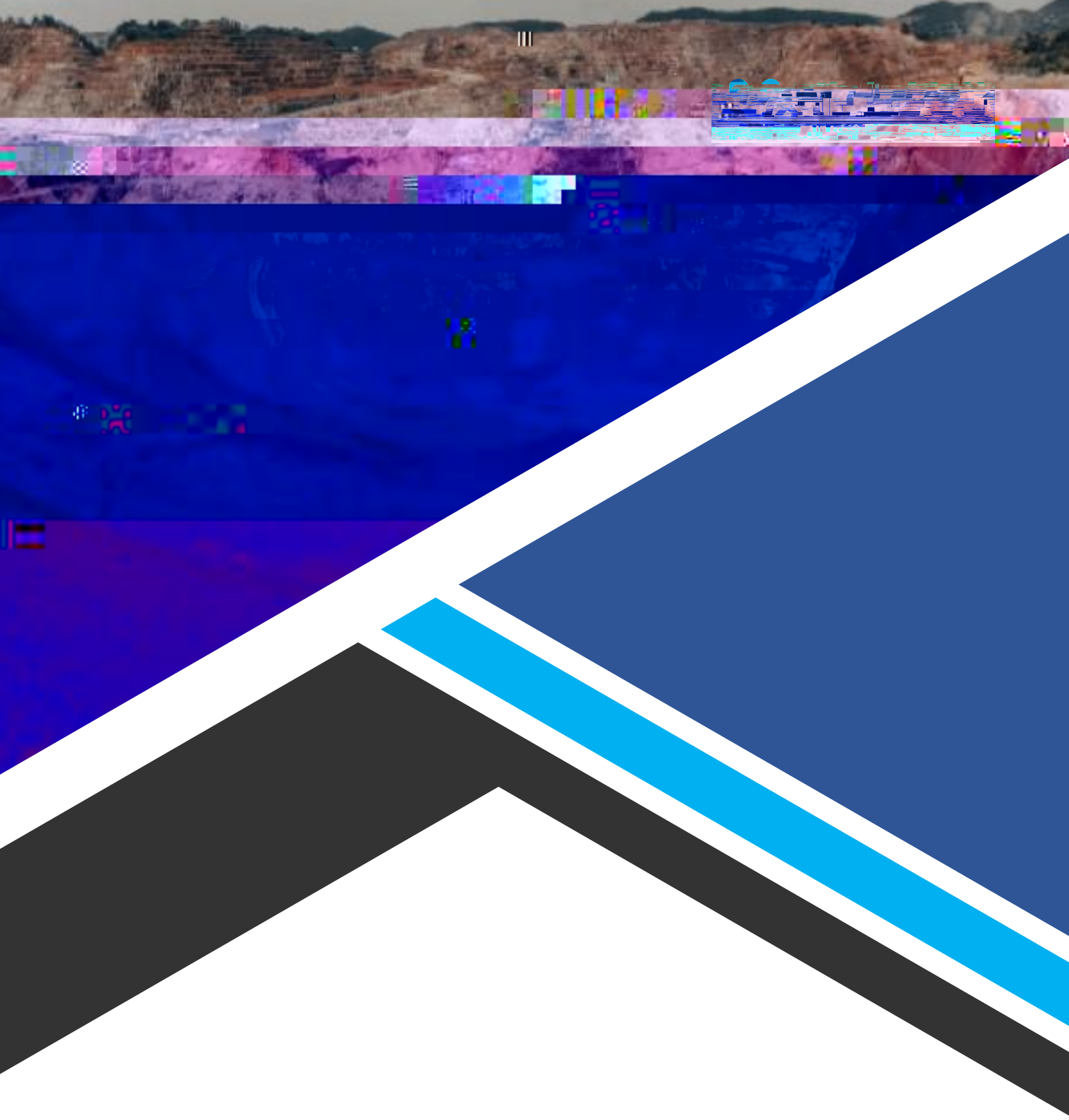


Report of Due Diligence of Responsible Mining Supply Chain 2022

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In this Report, Zhejiang Huayou Cobalt Co., Ltd. is referred to as "Huayou Cobalt Company" or "the Company", Congo Dongfang International Mining Sprl is referred to as "CDM"; La Miniere De Kasombo SAS is referred to as "MIKAS"; Other references not mentioned here shall be subject to the text.

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As an important player in the new energy lithium battery materials industry, Huayou Cobalt Company upholds the development concepts of innovation, coordination, green, openness and sharing, and attaches great importance to CSR governance and sustainable development, with due diligence of responsible mining supply chain as one of the important issues to which the Company pays much attention.

Starting from building of its own CSR management system and continuously improving the requirements for mining cooperation suppliers, from the communication of basic documents such as the basic mining supply chain policy and supplier code of conduct, to the completion of CSR questionnaires and to the on-site visits and audits of key and core suppliers, the Company has gradually improved its mining supply chain CSR management system to make its own contribution to the sustainable development of the industry.

According to *the Guidelines on Social Responsibility for China's Outbound Mining Investment* (2017 Edition), the mining resources industry is a capital-intensive industry with long investment cycles and a high degree of specialization, and the sustainable development of mining resources investment and cooperation requires the safe, stable, transparent and predictable political, economic and social environment, and will also have a series of far-reaching impacts on the economy, society and environment. Therefore, while Huayou Cobalt Company is investing and making its operations overseas in Africa and Indonesia to achieve economic benefits, it must fully consider sustainable development of economy, environment and society, respect human rights, operate fairly, reduce its ecological footprint, properly handle relationship with communities, establish communication and cooperation mechanisms with various stakeholders, enhance awareness and capacity for responsible operation, improve transparency and continuously improve social responsibility performance.

As important metal materials in the production of lithium batteries, cobalt and nickel play a very important role in the process of global green transformation. As the proportion of cobalt and nickel in new energy lithium battery materials continues to increase, international new energy vehicle enterprises are paying increasing attention to the cobalt and nickel supply chain. The Democratic Republic of Congo (DRC) and Indonesia, as countries with large deposits of cobalt and nickel resources respectively, have become important investment and development sites for Chinese mining enterprises. However, due to the political and economic backwardness of the DRC, human rights risks and poverty issues are prevalent, and Indonesia has potential environmental issues that cannot be ignored, etc. Therefore, the ability to ensure the purity and sustainability of the Company's mineral product supply chain is crucial to the sustainability of the entire industrial chain and the trust of customers. In 2022, Huayou Cobalt Company continued to carry out due diligence of responsible mining supply chain in accordance with the framework of six-step method and the requirements of the due diligence process. The building of a responsible cobalt supply chain has been steadily progressing, and the building of a responsible nickel supply chain has begun to bear fruit. The Company's social responsibility office, together with the Group Headquarter and the procurement management department of each industrial group, jointly educated suppliers on mineral product awareness and communicated the due diligence policies and requirements. Ac



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Huayou Cobalt Company always sets high s...dards for itself when conducting business, including following relevant laws and regulations in the field of corpor... social responsibility (CSR). Accordingly, Huayou Cobalt Company has the same expectations for suppliers. Therefore, Huayou Cobalt Company has established *the Supplier Code of Conduct*, which puts forward expectations for suppliers from the aspects of labor and human rights, health and safety, and requires suppliers to pass these terms to their suppliers. Huayou Cobalt Company will consider these terms as part of its supplier screening, and we will actively monitor the compliance of suppliers. Any violation of this Code may damage the business relationship between the supplier and Huayou Cobalt Company, and even lead to the termination of the business relationship between both parties.

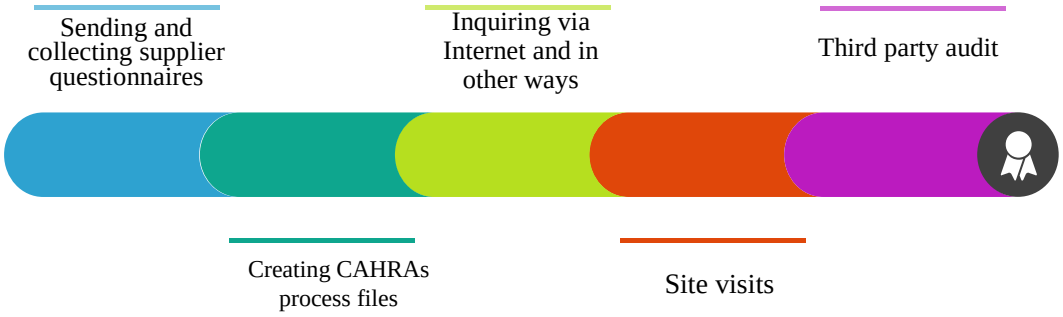
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Based on the supplier code of conduct, Huayou Cobalt Company has formulated special supplier standards for responsible mining procurement, requires mining suppliers to carry out due diligence on the source of cobalt and nickel in mineral products in their whole supply chain in accordance with *OECD Guidelines* and determine whether the cobalt and nickel come from identified high-risk areas. If so, the supplier shall provide Huayou Cobalt Company with reasonable written evidence of its reporting, procurement and due diligence activities.

If the supplier violates the above Code or Standards, or its direct or indirect sub-supplier is deemed to have violated the Code or Standards, Huayou Cob... ompan... ay, at its discretion, require the

supply chain participants to deal with the identified risks. Huayou Cobalt Company may, in its sole discretion, determine to terminate all or any part of contract, agreement, purchase order or any other arrangement with the supplier if such violating supplier fails to mitigate or eliminate risk or refuse to take any measure according to Huayou Cobalt Company's requirement.

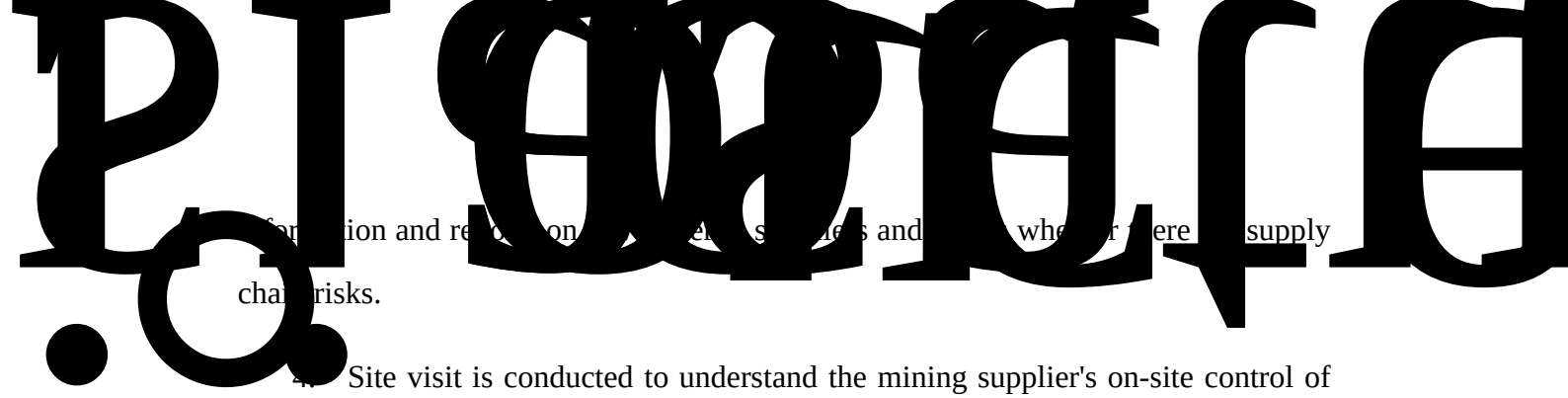
Risk identification and assessment is the basis of due diligence. Risks in the supply chain are identified through the identification of the supply chain, the identification of the place of origin of raw materials and the identification of transport routes, and the level of risk is assessed. To this end, Huayou Cobalt Company has established workflows and systems related to risk identification to identify and assess risks, mainly in the following ways:



1. In 2022, the Social Responsibility Office at Group Headquarter continued to conduct due diligence of responsible mining supply chain in accordance with the requirements of the due diligence process, updated the due diligence questionnaire (*Know Your Supplier Questionnaire* (KYS)) for cobalt and developed *Know Your Supplier Questionnaire* (KYS) for nickel, and *the Know Your Supplier* (KYS)

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questionnaires were sent to cobalt and nickel suppliers by Group Headquarter and raw material procurement department of each industrial group to obtain information on supplier compliance, raw material source, transportation and responsible procurement practices. With the assistance of procurement management department and so on, the Corporate Social Responsibility Office conveyed the Company's supplier



information and re[illegible]on[illegible]s and [illegible] whether there [illegible] supply chain risks.

4. Site visit is conducted to understand the mining supplier's on-site control of mining materials.

5. All participants in our supply chain (especially our core suppliers) are urged to have due diligence system of responsible supply chain of their supply chains independently audited by third party. If the supplier has undergone a third party audit and it is still valid, the Company invites the supplier to provide a summary of the audit report and corrective measures, and to follow up on the corrective process.

6. The Company has sorted out and summarized the risks identified in various ways, drawn up a risk assessment report for each supplier, communicated the corresponding risk situation to the supplier for jointly establishing practical improvement actions.

Huayou Cobalt Company's suppliers are essentially domestic and international large-scale mining companies (LSMs), in addition to some recycled materials. In accordance with the Company's strategy, the procurement policy has been adjusted accordingly in order to reduce the intermediate stages of procurement, with direct procurement mainly from the refineries or smelters of LSMs. In 2022, the Company has conducted due diligence on all suppliers throughout the due diligence process. The identification of main risks is described as follows:

Refineries/ smelters	Large-scale merchandised mines	Manufacturers' own due diligence information was inadequate, some did not conduct supply chain au] u

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made overall planning and arrangements for supplier lists, supplier reviews, mine rectification records, organization of stakeholder training and risk mitigation work in accordance with the requirements of downstream customers and industry customer audits, and continuously supervised the raw material procurement department and other relevant departments to carry out work just

and external audits, and the raw material procurement department was continuously supervised to carry out work and provide regular feedback records in accordance wit

Huayou Cobalt Company actively operates the due diligence system of mining supply chain, actively cooperates with the supply chain audit needs of downstream customers, communicates the existing problems and improvement plans with downstream enterprises and customers, and promotes the comprehensive development of due diligence of responsible supply chain. In 2022, Huayou Cobalt Company accepted the Industrial Management Review (RMI).

Company name: Zhejiang Huayou Cobalt Co., Ltd.
CID No.: CID003225
Company address: No. 18, Wuzhen East Road, Tongxiang City, Jiaxing, Zhejiang Province, China
Assessed raw material: Cobalt
Last RMAP assessment date: July 26, 2022 - July 28, 2019
Assessment period: September 1, 2019 to June 30, 2022
Assessment company: UL
Company name: Quzhou Huayou Cobalt New Material Co., Ltd.
CID No.: CID0032555
Company address: No. 18, Nianxin Road, High-tech Industrial Park, Quzhou City, Zhejiang Province, China
Assessed raw material: Cobalt
Last RMAP assessment date: July 26, 2022 - July 28, 2019
Assessment period: September 1, 2019 to June 30, 2022
Assessment company: UL

Public reporting is a fundamental responsibility of all stakeholders upstream and downstream in the mineral product supply chain to make the supply chain more responsible, this Report demonstrates our commitment, we welcome your feedback and we encourage all our peers and supply chain partners to engage in due diligence of responsible supply chain to promote green and healthy development of the industry.

In addition, Huayou Cobalt Company is actively involved in global due diligence of responsible mining supply chain events and forums to promote due diligence and

actices of sible g supply hain to the dustry, to hear more about periences ideas e diligenc responsil mining pply chain. The work due diligence is pu hed in the form of a annual port on o website ww.huav om).

In 2022, a ceremony was held in the city of Lubum hi to sign a *Social Responsibility Commitment* between CDM, an African ubsidiar and the communities surrounding the mine, committing to invest US6orm m"

Huayou Cobalt Company has establi