

Gotion High-Tech Supply Chain Sustainable Development Management Policy

1. Summary

Gotion High-Tech takes "Enabling green energy to serve humanity" as its core mission, collaborating with upstream and downstream partners to build a green, responsible, and sustainable supply chain system; continuously strengthening communication with stakeholders; jointly promoting ethical practices across the industrial chain in areas such as environmental protection, labor rights, and compliant operations; advancing the sustainable development of the supply chain; and fostering harmonious coexistence between the company, society, and the environment.

2. Management Structure

Establishing a comprehensive supply chain sustainable development management system serves as a robust foundation for Gotion High-Tech to achieve sustainable development. Under the guidance of the company's strategy and ESG Committee, and in accordance with the overall arrangements of the ESG Management Office, the Procurement Department collaborates with other ESG working groups across the company to advance the development and refinement of a sustainable supply chain, mitigate supply chain sustainability risks, minimize the negative impact of raw materials on sustainable development, establish a full-chain management system encompassing priority assessment, traceability, and supplier environmental and social responsibility, and thereby enhance the brand's reputation.

Regarding responsible mineral management, under the overall supervision of the Board's Strategic and ESG Committee, the Company's Supplier Management Department shall take the lead in implementing this initiative, with relevant functional departments collaborating to advance its execution; the responsibilities of each

department regarding mineral supply chain investigations, risk identification, due diligence, risk mitigation, and continuous improvement shall be clearly defined, and a regular communication and coordination mechanism shall be established to ensure the effective implementation of responsible mineral management.

3. Policy Statement

- 3.1. Integrating supply chain sustainability as a vital component of the company's strategy by increasing the weight assigned to sustainability considerations in supplier qualification assessments and procurement decisions; leveraging procurement activities to drive sustainable development among suppliers; mitigating supply chain risks; and reducing the adverse impacts that the company's operations, products, and services may have on humanity and the planet.
- 3.2. The company strictly complies with all relevant laws, regulations, international conventions, and guidelines pertaining to the environment, social, economic, human rights, and corporate governance dimensions — such as the "Ten Principles of the United Nations Global Compact," the "International Bill of Human Rights," the "International Labour Organization Declaration on Fundamental Principles and Rights at Work," and the "Due Diligence Guidelines for Responsible Business Conduct" issued by the OECD; it regularly reviews and updates its policies and approaches regarding sustainable development; and it requires its suppliers and upstream stakeholders in the supply chain (such as upstream suppliers, service providers, and agents) to adhere to the "Code of Conduct for Business Partners" of Gotion High-Tech. Regarding minerals such as tin, tantalum, tungsten, gold (3TG), cobalt, and natural graphite, the company adheres to international standards including the "OECD Due Diligence Guidelines for Responsible Minerals Supply Chains in Conflict-Affected and High-Risk Areas"; it has established a responsible

mineral management mechanism, requiring its suppliers to conduct mineral sourcing investigations, cooperate with due diligence processes, and continuously identify, prevent, and mitigate environmental, social, human rights, and business ethics risks associated with conflict-affected and high-risk areas (CAHRA).

3.3. Integrate supply chain sustainable development management policies into Gotion High-Tech's management system, including but not limited to:

3.3.1. Clarify the responsibilities of relevant senior management personnel in exercising supervisory and due diligence management duties.

3.3.2. Define the implementation responsibilities of each relevant department across all dimensions of this policy.

3.3.3. Establish and refine a communication mechanism between relevant senior management personnel and the implementation departments.

3.3.4. We will establish a comprehensive appeals process enabling suppliers, their employees, stakeholders, and members of the general public to contact Gotion High-tech through its appeals channels to promptly report issues involving unethical conduct or human rights violations that contravene Gotion High-tech's "Business Partner Code of Conduct," or to file reports or appeals regarding human rights, environmental, business ethics, and compliance risks arising from processes such as mineral extraction, trade, transportation, processing, smelting, export, and procurement.

3.3.5. Provide training to relevant employees to help them understand and implement supply chain sustainability policies.

3.4. Integrating supply chain sustainable development management policies into collaborations with suppliers and other business partners, including but not limited to:

3.4.1. Communicate the requirements of Gotion High-Tech's "Business Partner Code of Conduct" to suppliers and upstream supply chain stakeholders.

3.4.2. Clearly communicate the company's supply chain sustainability management

policy to suppliers and the public.

- 3.4.3. Integrating the policies, requirements, and expectations of enterprises, customers, and other stakeholders regarding supply chain sustainable development management into contracts or other written agreements with suppliers and other business partners.
- 3.4.4. Provide suppliers with sufficient resources and training to enable them to understand and implement relevant policies.
- 3.4.5. Incorporate supply chain sustainable development management as a key issue in supplier onboarding and annual evaluations.
- 3.4.6. We will actively engage in collaboration with downstream vehicle manufacturers, upstream suppliers, and other external stakeholders on projects related to sustainable raw materials and circular materials; by aligning with the trends of a circular economy and the relevant domestic policy frameworks, we aim to pool collective efforts across multiple parties to establish industry benchmarks and drive the green and low-carbon transformation of the industrial chain.
- 3.4.7. Regarding responsible mineral management, the relevant requirements shall be incorporated into supplier onboarding processes, procurement contracts, the "Business Partner Code of Conduct," and other cooperation agreements; suppliers shall be required to cooperate in conducting mineral sourcing investigations, due diligence, and risk remediation efforts; where a supplier refuses to cooperate with such investigations, fails to meet the management requirements, poses significant risks, or refuses to implement remediation measures, the Company reserves the right to take measures such as suspending the partnership, terminating the partnership, or revoking the supplier's qualification.
- 3.5. Establish and operate a regulatory chain system and a traceability system, and enhance supply chain control and transparency management mechanisms; the specific requirements include, but are not limited to:

- 3.5.1. Requires suppliers to identify all segments of the supply chain, extending to the upstream actors, and to ensure that they disclose relevant supply chain information when necessary, in order to comply with the OECD Guidelines and the legal and regulatory requirements of the end-product sales region.
- 3.5.2. When necessary, validation of the supply chain traceability process shall be conducted; such validation may be carried out through either on-site or off-site methods.
- 3.5.3. Increase the proportion of third-party certified raw materials used, prioritize the procurement of raw materials certified by authoritative bodies, and establish phased improvement targets.
- 3.5.4. Increase the proportion of recycled raw materials used, and gradually expand the application scope of recycled materials in the power battery sector through pilot projects and other means.
- 3.5.5. Avoid using raw materials sourced from globally or nationally significant biodiversity sites, and incorporate a biodiversity risk assessment into supplier onboarding and raw material procurement management processes.
- 3.5.6. Regarding responsible mineral sourcing, the company will continue to establish a mineral origin traceability mechanism by utilizing industry-standard survey templates to collect information on the mineral supply chain; this process involves identifying the mineral source country, the smelters or refineries involved in the supply chain, and the supply chain flow path; where necessary, it may further trace back to the mine of origin, while also continuously monitoring risks associated with conflict-affected and high-risk areas (CAHRA). The company prioritizes the use of smelters or refineries that have been verified through the Responsible Minerals Audit Mechanism, and will evaluate the responsible procurement practices of these smelters or refineries by integrating results from independent third-party audits, verification conducted by industry organizations, and publicly available information; where necessary, supply chain verification may be carried out

using both on-site and off-site methods.

3.6. Integrate risk management requirements into the daily management of the supply chain, including but not limited to:

3.6.1. Identify and assess potential poor sustainability performance within the supply chain and the adverse impacts that may arise therefrom.

3.6.2. Preventing, mitigating, and addressing adverse impacts.

3.6.3. Monitor and track the effectiveness of risk mitigation efforts.

3.6.4. The risk assessment results shall be reported to senior management.

3.6.5. To ensure responsible mineral management, we conduct regular mineral supply chain surveys and risk assessments to identify the mineral sources involved in the supply chain, smelters/refineries, as well as risks associated with Conflict-Affected and High-Risk Areas (CAHRA); we also develop a comprehensive risk inventory by integrating environmental, human rights, business ethics, and compliance risks, and continuously update the results of these risk assessments.

3.6.6. For identified mineral supply chain risks, the company shall establish a risk grading management mechanism, encourage suppliers to develop and implement risk improvement plans, conduct specialized audits when necessary, and continuously monitor the effectiveness of corrective actions; for suppliers with significant risks who refuse to implement corrective measures, the company may adopt risk mitigation measures such as suspending cooperation, terminating cooperation, or adjusting procurement sources. Meanwhile, the company actively promotes responsible mineral procurement by exploring alternative suppliers, alternative procurement regions, and the application of recycled and circular materials, thereby continuously reducing environmental and social risks within the mineral supply chain.

4. Information Disclosure

The Company reviews and publicly discloses information related to supply chain

sustainability annually; such disclosures may be made, among other methods, through online publications or via the Company's ESG report. Regarding responsible mineral management, the Company timely discloses information concerning mineral supply chain investigations, risk assessments, risk mitigation measures, and continuous improvement initiatives, while also actively addressing concerns raised by stakeholders.

5. Appeal Mechanism

Gotion High-Tech places great emphasis on the performance of its supply chain in areas such as human rights and environmental sustainability, and pays particular attention to the remedial measures it takes when issues arising from negative impacts on human rights or environmental sustainability occur within its supply chain.

Suppliers, their employees, stakeholders, and members of all sectors of society may contact Gotion High-Tech through the following complaint channels to report issues involving unethical behavior or human rights violations that contravene Gotion High-Tech's "Business Partner Code of Conduct," or to file reports or complaints regarding human rights, environmental, business ethics, and compliance risks arising from processes related to mineral extraction, trade, transportation, processing, smelting, export, and procurement. Gotion High-Tech will collaborate with stakeholders to conduct investigations, verification, and resolution in accordance with applicable laws and regulations, and will, as appropriate, urge the responsible parties to take suitable remedial measures.

- Complaint Hotline: 0551-6210 0065 (Business days: 8:30–17:30)
- Report Email: Jubao@Gotion.com.cn

6. Policy Implementation and Revision

This policy has been approved by the Strategy and ESG Committee and shall come into effect as of the date of its publication. The Company commits to conducting

timely reviews and revisions in accordance with the latest laws and regulations to ensure the suitability, adequacy, and effectiveness of this policy. This policy is prepared in both Chinese and English versions; in the event of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

This policy will be fully communicated to all employees of the company via the internal information network, and will be reinforced through training to enhance awareness and ensure its effective implementation across all staff members.