HUAYOU

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Zhejiang Huayou Cobalt Co., Ltd.

2024 Sustainable Development Highlights Report

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About Huayou

Company Pro f le

SH603799

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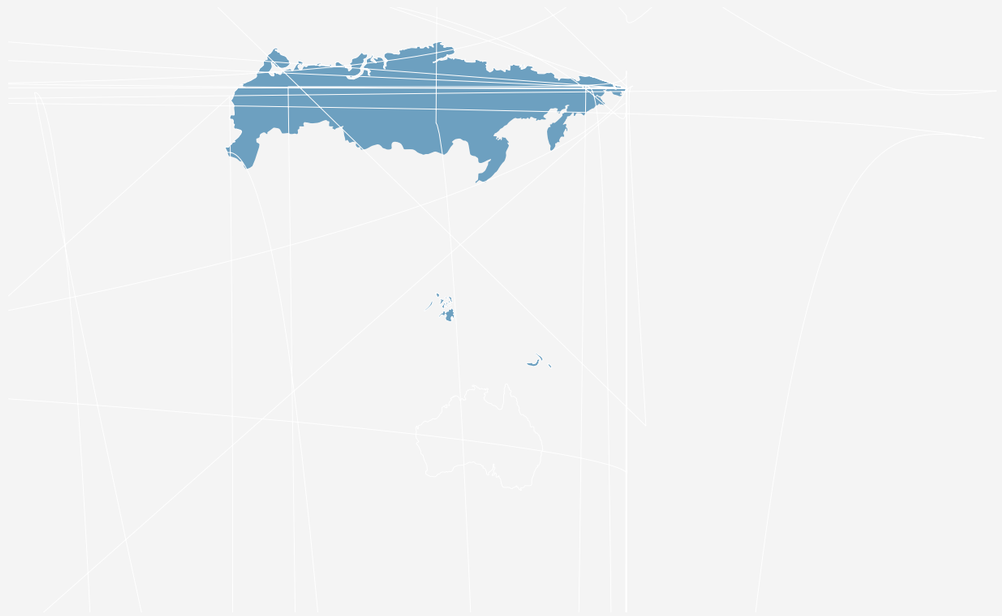
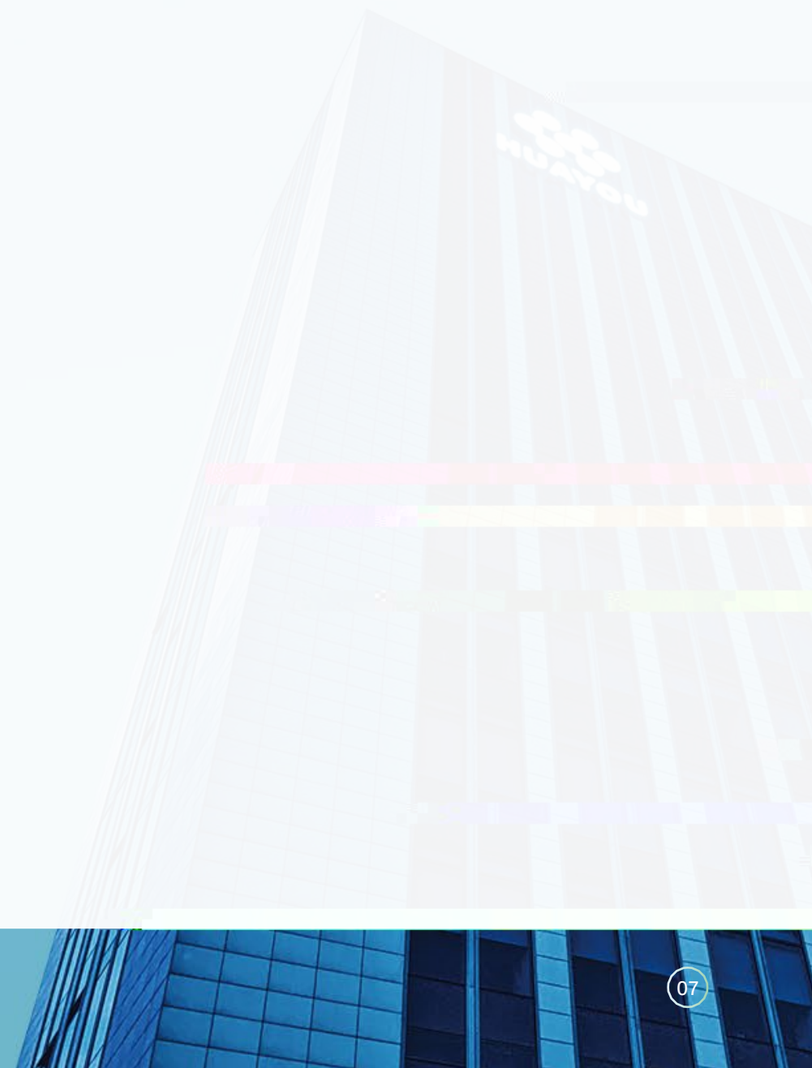
2002

Zhejiang Huayou Cobalt Co., Ltd. (SH603799), founded in 2002 and headquartered in Tongxiang, Zhejiang Province, is a high-tech enterprise engaged in the research and development and manufacturing of new energy lithium power materials and cobalt new materials.





Sustainability Governance

ESG ESG

Huayou firmly believes that sustainability serves as the foundation for creating long-term value and bolstering industry competitiveness. The Company consistently promotes the seamless integration of sustainability principles into its operations and management, establishing and continually re f ning a sustainability governance system with distinct Huayou characteristics. We are dedicated to delivering sustainable value to our employees, stakeholders, and communities through robust sustainability governance system, and contributing to the advancement of a shared future for humanity.

To achieve more effective sustainability governance, we bolster the involvement of the Board and management in the Group's ESG initiatives by establishing a four-tier ESG governance structure. Within this framework, we clearly delineate the responsibilities of each tier and conduct regular monitoring and evaluations of the implementation of related work.

ESG
ESG Governance Structure

Board Oversight

ESG ESG

The Board of Directors serves as the ultimate decision-making and accountable body for the Company's ESG and sustainability management, overseeing and approving the Company's ESG policies and related major matters.

ESG

The Strategy Committee is responsible for researching the Company's long-term strategies, signi f cant investments, and key development issues, proposing ESG-related recommendations, supervising their implementation, and reporting to the Board of Directors.

Management Oversight

ESG ESG ESG
ESG ESG

The ESG and Sustainable Development Management Committee is responsible for formulating ESG strategies, implementing ESG management policies, and convening regular progress review meetings to delve into ESG issues, monitor related performance, and update, optimize, and enhance ESG governance.

Execution Oversight

ESG ESG ESG ESG

The ESG and Sustainable Development Department comprises professionals who coordinate with specialized teams to execute ESG programs, identify and monitor ESG risks, track ESG performance, and disclose sustainable development information.

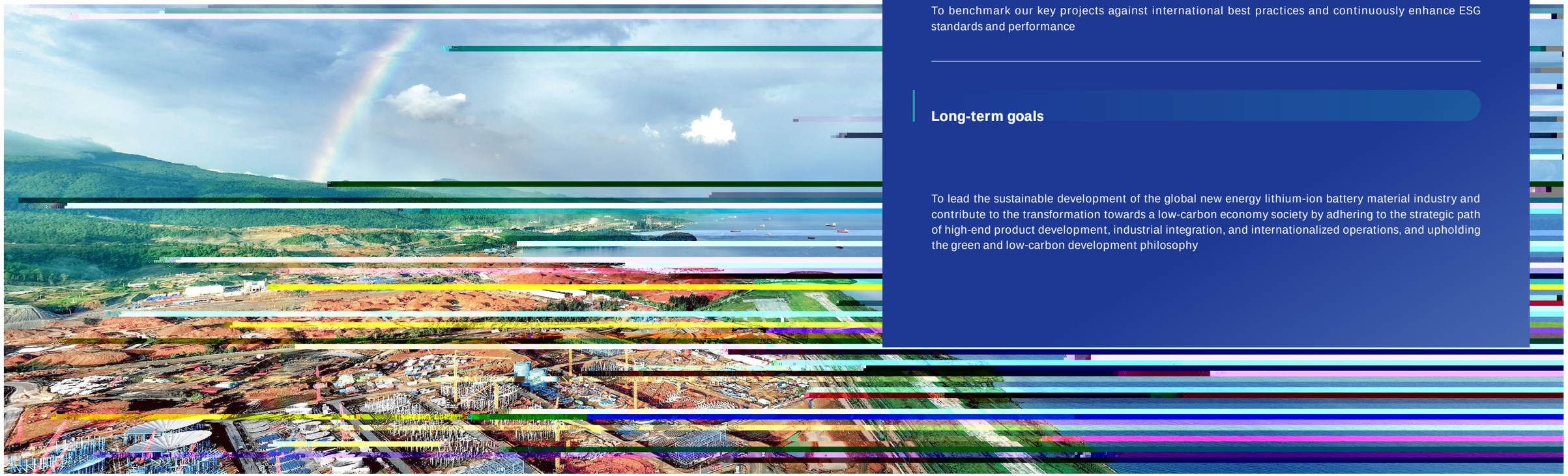
Sustainability Strategy

ESG

ESG

ESG

In the context of rising global attention to sustainability, Huayou profoundly recognizes that sustainability is not only an inevitable path for the development of the new energy industry but also a pivotal strategy to address the challenges posed by shifts in the global energy structure and climate change. The Company is continuously enhancing its ESG planning and management system within its current operational framework. By formulating and executing the *Huayou Cobalt ESG Policy*, which spans areas such as climate, pollution, and biodiversity, the Company aims to achieve consistency, diversity, and robustness in its sustainability management. Looking ahead, Huayou remains committed to advancing its sustainability planning and management system project to meet its established short, medium, and long-term goals and to contribute to global sustainability e forts.



2022-2024
Short-term goals (2022-2024)

ESG ESG

ESG

To establish and operationalize an ESG management system across our headquarters and industrial groups, integrate ESG content into our risk management and governance structure, and make ESG be a core competency of the enterprise

2025-2030
Medium-term goals (2025-2030)

ESG

To benchmark our key projects against international best practices and continuously enhance ESG standards and performance

Long-term goals

To lead the sustainable development of the global new energy lithium-ion battery material industry and contribute to the transformation towards a low-carbon economy society by adhering to the strategic path of high-end product development, industrial integration, and internationalized operations, and upholding the green and low-carbon development philosophy

01

ENVIRONMENTAL

Climate

In the face of the escalating issue of global climate change, actively tackling this challenge and striving for a zero-carbon future has emerged as a universal consensus and collective endeavor. As a pioneering enterprise within the new energy lithium power material industry, Huayou profoundly acknowledges its duty towards emission reduction, seamlessly integrating the low-carbon concepts into its corporate strategy. Through the formulation of clear, specialized plans and actionable steps, we have steadily progressed in reducing greenhouse gas emissions, thereby contributing to a low-carbon future.

Carbon Neutrality Strategic Planning

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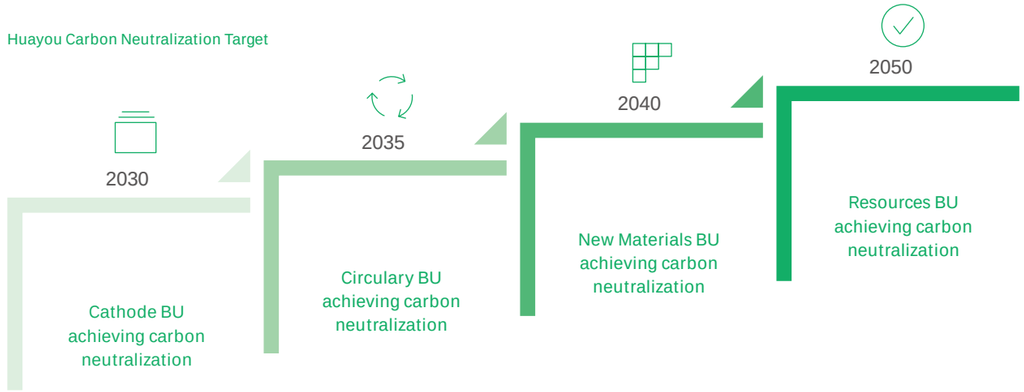
Building a green Huayou, supporting the Company's high-quality development with sustainability, is an important strategic development direction for the Company. The Company is f rmly committed to the transformation path of controlling resources upstream, expanding markets downstream, and enhancing capabilities in the middle; and adheres to the development strategy of "Two New Areas and Three Trends". Huayou Group responds to the national "dual carbon" initiative with high-quality development, practices a green development path, and builds an integrated green low-carbon industrial chain from "nickel-cobalt-lithium raw materials˚ refining˚ precursor products˚ ternary cathode products˚ recycling", striving to become a leading zero-carbon green enterprise in the new energy lithium battery material industry, creating value for customers, and leading the green development of the new energy lithium battery material industry.

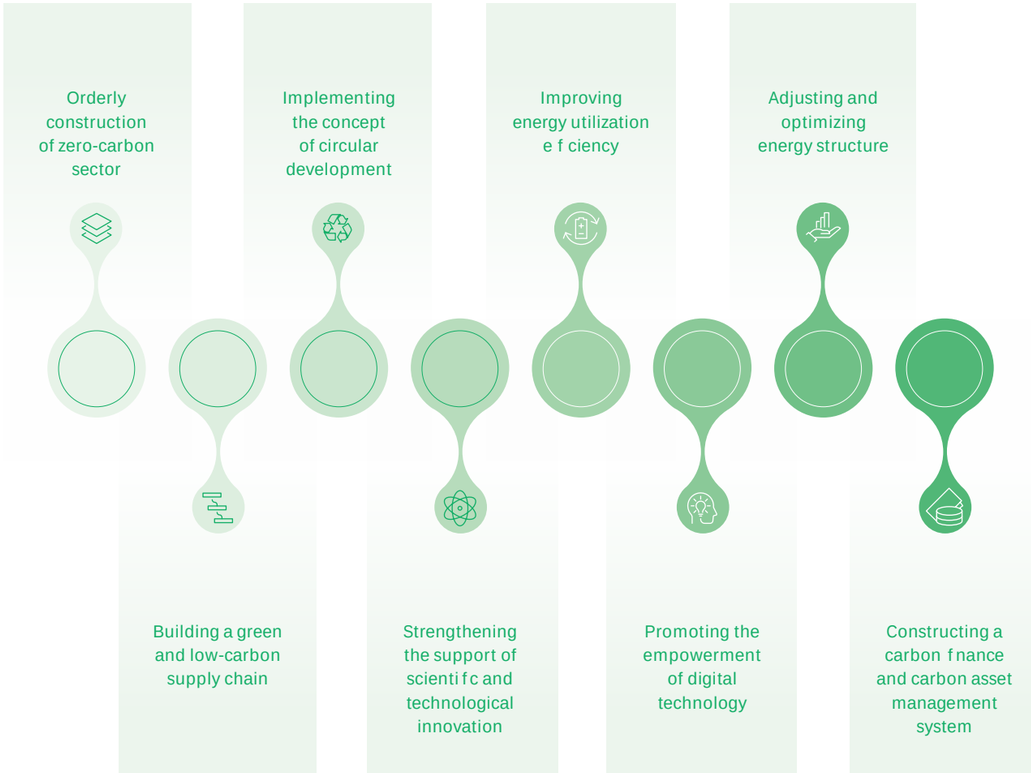
2050

Huayou has adopted "striving for carbon neutrality by 2050" as its overarching vision, establishing di f erentiated targets for the cathode materials, recycling, new materials, and resources sectors. To better embody and propel the vision of a "zero-carbon future", we have mapped out a clear roadmap to carbon neutrality and identi f ed the key actions to ensure the comprehensive implementation of our strategic plan, committing ourselves to being a leader in the new energy era. During the Reporting Period, to achieve the goal of carbon neutrality, Huayou has launched three major projects of "carbon reduction", "carbon decrease" and "low carbon". In terms of "carbon reduction," we have actively carried out a series of projects to reduce direct GHG emissions. In terms of "carbon decrease," we have e f ciently implemented Clean Power Plan to reduce indirect GHG emissions; and in terms of "low carbon", we have vigorously promoted the construction of a low-carbon supply chain.

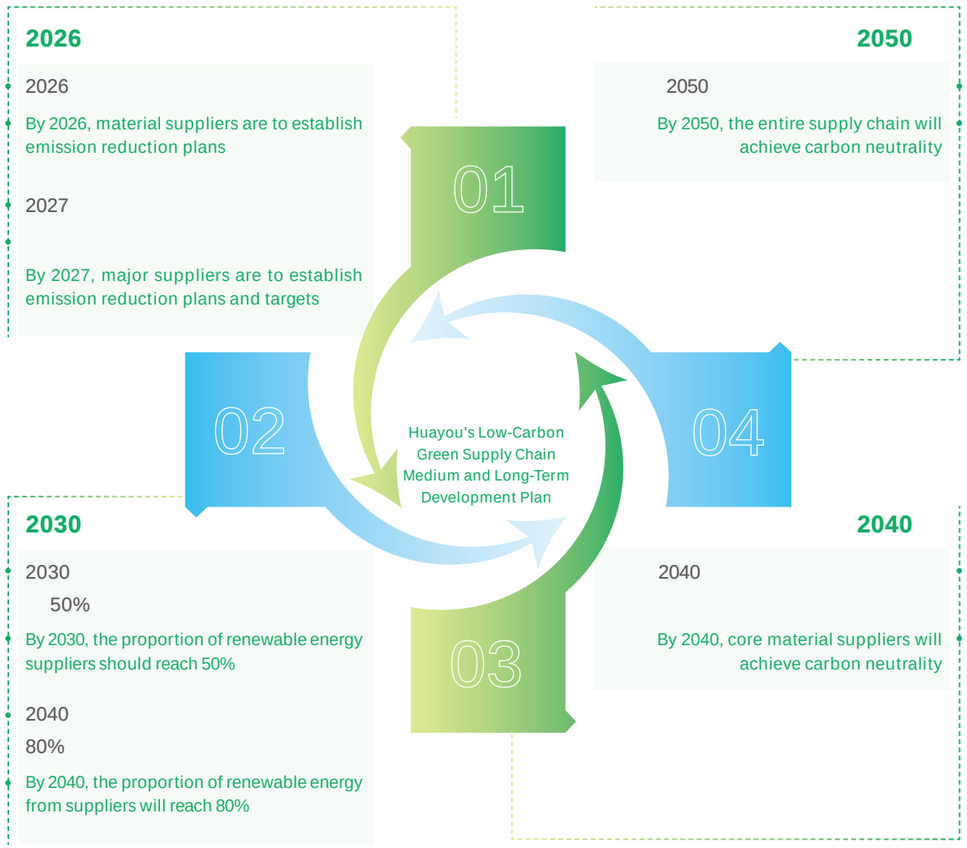
Huayou Carbon Neutralization Target



Huayou's Actions on Carbon Neutral



Huayou Supply Chain Carbon Neutralization Target



Greenhouse Gas Emission Management System

Huayou has established a comprehensive greenhouse gas emission management system in compliance with international standards. We have formulated internal procedures such as the *Greenhouse Gas Inventory Process* and leveraged digital and information technology to facilitate management and continuous improvement.

CASE "Huayou Intelligent Carbon" Integrated Digital Intelligent Management Platform

LCA

LCA

2022 10%

The intelligent digital platform integrates the Company's capabilities in carbon management and carbon accounting analysis. Based on the internationally recognised life cycle assessment (LCA) methodology, the platform comprehensively encompasses the LCA model from nickel and cobalt mining to battery recycling, and is backed by an authoritative database to facilitate comprehensive carbon footprint research across the entire lifecycle of key products. The Company can undertake refined and systematic management of energy consumption, carbon emissions, and product carbon footprints through th ^ = ǯ ɔ ŵ ɐ em à ehuction, The carbon footprint of the man products f r

16 ISO 14064

32 ISO 14067

As at the end of Reporting Period, a total of 16 new subsidiaries achieved ISO 14064 certi f cation for greenhouse gas emissions verification, and 32 new products obtained ISO 14067 certification for product carbon footprint verification. By actively pursuing carbon emission certifications, we have provided a scientific data foundation for the Company's emission reduction planning and demonstrated our resolve to ful f ll our low-carbon commitments.

Greenhouse Gas Emissions Veri f cation Statement

Energy Management

2035 100%

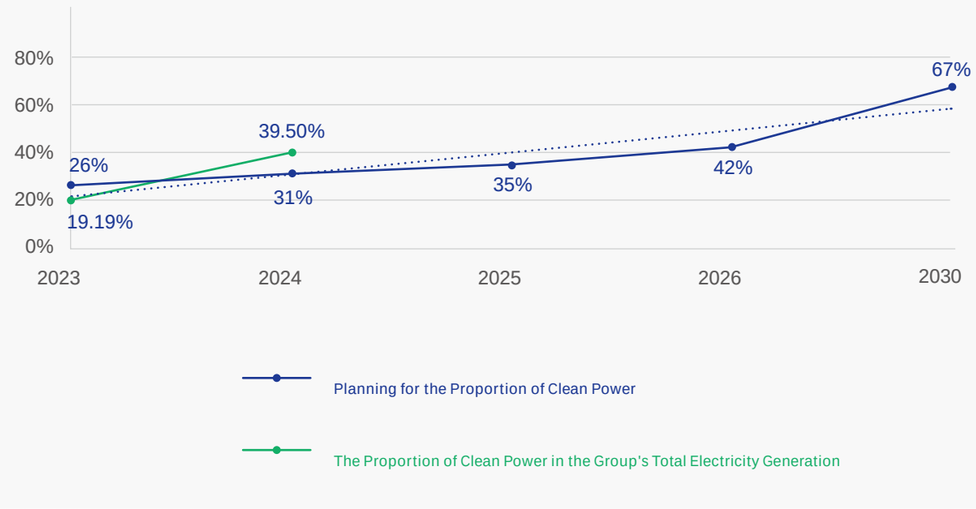
According to the Clean Power Plan, Huayou strives to source 100% of the Group's total electricity from clean sources by 2035. As at the end of Reporting Period, we had initiated several distributed photovoltaic, wind, solar, and hydroelectric projects.

Resulting in clean power comprising 39.5% of the Group's total electricity consumption

39.5%

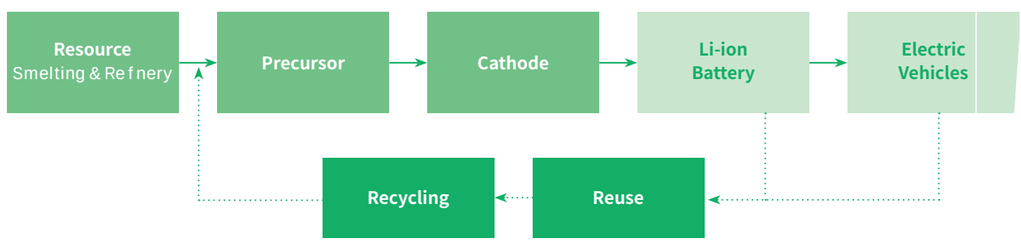
Substantially surpassing the anticipated target for 2024

2024



Huayou follows the "14th Five-Year Plan for the Development of Circular Economy" and the EU's "Circular Economy Action Plan" and other relevant policies and initiatives at home and abroad, actively lays out recycling business, and makes every effort to build a new energy lithium power industry ecology from nickel, cobalt and lithium resource development, green smelting and processing, ternary precursor and cathode material manufacturing to resource recycling. As of the end of the Reporting Period, many subsidiaries of Huayou have been selected into the list of enterprises in the Industry Standard Conditions for Comprehensive Utilization of Waste Power Batteries for New Energy Vehicles issued by the Ministry of Industry and Information Technology.

Through the establishment of recycling network system, cascade utilization and development, resource utilization, waste material replacement and battery repair, maintenance and remanufacturing, the Company has carried out extensive cooperation with mainstream automobile manufacturers and battery leaders at home and abroad to provide customers with global, harmless and sustainable waste battery solutions.



CASE Huayou won outstanding achievements in cascade utilization technology

2024

At the 2024 New Energy Battery Recycling Conference sponsored by China Industrial Energy Conservation and Clean Production Association, Huayou Cobalt

2023 12

In December 2023, Huayou Green Energy Technology Co., Ltd. was officially established, focusing on the research and introduction of new recycling technologies to achieve lower carbon and more e f cient utilization.

Jointly Built By Customers to Boost Green and Low-Carbon Industrial Chain

2024

In 2024, Huayou signed strategic cooperation agreements or carried out cooperation projects with a number of companies on the industrial chain to explore low-carbon solutions for the industrial chain cycle.

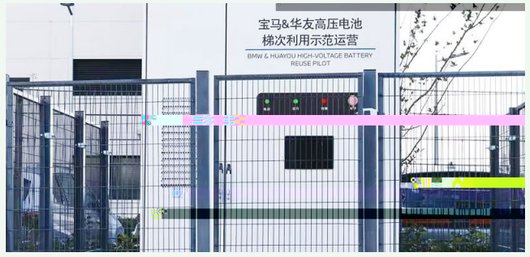
CASE Pilot project for cascade utilization of power batteries

-

185KWH 4S

Huayou and Mercedes-Benz announced the launch of a pilot project for the cascade utilization of power batteries in Fujian Benz Automobile Co., Ltd. to transform retired batteries into renewable energy storage systems to maximize the use value of batteries.

Huayou and BMW have made new progress in the reuse of cascade batteries, established a 185KWH cascade energy storage outdoor system for commercial use for BMW 4S stores, earned electricity price difference through peak shaving and valley filling, and achieved good economic bene f ts.



Overseas Cooperation to Build a New Pattern of Lithium Power Cycle

2024

In 2024, Huayou has reached strategic cooperation with partners in Asia, Europe and other regions to jointly develop the battery resource recycling market and practice circular economy.

CASE

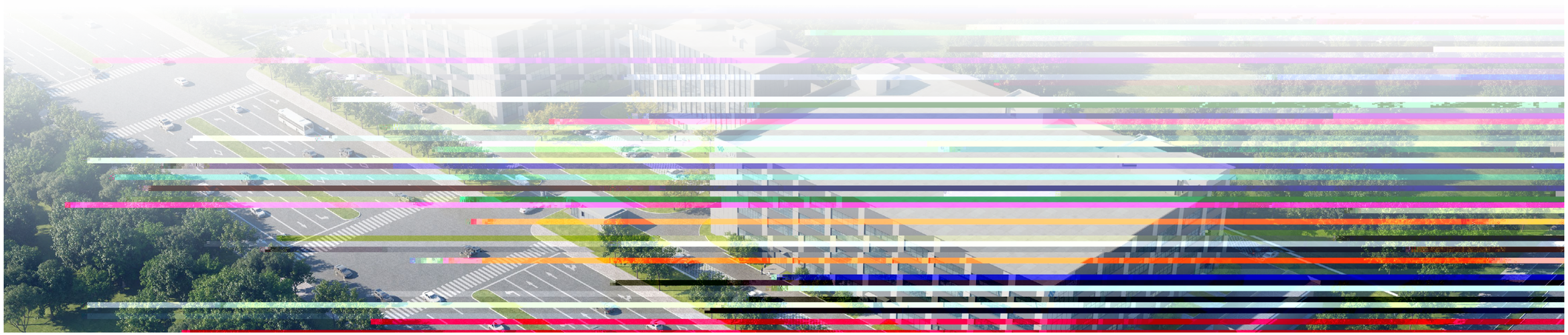
Sonid

Huayou and Sonid jointly established overseas pretreatment company

Sonid

Huayou and South Korea's Sonid Company formally signed an agreement on the es a oÿ v ɜ ɣ ƙ ɻ ᴰ - ormf ɤ ɔ Ꞷeemsi] ɣ a Þ˳ ᴰ˜ ƫ ɒ lyu ! Ā Ā tablished.t c ᵒ ᵒ ʒ̈ ƫ o ʊ̇

Biodiversity is the foundation of human welfare and health prosperity. With the increasing attention of regulators and industries in various countries, Huayou, as a high-tech enterprise in the research and development of new energyh v D n ³ ust ndust ή ϶ γ 5 c] c c я



Ecosystem protection at planning stage

- Organize relevant professionals to conduct on-site investigation and collect biodiversity and land use data
- Analyze the potential impact of the project on biodiversity and make quantitative or qualitative evaluation using biodiversity impact assessment tools
- Determine the biodiversity risk level of the project according to the evaluation results, and formulate corresponding ecological prevention and restoration compensation measures
- Preparation of biodiversity loss risk and impact assessment reports after the development of prevention and control measures

Ecosystem protection during implementation

- Each construction unit shall carry out mining or construction and other production activities according to the review opinions and suggestions and the prevention and control measures in the report
- Regularly carry out biodiversity monitoring and report the monitoring results to the Company headquarters, which will analyze and evaluate the monitoring results and put forward suggestions and suggestions for improvement and optimization

Ecological impact mitigation measures

- Actively control geological disasters, water and soil loss and other problems in mines, and put land reclamation and ecological recovery in mining areas through every link of mining activities
- Regularly monitor the impact of business activities on the surrounding environment, including water quality and air quality, and disclose the monitoring results
- Formulate and timely adjust the reclamation and ecological restoration plan at all project operation points according to the technical characteristics of different mining stages and natural environment and other factors
- Encourage employees to participate in volunteer activities, such as afforestation and cleaning campaigns, to support biodiversity conservation with practical actions

CASE Biodiversity assessment to facilitate eco-friendly full lifecycle project management

Prior to the construction of all projects, Indonesia Nickel Industry Group invited a third-party company with professional qualifications to carry out biodiversity assessment on site and issue an environmental plan report, including but not limited to impact assessment on noise, light, animal migration, as well as surface water impact of rivers and streams, to protect biodiversity in the operation area of each project.

Water Stewardship

Hydrometallurgical processes are highly dependent on water resources, which makes water management and protection a key factor in Huayou's stable operation. In strict accordance with the laws and regulations of the host country, we adhere to the principles of paying equal attention to both revenue and expenditure, diversifying water intake, optimizing the allocation of water resources and promoting the utilization of sewage resources, deeply assess the carrying capacity of water resources and water environment in the management of domestic and foreign operations, actively implement water conservation and alternative solutions, and strive to promote the sustainable use of water resources.

The Company regularly conducts water risk assessment for its subordinate industrial groups, monitors the hydrological status and water quality of surface water, identifes production and operation activities that may have a negative impact on water resources, evaluates the risk level and potential impact, and formulates and implements corresponding countermeasures according to the results of different risk levels. At the same time, we actively communicate with surrounding communities and other stakeholders to ensure that we avoid the risk of major competitive conficts with local communities in terms of water use, and carry out a series of community water conservation measures (see the "Community Contribution" section for details) to achieve harmonious coexistence.

The Company pays attention to the water balance of each operation site. In terms of water intake, Huayou mainly purchases water through municipal administration, while strengthening the use of recycled water, rainwater, gray water and other diversified water intake to reduce the proportion of freshwater use; In the aspect of water resources utilization, Huayou continuously improves the recycling utilization rate of water resources by optimizing process parameters and upgrading production technology.

CASE -
Huayou Indonesia - Comprehensive Utilization of Water Resources

2024

In 2024, Huayou continued to invest in the comprehensive utilization of water resources, especially in the comprehensive utilization of surface water, rainwater recycling, reclaimed water recycling and other aspects, and achieved remarkable results.

2024 211 8
32.8 98
26%

In the first half of 2024, surface runof was collected in Indonesia's mining area, with a total recovered water volume of 2.11 million cubic meters; Huafei Indonesia has eight rainwater collection pools throughout the plant, with a capacity of about 328,000 cubic meters for rainwater recycling. The cumulative amount of rainwater recovered is 980,000 cubic meters, helping to reduce the unit consumption of water by 26%.

CASE Multiple measures to achieve deep purifcation of water resources

In Africa, Huayou uses advanced membrane separation technology to deeply treat drinking water to ensure drinking water safety.

At the same time, we pay attention to the ef ciency of water resources utilization in the precursor manufacturing process. Through membrane separation technology, the production wastewater is made into pure water and reused in the production workshop, so that the production water in the workshop can be signifcantly reduced.

02

SOCIAL

2024

Technological innovation and product quality are paramount for the sustainable development of nations and enterprises. To better adapt to market demands and global trends, in 2024, the Company deepened its collaboration with stakeholders, including domestic and international governments, business partners, and academic institutions. Leveraging actions such as global patent and intellectual property protection, critical technological innovation, and application, the Company implemented a science and technology innovation strategy of "supporting industries and leading the future." It also actively participated in the development of relevant standards.

As of the end of the Reporting Period

The Company has engaged in the development of two international standards

2

Involved in the standards-setting process of six issued national standards

6

Involved in the standards-setting process of six issued industry standards

6

4,689

In terms of R&D team building, Huayou Cobalt continued to attract top-tier talent from around the world for various segments of its integrated industrial chain. The Company employed 4,689 R&D personnel.

The Company invested RMB 687 million in R&D

6.87

Accounting for 2.29% of total revenue

2.29 !

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15

2

1

1

Huayou has established a number of advanced research institutions and open research platforms. As of the end of the Reporting Period, the Company owned 15 provincial-level R&D platforms and two international-level R&D platforms, including a National Enterprise Technology Center, Zhejiang Key Enterprise Research Institute, and a Postdoctoral Research Workstation. These initiatives support the Company's commitment to an open collaboration model. The Company also maintains regular knowledge exchanges with research and educational institutions in countries such as Australia, Germany, Indonesia, and Hungary in order to enhance its global R&D capabilities.

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CASE

HY Business Operating System

Smart Manufacturing: Huayou Business Operating System (HYBOS)

2024 HYBOS LIMS

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In 2024, multiple production bases of Huayou took the lead in developing and implementing the LIMS system on the HYBOS. Following the principles of "planning-driven, unified platform, independent/joint development, phased implementation, pilot-first, and key breakthroughs," the Company advanced its smart manufacturing system. This initiative significantly improved Huayou Cobalt's production efficiency and equipment management, promoting the digitalization and intelligence of production processes and driving sustainable development and technological innovation.

MES

Refined Production Management: The MES system enhanced production transparency and decision-making accuracy, driving efficiency improvements and cost control.

LIMS

Standardized Quality Control: The LIMS system unified quality data management, eliminating manual records and ensuring data accuracy and compliance.

LIMS

Transparent Production Statistics: The LIMS system provided detailed data collection, improving visualization and real-time monitoring to support efficient scheduling and decision-making.

Intellectual Property Protection

ISO 56005

3

To optimize its intellectual property management system, Huayou Cobalt developed and implemented a series of policies, including the *Patent Application Management Measures*, *Trade Secret Management Measures*, and *Trademark Management Measures*. These policies define management requirements for patents, trademarks, copyrights, and trade secrets, ensuring efficient and standardized operations. Additionally, the Company aligned with international best practices by undergoing ISO 56005 certification for innovation and intellectual property management, achieving Level 3 certification, which further enhanced its intellectual property management capabilities and international competitiveness.

2024

1,305 929

PCT 106 541

277 6 2024

213 136

In 2024, the Company intensified its patent portfolio efforts, covering multiple countries and regions to strengthen its global competitiveness. As of the end of the Reporting Period, Huayou had filed a total of 1,305 patent applications, including 929 invention patents and 106 overseas patents (including PCT applications). A total of 541 patents had been effectively licensed, including 277 invention patents (6 of which are international patents). In 2024 alone, Huayou filed 213 new patent applications and received 136 licensed patents. Its overseas patent portfolio expanded to key markets such as Europe, the United States, Japan, and South Korea, showcasing Huayou's sustained commitment to intellectual property protection, as well as its steadily growing core competitiveness.

Huayou had filed a total of 1,305 patent applications

1,305

929 invention patents

929

PCT

106 overseas patents (including PCT applications)

106

541 effective Licensed Patents

541

6

277 invention patents (6 of which are international patents)

277

2024

In 2024 alone, Huayou filed 213 new patent applications

213

received 136 licensed patents

136

Relying on a customized intellectual property management system

- Optimizing management processes and enhancing intelligence levels

Leveraging a patent database with an industry patent dynamic tracking mechanism

- Strengthening monitoring of infringements related to patents, trademarks, copyrights, and trade secrets

FTO

Conducting specialized tasks such as patent risk analysis, Freedom to Operate (FTO) assessments, and patent stability analysis

- Strictly managing patent infringement risks and ensuring trademark and copyright compliance

Deepening intellectual property risk control for overseas investment projects

- Providing comprehensive intellectual property support for key projects to ensure the alignment of intellectual property portfolio and compliance risk management in international markets

Intellectual Property Information Management System

Adhering to the core concept of internal and external dual drive, Huayou actively engages in collaboration with various in partners in the ecosystem to form a good ecology of co-construction, win-win and sharing.

Huayou Supply Chain Management Principles

In order to standardize the management of supp Huayou Cobalt has formulated the Supplier Manag Measures of the Group Procurement Center, Supplier M Supplier Code of Conduct and other systems to guide us supplier entry, audit, evaluation and hierarchical manag of suppliers, and explicitly requires all suppliers to si Supplier Integrity Commitment as an important ba standardizing their business practices. In addition, w established a supplier management system throughc process to reduce procurement risks, ensure procur quality, and create a healthy and standardized supp demand relationship.

ESG

10

15 ESG

ESG

Huayou has established a professional supplier eval team to be responsible for supplier admittance r qualification review and performance evaluatior continuously improves the supply chain managemen through the mapping and rectification tracking of su ESG status. During the Reporting Period, Huayou New M Industry Group selected 10 non-mineral suppliers, design issued ESG questionnaires involving 15 issues to comprehe evaluate the ESG performance of suppliers.

Mineral Supply Chain Due Diligence Management

Key metal materials such as nickel, cobalt, manganese and lithium play a central role in battery manufacturing and l signi f cant impact on the global green energy transition. Huayou recognizes that the transparency of the mineral supply c crucial to ensuring the sustainable development of the industrial chain and winning the trust of customers.

Based on the increasingly strict review of stakeholders on the sustainable development risks of the mineral supply chain, we are committed to continuously strengthening our own due diligence management and the compliance due diligence of upstream suppliers, and actively carrying out third-party audits to verify the performance of supply chain due diligence management.

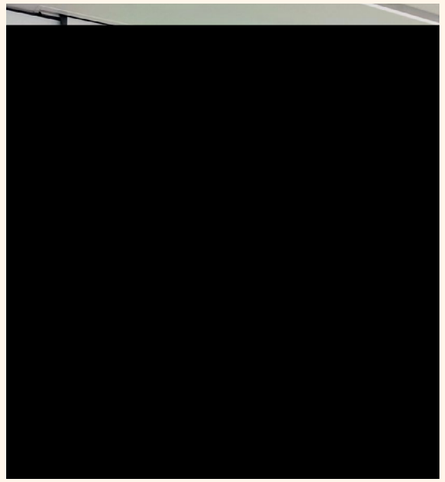
Supply chain collaborative carbon reduction and low-carbon transformation of the whole value chain have always been the mission and responsibility of Huayou as a "chain owner" enterprise. We are committed to jointly exploring new low-carbon

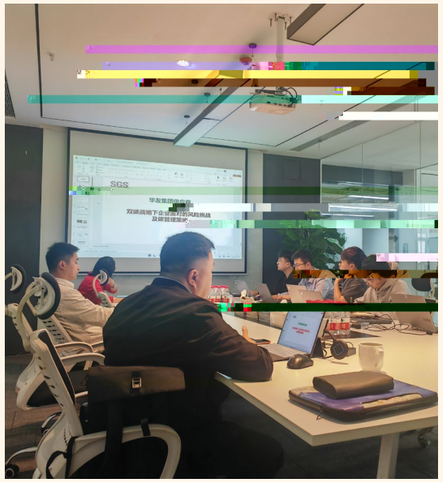
CASE Cooperated with liquid alkali suppliers to enable the construction of low-carbon supply chain in the whole process

2024

59%

In 2024, Huayou carried out the whole process of low-carbon supply chain construction for the core liquid alkali supplier and cooperated with the supplier to carry out carbon reduction measures in seven aspects, including the elimination of high-energy consumption equipment, the optimization of energy structure, the application of energy-saving and carbon reduction technology, carbon emissions and product carbon footprint accounting. By the end of the Reporting Period, the measured carbon emissions of the supplier had decreased by about 59%.





Equal Employment

Huayou Cobalt consistently upholds the concept of sustainable development, recognizing that protecting labor rights is a core aspect of corporate social responsibility and a key to achieving long-term stable growth. The Company strictly complies with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, and Indonesia's Labor Law, as well as other relevant domestic and international regulations. It has established internal policies such as the Recruitment Management System, Labor Contract Management Measures, and Huayou Healthy Workplace Management Regulations to fully implement labor contract and collective agreement systems. These measures ensure employees' fundamental rights, including fair wages, rest and leave, occupational health and safety, social insurance, and vocational skills training, all in accordance with laws and regulations. The Company explicitly prohibits discrimination in any form based on gender, race, religion, age, disability, nationality, or marital and parental status. Through standardized policy development and strict enforcement mechanisms, Huayou is committed to fostering a diverse, equal, and inclusive workplace, setting an example for sustainable development in the industry.

2024

WEPs

WEPs

To further its commitment to gender equality and women's empowerment, in 2024, Huayou Cobalt officially joined the Women's Empowerment Principles (WEPs) initiative launched by UN Women and the United Nations Global Compact. Through WEPs, Huayou aims to actively promote gender equality in the workplace, supply chain, and community, contributing to the goal of **"leaving no one behind."**

" " WEPs

Women's Empowerment Principles (WEPs)

CASE International Women's Day Activities

2024

For International Women's Day 2024, Huayou hosted celebratory events in multiple locations worldwide to enhance cultural exchange among employees. We will continue to promote our commitment and practices related to gender equality, striving to build a diverse culture and uphold corporate responsibility in fostering employee integration.

2024

27 28

32

In 2024, Huayou further strengthened its overseas university-business collaborations by supporting the educational development of regions where we operate through graduate scholarships, undergraduate financial aid, and vocational school scholarships. As of the end of the Reporting Period, 27 individuals had received master's degree scholarships, 28 received undergraduate scholarships, and 32 received vocational school scholarships.

Human Rights Protection

ILO UNGPs ESG

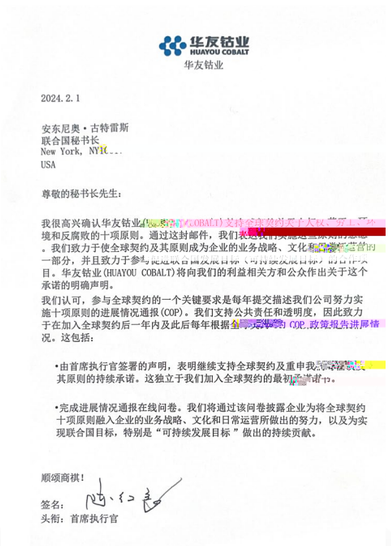
Huayou Cobalt understands that a company's sustainable development begins with its value system and principled business practices. We strictly comply with labor rights protection laws and regulations in the countries where we operate and base our actions on the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the core conventions of the International Labour Organization (ILO). We have developed the *Huayou Cobalt ESG Policy*, which explicitly prohibits child labor and forced labor. To further ensure compliance, we have established comprehensive management procedures for preventing child labor, forced labor, inhumane treatment, and discrimination. We have also set up a mechanism to protect whistleblowers and supervise reporting, firmly prohibiting any inappropriate employment practices, with the aim of ensuring that both domestic and overseas employees enjoy a compliant, safe, and democratic working environment.

UNGC

During the Reporting Period, Huayou Cobalt o f cially signed and submitted its letter of commitment to join the United Nations Global Compact (UNGC). Moving forward, Huayou will adhere to the principles of the UNGC in our daily operations, focusing on human rights, labor, environmental protection, and anti-corruption.

UNGC

United Nations Global Compact (UNGC)


华友钴业
HUAYOU COBALT

2024. 2. 1

安东尼奥·古特雷斯
联合国秘书长
New York，NY[illegible]
USA

尊敬的秘书长先生：

我很高兴确认华友钴业([illegible])[illegible]境和反腐败的十项原则。通过这封邮件，我们[illegible]。我们致力于使全球契约及其原则成为企业的业务战略、文化和[illegible]一部分，并且致力于参与[illegible]目。华友钴业(HUAYOU COBALT)将向我们的利益相关方和公众作出关于这个承诺的明确声明。

我们认可，参与全球契约的一个关键要求是每年提交描述我们公司努力实施十项原则的进展情况通报(COP)。我们支持公共责任和透明度，因此致力于在加入全球契约后一年内及此后每年根据[illegible]况。这包括：

- 由首席执行官签署的声明，表明继续支持全球契约及重申我[illegible]其原则的持续承诺。这独立于我们加入全球契约的最初[illegible]。
- 完成进展情况通报在线问卷。我们将通过该问卷披露企业为将全球契约十项原则融入企业的业务战略、文化和日常运营所做出的努力，以及为实现联合国目标，特别是“可持续发展目标”做出的持续贡献。

顺颂商祺！

签名：
头衔：首席执行官

Safety Management

ESG

Huayou Cobalt adheres to the safety management principle of "safety first, prevention-oriented, and comprehensive governance," recognizing that strengthening safety production responsibilities is key to ensuring the Company's sustainable development. We implement a "people-centered" approach, prioritizing the occupational health and personal safety of both employees and contractors. The Company strictly complies with domestic and international laws and regulations, including the Occupational Disease Prevention and Control Law of the People's Republic of China. Our *Huayou Cobalt ESG Policy* clearly defines commitments and requirements regarding the health and safety of employees and contractors working on project sites, aiming to achieve the safety management goal of "zero fatalities and zero occupational diseases".

“ ”

"Zero Fatalities and Zero Occupational Diseases"

2024 ISO 45001

ISO 45001

In 2024, Huafei Nickel Cobalt successfully passed the ISO 45001 Occupational Health and Safety Management System certi f cation. As of the end of the Reporting Period, Huayou Cobalt and its subsidiaries have all obtained ISO 45001 certification for occupational health and safety management.

ISO 45001

Huafei Nickel Cobalt ISO 45001 Occupational Health and Safety Management System Certi f cate

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM CERTIFICATE

We hereby certify that
PT Huafei Nickel Cobalt
Address: ops Del Office Tb Sat A Lantai 16, Jalan Mega Kuningan Barat III Lot 101-6, Desa/Kelurahan Kuningan Timur, Kec. Setiabudi, Kota Adm. Jakarta Selatan, Provinsi DKI Jakarta
Unified Social Credit Code: 12210000124858
By reason of its
Occupational Health and Safety Management System has been awarded this certificate for com[illegible]

GB/T45001-2020 idt ISO45001:2018

The Occupational Health and Safety Management System applies in the following

The production of Mixed Hydroxide Precipitation (MHP) products

Date of Issue: October 31, 2024
Date of Expiry: October 30, 2027
Issued by:

ZHEJIANG HUANKE CERTIFICATION CENTER FOR ENVIRONMENT CO.,LTD.
Unit 3, 199 Lianchuang Road, Wuchang Street, Yuhang District, Hangzhou, Zhejiang Province

CASE Indonesia Huafei Nickel Cobalt Collaborates with Third-Party Professional Institutions for Occupational Health and Safety Testing and Risk Assessment

16

The results of the testing confirmed that all factors met occupational health standards, ensuring a safe and compliant working environment for employees. All occupational health risks were e fectively controlled.

Community Contribution

Social Welfare

27 156,600 2 350,000 100 50,000

Huayou has always believed in actions over words, actively engaging in social welfare efforts and striving to create more sustainable and positive value for society. As of the end of the Reporting Period, the Huayou Charity Fund has provided support to 27 families of employees in financial difficulty, distributing a total of 156,600 RMB. The fund also assisted two families a fected by accidents with relief payments totaling 350,000 RMB. In addition, the fund provided assistance to vulnerable groups in 100 families or individuals from other local communities and partner organizations, distributing a total of approximately 50,000 RMB in cash or gifts.

CASE China: Huayou Charity Common Prosperity Fund

2022 2024 428 38 53 C9 65 450 2025

Since its establishment in 2022, the Huayou Charity Common Prosperity Fund has focused on education and youth development. In 2024, the foundation awarded scholarships totaling 380,000 RMB to 428 primary and secondary school students in Tongxiang's Gaoqiao Street. Additionally, 650,000 RMB in scholarships was granted to 53 local high school students who were admitted to the prestigious "C9 League" universities. The foundation also allocated 4.5 million RMB for the construction of the Huayou New Energy Science Popularization Center for youth in Tongxiang, which is expected to be operational by 2025. This center aims to promote knowledge of new energy and stimulate young people's interest in material science.

CASE Democratic Republic of the Congo: Youth Vocational Education Program

2024 CDM
Lubumbashi BERAKAH 70

In 2024, Huayou Cobalt's African subsidiary, CDM company, warmly welcomed 70 technical vocational students from BERAKAH School in Lubumbashi for a tour of the industrial park. This initiative facilitated exchanges between the students and technical staf on science and management topics. The program aims to inspire students to pursue technical careers, train more skilled workers in the Democratic Republic of the Congo, and promote the region's socio-economic sustainable development.

CASE Zimbabwe: Community Infrastructure Projects

African Community Road Rehabilitation Project:

2023 PLZ 160 Mashonaland East Goromonzi
22 PLZ
16

Since 2023, Huayou Cobalt's African subsidiary, PLZ has invested 1.6 million USD to assist in road repairs in the Goromonzi community in Mashonaland East Province. A total of 22 kilometers of road have been successfully restored, signi f cantly improving road dust and tra f c safety issues faced by local residents. PLZ plans to complete an additional 16 kilometers of asphalt road repairs in phases.

"The road does not serve PLZ alone. We have residents from this area, we have farmers and other people who will bene f t from this road." - Dr. Aplonia Munzverengwi, Minister of State for Provincial A f airs and

African Dam Rehabilitation Project

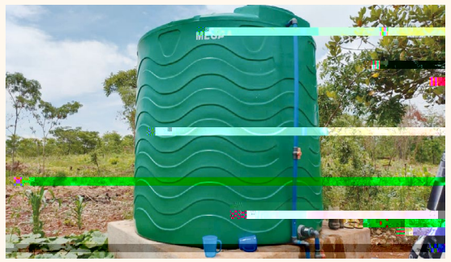
2024 2 PLZ Mashonaland East Goromonzi Chinyika 1,500

PLZ Chinyika 5,000 8,000

In February 2024, Huayou Cobalt's African subsidiary, PLZ, completed the spillway repair project for the Chinyika Dam in the Goromonzi community of Mashonaland East Province. By raising the spillway, the project has effectively alleviated local water shortages. The new dam is expected to increase water storage by 1,500 million liters annually. Additionally, PLZ reinforced the dam's perimeter to improve its stability during extreme weather, ensuring a safe and stable water supply for the community. Furthermore, PLZ plans to build a new dam downstream of Chinyika, with a storage capacity of 5,000 to 8,000 million liters.

PLZ Goromonzi 5 50

PLZ has also constructed several wells in the Goromonzi region. To further address water issues, we are committed to adding five new wells each year over the next decade, ultimately constructing 50 wells to provide clean drinking water for more communities.



International Community Development Topic: Partnering for Overseas Responsibility Models

As Huayou advances in its internationalization, the Company collaborates with partners worldwide to build competitive business models while also working with various stakeholders on community development. By employing a "co-production" approach, Huayou aims to standardize, professionalize, and internationalize community development projects, enhancing the Company's international reputation and promoting sustainable development relations with host countries.

CASE Partnering with the China Rural Development Foundation to Innovate Huayou's International Responsibility Model

2024 7

— CDM

Kawama

In July 2024, at the Parallel Session of the Seventh China-Africa People's Forum and the Seventh China-Africa Young Leaders Forum, Huayou Cobalt, in collaboration with the China Rural Development Foundation, launched the Democratic Republic of the Congo (DRC) Development Aid Project¨ Huayou Cobalt CDM Social Responsibility Project. This initiative focuses on implementing a series of public welfare projects in villages such as Kawama, covering areas like education, livelihoods, and health, with the goal of systematically improving the local community's well-being and welfare.

Inauguration Ceremony Photos of the Parallel Session of the Seventh China-Africa People's Forum and the Seventh China-Africa Young Leaders Forum

CASE Partnering with the UN China-Africa Cooperation Platform to Enhance Corporate Social Responsibility Impact

UNGC

Goromonzi

Based on the United Nations Global Compact (UNGC) China-Africa Sustainable Community Development Action Network, Huayou Cobalt, in collaboration with Fosun Group, Jack Technology, Hithium Energy Storage Technology, and BOKE Technology, jointly launched the Goromonzi Community Development Project in Zimbabwe. This initiative covers areas such as health education, vocational training, women's empowerment, and energy equity, with the goal of improving local livelihoods and strengthening Huayou Cobalt's sustainable development relationship with the host country.

UNGC

The Goromonzi Community Development Project has become one of the first pilot projects in the UNGC's China-Africa Sustainable Community Development Action Network, setting an exemplary model for community development projects within the China-Africa network.

Project Name	Project Field	Project Description
Health to Success Community Health Enhancement Project	Community Health	z e 3 SDG Hero To reduce the spread of epidemics in Zimbabwe, Huay ! e

03

GOVERNANCE

Corporate Governance

7 3

Compliance Risk Management

2024

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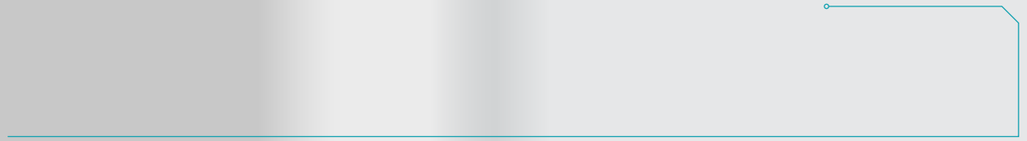

CASE Promote the global monitoring grid project and continue to strengthen business ethics control

2024

In order to promote the construction of anti-bribery management of subsidiaries and holding companies of the Group, Huayou continued to carry out the monitoring grid project. In 2024, it carried out full-staff publicity, key publicity, industry audit linkage symposium, theme activities, etc. in Guangxi and Africa, organically combining training, publicity and supervision, enhancing the ability of industry audit joint risk prevention, and promoting the dissemination and development of clean culture.

2024 6

In June 2024, the monitoring grid project went to subsidiaries in the Democratic Republic of the Congo and Zimbabwe in Africa, held seminars with local departments, and carried out exchanges with local suppliers in Zimbabwe to jointly promote the resolution of bottlenecks and di f culties in the f eld of supervision.

2024 11

In November 2024, the Monitoring Grid Project Team visited Indonesia to investigate and explore the possibility of Indonesia's integrity education system and localization construction of monitoring work.

2025

In 2025, Huayou will continue to promote the monitoring grid project in Indonesia and Europe, deeply understand the development status of international business, assess the risk points of various processes, strengthen the awareness of employees in the region, further help overseas companies build integrity and compliance, and improve enterprise management level.

In order to e f ectively promote the construction of integrity, Huayou has further improved the management mechanism of reporting and complaints, providing diversi f ed channels including domestic and overseas reporting telephone, mailbox, e-mail, online public account, bilingual integrity poster, official website integrity column, etc., encouraging all employees, suppliers, partners and other stakeholders to actively feedback illegal and irregular acts that harm the interests of the company and employees, and setting up a reporting reward mechanism. At the same time, the company strengthens the implementation of whistle-blower protection measures, resolutely protects the legitimate rights and interests of whistle-blower and personal safety, strictly protects the information of whistle-blower in the reporting process, and prohibits all retaliation and discrimination.

Reporting Period

2024 1 1 2024 11 30

The information and data in this report cover the period from January 1, 2024 to November 30, 2024. "Reporting Period" means such time frame.

Boundary of the Report

The substantive content involved in this report covers Zhejiang Huayou Cobalt Co., Ltd. and its subsidiaries, which is consistent with the disclosure scope of the annual report. If some indicators are not completely consistent with the scope of annual report disclosure, we will be annotated in the text.

References

To facilitate presentation, unless the context requires otherwise, the following expressions shall have the meanings hereby assigned to them, except where the context otherwise requires:

/ / / /

Huayou New Energy Technology° Zhejiang Hauyou New Energy Technology Co., Ltd.

Huayou Recycling° Zhejiang Huayou Recycling Technology Co., Ltd.

Resource Recycling° Quzhou Huayou Resource Recycling Technology Company Limited

Huayou Energy° Jiangsu Huayou Energy Technology Co., Ltd.

/

Huajin/Huajin Company° Huajin New Energy Materials (Quzhou) Co., Ltd.

Tianjin = v ᵡesource Recycling Tech ᴐy =

Huajin/Huajin Company° HuajiH z ᵈ ᵹ. ɖ. ŭ ᵹ. y =

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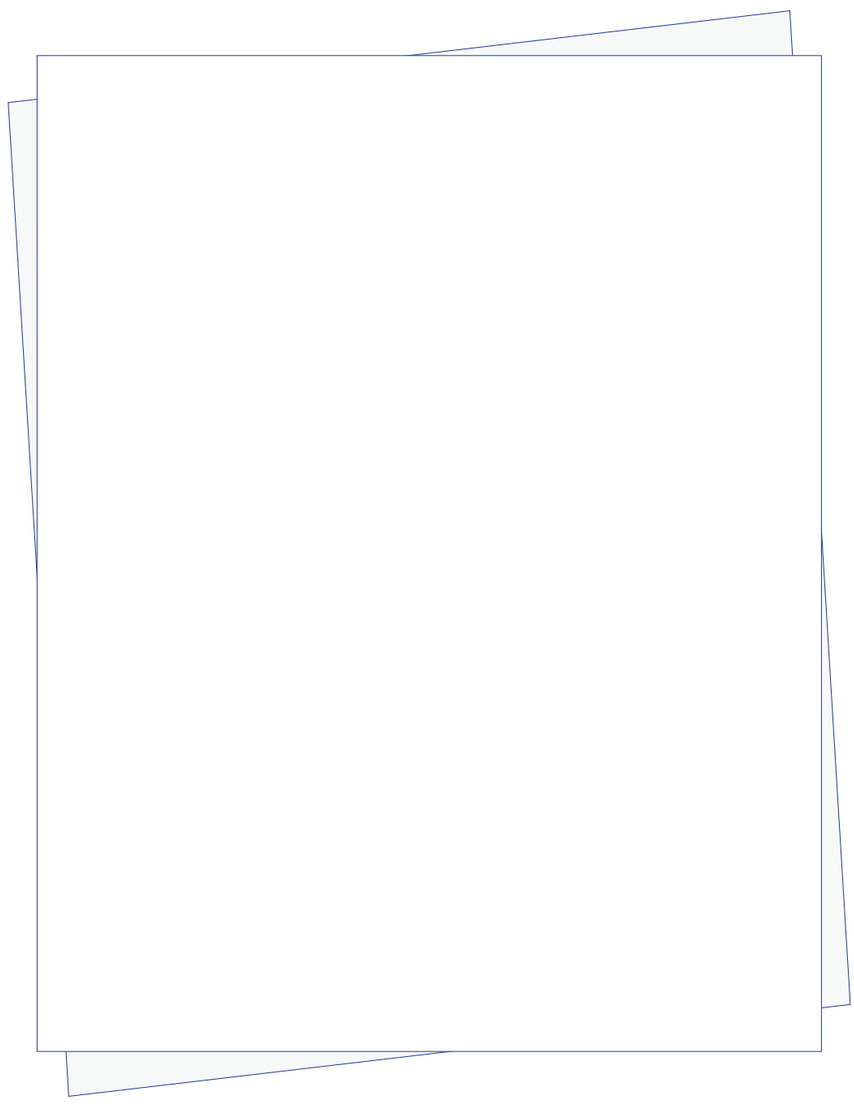
Resource Recycling° Qu y6 gy Mat)] l y6 gy AatP ŕ˟ g nd ᵀ ŕ ɾ]ƮA ł ecycliA . PMa



HUAYOU