

Huayou upholds high ethical standards, proactively fulfills its social responsibilities, and is committed to achieving long-term development. Integrity is the foundation of our business and the fundamental principle that drives our sustainable development.

In a business environment full of change and challenges, each of us may face certain choices every day. Whenever we make business decisions, it is crucial that we act in compliance with the highest standards of business ethics and all requirements of the laws and regulations. The Code of Conduct is exactly the collective commitment and code of conduct of all our employees in terms of ethical standards and compliance enforcement.

We firmly believe that integrity, fairness, and lawful business conduct are the fundamental and guiding principles of all our operations. Huayou maintains a zero-tolerance policy towards fraud, corruption, and any form of violations of laws and regulations. It is the duty of each of us, including all the management and employees, regardless of the position we hold, to strictly abide by laws, regulations, industry standards, and the Company's policies.

Any violation of the Code of Conduct or other relevant

Table of Contents

1. PURPOSE AND APPLICATION	3
2. OPERATION WITH INTEGRITY AND IN COMPLIANCE	3
2.1. Product Compliance	3
2.2. Fair Competition	4
2.3. Trade Compliance	5
2.4. Anti-corruption and Anti-bribery	6
2.5. Gifts and Entertainment	6
2.6. Anti-Money Laundering	7
2.7. Financial and Tax Compliance	8
2.8. Authentic and Accurate Records	9
3. PROTECTION OF EMPLOYEES' RIGHTS AND INTERESTS	10
3.1. Labor and Employment	10
3.2. Anti-discrimination	11
3.3. Responsible Sourcing	12
3.4. Information Security	13
3.5. Personal Information Protection	14
3.6. Occupational Health and Safety	15
4. COMPANY ASSETS PROTECTION	16
4.1. Conflict of Interest	16
4.2. Assets Protection	17
4.3. Disclosure and Insider Information Management	18
4.4. Protection of Intellectual Property and Trade Secrets	19
5. SUSTAINABLE DEVELOPMENT	20
5.1. Community Development	20
5.2. Environmental Protection	21
5.3. Green and Low-Carbon	22
6. SUPPORT MEASURES	23
6.1. Compliance Enquiry	23
6.2. Whistle-blowing	23

1. Purpose and Application

This Code of Conduct (hereinafter referred to as this "Code") applies to all directors, supervisors, officers, employees, and advisors of Zhejiang Huayou Cobalt Co., Ltd. and its subsidiaries at all levels, branches, offices, and other controlled entities invested in thereby worldwide (collectively referred to as the "Company" or "Huayou"), including all full-time, part-time, temporary, consulting, or dispatched personnel (collectively referred to as the "Employees"), as well as to third parties dealing with the matters of the Company on behalf of the Company, in addition to the Employees. We also encourage and expect our clients, suppliers, and other business partners to uphold similar values and business ethics standards.

This Code sets out the fundamental stance and requirements of the Company on business ethics, values, and standards of conduct, which are intended to provide clear guidance for the Employees in their daily work and business decisions to ensure sound judgment and right actions in a dynamic and complex environment.

Beyond defining the corporate culture we strive to foster—one rooted in integrity as a core value—this Code also aids in identifying and addressing situations that may involve ethical risks, legal issues, or deviations from policies, guiding us in making choices aligned with the Company's values.

To support the implementation of this Code, the Company has established a series of supplementary policies, operating procedures, and detailed implementation rules (collectively referred to as the "Supporting Rules"). All Employees are expected to understand and adhere to these in the course of performing their duties.

2. Operation with Integrity and in Compliance

2.1. Product Compliance

The Company Principle

Guided by our mission of "Creating Value for Customers, Leading Industry Development," and adhering to the business philosophy of "Being Customer-Centric and Creating Value for Customers", we are always committed to winning the market with high-quality products. We strictly comply with applicable laws and regulations related to product quality and safety, ensuring that our products meet mandatory standards, industry norms, and contractual requirements. We encourage technological innovation and process improvement, continuously optimizing our products to create value for customers and society.

Employees should:

- (1) Proactively keep an eye on and track regulations of China and other countries on product quality and safety, ensuring all product certifications are complete and up-to-date;
- (2) Strictly control the quality of purchased raw materials to ensure compliance with applicable standards and the Company's quality requirements;
- (3) During production, rigorously adhere to all process requirements and specifications, ensuring stable and controllable product quality;
- (4) Promptly initiate investigations on and take appropriate measures to address any complaints or feedback regarding product quality or safety.

Example:

Scenario: While working in a workshop, you notice excessive impurities in the raw materials during feeding process, which may not meet standards. What should you do?

Response: You should immediately stop the current feeding operation, isolate the suspicious raw materials, label them with "Pending Inspection", take photos of the appearance of the raw materials (including the batch label), document the issue, and report it to your direct supervisor without delay.

2.2. Fair Competition

The Company Principle

Market economy characterized by fair competition is conducive to fostering innovation, improving the efficiency of economic operations, and safeguarding the interests of consumers and the public. Adhering to the principle of fair competition, we strictly abide by applicable anti-monopoly and anti-unfair competition laws and regulations to maintain a healthy and orderly market economic order.

Employees should:

- (1) Not reach any formal or informal agreements or consensuses with competitors to fix, change, control or influence prices, divide markets or customers, restrict production capacity, or engage in other acts that impede fair competition;
- (2) Not exchange or discuss any competitively sensitive information with competitors, including but not limited to information on price, production and sales, suppliers and customers, tendering and bidding, and future market plans.

Example:

Scenario: As a salesperson, one day, you are invited to a WeChat group chat in which there are many sales managers from competitors in the same industry. The business manager of company B, one of our competitors, suggests that since the market price of a certain product has been low recently, the members in this WeChat group chat should jointly set a minimum selling price and must not sell at a price lower than the aforesaid selling price. Some other sales staff agree with the proposal. What should you do?

Response: You should immediately express disapproval in the WeChat group chat, exit the WeChat group chat, and save the screenshots of your disapproval and exit (which can be used as evidence later to prove that you did not participate in the monopoly behavior). Then you should inform the legal department in a timely manner and send to them the screenshots for record-keeping.

2.3. Trade Compliance

The Company Principle

As a globally operating enterprise, we strictly comply with relevant laws and regulations on export control and economic sanctions in applicable countries/regions. The relevant laws and regulations on export control and economic sanctions govern the export, re-export, deemed export activities of specific items (including products, services, technologies, software, etc.), as well as business activities involving specific targets, specific uses or regions.

Employees should:

- (1) Understand and comply with the applicable laws and regulations on export control and economic sanctions (including counter-measures), as well as internal policies and business operation procedures;
- (2) Ensure that relevant activities do not involve sanctioned regions, restricted parties, or restricted uses;
- (3) Confirm the status of the items obtained and intended for export under the applicable export control laws and regulations, and obtain the relevant permits if required by the law.

Example:

Scenario: You are a sales manager in the Company. One client makes an order with large amount but is unwilling to provide information about the final use of the products. What should you do?

Response: You should immediately conduct an investigation. Only after resolving all doubts can you proceed with the transaction. If you are unable to independently

complete the investigation regarding the "red flags", you can contact the legal department for assistance.

2.4. Anti-corruption and Anti-bribery

The Company Principle

Corrupt and bribery practices severely undermine the fair competition in the market environment. We maintain a zero-tolerance policy toward any form of corruption and bribery. We prohibit both the act of bribing government officials and the act of offering or accepting kickbacks or bribes to or from private entities (such as customers, suppliers, etc.). Upholding the "Four Conducts Cadre" talent development standard — "willing to act, capable of acting, successful in acting, and clean in acting", we neither offer nor accept bribes.

Employees should:

- (1) Not offer, promise, or give bribes or any á



Employees should:

- (1) Make every effort to know and verify the identity of other business partners;
- (2) Remain vigilant and watch for red flags or suspicious actions, including but not limited to:
 - Discrepancies between funds and business basis, especially when the payee/payer does not appear to be the transaction;
 - Payments made in currencies other than those stated on invoices or contracts;
 - Any suspicious transactions involving payments that are not equivalent;
 - Payments made to or received from entities or individuals with no apparent business relationship with our business partners.

Example:

Scenario: You are a member of finance staff and you are reviewing a payment from a client.

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Employees should:

- (1) Refrain from any form of financial fraud, tax evasion, or misappropriation of funds and the company's assets.
- (2) Strictly adhere to the company's financial policies and procedures, including the reimbursement policy.
- (3) Strictly adhere to the company's policies and procedures regarding the use of company assets and resources.
- (4) Not engage in any fraudulent or deceptive practices to the company's benefit, including but not limited to, submitting expense reports for false or inflated expenses, or issuing false invoices or other documents, or otherwise misappropriating company assets.
- (5) Maintain accurate records and ensure the accuracy of all financial data.

Example

Scenario: A finance staff member views sales invoices, you notice an information on the purchaser's name is incorrect. What should you do?

Response: Verify the name and ensure the "customer name" sales data is correct. If the information is incorrect, direct information provided by the customer. If the information is incorrect due to an internal operational mistake, for the incorrectly issued invoices, they should be voided or red-letter invoices should be issued in a timely manner, while compliant invoices should be re-issued. Regarding invoices that do not meet tax requirements, finance staff should avoid using them for revenue recognition or tax filing to prevent potential tax risks.

2.8. Authentic

ees

records are complete, accurate and reliable in all material respects. In particular, we should ensure that financial records fully and accurately reflect the assets, liabilities, revenues, and expenses of the Company to truthfully represent its business activities.

Employees should:

- (1) Truthfully, accurately and fully report or reflect actual business activities, refrain from fabricating, tampering with or concealing any information, and maintain records in a timely manner within a reasonable time period to ensure the timeliness of information;
- (2) Keep records in accordance with applicable accounting standards and the Company's financial policies to ensure clear and accurate accounts;
- (3) Record business activities, contracts, agreements, customer information, etc. truthfully to ensure that all business decisions and operations are well-documented;
- (4) Ensure that the financial reports, performance announcements and other information disclosed or published externally are true, accurate, complete and compliant in accordance with applicable laws, regulations and the Company's policies;
- (5) Properly keep electronic data, emails, system logs, etc. to ensure their authenticity and traceability and prevent tampering or loss of data;
- (6) Ensure the security and confidentiality of the Company's records, which shall be accessible only to authorized personnel.

Example:

Scenario: The Company's financial statements are inaccurate due to errors in the financial data recorded by you, despite the fact that you are not responsible for preparing the Company's financial statements. What should you do?

Response: You should promptly report the situation to the financial department and your supervisor, correct the errors in a timely manner, and record and provide truthful and accurate financial data.

3. Protection of Employees' Rights and Interests

3.1. Labor and Employment

The Company Principle

Respecting and safeguarding human rights is the core of corporate social responsibility and the cornerstone of sustainable development. We strictly adhere to internationally recognized human rights and labor standards, comply with applicable national/regional laws and regulations related to labor and employment, firmly prohibit all forms of forced labor, have zero tolerance for the employment of child labor,

oppose all forms of discrimination, and safeguard the legitimate rights and interests of all Employees in terms of labor remuneration, rest and leave, and vocational training.

Employees should:

- (1) Actively understand and abide by the Company's policies regarding human rights and labor rights and interests;
- (2) Not participate in or indulge any kind of verbal abuse, sexual harassment or passive aggressiveness.

Example:

Scenario: You are a member of the supplier management department. During the audit of an outsourced cleaning service provider, you find that some of the cleaners in this company are significantly younger, and their wage is clearly lower than the local minimum wage standard. However, a colleague suggests that you consider such service provider first given its low price. What should you do?

Response: You should propose to suspend the cooperation and explain that collaborating with such a supplier may violate the Company's policy of "zero tolerance for employment of child labor." At the same time, you could require the outsourced service provider to submit legal and compliant employment certificates to implement the Company's principle of labor and employment compliance.

3.2. Anti-discrimination

The Company Principle

We provide equal opportunities for everyone and oppose all forms of discrimination. We ensure that all Employees have the same rights regarding recruitment, promotion, training, and development opportunities, without unfair treatment based on race, color, gender, age, religion, nationality, physical condition, sexual orientation, marital status, or other characteristics. We actively promote diversity and continuously foster an inclusive, respectful, and collaborative work environment.

Employees should:

- (1) Proactively learn about and recognize unconscious biases, and consciously avoid unintentional discriminatory words or actions in daily work;
- (2) In scenarios such as promotions or project assignments, recommend colleagues from diverse backgrounds fairly to ensure diverse and equal allocation of opportunities;
- (3) Communicate with patience and respect and avoid emotional reaction or blame when misunderstandings arise due to cultural differences;

- (4) Intervene politely and provide positive guidance when encountering discriminatory behavior.

Example:

Scenario: During a team meeting, an introverted colleague proposes an idea that differs from the mainstream opinion but is quickly dismissed or even mocked by others, leading to an awkward silence. As a team member, what should you do?

Response:

Response: In accordance with the Company's Mineral Supply Chain Due Diligence Management Measures, you should collect mine information from the supplier including but not limited to mining license, certificate of origin, and business registration certificate, request the supplier to complete the "Know Your Counterparty" (KYC) questionnaire, conduct supply chain due diligence to identify whether it involves "Conflict-Affected and High-Risk Areas" (CAHRAs), search for negative information or reports about the supplier via online and other verification channels, and conduct assessment to determine if the supplier poses Category 1 or Category 2 risks and if it violates relevant laws and regulations, international conventions, or industry standards.

3.4. Information Security

The Company Principle

We are fully aware of the significance of information security to corporates. Therefore, we strictly comply with applicable laws and regulations and continuously make efforts to improve technological means and management systems to ensure the integrity, availability, and confidentiality of information throughout its lifecycle (collection, storage, use, processing, transmission, provision, disclosure, and deletion).

Employees should:

- (1) Only access data within the authorized scope and never access, download, record, take pictures of, screenshot, forward or otherwise use data outside the authorized scope;
- (2) Use strong passwords for the Company's devices (including desktop computers, laptops, mobile phones, and other electronic office devices provided by the Company), change them regularly, not share them with others, and prevent password leakage;
- (3) Wait at the printer and pick up the printed materials immediately upon completion when printing confidential materials, to prevent them from being left behind;
- (4) Not click on suspicious links or download attachments from unknown sources to prevent viruses and cyber-attacks. If you are unsure whether a web link or download channel is safe, you should confirm it with the Information Center before taking any action;
- (5) Not use the Company's network and computers for entertainment games unrelated to work;
- (6) Immediately report to the Information Center and cooperate in subsequent investigations upon discovery of suspected information leakage or system vulnerability.

Company. Some phishing emails may come from domain addresses that look like the Company's domain. Therefore, you need to carefully check and identify any differences in the email domain addresses. At the same time, you should be cautious and double check when you are requested to fill in personal information or download attachments.

3.5. Personal Information Protection

The Company Principle

We always regard the protection of personal information as our primary responsibility and strictly abide by applicable laws and regulations in the collection, storage, use, and processing activities of personal information, ensuring that it is legal and compliant. We adhere to the principles of fairness, transparency, prudence, and data protection, and implement strict technical and management measures to prevent damage, leakage, misuse, and unauthorized processing of personal information, safeguarding the personal information of our users.

- (4) Adopt protection measures of higher standard for sensitive personal information to prevent leakage, misuse, or unauthorized access;
- (5) Immediately report to the Legal Department if a request is received from a personal information subject to exercise legal rights to his/her personal information (such as the right to delete personal information, the right to correct personal information, etc.).

Example:

Scenario: You need to send a spreadsheet containing Employees' personal information (such as ID numbers, contact details, etc.) to other departments or colleagues within the Company to support related workflows or projects. What should you do?

Response:

- (1) Verification of recipients' authority: Before sending, confirm that the receiving department and personnel have the necessary authority to access such personal information, and ensure compliance of information sharing with the Company's policies and compliance requirements;
- (2) Principle of information minimization: Only provide the personal information necessary for completing the task, and avoid the inclusion of unnecessary or highly sensitive information;
- (3) Encryption protection: Apply password protection or encryption to the spreadsheet to prevent unauthorized access;
- (4) Secure transmission: Use Company-approved secure email or internal file-sharing platforms as your first choice for sending the document, and avoid using public email services or insecure transmission channels;
- (5) Access control: Set file access control to allow viewing or editing by authorized personnel only, and prevent unauthorized access, downloading, or forwarding of the information.

3.6. Occupational Health and Safety

Corporate Principle

We advocate and implement the EHS (Environment, Health, and Safety) concept that "safety and environmental protection are paramount," always prioritizing employees' occupational health and safety. We firmly believe that the health and safety of every employee are not only the foundation of corporate development but also a guarantee of social harmony and family happiness. Therefore, we are committed to creating a safe, healthy, and comfortable working environment, ensuring that every employee can fully utilize their talents in a risk-free environment and achieve the perfect integration of personal value and corporate goals.

Employees should:

- (1) Strictly comply with all applicable national and regional laws and regulations regarding occupational health and safety to ensure legal and compliant operations;
- (2) Regularly participate in safety training provided by the Company to enhance personal safety awareness and emergency response capabilities;
- (3) When working, always correctly wear and use the protective equipment provided by the Company, such as safety helmets, safety goggles, earplugs, etc.;
- (4) Maintain a clean and orderly work area, promptly remove clutter, and prevent accidents;
- (5) Immediately report any potential safety hazards or unsafe behaviors to supervisors or the safety management department;
- (6) Actively participate in emergency drills organized by the Company, familiarize themselves with emergency procedures, and improve response capabilities for unexpected incidents.

Example:

Scenario: You notice that a machine's safety guard in the production workshop is damaged, posing a potential hazard. What should you do?

Response:

- (1) Stop operation immediately: Upon discovering the damaged safety guard, immediately cease operating the machine to ensure the safety of yourself and others;
- (2) Report to the supervisor: Promptly inform the supervisor about the safety hazard, providing details such as the extent of the damage and potential risks;
- (3) Set up warning signs: Place clear warning signs around the machine to prevent unauthorized operation by others;
- (4) Assist in repairs: Before professional maintenance personnel arrive, help in maintaining order at the site to ensure smooth repair work.

4. Company Assets Protection

4.1. Conflict of Interest

The Company Principle

Conflict of interest refers to a situation where an employee's personal interests may improperly influence the Company's interests. A conflict of interest arises when an employee's actions or benefits make it difficult for him or her to perform his or her

signed duties objectively, fairly, and effectively. In the course of fulfilling our responsibilities, we must maintain an impartial and fair stance, avoiding any situation that could compromise professional judgment or harm the Company's interests.

Employees should:

- (1) Avoid any personal conflict

- (3) Assume the risk of theft, loss, damage, misuse, and unauthorized use of the Company's equipment;
- (4) Take strict confidentiality measures for accounts, passwords, and information in business systems;
- (5) Not privately use, abuse, misappropriate, or dispose of the Company's assets without authorization;
- (6) Take reasonable and prudent measures to prevent the Company's assets from being stolen, damaged, or misused, and promptly report any actual or suspected situations.

Example

Scenario: Recently, the Company scrapped several laptops. You are aware that the Company plans to dispose of them as waste equipment and will no longer use them. A colleague suggests taking these waste equipment home privately and selling them. What should you do?

Response: Even waste equipment is the Company's asset and should be handled in accordance with the Company's internal management process. Any private disposal of the Company's assets violates the Company's policies. You should reject your colleague's proposal and stop such private disposal behavior. If your colleague refuses to listen to your advice, you should promptly report the situation to your supervisor.

Disclosure and Insider Information Management

Example

The Company promises that information disclosed externally in the annual report is strictly compliant with relevant laws and regulations to prevent the disclosure of information and insider trading behaviors. Insider information is not to be disclosed, and no reference should be made to it.

for disclosure

(3) No information that has not been made public without approval of the Company (including social media).

Example:

Scenario: You are an employee of the Company, and you have access to insider information due to your position, such as the Company's investment activities. What should you do?

Response: You must register with the Commission by completing the registration and filing for insiders of insider information, and promptly inform the Company of the details and changes regarding insiders of insider information. Before the insider information is legally disclosed, you must not disclose, report, or spread the relevant content to the outside world in any form without approval. You must not use the insider information to buy or sell the Company's stocks and their derivatives, nor provide trading advice to others or use the insider information in any way to seek benefits for yourself, your relatives, or others.

4.4. Protection of Intellectual Property and Trade Secrets
The Company Principle

- (3) Upon leaving the Company, return all Company's assets such as documents, accounts and passwords, etc., sign a confidentiality commitment if required, and continue to observe confidentiality obligations;
- (4) Not talk about or disclose the unpublished technical information, strategic plans or business data in unauthorized situations (such as public meetings, social media, etc.).

Example:

Scenario: During a technical discussion with an external partner, the partner requests the detailed derivation formula of a certain process parameter. Does this fall within the scope of what can be shared? If refusing might affect the trust in the cooperation, what should you do?

Response:

- (1) Adhere to the "minimum necessary principle" and only provide the non-core technical parameters that have been approved for public disclosure. Detailed technical details such as derivation formulas shall not be disclosed without compliance review;
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responsibility, we reinforce community safety measures, actively identifying and mitigating potential systemic risks.

Employees should:

- (1) Proactively learn and respect the local cultural tradition and social customs;
- (2) Strictly comply with and enforce the Company's environmental protection policies to reduce resource waste;
- (3) Proactively maintain good communication with community residents, listen attentively to reasonable requests, and ensure smooth channels for collecting and responding to community feedback.

Example:

Scenario: You are a Chinese employee based in Indonesia. A local colleague or friend invites you to their wedding. What preparations should you make?

Response: If you accept the invitation, out of respect for local traditions, you can research in advance or consult local colleagues or friends to learn about the wedding's basic procedures, dress code, gift customs and any taboos, to ensure appropriate behavior and to demonstrate respect and friendliness.

5.2. Environmental Protection

The Company Principle

We fully recognize the importance of environmental protection for corporate sustainable development and global ecological balance. We are committed to upholding an environmentally responsible approach, striving to minimize the negative impacts of our business operations on the environment, actively promoting efficient resource utilization and circular regeneration, and working towards a harmonious coexistence between business growth and environmental protection—building a “Green Huayou”.

Employees should:

- (1) Actively participate in the Company's garbage sorting and recycling program, dispose of recyclables, hazardous waste, wet waste, and dry waste into the corresponding trash cans respectively, and ensure that the recyclable items are not contaminated;
- (2) Strictly abide by the Company's relevant regulations on the use of chemicals, properly store and use all kinds of chemicals to avoid environmental pollution caused by their leakage;

enhance personal environmental awareness and ability, and apply the learned knowledge to capital work.

Example:

Scenario: You notice that a barrel of lubricating oil has been spilled in the installation area and there are no staff members around, while you are not on duty. What should you do?

Response:

- (1) Notify relevant personnel: immediately contact the EHS supervisor of the workshop and report the specific location and situation of the lubricating oil leakage;
- (2) Isolate the scene: look for nearby emergency supplies such as fire - fighting

- (3) Advocate a green lifestyle by bringing their own water cups and tableware to reduce the use of disposable items such as plastic bottles and disposable paper cups;
- (4) Strictly abide by energy-saving operation specifications for employees in production positions, reduce the waste of raw materials, and optimize the production process.

Example:

Scenario: After lunch, you notice that the lights and air conditioning in the break room remain on despite no one using them for a wh

