

Zhejiang Huayou Cobalt Co., Ltd

Chemicals Management Policy

1. Summary

Zhejiang Huayou Cobalt Co., Ltd. (hereinafter referred to as "Huayou Cobalt", "the Company" or "we"), as a high-tech enterprise engaged in the research and manufacturing of new energy lithium batteries and cobalt new materials, deeply understands the importance of chemical management in ensuring production safety, environmental protection, and employee health. In order to fulfill corporate social responsibility and ensure the safety and controllability of the entire process of chemical procurement, storage, use, and disposal, this chemical management policy is formulated.

2. Scope of Application

This policy applies to all employees (including full-time and part-time employees) of Huayou Cobalt's subsidiaries worldwide. We require suppliers to comply with our company's chemical management policy and promote best practices in chemical safety management in the supply chain.

Considering the wide distribution of the company's operating locations, this policy outlines the chemical safety policy at the company level. Each operating location must consider chemical safety management measures and plans according to local conditions. Huayou Cobalt also expects our suppliers and partners to refer to this policy standard.

3. Governance Structure and Responsibilities

The Board of Directors, as the highest responsible body, approves and fully supports the implementation of this policy; The ESG and Sustainable Development Management Committee is responsible for interpreting, guiding, and continuously improving this policy, as well as overseeing and guiding its implementation.

The ESG and Professional Sustainability Team and the EHS Management Center are responsible for carrying out specific work tasks, integrating chemical management into daily operations, and regularly reporting on work progress and effectiveness.

4. Policy Statement and Management Measures

Huayou Cobalt strictly adheres to domestic and international laws, regulations, and industry standards related to chemical management, such as the Safety Production Law of the People's Republic of China, the Environmental Protection Law of the People's Republic of China, the Regulations on the Safety Management of Hazardous Chemicals, and the EU REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals), to ensure the effective implementation of the management of Substances of Very High Concern, environmentally harmful substances, and chemical control processes in all aspects of its products.

4.1 Procurement of Chemicals

The procurement department needs to conduct strict evaluations of suppliers to ensure that they meet environmental protection and product quality standards. All purchased chemicals must be accompanied by detailed Safety Data Sheets (SDS). The procurement contract should specify the quality requirements, delivery conditions, and breach of contract responsibilities for the chemicals.

4.2 Storage of Chemicals

Facilities for storing chemicals must comply with national safety standards and have necessary fire, explosion, and leak prevention measures. The storage area should have clear safety signs and separate storage areas for different types of chemicals. The company regularly inspects and maintains storage facilities to ensure their safety.

4.3 The Use of Chemicals

We have developed detailed guidelines for the use of chemicals, including operating procedures, personal protective measures, and emergency response methods. The company provides safety training to employees who use chemicals to ensure they understand the hazards of chemicals and safe operating procedures. During use, we continuously monitor the environmental and health risks of chemicals, develop emergency plans for chemical leaks, fires, and other emergencies, and regularly organize drills.

4.4 Transportation of Chemicals

Vehicles and containers transporting chemicals must comply with national safety standards. Transport personnel need to undergo professional training to understand the characteristics of chemicals and emergency response methods. The company develops a chemical transportation safety plan, including route selection, accident prevention, and emergency response.

4.5 Chemical waste disposal

Waste chemicals should be classified, stored, and disposed of in accordance with national and local environmental standards. The company establishes a tracking and recording system for waste chemicals to ensure traceability. We entrust qualified professional institutions to handle and dispose of waste chemicals, ensuring their safe disposal.

4.6 Risk Assessment and Hazard Control

We regularly conduct risk assessments on chemicals, including their physical and chemical properties and potential health and environmental impacts. Based on the risk assessment results, the company formulates corresponding risk control measures and operational guidelines, and conducts strict risk assessment and approval processes for newly introduced chemicals.

4.7 Training and Education

The company provides chemical safety knowledge and skills training for all employees, regularly updates training content, and ensures compliance with the latest laws, regulations, and safety standards.

4.8 Accident Prevention and Emergency Response

The company develops chemical accident prevention measures and emergency response plans, conducts regular accident emergency drills, improves employees' emergency response capabilities, and establishes a sound accident reporting and investigation mechanism.

4.9 Compliance Audit

The company conducts regular internal compliance audits to ensure the compliance of chemical management activities, and makes necessary adjustments based on audit results to improve management efficiency and effectiveness.

5. Supplement

This policy is effective from the date of approval by the Board of Directors. We will regularly improve and update the relevant content to ensure that it meets the constantly changing expectations of all stakeholders and adapts to changes in relevant guidelines and standards. All employees should strictly abide by the provisions of this policy and jointly maintain the safety production and environmental protection work of the enterprise.