



Ningbo Zhenyu Technology Co., Ltd. Responsible Supply Chain Management Policy

1. Background

1.1 Fully aware of the risks of significant negative impacts that may arise from engaging in mineral mining, transportation, trading, processing, or export in conflict-affected and high-risk areas, and recognizing the obligation of enterprises to respect human rights and not have negative impacts on society, Ningbo Zhenyu Technology Co., Ltd. promises to adopt the Guidelines for Responsible Mineral Supply Chain Due Diligence Management in China (hereinafter referred to as the "China Guidelines") issued by the China Minmetals Chemical Import and Export Chamber of Commerce (CCCMC) The OECD (OECD) Guidelines for Responsible Supply Chain Due Diligence Management of Minerals from Conflict Affected and High Risk Regions (Third Edition) (hereinafter referred to as the OECD Guidelines), and the Dodd Frank Wall Street Reform and Consumer Protection Act (hereinafter referred to as the Dodd-Frank Wall Street Reform and Consumer Protection Act) on tungsten, tin, tantalum Regulations on the management of gold (hereinafter referred to as 3TG) minerals in conflict areas, and include them in contracts or agreements signed with mineral resource suppliers. The scope of application includes the supply chain of tungsten, tin, tantalum, gold, nickel, cobalt, manganese, lithium, graphite, mica, copper, aluminum and other minerals of Ningbo Zhenyu Technology Co., Ltd. and its subsidiaries and holding companies. Ningbo Zhenyu Technology Co., Ltd. will widely disseminate this policy and implement it in the mineral resource supply chain in accordance with the "China Guidelines" and "OECD Guidelines."

2. Serious infringement related to mineral mining, transportation, or trading

2.1 When conducting procurement or business activities in high-risk areas, Ningbo Zhenyu Technology Co., Ltd. will not tolerate or benefit from, assist, assist or facilitate any party's implementation in any way:

2.1.1 The worst forms of child labor; (The worst forms of child labor are defined in Section III of the 1999 Worst Forms of Child Labor Convention (No. 182) of the International Labor Organization where Article (d) specifies one of the forms, which is "work of a nature or in an environment that is likely to harm the health, safety, or morals of children").

2.1.2 Any form of torture, brutality Inhumane and Degrading Treatment .

2.1.3 Any form of forced or compulsory labor, that is, the involuntary provision of labor or services by any individual as a threat of punishment.

2.1.4 Other serious violations and abuses of human rights, such as widespread sexual violence.

2.1.5 War crimes or other serious violations of international humanitarian law, crimes against humanity or racial genocide.

3. Risk Management for Serious Infringement



- 3.1 If Ningbo Zhenyu Technology Co., Ltd. has reasonable grounds to believe that the risk exists, that is, the upstream supplier is purchasing from or related to any party who has committed serious infringement as stipulated in the previous article, Ningbo Zhenyu Technology Co., Ltd. will immediately suspend or terminate its cooperation with the upstream supplier.

4. Regarding direct or indirect support for non-state armed groups

- 4.1 Ningbo Zhenyu Technology Co., Ltd. will not tolerate any direct or indirect support provided to non-state armed groups through mineral mining, transportation, trading, processing, or export. Providing "direct or indirect support" to non-state armed groups through mineral mining, transportation, trading, processing, or export includes but is not limited to purchasing minerals from non-state armed groups or their affiliates, making payments to them, or providing logistical support or equipment in other ways.
- 4.2 These armed groups or related parties:
- 4.2.1 Illegally controlling mining areas or otherwise controlling transportation routes, mineral resource trading locations, and upstream actors in the supply chain;
- 4.2.2 4.2.2 and/or illegally levy taxes or extort money or natural resources at the entrance of the mining area, along the route to the mining area, or at mineral resource trading sites;
- 4.2.3 4.2.3 and/or illegal taxation or extortion of intermediaries, export enterprises, or international traders.

5. Risk management for providing direct or indirect support to non-state armed groups

- 5.1 If Ningbo Zhenyu Technology Co., Ltd. has reason to believe that the upstream supplier purchases from or has a relationship with any party that provides direct or indirect support to non-state armed groups, Ningbo Zhenyu Technology Co., Ltd. will immediately suspend or interrupt its cooperation with the supplier.

6. Regarding public or private security forces

- 6.1 Ningbo Zhenyu Technology Co., Ltd. agrees to comply with the following regulations on risk management of public and private safety armed forces, and to prevent illegal taxation or demand of money or minerals from entities that illegally control mining sites, transportation routes, and upstream supply chains, or from intermediaries, at the entrance of mining sites, transportation routes, or mineral trading points Direct or indirect support from public or private security forces engaged in illegal taxation or extortion by export enterprises or international traders.
- 6.2 Ningbo Zhenyu Technology Co., Ltd. acknowledges that the role of public or private security forces on the mining site and/or its surrounding areas and/or along transportation roads is solely to uphold the rule of law, including safeguarding human rights, protecting the safety of miners, equipment and facilities, and protecting the mining site or transportation routes to ensure that legitimate mining and trade are not disrupted.
- 6.3 In the event that Ningbo Zhenyu Technology Co., Ltd. or any enterprise on the supply chain of Ningbo Zhenyu Technology Co., Ltd. has signed a contract with public or private security forces, we promise or stipulate that in the process of cooperating with such security forces, we will comply with the provisions of the Voluntary Principles of Security and Human Rights. In particular, we will support or take measures to apply screening policies to ensure that individuals or security armed units known to have committed serious human rights violations are not recruited.



- 6.4 Ningbo Zhenyu Technology Co., Ltd. will support or take measures to cooperate with central or local governments, international organizations, and civil society organizations to jointly find feasible solutions for improving the transparency, proportionality, and accountability of public safety and armed security costs.
- 6.5 We will support or take measures to interact with local governments, international organizations, and civil society organizations to avoid or minimize the negative impact of public or private security forces stationed on mining sites on vulnerable groups, especially small workshop miners. In this case, the minerals on the supply chain are extracted through small workshops or small-scale mining.

7. Risk management of public or private security forces

- 7.1 If Ningbo Zhenyu Technology Co., Ltd. discovers the existence of such risks to a certain extent, it will immediately develop, adopt, and implement a risk management plan for upstream suppliers and other stakeholders based on the specific location of the enterprise in the supply chain, so as to contain or reduce the risks of providing direct or indirect support for public or private security forces as shown in Article 6.1. If the risk management plan is not effective after six months of implementation, we will temporarily suspend or interrupt our cooperation with upstream suppliers. We have found that to some extent, there may be behaviors that violate paragraphs 6.4 and 6.5, and the same response measures will be taken.

8. Fraudulent misrepresentation of bribery and mineral origin

- 8.1 Ningbo Zhenyu Technology Co., Ltd. will not directly or indirectly propose, promise, engage in or demand any bribe, and will resist the demand for bribes. It will not offer bribes to cover up or falsify the origin of mineral resources, or falsely report the taxes, fees, and franchise fees that should be paid to the government for activities such as mining, trading, processing, transportation, or export of mineral resources.

9. About Money Laundering

- 9.1 If Ningbo Zhenyu Technology Co., Ltd. has reason to believe that there is a money laundering risk caused by or related to the illegal taxation or extortion of mineral resources obtained through mining, trading, processing, transportation, or export at the entrance of the mining area, along the transportation route, or upstream supplier's mineral resource trading location, Ningbo Zhenyu Technology Co., Ltd. will support or take measures to contribute to the effective elimination of money laundering behavior.

10. Regarding taxes, fees, and franchise fees paid to the government

- 10.1 Ningbo Zhenyu Technology Co., Ltd. will ensure the payment of all legal taxes, fees, and licensing fees related to the mining, trading, and export of ore in high-risk areas to the government, and promises to disclose such payments in accordance with the principles of the Extractive Industry Transparency Action Plan (EITI) based on the company's position in the supply chain.

11. Risk management of fraudulent misrepresentation of bribery, mineral origin, money laundering, and payment of taxes, fees, and royalties to the government

- 11.1 Based on the specific location of the enterprise in the supply chain, Ningbo Zhenyu Technology Co., Ltd. promises to cooperate with suppliers, central or local government agencies, international organizations, civil society, and affected third



parties as appropriate, in order to take significant measures to prevent or reduce negative impact risks within a reasonable time span, and improve or track performance. The implementation of risk reduction measures for six months has not been effective, and Ningbo Zhenyu Technology Co., Ltd. will suspend or interrupt its cooperation with upstream suppliers.

12. About Occupational Health and Safety

12.1 When conducting procurement or production, Ningbo Zhenyu Technology Co., Ltd. will not benefit, assist, or facilitate any party who provides a life threatening occupational environment for its direct or indirect employees or any personnel on its production site, or purchase from or be associated with such party.

13. About Occupational Health and Risk Management

13.1 If Ningbo Zhenyu Technology Co., Ltd. has reasonable grounds to believe that the upstream supplier provides a life-threatening occupational environment, or purchases from or is related to any party in such a situation, Ningbo Zhenyu Technology Co., Ltd. will immediately suspend or interrupt its cooperation with the supplier.

14. About child labor

14.1 When conducting procurement or business activities, Ningbo Zhenyu Technology Co., Ltd. will not hire children below the minimum working age stipulated by the laws or regulations of the host country, will not benefit from, assist or facilitate the employment of children below the minimum working age stipulated by the laws or regulations of the host country, and will not purchase from or be associated with any party in such a situation. If there are no relevant laws or regulations in the host country, the minimum working age is 16 years old.

15. Risk management of child labor

15.1 If Ningbo Zhenyu Technology Co., Ltd. has reasonable reasons to believe that the risk exists, that is, if the upstream supplier has the situation, or purchases from or is associated with any party that has the situation, Ningbo Zhenyu Technology Co., Ltd. will immediately suspend or interrupt its cooperation with the supplier.

16. Regarding land rights, emissions, and small workshops

16.1 Ningbo Zhenyu Technology Co., Ltd. does not participate in, tolerate, or benefit from the exploitation of resources on land without the free, prior, and informed consent of local and indigenous people, including miners holding legal ownership, leasing rights, concessions, or licenses. Ningbo Zhenyu Technology Co., Ltd. does not participate in, tolerate, or benefit from mining operations where the culture and heritage of local and indigenous people are not respected and protected, or damage the traditional culture of local people.

16.2 Ningbo Zhenyu Technology Co., Ltd. does not participate, tolerate, or benefit from the extraction of resources on land that illegally obtains legal ownership, leasing rights, concessions, or licenses, or violates domestic laws. Ningbo Zhenyu Technology Co., Ltd. ensures to avoid significant adverse effects on the surrounding soil, air, and water conditions. Serious violation of local laws and regulations, including the manufacture, trade, use of chemicals and Dangerous goods subject to international ban due to high toxicity to organisms, environmental persistence, or potential irreversible ecological impact, or the discharge of arsenic and mercury.



- 16.3 Ningbo Zhenyu Technology Co., Ltd. promises to regularly evaluate and reduce the adverse effects of mining on soil, air, and water. Considering the conditions of surrounding soil, air, and water resources, adopt pollution prevention methods and technologies with technical, financial feasibility, and applicability, and strive to avoid, reduce, and control pollution; According to the relevant laws and regulations of the host country, monitor the main pollutants emitted by enterprises, keep track of the pollution status of enterprises at all times, and clearly record and disclose the monitoring results; Adopt strategies to control or reduce emissions.
- 16.4 Ningbo Zhenyu Technology Co., Ltd. agrees to ensure compliance with the applicable legal requirements for the management of chemicals and toxic substances, and to avoid manufacturing, trading, and using chemicals and Dangerous goods subject to international ban due to their high toxicity to organisms, environmental durability, or potential irreversible ecological impact, including strictly controlling the discharge of arsenic and mercury according to the highest international standards, managing cyanide, and ensuring the disposal of Dangerous goods Storage and transportation comply with relevant laws and regulations, ensuring that there are no leaks, spills, or other forms of release into the environment during the process.
- 16.5 Ningbo Zhenyu Technology Co., Ltd. prohibits the extraction of resources in World Heritage Sites or statutory protected areas, and poses a threat to the outstanding universal value of these heritage sites. 16.6 Ningbo Zhenyu Technology Co., Ltd. pays particular attention to the risks of forced labor, child labor, unsafe working conditions, uncontrolled use of hazardous chemicals and other major environmental impacts related to small workshops or small-scale miners, and seeks to establish Relations of production with small workshops or small-scale miners in the mining area.

17. Risk management of land rights, emissions, and small workshops

- 17.1 If Ningbo Zhenyu Technology Co., Ltd. has reasonable reasons to believe that such risks exist, we will immediately develop, adopt, and implement risk management plans with suppliers and other stakeholders based on the specific location of the enterprise in the supply chain, in order to prevent or reduce specific risks related to land rights infringement, significant adverse environmental impacts, or small workshops or small-scale miners.