Environment, Health and Safety (EHS) Policy
1 Purpose: 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. 2 Scope: This policy applies to Zhejiang Huayou Cobalt Co., Ltd. and its controlled
subsidiaries (hereinafter referred to as “the Company” or “we”). 3 Responsibilities: 3.1 The Safety and Environmental Protection Department shall be responsible for the
interpretation, training, guidance and supervision of this policy. 3.2 All levels of management shall be responsible for the effective implementation of
the EHS policy of the entity. 4 Policy Statement: 4.1 EHS Concept: EHS is the most important concern. 4.2 The principles of our health, safety and environment policy are: Observation of rules and laws, scientific management and customer satisfaction; Energy saving and consumption reduction, clean production and emission
compliance; People orientation, combination of prevention and control and harmonious development. 4.3 Our basic commitments: We will minimize the work-related accidents and diseases, try to provide a safe and
healthy working environment for the workers, improve the quality of the products and
services, ensure the continuity of production, enhance the workers’ stability and boost
their morale. During the manufacture, we will minimize the adverse effects on the society, environment and natural resources, protect the health and safety of the public, and
improve the environment, health and safety performance of the Company in a
sustainable way. We will give full play to the role as an industrial leader, jointly advocate the idea of sustainable development with the suppliers and customers, and lead the enterprises of
the industry chain to jointly reduce the resource consumption and produce more

environmental-friendly and renewable products. 4.4 Supplier’s responsibilities: We also require our suppliers to observe this policy and make constantly improvement. The Company shall carry out a series of supplier supervision activities and regularly
review and exchange with our suppliers, to confirm their observation of this policy. 4.5 Our health and safety policy: Persist in people 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 production 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, fulfill the social responsibilities 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, safe operation documents and
continuous safety knowledge training, the Company effectively controls the potential risks that workers may encounter in the workplace. If the hazards cannot be controlled
effectively through the above methods, the Company shall provide the workers with
appropriate and well-maintained personal protective equipment (PPE). When entering the factory, all persons must strictly observe the related provisions on
occupational health management. 2) Emergency preparedness
Identify all possible emergency situations, carry on the preliminary confirmation and
evaluate all kinds of emergency situations and events, through the implementation of contingency plans and strain process to emergency situations and events by minimizing the negative impact, including urgent report, informing the workers of the
evacuation procedure, training and drills for the workers, suitable fire detection and
suppression apparatus, abundant exit facility and recovery plan. All employees shall participate in the accident emergency drill and master the
emergency rescue skills related to emergency situations. 3) Occupational injuries and diseases The Company shall develop suitable procedures and systems to prevent, manage, and
track and report the occupational injuries and diseases, including the following
provisions: encouraging the workers to report; classifying and recording the injury
and disease cases; providing necessary treatment; investigating the cases and carrying
out the corrective measures to eliminating the similar conditions; and helping the

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

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