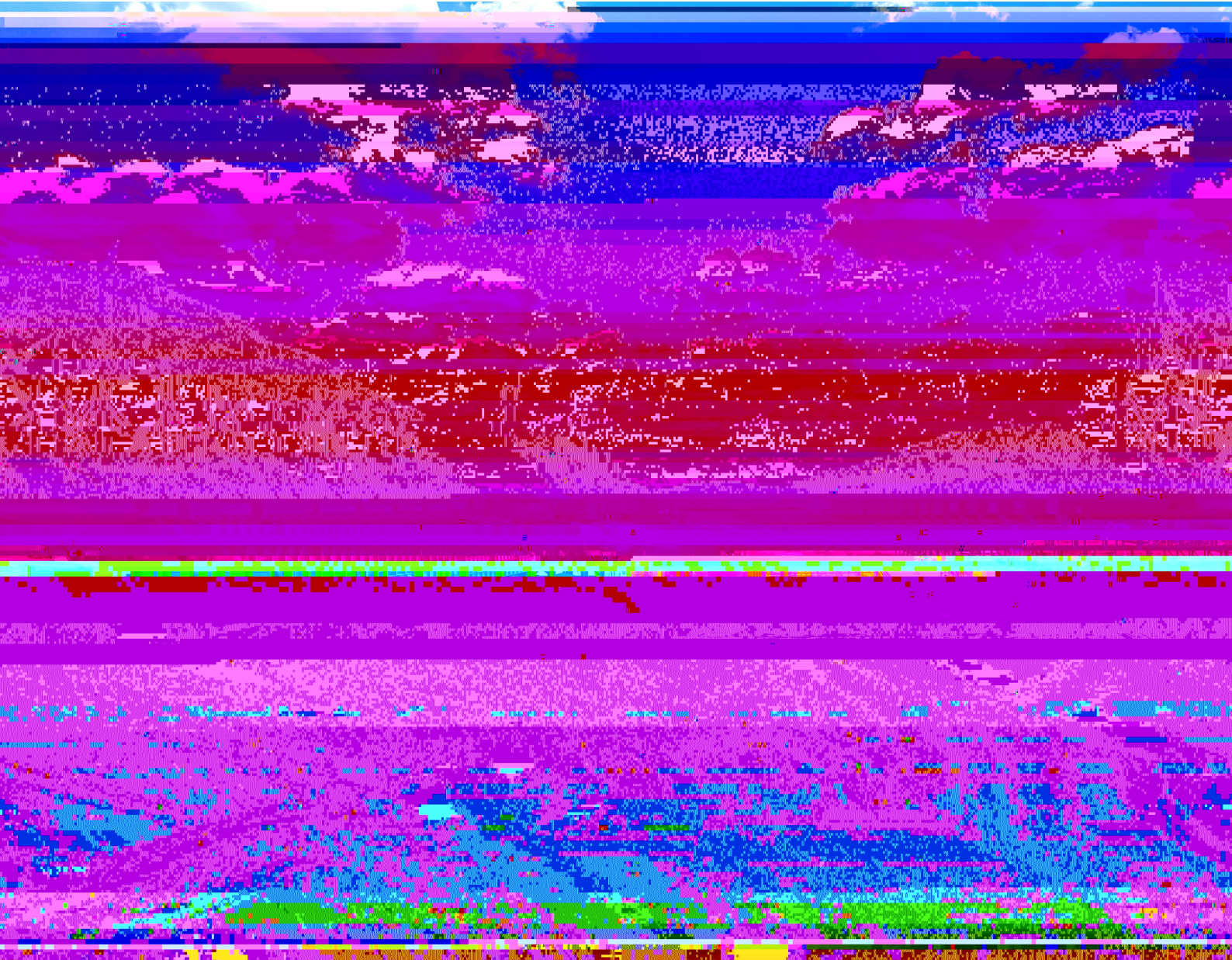




VOIMILIA



2025

Executive Summary - 1 -

About this Report - 2 -

Glossary - 4 -

Mineral Supply Chain Responsibility Management - 6 -

Step 1: Establishing a Due Diligence Management System..... - 12 -

Step 2: Risk Identification and Assessment - 20 -

Step 3: Risk Prevention and Mitigation..... - 23 -

Step 4: Conducting Internal and External Assessments..... - 24 -

Step 5: Communicating and Reporting on Risk Management Processes and Results..... - 27 -

Step 6: Facilitating Conditions or Cooperating on Remediation in a Timely Manner..... - 27

accordance with the "Six-Step Framework" outlined in the _____ (Third Edition) and
the _____ (Second Edition).

established _____ The Company has established a "Responsible Mineral Supply
Chain Management Working Group," and has formulated and implemented the
_____, the _____,
and the _____. A three-tier management
stru



Annual management requirements during the reporting period.

Zero The advancing the digital management platform to establish a closed-loop management mechanism ensuring end-to-end traceability, achieving

This report is compiled with reference to the stakeholder engagement principles and sustainable development context principles of the

(Third Edition, hereinafter referred to as the "OECD Guidance") and the

(Second Edition, hereinafter referred to as the "Chinese Guidelines"). It also refers to relevant standards and tool requirements of the Responsible Minerals Initiative (RMI) to enhance the standardization of the report. In accordance with the "Six-Step Framework," the Company systematically elaborates on its compliance and performance in responsible mineral supply chain management for 2025.

This report is published in electronic format in both Chinese and English. In case of any discrepancy in the interpretation of the two texts, the Chinese version shall prevail. You may visit the Company's official website at <https://www.huayou.com> to read the electronic version of the report. Should you have any questions or suggestions regarding this report, please send an email to csr@huayou.com.

In this report, Zhejiang Huayou Cobalt Co., Ltd. is abbreviated as "Huayou Cobalt," "Huayou," "the Company," or "we"; Quzhou Huayou Cobalt New Materials Co., Ltd. is abbreviated as "Quzhou Cobalt New"; Guangxi Huayou New Materials Co., Ltd. is abbreviated as "Guangxi New Materials"; PT Huayue Nickel Cobalt (Indonesia) is abbreviated as "Huayue"; and PT Huafei Nickel Cobalt (Indonesia) is abbreviated as "Huafei." Any other terms not defined in this section are explained within the main text.

The copyright of this report belongs to Zhejiang Huayou Cobalt Co., Ltd.

The entire process through which enterprises, in accordance with internationally recognized guidelines such as the OECD Guidance and the Chinese Guidelines, identify, prevent, mitigate, remediate, and disclose information on risks such as conflict, human rights, and governance that may exist in the mineral supply chain

OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (Third

refiners

China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters, responsible for promoting the implementation of Chinese due diligence guidelines and enterprise assessments

An independent audit of a refiner's or supplier's due diligence management system conducted by a qualified third-party organization (such as UL, TUV, or CQM)

Mitigation measures and action plans formulated and implemented for identified risks, including tiered strategies such as continuing trading, suspending trading, or terminating cooperation

Formal channels and procedures through which stakeholders may submit suggestions, opinions, or complaints regarding supply chain due diligence management

Environmental, Social, and Governance, the core dimensions for measuring corporate sustainable development performance

Extractive Industries Transparency Initiative, a globally recognized framework for transparency and good governance in the extractive industries, jointly implemented by multiple stakeholders (governments, enterprises, and civil society) to promote the disclosure and accountability of natural resource revenues.



Through over two decades of business operations, Huayou Cobalt has come to deeply understand that ESG and sustainable development are not only inevitable requirements for responding

enhancing supply chain traceability and reducing potential disruptions from conflict or weak governance areas.

The Company continuously improves its responsible mineral supply chain management system and enhances its responsible procurement management capabilities for mineral suppliers. In the process of cooperating with suppliers, the Company communicates the Huayou Supplier Code of Conduct and mineral supply chain policies, incorporates due diligence management requirements into commercial contracts, and requires suppliers to provide KYC information, thereby enhancing their responsible procurement awareness and assisting in their capacity building. The Company conducts risk assessments of suppliers based on multi-channel information, implements on-site assessments or requires independent third-party assessments according to assessment results, and continuously tracks the effectiveness of risk mitigation, contributing to the sustainable development of the industry.

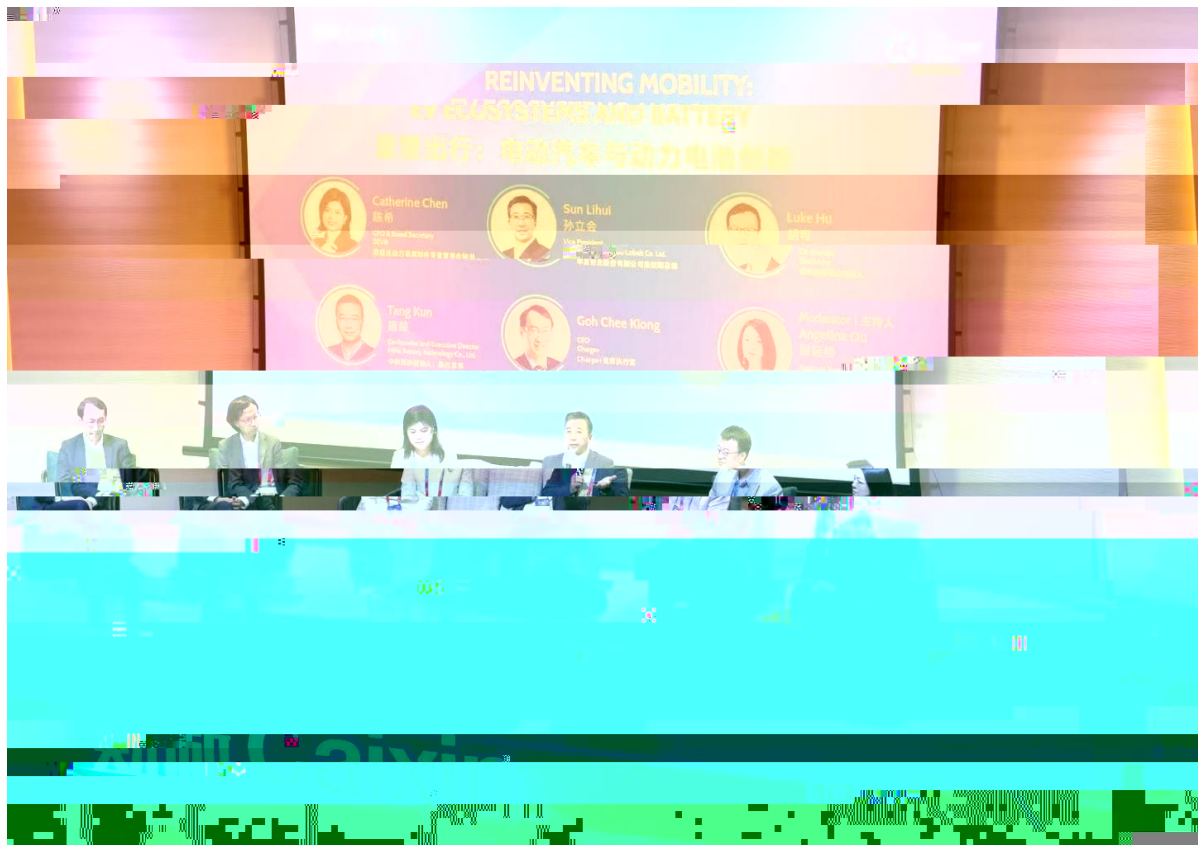


Figure 2: On September 11, 2025, Mr. Sun Lihui, Vice President of Huayou Cobalt, participated in the Asia Vision Forum initiated by Caixin Global and strategically supported by the Singapore government. This year's forum, themed "Asian Opportunities in an Era of Transformation," focused on three key variables affecting business decisions—geopolitical landscape, technological evolution, and green transformation. Mr. Sun represented the Company in the roundtable discussion on "Reshaping Mobility: Electric Vehicles and Power Battery Innovation" and gave an exclusive interview to Caixin Global.

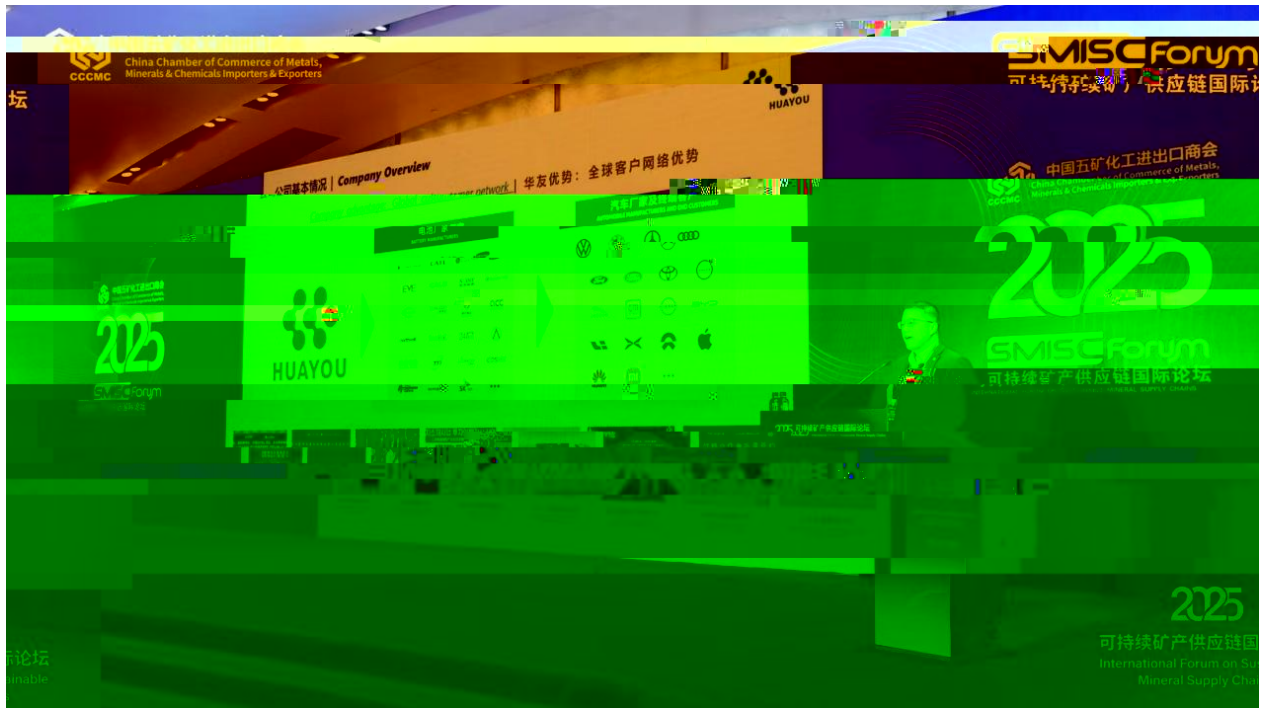
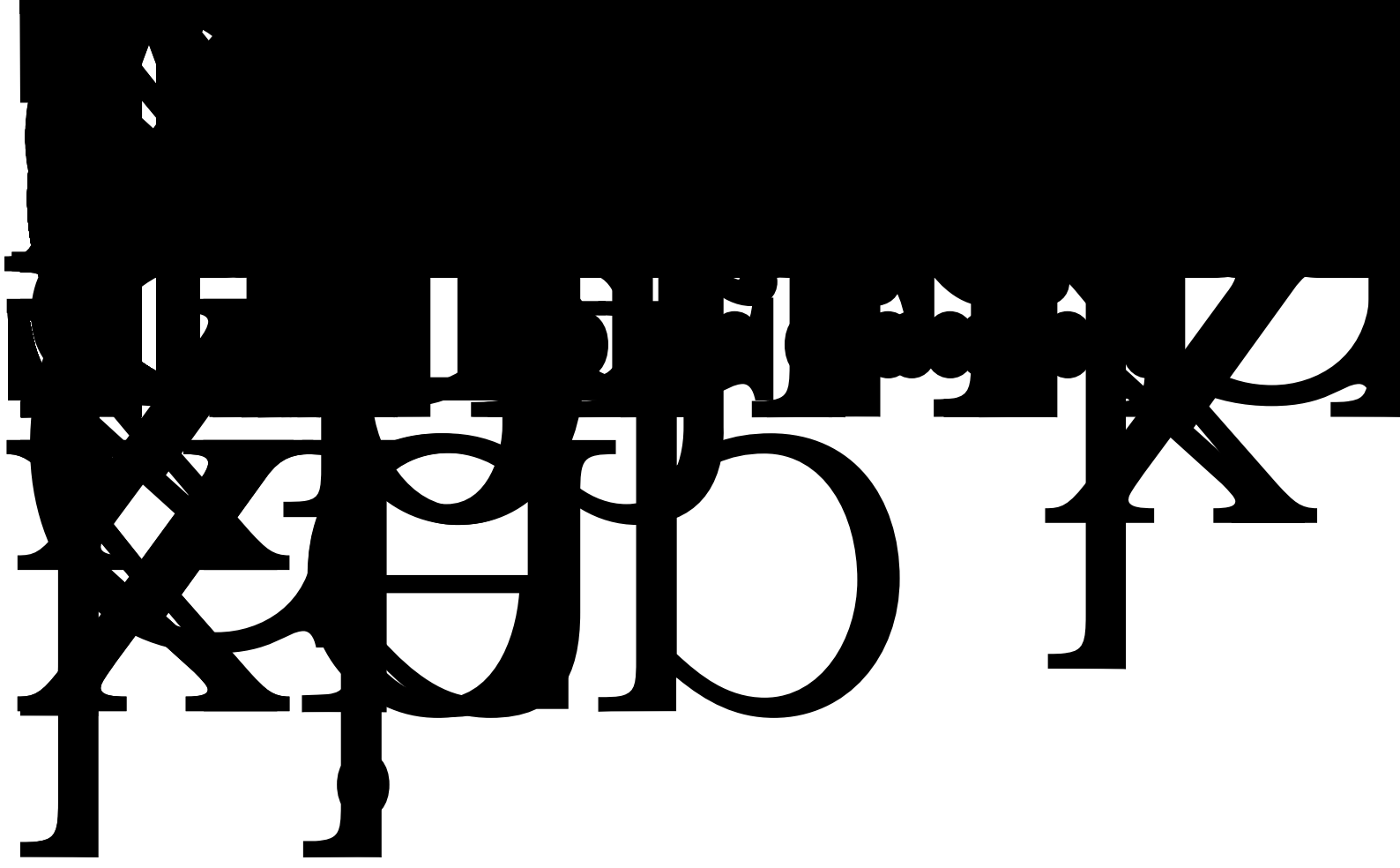
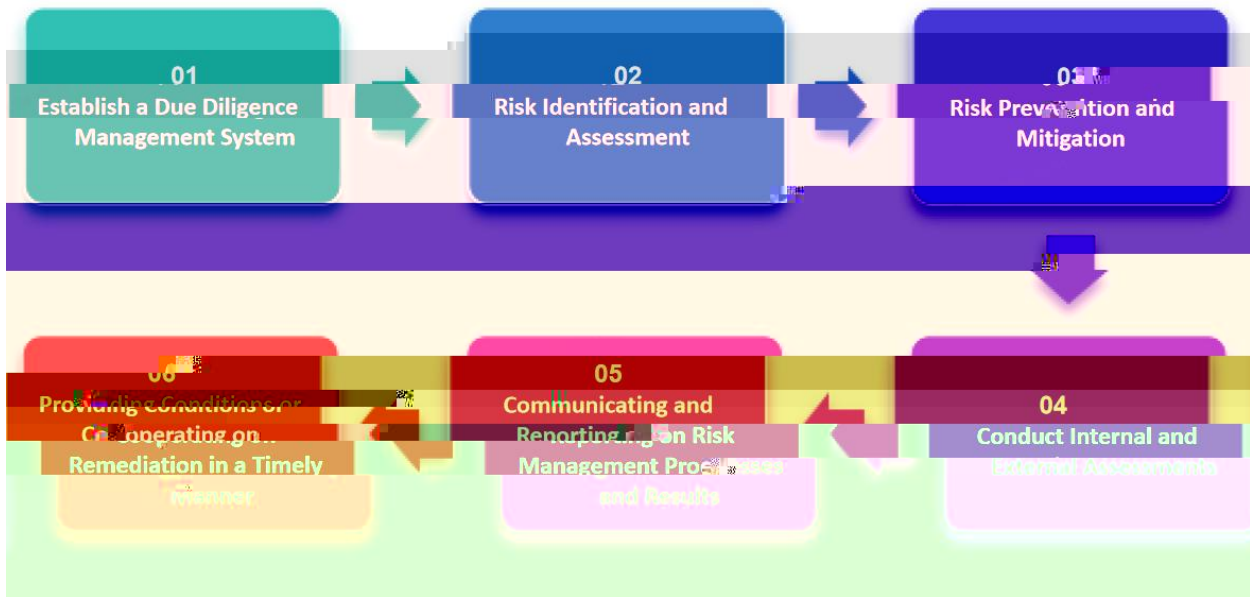


Figure 3: From September 23 to 25, 2025, the 3rd Sustainable Mineral Supply Chain International Forum (SMISC Forum), hosted by the China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters, was held at the Xiamen International Conference Center. Mr. Lyu Jicheng, Assista





In accordance with the OECD Guidance and the Chinese Guidelines, the Company has established a responsible mineral supply chain management system and related procedure documents, including the _____, the _____, and the _____.

To ensure the orderly advancement of responsible mineral supply chain management work, the Company has established a "Responsible Mineral Supply Chain Management Working Group," comprising personnel from the Group Headquarters Sustainable Development Center, the Group Headquarters Raw Material Procurement Department, and the supply chain due diligence management departments of each business group. As a professional working group under the "ESG and Sustainable Development Management Committee," it is responsible for providing technical and supervisory support for the Company's responsible mineral supply chain management work.

(The scope of application of the above three documents includes all subsidiaries under Huayou Holdings, and they can be accessed on Huayou's official website. Meanwhile, the Company has integrated relevant requirements into its internal management systems, clarifying the due diligence management responsibilities and work content of each department.)

To better manage supply chain risks and increase supply chain transparency, the Responsible Mineral Supply Chain Management Working Group supervises the raw material procurement department, supply chain due diligence management department, production and warehousing departments, and other relevant departments to implement management process requirements and maintain proper work records, ensuring that all supply chain traceability information is collected and archived. There are clear written requirements that relevant supporting documents and record documents be retained for at least ten years. The Company requires suppliers of smelters to provide origin information that can prove the source of raw materials, the full name and geographical location of suppliers, transportation routes and methods, and the commodity name and type of minerals, and collects ownership information (including beneficial ownership information) of direct suppliers and other known upstream enterprises. If warning signals are discovered during the "warning signal review" for risk identification, the Company will require suppliers to provide additional chain of custody or mineral supply chain traceability information.

Currently, the refineries processing nickel, cobalt, and other mineral raw materials are: (1) Quzhou Huayou Cobalt New Materials Co., Ltd., Address: No. 18 Nianxin Road, Phase II, Quzhou High-tech Industrial Park, Zhejiang; (2) Guangxi Huayou New Materials Co., Ltd., Address: No. 28 Huayou Avenue, Longtan Industrial Park, Bobai County, Yulin City, Guangxi Zhuang Autonomous Region; (3) Zhejiang Huayou Cobalt Co., Ltd., Address: No. 18 Wuzhen East Road, Tongxiang City, Jiaxing, Zhejiang Province.

Quzhou Cobalt New's nickel raw materials are mainly MHP (mixed hydroxide precipitate) supplied by Huayou subsidiaries Huayue and Huafei. Huayue's production address is the

Morowali Industrial Park (MIP) on Sulawesi Island, Indonesia, and the transportation route is mainly from the Indonesian port Labota Jetty to the Chinese ports of Zhapu and Ningbo.

Huayue's laterite nickel ore

licenses, certificates of origin, business registration certificates, and company articles of association.

We deeply understand that transparency is the foundation for establishing cooperation with all stakeholders. The two intermediate processing facilities are located in Indonesia, which is a member country of the Extractive Industries Transparency Initiative (EITI). They strictly adhere to local Indonesian EITI principles, effectively demonstrating the organization's commitment to supporting EITI principles and promoting transparency and accountability in the extractive industries.

Huayue and Huafei, as controlled subsidiaries, are internal suppliers that maintain long-term stable cooperative relationships with us. The Company provides them with guidance and supervision on ESG system construction, assisting them in improving responsible mineral supply chain management practices.

Huayue and Huafei, according to work needs, hold periodic communication meetings with mine suppliers to promptly coordinate relevant matters. Topics of discussion include: supply status, quality status, and transportation status of laterite nickel ore; suppliers' progress in improvements regarding environmental, social, and governance (ESG) aspects and compliance status; newly emerging risk factors, etc. Through continuous communication, suppliers are ensured to understand and comply with the Company's responsible procurement policies, and improvement suggestions and support are provided when necessary to consolidate the cooperative relationship in responsible supply chain management.

Huayou not only maintains good communication with upstream suppliers but also actively cooperates with downstream customers' audits into the Company's supply chain due diligence management, and promptly submits various materials as required. During the rectification process based on on-site assessment results of direct suppliers, the Company also actively

communicates with external customers and other enterprises within the industrial park, listening to rectification suggestions from all parties, and making continuous efforts to build a green and sustainable supply chain.

Furthermore, to enhance the Company's supply chain due diligence management capabilities, Huayou actively participates in relevant industry training, industry conferences, and industry standard formulation, such as recent 2025 training sessions.

The Company requires that documents and records related to supply chain due diligence management activities be retained for at least ten years. Qualification documents and communication records related to suppliers are updated and archived regularly in accordance with Company requirements to meet the requirements

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL



Luoyang Cobalt R&D Building
 (ESG & Sustainable
 Development Department)
 18 Wuzhen East
 Maxin
 Africa Resources
 Business Group), Likasi West
 District, Kinshasa District, Joli
 Site Street, Lubumbashi City
 Haut-Katanga
 MIP Park (Indonesia Nickel
 Industry Group), Morowali
 Agency, Central Sulawesi
 Province, Indonesia

10

During this reporting period, the Company received [redacted] grievances. We are keenly aware that in the complex and environment of cross-border operations, ESG grievance does

not equate to perfect "zero risk." It may indicate that existing communication channels still have invisible barriers related to language, culture, or trust, making it difficult for grassroots voices to effectively reach us. Precisely for this reason, we deeply understand that the value of the grievance mechanism lies not only in providing a window to reflect problems but also in efficiently, fairly, and traceably promoting problem resolution and driving continuous improvement of the management system.

Reviewing past practices, we recognize that the Company's grievance management still has room for improvement in terms of channel uniformity, process standardization, process traceability, and data accumulation. To this end, the Company is actively advancing the digital upgrade of its ESG grievance management platform, aiming to build a more transparent, efficient, and closed-loop grievance handling system. Design principles:

End-to-end traceability, closed-loop management: Each grievance is assigned a unique case number, achieving full lifecycle traceability from receipt, handling to case closure, ensuring that case handling is fully tracked from start to



Key control, documented archiving: Focusing on key nodes in grievance handling (such as handling commitments, approval conclusions, closure documents, etc.) for online recording

We firmly believe that a sincere, efficient, and traceable grievance mechanism

SU

During the reporting period, we did not identify the following risks⁴:

- (1) Risks of contributing to, benefiting from, assisting, facilitating, procuring from, or contacting any entity that contributes to, benefits from, assists, or facilitates serious human rights abuses;
- (2) Risks arising from providing direct or indirect support to, or procuring from, non-state armed groups, or risks arising from contacting any party that provides direct or indirect support to, or procures from, non-state armed groups;
- (3) Risks related to public or private security forces;
- (4) Risks of contributing to gross negligence, including actions in which the enterprise or any of its business relationships directly or indirectly participates.

. For high-risk suppliers that trigger warning signals, enhanced due diligence management work is required. The Company requires them to conduct independent third-party assessments and provide assessment reports. For low-risk suppliers that do not trigger warning signals, the Company's on-site assessment team conducts mine site visits to understand mine suppliers' on-site control of ore materials, thereby reducing source risks and enhancing supply chain transparency.

During the reporting period, cobalt suppliers located in the high-risk area of the Democratic Republic of the Congo all passed independent third-party assessments, including RMI/RMAP and CCCMC responsible mineral supply chain management assessments. We assess their risk control status by monitoring their audit report status.

The Company focuses on conducting site visits to mines located in the low-risk area of Indonesia, while collecting necessary internal and external ESG-related assessment reports and mine information, including but not limited to certificates of origin, mining licenses, business registration certificates, and on-site assessment materials, ensuring that all mines are legally

⁴ Risks refer to "Category 1 Risks" as defined in the Second Edition of the *Chinese Due Diligence Guidelines for Responsible Mineral Supply Chains*.

compliant with comple

3. ... terminate the supplier relationship in situations where no mitigation effort
... fail to implement their CAPs or if the risks exceed acceptable levels.

In implementing the above tiered strategies, the Company emphasizes enhancing supply chain resilience through supplier capacity building. In accordance with the Company's diligence management standard procedures, if management weaknesses or critical category significant risks are identified during routine assessments, the Company will take them to

[Redacted]

supplier relationship downgrades or dedicated CAP remediation is required during its reporting ca

[Redacted]

[Redacted]

intasting



CID003225

No. 18 Wuzhen East Road, Tongxiang City, Jiaxing Zhejiang Province, China



Cobalt

October 28, 2025

October 1, 2024 – September 30,

	December 1, 2024–November 30, 2025
	China Quality Mark Certification Group
	AA
	https://www.shuzih.com/pub/be5308b5badcc0e51953493d8b927935/d1b8720be0584db082d5a121731ccfae.pdf

	CID004004 CID004524
	IMIP Industrial Park, Morowali, Central Sulawesi Province, Indonesia
	Nickel Cobalt
	August 12–13, 2025
	July 1, 2024 – June 30, 2025
	UL Responsible Sourcing
	Conformant
	https://www.responsiblemineralsinitiative.org/media/docs/Public%20Reports/PT%20HUAYUE%20NICKEL%20COBALT%20Public%20Report.pdf

	CID005214 CID005213
	Weda Bay Industrial Park (IWIP), Halmahera Island, Maluku Province, Indonesia
	Nickel Cobalt
	April 21–24, 2025
	March 15, 2024–March 15, 2025
	TUV-Rheinland
	Conformant
	https://www.responsiblemineralsinitiative.org/media/docs/Public%20Reports/PT%20HUAFEI%20Public%20Report.pdf

Q
Basic reporting is a fundamental responsibility of all upstream and downstream stakeholders in the mineral supply chain, making the supply chain more responsible. Huayou publicly releases its responsible mineral supply chain management report and Environmental, Social, and Governance (ESG) report annually, systematically disclosing the

TOPIC

back For

reader,

Thank you very much for taking the time to you chris@7ob.com; v d Moja
Chris

BEZEL

