further proving their professionalism and rigor in safety management.



ISO 45001 Occupational Health and Safety System Certification for 2 Subsidiaries of Highpower Technology

During the reporting period, we formulated and continuously tracked the achievement of occupational health and safety objectives according to the changes in risks and capabilities, adopted systematic methods to continuously improve relevant performance, and achieved a good performance of 100% of the annual target achievement rate.

Occupational health and safety objectives and indicators	Achievement of objectives
0 fatality rate of industrial accidents	Achieved
0 ordinary accidents specified in the <i>Law of the People's Republic of China on Work Safety</i>	Achieved
0 accidents caused by fire, explosion and natural disasters	Achieved
0 large chemical leakage incidents	Achieved

Occupational Health and Safety Target Indicators of Highpower Technology in 2023

Safety Production

The Company comprehensively promotes safety production, strengthens safety risk management and inspection, hazardous chemicals management, safety emergency management and safety culture construction, and ensures the safety and steady development of employees and the company. During the reporting period, Highpower Technology invested a total of RMB 7.79 million in safety production, with 0 death and 0 major industrial injury incidents.

Security Risk Management and Inspection

Advance prevention and continuous monitoring are important lines of defense for occupational health and safety management. In accordance with the requirements of ISO 45001 occupational health and safety management system, the company continuously carries out and optimizes safety risk assessment and management, updates, re-identifies and evaluates occupational health hazard sources faced by all departments, timely discovers omissions and effectively complements shortcomings.

At the same time, the company continues to deepen the supervision and inspection of safety work, effectively identify safety hazards in the daily production process, and improve the level of production safety. We carry out joint safety inspection on a monthly basis. An inspection team is formed with the participation of the chairman or vice-chairman of the safety and health management committee and the heads of all departments to conduct comprehensive and detailed safety inspection on the park separately, and summarize and rectify the safety hazards found. After the rectification, the review personnel will check the rectification to ensure that the problems are properly solved and form a closed-loop management.

During the reporting period

number of safety inspections organized (times) number of rectification of potential safety hazards (times)

507

2,387

number of safety emergency drills (times)

completion rate of safety emergency drill (%)

proportion of employees participating in safety emergency drills (%)

29

100%

100%

Hazardous Chemicals Management

The safety management of hazardous chemicals is regarded as the top priority of enterprise safety management. For hazardous chemicals such as electrolyte (flammable and explosive) and alcohol, Highpower Technology has established a rigorous chemical plan management process. Guided by the *Hazardous Chemicals Management System*, we only select qualified suppliers for cooperation in the procurement process. After entering the factory, they are stored in a special storage place (such as explosion-proof cabinet) of the hazardous chemicals warehouse for safety isolation, and special managers are arranged for management. Employees are required to follow the operation requirements throughout the process. We will continue to strengthen the management of hazardous chemicals and create a safe and stable environment for the steady development of enterprises.

Security Emergency Management

In order to ensure that the company can quickly and effectively respond to production safety accidents, Highpower Technology attaches great importance to safety emergency management. We have cooperated with qualified third party companies to jointly formulate emergency plans for production safety accidents, including the *Comprehensive Emergency Plan*, the *Special Emergency Plan* and the *On-site Emergency Plan*. After passing the review of experts, we will register with the local emergency management bureau in accordance with relevant regulations. In order to ensure the effectiveness of the plan, Highpower Technology will carry out drills every year according to its own actual situation, so as to improve the ability of employees to cope with emergencies and their ability to self-help and mutual rescue. During the reporting period, we conducted a total of 29 safety emergency drills.

Comprehensive emergency drill for fire accidents

During the reporting period, in order to improve the emergency response level of the Company's fire accidents, we simulated the real accident scenarios for 2,435 employees of the plant, interested parties in the plant on the day of the drill, contractors, etc., carried out comprehensive emergency drills for fire accidents, and inspected the effectiveness of the emergency plan for fire accidents and the response mechanism of emergency agencies. During the drill, the emergency response process was smooth, all participants operated according to the predetermined roles and responsibilities, and all emergency teams and members successfully completed the emergency rescue tasks, achieving the expected results.



Emergency response drill for chemical leakage

During the reporting period, in order to improve the emergency disposal level of chemical leakage and enhance the risk prevention awareness and self-help and mutual rescue capabilities of employees, the Company organized and carried out emergency disposal drills of chemical leakage, focusing on the coordination ability of commanders and the actual combat ability of emergency personnel. The drill covered personnel involved in temporary storage management of chemicals and use of chemicals in the workshop, and there were no abnormal accidents during the drill. The emergency response team responded quickly and dealt with the chemical leakage site in a timely and effective manner.



Emergency Response Drill for Chemical Leakage

Safety Culture Building

The cultivation of safety awareness and culture can reduce the occurrence of safety hazards and risk events from the source. In order to improve the safety awareness and skills of employees, we have formulated and strictly implemented the annual occupational health and safety training plan. On a monthly basis, we have carried out three-level safety education for new employees, special training on safety of hazardous chemicals, fire safety, special work safety, lithium battery safety, etc., corrected and prevented potential safety hazards, and provided strong support for creating a safe, healthy and stable production environment. In addition, we require employees to work with certificates, and promise to reimburse related expenses to reduce the financial burden of employees.

During the reporting period	
Total hours of safety training staff participation (hours)	49,172
Percentage of employees participating in safety training (%)	100
Total number of supplier safety training conducted (times)	776
Total hours of supplier safety training conducted (hours)	1,741

Level III safety training for new employees

During the reporting period, we carried out three-level safety training and education for new employees, covering the company's safety production management policies, basic knowledge of chemical safety and relevant laws and regulations on safety production. After passing the assessment, new employees could enter the workshop to learn skills and knowledge, such as workshop safety regulations and post operation.



The coverage rate of safety training for new employees is

100%

Hazardous chemicals training

During the reporting period, we carried out training and education on safety knowledge of hazardous chemicals, focusing on basic knowledge of safety of hazardous chemicals, safety knowledge of use and management, emergency treatment process, relevant accident warning and other safety precautions. Through this training, employees had a deeper understanding of the safety management of hazardous chemicals and improved their ability to cope with hazardous chemical accidents.



Safety training for construction personnel

We have carried out training for construction personnel, so that internal docking construction personnel can quickly grasp relevant safety management systems, potential safety risks, risk control measures and emergency response knowledge to ensure the safety of the construction process. During the reporting period, we conducted a total of 1,521 contractor safety training.

At the same time, we signed the *Safety Management Agreement for Suppliers, Contractors and Collaborators, Contractors and Collaborators* with suppliers, and the construction work can be carried out only after the approval and issuance of the *Construction Permit* and the *Open Fire Work Permit*.



In addition, we provide occupational health management training for all personnel exposed to occupational hazard factors, provide pre-employment, on-job and off-job occupational disease physical examination as planned, and distribute labor protection articles free of charge. During the reporting period, the Company did not find any occupational disease patients.

Physical examination rate of occupational diseases (%)	100
Number of occupational disease cases (times)	0

Occupational Health

Highpower Technology puts the physical and mental health of employees first, and is committed to improving the working environment and strengthening the occupational health management of employees. We have established the *Occupational Health Surveillance and Occupational Disease Prevention Management Control Procedure* and the *Occupational Health and Safety Management Policy*, and other regulations to prevent and control occupational hazards and protect employees' occupational health rights and interests.

Highpower Technology attaches great importance to the prevention of occupational diseases. Since the beginning of the plant construction, we have ensured that the occupational disease prevention facilities are designed, constructed and put into use synchronously with the main works to ensure the health of employees. We have successively completed the pre-evaluation of occupational hazards, design of occupational disease prevention facilities, evaluation of occupational hazard control effect and corresponding review, and carried out acceptance of facilities and equipment related to occupational disease prevention before production to ensure the effectiveness of facilities and equipment.

In order to ensure the occupational health of employees, we carry out workplace occupational disease hazard detection every year, and regularly carry out occupational disease risk investigation and control work to ensure that the on-site working environment meets the health requirements. During the reporting period, we did not have excessive dust problems and provided a safe working environment for all employees.



Highpower Technology Occupational Health Training



Highpower Technology Occupational Disease Physical Examination

Appendix I Key Performance Indicators (KPIs)

Governance Performance

Topic	Index	Unit	2023
Anti-Corruption	Number of litigation cases	Case	0
	Anti-Corruption audit	Time	2
Information Safety	Number of information security incidents	Nos	0

Environmental performance²¹

Topic	Index	Company	2023
Use of Energy	Purchased power	KWh	180,641,929.00
	Photovoltaic Power	KWh	1,581,960.00
	Total indirect energy consumption	KWh	182,223,889.00
	Natural gas	m ³	26,917.60
	Liquefied petroleum gas	Kg	14.5
	Gasoline	Ton	136.73
	Diesel oil	Ton	40.69
	Total direct energy consumption	KWh	2,410,879.28
	Total comprehensive energy consumption	KWh	184,634,768.28
Use of Water	Total water consumption	Ton	809,939
	Water reuse	Ton	10,508

Topic	Index	Company	2023
Exhaust Emissions	Total exhaust emissions	Ton	6.62
Wastewater Discharge	Total wastewater discharge	m ³	1,476
Waste	Production of hazardous waste	Ton	158.36
	Recycling amount of hazardous waste	Ton	22.21
	Landfill volume of hazardous waste	Ton	1.21
	Incineration volume of hazardous waste	Ton	127.90
	Other disposal volumes of hazardous waste	Ton	7.04
	Production of general industrial solid waste	Ton	774.10
	Recycling amount of general industrial solid waste	Ton	666.64
Greenhouse Gas Emissions	Category I	Tons of carbon dioxide equivalent	856.54
	Category II	Tons of carbon dioxide equivalent	74,540.91
	Total greenhouse gas emissions in category I and category II	Tons of carbon dioxide equivalent	75,397.45
Environmental Governance and Protection	Amount of investment in environmental governance	RMB	61,158,500
	Environmental governance investment duration	Hour	19,267

²¹ Due to the company's business adjustment and capacity transfer, the environmental performance of this report mainly covers five major production bases, namely Shenzhen Highpower, Icon Energy, Springpower Technology, Huizhou Highpower and Guangdong Highpower. In the future, we will include all subsidiary environmental data after the stable production and operation of each subsidiary.

Social Performance

Topic	Index	Unit	2023
Employee Employment	Total Employees	People	6,488
	Number of employees by function		
	Manufacturing Workers	People	3,479
	Engineering Technology	People	1,328
	Management	People	443
	Service	People	1,238
	Number of employees by rank		
	Management	People	443
	General employee	People	6,045
	Number of employees by gender		
	Male	People	4,294
	Female	People	2,194
	Proportion of women on the board	%	11.11
	Number of employees by age		
	30 years old and below	People	2,502
	30 to 50 years old	People	3,922
50 years old and above	People	64	

Topic	Index	Unit	2023
Employee Training	Total number of employees trained	People	6,488
	Number of employees trained by function		
	Manufacturing Workers	People	3,479
	Engineering Technology	People	1,328
	Management	People	443
	Service	People	1,238
	Number of employees trained by rank		
	Management	People	443
	General employee	People	6,045
	Number of employees trained by gender		
	Male	People	4,294
	Female	People	2,194
	Number of employees trained by age		
	30 years old and below	People	2,502
	30 to 50 years old	People	3,922
	50 years old and above	People	64

Topic	Index	Unit	2023
Average Hours of Employee Training	Average hours of employee training	Hour	21
	Average hours of employee training by function		
	Manufacturing Workers	Hour	15.36
	Engineering Technology	Hour	32.14
	Management	Hour	37.68
	Service	Hour	18.95
	Average hours of employee training by rank		
	Management	Hour	37.68
	General Employee	Hour	19.78
	Average hours of employee training by gender		
	Male	Hour	21.46
	Female	Hour	20.31
	Average hours of employee training by age		
	30 years old and below	Hour	23.87
	30 to 50 years old	Hour	19.22
	50 years old and above	Hour	17.83

Topic	Index	Unit	2023
Occupational Health and Safety	Number of work-related deaths	People	0
	Significant work-related injury events	Case	0
	Total hours of employees participating in safety training	Hour	49,172
	Percentage of employees participating in safety training	%	100
	Total number of external factory partners safety training conducted	Time	776
	Total hours of external factory partners training conducted	Hour	1,741
	Number of safety and emergency drills	Time	29
	Completion rate of safety and emergency drills	%	100
	Percentage of employees involved in safety and emergency drills	%	100
	Safety production input	RMB	7,790,000
	Number of security inspections organized	Time	507
	Number of corrections of safety hazards	Time	2,387
	Physical examination rate of occupational diseases	%	100
	Number of occupational disease cases	Case	0

Topic	Index	Unit	2023
Social Welfare	Total Public Charity Investments	RMB	1,886,600
	Total investment in targeted poverty alleviation	RMB	176,000
	Total number of targeted poverty alleviation investments	Person time	3
Supplier Profile	Total Vendors	Unit	350
	Domestic suppliers	Unit	334
	Overseas suppliers	Unit	16
	Proportion of domestic suppliers	%	95
	Proportion of overseas suppliers	%	5
Supplier Evaluation	Number of suppliers performing social responsibility (sustainability risk) assessments	Unit	40
	Number of suppliers performing conflict minerals assessments	Unit	37
Supplier ESG Training	Number of ESG training sessions for suppliers	Time	2
	Total hours of ESG training for suppliers	Hour	36
	Number of suppliers participating in the ESG training	Unit	29
Implementation of ESG by Suppliers	Number of key suppliers of main materials certified by ISO 14067 in 2022 and 2023	Unit	10
	Number of key suppliers of main materials certified by ISO 14064 in 2022 and 2023	Unit	16

Topic	Index	Unit	2023
R&D Innovation	Report the total number of patents applied in the current year	/	490+
	Report the total number of patents approved in the year	/	240+
	Total number of existing patents granted	/	632
	Number of R&D projects in the reporting year	/	400+
	Total number of industry standard-setters involved in the reporting year	/	6
	Total number of participants in intellectual property training courses	People	2000+
	Infringement of intellectual property rights	Case	0

Appendix II Benchmarking Index Table

UN SDGs Index

SDGs		Chapters
	No Poverty	Honest Governance: Community Contribution Harmonious Life: Employee Rights and Benefits
	Good Health And Well-being	Harmonious Life: Occupational Health and Safety
	Quality Education	Honest Governance: Community Contribution Harmonious Life: Employee Training and Development
	Gender Equality	Harmonious Life: Employee Rights and Benefits
	Clean Water And Sanitation	Green Planet: Pollutant Management
	Affordable And Clean Energy	Green Planet: Low Carbon Operation

SDGs		Chapters
	Decent Work And Economic Growth	Honest Governance: Corporate Governance Harmonious Life: Employee Rights and Benefits
	Industry, Innovation And Infrastructure	Immaculate Quality: Product Quality and Customer Service, Innovative R&D
	Reduce Inequalities	Honest Governance: Community Contribution Harmonious Life: Employee Rights and Benefits
	Responsible consumption And Production	Immaculate Quality: Product Quality and Customer Service Green Planet: Environmental Management, Low-Carbon Operation, Pollutant Management, Resource Management
	Climate Action	Green Planet: Low Carbon Operation
	Peace, Justice And Strong Institutions	Honest Governance: Corporate Governance, Business Ethics and Anti-Corruption, Information Security and Privacy Protection
	Partnerships For The Goals	Immaculate Quality: Innovative R&D, Responsible Procurement

GRI Standards Index

Disclosure Item	Disclosure Title	Chapters
Universal Standards		
GRI 2: General Disclosures 2021		
The organization and its reporting practices		
2-1	Organizational details	Company profile
2-2	Entities included in the organization's sustainability reporting	About this report
2-3	Reporting period, frequency and contact point	About this report
2-4	Restatements of information	About this report
Activities and workers		
2-6	Activities, value chain and other business relationships	Immaculate Quality: Innovative R&D, Responsible Procurement Appendix 1: Key Performance Table
2-7	Employees	Harmonious Life: Employee Rights and Benefits Appendix 1: Key Performance Table
2-8	Workers who are not employees	Harmonious Life: Employee Rights and Benefits Appendix 1: Key Performance Table

Disclosure Item	Disclosure Title	Chapters
Governance		
2-9	Governance structure and composition	Honest Governance: Corporate Governance
2-10	Nomination and selection of the highest governance body	Honest Governance: Corporate Governance
2-11	Chair of the highest governance body	Honest Governance: Corporate Governance
2-12	Role of the highest governance body in overseeing the management of impacts	Honest Governance: Corporate Governance
2-13	Delegation of responsibility for managing impacts	Honest Governance: Corporate Governance
2-14	Role of the highest governance body in sustainability reporting	About Highpower Technology: Sustainable Development Management Shared responsibility: corporate governance
2-16	Communication of critical concerns	About Highpower Technology: Sustainable Development Management Honest Management: Corporate Governance Immaculate Quality: Product Quality and Customer Service
2-17	Collective knowledge of the highest governance body	About Highpower Technology: Sustainable Development Management Honest Management: Corporate Governance
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	About Highpower Technology: Sustainable Development Management

Disclosure Item	Disclosure Title	Chapters
2-25	Processes to remediate negative impacts	Honest Governance: Business Ethics and Anti-Corruption
2-26	Mechanisms for seeking advice and raising concerns	About Highpower Technology: Sustainable Development Management Honest Governance: Business Ethics and Anti-Corruption
2-27	Compliance with laws and regulations	Honest Governance: Business Ethics and Anti-Corruption
2-28	Membership associations	Immaculate Quality: Innovative R&D About Highpower Technology: Sustainable Development Management
Stakeholder engagement		
2-29	Approach to stakeholder engagement	About Highpower Technology: Sustainable Development Management
2-30	Collective bargaining agreements	Harmonious Life: Employee Rights and Benefits
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	About Highpower Technology: Sustainable Development Management
3-2	List of material topics	About Highpower Technology: Sustainable Development Management
3-3	Management of material topics	About Highpower Technology: Sustainable Development Management
Topic Standards		
GRI 201: Economic Performance 2016		
201-3	Defined benefit plan obligations and other retirement plans	Harmonious Life: Employee Rights and Benefits

Disclosure Item	Disclosure Title	Chapters
201-4	Financial assistance received from government	Immaculate Quality: Innovative R&D
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	Honest Governance: Community Contribution
203-2	Significant indirect economic impacts	Honest Governance: Community Contribution
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Honest Governance: Business Ethics and Anti-Corruption
205-2	Communication and training about anti-corruption policies and procedures	Honest Governance: Business Ethics and Anti-Corruption
205-3	Confirmed incidents of corruption and actions taken	Honest Governance: Business Ethics and Anti-Corruption
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Honest Governance: Business Ethics and Anti-Corruption
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	Green Planet: Resource Management Appendix 1: Key Performance Table
301-2	Recycled input materials used	Green Planet: Resource Management Appendix 1: Key Performance Table

Disclosure Item	Disclosure Title	Chapters
301-3	Reclaimed products and their packaging materials	Green Planet: Resource Management Appendix 1: Key Performance Table
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	Green Planet: Low Carbon Operation Appendix 1: Key Performance Table
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Green Planet: Resource Management
303-2	Management of water discharge-related impacts	Green Planet: Pollutant Management
303-5	Water consumption	Green Planet: Resource Management
GRI 304: Biodiversity 2016		Appendix 1: Key Performance Table
304-2	Significant impacts of activities, products and services on biodiversity	Green Planet: Environmental Management
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Green Planet: Low Carbon Operation
305-2	Energy indirect (Scope 2) GHG emissions	Appendix 1: Key Performance Table
305-5	Reduction of GHG emissions	Green Planet: Low Carbon Operation
GRI 306: Waste 2020		Appendix 1: Key Performance Table

Disclosure Item	Disclosure Title	Chapters
306-1	Waste generation and significant waste-related impacts	Green Planet: Pollutant Management
306-2	Management of significant waste	Green Planet: Pollutant Management
306-3	Waste generated	Green Planet: Pollutant Management
306-4	Waste diverted from disposal	Appendix 1: Key Performance Table
306-5	Waste directed to disposal	Green Planet: Pollutant Management
GRI 308: Supplier Environmental Assessment 2016		Appendix 1: Key Performance Table
308-1	New suppliers that were screened using environmental criteria	Immaculate Quality: Responsible Procurement
GRI 401: Employment 2016		Appendix 1: Key Performance Table
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	Harmonious Life: Employee Rights and Benefits
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Harmonious Life: Occupational Health and Safety
403-2	Hazard identification, risk assessment, and incident investigation	Harmonious Life: Occupational Health and Safety
403-3	Occupational health services	Harmonious Life: Occupational Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Harmonious Life: Occupational Health and Safety

Disclosure Item	Disclosure Title	Chapters
403-5	Worker training on occupational health and safety	Harmonious Life: Occupational Health and Safety
403-6	Promotion of worker health	Harmonious Life: Occupational Health and Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Harmonious Life: Occupational Health and Safety
403-8	Workers covered by an occupational health and safety management system	Harmonious Life: Occupational Health and Safety
403-9	Work-related injuries	Harmonious Life: Occupational Health and Safety
403-10	Work-related ill health	Harmonious Life: Occupational Health and Safety
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Harmonious Life: Employee Training and Development
404-2	Programs for upgrading employee skills and transition assistance programs	Harmonious Life: Employee Training and Development
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Harmonious Life: Employee Rights and Benefits
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	Harmonious Life: Employee Rights and Benefits

Disclosure Item	Disclosure Title	Chapters
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Immaculate Quality: Responsible Procurement
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Immaculate Quality: Product Quality and Customer Service
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Immaculate Quality: Product Quality and Customer Service



Headquarters

Building 1, 68 Xinxia Road, PinghuTown, Longgang District, shenzhen Guangdong, China 518111

Tel: +86-755-8968-6533

Fax: +86-755-8968-6916

E-mail: Marketing@highpowertech.com

Hong Kong Office

Room 2003, 20/F, Prosperity Place, NO.6 Shing Yip street, Kwun Tong, Kowloon, Hong Kong

Tel: +852-3565-0188

Fax: +852-3565-0176

Taiwan Contact Information

3F., No.342-1, Sec 7, Chengde Rd., Beitou Dist., Taipei 112, Taiwan

Tel: +886-2-2828-5987

Fax: +886-2-2828-5590

U.S.Contact Information

2382 Terraza Ribera Carisbad, CA92009

Tel: +1-909-214-2482