

# EHS

Specify the environment, health and safety (EHS) management concepts and work directions of the Company and provide guidelines for creating healthy and safe working environment and protecting the regional environment.

This policy applies to Zhejiang

Persist in safety orientation, try to create a healthy, safe and comfortable working environment for the employees, and take up the bounden duties of protecting the physical and mental health of the employees.

Fulfill the responsibility for safety in action according to the laws and regulations, insist on the management objectives of "safety first and precaution crucial", constantly improve the level of safety management, prevent and reduce the safety accidents, build the responsibility and promote the harmonious development of the Company, the employees and the society.

#### 1) Occupational safety

Through continuous optimization of process design, engineering technology and management control, preventive maintenance, safety education, training and continuous safety knowledge training, the Company effectively controls the potential risks that workers may encounter.

workers return to their posts.

#### 4) Industrial hygiene

The Company shall identify, evaluate and control the hazards brought to the workers by dust, the chemical, biological, physical and social psychology factors. Effective control of hazard factors and implementation of effective protective measures to protect workers' health.

#### 5) Work with high physical demands

The Company shall identify, evaluate and control the effects of high physical labor on the workers, including manually handling the materials, lifting heavy objects repeatedly, standing for a long time and asmuually

### 1) Environmental permits and reporting

The Company shall obtain all necessary environmental permits, approval documents and registration certificates, maintain and update them regularly, and strictly abide by environmental regulations and policies.

### 2) Pollution prevention and resource conservation

The Company shall reduce or eliminate all types of consumptions (through strengthening technology development and practice, and continuously reducing the unit consumption of products and emission of pollutants, including water and energy, various raw materials and auxiliary materials) from the source or through practices (such as improving the production, maintenance and process facility, replacing the materials, saving the natural resources, recycling and reusing the materials).

We shall educate and train our employees to use more environment-friendly working and living styles, reduce waste and save water and electricity, to mitigate the influence on the living environment.

In addition, we shall actively take part in the environment renovation and tree planting of the community, to promote the construction of ecological civilization in local region and constantly improve the environmental quality.

Establish a power battery recycling system, to regenerate and recycle the national scarce resources such as cobalt and nickel and so on, to serve the new energy automobile industry chain, to promote the healthy and orderly development of the new energy automobile industry; exploit "urban mines" to save natural resources, and participate in the reduction of carbon emissions in the new energy automobile industry chain to contribute to the control of global warming.

### 3) Hazardous substances

The Company shall identify and control the chemical substances and other substances that may cause hazards when released into the environment, and ensure safe treatment, transportation, storage, use, recycle or reuse and disposal of these substances.

### 4) Waste water and solid wastes

The waste water and solid wastes produced by the operation, industry processing and health facilities shall be classified, monitored, controlled and treated as required before being discharged or disposed.

The Company shall realize circular economy and green development by reducing and recycling the solid wastes during the manufacture, recycling and reusing the waste battery materials in the industrial chain and other measures.

By adopting the most reasonable technological process and equipment and lean production, the Company shall minimize the waste of raw and auxiliary materials as well as energy and water resources, improve the recovery of the materials and reduce the emission of the wastes.

## 5) Air emissions

The volatile organic compounds, dust particles, acid mist and other air emissions produced during the operation of the Company shall be classified, monitored, controlled and treated as required before being discharged or disposed.

The Company shall realize the vision of reducing atmospheric pollution by providing new energy materials required by the batteries of electric vehicles to customers.

## 6) Product content control

The Company shall comply with all applicable laws and regulations and customer requirements about prohibiting or limiting specific substances (including the identifications related to recycle and disposal).

## 5. Review

In principle, the Safety and Environmental Protection Department of the Company shall organize the related departments to perform a review every year.

Review comments of 2019:

1. Add the content about the positive actions and meaning of the Recycling Technology Section of the Company to promote the healthy development of the new energy automobile industrial chain, save natural resources and control the global warming;
2. Modify “5. Management Review” as “5. Review”;
3. In order to fit in with “internationalization” of the Company’s strategy of “Two New Areas and Three Trends”, the Chinese version shall be taken as the baseline to modify the English version, and shall prevail in case of ambiguity.

December 30, 2019